



Carbon Neutral Program

Public Disclosure Summary



An Australian Government Initiative



LOWCARBON
AUSTRALIA

1. Organisation and Product Information

Organisation Name: Swisse

Base Year: 2010/11

Disclosure Period: From: 1st July 2011 to: 30th June 2012

Date of most recent verification: November 2012

Carbon Neutral Disclosure Type:

a. Organisation

2. Organisation Description

Swisse is one of Australia's largest suppliers of vitamins and health products. The organisation strives to provide consumers with scientifically proven natural supplements to help people live healthier and happier lives. Swisse is currently expanding their product range to include other personal and healthcare products using natural ingredients where possible. Maintaining environmentally responsible business practises is considered a priority at Swisse and is in line with their overall philosophy of caring for people and the planet.

The organisational boundary at Swisse has been determined in accordance with the GHG Protocol. The Control Approach has been applied to determine the organisational boundary. It has been determined that Swisse has *operational control* of the Gipps St facility, and also the temporary facility at Flockhart St. This has been determined as Swisse has the full authority to introduce and implement its operating policies, and health and safety policies at both facilities.

The operational boundary is also defined according to the GHG Protocol. All Scope 1 and Scope 2 emissions are included within the operational boundary. The inclusion of Scope 3 emissions has been determined in accordance with the NCOS Standard, and GHG Protocol. All major GHG-generating activities are included, also captured are some commonly reported scope 3 emissions (ie paper, waste, water), and some additional items such as catering,

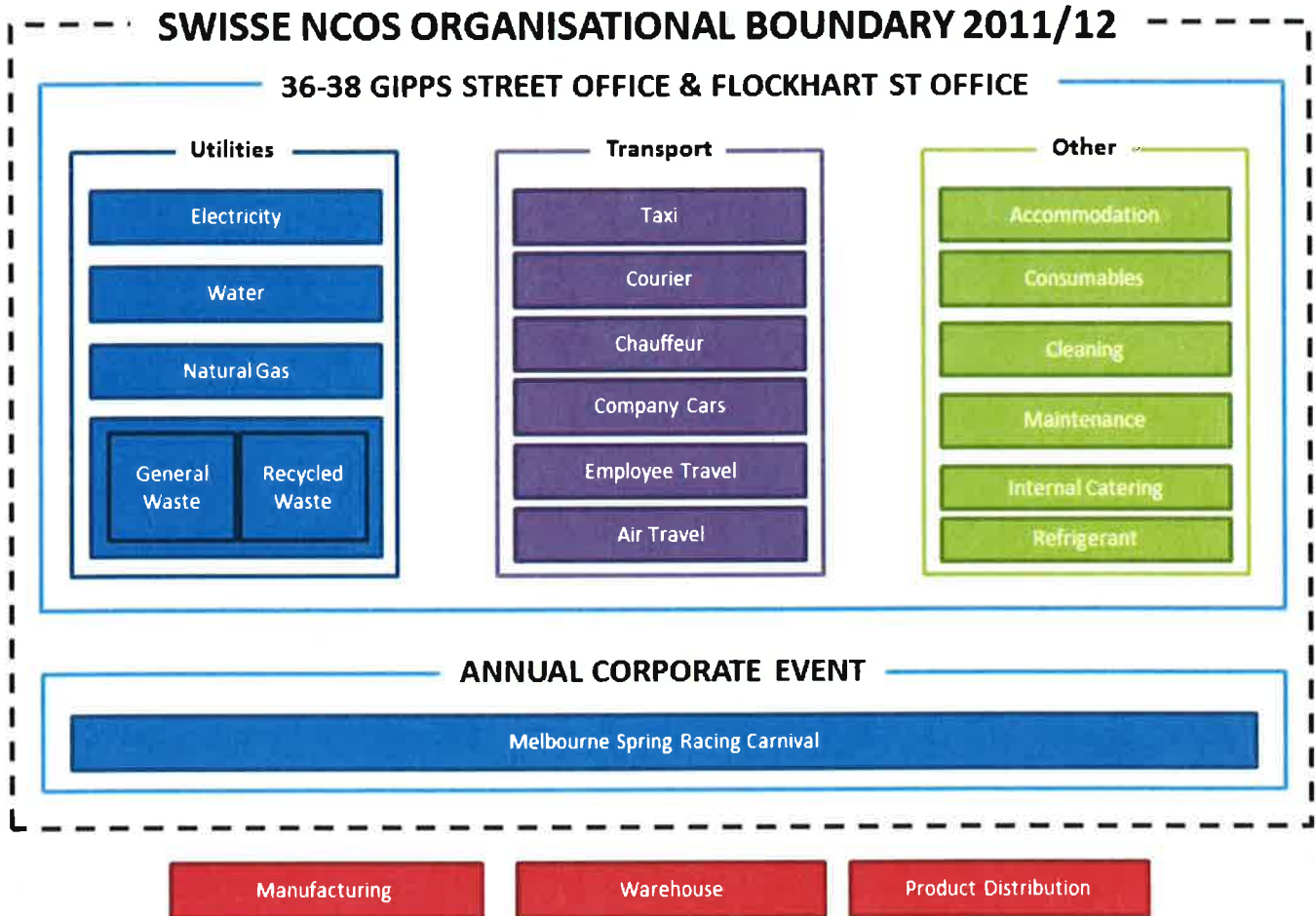
cleaning and maintenance. **The organisation boundary includes all of the administrative activities associated with running the Swisse organisation.**

The administrative activities include the use of utilities, transport and general items such as cleaning and maintenance. The warehouse facility is excluded from the organisational boundary as it does not pertain to the administrative function of the business. Product manufacturing, warehousing and distribution is also excluded from the organisational boundary.

Base building energy has been included for both Gipps St, and Flockhart St. The base building emissions for Flockhart St have been estimated using data from Gipps St, due to data being unavailable for Flockhart St.

The refrigerant R600a is an excluded gas within the operational boundary due to its immateriality. This has been identified based on the low quantity of material, and low GWP Diagram 1 below illustrates the organisational boundary:

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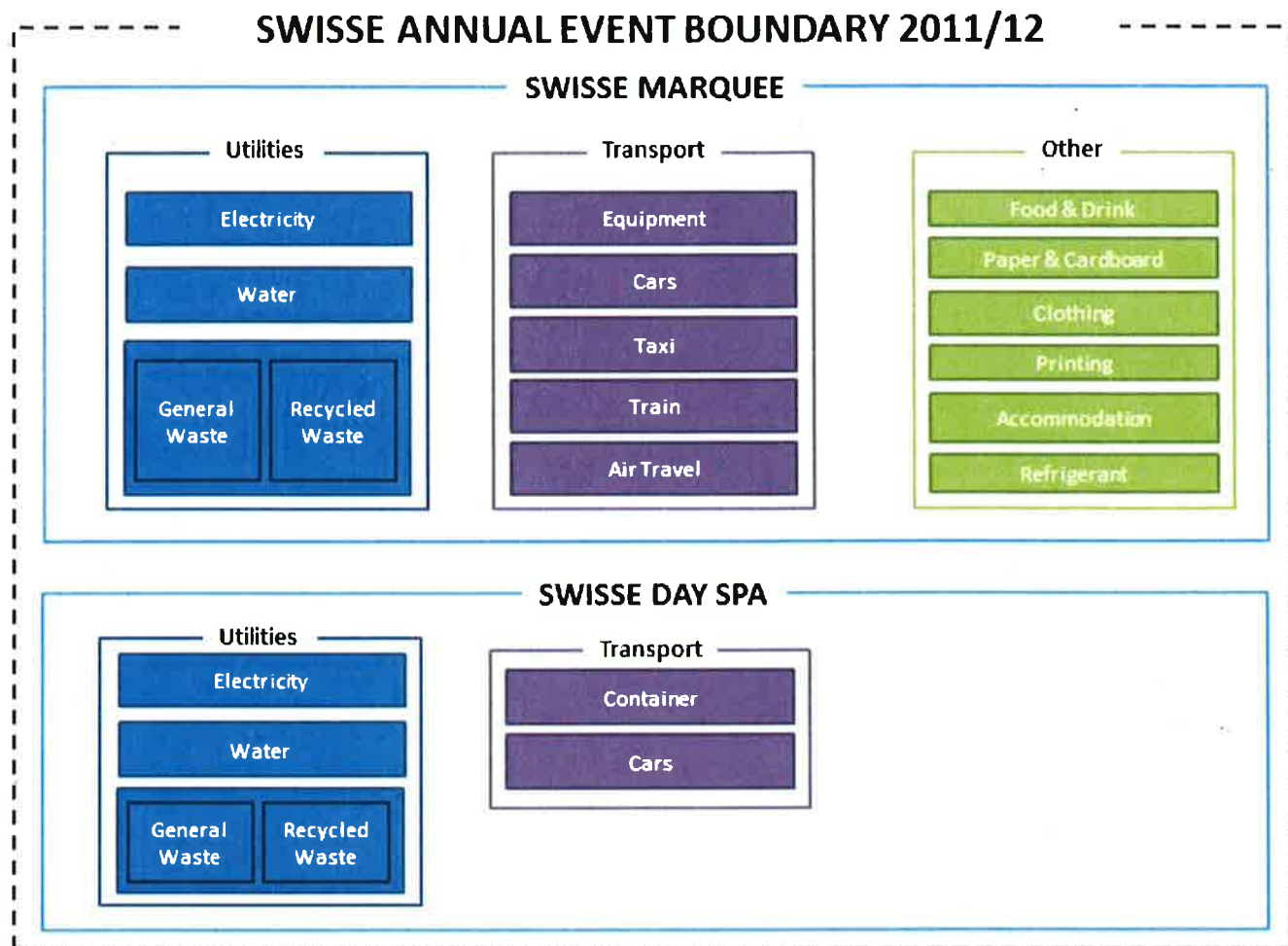


Swisse Annual Event Description & Boundary

During the 2011/12 year Swisse business activity increased significantly. As a result of this growth Swisse introduced a corporate event to be held annually. In accordance with guidelines specified in the GHG Protocol it was determined not to recalculate the base year emissions to include event emissions. The rationale being that the change in organisation emissions profile was due organic growth, and not due to a structural change. The event emission boundaries are detailed below.

The annual event takes place during the Melbourne Spring Racing Carnival at Flemington Racecourse. Swisse hosts two separate locations within the event. The first being a marquee which hosts approximately 150 guests per day for drinks and lunch. The second location, referred to as a 'day spa', is a converted shipping container where free product samples are tested and given away to the general public. This event is intended to be held annually.

Diagram 2 below illustrates the annual event boundary:



The emissions for the event have been calculated using a greenhouse gas inventory. The total emissions estimated for the event in 2011/12 was based on estimated data due to the retrospective nature of the inventory. Actual data was not available for the 2011/12 event, therefore actual figures from the same event in the 2012/13 year were used. The methodology for calculating the total emissions involved calculating the total emissions for 2012/13 and then dividing it by the number of guests to generate an emission number per head. This figure was then multiplied by the number of people attending the event during the 2011/12 year, this provided an estimated total emission number.

The refrigerant R600a is an excluded gas within the operational boundary due to its immateriality. This has been identified based on the low quantity of material, and low GWP. Also excluded are transport and accommodation of people visiting the day spa. This has been determined as guests are not solely at the event to visit the day spa, but rather are simply passing through while participating in the broader event of the racing carnival.

All relevant and material scope 1, 2 and 3 emissions covered under the Kyoto Protocol are included within this inventory. The table below details all scope 1, 2 and 3 emissions included within this GHG inventory.

Table 1 below provides a full list of emission sources:

Scope 1	Scope 2	Scope 3
Diesel - Transport Transport Ethanol - Transport Transport Event	Electricity Standard Electricity	Accommodation International Local Air Travel Long haul

Scope 1	Scope 2	Scope 3
<p>Spring Racing Carnival</p> <p>Gas Usage</p> <p>Gas - Distributed</p> <p>Petrol - Transport</p> <p>Transport</p> <p>Petroleum based oil non-transport</p> <p>Regular oil</p> <p>Refrigerant Leakage</p> <p>R600a</p> <p>Air Conditioner</p> <p>R410a</p>		<p>Medium haul</p> <p>Short haul</p> <p>Catering</p> <p>Catering</p> <p>Cleaning</p> <p>Cleaning</p> <p>Consumables</p> <p>Consumables</p> <p>Diesel - Transport</p> <p>Transport</p> <p>Electricity</p> <p>Electricity transmission & distribution</p> <p>Employee travel</p> <p>Bus</p> <p>Car</p> <p>Cycle</p> <p>Drive with passenger</p> <p>Motorcycle</p> <p>Train</p> <p>Tram</p> <p>Walk</p> <p>Gas Usage</p> <p>Gas - Distributed (Production)</p> <p>Maintenance</p> <p>Maintenance</p> <p>Petrol - Transport</p> <p>Car hire</p> <p>Courier</p> <p>Transport</p> <p>Petroleum based oil non-transport</p> <p>Regular oil</p> <p>Taxi</p> <p>Chauffeured Cars</p> <p>Transport</p> <p>Waste</p> <p>General Waste</p> <p>Paper/ Cardboard Recycle</p> <p>Recycling</p> <p>Water Consumption</p> <p>Water</p>

GreenPower™ or RECs or NCOS Carbon Neutral Products	Purchase
GreenPower was not purchased during this reporting year	Nil

1. R600a – Refrigerant gas – not reportable due to being immaterial

3. Purchase of Greenpower™ or NCOS Carbon Neutral Products and/or Cancellation of Greenpower™ Eligible Renewable Energy Certificates (RECS)

GreenPower™ or RECs Purchased	Purchased
GreenPower was not purchased during this reporting year	Nil

4. Total Carbon Footprint

Activity	Carbon Emissions (kg CO2-e)	Carbon Emissions (t-CO2-e)
Scope 1	361,143	361
Scope 2	135,426	135
Scope 3	1,036,612	1,037
Grand Total	1,533,181	1,533

Carbon Footprint:

1,533 Tonnes CO2-e

5. Emission reduction measures

This Emissions Management Plan has been prepared retrospectively for the 2011/12 period. Therefore all emission reduction strategies for this period have already occurred. Within this Emissions Reduction Strategy a number of recommendations will be made to include in the 2012/13 plan.

During the baseline year of 2010/11 Swisse operated out of an office/ warehouse facility, and temporary leased office, in Melbourne, Victoria. Swisse occupied the leased office in Flockhart St, Abbotsford, for a period of approximately six months during this year. The office relocation was due to a major refurbishment of the Swisse office and warehouse building. In January 2011 Swisse moved out of 36-38 Gipps St to a leased property, and returned in December 2011. Although Swisse did have operational control of the leased office space, some of their emission reduction strategies were affected, for example GreenPower was unable to be used. This was due to the building manager controlling the actual purchase of electricity.

Prior to the baseline year Swisse previously completed a GHG inventory and have implemented some emission reduction strategies. The purchase of GreenPower electricity was one action under this initiative. There were also a number of emission reduction initiatives incorporated into the new building design and construction. This includes the installation of more efficient T5 lighting throughout the building, improved ventilation systems, and the introduction of video conferencing facilities. During pre and post refurbishment periods there was no formal energy auditing undertaken making it impractical to retrospectively quantify the energy efficiency improvements with actuals.

Stage two building works are currently being approved to expand the existing office space. The new development has been architecturally designed using Environmentally Sustainable Design (ESD) principles. There are a number of ESD features that will contribute to a reduced carbon intensity of the building. These include the proposed installation of a 2,200 litre rain water tank to be used for toilets, and will reduce stormwater runoff. Also it is proposed to include an additional 40 spaces for bike parking, and seven new staff showers, to encourage staff to ride rather than drive or catch public transport. These will also be noted in the 2012/13 Emissions Management Plan.

Swisse business operations doubled compared the previous year causing total emissions to increase substantially. Due to significant growth during the 2011/12, including staff numbers nearly doubling, some of the previous sustainability initiatives were overlooked. For example, upon moving back into the new office at 36-38 Gipps St, GreenPower was not reconnected. It will be recommended in the 2012/13 Emissions Management Plan that Swisse revert back to the use of GreenPower.

There was feedback from Swisse staff that the video conferencing facility experienced some technical difficulties. As a result this facility is not being utilised as much as anticipated. The current system has been reviewed, and a new system has been proposed which will improve the call quality and is expected to increase the number of video conferences, and reduce the total number of flights. This upgrade is scheduled for early 2013.

During the 2011/12 year Swisse operations took a focus to expand globally. This resulted in a significant number of flights undertaken by Swisse staff. The emissions from flights increased from 49 tCO₂-e in 2010/11 to 215 tCO₂-e in 2011/12. Carbon emissions from flights have not been offset previously. It will be recommended in the 2012/12 Emissions Management Plan that flights be offset as soon as practical during the 2012/13 year.

It is recommended that the methodology for estimating emissions be reviewed in the 2012/13 Emissions Management Plan. For example the inventory item 'Consumables' represents various purchases made by Swisse during the year for essential items to run the organisation. This includes items such as stationery, flowers, and other miscellaneous expenses. In using a conservative methodology for estimating emissions from Consumables, the input/ output factor applied to these purchases is the factor for estimating emissions from 'paper'. This is a high emission factor of 2.6 CO₂-e for every dollar spent. In the 2012/13 year it will be recommended to disaggregate paper out of the Consumables category, and apply an updated emissions factor for Consumables. This will reduce the total emission count by not over estimating emissions on items which are not paper.

Significant emission reduction strategies have been outlined for the 2012/13 period.

Emission Management and Reduction Measures	Emissions Reduction in Reporting Period (Tonnes CO₂-e)
Installation of T5 Lighting	Approx 45% saving from original T12 lights
Video Conferencing Facilities	6.2
Total Emissions Reduction	6.2

6. Offset Purchase / Cancellation

Offset Type	Registry	Serial Numbers	Offset Quantity (Tonnes CO₂-e)
VCU	Markit	482-20069955-20071256-VCU-009-TZ1-DE-8-212-01012006-31122006-0	1302 (130 surplus)
VCU	Markit	1613-67362563-67362935-VCU-006-MER-AU-14-641-01042010-	373 (12 surplus)

7. OTHER INFORMATION

Swisse are committed to minimising the environmental impact of their business operations. To formalise this commitment Swisse have opted to retrospectively seek accreditation under NCOS since the inception of this program in 2010. Therefore the baseline year for accreditation under NCOS will be 2010/11. In partnership with Ndevr Environmental Consulting (NEC) Swisse has prepared retrospective and current GHG inventories, and emission management plans. NEC has assisted in preparing specific carbon reduction and offset strategies in line with Swisse organisational objectives.

Going forward Swisse will continue their commitment to climate change through quarterly reporting of organisational emissions. Swisse will estimate projected emissions for each period and forward surrender carbon offsets.

8. Verifier

Name of verifier: Not required for year 2

Last year of verification: 2010/11

9. Declaration

Name Radek Sali

Title CEO

Date 21/02/2013

Signature



This Public Disclosure Summary was prepared in accordance with the requirements of the NCOS Carbon Neutral Program Guidelines.