

National Carbon Offset Standard Carbon Neutral Program Public Disclosure Summary



An Australian Government Initiative

COMPANY NAME: SWISSE WELLNESS PTY LTD

REPORTING PERIOD: 1 July 2014 – 30 June 2015

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

A handwritten signature in black ink, appearing to read "Radek Sali".

20 March 2016

Radek Sali

Chief Executive Officer

Type of carbon neutral certification: part organisation

Verification

Date of most recent external verification/audit: 2015

Auditor: JTP

Auditor assurance statement link:

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Australian Government

Department of the Environment

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1. Carbon neutral information

This section describes the carbon neutral information associated with Swisse's operations as a leading supplier of vitamins and health products in Australia.

Introduction

Swisse is one of Australia's largest suppliers of vitamins and health products. The organisation strives to provide consumers with scientifically proven natural supplements to help people live healthier and happier lives. Swisse is currently expanding its product range to include other personal and healthcare products using natural ingredients where possible. Maintaining environmentally responsible business practises is considered a priority at Swisse and is in line with our overall philosophy of caring for people and the planet.

The boundary consolidation approach applied for NCOS by Swisse is operational control. The NCOS organisational boundary has been determined in accordance with the NGER framework for scope 1 and 2 emissions and the GHG Protocol for scope 3 emissions. During the reporting period Swisse had operational control of the Gipps St facility, and also the warehousing facility at 33 Maddox Street, Sydney. This has been determined as Swisse has the full authority to introduce and implement its operating, environmental, and health and safety policies at both facilities. Direct and indirect (electricity consumption) emissions from these facilities have been defined as scope 1 and scope 2 emissions respectively.

The certification boundary includes all of the administrative activities associated with running the Swisse operations, which occur primarily in the Melbourne Office.

The treatment of scope 3 emissions has been determined in accordance with the NCOS Standard and the GHG Protocol. Scope 3 emissions are included in the organisational boundary, however some have been excluded from the certification boundary. Scope 3 emissions are generally indirect emissions and/or emissions associated with Swisse activities (such as manufacturing and transport) that are not under Swisse's operational control. Material scope 3 GHG-generating activities are included i.e. paper, waste, water. Additional items such as catering, cleaning and maintenance were reported where reliable data was available.

The large corporate function at the Melbourne Spring Racing Carnival was held in November 2014, (within this 2014/15 reporting period) and has been reported as VRC Event. This event did not occur in the 2013/14 year however did occur in the 2012/13 year.

Figure 1 below illustrates the NCOS certification and organisational boundaries.

Emission sources within certification boundary

Quantified sources

The following emission sources have been included in the certification boundary:

Scope	Emission source	Source of activity data	Methodology reference
1	Gas usage	Invoice (Melbourne)	Method 1 NGA Factors (Dec 2014)
1	Bottled Gas (LPG)	SUPAGAS (Sydney)	Method 1 NGA Factors (Dec 2014)
2	Electricity Usage	Energy Australia (Sydney)	Method 1 NGA Factors (Dec 2014)
2	Carbon Neutral Product	Power Shop (Melbourne)	NA
3	Carbon Neutral Product	Power Shop (Melbourne)	NA
3	Electricity Usage	Energy Australia (Sydney)	Method 1 NGA Factors (Dec 2014)
3	Water Usage	City West Water Invoice (Melbourne)	Correspondence with Melbourne Water (Ken Baxtor, Energy Manager) during the previous reporting period
3	Water Usage	Assumption see table 3 below (Sydney)	Correspondence with Melbourne Water (Ken Baxtor, Energy Manager) during the previous reporting period
3	Courier Freight	Logistics Services Australia Data (Melbourne)	Australian Bureau of Statistics (ABS) - Survey of Motor Vehicle Use, Australia, 12 months ended 30 June 2012 - Survey of Motor Vehicle Use, Australia, 12 months ended 30 June 2012
3	Local Accommodation	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	International Accommodation	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	Catering	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	Cleaning	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	Consumables	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15

Scope	Emission source	Source of activity data	Methodology reference
3	Printing	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	Maintenance	Swisse general ledger (Melbourne and Sydney)	Input/ Output Data 2014-15
3	Air Travel - Short haul	Corporate traveller	DEFRA 2015 Economy: Flights Worksheet
3	Air Travel - Medium haul	Corporate traveller	DEFRA 2015 Economy: Flights Worksheet
3	Air Travel - Long haul	Corporate traveller	DEFRA 2015 business class: Flights Worksheet
3	Transport(diesel)	Swisse general ledger fuel expense claims (Melbourne)	Method 1 NGA Factors (Dec 2014)
3	Transport (petrol)	Swisse general ledger fuel expense claims (Melbourne)	Method 1 NGA Factors (Dec 2014)
3	Taxi (LPG)	Cabcharge (Melbourne)	Method 1 NGA Factors (Dec 2014) Australian Bureau of Statistics (ABS) - Survey of Motor Vehicle Use, Australia, 12 months ended 30 June 2012 Victorian Taxi Services Commission
3	Bus (diesel)	Swisse Travel Survey (Melbourne and Sydney)	Method 1 NGA Factors (Dec 2014)
3	Cycle	Swisse Travel Survey (Melbourne)	Method 1 DEFRA
3	Car (petrol)	Swisse Travel Survey (Melbourne and Sydney)	Method 1 NGA Factors (Dec 2014)
3	Drive with passenger (petrol)	Swisse Travel Survey (Melbourne)	Method 1 NGA Factors (Dec 2014)
3	Motorcycle	Swisse Travel Survey (Melbourne)	Method 1 NGA Factors (Dec 2014)
3	Train	Swisse Travel Survey (Melbourne)	Method 1 NGGI
3	Tram	Swisse Travel Survey (Melbourne)	Method 1 NGGI
3	Walk	Swisse Travel Survey (Melbourne)	Method 1 DEFRA

Scope	Emission source	Source of activity data	Methodology reference
3	General Waste	Swisse Melbourne Office Coordinator	Method 1 NGA Factors (Dec 2014)
3	General Waste	Swisse Sydney Office Coordinator	Method 1 NGA Factors (Dec 2014)

Non-quantified sources

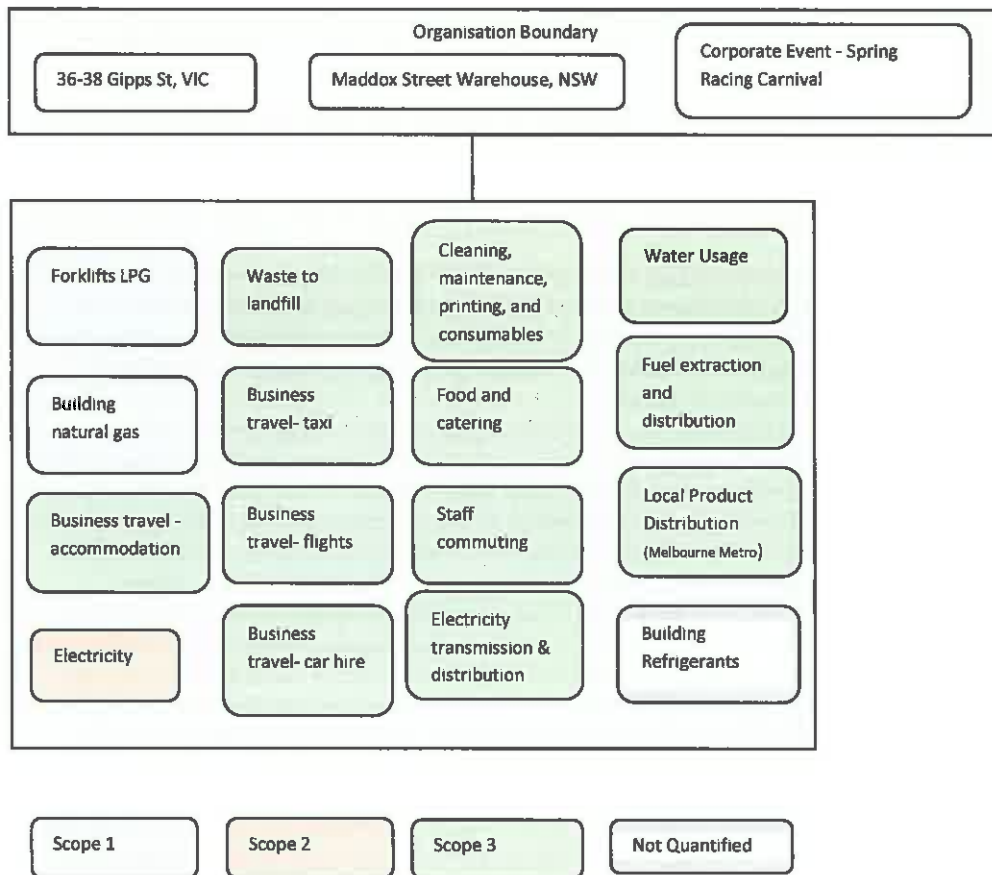
The following emission sources have not been quantified in line with the provisions in the NCOS. The impact of excluding these sources is not expected to materially affect the overall total emissions.

- Product manufacturing as scope 3 emissions has been excluded from the certification boundary. This is because Swisse does not have operational control of the manufacturing process, nor have access to emissions and energy data. The manufacturer has multiple clients and multiple products. It is therefore not feasible to attempt to allocate a portion of the manufacturer's emissions to Swisse.
- Non-Melbourne metropolitan and international distribution (as scope 3 emissions) is excluded from the certification boundary. This is because Swisse do not have operational control over third party contracted transport providers, nor have access to reliable and complete emissions and energy data from all distribution activities. Product distribution is typically conducted via multiple contractors using multiple transport modes and mixed loads. These activities are identified as 'All Other Product Distribution' in Figure 1 below, which outlines Swisse' Certification boundary. It is not feasible to attempt to apportion the transport contractor's emissions to Swisse with the exception of Melbourne metropolitan freight where delivery was actioned from the Gipps St office. Freight from the Gipps St office has been included in the inventory and calculated using financial data and factors derived from historic data. Swisse will review its approach to calculating emissions from all product distribution in future years.
- Refrigerant utilised in small domestic cooling appliances such as fridges, freezers and air-conditioners has been excluded from the inventory due to their immaterial impact. This has been identified based on the low quantity of refrigerant estimated during site visits (typically R600a) and low GWP¹ associated with these gases. Further R600a is not a reportable item under the NGER Regulations as a covered refrigerant.
- Embodied emissions in capital plant and equipment are not considered in the inventory as scope 3 emissions. This is because it is not feasible to gather accurate emissions data for all/some major capital items, and is considered not applicable to an organisation (or part organisation) accreditation under the NCOS Guidelines. Such an approach is more suited to a Life Cycle Analysis approach, which does not apply to Swisse's circumstances.

¹ GWP for R600a is '3'.

Diagram of certification boundary

Figure 1. Diagram of NCOS Certification Boundary including activities for Scope 1, 2 and 3 for reporting period 2014/15.



2. Emissions reduction measures

Part A. Emissions over time

	Base Year 10/11	FY 13/14	FY 14/15
Scope 1	134.3	19.67	12.64
Scope 2	197.9	137.06	124.47
Scope 3	409.1	1361.06	1760.06
Total	741.3 t CO ₂ -e	1518 t CO ₂ -e	1897 t CO ₂ -e

The increase in total emissions is in line with the organisational growth experienced by Swisse.

Part B. Emissions reduction strategy

Swisse's management regard sustainability as a prominent pillar of its business operation, and is continually exploring opportunities to reduce its environmental footprint. Due to Swisse's organic growth and expansion into international markets, it is impractical to maintain greenhouse gas emissions at a constant level. However, Swisse strives to continually improve emissions intensity over time. A number of emissions reduction measures addressing scope 1, 2 and 3 emissions have been identified from implementation under Part C below. These measures have been identified by examining Swisse's operation and emissions sources, in collaboration with carbon and energy experts, to determine feasible emissions reduction opportunities.

The following approaches are examples of Swisse's ongoing Emissions Reduction Strategy:

- Optimising the use of video and teleconferencing when feasible
- Purchasing green power
- Purchasing carbon neutral products where possible

Part C. Emissions reduction actions

The following activities have been identified to reduce emissions within Swisse's operational boundary. The measures include activities implemented during this reporting period, activities planned for the future implementation, and avoided emissions from purchasing certified carbon neutral products.

Emission source	Reduction Measure	Scope	Status	Reduction t CO ₂ -e
Warehouse Lighting	A combination of measures to improve lighting efficiency including installing motion detectors for less traffic areas, installing lighting control system and frequent cleaning of lamps	2	Planned for future reporting period	NA (impractical to determine collectively)
Warehouse Forklifts Fuel Usage	Switching from the existing LPG forklifts to electric ones	1 & 3	Planned for future reporting period	11.7
Office Paper	Use of carbon neutral papers provided by either Australian Paper or Fuji Xerox Australia	3	Planned for future reporting period	24.9
Head Office Electricity	Review of energy providers with the aim to use green power.	2	Planned for future reporting period	162.6
Office Move	Energy efficient fit out. Reduced electricity usage	2	Planned for future reporting period	(impractical to determine collectively)
Consumables	Reduction in the use of cleaning products and office needs. Calculated using \$ per annum via invoices.	3	Implemented	12.5
Cleaning	More efficient use of using contractors for cleaning and maintenance. Calculated using \$ per annum via invoices.	3	Implemented	7.8
Catering	Reducing Staff catering. Calculated using \$ per annum via invoices.	3	Implemented	137.8
Total emission reductions implemented in this reporting period				158.1
Total expected emission reductions in future reporting periods				199.2

3. Emissions summary

Table 2. Emissions Summary		
Scope	Emission source	t CO ₂ -e
1	Gas usage	0.90
1	Bottled LPG	11.74
2	Electricity Usage	124.47
3	Electricity Usage	23.18
3	Transport (diesel)	14.96
3	Transport (petrol)	97.30
3	Accommodation	134.64
3	Taxi Travel	9.47
3	Air travel	378.01
3	Catering	46.08
3	Cleaning	17.24
3	Consumables	6.69
3	Waste	565.25
3	Water	0.12
3	Employee travel	278.51
3	Printing	24.93
3	Maintenance	15.65
3	VRC Event	147.95
Total Gross Emissions		1897.1
GreenPower		0
Total Net Emissions		1897

4. Carbon offsets

Part A. Offsets summary.

Table 3. Offsets Summary			
Offset type and registry	Year retired	Quantity	Serial numbers
Verified Carbon Standard Markit Registry	2014	185	2759-119425201-119425385-VCU-008-MER-TH-4-403-01012010-31122010-0
APX VCS Registry Verified Carbon Units (surrendered from last financial year)	2015	66	1755-72493216-72494299-VCU-008-MER-TH-4-403-01072007-31122007-0 https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=6781
Gold Standard LUF VER	2016	300	GS1-1-AU-GS3039-22-2010-4638-3754 to 4053
APX VCS Registry Verified Carbon Units	2016	300	2646-115114696-115114995-VCU-016-MER-AU-14-641-01072011-15042012-0
APX VCS Registry Verified Carbon Units	2016	1500	4201-178257053-178258552-VCU-030-APX-IN-1-1159-25012011-31122011-0
Total offsets retired			2351
Net emissions			1897
Total offsets held in surplus for future years:			454

Part B. Offsets purchasing and retirement strategy

Emissions associated with the VRC Event were estimated in line with the 2012 VRC Event data to purchase and surrender offsets in advance.

The remaining organisational offsets for the 2014/15 financial year are surrendered retrospectively in line with the submission of this NCOS application.

Ndevr Environmental source NCOS approved offsets on behalf of Swisse. Swisse prefer to procure Australian native forestry offsets where available. This year Gold-class Australian native forestry project offsets have been sourced to offset the scope 1 and 2 emissions, and a mix of Tasmanian forestry and Indonesian wind power offsets has been selected for scope 3 emissions.⁵

Part C. Offset projects (Co-benefits)

The Yarra Yarra Biodiversity Corridor is a multi-species native reforestation project located in Southwest Australia which is a global biodiversity hotspot. In addition to voluntarily reducing carbon emissions, this project enhances biodiversity; and promotes Aboriginal inclusion in the community.

