



# **PUBLIC DISCLOSURE STATEMENT**

PEONY

ORGANISATION CERTIFICATION  
FY2020–21

Australian Government


# Climate Active Public Disclosure Statement

peony



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	peony
REPORTING PERIOD	1 July 2020 – 30 June 2021
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p> <p></p> <p>Rebecca Emily Morton Director 14 October 2021</p>



**Australian Government**  
**Department of Industry, Science,  
Energy and Resources**

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Version September 2021. To be used for FY20/21 reporting onwards.

# 1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	324.68 tCO <sub>2</sub> -e
OFFSETS BOUGHT	61.85% Biodiversity Reforestation Yarra Yarra Carbon Offsets stapled with CDM-CERs, 38.15% VCUs
RENEWABLE ELECTRICITY	0%
THIRD PARTY VALIDATION	Type 1 4 October 2021 Ben Tardrew-Munday Tardrew Partners

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## 2. CARBON NEUTRAL INFORMATION

### Description of certification

The Climate Active Carbon Neutral certification covers the Australian business operations of The Trustee for Peony Enterprises Trust (peony), ABN 13 885 987 285. The operational boundary of the carbon account has been defined based on the operational control approach.

This Public Disclosure Statement represents the reporting period 1 July 2020 to 30 June 2021 (FY2021).

The carbon account has been prepared in accordance with the Climate Active Carbon Neutral Standard for Organisations. This entails using recognised emission factors and methods for carbon accounting published in Australia, such as the National Greenhouse Accounts (NGA) Factors, and the work of the international corporate accounting and reporting standard The Greenhouse Gas Protocol.

The greenhouse gasses included in the carbon account are the seven gasses reported under the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). These gasses are expressed in carbon dioxide equivalents (CO<sub>2</sub>-e), providing the ability to present greenhouse gas emissions as one unit.

*“At peony, we care deeply for our environment and our community.*

*It is our mission to create consciously, engage in ongoing reflection and continually drive progress towards sustainability, circularity, inclusivity and transparency.”*

### Organisation description

peony is an Australian swimwear and resortwear brand named after the bloom that signals the beginning of summer. Built upon the values of authenticity and purpose, peony has built a reputation for creating beautiful garments that fuse luxury with sustainability.

Since 2019, our swimwear has been made exclusively from recycled and sustainable fabrics. Recognised as a global leader in sustainable swimwear, we are proud to have longstanding partnerships with the world's most iconic retailers, such as Harrods, Saks Fifth Avenue and NET-A-PORTER. Our pioneering sustainability efforts have resulted in accolades from publications such as Forbes, Vogue and The Australian Financial Review.

Looking to the past for inspiration, and to the future for innovation in sustainability, peony is committed to continuously creating beautiful pieces that instil freedom, transcend seasons and stand the test of time.

All pieces are designed at peony House, the brand's beloved design studio in Burleigh Heads, Queensland. Our Climate Active certification, which covers our head office and business operations within Australia, demonstrates our on-going commitment to climate action.

## 3.EMISSIONS BOUNDARY

This is a small organisation certification, which uses the standard Climate Active small organisation emissions boundary. Emission sources can be excluded if they do not occur.

### Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

**Quantified emissions** have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

**Non-quantified emissions** have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary		Outside emission boundary
<u>Quantified</u>	<u>Non-quantified</u>	<u>Excluded</u>
Accommodation	Water	Third party overseas manufacturing
Air transport		
Construction materials & services		
Electricity		
Food		
ICT services & equipment		
Land & sea transport		
Machinery & vehicles		
Office equipment & supplies		
Postage, courier & freight		
Products		
Professional services		
Resource disposal (waste)		

## Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

## 4.EMISSIONS REDUCTIONS

### Emissions reduction strategy

FY2021 is our base year and all emissions associated within our operational control have been carbon offset from a purchase of carbon credits. We have also purchased additional credits.

As part of our commitment to reduce our emissions as quickly as possible, we have already implemented the below:

- Held internal Climate Active meeting with all team members, to review our carbon account and work through our FY22 carbon reduction initiatives.
- As of September 2021, procured 100% certified carbon neutral paper made from 100% recycled pulp.
- To avoid unnecessary usage, acted to ensure all office appliances are turned off at the end of each day.

Moving forward, now with the knowledge of the size and emissions profile of our carbon footprint, we pledge to focus to reduce emissions across each emission category, for example:

- By end of 2021, move our purchase of electricity to 100% renewable electricity from the grid.
- By end of 2021, develop an internal Climate Action Plan, which will detail our initiatives in our transition to net zero emissions, and hold annual Climate Active meetings, where we engage with all team members and outline our plans.
- Continued prioritising of in-house and local garment sampling to reduce freight.
- Continued prioritising of road and sea freight over air freight.
- Conduct detailed operational freight review to determine best reduction initiatives for key carbon emissions contributor.
- Explore working from home arrangements to reduce staff commuting.
- Utilize the ability of virtual conference and meetings to reduce air and land travel. Where air travel is unavoidable, we will carbon offset all our air travel at the time of purchase when we fly with a Climate Active carbon neutral carrier.
- Ensure we divert paper and cardboard away from landfill.
- Maintain all our equipment, including IT and vehicles to ensure their longevity and identify opportunities to reduce our ICT costs.
- Establish a climate conscious procurement policy in which we set standards to our purchased products and services.
- Avoid beef and lamb for all our catering needs.

## 5.EMISSIONS SUMMARY

### Use of Climate Active carbon neutral products and services

Not applied during the FY2021 reporting period.

### Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a location approach.

Emission category	Sum of total emissions (tCO <sub>2</sub> -e)
Accommodation and facilities	0.58
Air transport (km)	2.49
Construction materials and services	2.72
Electricity	2.39
Food	5.72
ICT services and equipment	16.00
Land and sea transport (fuel)	5.39
Land and sea transport (km)	0.79
Machinery and vehicles	1.88
Office equipment & supplies	8.04
Postage, courier and freight	168.03
Products (does not relate to our products)	6.61
Professional services	83.38
Waste	4.72
<b>Total</b>	<b>308.74</b>

### Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO <sub>2</sub> -e
Uplift to account for non-quantified sources where data is unavailable	0.50
Compulsory additional 5% of the total to be added for small organisations	15.44
<i>Total footprint to offset (uplift factors + net emissions)</i>	324.68



## 6. CARBON OFFSETS

### Offsets strategy

#### Offset purchasing strategy: In arrears purchasing



1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	325
3. Net offset balance for this reporting period	325
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	325








### Co-benefits

#### Yarra Yarra Biodiversity Corridor

The Yarra Yarra Biodiversity Corridor is a native reforestation project located in Southwest Australia. The table below indicates the co-benefits of this project and how this project contributes to the United Nations' SDGs.

As land use and forestry activities are recognised as requiring high levels of upfront finance to source land, to plant and to manage, the Gold Standard PER units from the Yarra Yarra Biodiversity Corridor have been paired with an equal number Climate Active eligible renewable energy offset units.

Co-benefits category	Core co-benefit	Co-benefit description/nature of potential co-benefit	UN Sustainable Development Goals
Environment	Biodiversity / ecosystem services	The Yarra Yarra project reconnects and restores fragmented and declining (remnant) woodland and shrubland which provides habitat for threatened flora and fauna.	Goal 15: Life on land 
	Water Quality	Water quality is assumed to improve due to reduced surface runoff and reduction in sediment and nutrient loads in water catchments. Groundwater levels and salt concentrations are also expected to reduce over time.	Goal 6: Clean Water and Sanitation 

Economic	Soil Quality	Soil quality of the Yarra Yarra project area is expected to improve over time with soil organic matter increasing and salt concentrations declining.	Goal 15: Life on land		
	Local Employment and Skills	The establishment of plantations and conservation areas creates employment opportunities and skills development during the preparation, planting, management of the Yarra Yarra project.	Goal 3: Good Health and Well-being Goal 4: Quality Education Goal 8: Decent Work and Economic Growth Goal 17: Partnerships for the goals	   	
Social	Indigenous cultural heritage	The Yarra Yarra project recognises and continues to protect significant cultural heritage sites that are located in the project area. This is assumed to strengthen cultural heritage and support spiritual re-connection to country which potentially has positive impacts on mental health and wellbeing of indigenous communities.	Goal 3: Good Health and Well-being Goal 17: Partnerships for the goals	 	

## Offsets summary

### Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Quantity	Eligible quantity (tCO <sub>2</sub> -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Biodiverse Reforestation Carbon Offsets <sup>1</sup> Yarra Yarra Biodiversity Corridor, Western Australia	-	-	12 October 2021	12PWA235302B - 12PWA235502B		201	-	-	-	-	-
and											
CN-1966 Renewable Energy SMALL SCALE hydroelectricity project Sichuan Miyaluo, China	CDM-CER	ANREU	12 October 2021	1,095,378,550 - 1,095,378,750	CP-2 (2013-2016)	201	201	0	0	201	61.85%
Renewable Energy Wind Farm project Chakala, India	VCU	Verra	12 October 2021	<a href="#">7068-368155009-368155142-VCU-034-APX-IN-1-1197-01012016-31122016-0</a>	2016	134	134	0	0	124 <sup>2</sup>	38.15%
Total offsets retired this report and used in this report										325	
Total offsets retired this report and banked for future reports									0		
Type of offset units		Quantity (used for this reporting period claim)				Percentage of total					
Certified Emissions Reductions (CERs)		201				61.85					
Verified Carbon Units (VCUs)		124				38.15					

<sup>1</sup> Yarra Yarra Biodiversity Corridor Biodiverse Reforestation Carbon Offsets are not an Eligible Offset Unit under Climate Active so have been stapled with an equal number of eligible units.

<sup>2</sup> Additional 10 offsets purchased. Not used for carbon neutral claim. Please see Appendix A for details.

## 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1. Large-scale Generation certificates (LGCs)*	0
2. Other RECs	0

\* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
Total LGCs surrendered this report and used in this report							0		

## APPENDIX A: ADDITIONAL INFORMATION

Additional offsets cancelled for purposes other than Climate Active Carbon Neutral Certification							
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (tCO <sub>2</sub> -e)	Purpose of cancellation
Renewable Energy Wind Farm project Chakala, India	VCU	Verra	12 October 2021	<a href="#">Included in above retirement</a>	2016	10	peony wanted to offset more than they emitted in this period

## APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location approach.

### Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

### Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

### Market-based approach summary

Market-based approach	Activity data (kWh)	Emissions (kgCO <sub>2</sub> -e)	Renewable % of total
Behind the meter consumption of electricity generated	0	0	0%
<b>Total non-grid electricity</b>	<b>0</b>	<b>0</b>	<b>0%</b>
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	486	0	19%
Residual electricity	2,083	2,235	0%

<b>Total grid electricity</b>	<b>2,569</b>	<b>2,235</b>	<b>19%</b>
<b>Total electricity consumed (grid + non grid)</b>	<b>2,569</b>	<b>2,235</b>	<b>19%</b>
Electricity renewables	486	0	
Residual electricity	2,083	2,235	
<b>Exported on-site generated electricity</b>	<b>0</b>	<b>0</b>	
Emission footprint (kgCO <sub>2</sub> -e)		2,235	

<b>Total renewables (grid and non-grid)</b>	<b>18.93%</b>
<b>Mandatory</b>	<b>18.93%</b>
<b>Voluntary</b>	<b>0.00%</b>
<b>Behind the meter</b>	<b>0.00%</b>
<b>Residual electricity emission footprint (tCO<sub>2</sub>-e)</b>	<b>2</b>

Figures may not sum due to rounding. Renewable percentage can be above 100%

### Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions (kgCO <sub>2</sub> -e)
Qld	2,569	2,390
<b>Grid electricity (scope 2 and 3)</b>	<b>2,569</b>	<b>2,390</b>
Qld	0	0
<b>Non-grid electricity (behind the meter)</b>	<b>0</b>	<b>0</b>
<b>Total electricity consumed</b>	<b>2,569</b>	<b>2,390</b>
<b>Emission footprint (tCO<sub>2</sub>-e)</b>	<b>2</b>	

### Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO <sub>2</sub> -e)
N/A	0	0

Climate Active carbon neutral electricity is not considered renewable electricity. The emissions have been offset by another Climate Active carbon neutral product certification.

## APPENDIX C: INSIDE EMISSIONS BOUNDARY

### Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.

4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Water	Yes			

## APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

### Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.
  - Emissions associated with our overseas manufacturing has been excluded as it has been assessed as not relevant according to the relevance test

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Third party overseas manufacturing	Yes	No	No	No	No	No



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