



Qualifying Explanatory Statement

(As per PAS 2060)



Document Preparation		
Function/Designation	Name	Signature
Operations Director	CK Remeena	
Quality and Sustainability Officer	Nik Nuramalina	

Version Control	
Change	Date
Published document	10/06/2024

Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory

**Carbon Neutrality Statement in accordance to PAS 2060: 2014
“Qualifying Explanatory Statement”**

“Carbon Neutrality for the industrial activities of Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory, declared in accordance with standard PAS 2060: 2014 on 26/03/2024, for the period from December 1st, 2022 to November 30th 2023.”

Name of the Senior Representative	Signature of the Senior Representative
CK Remeena – Operations Director	
28 th February 2024	
Nik Nuramalina – Quality and Sustainability Officer	
28 th February 2024	

Company: Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory

Issue Date: 28/02/2024

Other Party Validator: BSD Consultancy Sdn Bhd

Verification Report: Not Available

Neutrality Report: December 1st, 2022 to November 30th, 2023

Note: the term “carbon” used throughout this document represents an abbreviation for the aggregate of greenhouse gases (GHG), reported as CO₂e (carbon dioxide equivalent).

INTRODUCTION

This document is the declaration of carbon neutrality to demonstrate that Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory has achieved carbon neutrality, aligned to the guidelines of PAS 2060: 2014, for the reporting period of December 1st, 2022 to November 30th, 2023.



PAS 2060 Requirement	Explanation
Entity Responsible for the Declaration	Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory
Subject of Declaration	Operational activities of Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bharu Factory
Subject Description	Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory
Subject Limits	The scope includes all Scopes I and II GHG emissions calculated as tCO ₂ e, according to the GHG protocol accounting standards. The emission quantifications have been aligned to British American Tobacco (BAT), CR360 reporting other than fugitive emissions. Scope III emissions are excluded from this declaration.
Type of Assurance	Other Party Validation for obtaining Carbon Neutrality is validated by BSD Consultancy Sdn Bhd.
Period of obtaining Carbon Neutrality	December 1 st , 2022 – November 30 th , 2023

This carbon neutrality statement is in accordance with PAS 2060: 2014, which contains information related to the subjects for which neutrality is claimed. All information contained is an expression of the truth and is believed to be correct at the time of publication. If any information comes to the attention of the organization that affects the validity of this declaration, this document will be properly updated to accurately reflect the actual situation of the carbon neutral process related to the subject.

DECLARATION OF OBTAINING CARBON NEUTRALITY

PAS 2060 Requirement	Explanation
Baseline Period	December 1 st , 2019 to November 30 th , 2020
Achievement Period	December 1 st , 2022 to November 30 th , 2023
Commitment Period	December 1 st , 2023 to November 30 th , 2024
Specify the period in which the Company has demonstrated carbon neutrality for the subject	December 1 st , 2020 to November 30 th , 2023
Total emissions of the subject in the period from December 1 st , 2022 to November 30 th , 2023.	Total 84.164 tCO ₂ e
Type of declaration of carbon neutrality.	OPV-1: Commitment to carbon neutrality through other-party validation.
Inventory of greenhouse gas emissions that provides the basis for the declaration.	Annex A: Inventory of Greenhouse Gas Emissions that Provide Basis for Declaration
Description of the greenhouse gas emission reductions that provide the basis for the declaration.	Annex B: Description of Reductions of Greenhouse Gas Emissions that Provide Basis for Declaration
Description of the instruments for reducing the carbon footprint and for offsetting residual emissions.	Annex C: Description of the Instruments for Reducing the Carbon Footprint and Compensating the Residual Emissions
Retirement Statement for REC	Annex D: Retirement Statement for REC
Retirement Statement for Carbon Credits	Annex E: Retirement Statement for Carbon Credits
Validation Letter by Other-Party (OPV-1) – BSD Consultancy Sdn Bhd	Annex F: Validation Letter

“Carbon neutrality to demonstrate that Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory has achieved carbon neutrality, aligned to the guidelines of PAS 2060: 2014, in the period from December 1st, 2022 to November 30th, 2023.”

Name of the Senior Representative	Signature of the Senior Representative
CK Remeena – Operations Director	
28 th February 2024	
Nik Nuramalina – Quality and Sustainability Officer	
28 th February 2024	

ANNEX A - INVENTORY OF GREENHOUSE GAS EMISSIONS THAT PROVIDE BASIS FOR DECLARATION

A.1. Subject Description

Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) – Johor Bahru Factory is a subsidiary of British American Tobacco Malaysia (BAT) Group registered in Malaysia with specific business operation objectives such as the secondary manufacturing and storage. Distribution will be handled by another subsidiary company under BAT Malaysia. It operates an operational business unit in Johor.

TIM Johor Bahru Factory is a secondary manufacturing unit that manufactures, stores finished-good cigarettes, and imports tobacco raw materials. The manufacturing process includes feeding fibres of tobacco, filters, and cigarette papers into machines to produce the final products. The final products are then wrapped with packaging film and boxed in cartons. Boxes of finished goods will be stored before it is distributed.

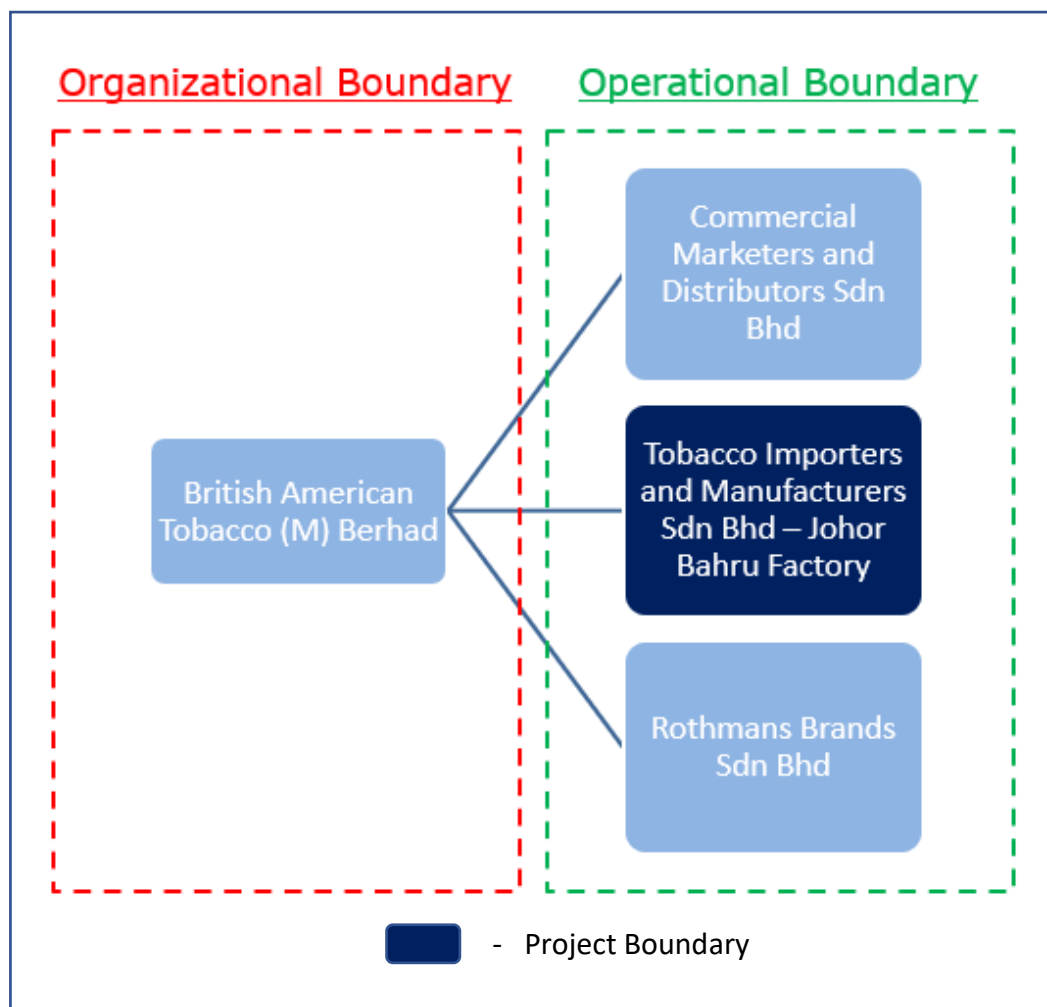


Figure 01: TIM – Johor Bahru Factory within Organizational Chart

A.2. Carbon Footprint Summary

Considering each source of emissions which fall under scopes I & II, the fugitive sources have been calculated in the tables below.

Table 01: Fugitive (Direct) – Carbon Emissions

Emission Source	Fugitive Emissions		TIM JB Factory - Overall Emissions (Location-Based Method)	TIM JB Factory - Overall Emissions (Market-Based Method)
	Scope I	Scope II	tCO2e	tCO2e
Refrigerant (R22 – 3.5kg) *	√		6.160	6.160
Fire Extinguishers *	√		0.000	0.000
Total	√		6.160	6.160

* The conversion factors are detailed in A.3.3 (Table 06)

Table 02: Energy – Carbon Emissions

Emission Source/Sink	Emission Type		Energy Consumption	TIM JB Factory – Overall Emissions (Location-Based) [0.758 tCO2e/MWh] *	TIM JB Factory – Overall Emissions (Market-Based) [0.6537 tCO2e/MWh] *
	Scope I	Scope II	MWh	tCO2e	tCO2e
[1] Total energy produced from on-site solar system	√		92.719	-70.281	-60.610
[2] On-site energy consumption from on-site solar system	√		55.584	42.133	36.335
[3] Energy exported from the on-site solar system to the grid	√		37.135	28.148	24.275
[4] Energy imported from the grid		√	140.043	106.153	91.546
[5] Total Energy Consumption = [2] + [4]	√	√	195.627	148.285	127.881
Scope I (Energy) = [2] + [3] - [1]	√		0.000	0.000	0.000
Scope II (Energy) = Net-Grid Connected Electricity Consumption = [4] - [3]		√	102.908	78.004	67.271

* The sources of Location-based and Market-based electricity (from MWh to tCO2e) is detailed in A.3.3 (Table 06)

Referring to Table 02, the total energy consumption at TIM is tabulated and amounts to 195.627 MWh for this reporting period. This value is the sum of the total energy imported from the grid (140.043 MWh) and the energy consumption from the on-site PV panel system (55.584 MWh). The PV system is the Net-Energy Metering (NEM) type, which permits the energy that is unused and exported to the grid to offset the total energy imported. With a total of 37.135 MWh exported, the net grid consumption tallies at 102.908 MWh. This equates to 67.271 tCO₂e via the market-based methodology, and 78.004 tCO₂e via the location-based methodology.

In relation to scopes I and II emissions, the summarized overall emission of TIM is specified in Table 03.

Table 03: TIM Johor Bahru Factory Overall Carbon Emissions

Method	Emission Type		TIM JB Factory – Overall Emissions
	Scope I	Scope II	tCO ₂ e
Location-based	√		6.160
Location-based		√	78.004
Total Location-based	√	√	84.164
Market-based	√		6.160
Market-based		√	67.271
Total Market-based	√	√	73.431

Within this report, there is a change in methodology from the previous QES reports:-

1) Current reporting period utilises the location-based approach.

Previous location-based values referred to the latest CO₂ avoidance value, Year 2016, sourced from the Sustainable Energy Development Authority (SEDA) of Malaysia. The value was lower than the market-based values for the previous years. Hence, the market-based approach was selected for previous years. The previous values for the conversion values used are shown in the table below.

Table 04: Conversion Factors used for Market-Based and Location-Based

Reporting Year	2021	2022	2023
Market-Based*	0.6619	0.6649	0.6537
Location-Based	0.639	0.585	0.758
Sources for location-based values:	Sustainable Energy Development Authority: CO ₂ Avoidance	2017 CDM Electricity Baseline for Malaysia	Malaysia Energy Commission Grid Emissions Factor

* Market-based values taken from Credit360 software

The tCO₂e quantities for Year 2023 is tabulated via the **Location-based approach**, and will be used as the basis to offset and declare carbon neutral status.

A.3. Standards and Methodologies Used

A.3.1. Reporting Period Covered and Frequency of Internal Reporting

BAT annual reporting (in CR360) considers the period from December previous year to November current year. Accordingly, the base period considered for emissions inventory and carbon neutrality verification is from December 1st, 2019 to November 30th, 2020. The internal reporting of environmental parameters is carried out on a quarterly basis as detailed in the Table 05.

Table 05: GHG Reporting Timeframe

Reporting Period	Reporting Month
December – February (Q1)	March
March – May (Q2)	June
June – August (Q3)	September
September – November (Q4)	December

A.3.2. Report Standards and Scope

The Credit360 Tool is published by UL LLC, and quantifies the GHG emissions associated with the selected boundary, using data representing operations between 1st December 2022 and 30th November 2023. The quantification is based on GHG Protocol recommended methods. This method was chosen as it provides an internationally recognised approach to the calculation of representative CO₂e footprints and meets the requirements of PAS 2060. Credit 360 tool was used for environmental data management to track the carbon footprint. The CO₂e footprints have been reviewed and assured by a third-party, BSD Consultancy Sdn Bhd.

The focus is on Scope I and II only. TIM – Johor Bahru Factory is a secondary manufacturing plant, therefore it does not involve any combustion in the processes. Additionally, there is no finished goods logistics service as this is done by a third-party company. The only sources of scope I emissions were from air-conditioning refrigerant leakage and fire-extinguishers, while the scope II is based on the electricity bill. Grid supplied electricity is from Tenaga Nasional Berhad (TNB) Malaysia for the site for the entire reporting period. The solar panels installed and energized in the Year 2022 will be directly utilized on site, with the remaining unused generated solar energy exported back to the grid within the Net Energy Metering (NEM) Program. This program permits the exported energy that was generated from on-site solar PV system to offset and reduce the electricity bill.

The location-based method is based on grid-average emissions factor data and reflects the average emissions intensity; while the market-based method reflects emissions selected by the reporting company due to lack of data. For the case of TIM – Johor Bahru Factory Scope II carbon emissions tabulated in Year 2023, the location-based method is selected for the energy conversion to tCO₂e using the Grid Emissions Factor (GEF) value from Suruhanjaya Tenaga (Energy Commission) for the Year 2021. There is no updated GEF for the following year of 2022 and 2023.

The footprint resulted in absolute terms of 84.164 tonne CO₂e per year for the scope I and scope II carbon emissions only. This included all annual consumption data of operational activities such as electricity consumption and fuel consumption for Year 2023. The largest emissions were attributed to Scope II emissions - Electricity Consumption. GHG emissions accounted for in the study are based

on the 100-year Global Warming Potential (GWP) figures published, and include those required by the GHGP Product Standard, which specifies emissions to and removals from the atmosphere. Only Scope I and II emissions relevant to the scope are included in the footprint. Scope 3 is not included in the scope. Offsetting has not been included in the calculations.

- Direct Emissions – (direct emissions from operational activities)
 - Stationary Emissions- Project has no stationary emissions.
 - Mobile Emissions – Project has no mobile emissions.
 - Emissions from fugitive sources – Refrigerants and Fire Extinguishers only.

- Indirect Emissions – (indirect emissions from imported sources)
 - The emissions from imported energy (grid electricity)

A.3.3. Selection of Quantification Approach

The data inventories maintained by TIM on GHG emission sources and standard conversion factors derived as per BAT referred international reporting standards are used in modelling the CO₂ quantities emitted from each source that are considered as direct and indirect categories.

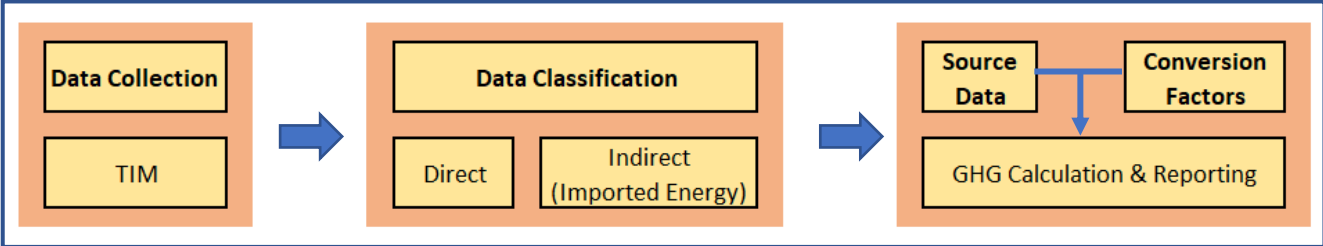


Figure 03: GHG Calculation Approach and Steps

The emission related data collection is carried out on a monthly basis covering all sites and operations under TIM. The data collected is categorised under one of the two scopes illustrated in Figure 03, in which the direct emissions are reported under Scope I, and indirect imported energy as electricity is reported under scope II. Renewable energy generated on-site are reported under Scope I. This generated energy will be reduced to zero prior to consideration of Scope II emissions.

GHG Emissions Quantification

The tCO₂e emissions quantified separately for each source, in tonnes of CO₂e based on TIM specified factors mentioned in below table.

Table 06: Direct fugitive source to tCO₂e and GJ conversion factors

Direct – Fugitive Sources (DEFRA / BEIS 2020 v 1.0)			
Gas Type	Unit	Conversion factor:	Calculation of conversion to tCO ₂ e:
Refrigerant – R22¹ [3.5kg]	tCO₂e	1.760 tCO₂e/kg	3.5 x 1.760 = 6.160

¹ Emissions factor based on 100-year GWP (IPCC Fifth Assessment Report AR5) R22 refrigerant referred from [EPA Greenhouse Gas Inventory Guidance: Fugitive Emissions official published data](#)

Apart from refrigerant emissions, fire extinguishers are also included as a source of emissions. Based on the documentation of stated in Table 08, the fire extinguishers located at TIM JB Factory are neither replaced nor refilled. The fire extinguishers were only serviced and are in good condition. Hence, the carbon emissions based on fire extinguishers is zero.

Table 07: Indirect Imported Energy to tCO₂e conversion factors

Indirect – Imported Energy			
Country	Conversion to tCO ₂ e	2021 (Location-Based) ²	2023 (Market-Based) ³
Malaysia	tCO₂e/MWh	0.758	0.6537

² Malaysia Grid-Emission Factor (Location-based) referred from <https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b>

³ Emission factors for the electricity follow the Credit 360 Emissions Factor for Year 2023 in Malaysia

The usage data of all relevant energy sources are collected from the sources as per below table from different areas of concern are detailed on a monthly basis. These data are uploaded in the BAT CR360 system and amalgamation with the above-mentioned conversion factors where the tCO₂e emissions are calculated. Other data not reported in the CR 360 system and relevant emissions are calculated manually using the conversion factors detailed in this report.

Table 08: Fuel consumption data collection sources

Fuel Type/Emission Source	Data Collection Sources
Refrigerant	Records of refilled or replaced refrigerant gases during servicing of air conditioners
Fire Extinguishers	Refilling or replacement records of CO ₂ extinguishers
Electricity	Energy utility bills

The applicability of the inventory of emissions and sinks are illustrated in the Table 09 below.

Table 09: Stationary & Direct Emission/Sink Activities

Source of Emissions	Applicability
	TIM
Site and office diesel	X
Boiler furnace fuel	X
Site and office petrol	X
Site and office biomass	X
Site and office LPG	X
Fleet vehicle diesel	X
Fleet and office petrol	X
Refrigerant	√
Workshop Acetylene	X
Fire extinguishers	√
ETP water treatment	X
Source of Sinks	Applicability
	TIM
On-site solar generation	√

Detailed below are the supporting documents for the sources of direct emissions: -

2022-12 Report Statistics							
Plant Statistics							
Yield This Month	7,772 MWh	Total Yield	70,582 MWh	CO ₂ Reduction This Month	7,749 kg	Total CO ₂ reduction	66,887 kg
Revenue This Month	3,955,948 MYR						
Cumulative Total Revenue	35,894,795 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	7,772	70,582	3,955,948 MYR	66,887.035		

2023-01 Report Statistics							
Plant Statistics							
Yield This Month	7,784 MWh	Total Yield	78,366 MWh	CO ₂ Reduction This Month	7,761 kg	Total CO ₂ reduction	74,648 kg
Revenue This Month	3,962,158 MYR						
Cumulative Total Revenue	39,856,953 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	7,784.2	78,366.2	3,962,158 MYR	74,647.882		

2023-02 Report Statistics							
Plant Statistics							
Yield This Month	8,016 MWh	Total Yield	86,382 MWh	CO ₂ Reduction This Month	7,992 kg	Total CO ₂ reduction	82,640 kg
Revenue This Month	4,080,195 MYR						
Cumulative Total Revenue	43,937,148 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	8,016.1	86,382.3	4,080,195 MYR	82,639.934		

2023-03 Report Statistics							
Plant Statistics							
Yield This Month	8,407 MWh	Total Yield	94,79 MWh	CO ₂ Reduction This Month	8,382 kg	Total CO ₂ reduction	91,022 kg
Revenue This Month	4,279,265 MYR						
Cumulative Total Revenue	48,216,413 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	8,407.2	94,789.5	4,279,265 MYR	91,021.913		

Figure 04: Solar Yield Table Printed from [iSolarCloud](#) Dashboard (Data: December 2022 to March 2023)

2023-04 Report Statistics							
Plant Statistics							
Yield This Month	6,288 MWh	Total Yield	101,077 MWh	CO ₂ Reduction This Month	6,269 kg	Total CO ₂ reduction	97,291 kg
Revenue This Month	3,200,541 MYR						
Cumulative Total Revenue	51,416,954 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	6,287.9	101,077.4	3,200,541 MYR	97,290.949		

2023-05 Report Statistics							
Plant Statistics							
Yield This Month	6,844 MWh	Total Yield	107,922 MWh	CO ₂ Reduction This Month	6,824 kg	Total CO ₂ reduction	104,115 kg
Revenue This Month	3,483,749 MYR						
Cumulative Total Revenue	54,900,702 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	6,844.3	107,921.7	3,483,749 MYR	104,114.716		

2023-06 Report Statistics							
Plant Statistics							
Yield This Month	5,936 MWh	Total Yield	113,858 MWh	CO ₂ Reduction This Month	5,918 kg	Total CO ₂ reduction	110,033 kg
Revenue This Month	3,021,526 MYR						
Cumulative Total Revenue	57,922,228 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	5,936.2	113,857.9	3,021,526 MYR	110,033.107		

2023-07 Report Statistics							
Plant Statistics							
Yield This Month	7,07 MWh	Total Yield	120,928 MWh	CO ₂ Reduction This Month	7,049 kg	Total CO ₂ reduction	117,082 kg
Revenue This Month	3,598,885 MYR						
Cumulative Total Revenue	61,521,113 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	7,070.5	120,928.4	3,598,885 MYR	117,082.396		

**Figure 04: Solar Yield Table Printed from [iSolarCloud](#) Dashboard (Cont.)
(Data: April 2023 to July 2023)**

2023-08 Report Statistics							
Plant Statistics							
Yield This Month	7,953 MWh	Total Yield	128,881 MWh	CO ₂ Reduction This Month	7,929 kg	Total CO ₂ reduction	125,012 kg
Revenue This Month	4,048,077 MYR						
Cumulative Total Revenue	65,569.19 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	7,953	128,881.4	4,048,077 MYR	125,011.537		

2023-09 Report Statistics							
Plant Statistics							
Yield This Month	9,051 MWh	Total Yield	137,932 MWh	CO ₂ Reduction This Month	9,024 kg	Total CO ₂ reduction	134,035 kg
Revenue This Month	4,606,908 MYR						
Cumulative Total Revenue	70,176.098 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	9,050.9	137,932.3	4,606,908 MYR	134,035.284		

2023-10 Report Statistics							
Plant Statistics							
Yield This Month	9.66 MWh	Total Yield	147,592 MWh	CO ₂ Reduction This Month	9,631 kg	Total CO ₂ reduction	143,666 kg
Revenue This Month	4,916,991 MYR						
Cumulative Total Revenue	75,093.089 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	9,660.1	147,592.4	4,916,991 MYR	143,666.404		

2023-11 Report Statistics							
Plant Statistics							
Yield This Month	7,938 MWh	Total Yield	155,531 MWh	CO ₂ Reduction This Month	7,915 kg	Total CO ₂ reduction	151,581 kg
Revenue This Month	4,040,697 MYR						
Cumulative Total Revenue	79,133,785 MYR						
Plant	Installed Power (kWp) ↕	Yield This Month (kWh) ↕	Total Yield (kWh) ↕	Revenue This Month ↕	Total CO ₂ reduction (kg) ↕		
Tobacco Importers and Manufacturers 83.160kwp	83.16	7,938.5	155,530.9	4,040,697 MYR	151,581.088		

Figure 04: Solar Yield Table Printed from [iSolarCloud](#) Dashboard (Cont.)
(Data: August 2023 to November 2023)

JEBSON ENGINEERING SERVICES SDN BHD

(Company No. 839086-K)
 No. 8, Jalan Mutiara Emas 7/5, Taman Mount Austin, 81100 Johor Bahru, Johor.
 Tel : 07-3579867 Fax : 07-350 7452 emel:jebsonengineeringsdnbhd@gmail.com

M/s **TOBACCO IMPORTERS MANUFACTURERS SDN BHD**
NO. 4, JALAN TEKNOLOGI PERINTIS 1/2,
TAMAN TEKNOLOGI NUSAJAYA,
79200 ISKANDAR PUTERI, JOHOR.
TEL : 07-869 1687/869 1688 FAX : 07-728 0300
EMAIL : gavin_rajkumar@bat.com

INVOICE No.	S23-10/003
P/O NO	:
D/O No.	:
Date	:
Terms	:

Item	Description	Qty	Unit Rate	Amount
	EXPIRED DATE: 02/10/2024			
1	To service 9kg abc fire extinguisher c/w bomba certificate	10	unit	RM 350.00
2	To service 2kg CO2 fire extinguisher c/w bomba certificate	7	unit	RM 245.00
3	To service 2kg ABC fire extinguisher c/w bomba certificate	1	unit	RM 35.00
Total Amount :				RM 630.00

RE

- 1) All cheque payable to : *Jebson Engineering Services Sdn Bhd*
 Bank Detail : *MAYBANK BERHAD (A/C NO : 5512 5851 6654)*
- 2) **IMPORTANT :** *Email your bank-in slip stating invoice no. or fax to 07-350 7452 as proof of payment.*

E. & O.E.
 NB - Cheques should be crossed and made payable to
JEBSON ENGINEERING SERVICES SDN BHD



JEBSON ENGINEERING SERVICES SDN BHD

Tobacco Importers and Manufacturers Sdn. Berhad.
Reg No. 19610100/373 (4414-U)
No. 4, Jalan Teknologi Perintis 1/2
Taman Teknologi Nusajaya
79200 Iskandar Puteri
Johor, Malaysia

2/10/23
 CHOP & SIGN

Figure 05: Fire Extinguisher Report

ZHI SHENG SDN.BHD.

129538-W

No. 13, Jalan Selatan 3, Kawasan Perindustrian Ringan Pulau, 81300 Johor Bahru, Johor.
Tel : 07-562 6464 Fax : 07-562 1414 E-mail : zhi.shengsdnbhd@yahoo.com.sg

NUSAJAYA ELECTRICAL & INDUSTRIAL SDN BHD

No. 90 & 92, Jalan Rosmerah 2/17,
Taman Johor Jaya,
81100 Johor Bahru, Johor.

Dear Sir,

RE: **TEST REPORT FOR AIRCONDITIONER UNIT AT TOBACCO IMPORTERS & MANUFACTURERS SDN. BHD. TAMAN TEKNOLOGI NUSAJAYA**

Item	Location	Capacity of Unit	Type Of Unit	Refrigerant Pressure	AMP	Remarks
01	Server room	1.0hp	wall mounted	135	5.50	
02	Server room	1.0hp	wall mounted	140	2.80	
03	General Office	2.5hp	wall mounted	138	7.20	
04	Meeting Room	5.0hp	Cassette	125	11.60	** Top up gas from 20 psi to 100 psi (2 times) 3.5 KG
05	General Office	5.0hp	Cassette	120	6.60	

Remarks : Washable filter size :-

- 11 pcs (595mm x 595mm x 45mm)

- 07 pcs (290mm x 595mm x 45mm)

Checked By :



Name : T. C. Lee

Figure 06: Air-Cond Maintenance Service

A.4. Site Level tCO2e

The categorisation of GHG emissions under each reporting entity in the scopes of direct and indirect can be illustrated as below.

Table 10: Emission Sources and tCO2e emissions

Emission Source	PAS 2060		tCO2e from Dec 2022 to Nov 2023 (Location-Based) - Malaysia
	Scope I	Scope II	TIM
Refrigerant	√		6.160
Fire Extinguishers	√		0.000
Electricity Used from On-Site Solar System	√		42.133
Electricity Exported to Grid from On-Site Solar System	√		28.148
Total Direct Sources (Scope I Only)	√		76.441
Net Grid Electricity Consumption		√	78.004
Total Indirect Sources (Scope II Only)		√	78.004
Total Direct and Indirect Sources	√	√	154.445

Table 11: Emission Sinks and tCO2e emissions

Emission Sinks	PAS 2060		tCO2e from Dec 2022 to Nov 2023 (Location-Based) - Malaysia
	Scope I	Scope II	TIM
Solar Generation from On-Site Solar System	√		-70.281
Total Direct Sinks	√		-70.281

Table 12: Site wise tCO2e Location-based approach

Overall Emissions	PAS 2060		tCO2e from Dec 2022 to Nov 2023 (Location-Based) - Malaysia
	Scope I	Scope II	TIM
Total Scope I (Sources)	√		76.441
Total Scope I (Sinks)	√		-70.281
Total Scope II		√	78.004
Total Scope I & II	√	√	84.164

Note: The usage data of all relevant information are collected from the sources detailed in Table 5. These data are uploaded in the BAT CR360 system and amalgamation with the above-mentioned conversion factors where the tCO2e emissions are calculated. Other data not reported in the CR360 system and relevant emissions are calculated manually using the conversion factors detailed in this report.

ANNEX B - DESCRIPTION OF REDUCTIONS OF GREENHOUSE GAS EMISSIONS THAT PROVIDE BASIS FOR DECLARATION

B.1. History of Greenhouse Gas Emissions (GHG)

TIM has been tracking and reporting its energy consumptions since 2019, with continuous efforts to improve its reporting standards and quality of data reported. The reporting is carried-out on a quarterly basis, with better tracking of related issues to ensure improved reporting quality.

The reporting period remains the same, from 1st December previous year to 30th November of the current year. With regards to the changes in QES Year 2022, the baseline period is from December 1st, 2019 to November 30th, 2020. The last updated emission factor provided by BAT from credible sources was used in calculating the tCO₂e. The evolution of emission under each reporting entities are included in section B.2. of this report.

B.2. Description of GHG Emissions Reduction in Reference Year

Striving towards BAT's purpose of creating A Better Tomorrow™, TIM has declared the organizational commitment of driving a sustainable business agenda through its environmental policy statement signed-off by the executive committee. The policy statement clearly sets the aims and key focus areas of the sustainable agenda.

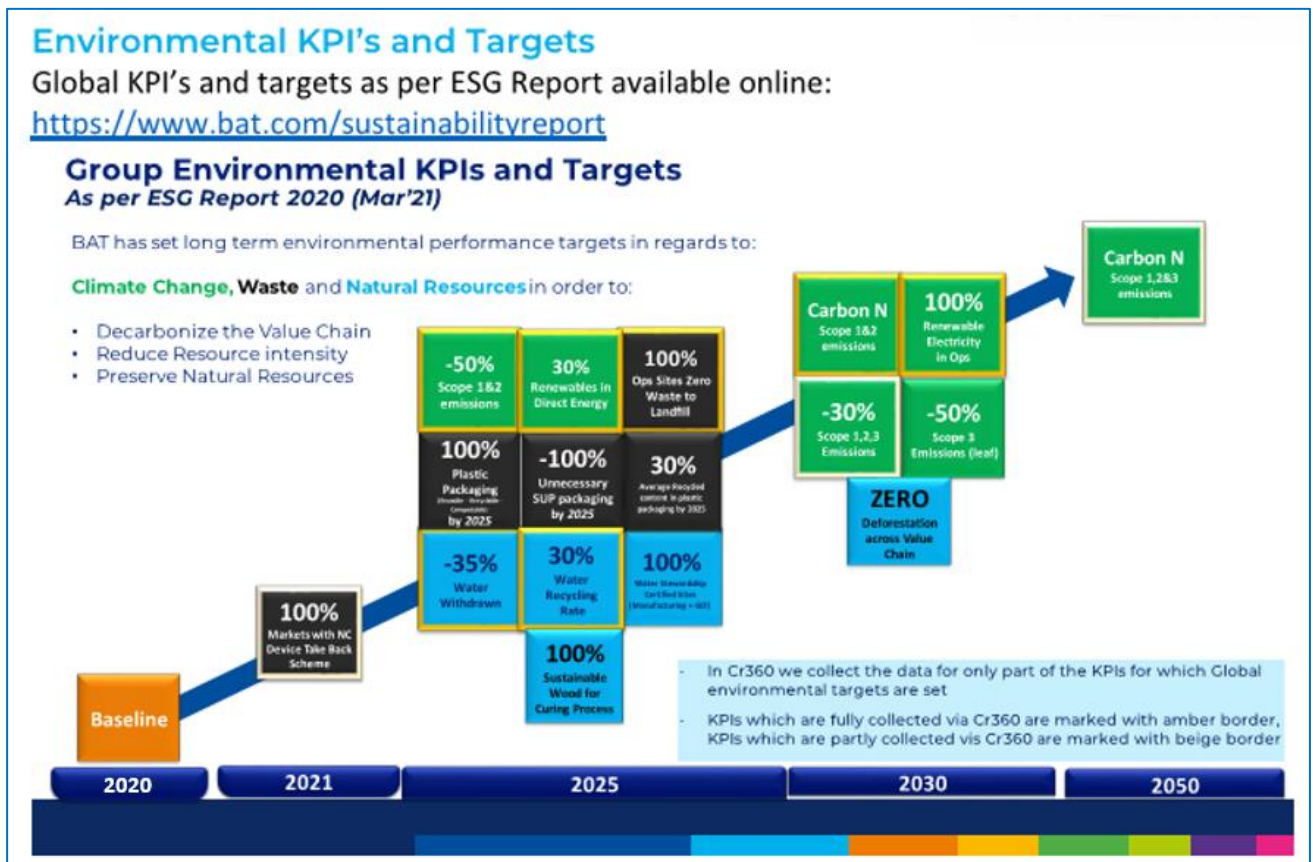


Figure 07: Global KPI's and Targets

Within Figure 07, the following actions and targets are detailed:-

Short Term Action – 2 years to 5 years

- Upgrading of machine capability to reduce waste generation and improve efficiency and waste reduction from factory by addressing material short stops.
- Reduce absolute volume of waste generated by 15% by 2025.
- 100% zero waste to landfill by 2025.
- Implementation of tobacco waste composting to be used as fertilizer / fish food.
- Recycle at least 95% of total waste generated each year
- By 2022, at least 50% of energy to be from renewable sources

Medium Term Action – 5 years to 10 years

- By 2030, to use 100% renewable energy

Long Term Action – more than 10 years

- By 2050, to be Net-Zero

The sustainability strategy of TIM Johor Bahru Factory has been laid down to achieve the sustainability goals and set targets detailed in Figure 07. The specific KPIs have been set to ensure the company is headed in the right direction by implementing the following sustainable strategies comprising of key components such as;

- Regular monitoring and continuous interventions,
- Efficiency improvements focus on current setup,
- Reporting of performance and monitoring against KPIs,
- Sustainability culture and individual ownership.

The execution of the first two elements of the strategy and the positive impact created in energy saving and emission reduction are elaborated henceforth.

B.2.1. Reduction through Regular Monitoring and Continuous Interventions

TIM representatives attend a monthly meeting to discuss and review the progress of the action plan. With good environmental management, TIM has begun to address its energy, water, and waste impact because of the environmental benefits, financial savings, and improvement of efficiencies. TIM is focused on minimizing their climate change impact by accelerating the reduction of carbon dioxide equivalent (tCO₂e). These efforts are in-line with BAT Malaysia’s commitment to science-based targets (SBTi). TIM monitors their environmental data via the Credit360 tool. The subscription to Credit360 platform used to track carbon emission will be a permanent subscription and this will help to act as part of the technique to maintain the effort. A screenshot of the monitoring efforts for Year 2023 is attached in Figure 08.

For the first year of operation, Year 2019, TIM identified the building energy consumption baseline. Various initiatives were exercised on site for the following consecutive years since the start of operations at TIM Johor Bahru Factory. Some key initiatives done are the migration to greener energy, rescheduling of production shift, installation of on-site solar panels, and waste reduction, recycle, and incineration. For Year 2022, metering of the individual zones was implemented on site. The demarcation of the different zones is shown in Figure 09.

EHS REPORT (JB FACTORY)

Year: **2023**

Data		U/M	Dec 22	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Energy	Electrical energy index	GJ/million	5.14	4.87	3.38	6.96	6.61	6.47	6.18	7.33	5.96	7.99	5.95	4.74
	Renewable Energy Percentage	%	31%	34%	28%	43%	33%	23%	23%	27%	28%	36%	30%	23%
	Electricity (Operation)(Import)	kWh	6,781	8,544	13,672	4,952	6,828	17,963	14,638	12,624	13,535	9,214	12,348	18,944
		GJ	24	31	49	18	25	65	53	45	49	33	44	68
	Electricity (Operation)(Solar Generated)	kWh	7,772	7,784	8,016	8,407	6,288	6,844	5,936	7,070	7,953	9,051	9,660	7,938
		GJ	28	28	29	30	23	25	21	25	29	33	35	29
	Electricity (Operation) (Solar Export)	kWh	4,669	3,306	2,807	4,709	2,935	1,600	1,648	2,333	2,741	3,896	4,350	2,141
		GJ	17	12	10	17	11	6	6	8	10	14	16	8
	Electricity (Operation) (Solar Used)	kWh	3,103	4,478	5,209	3,696	3,353	5,244	4,288	4,737	5,212	5,155	5,310	5,797
		GJ	11	16	19	13	12	19	15	17	19	19	19	21
	Total Electricity Used	kWh	9,884	13,022	18,881	8,650	10,181	23,207	18,926	17,361	18,747	14,369	17,658	24,741
		GJ	36	47	68	31	37	84	68	62	67	52	64	89
	Cost (Import)	RM	3,743	4,720	7,785	2,729	4,159	9,821	7,718	6,398	6,840	4,675	6,270	9,628
		GBP	636	802	1323	464	707	1670	1312	1088	1163	795	1066	1637
	Rebate(Export)	RM	1,152	822	683	1,250	802	411	378	583	646	880	987	407
		GBP	196	140	116	213	136	70	64	99	110	150	168	69
	Total Cost	RM	2,590	3,898	7,102	1,479	3,357	9,410	7,340	5,815	6,194	3,795	5,283	9,220
	GBP	440	663	1,207	251	571	1,600	1,248	989	1,053	645	898	1,567	

Figure 08: KPI Tracking Against Targets at TIM for Energy Usages

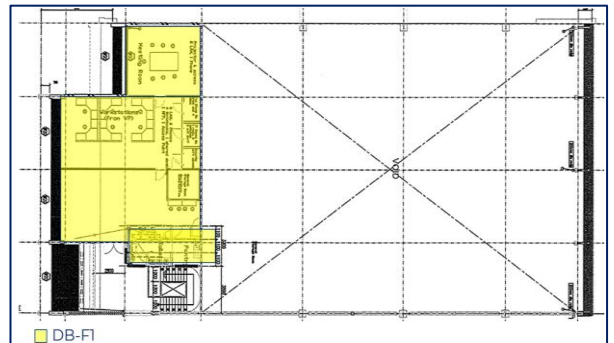
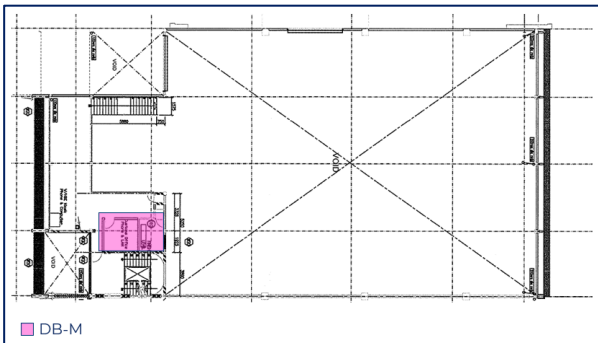
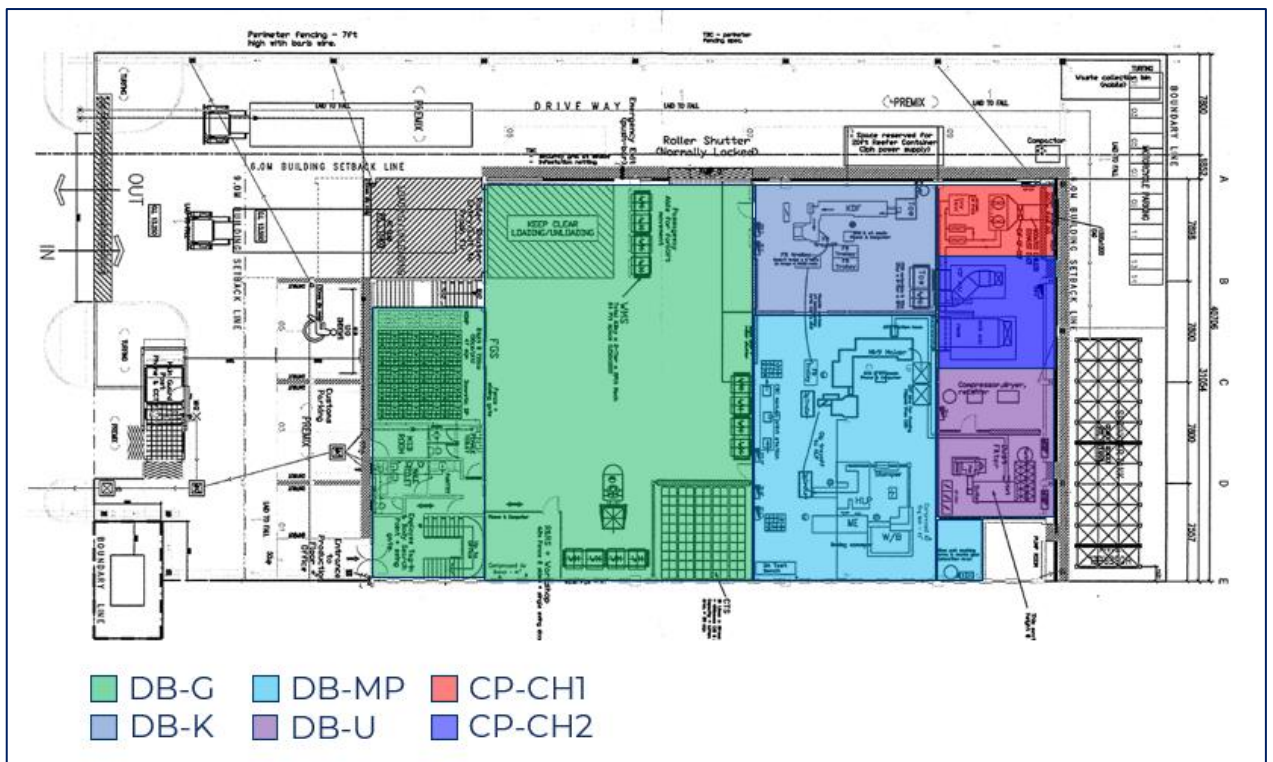


Figure 09: DB Monitoring Zones (Ground Floor)

For Year 2023, TIM JB factory has incorporated new processes and equipment that reduce both water usage and waste generation. However, there is an additional surge in energy consumption due to increased production and the use of new equipment. This surge is attributed to a 19% increase in cigarette production as compared to Year 2022, as well as the incorporation of a reefer container for the storage of tobacco products. While this equipment utilises more electricity, it offers the benefit of extending the shelf-life of stored tobacco that then reduces the amount of waste generated.

TIM JB Factory is also in progress towards obtaining the Alliance for Water Stewardship (AWS) certification. The organisation has implemented the AWS standard, and are currently working with Water Stewardship Assurance Services (WSAS) to complete the certification process.

B.2.2. Reduction from Efficiency Improvement Focus

This component of the strategy has been focused on eliminating inefficiencies discovered in the current system through focused interventions. These inefficiencies inherent to the system are identified through the implementation of the tracking system as described in the first element of the strategy. Below illustrated are a few examples of such interventions and positive outcomes generated through efficiency improvements in the current system.

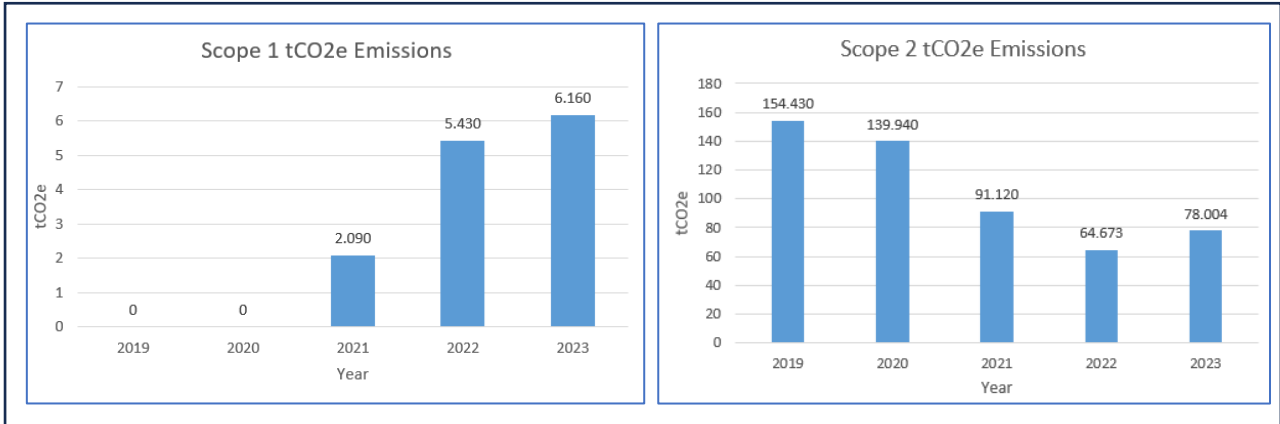


Figure 10: Scope I & II emissions evolution from Year 2019 to 2023 (with fugitive emissions)

When the emission numbers are compared from 2019 to 2023, the Scope I emissions have fluctuated over the years. The sources for scope I emission is the leakage of refrigerant from the air-conditioning units and replacement of fire extinguishers. These fugitive emissions are tabulated from the topped-up refrigerants during maintenances, and the type and number of fire extinguishers replaced.

Despite the above-mentioned scenario, Scope II emissions have seen a continuous reduction from 2019 till 2022, due to positive impacts of energy saving initiatives. There has been an increase of approximately 20% of the Scope II emissions for Year 2023 in comparison to the previous year. This is attributed to increased production and new equipment incorporated on site. Detailed below are the list of initiatives and changes implemented at TIM project site.

1) Year 2020:

- i. Production Shift Rescheduling for Energy Reduction
 - Initial schedule: Runs for 5 days at 8 hours. – More start up energy used.
New Schedule: Runs for 4 days at 12 hours. – Lesser start up energy.
 - Lesser start up waste from tobacco
- ii. Aircond Usage Reduction during “maintenance day” to off / run half-day.
 - Aircond/AHU in the production floor only used during production, and any maintenances carried out run on only half of specified AHU running hours.
- iii. Awareness Campaigns:
 - Switch – Off: Awareness posters near switches to remind people to switch off plug after use of equipment.
 - Water – Usage: Water flushing poster in toilet area to remind people to use the lesser flush for lesser water consumption.
- iv. Water Reduction from Tobacco Disposal
 - Initial Process: Watering down tobacco making it unusable before disposing to landfill.
New Process: Tobacco waste is sent for incineration (without process of watering down the tobacco), and mixing the tobacco with waste palm oil fruits to make it unusable.
- v. Pickup FG schedule revised to reduce number of trips and carbon produced.
 - Initial Process: Weekly pick for FG goods
New Process: Consolidated pickup every fortnight.
- vi. Incineration of waste
 - Zero waste to landfill by sending remaining waste for Incineration.
- vii. Recycle of waste
 - Material that are paper or plastic based are sent for recycling.

2) Year 2021:

- i. Rainwater Harvesting System (RWHS)
 - Installed Rainwater system (Figure 11) to reduce withdrawn water usage.
- ii. LED Lightings
 - Replaced all our Lighting in our factory to lower watts LED-lighting.
- iii. Sensor Lights
 - Placed sensor light in certain areas like ground floor toilet to reduce energy usage.
- iv. Solar Lights
 - Replaced all external spotlights to Solar Lights, that has motion sensors.
- v. Additional items added to recycle of waste.
 - Added new categories of waste such as paper based, metal, and wood for recycle.



Figure 11: Rainwater Harvesting System

3) Year 2022:

- i. Installed solar PV panels (Figure 12) in April 2022 with a total solar capacity of 83.16 kWp.
 - Replacement of total energy consumption by 37.9%.
- ii. Zone-Metering
 - Identify areas with deviations from expected energy consumption, and determining action plan for the areas of concern.

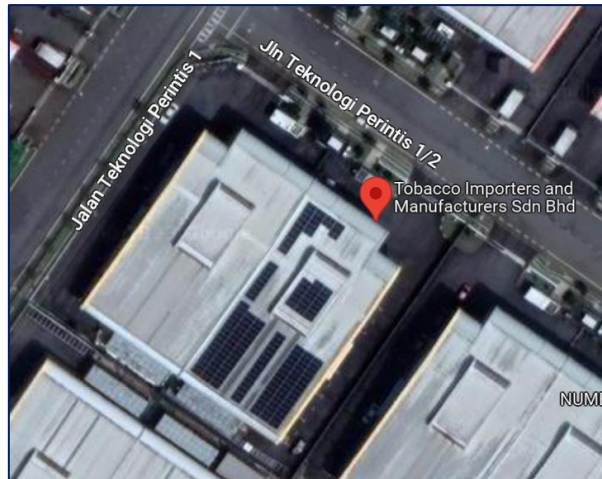


Figure 12: Installed Solar Panels at TIM – JB Factory

The overall evolution of energy use and changes in emissions are explained graphically in *Section B.2.2.1*.

4) Year 2023:

- Waste Recycling
 - Previous Process: Waste is incinerated
 - New Process: Packaging material changed to paper for recycling purposes
 - Recycling of waste streams: Tobacco waste made into bricks and scheduled waste sent for recycling
 - New equipment: Reefer. The reefer is a refrigeration equipment for the tobacco products which extends the tobacco's shelf life and reduces the amount of waste generated. However, this new equipment uses a lot of electricity.
- Water Usage Awareness
 - Site is in progress towards Alliance for Water Stewardship (AWS) certification

B.2.2.1. TIM Energy and Emissions Related Information

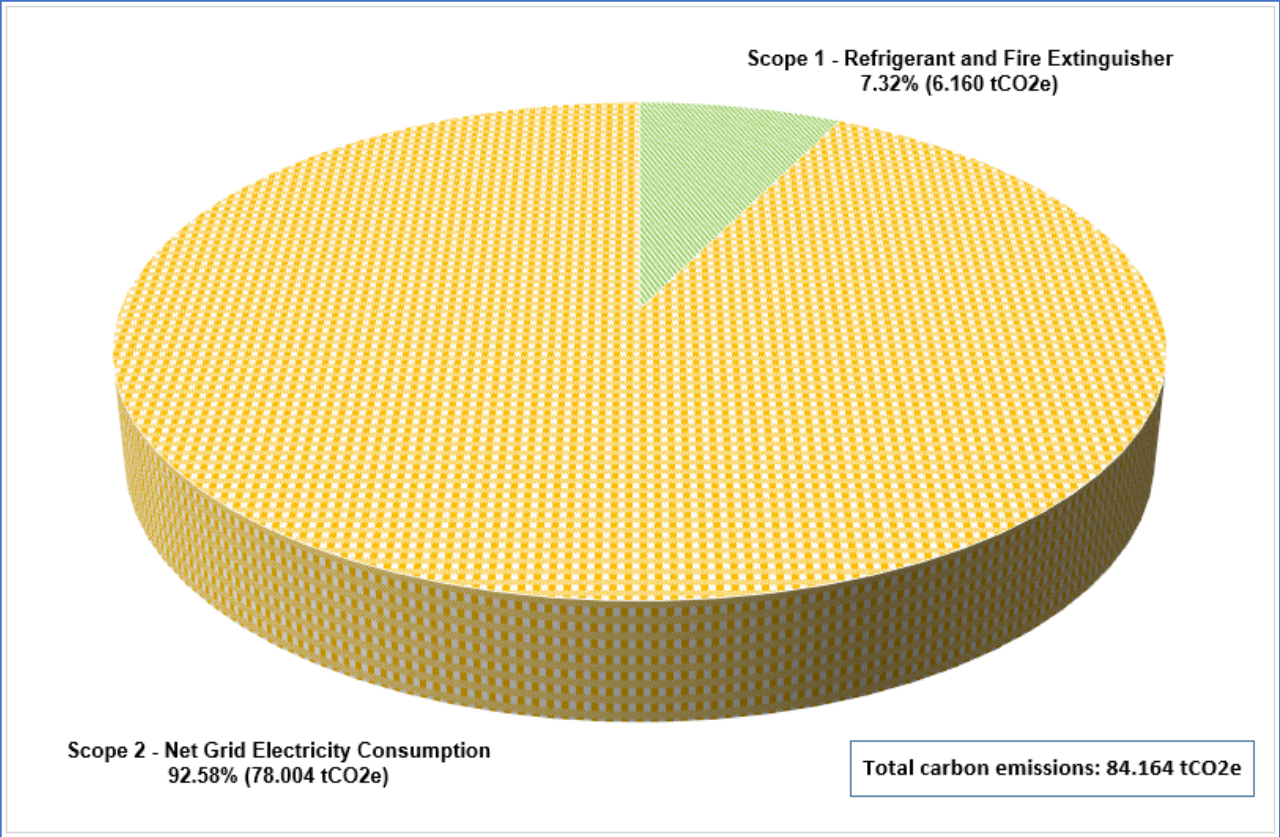


Figure 13: Scopes of Carbon Emissions

Scope I emissions account for 7.42% of emissions in the Year 2023, with a total of 6.160 tCO2e, while Scope II emissions account for 92.58% of the emissions in the Year 2023, with a total of 84.164 tCO2e. The solar energy generated on-site replaces approximately 47.40% of the total energy consumption.

Hence, the total amount of Scope I and II carbon emissions are 84.164 tCO2e.

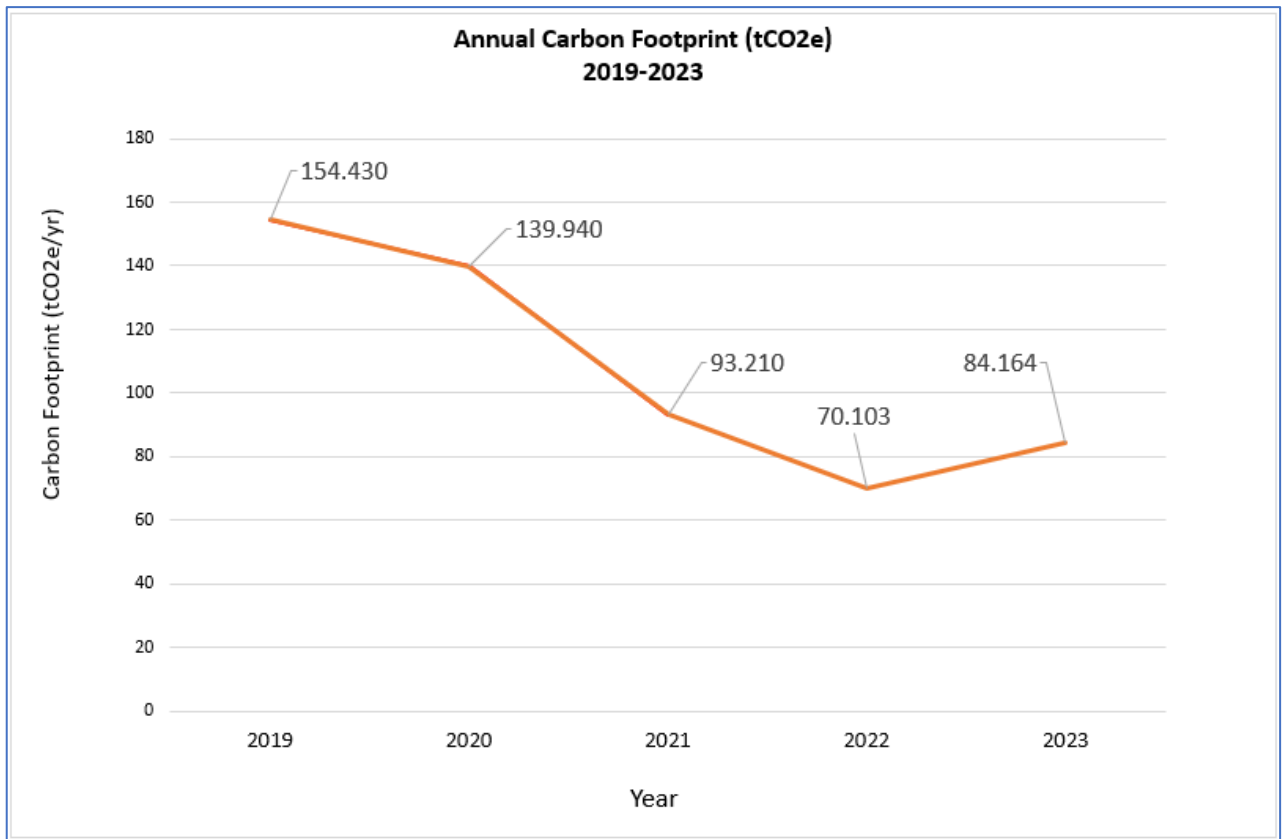


Figure 14: Annual Carbon Footprint (tCO2e)

The historical data is depicted in Figure 14. The carbon footprint of TIM Johor Bahru – Factory manufacturing plant is on a downward trend. A statistical comparison of the past 5 years’ carbon footprint data revealed a significant reduction in carbon footprint from Year 2019 to 2023. Throughout the years, the company’s total carbon footprint marks the highest at 154.43 tCO_{2e}/yr in Year 2019, the first year of operation of the manufacturing plant. From year 2019 to 2020, the company further reduced the carbon footprint by 9.38% to 139.94 tCO_{2e}/yr through various initiatives implemented such as production shift rescheduling, aircond usage reduction, spreading sustainability awareness strategies, and reduction of electricity consumption such as Scope I electrification. This 139.94 tCO_{2e} is taken as the baseline for the declaration. Carbon footprint following the baseline period for TIM JB Factory is depicted in Table 13.

Table 13: Comparison of Carbon Footprint from Year 2019 to Year 2023

Year	2020	2021	2022	2023
tCO _{2e}	139.940	93.210	70.103	84.164
Deviation compared to the previous year (%):	-	-33.39%	-24.79%	+20.06%
Deviation compared to baseline year (%):	-	-33.39%	-49.90%	-39.86%

B.3. Description of Indirect Sources of Emission (Energy)

According to the emissions inventory validated by BSD Consultancy Sdn Bhd, the total electricity consumption and tCO2e is described in Table 14.

Table 14: Electricity consumption and tCO2e emissions

Entity	Electricity (MWh)	tCO2e (Location-based)
Tobacco Importers and Manufacturers Sdn Bhd – Johor Bahru Factory	195.627	148.285

The total Scope II tCO2e electricity consumption were net-off by first reducing the energy imported from the grid with the installed solar panels. The outstanding electricity that is imported from the grid were initially offsetted with Renewable Energy Certificate (REC). The remaining electricity that was not offsetted is then converted from kWh to tCO2e with the conversion rate of 0.758 tCO2e/MWh (location-based), and offsetted with carbon credits.

In this manner, all energy consumption in the period was initially net-off through energy generated by solar panels. The remaining Scope II emissions were offsetted with REC, and then only offsetted with carbon credits based on the location-based methodology conversion factor.

ANNEX C - DESCRIPTION OF THE INSTRUMENTS FOR REDUCING THE CARBON FOOTPRINT AND COMPENSATING THE RESIDUAL EMISSIONS

C.1. Description of Offsetting Instruments – Renewable Energy Certificate

Purchased Renewable Energy Certificates (REC) would be used to offset only Scope II emissions.

A total of 155 REC were purchased from a single project as per details mentioned in Table 15. The total 155 REC were retired to offset Scope II emissions based on the unit of MWh. The energy consumption for TIM JB Factory is detailed in Figure 08 (Annex B – Section B.2.1).

Table 15: Purchased REC for TIM JB Factory

Device	Country of Origin	Energy source	Quantity (MWh)	Certificate Issuer
CGE Lok Heng	Malaysia	Biogas	155.000	The Green Certificate company (Central Issuer)

The REC certificate shown in Annex D is for the reporting period of January 1st 2023 to December 31st 2023. Hence, the remaining energy consumption in Scope II for the period of December 2022 was not offsetted. The nett-grid consumption for December 2022 is converted to carbon emissions, and offsetted with carbon credits instead. Below describes the remaining Scope II that are not offsetted by the REC.

$$\begin{aligned}
 \text{Scope II} &= \text{Total Incoming Energy (Grid) [From Jan 1st 2023 to Nov 30th 2023]} - \text{REC purchased} \\
 &= 100.796 \text{ MWh} - 155 \text{ MWh} \\
 &= 0 \text{ MWh}^*
 \end{aligned}$$

* The Scope II offsetted with REC will not result in a negative value.

The remaining Scope II emissions for December 2022 is at 2.112 MWh. Using the location-based conversion factor from Table 07, the converted Scope II emissions based on December 2022 incoming energy from the grid is:

$$\begin{aligned}
 \text{Scope II (December 2022 Incoming Energy from the Grid)} &= 2.112 \text{ MWh} \times 0.758 \text{ tCO}_2\text{e/MWh} \\
 &= 1.601 \text{ tCO}_2\text{e}
 \end{aligned}$$

C.2. Description of Offsetting Instruments – Carbon Credits

Carbon credits will be used to offset all remaining scopes of emissions. Taking into consideration of the information detailed in Section C.1., the total carbon credits required:-

$$\begin{aligned}
 \text{Total Carbon Credits} &= \text{Scope I} + \text{Scope II (December 2022 Nett-Grid Energy Consumption)} \\
 &= 6.160 + 1.601 \\
 &= 7.761 \text{ tCO}_2\text{e} \\
 &= 7.761 \text{ Carbon Credits}
 \end{aligned}$$

A total of 7.761 carbon credits is required to offset the remaining carbon emissions. A 10% buffer is considered, summed at 8.537 carbon credits, and rounded up to 10 numbers of carbon credits. The carbon credits were purchased from a single project as per details mentioned in Table 16. The carbon credits are retired to offset scope I and scope II (December 2022 Nett-Grid Energy Consumption) tCO2e emissions.

Table 16: Retirement Of Carbon Credit Details

Project	Serial Number	Link
ID – 959	10723-244536333-244536342-VCS-VCU-261-VER-UY-14-959-01012014-31122014-1	https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=243035

The reference to the retirements made for the carbon credits purchased can be validated from the details given in Table 17 for Forest Plantation Project, and retirement certificate is attached in ANNEX E.

The Carbon Offsets were acquired in accordance with the results tabulated in Section A.4. Verra's Verified Carbon Standard (VCS) was used for the purpose of offsetting, and detailed project related information can be found in the link below.

Forest Plantation Project - <https://registry.verra.org/app/projectDetail/VCS/959>

Table 17: Project Information – 10 Carbon Credits

UNIT INFORMATION	
Vintage Period	01/01/2014 – 31/12/2014
Originating Program	N/A
Serial Number	10723-244536333-244536342-VCS-VCU-261-VER-UY-14-959-01012014-31122014-1
Additional Certification(s)	CCB-No Distinction
Unit Type	VCU
Quantity of Units	10
ORIGINATING PROJECT INFORMATION	
Project ID	959
Project Name	'Guanaré' Forest Plantations on degraded grasslands under extensive grazing
Primary Project Type	Agriculture Forestry and Other Land Use
Project Site State/Province	Cerro Chato/ Valentines and Regis/ Garao Regions
Project Site Country/Area	Uruguay (UY)

C.3. Use of Offsetting Instruments

Scope I and Scope II (using location-based method) residual emissions, according to the inventory validated by BSD Consultancy Sdn Bhd, Scope I and II add up to a total of 84.164 tCO2e. Scope II emissions for the reporting period of January 1st to November 30th 2023 equal to 100.796 MWh and were offsetted with the purchased 155 REC. The additional 2.112 MWh imported from the grid from December 1st to December 31st 2022 was converted to 1.601 tCO2e.

This 1.601 tCO2e was added in with the Scope I emissions of 6.160 tCO2e, totalling at 7.761 tCO2e. This amount was provided with a buffer of 10%, equating at 8.537 tCO2e, and rounded up to 10 tCO2e. Hence, 10 carbon credits were retired to offset the remaining emissions.

The hybrid method was carried out to offset via REC for Scope II emissions, followed by offsetting via Carbon Credits for Scope I and remaining Scope II emissions. Thus, making TIM Johor Bahru Factory carbon neutral.

C.4. Quality Criteria for Clearing Instruments

The carbon credits acquired, as mentioned in C.2, meet all the quality criteria set out in Standard PAS 2060: 2014, namely:


- Acquired credits represent an emission reduction considered additional (VCS959 – Guanáre SA/ Agriculture Forestry and Other Land Use).
- Projects originating from carbon credits meet the criteria of additionality, permanence and do not have double counting risks (VCS959 – Guanáre SA/Agriculture Forestry and Other Land Use).
- Carbon credits were verified by an independent third party and the respective details are given in Table 18.
- Carbon credits were retired within the 12-month period from the date of the declaration of neutrality on 13th May, 2024.
- The public platform Verra, which is an international standard and a platform that has Quality principles (Verra's Quality Assurance Principles including additionality, permanence, leakage and avoided double counting) contains all documentation of the Project from which the Carbon Credits were acquired, and the Project’s registry.
 - o <https://verra.org/project/vcs-quality-assurance-principles> ; and on the public platform
 - o <https://registry.verra.org/app/projectDetail/VCS/959> (Verra registry)

Table 18: Carbon Credit Verifier Details

Project	Verifier	Link
ID – 959	Rainforest Allianze, Inc.	https://registry.verra.org/app/projectDetail/VCS/959

ANNEX D - RETIREMENT STATEMENTS FOR RENEWABLE ENERGY CERTIFICATE

Reference to REC Purchased for TIM Johor Bahru Factory



THE INTERNATIONAL
REC STANDARD

This Redemption Statement has been produced for

BAT MALAYSIA - JOHOR FACTORY

by

ACT COMMODITIES BV

confirming the Redemption of

155.000000

I-REC Certificates, representing 155.000000 MWh of
electricity generated from renewable sources

This Statement relates to electricity consumption located at or in



Malaysia

in respect of the reporting period

2023-01-01 to 2023-12-31

The stated Redemption Purpose is

Retired on behalf of BAT Malaysia

QR Code Verification

Verify the status of this Redemption Statement by scanning the QR code on the left and entering in the Verification Key below

Verification Key

9 2 6 3 7 3 7 5

<https://api-internal.evident.app/public/certificates/en/9%2Bfj9gGwe%2BU9MHAw2UkdyYpuapV%2F5%2FR0OGVIU9NqW6YyJv45%2Fs3GrYWQQDp4a4F>

Figure 15: iREC Certificate for TIM Johor Bahru Factory

The details of the redeemed REC certificate are detailed in Figure 16.

Redeemed Certificates						
Production Device Details						
Device	Country of Origin	Energy Source	Technology	Supported	Commissioning Date	Carbon (CO ₂ / MWh)
CGE Lok Heng	Malaysia	Biogas: Gas from organic waste digestion	Internal combustion engine: Non CHP	Yes	2019-06-28	Neutral
Redeemed Certificates						
From Certificate ID	To Certificate ID	Number of Certificates	Offset Attributes	Period of Production	Issuer	
0000-0217-3911-1160.308000	0000-0217-3911-1315.307999	155.000000	Incl	2023-05-01 - 2023-05-31	The Green Certificate Company (Central Issuer)	

Figure 16: Redeemed Certificates Details by TIM Johor Bahru Factory

ANNEX E - RETIREMENT STATEMENTS FOR CARBON CREDITS

Reference to Carbon Credits Purchased by TIM Johor Bahru Factory

- Forest Plantation Project - <https://registry.verra.org/app/projectDetail/VCS/959>



Figure 17: TIM – Johor Bahru Factory - Certificate of Retirement

Carbon offset credits from Forest Plantation Project, recognised by VCS, have been retired to achieve carbon neutrality for TIM.

These credits meet the requirements of PAS 2060, including:

- Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.
- Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage, and double counting.
- Carbon offsets are verified by an independent third-party verifier.
- Credits from Carbon offset projects are only issued after the emission reduction has taken place.

The carbon credits are retired on a publicly available registry with Tobacco Importers and Manufacturers Sdn. Bhd. noted as the Beneficiary.

Carbon Credit Certification: VCS

Project: Forest Plantation Project

Volume retired: 10 tCO₂e

Carbon offset credits retirement date: 13/05/2024

Serial Number:10723-244536333-244536342-VCS-VCU-261-VER-UY-14-959-01012014-31122014-1

ANNEX F – VALIDATION LETTER



BSD CONSULTANCY SDN. BHD. (817998-P)

3-10, Oval Tower @ Damansara
No. 685, Jalan Damansara
TTDI, 60000 Kuala Lumpur.
Office: + 603-7732 9873
Fax: +603-7732 9875

BSD Consultancy Sdn. Bhd. (BSD) was commissioned by Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) - Johor Bahru Factory at Nusajaya Tech Park, to perform Other Party Validation (OPV-01) on their carbon footprinting and carbon neutralization achievement in accordance to PAS 2060:2014.

BSD was supplied with relevant data for carbon auditing and BSD has completed review, validation, and verification of the data provided.

PAS 2060 Declaration

Carbon neutrality of Tobacco Importers and Manufacturers Sdn. Bhd. (TIM) Johor Bahru Factory at Nusajaya Tech Park, Johor achieved in accordance to PAS 2060: 2014 for the period of 1st December 2022 to 30th November 2023 declared.

Signed on behalf of BSD Consultancy Sdn. Bhd.

A handwritten signature in black ink, appearing to read 'Kelly Lee', is written over a horizontal line.

Kelly Lee
Associate Director