National Carbon Offset Standard Carbon Neutral Program Annual Report





Jardan Australia Pty Ltd 1st July 2013 to 30th June 2014

Public Disclosure Summary

1. Carbon neutral information

Certification is for

The subject of certification is Jardan as an organisation. Jardan's products are not the subject of certification. Jardan's sites lay within the following geographic boundary:

- Head office, Ricketts Rd Waverley (containing showroom, offices and upholstery production, VIC)
- Clayton frame maker (light manufacturing facility, VIC)
- Clayton timber manufacturing (chair, table and frame production, VIC)
- Sydney showroom (NSW)
- Brisbane showroom (QLD)

An 'operational control' based approach to defining organisational boundaries has been employed. Under this approach, Jardan accounts for 100% of emissions from operations over which it has operational control. This determination follows the NGER method for defining operational control as "the full authority to introduce and implement:

- Operating policies
- · Health and Safety Policies
- Environmental policies

Gross emissions

1301.34 t CO₂-e



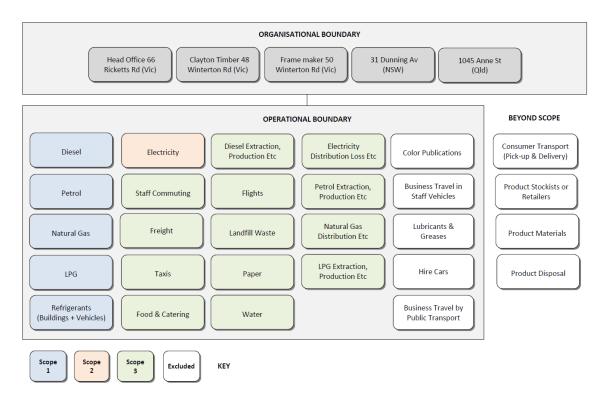


Figure 1: Diagram of the boundary of the subject of certification

Jardan is dedicated to sustainability. This is founded in a passion for premium, Australian made furniture which, combined with a commitment to socially and ecologically responsible design, manufacture and total product lifecycle, resulting in pieces that are environmentally friendly.

Jardan is widely recognised for its sustainability credentials and enjoys a position as an employer of choice for many working in the sector. Some of our achievements include certification for ISO14001 and we have obtained Chain of Custody and can therefore supply AFS and FSC certified timber products. Almost our entire range is certified to Good Environmental Choice Australia (GECA) Level A ensuring our products meet high environmental standards including low emissions of VOC and Formaldehydes allowing our furniture to meet the requirements at the highest level for Green Building Council Greenstar projects. We gained recognition for our recycling endeavours which in its first year achieved a 75% reduction in waste to landfill.

Employing the philosophy of making small, meaningful changes every day, we aim to create big impact over time. We believe in making locally, acting mindfully and minimising all waste and by-product. It's about taking responsibility. This translates to the choice of materials in our products:

- Timber: All of our timber is available with either the FSC, AFS or EcoSelect label and is sourced from Australian and overseas mills. This ensures supply is regulated by both state and federal legislation and meets stringent requirements in terms of forest regeneration, biodiversity and the protection of native fauna.
- Foam and Feather: All of our foam is CFC Free and 100% recyclable. Seating and backing which is the largest foam component is also fire retardant. All feather and down used has undergone a ten stage washing and sterilisation process using 100% recycled water and is naturally biodegradable.
- Plastic: Glides as well as minor internal components are made from polypropylene and nylon which are both 100% recyclable.



- Upholstery: Fabrics are available from a range of manufacturers including those with environmental certification and ISO 14001. Leather can be sourced from tanneries which use organic dyes and chrome-free processing. Webbed backs and linings use interwoven natural hemp fibre, both recyclable, and biodegradable.
- Finishes: Water based stains are standard across the Jardan range and are essential for product to be GECA approved.

Resource efficiency and responsible management are core business at Jardan. Every ninety days our environmental management group measure, review and report on the following operational challenges:

- Raw material minimisation: Components, meterages and construction on methods are regularly reviewed for efficiencies and improvements.
- Waste minimisation: Fabric, foam, leather, paper, plastic and steel waste from production and administration is collected for reuse, reprocessing or recycling.
- Reuse: Jardan endeavours to ensure that each piece of furniture produced can be either rejuvenated or recycled, and thereby extending the life of the product. Jardan offers a re-upholstery and rejuvenation service further extending product life.
- Recycling: Our products are made out of timber, foam and feather. The timber can
 be reused for making smaller components. The foam can be sent back to the supplier
 to be recycled into a different product (reconstituted foam). The feather used is
 naturally biodegradable.
- Product Stewardship: Jardan takes full responsibility throughout the lifecycle of our furniture. We will accept returns of products for reuse or recycling, which have reached the end of their useable life under our Care and Warranty agreement.

Over the past four years Jardan has undertaken a number of initiatives to address the greenhouse gas emissions associated with our business activities. This has included a detailed energy audit and a number of energy and resource efficiency measures designed to reduce greenhouse gas emissions. Some of these initiatives include:

- Energy efficiency switch off campaign encouraging switch off of all electrical appliances/ lighting when not in use
- Timers on water boilers and other equipment
- · Chilled bottled water coolers replaced with non-chilled filtered tap water devices
- Implemented Google mapping for deliveries to reduce travel and fuel usage
- Implemented Google mapping for sales reps to reduce travel and fuel usage
- Promote ride a bike day encourage staff to cycle to work
- Carbon offsetting of some staff travel
- Green purchasing including carbon neutral paper
- Continuing recycling program reducing waste to landfill
- Lean manufacturing 6 staff have completed training and now implementing measures
- Printing Melbourne office staff now need to sign off at printer before printing to reduce waste
- New more efficient printer purchased
- Screen monitors set to sleep mode after 10 minutes of inactivity



2. Summary of changes to the carbon footprint

The reporting boundary and number of emissions sources for this reporting period remain unchanged from the 2012-13 base year 2012-13. The 2013-14 footprint calculation contains a number of minor updates that reflect best practice carbon accounting:

Reticulated water: In 2013-14 new emissions factors were used to estimate emissions

from the supply of reticulated water. 2012-13 emissions from these sources were revised to allow comparison with 2013-14 results.

Flights: The methodology applied to calculate emissions from flights has

changed from the baseline calculation in 2012–13. In 2012-13 Jardan included the radiative forcing factor in addition to the emissions factor. A new radiative forcing factor has been adopted (incorporated into the emissions factor) based on published updated methodologies (DEFRA, 2013, see attached inventory). This resulted in a lower emission intensity for each passenger kilometre when compared with the base line year. Emissions from flights were recalculated using

revised methodologies 2012-13 for comparative analysis.

3. Emission Reduction Measures

Table 1. Emissions Reduction Measures				
Emission source	Reduction Measure	Scope	Status	Reduction t CO ₂ -e
Electricity Consumption	Company wide switch off campaign 2+3 Ongoing		Unknown	
Office paper NCOS Carbon Neutral			Ongoing	0.00
Total emission reductions implemented in this reporting period				Unknown
Total expected emissions reductions in future reporting periods				Unknown

NOTE: in the 2012/13 period, Jardan disclosed two planned emission reduction measures (an estimated 52 tCO2-e) through lighting efficiency upgrades at the Winterton Rd and Ricketts Rd facilities.

These projects are currently on hold whilst Jardan assesses a number of options for merging the two facilities to a single site location.



4. Carbon emissions summary

Table 2. Emissions Summary			
Scope	Emission source	t CO ₂ -e	
1	Petrol	47.45	
1	Natural Gas	41.56	
1	Diesel	19.59	
1	Refrigerants	16.61	
1	LPG	2.08	
2	Electricity	545.84	
3	Staff Commuting	242.09	
3	Freight	178.62	
3	Waste to Landfill	93.34	
3	Flights (staff travel)	25.22	
3	Food & Catering	7.06	
3	Water	0.93	
3	Taxis	0.56	
3	Paper Consumption	0.17	
3	Electricity (distribution losses etc)	71.79	
3	Petrol (extraction, production etc)	3.61	
3	Diesel (extraction, production etc)	1.49	
3	Natural Gas (extraction, production etc)	3.16	
3	LPG (extraction, production etc)	0.17	
3	Paper consumption (NCOS certified carbon neutral)	0.00	
Total Gross Emissions 1301.34		1301.34	
GreenPower or LGC reductions Nil		Nil	
Total Net Emissions 1301.34			



5. Carbon offsets for this year

Table 3. Offset cancellations				
Offset type	Registry	Serial number	Quantity (t CO ₂ -e)	
VCU	APX VCS Regsitry	3584-159129733- 159130682-VCU-009- APX-IN-1-250- 01012007-31122007-0	950	
VCU	APX VCS Regsitry	3071-134505793- 134506192-VCU-003- APX-IN-1-885- 30042010-31122010-0	400	
Total			1350	

Note: Jardan has adopted a conservative approach to offset procurement choses to purchase an additional 5-10% of abatement in addition to that required to meet carbon neutrality. In these instances, some offsets may be banked for future years at the discretion of Jardan. For this reporting period (2013/14), Jardan purchased an additional 49 units which will not be used in future reporting periods

6. Declaration

To the best of my knowledge and having met the requirements of the National Carbon Offset Standard Carbon Neutral Program (NCOS CNP), the information provided in this Public Disclosure Summary is true and correct.

Michael Genly.	28th October 2014	
Michael Garnham		
Managing Director		

This template has been developed specifically for the use of participants in the NCOS CNP that are seeking formal certification under the program. The template may also assist other entities that are not participants in the CNP to, for example, voluntarily estimate a carbon footprint in a way that reflects the standards set by the NCOS. While the template may be used for such purposes that are unrelated to the CNP, the Commonwealth makes no representation or warranty that the template will be completely sufficient for those purposes, and takes no responsibility for its use in such circumstances.

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