



Carbon footprint offset and managed by:

MY CARBON

www.mycarbon.co.uk
A Carbon Green Ltd. Company

PAS 2060 Qualifying Explanatory Statement (QES)

On behalf of Sin Gusano | 2021/2022 Fiscal Year

MY CARBON



PAS 2060 QES STATEMENT

MyCarbon Formal Notes

Project No:	Sin Gusano 2021/2022
Title:	Sin Gusano 2021/2022 Corporate GHG Report
Client:	Sin Gusano
Date:	10.08.2022
Reporting Period:	6 th April 2021 to 5 th April 2022

This is a PAS2060 Qualifying Explanatory Statement (QES) to demonstrate that Sin Gusano has achieved carbon neutrality and is committed to being carbon neutral in line with PAS 2060:2014 reporting requirements.

This QES has been produced by MyCarbon on behalf of Sin Gusano. MyCarbon is acting as an independent “other party” on behalf of Sin Gusano to conduct carbon inventories of its scope 1, 2 and 3 activities in the form of a corporate carbon footprint. The contents of this PAS 2060 QES is also produced by MyCarbon and has been reviewed by the following two representatives of MyCarbon:

Dr. Toby Green

*Co-Found & Director at
MyCarbon*

17.10.2022

Mike Greenhough

*Co-Found & Director at
MyCarbon*

17.10.2022

Carbon Neutrality Declaration



PAS 2060 QES STATEMENT

Sin Gusano intend to reduce emissions associated with its Scope 1, 2 & 3 activities as far as reasonably possible. A hotspot analysis has been conducted as part of the corporate carbon footprint [1] to identify the key sources of emissions associated with Sin Gusano’s operations. The QES will be publicly available at online at this location [2].

To ensure the environmental impact of Sin Gusano’s operations are kept as small as possible, all residual emissions associated with its operations will be offset in line with PAS 2060 requirements to result in carbon neutrality. Sin Gusano will ensure carbon neutrality by offsetting the resulting carbon footprint in advance for the year 2022 and plans to continue carbon neutrality until at least the end of the 2023/24 fiscal year.

An “other party” (MyCarbon – Carbon Green Ltd) has conducted the corporate carbon footprint [1] and produced the PAS 2060 QES with accurate data provided by Sin Gusano. Sin Gusano declares that the content of this report is accurate and the business has successfully achieved carbon neutrality under PAS 2060 guidelines based on “self-declaration”. The QES requirements checklist has been completed and is available in the appendix in **Table 5**.

Company Name: Sin Gusano

Representative Name/Job Title: Jonathan Darby – Founder & Director

Representative Signature:

DocuSigned by:
Jonathan Darby 10/25/2022
877772AF92EC4AE...

The QES contains all the required information on the carbon neutrality of the titled product. All information in this report has been reviewed by an “other party” and is believed to be correct. If provided with any evidence in opposition to the validity of the information in this report, the report will be updated accordingly, and any necessary steps will be taken to ensure the carbon neutrality of the titled product.

Table of Contents

MYCARBON FORMAL NOTES	1
CARBON NEUTRALITY DECLARATION	1



PAS 2060 QES STATEMENT

1	INTRODUCTION	4
1.1	INTRODUCTORY STATEMENT	4
1.2	GENERAL INFORMATION	4
1.3	SCOPE	5
1.4	TIMELINE OF PAS 2060 CARBON NEUTRALITY	5
1.5	BOUNDARIES OF THE SUBJECT	5
2	QUANTIFICATION OF CARBON FOOTPRINT	5
2.1	EMISSIONS SOURCES	5
2.2	METHODOLOGY	7
2.3	DATA SOURCES	7
2.4	ASSUMPTIONS AND LIMITATIONS	8
2.5	EXCLUSIONS	8
2.6	UNCERTAINTIES	8
3	CARBON MANAGEMENT PLAN	9
4	CARBON OFFSETTING	10
5	REFERENCES	11
6	APPENDIX	12



PAS 2060 QES STATEMENT

1 Introduction

1.1 Introductory Statement

This document forms the Qualifying Explanatory Statement (QES) to demonstrate Sin Gusano have achieved carbon neutrality across its Scope 1, 2 & 3 emissions in accordance with PAS 2060:2014 for the fiscal year 2021/2022 and with a calculated carbon footprint in accordance with the WRI GHG Protocol – corporate accounting and reporting standard. This corporate greenhouse gas assessment can be found in the location designated in the references section [1].

Sin Gusano have a carbon reduction strategy in accordance with PAS 2060:2014 that is available online [2] as of November 2022.

1.2 General information

Category	Answer
Entity making the PAS 2060 declaration	Sin Gusano
Individuals responsible for ensuring the availability of high-quality data for the chosen product necessary for the carbon neutrality substantiation	Jon Darby – Founder & Director of Sin Gusano
Name of "other party". A competent party producing the PAS 2060 documentation for the declaration of carbon neutrality on behalf of the entity	Michael Greenhough - Director of MyCarbon (Carbon Green Ltd)
Subject of PAS 2060 claim	Carbon neutrality of Sin Gusano's Scope 1, 2 & 3 operations
Carbon inventory method selected	Greenhouse Gas Protocol – Corporate Accounting & Reporting Standard
Boundaries of the select inventory method	Corporate footprinting of the business- Scope 1, 2 & 3
Rationale for the selected boundaries	These boundaries contain value chain processes that Sin Gusano have reasonable control over.
Type of conformity assessment	An "other party" has produced the documentation, but due to the lack of completion of an appropriate verification process such as ISO 14064:3, the conformity assessment is self-validated against PAS 2060:2014 10.3.4 as a self-declaration of carbon neutrality.
Baseline date for PAS 2060 programme	6 th April 2021 - 5 th April 2022
Achievement period	6 th April 2021 - 5 th April 2022
Commitment period	6 th April 2023 - 5 th April 2024



PAS 2060 QES STATEMENT

1.3 Scope

The achievement and commitment to maintain carbon neutrality covers all Sin Gusano's operations. This includes all relevant Scope 1, 2 and 3 emissions at one UK controlled site. Sin Gusano commit to maintain this carbon neutrality for a minimum 3-year period.

1.4 Timeline of PAS 2060 carbon neutrality

In order to commit to and attain PAS2060 Carbon Neutrality, Sin Gusano is adhering to the declaration periods shown in figure 1.

The first period is the baseline period, which runs from April 6th 2021 to April 5th 2022. The subject and its carbon footprint have been identified and approved for Baseline Period 1.

The second period is the commitment period for PAS2060 Carbon Neutrality, which runs from April 6th 2022 to April 5th 2023. The third period represents the commitment period for PAS2060 Carbon Neutrality which starts on 6th April 2023 and ends on 5th April 2024 (see figure 1).

Baseline Period 1

Declaration of Achievement of PAS2060 Carbon Neutrality for Period 1 (2021-2022) based on implemented reduction and offset

Period 2

Declaration of Achievement of PAS2060 Carbon Neutrality for Period 1 (2022-2023) based on implemented reduction and offset

Period 3

Declaration of Achievement of PAS2060 Carbon Neutrality for Period 1 (2023-2024) based on implemented reduction and offset

Figure 1: Timeline of PAS2060 Carbon Neutrality achievement and commitment

1.5 Boundaries of the subject

Defining the boundary for the carbon assessment was based on the principles set out in the GHG Protocol Corporate Standard and applied in line with the requirements set out in PAS 2060 Carbon Neutrality. The boundaries of the subject can be found in the corporate GHG report under section 4.2 [1].

2 Quantification of Carbon Footprint

2.1 Emissions sources



PAS 2060 QES STATEMENT

MyCarbon have performed a corporate carbon footprint of Sin Gusano's Scope 1, 2 & 3 operations. All Scope 1, 2 & 3 emissions are summarized in Table 1. The result is a total carbon footprint of 16.54 tonnes CO₂e.

Figure 1 is a doughnut chart of the sources of emissions. The emissions intensity of each product per litre is 11 kg CO₂e.

The results include a 5% risk factor to account for uncertainties arising from data quality. The key source of emissions for this component are associated with the production of dry products (52%), almost entirely in the embodied emissions of the purchased material used to produce the saleable product. Due to efficient sourcing of the materials from local suppliers and the use of ocean freight to transport the materials from Mexico to the UK, the transport of raw materials results in only 5% of total emissions.

Employee transportation produced the second highest source of emissions resulting in 4.06 tonnes CO₂e. The remaining emissions from the production of agave spirit, transportation of goods and energy usage at the UK office result in combined emissions of 3.83 tonnes CO₂e.

The emissions sources included in the corporate carbon footprint are included in the appendix in **Table 3** and the GHG inclusion checklist is included in the appendix in **Table 5**.

Table 1- Summary of Emissions

Emissions Scope	Description	t CO ₂ e	Scope Contribution
Scope 1	Direct emissions from combustion of natural gas for Sin Gusano office	0.16	<1%
Scope 2	Indirect emissions associated with the purchase of energy for Sin Gusano office (electricity)	0.06	<1%
Scope 3	Indirect emissions associated with: <ul style="list-style-type: none"> • Purchased electricity transmission and distribution • Employee Car Travel • Employee Air Travel • Transportation of Goods • Production of artisanal agave spirits • Production of dry goods (bottles, labels, boxes) 	16.32	99%



PAS 2060 QES STATEMENT

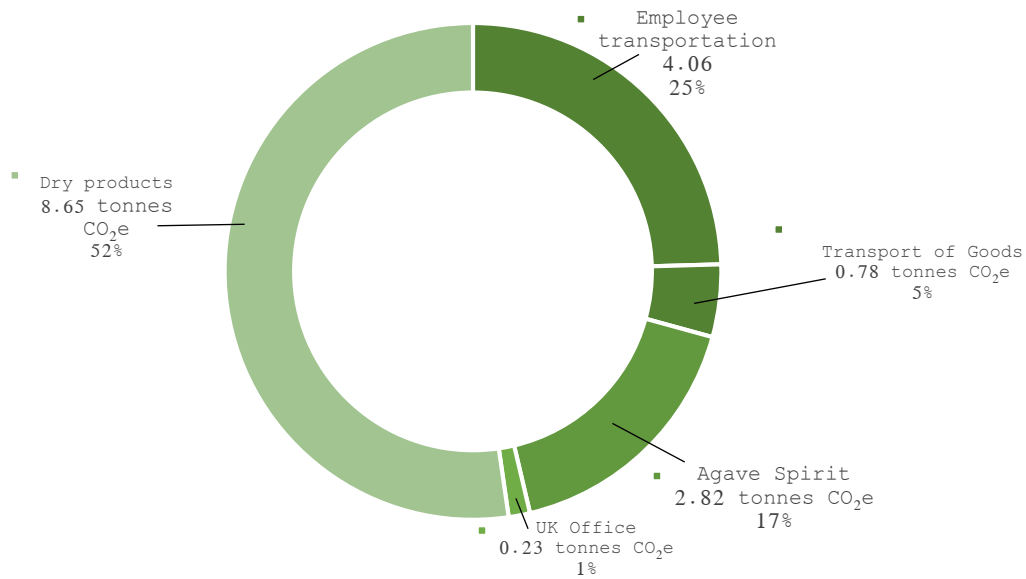


Figure 1: Sources of Emissions from Sin Gusano [1]

2.2 Methodology

PAS 2060 requires that a recognized methodology is used to quantify the carbon footprint of the identified subject. The methodology adopted for the assessment of Sin Gusano is based on the GHG Protocol. Emissions have been calculated as tonnes of carbon dioxide equivalent (tCO₂e) for Scope 1, 2 & 3 sources, primarily using the latest conversion factors listed in UK Government Defra Greenhouse Gas Conversion Factors for Company Recording. All Scope 2 emissions are calculated using the location-based method.

Wherever possible, primary data has been used to assemble the carbon footprint of Sin Gusano. However, where this data was not available, secondary data was used as an appropriate estimation method.

2.3 Data sources

Three forms of data were used as part of the Corporate Carbon Footprint [1]:

Primary Data: Data collected from within the production value stream e.g., component mass, travel distance and production energy requirements.

Emissions Factors: Emissions conversion factors were taken from peer reviewed literature, government databases or life cycle assessment databases.



PAS 2060 QES STATEMENT

Secondary Data: Secondary data comes in the form of market / financial data e.g., ONS average spend data or energy costs.

The data collected is believed to be representative of the total carbon emissions of Sin Gusano. No emissions sources have been knowingly excluded.

2.4 Assumptions and limitations

Transport of Goods-Mileage

Where miles could not be determined directly, the appropriate online map or distance-based calculators were used as found appropriate under the GHG Protocol: Technical Guidance for Calculating Scope 3 Emissions. All data was calculated using appropriate emission factors to the mode of transport.

Production of Agave Spirit

An assumption for the production of agave spirit was adapted from a peer reviewed paper on Mezcal production in Mexico [3]. See section 4.1.2 from the Corporate Carbon Footprint [1].

2.5 Exclusions

See section 4.3 Exclusions from the Corporate Carbon Footprint [1]

2.6 Uncertainties

The results include a 5% risk factor to account for uncertainties arising from data quality.



PAS 2060 QES STATEMENT

3 Carbon Management Plan

A carbon management plan will be included as part of the PAS 2060 process. The assessment has been conducted within the corporate carbon footprint [1] in the form of a hotspot analysis, with the results listed within **Table 2**. This analysis assesses the top two emissions sources within the Scope 1, 2 & 3 activities of Sin Gusano and suggests reduction activities. The production of goods resulted in 52% of Sin Gusano's total emissions. To reduce emissions from this category, three suggestions have been made:

- Switch from single use to reusable glass bottles
- Switch to a reusable crate rather than single-use cardboard boxes
- Implement a deposit return scheme for bottles



MyCarbon Corporate GHG Hotspot Analysis

Table 2: Hotspot analysis of Sin Gusano [1]

Category	Hotspot Analysis	Total Footprint (%)	Notes
Production of Goods	Embodied emissions in supply chain	52%	Switch to reusable glass bottles & crates. Implement deposit return scheme on bottles.
Transport	Fuel burned during transport	30%	Maintain low utilisation of long-haul flights. Utilise public transport where possible. Collaborate with an eco-friendly delivery service.



PAS 2060 QES STATEMENT

4 Carbon Offsetting

Carbon credits totaling 18 tCO₂e have been purchased and retired by Sin Gusano with the rationale that this will cover the full 12-month baseline period from 06.05.2021 to 05.05.2022. Additional carbon credits will be purchased when necessary, and this report will be updated to ensure that Sin Gusano remains carbon neutral in advance.

A single carbon credit project was used for the purpose of offsetting the residual emissions from Sin Gusano's operations. The project is based in Australia and is called "Biodiverse Reforestation Carbon Offsets in the Yarra Yarra Biodiversity Corridor". This project represents a direct and quantifiable impact on climate action, monitored, verified and certified to Gold Standard. The credits produced within the scope of this project are still ongoing, having begun in June 2015 and continuing until June 2058.

This certification standard guarantees that the offset represents genuine, additional GHG reductions meeting the criteria of additionality, permanence, leakage and double counting. Detailed information for this project can be found here [4]. This certification standard guarantees that the credits have only been issued after the emissions reductions have taken place and that it requires verification by a trained, independent third party that ensures accuracy of measurement of reduced or avoided emissions. The ledger of created and retired Gold Standard carbon credits can be found here [5] and the retirement certificates for Sin Gusano can be found here [2]. This independent registry ensures that only properly validated carbon credits can be stored, that any retirements are permanent and that multiple entities cannot take responsible for the same retirements.

MyCarbon have conducted the due diligence of the selected project to ensure it meets the requirements of carbon neutrality according to PAS 2060:2014.



PAS 2060 QES STATEMENT

5 References

[1] - Corporate Carbon Footprint of Sin Gusano, MyCarbon on behalf of Sin Gusano, 2022, located online [2]

[2] – Location of Carbon Neutrality Statement – www.singusano.com/carbon-neutral

[3] – J. Maciel Martínez, E. Baltierra-Trejo, P. Taboada-González, Q. Aguilar-Virgen, and L. Marquez-Benavides, “Life Cycle Environmental Impacts and Energy Demand of Craft Mezcal in Mexico,” *Sustainability*, vol. 12, no. 19, p. 8242, Oct. 2020, doi: 10.3390/su12198242. – [here](#)

[4] – Gold Standard, “[AUSTRALIAN YARRA YARRA BIODIVERSITY PROJECT](https://registry.goldstandard.org/projects/details/524),” *registry.goldstandard.org*. <https://registry.goldstandard.org/projects/details/524> (accessed Oct. 18, 2022).

[5] – Gold Standard, “GSF Registry,” *registry.goldstandard.org*. <https://registry.goldstandard.org/credit-blocks?q=&page=1> (accessed Oct. 18, 2022).



PAS 2060 QES STATEMENT

6 Appendix

Table 3: Emissions source justifications

Emissions Source	Description	Inclusion / Exclusion Justification
Purchased goods and services	The embodied emissions stored in the materials and services purchased to produce the component	Included: All raw materials and packaging used throughout the organisation.
Upstream transport	Transport required in the supply chain to supply raw materials for the production	Included: Transport for all raw materials and packaging needed for the organisation.
Downstream transport	Transport required in the distribution network for the fully assembled component	Included: All transport in the distribution network using a delivery partner.
Employee commuting	Transport taken by employees to arrive in their primary place of work	Excluded: No employee commutes relevant
Waste disposal (operations)	Transport and waste processing / biodegradation-based emissions associated with any waste produced during the production process	Excluded: No waste associated with the organisation
Waste disposal (end of life)	Transport and waste processing / biodegradation-based emissions associated with any waste produced at the product end of life	Excluded: deemed negligible
Water consumption	Emissions associated to the sourcing and disposal of water	Excluded: Water not directly used in the value stream. Any impact would be negligible to the carbon footprint
Investments	Emissions associated to the ownership of turnover generating capital	Excluded: No investments associated with the organisation
Purchased capital equipment	Embodied emissions of high value capital equipment used in the production of a component	Excluded: no capital equipment used in the supply chain
Franchises	Emissions associated to the licensing of a revenue generating franchise	Excluded: No franchises
Upstream / downstream leased assets	Embodied emissions of high value leased equipment used in the production of a component	Excluded: No leased assets
Energy consumption	Heat	Excluded: No purchased heat
Energy consumption	Steam	Excluded: No purchased heat
Energy consumption	Electricity	Included: Electricity usage consumed + data supplied from utility bills.
Energy consumption	Transmission losses and extraction emissions	Included: Electricity usage predicted using secondary data [1]



PAS 2060 QES STATEMENT

Energy consumption	Burning of fuels	Included: Natural gas consumed in the UK office
Business travel of employees	Emissions associated to employee travel whilst engaging in company activities	Included: Business travel of employee whilst overseeing operations.
Other direct emissions	Emissions associated to any direct release of greenhouse gases e.g., chemical processes	Excluded: not relevant
Refrigeration	Refrigerants used in air conditioning and other cooling system have high global warming potentials	Excluded: No refrigerants directly used in the value chain.

Table 4: Justification of inclusion of different forms of greenhouse gases (GHG's)

GHG Description	Inclusion / Exclusion Justification
CO ₂ Carbon dioxide	Included
CH ₄ Methane	Included
N ₂ O Nitrous oxide	Included
HFC Hydro fluorocarbon	Excluded - Not applicable to this process as no refrigeration required in the component life cycle
PFC Perfluorocarbons	Excluded - Not applicable to this process. Any embodied emissions in the electrical components are already accounted for in the emissions factors
SF ₆ Sulphur hexafluoride	Excluded - Not applicable to this process. Any embodied emissions in the electrical components are already accounted for in the emissions factors
NF ₃ Nitrogen trifluoride	Excluded - Not applicable to this process. Any embodied emissions in the electrical components are already accounted for in the emissions factors

Table 5: QES checklist

Requirements	Section?
1) Define standard and methodology use to determine its GHG emissions reduction.	2
2) Confirm that the methodology used was applied in accordance with its provisions and the principles set out in PAS 2060 were met.	2
3) Provide justification for the selection of the methodologies chosen to quantify reductions in the carbon footprint, including all assumptions and calculations made and any assessments of uncertainty. (The methodology employed to quantify reductions shall be the same as that used to quantify the original carbon footprint. Should an alternative methodology be available that would reduce uncertainty and yield more accurate, consistent, and reproducible results, then this may be used provided the original carbon footprint is re-quantified to the same methodology, for comparison purposes. Recalculated carbon footprints shall use the most recently available emission factors, ensuring that for purposes of comparison with the original calculation, any change in the factors used is considered).	2



PAS 2060 QES STATEMENT

4) Describe how reductions have been achieved and any applicable assumptions or justifications.	N/A - Baseline
5) Ensure that there has been no change to the definition of the subject. (The entity shall ensure that the definition of the subject remains unchanged through each and every stage of the methodology. In the event that material change to the subject occurs, the sequence shall be re-started on the basis of a newly defined subject.)	N/A - Baseline
6) Describe the actual reductions achieved in absolute and intensity terms and as a percentage of the original carbon footprint. (Quantified GHG emissions reductions shall be expressed in absolute terms and shall relate to the application period selected and/or shall be expressed in emission intensity terms (e.g. per specified unit of product or instance of service)).	N/A - Baseline
7) State the baseline/qualification date.	1.4
8) Record the percentage economic growth rate for the given application period used as a threshold for recognising reductions in intensity terms.	N/A - Baseline
9) Provide an explanation for circumstances where a GHG reduction in intensity terms is accompanied by an increase in absolute terms for the determined subject.	N/A - Baseline
10) Select and document the standard and methodology used to achieve carbon offset.	4
11) Confirm that:	
a) Offsets generated or allowance credits surrendered represent genuine, additional GHG emission reductions elsewhere.	4
b) Projects involved in delivering offsets meet the criteria of additionality, permanence, leakage and double counting. (See the WRI Greenhouse Gas Protocol for definitions of additionality, permanence, leakage and double counting).	4
c) Carbon offsets are verified by an independent third-party verifier.	4
d) Credits from Carbon offset projects are only issued after the emission reduction has taken place.	4
e) Credits from Carbon offset projects are retired within 12 months from the date of the declaration of achievement.	4
f) Provision for event related option of 36 months to be added here.	N/A
g) Credits from Carbon offset projects are supported by publicly available project documentation on a registry which shall provide information about the offset project, quantification methodology and validation and verification procedures.	4
h) Credits from Carbon offset projects are stored and retired in an independent and credible registry.	4
12) Document the quantity of GHG emissions credits and the type and nature of credits purchased including the number and type of credits used and the time period over which credits were generated including:	
a) Which GHG emissions have been offset.	4
c) The type of credits and projects involved.	4
d) The number and type of carbon credits used and the time period over which the credits have been generated.	4
e) For events, a rationale to support any retirement of credits in excess of 12 months including details of any legacy emission savings, taken into account.	N/A
f) Information regarding the retirement/cancellation of carbon credits to prevent their use by others including a link to the registry or equivalent publicly available record, where the credit has been retired.	4
13) Specify the type of conformity assessment:	
a) independent third-party certification;	



PAS 2060 QES STATEMENT

b) other party validation;	
c) self-validation.	1.2
14) Include statements of validation where declarations of achievement of carbon neutrality are validated by a third-party certifier or second party organizations.	MyCarbon Formal Notes
15) Date the QES and have it signed by the senior representative of the entity concerned (e.g., CEO of a corporation; Divisional Director, where the subject is a division of a larger entity; the Chairman of a town council or the head of the household for a family group).	Carbon Neutrality Declaration
16) Make QES publicly available and provide a reference to any freely accessible information upon which substantiation depends (e.g., via websites).	Carbon Neutrality Declaration
Entities should satisfy themselves that the QES	
1) Does not suggest a reduction which does not exist, either directly or by implication.	Yes
2) Is not presented in a manner which implies that the declaration is endorsed or certified by an independent third-party organization when it is not.	Yes
3) Is not likely to be misinterpreted or be misleading as a result of the omission of relevant facts.	Yes
4) Is readily available to any interested party.	Yes