Australian Government

Carbon Neutral Program **Public Disclosure Summary**



THIS DOCUMENT WILL BE MADE PUBLICLY AVAILABLE

COMPANY NAME: Ross Hill Wine Group

REPORTING PERIOD: 1 July 2018 - 30 June 2019

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.

| Signature: | Date 4 September 2019 |
|--|-----------------------|
| Name of Signatory: James Hammond Robson | |
| Name of Signatory: James Hammona Robson | |
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| Position of Signatory: Managing Director | |
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| Carbon neutral certification category | Organisation and Products |
|---|--|
| Date of most recent external verification/audit | October 2017 (Period 1/7/16 – 30/6/17) |
| Auditor | Benjamin Jenkins, GPP Audit Pty Ltd |
| Auditor assurance statement link | |



Carbon neutral information

1A. Introduction

The Ross Hill Wine Group roots were firmly planted in 1994 by Peter and Terri Robson. Joined by their son James and wife Chrissy in 2006 to continue the hard work, passion and dedication to produce exceptional quality and elegantly refined, cool climate Ross Hill Wines.

In 2008 wine making duo Phil and Rochelle Kerney joined the family. Phil brings with him 15 years of wine making experience both in Australia and Internationally. Rochelle has been by Phil's side through much of his winemaking journey and is herself working towards her own qualification as a winemaker. The Kerney's have brought with them an enormous amount of passion, care and knowledge of wine and the winemaking process, which fits perfectly into our family mould. In 2014 Phil & Rochelle were recognised by Gourmet Traveller Wine magazine as winemaker(s) of the year finalists.

The Ross Hill Vineyard is situated on the gentle north facing slopes of Griffin Rd, Orange at an elevation ranging from 750 to 850 metres. Such elevation presents its self in our wines that are so distinctively high altitude and cool climate produce.

Covering the hills with 12 hectares (ha) of established vine we are able to grow the majority of the grapes used in our wines. Ross Hill white wine varieties include Chardonnay & Sauvignon Blanc, and the iconic red styles of Merlot, Shiraz and Cabernet Franc, Cabernet Sauvignon and Cabernet Shiraz.

To complement the Ross Hill vineyard was the planting in 2008 of 5 more hectares of vine in the fertile volcanic basalt soils at Ross Hill. With an even higher altitude at 1018 metres above sea level, it is one of the highest and coldest vineyards in Australia. These vines are the Sauvignon Blanc, Pinot Gris and Pinot Noir and are the perfect conditions for these varieties.

All 17ha of vine are handled with the utmost care by being hand pruned to maintain the exceptional quality and flavour that carry through to our wines. We pride ourselves on our quality not the quantity.

Our environmental policy sees no use of insecticides and reduced irrigation impact by a program of mulching cover crops planted between the rows between autumn and winter.

In 2015 Ross Hill Wines became the first NCOS certified carbon neutral winery. Ross Hill Wines has now extended its NCOS certification, previously for operations to include its products.

Considering the large number of wine varieties offered by Ross Hill Wines, it was not practical or cost effective to carry out separate LCAs for each variety of wine. Our approach was therefore to define a generic bottled wine product to represent the entire product range, which includes both red and white wine varieties.

A hybrid LCA methodology is used. This uses a combination of direct LCA data (material consumption data) and data from an input-output analysis (based on \$ value of expenditure). Input-output analysis provides a complete assessment of all inputs to the procurement and delivery of bottled wine to customers. To summarise the hybrid approach:

The depth of the input-output analysis approach covers the entire upstream supply chain. The input output analysis applies an infinite supply chain to all upstream emissions. This means that no boundary needs to be set of up. The breadth of this approach covers all supply chain inputs including materials and services required to operate Ross Hill's business operations and the production of wine sold to customers.

The scope 3 emissions of imported goods are also included in the analysis, calculated as if they were produced under Australian production conditions.

Input output analysis data (based on \$ value of expenditure) is replaced by primary usage data for petrol, gas, electricity, waste, recycling. When primary consumption data is available, the input output emission factors were replaced by emission factors from other sources such as the NGER (Measurement) Technical Guidelines, NGA factors and other LCA databases.

Input output analysis data (based on \$ value of expenditure) is replaced by primary consumption data for glass wine bottles. In this case, the emission factor for glass wine bottles from a cradle to grave LCA Analysis conducted by Ross Hill's supplier of glass wine bottles. For grapes used in the production of Ross Hill Wine varieties, an industry average emission factor for grape growing in the Input-Output Analysis model was used.

The hybrid LCA provides a bottom up analysis of life cycle impacts where primary usage data and appropriate emission factors are available and a top down analysis of supply chain impacts from input output analysis where Scope 3 emission factors are not readily available.

The functional unit for the LCA is a single 750 ml bottle of wine sold to customers.

1B. Emission sources within certification boundary

The scope of this Life Cycle Assessment (LCA) relates to all products sold by Ross Hill Wines and operation of the business. It does not provide details for separate product lines. The complexity and cost of a full product LCA on each wine variety ruled out a detailed analysis. All wine bottled by Ross Hill Wines in the period 2018 – 2019 will have emissions offset. This means that the entire product range (all vintages, red and white wines) will be carbon neutral.

The two largest inputs to wine making is glass wine bottles and grape growing. In this case an emission factor for glass bottles from the LCA carried out by Ross Hill's bottle manufacture was used. An industry average factor for grape growing based on Input-Output Analysis is was also used.

The system boundary of this analysis is from *Cradle to Grave* and includes all activities operating the business as well creation of the product (ie grape growing, wine making, bottling and distribution to customers). The LCA also includes corporate emissions that arise from running Ross Hill's business (Scope 1, 2 and 3). The boundary includes recycling of wine bottles (this has been accounted for in the LCA conducted by the glass bottle manufacturer). However, emissions from activities such as retail purchases, transport and refrigeration are too difficult to track and have been excluded.

Quantified sources

For the product footprint, the following emission sources have been included:

- Glass wine bottles, caps and labels
- Grapes purchased from growers and Ross Hill vineyards
- Diesel and petrol used in company cars and and private vehicles
- LPG and diesel used
- Waste to landfill
- Freight
- Printing and stationary (wine labels)
- Employee commuting
- End of life emissions recycling of wine bottles

For the product footpring the following emissions sources are non attributable (ie they are outside the boundary):

• Use phase emissions in the retail supply chain such as transport and refrigeration. We do not have access to reliable information this comsupmtion phase of our products.

For the organisational footprint, the following emission sources have been included:

- Carbon neutral electricity
- Diesel and petrol used in company cars and and private vehicles
- LPG and diesel used
- Waste to landfill
- Recycling
- Water supply (rain water collection, pumping impacts included in electricity use)
- Business travel
- Accomodation
- Postage
- Telephone and Internet
- Freight
- Printing and stationary
- Employee commuting
- Goods and services purchased by Ross Hill in operating the business (refer to the table below)
- Equipment repairs and maintenance

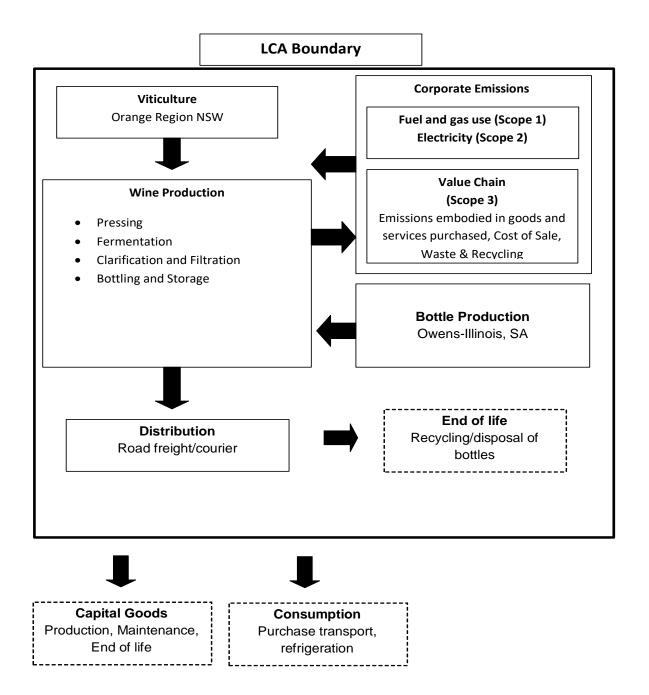
For the organisational footprint the following emissions sources are non quantified (ie they are still inside the boundary):

Non-quantified sources

The following emission sources have been excluded:

• Capital goods (machinery) – none purchased in the reporting period

1C. Diagram of the certification boundary (product and organisational LCA)



1. Emissions reduction measures

2A. Emissions over time

Thebase year was reset to the 2014 -2015 reporting period. This was the first year the all business operations and the entire product range was included in the emissions calculations for the LCA.

| Table 1. Emissions since base year | | | |
|------------------------------------|---|--------------------------------------|--|
| | Base Year: 2014 – 2015 (tCO ₂ -e) | 2017 – 2018 (tCO ₂ -e) | Current year: 2018 - 2019 (tCO ₂ -e) |
| Scope 1 | 12.5 | 17.4 | 32.1 |
| Scope 2 | 92.5 | 38.1 | 0 |
| Scope 3 | 442.5 | 478.9 | 539.71 |
| Total | 547.5 | 534.4 | 571.81 |

2B. Emissions reduction strategy

We have taken a number of initiatives to reduce our carbon footprint.

We collect our own rainwater so there are no Scope 3 emissions regarding water supply.

We measured our electricity and gas costs in the period July 2010 to June 2011 which was \$40,000.

In 2013 we had a NSW state government sponsored energy audit completed and various actions were recommended. These recommendations were all implemented.

We have installed 34 kW of solar panels.

We have also reduced energy use by changing our cold stabilisation procedures. We decided to introduce cold stabilisation by physical means which requires the wine (Total \sim 100kl/year) to be chilled to minus 1 degrees for about a month then treated with tartrate crystals. CMC Cold stabilisation requires a simple addition of 100ppm cellulose solution. The results are less permanent but adequate for our purposes.

After introducing this form of cold stabilisation, as well as a major maintenance job to our ammonia chiller and applying the recommendations from the energy audit, our electricity & gas expenses for period July 2011 to June 2012 were \$18,000, a reduction of \$22,000 from the previous year.

With introduction of solar panels on the roof at the winery in September 2013, our electricity and gas expenses for period July 2013 to June 2014 were further reduced from \$18,000 to \$9,200.

For on-going reductions in carbon emissions, we have implemented the following:

- Recycling of waste (especially bottles and cardboard used for wine). We have established 3 waste facilities –
 general waste (landfill), comingled (bottles, plastic & aluminium) and cardboard. This reduces the amount of
 waste going to landfill and increases recycling of materials like cardboard, glass and plastic. It is estimated that
 this actions has reduced emissions from landfill by 4 t CO₂-e.
- With some wholesale customers who order our wines each week, we have established a logistics centre in Sydney to dispatch from, which will cut down considerably on smaller shipments of freight.

2C. Emissions reduction actions

In 2016 we had a review on our solar panels as we were concerned with their efficiency. The review found that faults were found in the system and they advised that 128 panels needed replacing with more efficient and superior solar panels. We have been keeping a log since the upgrade. The results are showing good, consistent performance since major upgrade in 2016. Monthly logging is an effective way of monitoring performance of the system to ensure the maximum benefits are extracted.

In 2016 we replaced two of our old, larger tractors for two new fuel efficient smaller tractors, which has resulted in a 25% decrease in diesel use.

In 2018 – 2019 we changed to a carbon neutral electrical supplier for 100% of our grid electricity.

2. Emissions summary

| Emissio | ns Summary | |
|---------|--|---------------------|
| Scope | Emission source | tCO ₂ -e |
| 1 | Company cars fuel - Post 2004 Diesel | 25.27 |
| 1 | Stationary Fuel: Cylindrical Gas | 6.84 |
| 2 & 3 | Carbon neutral certified electricity – Powershop | 0 |
| 3 | Transport Fuel: Diesel (Post 2004) | 1.14 |
| 3 | Stationary Fuel: Cylindrical Gas | 0.40 |
| 3 | Employee Commute | 9.4 |
| 3 | Business Flights | 6.7 |
| 3 | Waste-landfill | 4.28 |
| 3 | Recycling | 4.56 |
| 3 | Water supply (from captured rain water) | 0 |
| 3 | Wooden pallets & wine barrels | 25.39 |
| 3 | Wine bottles | 64.52 |
| 3 | Wine cardboard packaging | 12.05 |
| 3 | Wine bottle caps | 22.55 |
| 3 | Champagne corks | 1.04 |
| 3 | Road freight | 171.00 |
| 3 | Grapes for wine | 114.0 |
| 3 | Printing and stationery (includes wine labels) | 14.87 |
| 3 | Chemicals & fertilisers | 16.86 |
| 3 | Catering | 10.47 |
| 3 | Wine Functions | 25.62 |
| 3 | Trade advertising | 8.58 |
| 3 | Storage & warehousing | 4.21 |
| 3 | Accounting services | 3.63 |
| 3 | Insurance | 0.73 |

| Emission | Emissions Summary | | |
|------------------------------|------------------------------|---------------------|--|
| Scope | Emission source | tCO ₂ -e | |
| 3 | Transport services | 4.21 | |
| 3 | Motor vehicle repairing | 0.27 | |
| 3 | Wine Shows & Memberships | 0.46 | |
| 3 | Telephone & internet | 1.17 | |
| 3 | Winery Repairs & Maintenance | 8.30 | |
| 3 | Computer equipment | 0.83 | |
| 3 | Rates & Taxes | 0.97 | |
| 3 | Banking | 0.31 | |
| 3 | Postal services | 0.39 | |
| Total Gross Emissions 571.81 | | 571.81 | |

3. Carbon offsets

3A. Offsets summary

| Table 3. Offsets Summary | | | |
|---|----------------|----------|---|
| Offset type and registry | Year cancelled | Quantity | Serial numbers |
| APX VCS Registry Verfied Carbon Units (VCUs) https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=27058 Originating carbon offset Project: 15 MW grid-connected wind power project by MMTC in Kamataka India. Project Type: Energy industries (renewable/on-renewable sources) | 2019 | 572 | 6591-326736792-326737363-VCU- 034-APX-IN-1-133-01012015- 31122015-0 |
| Total offset units cancelled | | 572 | |
| Net emissions after offsetting | | 0 | |

3B. Offsets purchasing and cancellation strategy

Offsets are purchased in arrears at the end of the assessment period and subsequently retired. Any surplus is held over for future years.

4. Use of trade mark

| Table 4. Trade mark register | |
|--|--|
| Where used | Logo type |
| Website: https://www.rosshillwines.com.au/about-us/carbon-neutral-certification/ | Certified organisation and product range |
| Marketing materials and wine labels | Certified organisation and product range |

5. Additional actions

We have been actively promoting the benefits of carbon neutrality to the other wineries. We have also been encouraging other wineries (locally and overseas) to seek carbon neutral certification to enhance the overall sustainability of the wine industry.