PUBLIC DISCLOSURE STATEMENT

HEARTWOOD NATURAL HARMONY

ORGANISATION CERTIFICATION
CY2024

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Heartwood Natural Harmony Pty Ltd (trading as Heartwood)
REPORTING PERIOD	1 January 2024 – 31 December 2024 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.* Alex Wilson
	Alex Wilson Director 27/6/25

Australian Government
Department of Climate Change, Energy, the Environment and Water

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Version 9.1.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	46 tCO_2-e
CARBON OFFSETS USED	100% ACCUs
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Cool Planet
TECHNICAL ASSESSMENT	N/A small organisation certification

Contents

2.CERTIFICATION INFORMATION

Description of organisation certification

This organisation certification is for the business operations of Heartwood Natural Harmony Pty Ltd (Heartwood), ABN 26 629 820 211.

The scope of this certification covers the Australian business operations of Heartwood.

The certification does not include the embodied emission associated with products sold within the store.

This Public Disclosure Statement includes information for CY2024 reporting period.

Organisation description

Heartwood Natural Harmony Pty Ltd (Heartwood), ABN 26 629 820 211 is a multi-brand clean beauty retailer, specialising in Indian sandalwood wellbeing products and experiences. Heartwood sells over 80 clean beauty brands, amongst which our brand of Indian sandalwood products is the hero. Heartwood's products include Incense, perfume, skincare, jewellery and with services include facials, massages and the ability to make Eau de Parfum at an inhouse personalised perfume bar.

The organisation boundary approach taken complies with the Climate Active Standard for Carbon Neutral Organisations and is based on the operational control approach to the measurement of greenhouse gases.

Heartwood has one location at 35A Napoleon Street, Cottesloe WA 6011.

The following subsidiaries are also included within this certification:

Legal entity name	ABN	ACN
N/A		

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 & facilities
- Cleaning and chemicals
- Electricity
- Food
- Horticulture and agriculture
- ICT services and equipment
- Professional services
- Machinery and vehicles
- Office equipment and supplies
- Postage, courier and freight
- Products
- Refrigerants
- Roads and landscape
- Stationary energy and fuels
- Transport (air)
- Transport (land and sea)
- Waste
- Water
- Working from home

Non-quantified

N/A

Optionally included

N/A

Outside emission boundary

Excluded

Embodied emissions of third-party products sold within Heartwood.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Heartwood recognises that reducing greenhouse gas emissions is an essential part of responsible business practice. As an organisation committed to long-term sustainability, we are taking steps to actively manage and reduce our environmental impact.

Heartwood's commitment to Climate Active certification will not only reduce operational emissions in line with our values and client expectations but allows Heartwood to play its part in the broader transition to a low-carbon economy.

Heartwood has committed to a 10% reduction of its carbon emissions to revenue intensity by 2027 based on a 2022 base year. In the CY2024 reporting period, carbon intensity is 0.055 tCO_2-e per $10,000 of revenue.

Heartwood also commits to reduce electricity emissions by 10% by 2027 based on a 2023 base year. This will be achieved by:

- Turning off towel warmers when possible.
- Reducing AC use, ensuring system is turned off at night, setting appropriate temperature points and prioritising the use of the smaller energy efficiency split system installed rather than the older larger unit.
- Turning lights off at night

Heartwood will continue to try and reduce staff commuting emissions by encouraging staff to carpool.

Emissions reduction actions

Heartwood implemented the following actions to reduce emissions during the reporting period:

Diesel – Medium Car (-74.8%)

Reduced use of diesel vehicles through improved trip planning and increased use of alternative transport options.

Road Freight (-68.6%)

Consolidated deliveries and engaged more local suppliers, reducing the need for long-haul freight services.

Taxi and Hire Car (-68.6%)

Decrease in ad hoc travel due to more meetings held remotely and better scheduling of site visits.

Insurance (-63.3%)

Streamlined the number of policies and reduced spend on non-essential coverage, lowering associated emissions.

Virgin Paper (Domestic) (-58.7%)

Continued shift to digital processes significantly reduced reliance on paper-based documentation.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year				
		Total tCO_2-e (without uplift)	**Total tCO_2-e** (with uplift)	**Emissions intensity** (tC02-e/revenue)
Base year/Year 1:	2022	18.70	19.64	0.21
Year 2:	2023	35.77	37.56	0.35
Year 3:	2024	42.86	45.01	0.055

Significant changes in emissions

In the 2024 reporting period carbon intensity has increased to 0.055, an increase of 66% from the base year. Electricity emissions have also increased 12% (against the target of 10% reduction).

Scope 1 emissions have decreased from 2.28 tCO_2-e to 0 tCO_2-e due to the sale of the one company car.

The primary reason for this increase is renovations that increased spa and client capacity and the associated increase in headcount. There has also been a significant increase in marketing spend, doubling emissions in this category.

Most emissions categories have decreased but these have been offset by gains in a couple of key categories, listed in the table below.

Significant changes in emissions			
Emission source	**Previous year emissions** (t CO_2-e)	**Current year emissions** (t CO_2-e)	**Reason for change**
Electricity (location-based method, scope 2)	9.88	11.10	Renovations that increased spa capacity
Advertising services	4.88	10.90	Doubling of digital marketing budget
Short economy class flights (>400km, ≤3,700km)	2.72	4.97	one extra flight to meet clients
Transport (land and sea)	2.28	0	Sale of company owned car

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

N/A.

Emissions summary

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

Emission category	Sum of Scope 1 emissions (tCO2-e)	Sum of Scope 2 emissions (tCO2-e)	Sum of Scope 3 emissions (tCO2-e)	Sum of Total emissions (t CO2-e)
Accommodation and facilities	0.00	0.00	0.31	0.31
Cleaning and chemicals	0.00	0.00	0.03	0.03
Construction materials and services	0.00	0.00	0.00	0.00
Electricity	0.00	11.10	0.84	11.93
Food	0.00	0.00	0.00	0.00
Horticulture and agriculture	0.00	0.00	0.00	0.00
ICT services and equipment	0.00	0.00	1.33	1.33
Machinery and vehicles	0.00	0.00	0.00	0.00
Office equipment and supplies	0.00	0.00	1.47	1.47
Postage, courier and freight	0.00	0.00	4.96	4.96
Products	0.00	0.00	0.00	0.00
Professional services	0.00	0.00	12.68	12.68
Refrigerants	0.56	0.00	0.00	0.56
Roads and landscape	0.00	0.00	0.00	0.00
Stationary energy (gaseous fuels)	0.00	0.00	0.00	0.00
Stationary energy (liquid fuels)	0.00	0.00	0.00	0.00
Stationary energy (solid fuels)	0.00	0.00	0.00	0.00
Transport (air)	0.00	0.00	4.97	4.97
Transport (land and sea)	0.00	0.00	1.63	1.63
Waste	0.00	0.00	2.67	2.67
Water	0.00	0.00	0.31	0.31
Working from home	0.00	0.00	0.00	0.00
Grand Total	**0.56**	**11.10**	**31.21**	**42.86**

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	**tCO_2-e**
mandatory 5% uplift for small organisations	2.143
Total of all uplift factors (tCO_2-e)	2.143
Total emissions footprint to offset (tCO_2-e) *(total emissions from summary table + total of all uplift factors)*	**45.001**

6. CARBON OFFSETS

Eligible offsets retirement summary

Offsets retired for Climate Active certification

Type of offset unit	Quantity used for this reporting period	Percentage of total units used
Australian Carbon Credit Units (ACCUs)	46	100%

Project name	Type of offset unit	Registry	Date retired	Serial number	Vintage	Total quantity retired	Quantity used in previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period	Percentage of total used this reporting period
WA Carbon Cattle Conservation	ACCU	ANREU	30/06/2025	9,016,601,070 - 9,016,601,115	2024-25	46	0	0	46	100.00%
					Offset Totals:	**46**	**0**	**0**	**46**	**100.00%**

Co-benefits

WA Carbon Cattle Conservation Project

This 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.

Project activities include the management of plants that are not native to the project area, the management of the timing and extent of grazing, and the humane management of feral animals. If applicable, project suppressors may include livestock and plants not native to the area.

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

Australian Government
Clean Energy Regulator

Australian National Registry of Emissions Units

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Account Holders
Accounts
Unit Position Summary
Projects
Transaction Log
CER Notifications
Public Reports
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Transaction Details

Transaction details appear below.

Transaction ID	AU42354
Current Status	Completed (4)
Status Date	30/06/2025 10:21:26 (AEST) 30/06/2025 00:21:26 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Lau, Hubert Chi Ho
Transaction Approver	Moore, Timothy Nicholas
Comment	Voluntary retirement on behalf of Heartwood Natural Harmony Pty Ltd

Transferring Account

Account Number	AU-2976
Account Name	Regenco Pty Ltd
Account Holder	Regenco Pty Ltd

Acquiring Account

Account Number	AU-1068
Account Name	Australia Voluntary Cancellation Account
Account Holder	Commonwealth of Australia

Transaction Blocks

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF169862					2024-25		9,016,601,070 - 9,016,601,115	46

Transaction Status History

Status Date	Status Code
30/06/2025 10:21:26 (AEST) 30/06/2025 00:21:26 (GMT)	Completed (4)

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)	3,869	0	18%
Residual Electricity	17,068	15,532	0%
Total renewable electricity (grid + non grid)	**3,869**	**0**	**18%**
Total grid electricity	**20,937**	**15,532**	**18%**
Total electricity (grid + non grid)	**20,937**	**15,532**	**18%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**17,068**	**15,532**	
Scope 2	15,192	13,825	
Scope 3 (includes T&D emissions from consumption under operational control)	1,876	1,707	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	

Total renewables (grid and non-grid)	**18.48%**
Mandatory	**18.48%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual scope 2 emissions (t CO_2-e)	**13.82**
Residual scope 3 emissions (t CO_2-e)	**1.71**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**13.82**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**1.71**
Total emissions liability (t CO_2-e)	**15.53**

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)
WA	20,937	20,937	11,097	837	0	0
Grid electricity (scope 2 and 3)	**20,937**	**20,937**	**11,097**	**837**	**0**	**0**
WA	0	0	0	0		
Non-grid electricity (behind the meter)	**0**	**0**	**0**	**0**		
Total electricity (grid + non grid)	**20,937**					

Residual scope 2 emissions (t CO_2-e)	**11.10**
Residual scope 3 emissions (t CO_2-e)	**0.84**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**11.10**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.84**
Total emissions liability	**11.93**

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)
N/A	**0**	**0**
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.		

Climate Active carbon neutral electricity products

Climate Active carbon neutral electricity product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO_2-e)
N/A	**0**	**0**
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.		

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
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.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

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

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Embodied emissions of third-party products sold.	Y	N	N	N	N	**Size:** The emissions sources are difficult to quantify due to the number of different suppliers used. The emissions may be sizable due to the small emissions generated by Heartwood's electricity use. **Influence:** We do not have the potential to influence the emissions from this source, including by shifting to a different lower-emissions supplier for our business. **Risk:** There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest. **Stakeholders:** Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our business. **Outsourcing:** We have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.

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