

PUBLIC DISCLOSURE STATEMENT

ARCADIAN ORGANIC & NATURAL MEAT CO PTY LTD TRADING AS HEWITT FOODS

BEEF PRODUCT CERTIFICATION PROJECTION: CY2024

Australian Government

Climate Active Public Disclosure Statement







NAME OF CERTIFIED ENTITY	Arcadian Organic & Natural Meat Co Pty Ltd trading as Hewitt Foods
REPORTING PERIOD	1 January 2024 – 31 December 2024 Projection 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. Mick Hewitt Group Chief executive officer & managing blrector 28/2/12024



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Version: August 2023



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	46,218 tCO ₂ -e
CARBON OFFSETS USED	100% CERs
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Integrity Ag
TECHNICAL ASSESSMENT	21 December 2023 (CY22 emissions data) Dr Stephen Wiedemann Integrity Ag Next technical assessment due: CY2025 report
THIRD PARTY VALIDATION	Type 3 31 October 2023 Paul-Antoine Bontinck Life Cycle Strategies Pty Ltd

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2. CERTIFICATION INFORMATION

Description of certification

The carbon neutral product certification is for Cleaver's beef sale portions (recorded per kilogram sold) including packaging and added ingredients, supplied by Arcadian Organic & Natural Meat Co Pty Ltd trading as Hewitt Foods (ABN 62 157 927 887) (**Hewitt Foods**), during the calendar year from 1 January 2024 to 31 December 2024 based on inventory data from the 2022 calendar year.

Cattle are sourced from certified organic company-owned farms and certified organic third-party suppliers, and are then processed through Hewitt Foods' facilities and third-party facilities. Cleaver's organic prepackaged and added-value beef is then distributed and sold through retailers in Australia and Asia. The Product footprint was determined by directly engaging all major stages of the supply chain, collecting primary data for the baseline year of CY22 and covered scope 1, scope 2 and scope 3 emissions. For the first year of the project, emission projections are based on data from CY22. In subsequent years data will be collected for each year.

This Climate Active certification enables Hewitt Foods to continue to demonstrate their carbon neutral commitment, providing great tasting meat that's ethically raised. Cleaver's beef products are consistent with Cleaver's ethical pillars: Certified Organic, Certified Animal Welfare, and Certified Carbon Neutral. Cleaver's beef is grass fed, free range, and free of genetically modified organisms (GMOs), antibiotics, added hormones, synthetic chemicals, and artificial preservatives, colours and flavours.

Hewitt Foods continues to explore innovative ways to reduce and avoid negative contributions to the issues of climate change and global warming which are traditionally associated with the by-products of meat production by:

- Avoiding unnecessary emissions
- Implementing projects to reduce impacts

Hewitt Foods is committed to leading the Australian meat industry in a responsible and efficient transition to net zero. As one of its flagship brands, Cleaver's is proud to offer high quality carbon neutral, Australian raised organic and free range meat to consumers in Australia and overseas.

Product description

The functional unit for this certification is beef portions, normalised to one kilogram of beef products sold (including packaging and added ingredients) at the customer shelf (including wholesale and retail customers). To achieve this a cradle-to-gate boundary was used. In this case, the 'gate' is defined as the point of purchase by consumer, it therefore does not include emissions attributable to retailer storage and handling, nor consumer use, storage and disposal. The boundary has been set at that point as these emissions occurs from sources that are outside of the Hewitt Foods business' influence. The carbon neutral product mix includes fresh, further processed, and added-value cooked products such as lasagne and hotdogs.

The carbon neutral band 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' of a product or service. These attributable processes are services, materials and energy flows that become the product or service, make the product or service and carry the product or service through its life cycle. These attributable emissions 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 non-quantifiable 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.

This product certification implements the following emissions boundary below.



Inside emissions boundary

Quantified

Pre-farm inputs of purchased products and services including fuel, animal health products, services, and freight.

On-farm emissions:

- On-farm fuel use
- On-farm electricity use
- On-farm emissions from livestock including manure emissions

Post-farm emissions:

- Freight to processing/secondary processing plant
- Processing including energy use, purchased ingredients, cooking, chemical use and waste treatment
- Freight to international and domestic customers
- Distribution, retail operations, and refrigeration
- Product packaging and manufacturing

Office and administrative emissions including fuel and energy use.

Non-quantified

N/A

Outside emission boundary

Non-attributable

Consumer meat preparation, in-home storage, consumption and end-of-life disposal of the sold product, associated waste.

See Appendix D



Product process diagram

The following diagram outlines the cradle to customer shelf system boundary. This shows upstream emissions associated with purchased inputs prior to the farm gate and processing plant, primary production, primary processing, secondary processing of retail ready products, distribution and retail operations. Transport between these different stages and products was included throughout the system (including international transport), and product transformations were determined from primary data. Product traceability from the supplier farms to retail shelf is maintained throughout the system. The diagram shows some examples of major emission sources for each stage. All attributable emission sources were determined and included in the inventory.

Purchased Inputs Excluded Emission Sources Upstream Farm services and transport emissions Purchased animals N/A **Primary Production** Livestock emissions Fuel (diesel, ULP) used Field emissions from fertilisers and lime? **Primary Processing** Purchased inputs and transport Waste treatment **Excluded Emission Sources Production** Refrigeration delivery N/A Product transformations **Secondary Processing** Purchased inputs and transport Purchased ingredients Cooking Waste treatment Refrigeration Product transformations Office and Administration All purchased inputs Staff travel Distributions and customer **Excluded Emission Sources** operations Retailer and post-consumer All purchased inputs relating to Downstream purchase emissions: consumer



emissions

distribution and retail

Refrigeration

transport, preparation, in-home

storage, consumption and disposal of the sold product

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In the beef production product supply chains, on-farm emissions are largely driven by emissions generated by the livestock themselves, particularly enteric methane. According to a series of studies by the CSIRO, methane remains in the atmosphere for nine years (compared to carbon which remains in the atmosphere for 300-1,000 years), representing an opportunity to deliver significant impact through year on year enteric methane reductions. More productive herds generate less methane per kilogram of beef.

To date Hewitt Agribusiness Pty Ltd (Hewitt Agribusiness), which holds a 77% interest in Hewitt Foods and supplies 20% of the beef cattle use in Cleaver's products, has achieved a 6% reduction in Scope 1 emissions between 2019 and 2021 (168,462 to 158,239 tCO₂-e respectively), invested over \$1 million in solar infrastructure, and converted seven homesteads to solar.

Hewitt Agribusiness is working intensively on a strategy to reduce and sequester their full emissions footprint within their own land as part of their purpose "to feed the world with a system that lasts forever." The emission reduction strategy is expected to be finalised in 2024 and an implementation plan and timeframe developed. This will support Hewitt Foods and Cleaver's in continuing to deliver emissions reductions throughout their supply chain and to leverage techniques and learnings upstream by Hewitt Agribusiness to encourage other suppliers to take similar steps to reduce and offset carbon emissions.

We are committed to reducing emissions throughout the Hewitt and Arcadian businesses and have embedded this approach/philosophy into our organisation from our corporate mission right through to our products.

Hewitt is investing over \$1m in our 'Food for the Future' study across our value chain to identify opportunities and pathways for more sustainable and less emissions intensive products with long-term benefits. We continue to invest in solar technology across our properties and sites as well as developing nature positive projects to achieve carbon removals.

Arcadian has moved our pork processing to two new plants which are closer to our operations, removing 500km from the supply chain to reduce transport-led emissions. We are actively working with our suppliers, customers and supply chain to identify opportunities to reduce emissions via sustainably grown and recyclable packaging, reducing wastage in our processing facilities (product and packaging), and through supply chain efficiencies.

The outcomes of this process will be reported in the 2024 PDS with the emission reduction achieved to be reported in subsequent years.



5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

None.

Emissions summary

Emissions reported over a full 12-month period are reported below.

Stage / Attributable Process / Source	tCO ₂ -e
Primary production (incl. LU & dLUC)	41,833
Primary processing	1,159
Further processing	2,090
Distribution, retail operations & Hewitt head office	1,136
Total emissions	46,218

Emission offsets required for CY24 have been forward purchased (see below) based on emissions for projected sales (period between product launch and 31 December 2024). This was expected to represent approximately 46,218 tonnes CO₂-e. In accordance with Climate Active requirements, a 'true-up' will be conducted on actual sales of the branded carbon neutral product and, if required, additional emission offsets will be retired after the end of financial year reporting is completed.

Emissions intensity per functional unit (kgCO ₂ -e/kg beef portions sold)	Confidential
Number of functional units to be offset (kg beef portions sold)	Confidential
Total emissions to be offset	46,218



6.CARBON OFFSETS

Offsets retirement approach

This certification has taken a forward offsetting approach. The total emissions to offset are 46,218 tCO₂-e. The total number of eligible offsets used in this report is 46,218. Of the total eligible offsets used, 0 were previously banked and 46,218 were newly purchased and retired. 0 eligible offsets are remaining and no eligible offsets have been banked for future use.

Co-benefits

N/A.



Eligible offsets retirement summary

Offsets retired for Climate Active certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (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 (%)
Hebei Shangyi Hanjiazhuang Phase II Wind Farm Project	CER	ANREU	2-11-2023	1,137,193,515 - 1,137,239,732	CP2	-	46,218	-	0	46,218	100%
Total offsets retired this report and used in this report 46,218											
Total offsets retired this report and banked for future reports 0											

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total		
Certified Emissions Reductions (CERs)	46,218	100%		



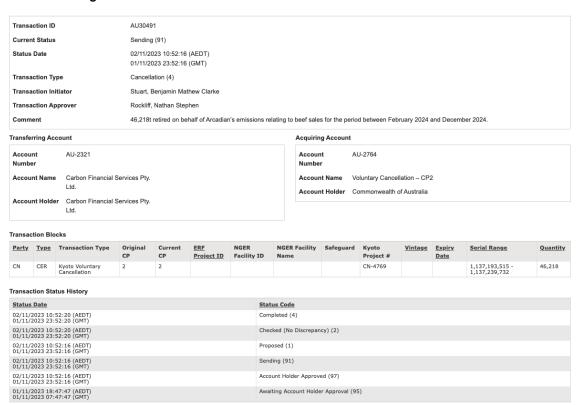
7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

Not applicable.

APPENDIX A: ADDITIONAL INFORMATION

Evidence of eligible offset units retired for this certification



APPENDIX B: ELECTRICITY SUMMARY

Not applicable.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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	Justification reason
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**).

Not applicable - no attributable process meets all 3 exclusion criteria in this reporting period.



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.

- <u>Size</u> The emissions from a particular source are likely to be large relative to other attributable emissions.
- 2. <u>Influence</u> The responsible entity could influence emissions reduction from a particular source.
- Risk The emissions from a particular source contribute to the responsible entity's greenhouse gas risk
 exposure.
- 4. Stakeholders The emissions from a particular source are deemed relevant by key stakeholders.
- Outsourcing The emissions are from outsourced activities that were previously undertaken by the
 responsible entity or from outsourced activities that are typically undertaken within the boundary for
 comparable products or services.



Non-attributable emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Consumer transport, preparation, in-home storage, consumption and disposal of the sold product.	N	N	N	N	N	The assessment of GHG emissions was completed from cradle to gate. These sources are downstream emissions which are outside the emissions boundary.





