



PUBLIC DISCLOSURE STATEMENT

GOOD GROCERIES

**ORGANISATION CERTIFICATION
FY2021–22**

Australian Government


Climate Active Public Disclosure Statement

GOODGROCERIES



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Good Groceries Pty Ltd
REPORTING PERIOD	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>Edward Thomas Pechey O'Brien Co-Founder & Director 10/10/2022</p>



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

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Version March 2022.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	22 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	19%
TECHNICAL ASSESSMENT	7 December 2022 Verena Schubert Pathzero Pty Ltd Next technical assessment due: 2025
THIRD PARTY VALIDATION	Type 1 9/09/2022 Benjamin Jenkins GPP Audit Pty Limited

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2. CARBON NEUTRAL INFORMATION

Description of certification

This carbon inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022.

The emissions boundary has been defined based on the operational control approach. The boundary comprises the operations of the certifying entity, Good Groceries Pty Ltd.

All emissions under the operational control of Good Groceries Pty Ltd, ABN: 88 647 641 790 have been included in the emissions inventory.

The greenhouse gases included in the inventory include all those that are reported under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆). All emissions are reported in tonnes of carbon dioxide equivalent (t CO₂e) and uses relative global warming potentials (GWPs).

Organisation description

Good Groceries Pty Ltd (henceforth 'entity') is an Australian proprietary company, limited by shares (ACN: 647 641 790, ABN: 88 647 641 790, trading as 'Good Groceries').

The entity is an Australian owned and independently operated online retailer that specialises in the retailing of ambient-temperature¹ food, beverage and household grocery products.

The entity was formed on the basis that traditional full-service supermarket supply chains are antiquated and fail to maximise value for Australian households. The entity believes more value can be delivered to consumers, both sustainably and economically, when the sale of ambient-temperature and cold-temperature² products are separated. With over 70% of available products at supermarkets categorised as ambient-temperature,³ the entity is focused on developing a climate-conscious low cost service model for this segment.

Alongside the removal of climate-controlled brick and mortar stores, the exclusion of cold-temperature products enables the entity to minimise the use of temperature-controlled logistics to generate savings which can be passed on to consumers. Concurrently, this results in comparative reductions in the emissions generated from energy use, asset use, refrigerants use, and waste while supporting a larger delivery footprint due to lower risk of product spoilage.

Climate Active certification is an important milestone for the entity as it formalises both its commitment and mission 'to do better' while validating the foundational processes it has built to support continuous measurement and improvement of its environmental impact.

The entity has operated out of one location in this reporting period:
A1/35-39 Bourke Rd, Alexandria NSW 2015, Australia

"Climate Active certification is an important milestone for the entity as it formalises both its commitment and mission 'to do better' while validating the foundational processes it has built to support continuous measurement and improvement of its environmental impact."

¹ Alternately identified as shelf-stable, non-perishable or non-fresh products.

² Alternately identified as perishable or fresh products.

³ Based on internal analysis of the online-available range of Australia's largest full-service supermarket.

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 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 or precinct'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>
Cleaning and Chemicals	N/A	Accommodation
Electricity		Air transport (km)
ICT services and equipment		Food
Office equipment & supplies		Stationary Energy
Postage, courier and freight		Refrigerants
Professional Services		Water
Transport (Land and Sea)		
Waste		
Working from home		
E-commerce shipping		
Staff commuting		
Paper		
	<u>Optionally included</u>	
	N/A	

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

It is the entity's ambition to be a leader in sustainable retailing for the online retail industry across food, beverage and household categories. The entity's emissions reduction strategy identifies measures that will be taken in the next five (5) years to improve the efficiency of its quantified emissions per sales order.

$$\text{Quantified emissions per sales order} = \frac{\text{Total quantified emissions (tCO}_2\text{-e)}}{\text{Total sales orders}}$$

The entity is targeting a 63% reduction from its recorded FY22 quantified emissions per sales order by the 30th of June 2027. This measure will be reported annually during certification renewal.

The entity has opted to benchmark its emissions on this basis to provide consideration for its anticipated top-line growth over the target period - a consequence of which will be an increase in total business emissions as its operational footprint grows. This measure allows the entity to showcase a clear commitment to reducing its quantified emissions and improving business efficiency while providing the necessary flexibility for growth required by a scaling business.

The initial emissions reduction strategy for the entity is focused on the top emitting sources for the entity and will be expanded and updated at the end of each recertification period. Alongside these initiatives, internal policies have been implemented to promote the efficient use of company resources to support energy use minimisation, physical waste generation, and reuse and recycle programs.

1. Electricity use (29.18% of emissions)

The entity is committed to reducing its electricity emissions per sales order by 35% from its base year emissions inventory by 2027. This is relevant to the entity's ambition as it will support the reduction of its electricity emissions and support the growth of renewable energy sources. The entity will achieve this by implementing the following initiatives by 2027:

The entity will implement metered reporting for electricity use. To achieve this, plug-in power meters will be used on all mains sockets in its existing warehouse. This will improve the accuracy of the entity's electricity measurement processes and assist in identifying opportunities to reduce its electricity use.

The entity will implement a range of initiatives based on its metered electricity use to reduce its energy consumption. The initiatives will focus on educating employees on various methods to reduce their energy use such as sleep modes and powering down company assets when not in use. This will help reduce the entity's electricity use and in turn reduce its electricity emissions.

The entity will purchase electricity through arrangements that support renewable energy for its premises where it has control to do so. Where the entity does not have control to do so, it will engage and lobby its landlord to transition to these arrangements. This will ensure the entity's electricity use supports the growth of renewable energy sources and its remaining energy emissions are shifted to sources with a lower emissions profile.

2. Professional Services (14.29% of emissions)

The entity is committed to reducing its professional services emissions per sales order by 15% from its base year emissions inventory by 2027. This is relevant to the entity's ambition as it will support the reduction of emissions across its entire operational value chain. The entity will achieve this by implementing the following initiative by 2027:

The entity will introduce a professional services procurement policy that includes an assessment of the environmental credentials of all providers it engages with. To achieve this, clear criteria will be established to evaluate the initiatives and commitments of each provider. Where practical, the policy will prefer engaging providers who have made sustainability commitments and are carbon neutral.

3. Postage, courier & freight (13.25% of emissions)

The entity is committed to reducing its postage, courier & freight emissions per sales order by 25% from its base year emissions inventory by 2027. This is relevant to the entity's ambition as it will support the reduction of emissions from its sourcing and fulfilment operations. Storage services (warehouse use), supplier freight costs and packaging materials are the primary drivers for this emitting source. The entity will achieve this reduction by implementing the following initiatives by 2027:

The entity will develop and implement proprietary inventory management software that will assist it in maximising the utilisation of its premises and reduce the storage services required for its operation. The entity is targeting a 25% space utilisation improvement in its storage facilities which will be measured quarterly by sqm of storage per sales order. This will assist in reducing the expansion requirements of the entity's warehouse facilities and its facilities related emissions.

The entity will introduce a freight procurement policy that includes an assessment of the environmental credentials of all providers it engages with. To achieve this, clear criteria will be established to evaluate the initiatives and commitments of each provider. Where practical, the policy will prefer engaging providers who are carbon neutral or have net-zero targets. The entity is targeting to incur over 50% of its freight costs through carbon neutral service providers. It is understood that progress towards net-zero targets in the freight industry are dependent on technological advancements in vehicle electrification.

The entity will work with its packaging manufacturer to reduce the empty space in its delivery boxes by improving the range of box sizes it uses in its operation. The entity will target a 20% reduction in the volumetric weight of its boxes. The entity will measure this quarterly by the volume of cardboard used in its operations per sales order for the corresponding period. This will assist in reducing the entities packaging emissions and correspondingly improve the emissions center for e-commerce shipping as the reduction in volumetric weight will improve spend efficiency with third party couriers.

5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

The entity partnered with two organisations that provide Climate Active certified products and services throughout the reporting period:

- Australian Postal Corporation (ABN: 28 864 970 579) provided the entity carbon neutral parcel deliveries via its MyPost Business product offering.
- Pathzero Pty Ltd (ABN: 25 640 001 047) provided the entity a carbon neutral SaaS product to consolidate emissions reporting.

Organisation emissions summary

Emission category	Sum of Scope 1 (tCO ₂ -e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Cleaning and chemicals	0	0	0.67	0.67
Electricity	0	6.19	0	6.19
ICT services and equipment	0	0	2.09	2.09
Land and sea transport (km)	0	0	0.84	0.84
Office equipment & supplies	0	0	0.24	0.24
Postage, courier and freight	0	0	2.81	2.81
Professional services	0	0	3.03	3.03
Waste	0	0	0.38	0.38
Working from home	0	0	0.95	0.95
E-commerce shipping	0	0	2.36	2.36
Staff commuting	0	0	1.59	1.59
Paper	0	0	0.06	0.06
Total	0	6.19	15.03	21.22

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

In arrears		
1.	Total emissions footprint to offset for this report	22
2.	Total eligible offsets purchased and retired for this report	23
3.	Total eligible offsets banked to use toward next year's report	1

Co-benefits

The Karlantijpa North Savanna Burning Project (ID: ERF104800)

Abatement Project Overview

In 2015, the Central Land Council (henceforth 'CLC') supported the Traditional Owners of Karlantijpa North Aboriginal Land Trust to develop a carbon abatement project under the low-rainfall savannah burning methodology.

The land resources on which the project operates covers 3000 square kilometres in the far north of Karlantijpa North Aboriginal Land Trust - a remote grassy woodland with no road access and a history of hot, late dry season fires which have historically impacted the environment and neighbouring pastoral leases. The project area is home to the vulnerable greater bilby, the uncommon spectacled hare wallaby and is scattered with soaks and other sites of great importance to the Traditional Owners.

Every year, project members are joined by the Tennant Creek and Daguragu CLC rangers to conduct burning operations at the same time as a Country visit. The group conducts on-ground and aerial burning, as well as native wildlife surveys and visits to remote sacred sites.

The development of this carbon abatement project gives Traditional Owners an opportunity to participate in land management activities on Country and to realise economic, environmental, social and cultural benefits from those activities.

An overview of these benefits are:

Economic

Prior to this project, the only options available for Traditional Owners to generate income from their Country was to lease it for cattle grazing or allowing mining exploration, both of which degrade the land and disempower Traditional Owners. This project empowers Traditional Owners to manage their own business, operations and income at all stages of the abatement project.

Income from carbon credits funds burning operations, includes payments for Traditional Owners to do the work, and remote infrastructure development including track improvements and established camp sites. Options are also being investigated to use the income in community developments projects.

Environmental

The historical regime of hot fires late in the year has degraded the lancewood and other woodland species in the area. The introduction of earlier, cooler fires will lessen the impacts on these woodlands and their inhabitants.

Access to country

The Karantijpa North Aboriginal Land Trust country is very remote with no road access. Every year, the Traditional Owners can visit remote sacred sites with family members as part of the burning operations.

Cultural

The project supports Traditional Owners to teach younger generations about their Country while strengthening their connection to it.

Language

Mudbarra language is spoken by an estimated 96 people. Projects such as this, strengthen connection to Country and ensure that language is maintained, and assists in its wider recognition by other stakeholders

Big Creek Regeneration Project (ID: ERF138565)

Big Creek Regeneration Project establishes permanent native forests through assisted regeneration from in-situ seed sources (including rootstock and lignotubers) on land that was cleared of vegetation and where regrowth was suppressed for at least 10 years prior to the project having commenced.

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 ₂ -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 (%)
The Karantijpa, Norh Savanna Burning Project,	ACCUs	ANREU	16 Sep 2022	8,333,297,438 – 8,333,297,454	2021-22	N/A	17	0	0	16	72.7%
Big Creek Regeneration Project	ACCUs	Clean Energy Regulator	9/11/2022	8,335,039,070 – 8,335,039,075	2021-22	N/A	6	0	0	6	27.3%
Total offsets retired this report and used in this report										22	
Total offsets retired this report and banked for future reports									1		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Australian Carbon Credit Units (ACCUs)	22	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-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 ₂ e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
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)	1,421	0	19%
Residual Electricity	6,222	6,191	0%
Total grid electricity	7,643	6,191	19%
Total Electricity Consumed (grid + non grid)	7,643	6,191	19%
Electricity renewables	1,421	0	
Residual Electricity	6,222	6,191	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		6,191	
Total renewables (grid and non-grid)	18.59%		
Mandatory	18.59%		
Voluntary	0.00%		

Behind the meter	0.00%
Residual Electricity Emission Footprint (TCO2e)	6

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 (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	0	0	0
NSW	7,643	5,961	535
SA	0	0	0
VIC	0	0	0
QLD	0	0	0
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Grid electricity (scope 2 and 3)	7,643	5,961	535
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
VIC	0	0	0
QLD	0	0	0
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	7,643	5,961	535

Emission Footprint (TCO2e)	6
<i>Scope 2 Emissions (TCO2e)</i>	6
<i>Scope 3 Emissions (TCO2e)</i>	1

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
N/A	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

N/A

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct'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.

Provide a justification for exclusion that is consistent with the relevance test as applied to the description of certification outlined in section 1. For example:

- The entity does not actively use any accommodation services as part of its operation and as such it has not been included in the PDS or carbon inventory.
- The entity's employees do not actively use any air transport as part of its operation and as such it has not been included in the PDS or carbon inventory.
- The entity does not provide food or food services to its employees as part of its operation and as such it has not been included in the PDS or carbon inventory.
- The entity does not consume any fuels or stationary energy source as part of its operation and as such it has not been included in the PDS or carbon inventory.

- The entity does not use any refrigerants or own any assets that require refrigerants as part of its operation and as such it has not been included in the PDS or carbon inventory.
- The volume of water consumed in the entity's operations has been tested for relevance and found to be immaterial and as such it has not been included in the PDS or carbon inventory.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Accommodation	No	No	No	No	No	No
Air transport (km)	No	No	No	No	No	No
Food	No	No	No	No	No	No
Stationary Energy	No	No	No	No	No	No
Refrigerants	No	No	No	No	No	No
Water	No	No	No	No	No	No



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