



PUBLIC DISCLOSURE STATEMENT

**THE TRUSTEE FOR PEONY ENTERPRISES
TRUST (TRADING AS PEONY)**

**ORGANISATION CERTIFICATION
FY2022-23**

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 2022 – 30 June 2023 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></p> <p>Rebecca Emily Morton Director 22 December 2023</p>



Australian Government

Department of Climate Change, Energy,
the Environment and Water

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Version August 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	295.29 t CO ₂ -e (+10% additional for other than Climate Active)
OFFSETS USED	100% VCU's
RENEWABLE ELECTRICITY	Not applicable.
CARBON ACCOUNT	Prepared by: Heidi Fog, Carbon Neutral Pty Ltd

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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, trading as peony, ABN 13 885 987 285. The operational boundary of the carbon account has been defined based on the operational control approach. Our products are not included in the boundary of this certification.

This Public Disclosure Statement represents the reporting period 1 July 2022 to 30 June 2023 (FY2022-23) and our third 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 (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These gasses are expressed in carbon dioxide equivalents (CO₂-e), providing the ability to present greenhouse gas emissions as one unit.

Organisation description

peony is an Australian lifestyle brand named after the flower 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 leading 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, peony is committed to consciously creating garments exclusively from natural fibres and innovative sustainable fabrics. Through our commitment to quality and craftsmanship, our pieces are designed to 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 ongoing commitment to climate action.

3.EMISSIONS BOUNDARY

This is a small organisation certification, which uses the standard Climate Active small organisation 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 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

Climate Active carbon neutral products and services

Stationary energy

Refrigerants

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

Taxi & Uber

Staff commute to and from work

Staff working from home

Non-quantified

Water

Outside emission boundary

Excluded

Third party overseas manufacturing

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.

Our target has already been surpassed as we record a reduction of 54.52% across FY2022-23 compared to our FY2020-21 base year while at the same time having grown our business. We did get some help from Climate Active as they reduced the emission factor on advertising on the most recent carbon account. Had they not done so we would have recorded a similar footprint across FY2022-23 to the one we had in FY2021-22.

At peony we will strive for additional carbon reductions.

Reporting Period	FTE	Emissions (t CO ₂ -e)	Emissions Intensity (t CO ₂ -e/FTE)
FY2020-21 (Base year)	5	324.68	64.94
FY2021-22	9	360.60	40.07
FY2022-23	10	295.29	29.53
FY2028-29 - Target			45.46

Priorities for implementation by 30/6/2024:

- Transition all of our purchase of electricity to 100% renewable electricity from the grid. This would have the ability to save an annual 2.39tCO₂-e based on our FY2021 base year.
- 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. We aim to produce up-to date actual landfill data for our FY24 Climate Active carbon account.

Actions we have commenced implementing into our Business as Usual and to be fully implemented by 30/6/2028:

- Uphold the absolute emissions savings we have been able to achieve across FY21 – FY27.
- Encourage staff to take up 100% renewables as their home electricity product, utilities public transport as well as reduce electricity usage and resource disposal where they can.
- 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 will build commitment, engagement and action amongst all colleagues, customers and supply chain partners to ensure all understand what is expected of them and the direction we are taking.

Emissions reduction actions

- Conducted detailed operational freight review to determine best reduction initiatives for key carbon emissions contributor. We have moved more international freight from air to sea and domestic freight from air to road.
- Utilise virtual conference and meetings as our BAU 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.
- Ongoing commitment to climate conscious procurement, which includes, but is 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
- Formal working from home arrangements to reduce staff commuting.

5.EMISSIONS SUMMARY

Emissions over time

		Emissions since base year	
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year / Year 1:	2020-21		324.68
Year 2:	2021-22	343.43	360.60
Year 3:	2022-23	281.23	295.29

Significant changes in emissions

Emission source name	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Air freight (\$)	93.07	80.06	<p>We have conducted a detailed operational freight review to determine best reduction initiatives for key carbon emissions contributor.</p> <p>We have moved more international freight from air to sea and domestic freight from air to road.</p>
Road freight (\$)	38.63	62.98	<p>We have conducted a detailed operational freight review to determine best reduction initiatives for key carbon emissions contributor.</p> <p>We have moved a significant part of our domestic freight from air to road.</p>
Advertising services	137.63	61.39	<p>Our expenditure remained stable on this emission source but the associated emissions decreased due to a significant Climate Active adjustment in the emission factor in FY23.</p>

Use of Climate Active carbon neutral products, services, buildings or precincts

Not applicable for FY2022-23.

Emissions summary

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

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 (t CO ₂ -e)
Accommodation and facilities	0.00	0.00	0.39	0.39
Cleaning and chemicals	0.00	0.00	0.26	0.26
Construction materials and services	0.00	0.00	1.94	1.94
Electricity	0.00	2.31	0.47	2.78
Food	0.00	0.00	2.19	2.19
ICT services and equipment	0.00	0.00	16.05	16.05
Machinery and vehicles	0.00	0.00	0.10	0.10
Office equipment and supplies	0.00	0.00	6.45	6.45
Postage, courier and freight	0.00	0.00	162.78	162.78
Professional services	0.00	0.00	65.48	65.48
Refrigerants	0.00	0.00	0.00	0.00
Stationary energy (gaseous fuels)	0.00	0.00	0.00	0.00
Transport (air)	0.00	0.00	12.83	12.83
Transport (land and sea)	3.71	0.00	3.92	7.64
Waste	0.00	0.00	2.24	2.24
Working from home	0.00	0.00	0.10	0.10
Total emissions	3.71	2.31	275.21	281.23

Uplift factors

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

Reason for uplift factor	t CO ₂ -e
Mandatory 5% uplift for small organisations	14.06
Total of all uplift factors	14.06
Total emissions footprint to offset <i>(total emissions from summary table + total of all uplift factors)</i>	295.29

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken in-arrears offsetting approach. The total emission to offset is 295.29 t CO₂-e. The total number of eligible offsets used in this report is 296. Of the total eligible offsets used, 0 were previously banked and 326 (includes 10% additional) were newly purchased and retired. 0 are remaining and have been banked for future use.

Co-benefits

Project: Renewable Wind Power Project by Axis Wind Farms (Rayalaseema) Pvt. Ltd

The main purpose of this project activity is to generate a clean form of electricity through a renewable wind energy source. This project involves installation of 105 MW wind project in the Anantapur district of Andhra Pradesh.

Over the 10 years of first crediting period, the project was developed to replace anthropogenic emissions of greenhouse gasses estimated to be approximately 198,183 t CO₂-e/year, thereon replacing 211,554 MWh/year amount of electricity from the generation-mix of power plants connected to the Indian grid, which is mainly dominated by thermal/fossil fuel power plants.

The table indicates how this project contributes to the United Nations (UN) 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 retired 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 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 (%)
Renewable Wind Power Project by Axis Wind Farms (Rayalaseema) Pvt. Ltd	VCU	Verra	24 December 2023	13119-472091599-472091924-VCS-VCU-1491-VER-IN-1-2052-01072021-31122021-0	2021		326	0	0	296	100%
Total eligible offsets retired and used for this report										296	
Total eligible offsets retired this report and banked for use in future reports									0		
Type of offset units		Eligible quantity (used for this reporting period)					Percentage of total				
Verified Carbon Units (VCUs)		296					100%				

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
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* 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	Project location	Eligible unit type	Registry	Surrender date	Accreditation code	Certificate serial number	Generation year	Fuel source	Quantity (MWh)
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 ₂ -e)	Purpose of cancellation
Renewable Wind Power Project by Axis Wind Farms (Rayalaseema) Pvt. Ltd	VCUs	Verra Registry	24 December 2023	<u>Included in above retirement</u>	2021	30	Offsetting more than we emitted in this period.

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the **location-based approach**.

Market-based approach summary			
Market-based approach	Activity Data (kWh)	Emissions (kg CO 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)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCS surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	594	0	19%
Residual Electricity	2,565	2,450	0%
Total renewable electricity (grid + non grid)	594	0	19%
Total grid electricity	3,159	2,450	19%
Total electricity (grid + non grid)	3,159	2,450	19%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	2,565	2,450	
Scope 2	2,265	2,164	
Scope 3 (includes T&D emissions from consumption under operational control)	300	286	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	18.80%
Mandatory	18.80%
Voluntary	0.00%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	2.16
Residual scope 3 emissions (t CO₂-e)	0.29
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	2.16
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.29
Total emissions liability (t CO₂-e)	2.45

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

Location-based approach summary						
Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	100%	(kWh)	Scope 2 Emissions (kgCO ₂ -e)	Scope 3 Emissions (kgCO ₂ -e)	(kWh)	Scope 3 Emissions (kgCO ₂ -e)
QLD	3,159	3,159	2,306	474	0	0
Grid electricity (scope 2 and 3)	3,159	3,159	2,306	474	0	0
QLD	0	0	0	0		
Non-grid electricity (behind the meter)	0	0	0	0		
Total electricity (grid + non grid)	3,159					

Residual scope 2 emissions (t CO ₂ -e)	2.31
Residual scope 3 emissions (t CO ₂ -e)	0.47
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	2.31
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	0.47
Total emissions liability	2.78

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO ₂ -e)
Not applicable	0	0
<i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market-based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market-based summary table.</i>		

Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	Electricity claimed from Climate Active certified products (kWh)	Emissions (kg CO ₂ -e)
Not applicable	0	0
<i>Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market-based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.</i>		

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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	Justification reason
Water	Data unavailable and assumed immaterial

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.

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.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Third party overseas manufacturing	Y	N	N	N	N	<p>Size: The emissions source is likely to be material.</p> <p>Influence: We do not have the potential to influence the emissions from this source</p> <p>Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source.</p> <p>Stakeholders: For our operational carbon footprint which this certification is in reference to key stakeholders, including the public, are unlikely to consider this a relevant source of emissions.</p> <p>Outsourcing: Not applicable.</p>



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