



# **PUBLIC DISCLOSURE STATEMENT**

PEONY

ORGANISATION CERTIFICATION  
FY2021-22

Australian Government

# Climate Active Public Disclosure Statement

peony



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	The Trustee for Peony Enterprises Trust T/as peony
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 Arrears report
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><i>umorton</i></p> <p>Rebecca Emily Morton Director 31 October 2022</p>



Australian Government

Department of Climate Change, Energy,  
the Environment and Water

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Version March 2022.

# 1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	361 tCO <sub>2</sub> -e (+10% additional for other than Climate Active)
OFFSETS BOUGHT	100% VCUs
RENEWABLE ELECTRICITY	Not applicable

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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 2021 to 30 June 2022 (FY2021-22). FY2021-22 is our second year as a Climate Active carbon neutral certified organisation.

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 lifestyle 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 built 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

### Quantified

Accommodation  
Air transport  
Construction materials & services  
Electricity  
Food and entertainment  
IT hardware and technical service  
Telecommunications  
Motor vehicle repair and maintenance  
Office equipment  
Office paper  
Printing and stationery  
Paper products  
Air freight  
Marine freight  
Road freight  
Storage services  
Marketing and distribution and advertising  
Business services  
Accounting services  
Banking and Insurance  
Landfill  
Uber  
Staff commute to and from work  
Staff working from home

### Non-quantified

Water

## Outside emission boundary

### Excluded

Third party overseas manufacturing

## **Data management plan for non-quantified sources**

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

### **Water**

Water is part of the rent agreements and has been set to non-quantified. Emissions associated with the volume of water used is deemed to be immaterial (i.e., <1% of total emission). No data management plan will be set in place for water data capture going forward.

## 4.EMISSIONS REDUCTIONS

### Emissions reduction strategy

peony is committed to reduce our FY2020-21 base year carbon footprint by at least 30% by full-time equivalent number of employees (FTEs), evident when our Climate Active FY2029 carbon account is produced and submitted to Climate Active by 31 October 2029. This target has already been reached, as we have grown our business while managing to reduce our emissions by FTE. At peony we will strive for additional carbon reductions.

Reporting Period	FTE	Emissions (t CO <sub>2</sub> -e)	Emissions Intensity (t CO <sub>2</sub> -e/FTE)
FY2020-21 (Base year)	5	324.68	64.94
FY2021-22	9	360.60	40.07
FY2028-29 - Target			45.46

#### Actions we have already implemented into our Business as Usual:

- During FY22 we started purchasing all our flights as carbon neutral at the time of purchase. This has saved 2.49tCO<sub>2</sub>-e compared to our base year. Ongoing, where flights are unavoidable these will be carbon offset as business as usual.
- Utilise virtual conference and meetings to reduce air and land travel.
- Annual Climate Active meeting with all peony team members, to review our carbon account and work through our carbon reduction initiatives. As part of our commitment to reduce our emissions as quickly as possible, we have already implemented:
  - To avoid unnecessary usage, acted to ensure all office appliances are turned off at the end of each day. This achieved a reduction in electricity usage during FY2022 compared to our base year, while nearly doubling our FTE across the same period.

#### Actions we have commenced implementing into our Business as Usual and to be fully implemented by 30/6/2023:

- Transition all of our purchase of electricity to 100% renewable electricity from the grid. This would have the ability to save an annual 2.39tCO<sub>2</sub>-e based on our FY2021 base year.
- Procure 100% certified carbon neutral paper made from 100% recycled paper pulp.
- Ensure we divert paper, cardboard and food away from landfill. Our target is zero uncontaminated paper and cardboard and zero food going to landfill and at the same time reduce contamination rate by 100% of materials going to recycling.
- Finalise our Sustainability Policy.



- Finalise our Climate Conscious Procurement Policy by July 2023, to include, but not limited to:
  - A companywide requirement to site a potential supplier's Sustainability Policy prior to contract negotiation.
  - Providers with Climate Active certified carbon neutral product(s) or service(s) will be allocated a weighted preference.
  - Locations for future offices not connected to natural gas and buildings with a low energy base building consumption will be prioritised.
  - Only purchasing whitegoods with the highest possible energy rating and never to invest in glass fridges or vending machines due to their energy inefficiencies.
  - Prioritising in-house and local garment sampling to reduce freight.
  - Prioritising of road and sea freight over air freight.
  - Utilise electrical vehicles where possible when car hire.
  - Avoid beef, veal and lamb for all our catering needs

**Actions we have commenced implementing into our Business as Usual and to be fully implemented by 30/6/2026:**

- Assisting all staff to transition into 20% greater use of public transport in commuting to and from work and for business-related land travel by 2026. The aim is to avoid 1tCO<sub>2</sub>-e from our land and sea transport associated emissions based on our FY2021 base year.
- Explore working from home arrangements to reduce staff commuting.
- Conduct detailed operational freight review to determine best reduction initiatives for key carbon emissions contributor.
- Maintain all our equipment, including IT and vehicles to ensure their longevity and identify opportunities to reduce our ICT costs.
- We will uphold our status as a Climate Active carbon neutral certified organisation.

Our Management Team and Board of Directors will visualise and build commitment, engagement and action amongst all colleagues, clients and supply chain to ensure all understand what is expected of them and the direction we are taking. Starting with reviewing, endorsing and publicising our Sustainability Policy internally and on our website.

## 5.EMISSIONS SUMMARY

### Emissions over time

Emissions since base year		Total tCO <sub>2</sub> -e
Base year / Year 1:	2020–21	324.68
Year 2:	2021–22	360.60

### Significant changes in emissions

Emission source name	Current year (tCO <sub>2</sub> -e)	Previous year (tCO <sub>2</sub> -e)	Detailed reason for change
Computer and technical services	18.23	14.28	This is due to IT cost increases, subscriptions cost increases and capital investments into new international dedicated website.
Air freight	93.07	89.57	<p>peony increased the number of products transported via air by 45.43% (measured by expenditure) due to mix of increased sales and supply chain disruption.</p> <p>Fortunately, a FY2021-22 Climate Active negative 29% adjustment to the air freight emission factor (by expenditure) assisted us in keeping the increase air freight associated emissions to 3.91%.</p>
Road freight	38.63	52.36	<p>peony increased the number of products transported via road by 46.07% (measured by expenditure) due to a mix of increased sales and supply chain disruptions.</p> <p>Fortunately, a FY2021-22 Climate Active negative 50% adjustment to the road freight emission factor (by expenditure) assisted us in avoiding an increase in road freight associated emissions while actually reducing emissions from this emission source by 26.22%.</p>
Marketing and distribution	117.75	60.54	Increased marketing expenditure due to increased sales and investment into long term brand growth.

## Use of Climate Active carbon neutral products and services

Certified brand name	Product or Service used
Jetstar / Qantas / Virgin Australia	44,411 passenger kilometers flown (listed as a total, as some flights use multiple certified brand carriers). Covers 100% of our FY2021-22 flights.

## Organisation emissions summary

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

Emission category	Sum of total emissions (tCO <sub>2</sub> -e)
Accommodation and facilities	0.74
Cleaning and chemicals	0.02
Climate Active carbon neutral products and services	0.00
Construction materials and services	0.54
Electricity	2.39
Food	5.71
ICT services and equipment	19.63
Land and sea transport	7.01
Machinery and vehicles	0.59
Office equipment & supplies	5.87
Postage, courier and freight	151.59
Professional services	146.84
Waste	2.10
Working from home	0.41
<b>Total</b>	<b>343.43</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
Compulsory additional 5% of the total to be added for small organisations	17.17
Total of all uplift factors	
<b>Total footprint to offset</b> <i>(total net emissions from summary table + total uplifts)</i>	<b>360.60</b>

## 6. CARBON OFFSETS

### Offsets retirement approach

In arrears		
1.	Total number of eligible offsets banked from last year's report	0
2.	Total emissions footprint to offset for this report	361
3.	Total eligible offsets required for this report	361
4.	Total eligible offsets purchased and retired for this report	397 (includes 10% additional)
5.	Total eligible offsets banked to use toward next year's report	0

### Co-benefits

ID 1546 Renewable Energy Usak Wind Power Plant project Turkey

The impact of the project also delivers consideration and engagement with the local community and monitoring of wildlife. The table indicates how this project contributes to the United Nation Sustainable Development Goals.

UN Sustainable Development Goals				
Goal 3: Good Health and Well-being				
Goal 7: Affordable and clean energy				
Goal 8: Decent Work and Economic Growth				
Goal 13: Climate action				
				

## Eligible offsets retirement summary

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	Stapled quantity	Eligible quantity (tCO <sub>2</sub> -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Usak Wind Power Plant, Turkey	VCUs	Verra Registry	27 October 2022	<a href="#">8493-25280444-25280840-VCS-VCU-1590-VER-TR-1-1546-01012015-31122015-0</a>	2015	-	397*	0	0	361	100%
Total offsets retired this report and used in this report										361	
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				
Verified Carbon Units (VCUs)		361					100%				

\*See Appendix A for more information about remaining offsets.

## 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

Not applicable

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
Usak Wind Power Plant, Turkey	VCUs	Verra Registry	27 October 2022	<u><a href="#">Included in above retirement</a></u>	2015	36	Offsetting more than we emitted in this period.

## APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a **location-based 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 percentage 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)	482	0	19%
Residual Electricity	0	2,101	0
<b>Total grid electricity</b>	<b>2,593</b>	<b>2,101</b>	<b>19%</b>
<b>Total electricity consumed (grid + non grid)</b>	<b>2,593</b>	<b>2,101</b>	<b>19%</b>
Electricity renewables	482	0	
Residual Electricity	2,111	2,101	
<b>Exported on-site generated electricity</b>	<b>0</b>	<b>0</b>	
Emissions (kgCO <sub>2</sub> -e)		2,101	

<b>Total renewables (grid and non-grid)</b>	<b>18.59%</b>
<b>Mandatory</b>	<b>18.59%</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>2.10</b>

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



### Location-based approach summary

Location-based approach	Activity Data (kWh)	Scope 2 Emissions (kgCO <sub>2</sub> -e)	Scope 3 Emissions (kgCO <sub>2</sub> -e)
QLD	2,593	2,075	311
<b>Grid electricity (scope 2 and 3)</b>	<b>2,593</b>	<b>2,075</b>	<b>311</b>
QLD	0	0	0
<b>Non-grid electricity (Behind the meter)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Electricity consumed</b>	<b>2,593</b>	<b>2,075</b>	<b>311</b>
<b>Emission Footprint (tCO<sub>2</sub>-e)</b>	<b>2.39</b>		
Scope 2 Emissions (tCO <sub>2</sub> -e)	2.07		
Scope 3 Emissions (tCO <sub>2</sub> -e)	0.31		

### Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity Data (kWh)	Emissions (kgCO <sub>2</sub> -e)
Not applicable	0	0

*Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their 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. 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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