

Australian Government
Carbon Neutral Program
Public Disclosure Summary




COMPANY NAME: The North Australian Pastoral Company

REPORTING PERIOD: 1 January 2019 – 31 December 2019

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

 Signature:	Date 30 June 2020
Name of Signatory: James Carson	
Position of Signatory: General Manager Sales and Marketing	

Carbon neutral certification category	Product
Date of most recent external verification/audit	1 April 2019
Auditor	Dr Matthew Bell, Ernst and Young
Auditor assurance statement link	



Carbon Neutral Information

1A. Introduction

The North Australian Pastoral Company (NAPCo) is one of Australia’s largest and privately owned cattle companies, commencing operations in 1877. NAPCo currently manages over 6.1 million hectares, in both Queensland and the Northern Territory including; Alexandria, Boomarra, Coolullah, Coorabulka, Cungelella, Glenormiston, Goldsborough, Gordon Downs, Kynuna Station, Landsborough, Marion Downs, Monkira, Mittiebah & Portland Downs. NAPCo also operates the award winning Wainui Feedlot and Farm on the Darling Downs. Combined, this property portfolio supports approximately 200 000 head of cattle.



Figure 1. NAPCo Properties

NAPCo oversees and controls its product through all phases of production, allowing for a vertically integrated supply chain of high quality beef for both domestic and export chilled beef markets, and provides employment opportunities for approximately 180 people across all aspects of its operations.

Previously, all marketing activities saw NAPCo transfer ownership of the cattle on arrival at the abattoir. This meant that NAPCo did not retain ownership of the meat products derived from the animal. In April 2019, NAPCo established a new program in which some cattle will be diverted into a Branded Beef Program marketed under the *Five Founders Natural Beef* brand. NAPCo will now retain ownership of Five Founders Beef product range through the supply chain closer to the consumer.

Five Founders Beef products have been certified as Carbon Neutral under the Climate Active National Carbon Offset Scheme. The functional unit is a 20 kg Five Founders Beef package. It is not practical or cost effective to carry out separate LCAs for each cut of beef that could be offered in the package. Our approach was therefore to define a generic 20 kg packed beef product to represent the entire product range, which includes all cuts of beef that could be included in the package.

A hybrid LCA methodology is used. Livestock emissions were calculated using a herd inventory and emission calculation approach derived from the ERF Beef Herd Management method, combined with estimation of energy related emissions from the farm and feedlot. This was combined with data from input-output analysis (based on \$ value of expenditure) to calculate other (off-farm) supply chain inputs. Input-output analysis provides a complete assessment of the downstream inputs that goes into the delivery of Five Founders Beef products to the wholesaler/distributor warehouse.

1B. Emission sources within certification boundary

Cradle to Gate Boundary Approach

The boundary for the life cycle assessment includes all activities involving cattle raising, feeding, transporting, slaughtering, product packaging, distribution to customer/wholesaler and chilled storage. The carbon account for the certification is only for the portion of NAPCo cattle being diverted to carbon neutral Five Founders Beef products. Activities involved in retailing of products, storage in home refrigeration, cooking and consumption of beef by consumers has not been included. These activities were considered, however the complexity of obtaining data on these consumption activities were not to be considered to be cost effective and were therefore excluded from the LCA boundary.

Quantified sources

The following emission sources have been included:

- Livestock emissions (cattle breeding, growing, backgrounding and feeding)
- Feedlot emissions
- On-farm and feedlot electricity, fuel and gas usage
- On-farm road freight (transporting cattle on the farm) carried out by third party contractors
- Road freight transporting cattle to abattoir (contractors)
- Abattoir processing, packaging and storage services
- Waste and recycling at abattoir (accounted for in abattoir service fees)
- Packaging materials
- Abattoir electricity, fuel and gas usage
- Abattoir waste water treatment
- Road freight from abattoir to distributor warehouse
- Chilled storage in distributor warehouse
- Air and sea freight for export product

Non-quantified sources

The following emission sources have been non-quantified:

- Offal and hides – by-products of slaughtering at abattoir

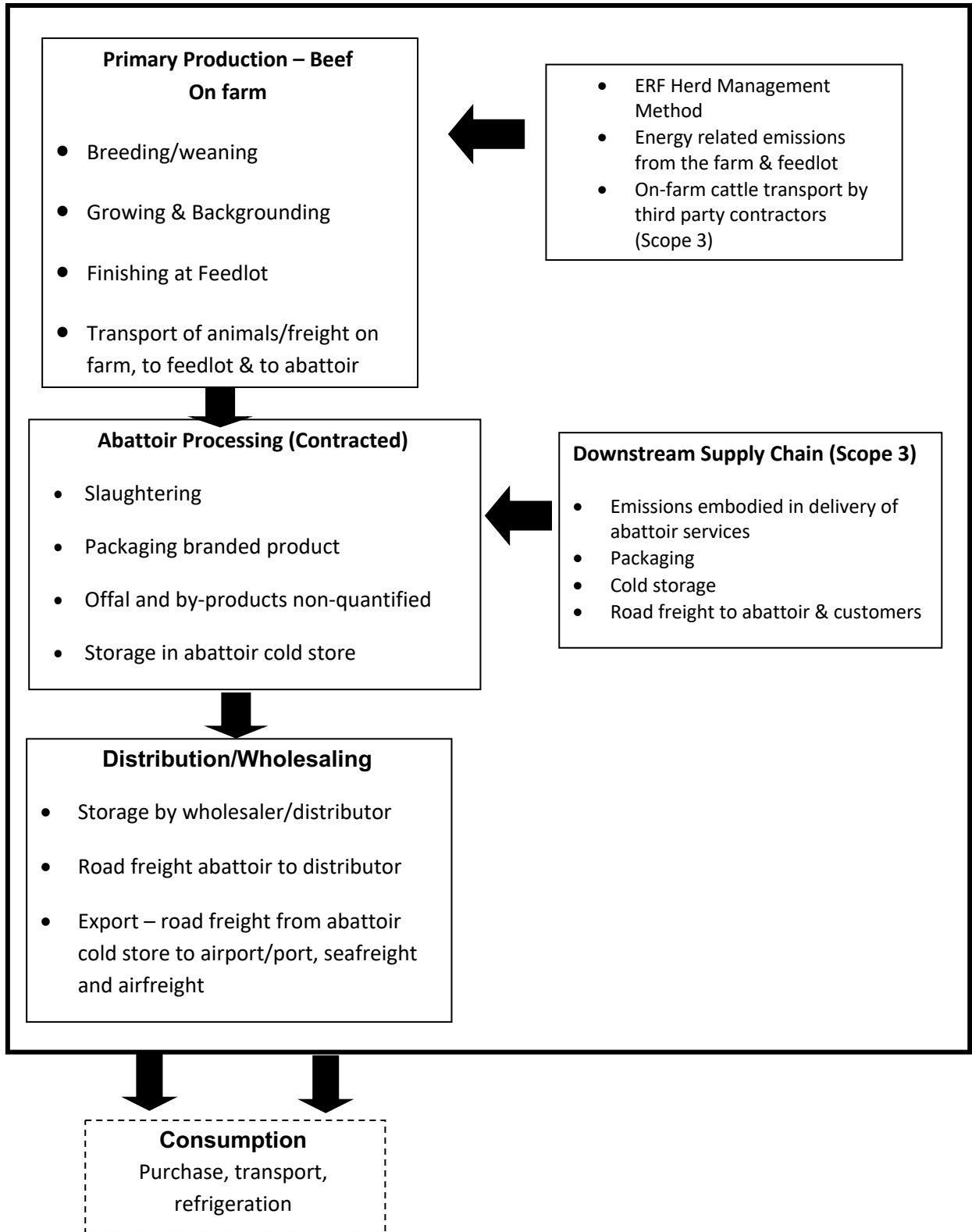
Excluded sources

The following emission sources have been excluded:

- Consumption phase (purchasing from retailers, transport and refrigeration)

1C. Diagram of the certification boundary

LCA Boundary - NAPCo Five Founders Natural Beef



2. Emissions reduction measures

2A. Emissions over time

Table 1. Emissions over Time		
Scope of emissions	Base Year (tCO ₂ -e) January – December 2018	Current Reporting Period (tCO ₂ -e) January – December 2019
Scope 1	7,869.89	5,215.25
Scope 2	4.93	3.47
Scope 3	1,278.75	1,770.32
Total	9,153.57	6,989.04

The missions for the reporting period (January – December 2019) are lower than the base year. The reasons for this reduction are as follows:

- Emissions for the reporting year are based on actual sales of Five Founders Beef. Emissions for the base year were based on estimates of likely sales in 2019. Predicted sales volumes were higher lower than actual sales volumes in 2019.
- In the present reporting period, the emission intensity for NAPCo beef was lower than for the baseline period. This reduction was influenced by a drought induced herd transformation in 2019 which resulted in cattle entering the feedlot earlier, and heavier turnoff weights as a response of a proportion of breeder cattle also being finished in the feedlot. The change in herd structure was also impacted by a move away from grass finished beef, reducing steer age on farm by placing these cattle in the feedlot. These results are expected to normalise in the medium term, as herd management strategies revert to the pre-drought herd structure.

1B. Emissions reduction strategy

NAPCo calculated its carbon footprint to understand its current emissions profile and to inform the development of an emissions reduction strategy (ERS). Emissions from enteric methane clearly dominate the footprint and it is for this reason the company will focus on initiatives that reduce emissions associated with the livestock. In particular, the greatest opportunity comes with the breeder herd which is responsible for largest portion of the enteric emissions. This is where NAPCo will focus its initial efforts for the ERS to deliver the largest emissions reduction.

1C. Emissions reduction actions

NAPCo is in the early stage of its emissions reduction strategy with initiatives to date including: replacing diesel powered bores with solar power, feed efficiency to increase live weight gain, participating in legume trials to measure potential methane reduction and increasing the density of watering points to increase grazing radius which contributes to reduced time to slaughter. Moving forward the impact of these initiatives along with additional ones that have been identified will be formally measured to understand the emission reduction benefit.

As mentioned above, emissions have been heavily impacted by management decisions in response to the severe draught.

1D. Other environmental actions

Beyond carbon emission reduction, NAPCo has taken a range of other actions to demonstrate strong environmental stewardship across its properties. These includes having a number of formalised nature refuges, replacing turkey nests with ring tanks to conserve water, and matching stocking rates with property carrying capacity to maintain pasture health and minimise erosion.

3. Emissions summary

Scope	Emission source	tCO ₂ -e
2	Feedlot electricity	3.47
1	Feedlot stationary fuel (diesel)	10.31
1	Feedlot LPG	5.85
3	Feedlot rations	266.57
1	On farm stationary diesel	97.49
1	On farm petrol (post 2004)	3.22
1	On farm aviation fuel	6.47
1	On farm LPG	0.43
3	On farm LPG	0.02
1	Livestock emissions	5,091.49
3	Livestock emissions	464.89
3	On farm road freight	131.30
3	On farm feeding supplements	26.98
3	Feedlot electricity	0.56
3	Feedlot stationary fuel diesel	0.35
3	Feedlot LPG	0.50
3	On farm stationary diesel	5.00
3	On farm petrol (post 2004)	0.17
3	On farm aviation fuel	0.34
3	Road freight farm to abattoir	160.33
3	Abattoir scope 1 emissions slaughtering	300.79
3	Abattoir Scope 2 emissions from slaughtering	197.08
3	Abattoir slaughter services	121.07
3	Abattoir packaging materials	4.82
3	Cold Storage abattoir	87.53
3	Domestic chilled storage	1.68
	Total	6,989.04

Note: These emissions relate only to the portion of the cattle being diverted to the Five Founders Beef program.

4. Carbon offsets

4A. Offsets summary

Table 3. Offsets Summary			
Offset type and registry	Date cancelled	Quantity	Serial numbers
Australian Carbon Credit Unit (ACCU), Australian Voluntary Cancellation Account Vintage: 2018-19 Project: Paroo River South Environmental Project – Human Induced Regeneration (HIR)	29 March 2019	62	3,779,588,756 - 3,779,588,817
Verified Carbon Units (VCUs) - CECIC HKC Danjinghe Wind Farm Project, China, APX VCS Registry Vintage: 29/12/2015 to 31/12/2015	29 March 2019	2063	6498-324162616-324164678-VCU-034- APX-CN-1-1839-29122015-31122015-0
Verified Carbon Units (VCUs) Rice Husk Based Thermal Energy Generation Project at Thot Not, China, APX VCS Registry Vintage: 01/03/2013 to 28/02/2014	29 March 2019	375	3983-170784173-170784547-VCU-008- APX-VN-1-908-01032013-28022014-0
Verified Carbon Units (VCUs) Crow Lake Wind Emissions Reduction Project, USA, Verra Registry Verified Carbon Units (VCUs).	26 June 2020	449	7609-410505542-410505990-VCU-043- MER-US-1-756-01012018-31122018-0
Verified Carbon Units (VCUs) Satara Wind Power Project in Maharashtra, India, Verra Registry Verified Carbon Units (VCUs).	26 June 2020	3041	8138-460574179-460577219-VCU-050- APX-IN-1-1519-01012019-31102019-0
Verified Carbon Units (VCUs) CECIC HKC Gansu Changma Wind Power project, China, Verra Registry Verified Carbon Units (VCUs).	26 June 2020	1000	7136-373808754-373809753-VCU-034- APX-CN-1-717-01012018-23092018-0
Total offset units cancelled			6,990
Net emissions after offsetting			0

Public Links for VCU retirements:

<https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=24761>

<https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=21772>

<https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=29825>

<https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=115234>

<https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=113855>

4B. Offsets purchasing and cancellation strategy

For the current reporting period some offsets were forward purchased in March 2019, the remainder after completion of the 2019 reporting period. In future we may forward purchase offsets based on the previous assessment for the current quarters estimated shipping volume. At the start of the next quarter a true-up will occur and any additional

credits will be procured. At the same time offsets are purchased for the current quarter's estimated shipments. If any quarter is in surplus then it is carried over to the next quarter.

Co-benefits

Natural Capital Units

The 1,000 Gansu Changma Wind Power project in China VCU carbon credits are stapled with an Australian vegetation offset from Bendigo, Victoria (see project details on the following page). The project is ambitious, encompassing regenerative farming, threatened species recovery and work into bio-links.

Orana Park

Orana Park is a 4,500ha farm northwest of Bendigo, Victoria owned and operated by the Tiverton Agriculture Impact Fund (TAIF).

TAIF's work with Orana Park will see the full restoration of riparian vegetation along the banks of the 33km Loddon river as well as a purpose-built wildlife sanctuary.

Orana Sanctuary has been built for Australian threatened species protection and breeding on 200ha of predator-proof land.

The sanctuary will become a new home for the critically endangered Eastern Bettong and Bush Stone Curlew incubation and recovery programs.

Size Hectares	4,580
Riparian Protection	33km
Biodiversity Corridors	800ha
Soil Sequestration	300,000t CO2
Threatened Species	Eastern Bettong
NCU Allocation	95,000



MT ROTHWELL
NATURAL CAPITAL



Image provided by [Mt Rothwell Natural Capital](https://www.mtrothwell.com.au/)

5. Use of trade mark

Table 4. Trade mark register	
Where used	Logo type
Website:	Certified product
Social Media:	Certified product
Press releases:	Certified product
Packaging Material (product carton, meat wrapping etc):	Certified product
Point of Sale Material (brochures, Pull up banners etc)	Certified product
Educational Material (trade and consumer)	Certified product