

ENVIRONMENTAL DATA VERIFICATION REPORT



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PREPARED FOR Fisher & Paykel Healthcare Limited 21 May 2021

Verification Summary Report

Organization:	Fisher & Paykel Healthcare Limited		
Address:	15 Maurice Paykel Place, East Tamaki, Auckland, New Zealand		
Representatives:	Nic Bishop and Hyrine Munga		
Site(s) reviewed:	New Zealand and Mexico production sites as well as direct sales operations worldwide	Date(s) of verification	
		- Desktop - On-site (Auckland) - Mexico (remote) - Mexico rework & final summary data (remote)	7 & 8 May 2021 10 May 2021 11 May 2021 12 May 2021
		Previous Audit Date	N/A
Lead auditor:	Marie Wimmers	Additional team member(s):	-
This report is confidential, and distribution is limited to the audit team, audit attendee's client representative and the SGS office. Please refer to the online Privacy Statement which can be accessed here			

1. Verification objectives

The objective of this verification was to verify the environmental data collection for:

- Relevance
- Completeness
- Consistency
- Transparency

by following a tracing and re-tracing approach, for the purpose of providing confidence to intended data observers/readers.

2. Boundaries of verification

Data reviewed are associated with the manufacturing sites in New Zealand and Mexico as well as worldwide presence where staff/associates occupy offices/warehouses. Twenty-four locations in total.

The applicable period is 1 April 2020 to 31 March 2021. Some *de minimis* exceptions pertained to calendar year data sets.

3. Verification process, findings, conclusion, and disclaimer

The verification initially followed a pre-defined agenda of desktop data review, interviews, and discussions to understand data collection processes, sources, and collation practices. The intended structure of the audit was as defined in the audit plan (Annex A to this summary report) which was supplemented with remote (via Teams) meetings on 11 and 12 May 2021.

Calculation and completeness challenges were identified during the verification and were rectified prior to conclusion – these are recorded later in the section 5 of the report. Improvement opportunities were identified and are detailed in section 4 of the report.

After review of corrections and final summaries, it was concluded to award the environmental dataset a reasonable level of assurance. Refer to the verification statement presented in Annex B. This verification statement pertains to datasets (described in section 5) supplied to SGS prior and during the verification, up to 10pm on 12 May 2021. Changes made after this time are regarded as being outside the scope of this verification. No warranty or guarantee is presented relating to the accuracy or reliability of the information reviewed.

4. Observations and potential Improvement Opportunities

Observations and potential improvement opportunities remaining post conclusion of the verification are:

1. Volumetric data reporting (e.g. NZ water harvested, bore water, wastewater) is not yet from sources (i.e. meters) that offer traceable measurements (e.g. calibrated by an IANZ accredited laboratory).
2. Water is harvested off the NZ Daniel building and is fed into the toilet flush reticulation. This data is not yet included in the datasets.
3. Traceability of the NZ water and wastewater data was unstable for the March to November period. In-house checks are used but algorithms used are difficult to follow.
4. Potential over reporting could result from the Canada waste to landfill be measured according to the size of the collection bin.
5. NZ Waste audits (to ensure waste to landfill does not include potential recyclables) have been paused due to the COVID pandemic.
6. The paper and plastic data for Germany, Switzerland, Austria, Poland was only reported for 2020 and included no data for 2021.
7. The NZ wood pallet supplier does not supply FSSC certified pallets.
8. Contributors uploading primary data sources in languages other than English are expected to clearly mark and indicate relevant data with explanations in English. The guidelines are presented in the data upload process description.
9. Some potential conflict of interest developed due to SGS as independent verifier, also being used to conduct the internal review of the data sets. This situation should be avoided as true independence is required.
10. Due to the time difference and language barriers between an English-speaking verifier and a significant contribution to the data being from Mexico, an SGS Mexico-based auditor should conduct verification of the Mexico data.

5. Data reviewed and significant verification trails followed

The data reviewed were grouped in five categories (section 5.1 to 5.5 detailed below):

- Energy
- Water
- Wastewater
- Waste & recycling
- Forest Products

Summary data planned to be used in the Fisher and Paykel Healthcare (F&P) annual sustainability disclosure (included in the company annual report) as well as the on-line CDP (Carbon Disclosure Project) disclosure system were obtained for each category and reviewed for:

- Relevance
- Completeness
- Consistency
- Transparency

The final summary data agreed to by SGS are presented in Annex C.

Primary data sources such as invoices and billing summaries provided by suppliers as well as secondary data in the form of normalised values and data supplied by intermediaries (e.g. the Mexico contract cafeteria supplier) presented on excel spread sheets were used.

Some challenges were experienced with primary data and collated data not being in English.

Normalisation was used to estimate some electricity, water, waste, and wastewater (*pro rata* of water) values. This practice was required as data for some of the smaller offices in offshore locations were not explicitly available due to office rent that included electricity, water, waste, and wastewater as appropriate. For such calculations New

Zealand and Mexico data sets were excluded from totals to prevent distortion of the outcome. The normalisation calculation was based on the consumption per FTE (full time equivalent staff numbers). FTE numbers as on 31 March 2021 were used. SGS did not attempt to verify the FTE numbers. The algorithm used for the normalisation calculations were found to be incorrect. Correction and recalculation were applied. SGS received and reviewed the updated data prior to conclusion of the verification.

Since the organisation has been carbon reporting for several years, some data collation practices have been reviewed many times prior. Other data types (e.g. waste and forest products) are new initiatives – with some less well-developed data collation practices.

The F&P data collection process is guided by a “System procedure and overview description”, “Data Entry Guidance Document” and a “Data entry spreadsheet” distributed to contributors. Included were principles for calculating normalised values in the event of primary data not being available. Data was collated and presented to SGS by the F&P Sustainability Team. Individuals that participated in the verification are as detailed in the attendance records presented in Annex D.

5.1 Energy

Energy data planned to be reported at organisational level were included data related to electricity, solar energy, diesel, petrol, natural gas, refrigerants (HFC-134a) and LPG.

Canada natural gas March 2021 data was corrected during the verification.

Discussions re the solar energy indicated that all energy captured is utilised on site – none is returned to the grid. The presence of electricity data for Springs Rd was confirmed as being a temporary facility being used for the last two months of the verification period.

5.2 Water

Water data planned to be reported at organisational level included mains supply as well as water harvested from rain and bore water.

Data related to reporting NZ water data for March to November of the reporting period was challenging to verify as the organisation challenged the Watercare values and did some internal recalculations.

Review observations indicated Hong Kong was not included in the reporting list – this was corrected during the verification.

Refer to the water related improvement opportunities detailed earlier in the report specifically those related to traceable measurements.

5.3 Wastewater

Wastewater data planned to be reported at organisational level included values reported via the utilities provider as well as calculated values pertaining to on-site harvested rainwater used in the sewerage reticulation system.

Normalisation of wastewater data was based on 90% of water data reported/calculated per location.

Review observations indicated that seven locations were not included in the original reporting list – this was corrected during the verification.

Refer to the wastewater related improvement opportunities detailed earlier in the report.

5.4 Waste & recycling

Waste data planned to be reported at organisational level included a selection of data collected for the Auckland and Mexico sites only. Aspects reported included aluminium (including other metals at the Auckland site), glass (including comingle at the Auckland site), Paper (including carton), plastic, E-waste, hairnets, nitrile gloves and composting.

Review observations indicated the following – which was corrected during the verification:

- The NZ aluminium data includes other metals and the total was adjusted down.
- The NZ glass data includes comingle and the total was adjusted down.

- The NZ paper category included carton and the total was originally not traceable.
- The NZ e-waste data was originally not traceable and was corrected with data received since SGS launched the verification.
- The Mexico aluminium data was changed since SGS launched the verification.
- The Mexico paper data was adjusted upward during the verification and does not include carton (refer to NZ data).
- The Mexico plastic data was adjusted down during the verification.

Refer to the waste and recycling related improvement opportunities detailed earlier in the report.

During the reporting period the organisation installed and commissioned the use of a plastics recycling sorting machine. It was confirmed that waste plastic is separated on the NZ site and no comingle returns were received during the past year. Audits of waste to landfill (Auckland) was paused due to the COVID Pandemic. Mexican regulations regarding recycling ensures that recycling is indeed practically recyclable.

5.5 Forest Products

Forest Products data planned to be reported at organisational level (Auckland and Mexico sites only) included beef, wood pallets, A3 paper, A4 paper, corrugated carton, and paper towels.

Review observations indicated the following – which were corrected during the verification:

- NZ beef total was increased
- NZ wood pallet total was reduced
- NZ Paper towels data was increased

Refer to the forest products related improvement opportunities detailed earlier in the report.

Annex A – Verification Plan

Verification Plan v2

Organization:		Fisher & Paykel Healthcare Limited			
Address:		15 Maurice Paykel Place, East Tamaki, Auckland, New Zealand			
Verification dates		Off-site data review, preparation & final plan		4/5 May 2021	
		Actual Visit Date:		10 May 2021	
		Report & assurance statement preparation		11 May 2021	
Verification Due by Date:		Early May	No. of Shifts	N/A	
Lead Auditor:		Marie Wimmers (MW)			
Standard(s):		N/A			
Audit Language:		English			
Audit Scope:		Verification of Water, Waste, Forest Products and Energy data for FY21			
Audit Objectives: To determine relevance, completeness, consistency and accuracy of a selection of sustainability disclosure data relevant to all F&P worldwide sites.					
Date	Time	Auditor	Organisational and Functional Units/ Processes and Activities	Key Contact	
10 May 2021	08:15	MW	Auditor arrive at site, site induction	Hyrine Munga	
	08:30		Opening meeting	F&P staff	
	09:00		Water consumption: Bore water and harvested rainwater (Akl) <ul style="list-style-type: none">number/location of boresflow meters calibration recordscollection & reticulation system changes/improvements of the past 12 monthscurrent challenges – e.g. maintenance programme overdue, leaksdata clarification discussions (if any)	F&P staff as applicable Keith	
			09:30	Water consumption: <ul style="list-style-type: none">Council supply to all sitestraceability of normalised data (e.g. head count/FTE data)data clarification discussions (if any)	F&P staff as applicable
			10:30	Waste generation: <ul style="list-style-type: none">Reclaim waste audit reportwaste stream destinationsdata clarification discussions (if any)	F&P staff as applicable
	12:00	LUNCH (not required to supply lunch due to food allergies)			
	12:45	MW	Energy (electricity and gas): <ul style="list-style-type: none">traceability of normalised data (e.g. head count/FTE data) – if not covered earlierdata clarification discussions (if any)	F&P staff as applicable	
	14:00		Forest products: <ul style="list-style-type: none">Auckland beef dataOrdering system demonstrationTracing of nominated data & clarificationBeef waste	F&P staff as applicable Glen	
	14:30		Forest products: <ul style="list-style-type: none">Shipping pallets and office paper (NZ only)Data collection approachData clarification discussions (if any)	F&P staff as applicable	

10 May 2021	15:00	MW	Forest products: <ul style="list-style-type: none"> - Packaging corrugated cardboard • Data clarification discussions (if any) 	F&P staff as applicable
	15:15		Forest products: TBC <ul style="list-style-type: none"> - Mexico beef & buffalo data • Data collection approach (incl link to Lumbrera food) • Tracing of nominated data & clarification • Beef waste Waste generation: <ul style="list-style-type: none"> - Mexico waste streams • on-site separation arrangements & audits • waste stream destinations & service providers • data clarification discussions (if any) 	F&P staff as applicable Cristian
	16:00		Audit consolidation & loose ends	-
	16:30	MW	Feedback meeting	F&P staff
	17:00		Auditor leave site	

Annex B

Verification Statements

Data Verification Statement - Energy

SGS conducted a process of evaluating sustainability data and information with the following boundaries:

Organisation: Fisher & Paykel Healthcare Limited

Reporting period: 1 April 2020 to 31 March 2021

Data reviewed:

- Energy (electricity, solar, diesel, petrol, natural gas, refrigerant, LPG)

Locations involved: Australia, Brazil, Canada, China, Colombia, France [Benelux, Italy, Spain, Portugal], Germany [Switzerland, Austria, Poland], Hong Kong, India, Indonesia, Japan, Korea, Mexico, Mexico Sales Office, New Zealand, Russia, Saudi Arabia, Sri Lanka, Sweden [Denmark, Norway, Finland], Taiwan, Turkey, United Arab Emirates, United Kingdom [Ireland], USA.

The summarised data was found to be materially correct.

A reasonable level of assurance is associated with the data reviewed.

M Wimmers
SGS NZ Auditor

Data Verification Statement - Water

SGS conducted a process of evaluating sustainability data and information with the following boundaries:

Organisation: Fisher & Paykel Healthcare Limited

Reporting period: 1 April 2020 to 31 March 2021

Data reviewed:

- Water (mains supply, rainwater harvesting, bore supply)

Locations involved: Australia, Brazil, Canada, China, Colombia, France [Benelux, Italy, Spain, Portugal], Germany [Switzerland, Austria, Poland], Hong Kong, India, Indonesia, Japan, Korea, Mexico, Mexico Sales Office, New Zealand, Russia, Saudi Arabia, Sri Lanka, Sweden [Denmark, Norway, Finland], Taiwan, Turkey, United Arab Emirates, United Kingdom [Ireland], USA.

The summarised data was found to be materially correct.

A reasonable level of assurance is associated with the data reviewed.

M Wimmers
SGS NZ Auditor

Data Verification Statement - Wastewater

SGS conducted a process of evaluating sustainability data and information with the following boundaries:

Organisation: Fisher & Paykel Healthcare Limited

Reporting period: 1 April 2020 to 31 March 2021

Data reviewed:

- Wastewater

Locations involved: Australia, Brazil, Canada, China, Colombia, France [Benelux, Italy, Spain, Portugal], Germany [Switzerland, Austria, Poland], Hong Kong, India, Indonesia, Japan, Korea, Mexico, Mexico Sales Office, New Zealand, Russia, Saudi Arabia, Sri Lanka, Sweden [Denmark, Norway, Finland], Taiwan, Turkey, United Arab Emirates, United Kingdom [Ireland], USA.

The summarised data was found to be materially correct.

A reasonable level of assurance is associated with the data reviewed.

M Wimmers
SGS NZ Auditor

Data Verification Statement – Waste & recycling

SGS conducted a process of evaluating sustainability data and information with the following boundaries:

Organisation: Fisher & Paykel Healthcare Limited

Reporting period: 1 April 2020 to 31 March 2021

Data reviewed:

- Waste & recycling (aluminium & other metals, glass & comingle, paper & carton, plastic, e-waste, hair nets, nitrile gloves, landfill, compost)

Locations involved: Australia, Brazil, Canada, China, Colombia, France [Benelux, Italy, Spain, Portugal], Germany [Switzerland, Austria, Poland], Hong Kong, India, Indonesia, Japan, Korea, Mexico, Mexico Sales Office, New Zealand, Russia, Saudi Arabia, Sri Lanka, Sweden [Denmark, Norway, Finland], Taiwan, Turkey, United Arab Emirates, United Kingdom [Ireland], USA.

The summarised data was found to be materially correct.

A reasonable level of assurance is associated with the data reviewed.

M Wimmers
SGS NZ Auditor

Data Verification Statement – Forest Products

SGS conducted a process of evaluating sustainability data and information with the following boundaries:

Organisation: Fisher & Paykel Healthcare Limited

Reporting period: 1 April 2020 to 31 March 2021

Data reviewed:

- Forest Products (beef, wood pallets, paper, corrugated carton, paper towels)

Locations involved: Australia, Brazil, Canada, China, Colombia, France [Benelux, Italy, Spain, Portugal], Germany [Switzerland, Austria, Poland], Hong Kong, India, Indonesia, Japan, Korea, Mexico, Mexico Sales Office, New Zealand, Russia, Saudi Arabia, Sri Lanka, Sweden [Denmark, Norway, Finland], Taiwan, Turkey, United Arab Emirates, United Kingdom [Ireland], USA.

The summarised data was found to be materially correct.

A reasonable level of assurance is associated with the data reviewed.

M Wimmers
SGS NZ Auditor

Annex C

Final summary data agreed by SGS

Water		Waste		Electricity		Fuels				Forest Products					
Water supply (m3)	Waste Water (m3)	Recycled and composted waste, diverted from landfill (tonne)	Landfill Waste (tonne)	Electricity (kWh)	Renewable electricity generation onsite (kWh)	Diesel (L)	Diesel stationary combustion (L)	Petrol (L)	LPG	Natural Gas (kWh)	Beef (tonnes)	Wood pallets (tonnes)	Office paper (tonnes)	Paper towels (tonnes)	Corrugated Cartons (tonnes)
134899.929	86881.8434	1629.52	4054.1	52218039.36	108875	256813	3465.47	435041	28828	357956	18.94	980.9	160.03	55.3	2795.5

Annex D Attendance records

10 May 2021 Auckland site visit

Environmental Data Verification Attendance Record

Organization:	Fisher and Paykel Healthcare Limited
Address:	15 Maurice Paykel Place, East Tamaki, Auckland, New Zealand
Lead Auditor:	Marie Wimmers
Audit Language:	English
Verification date:	Monday 10 May 2021

Water discussion {

Attendance Record for participation in the verification		Opening Meeting	Closing Meeting	Discussions
Name	Position	Indicate attendance with a tick	Indicate attendance with a tick	Indicate attendance with a tick
Marie Wimmers	SGS Auditor	✓		
Sulaiman Sulaiman	F&P: Bldg Service			✓
Keith Alexander	Facilities Proj. Mgr.			✓
Hyrine Munga	Environmental Specialist Carbon	✓	✓	
Glen Rockhouse	Catering ops Manager			
KIMBERLEY SAVILL	SUSTAINABILITY GRADUATE		✓	
Nic Bishop	Head of Sustainability		✓	
Ella Mersel (remote)	Environmental Specialist		✓	

11 May 2021: 10:00 – 13:30 Remote meeting via Teams. Mexico Sustainability Data
Waste recycled, landfill, forest products

Attendee name	Title
Nic Bishop	Head of Sustainability & Environmental Innovation
Hyrine Munga	Environmental Specialist Carbon
Marie Wimmers	SGS Auditor
Rene Gutierrez	Sr.EHS Manager
Cristian Rivera	EHS Technician
Maria Fernanda Mejia	Health Safety & Sustainability Specialist
Paola Jazmin Delgado	EHS Technician
Itzel Fraga	Lumbrera Food(Supplier of beef).

**12 May 2021: 18:00 to 20:00 Mexico Landfill data and Beef data as well as
reworked overarching summary data (Remote meeting via Teams)**

Attendee name	Title
Nic Bishop	Head of Sustainability & Environmental Innovation
Hyrine Munga	Environmental Specialist Carbon
Marie Wimmers	SGS Auditor