

PUBLIC DISCLOSURE STATEMENT

NORTH AUSTRALIAN PASTORAL COMPANY

PRODUCT CERTIFICATION CY2021

Australian Government

Climate Active Public Disclosure Statement



WHOLE OF LIFE - ANIMAL CARE - ENVIRONMENT





NAME OF CERTIFIED ENTITY	The North Australian Pastoral Company
REPORTING PERIOD	1 January 2021 – 31 December 2021 (Arrears report)
DECLARATION	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.
	James Carson General Manager – Intensive Production and Sales Date
	7 November 2022



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



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	24,448.3 tCO ₂ -e
THE OFFSETS BOUGHT	100% CERs stapled with NCUs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	Date: 28 June 2021 Name: Michael Du Plessis Organisation: Pangolin Associates Pty Ltd Next technical assessment due: CY2023

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2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the calendar year from 1 January 2021 to 31 December 2021. The carbon neutral certification applies to The North Australian Pastoral Company's (NAPCo) branded beef product, Five Founders.

NAPCo has been in operation since 1877 and in April 2019, Five Founders (the Product) was established as Australia's first carbon neutral branded beef.

The Product footprint was derived from data collected at all stages of NAPCo's supply chain and from external processing plants during the inventory period. The assessment of our carbon footprint therefore considers the breeding, growing and finishing of our cattle and includes Scope 1, 2 and 3 carbon emissions such as freight and electricity.

The functional unit in the product life cycle assessment is one kilogram of Five Founders branded beef sold to customers in Australia and overseas.

"NAPCo has always relied on trusted certifications to demonstrate its environmental claims. Climate Active provides a transparent process and a credible stamp to certify that our product is carbon neutral."

Product description

NAPCo understands that consumers increasingly want produce that not only delivers the highest quality eating experience but respects their affinity for environment, sustainability and animal welfare.

We have an integrated supply chain, where we own and manage our Five Founders' cattle from conception through to processing. Control throughout our supply chain not only ensures traceability but also ensures our Five Founders Carbon Neutral Beef meets a high standard and consistent quality.

We've spent more than 140 years raising our cattle and we appreciate the impact meat production can place on the natural environment. We are continuously seeking to manage this. Our investment in this area includes assessing, measuring, and reducing our footprint overtime.

NAPCo's Five Founders cattle roam and graze on grasslands, that were first pioneered over 140 years ago. That is our greatest testament to long term sustainable land management.

The carbon neutral brand is a full coverage product.



3.EMISSIONS BOUNDARY

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 'attributable processes' that become the product, make the product and carry the product through its life cycle. These have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable 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

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.



Inside emissions boundary

Quantified

Livestock emissions from beef production

On-farm fuel use

On-farm feed supplements and fodder

On-farm Freight

Feedlot electricity

Feedlot fuels

Freight to abattoir

Abattoir Scope 1 and Scope 2

Packaging

Chilled storage

Domestic and overseas freight

Operational emissions

- Construction and maintenance
- Advertising & Merchandising
- Research
- Courier
- Printing
- Flights & Accommodations
- Accommodations
 Car rentals, taxi,
 parking
- Office electricity, base building

Non-quantified

N/A

Optionally included

N/A

Outside emission boundary

Non-attributable

Distributor warehousing

Distribution to retailers

Meat preparation and consumption

Co-products

Waste



Product process diagram

The following diagram is cradle to gate (warehouse).

Responsible

entity

Primary Production – Beef on Farm

- Livestock emissions
- Fuel (diesel, LPG, Avgas)
- Freight
- Feed supplements and fodder

Feedlot

- Electricity
- Fuel (diesel and gas)
- Feedlot rations
- Freight (feedlot to abattoir)
- Oils and Lubricants

Excluded emission sources

N/A

Operational

- Electricity
- Flights and accommodation
- Advertisement & Merchandising
- Research
- Car hire, parking
- Construction and repairs

Downstream emissions

Animal Slaughtering at Abattoir

- Fuel and gas
- Electricity
- Slaughtering & processing
- Packaging
- Chilled storage

Distribution

• Chilled freight to warehouse and export ports



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

Enteric methane generated by cattle is the largest contributor of emissions (>80%) in the carbon inventory and is therefore, a primary focus of our efforts and investment. We have embarked on the journey of reducing methane emissions with a deep understanding of the current constraints in availability of application-ready technologies. This presents a challenge for our entire industry.

NAPCo's preference is to establish emissions reduction targets that are science-based. Neither the science nor commercial technology have been established to enable such targets to be set for our company or the livestock industry, yet.

We are actively engaged in resolving this gap in knowledge and we have partnered with several leading organisations to tackle this challenge. These include Australian Government Department of Climate Change, Energy, the Environment and Water (DCCEEW), Meat and Livestock Australia and other leading research institutions who are funding and conducting research in this area.

NAPCo will be better positioned to establish emissions reduction targets once enteric methane abatement technologies are commercialised and appropriate mechanism are available to recognise their contribution to emissions reduction.

We are confident that our commitment and investment in this area will produce commercially viable and practical solutions for our industry in time.

Emission reduction strategies will include activities such as:

- Testing the commercial-context application of feed additives that reduce methane emissions when fed to cattle.
- Decreasing our reliance on fossil fuels and increasing the use of renewable energy on stations.
- Implementing initiatives and on-farm practices that improve herd efficiency and performance, therefore reducing methane emissions. Practices that improve herd productivity will be implemented and drive increased growth rates and finishing weights of young animals through genetic improvement and herd management.
- Investigating how we can increase soil carbon concentrations through sequestration activities and improve overall soil health through strategic partnerships with research and development organisations.
- Investing in science and partnerships with other leading organisations to further reduce our carbon emissions.
- Partnering with commercial organisations and research institutions to investigate technologies that will reduce enteric methane emissions while grazing pastures (e.g. dietary supplements).

NAPCo continues to collaborate with Meat & Livestock Australia (MLA) under its CN30 program. The program target means that by 2030, Australian beef, lamb and goat production, including feedlots and meat processing will make no net release of greenhouse gas emissions into the atmosphere.

Research and collaboration findings as well as technology developed through this program will help to inform NAPCO's emissions reduction strategy and subsequent implementation in future years.



Sustainable and environmentally conscious beef production has been at the heart of what we do as a company since 1877. In April 2022, NAPCo released a <u>Sustainability Baseline Report</u> detailing our achievements and ongoing commitment to reducing emissions, sequestering carbon, and conserving biodiversity.

Emissions reduction actions

Five Founders' Carbon Neutral Beef has continued to gain popularity, subsequently increasing total volume supplied to customers in CY2021. Total emissions increased due to this increased volume. Customer demand for Five Founders may continue to increase overtime resulting in an uplift of emissions. Actions to reduce emission intensity will continue to be investigated to lower emissions relative to product output.

During the reporting period we have implemented the following initiatives and activities to reduce our emissions:

- Established and managed legumes to improve soil health, pasture community diversity and a reduction of emissions from cattle when grazing.
- Partnered with a research institution to trial new technologies for measuring and forecasting soil carbon concentrations to understand how we should measure and improve soil carbon sequestration.
- Converted one NAPCo property (Glenormiston Station) from diesel power to renewable energy, saving approximately 50,000 litres of diesel each year (or 110 metric tonnes of CO₂-e).
- Continued our investment in reducing our dependance on fossil fuels and increasing the use of renewable energy through the conversion of livestock water bores from diesel to solar. To date, we have converted a total of 151 bores which represents 32% of the livestock water network across the company.
- Signed a supply and collaboration agreement with Royal DSM for supply of their feed additive,
 Bovaer®, that reduces enteric methane emissions when feed to cattle.
- Partnering with Meat & Livestock Australia (MLA) under its CN30 program, on several research and development projects.



5.EMISSIONS SUMMARY

Emissions over time

Emissions since b	ase year	
		Total tCO ₂ -e
Base year:	CY2018	9,153.57
Year 1:	CY2019	6,989.04
Year 2:	CY2020	12,112.97
Year 3:	CY2021	24,448.32

Significant changes in emissions

The total emissions increased due to the increased volume of Five Founders' 'carbon neutral' beef produced and sold to customers and, a ~1% higher emissions intensity than reported in previous assessment periods (2018-2020). The increase in emissions intensity from the baseline reporting period was due to drought management strategies undertaken in previous assessment years.

Use of Climate Active carbon neutral products and services

The LCA of branded beef product is done by Pangolin Associates - Climate Active Carbon Neutral service.



Product emissions summary

Emission source category	tonnes CO ₂ -e
Feedlot electricity	33.70
Feedlot stationary diesel	19.40
Feedlot LPG	8.90
Feedlot transport petrol	1.02
Feedlot- Oil and Lubricants	2.15
Feedlot rations	593.17
On-farm stationary diesel	241.47
On-farm aviation fuel	18.43
On-farm LPG	0.65
On-farm petrol	8.64
On-farm feed supplements	26.43
On-farm- Hay	31.46
On-farm livestock emissions	21,673.18
On-farm freight	284.59
Freight feedlot to abattoir	173.31
Abattoir scope 1 emissions	447.52
Abattoir scope 2 emissions	374.24
Packaging materials	110.28
Cold storage	0.54
Freight (distribution)	229.03
Warehousing	6.18
Operational Emissions	163.88
1. Total inventory emissions	24,448.3
a. Number of functional units represented by the inventory emissions	Confidential
 Emissions per functional unit (based on the number of functional units represented by the inventory) Total tCO₂-e divided by the number of functional units in 1a. 	Confidential



3.	Carbon footprint	24,448.3
	(Emissions per functional unit (2)* number of	
	functional units (a or b from table 2))	

No uplifts applied.

Emissions intensity per functional unit	Confidential
Number of functional units to be offset	Confidential
Total emissions to be offset	24,449



6.CARBON OFFSETS

Offsets strategy

Offset purchasin	g strategy: In arrears	
Total number last year's re	r of eligible offsets banked from	0
2. Total emissi report	ons footprint to offset for this	24,449
3. Total eligible	e offsets required for this report	24,449
4. Total eligible for this repo	e offsets purchased and retired	24,467
5. Total eligible next year's r	e offsets banked to use toward report	18

Co-benefits

The Orana Natural Capital Project

Orana Park is a 4,580ha farm north-west of Bendigo, Victoria owned by the regenerative agriculture fund, Tiverton Agriculture Impact Fund. As well as a conduit to a 50km landscape scale corridor with neighbouring properties and the Mt Korong Conservation Reserve, Orana Park serves as the exemplar practice of integrated regenerative farming, threatened species recovery and multi-scaled terrestrial and aquatic bio-links. Ongoing work at Orana Park sees the restoration of the full 33km of riparian vegetation along the Loddon River as well as the establishment of a 200ha Open Grassy Woodland predator-proof sanctuary which will incubate and re-establish critically endangered species; this includes the first Eastern Bettong breading and re-introduction program in Victoria. Orana Park is also home to Australia's largest soil-carbon project with 300,000t committed to the Australian Government's ERF.

Wind power project in Jaisalmer, Rajasthan by Centaur Mercantile Pvt. Ltd.

The main purpose of the project activity is to generate electrical energy through sustainable means using wind power resources and to contribute to climate change mitigation efforts. The project activity involves the installation of four 2.1MW capacity Wind Turbine Generators (WTGs) in the Jaisalmer district of Rajasthan. The project will be utilising wind energy for generating electricity which otherwise would have been generated through alternate fuels (most likely - fossil fuel) based power plants, contributing to reduction in emissions. The project activity shall achieve Greenhouse Gas (GHG) emission reductions by supplying the net electricity generated to the NEWNE grid which is predominantly dependent on fossil fuel-based power plants. The project activity is also responsible for sustainable economic growth and conservation of environment using wind as a renewable source. It has been identified that the project activity has the potential to shape the economic, environmental and social life of the people in the region and will make a positive contribution in the sustainable development of the region¹.



¹ Project Design Document Form (CDM-SSC-PDD) – Version 03

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	Eligible Quantity (tCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Orana Natural Capital Project, Stapled to	NCU		25 August 2022	20062-22018		1,957	-	-	-	
Wind power project in Jaisalmer, Rajasthan by Centaur Mercantile Pvt. Ltd.	CERs	CDM	05 Sept 2022	IN-5-297424875-2-2- 0-5439 to IN-5- 297449341-2-2-0- 5439	CP2	24,467	0	18	24,449	100%
Total offsets retired	Total offsets retired this report and used in this report								24,449	
Total offsets retired	this repor	rt and banke	d for future re	ports				18		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Certified Emissions Reductions (CERs)	24,449	100%



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 (LG	Os)*
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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



APPENDIX A: ADDITIONAL INFORMATION



Our reference: VLQ- VC_ CFL-3071_01 VOL001- NCU-029

25 August 2022

James Carson

NAPCO Level 1, 12 Creek Street, Brisbane QLD 4000

Dear James

RE: Natural Capital Units issued

I can confirm that the following units have been recorded and allocated from the Orana Natural Capital Project:

Date	Project Reference	Serial Numbers	Amount
25.08.2022	Retired on behalf of NAPCO's CY2021 GHG footprint for Climate Active	20062-22018	1,957

One Natural Capital Unit represents the permanent protection of one square metre of very high conservation significance native habitat in Serpentine, Victoria.

Sincerely,

Mel Pritchard

Registrar

Vegetation Link Pty Ltd ABN: 92 169 702 032 www.vegetationlink.com.au

1300 VEG LINK (1300 834 546) | offsets@vegetationlink.com.au | PO Box 10 Castlemaine VIC 3450





VOLUNTARY CANCELLATION CERTIFICATE

Presented to:

CDM Project 5439: Wind power project in Jaisalmer, Rajasthan by Centaur Mercantile Pvt. Ltd.

Reason for cancellation:

Retired on behalf of NAPCO's CY2021 GHG footprint for Climate Active.



Number and type of units cancelled

Start serial number: IN-5-297424875-2-2-0-5439 End serial number: IN-5-297449341-2-2-0-5439

24,467 CERs

Equivalent to 24,467 tonne(s) of CO2

The certificate is issued in accordance with the procedure for voluntary cancellation in the CDM Registry. The reason for cancellation included in this certificate is provided by the



APPENDIX B: ELECTRICITY SUMMARY

N/A

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as attributable, 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 <u>one</u> of the following reasons:

- 1. Immaterial <1% for individual items and no more than 5% collectively
- 2. <u>Cost effective</u> Quantification is not cost effective relative to the size of the emission but uplift applied.
- 3. <u>Data unavailable</u> 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
N/A	N/A	N/A	N/A	N/A

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

- 1. A data gap exists because primary or secondary data cannot be collected (no actual data).
- 2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
- 3. An estimation determines the emissions from the process to be **immaterial**).

	No actual data	No projected data	Immaterial
N/A	N/A	N/A	N/A



APPENDIX D: OUTSIDE EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a product or service (do not carry, make or become the product/service) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

Relevance test					
Non-attributable emission	The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions	The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.	Key stakeholders deem the emissions from a particular source are relevant.	The responsible entity has the potential to influence the reduction of emissions from a particular source.	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.
Distributor warehousing	N/A as the boundary is Cradle to Gate				
Distribution to retailers	N/A as the boundary is Cradle to Gate				
Meat preparation and consumption	N/A as the boundary is Cradle to Gate				
Co-products*	N/A	N/A	No	N/A	No
Waste**	N/A	N/A	No	N/A	No

^{*} The Co-products (example – leather) have their own boundary and classified as by-products.



^{**} The waste from this industry is considered as by-products. (Example – Leather, bone meal, etc)



