



PUBLIC DISCLOSURE STATEMENT

**SMARTWAYS LOGISTICS
ORGANISATION CERTIFICATION
FY2021-22**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Smartways Logistics Holdings Pty Ltd (trading as Smartways Logistics)
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 [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><i>Allan Bonifacio</i></p> <p>Allan Bonifacio Executive Manager 27 December 2022</p>



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

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Version March 2022.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	320 tCO ₂ -e
OFFSETS BOUGHT	100% CERs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	N/A

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2. CARBON NEUTRAL INFORMATION

Description of certification

All operations of Smartways Logistics Holdings Pty Ltd (ABN 25 169 615 525) and its subsidiaries (together, "Smartways") in Australia and New Zealand. This includes the emissions associated with all logistics services in Australia and New Zealand, covering all transport services and warehouse services provided. Smartways' corporate emissions will also be covered.

Smartways has two certification types under the Climate Active Carbon Neutral Standard – an organisation certification and a service certification. This PDS relates to Smartways organisational certification and associated emissions activities. Please refer to the Emissions Boundary section for included emissions activities in this organisation certification. Note that in relation to Smartways' service certification, the organisational emissions footprint is small (approximately 5% of the total combined organisation and service emissions footprint).

Organisation description

Smartways Logistics Holdings Pty Ltd (ABN 25 169 615 525) and its subsidiaries (trading as "Smartways Logistics") in Australia and New Zealand. provides bespoke, high value-add logistics services and solutions to the global healthcare industry. Further information can be found at www.smartwayslfl.com.

The following subsidiaries / child companies are also included within this certification.

“Achieving total Organisation and Service carbon neutrality is considered mission critical to Smartways and an inclusive rather than ‘Opt-In’ solution was important to us. Being a logistics company, we are conscious of the emissions associated with our activities. We only service clients in the healthcare sector – a sector committed to improving the health of living beings – and as such we are committed to offering a logistics solution that allows the healthcare ecosystem to balance out the carbon footprint of healthcare freight and logistics.”

Smartways

Legal entity name	ABN	ACN
Smartways Logistics Holdings Pty Ltd	25 169 615 525	169 615 525

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 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 or precinct'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		Outside emission boundary
<p><u>Quantified</u></p> <p><i>Business travel (accommodation and flights)</i></p> <p><i>Cleaning and waste</i></p> <p><i>Electricity</i></p> <p><i>Employee commute</i></p> <p><i>Food</i></p> <p><i>IT services and equipment</i></p> <p><i>Office equipment & supplies</i></p> <p><i>Telephone</i></p> <p><i>Waste</i></p> <p><i>Water</i></p> <p><i>Website, internet and hosting</i></p> <p><i>Working from home</i></p> <p><i>Taxis</i></p>	<p><u>Non-quantified</u></p> <p>n/a</p>	<p><u>Excluded</u></p> <p><i>Rent</i></p> <p><i>Consultancy services</i></p> <p><i>Equipment rental</i></p> <p><i>Insurance</i></p> <p><i>Legal fees</i></p> <p><i>Subscriptions / memberships</i></p> <p><i>Training and seminars</i></p> <p><i>Advertising*</i></p> <p><i>Air freight*</i></p> <p><i>Packaging*</i></p> <p><i>Truck freight*</i></p> <p><i>Uniforms*</i></p> <p><i>Van freight*</i></p> <p><i>*Included in the boundary of Smartways' Climate Active Service Certification</i></p>

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary, so no data management plan is required.



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Smartways has been working to create an effective plan to reduce greenhouse gas emissions from their business operations to reduce their overall environmental footprint. The targets related to reducing emissions will address two primary sources of emissions: ICT services/equipment and Electricity categories.

Target O1: Transition to 100% GreenPower by 2024

Actions:

- Transition each Smartways site from standard grid electricity provision contracts to 100% GreenPower contracts.

Target O2: Reduce the emissions intensity of ICT services and equipment emissions by 20% of 2022 levels by 2027

Actions:

- Establish a Sustainable Procurement Policy
 - Establish a commitment to sustainability and set out clear objectives for the procurement of goods and services.
 - Incorporate sustainability considerations into the company's procurement process, including the use of sustainable suppliers, the assessment of environmental impacts and the evaluation of the cost-effectiveness of sustainable procurement solutions.
 - Develop clear criteria for the selection of suppliers and assess their sustainability performance.
 - Engage with suppliers to collaboratively approach sustainability, including leveraging synergies to achieve their goals as well as those of Smartways.
 - Monitor and evaluate the performance of suppliers to ensure compliance with the company's sustainability objectives.
 - Train and educate staff and other stakeholders on the principles of sustainable procurement.
 - Regularly review the sustainability of the company's procurement process and make changes as necessary.
 - Implement a review of existing ICT services and equipment in line with the sustainable procurement policy to bring them in line with the new policy.

Target O3: Analyse all Smartways facilities for the potential for on-site renewable energy by December 2023

Actions:

- Evaluate each Smartways site for:
 - The physical capacity of structures and available space
 - Contractual tenancy obligations permitting new energy generation infrastructure
 - Preliminary cost analyses of various generation types

Emissions reduction actions

Actions undertaken in FY21-22 include:

- Engaging with the Smartways board to approve a move toward 100% GreenPower. This policy is to be enacted fully by 2024.
- The board is currently in the process of creating a Sustainable Procurement Policy, with the goal of completing the policy by the first half of 2023. Discussions have commenced helping shape the policy and ensure it is effective and efficient.

As a specialised medical logistics provider, Smartways has been focused almost solely on service provision for FY21-22 and is looking forward to FY22-23 and onwards to re-focus on sustainability.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e
Base year/Year 1:	2020-22	252
Year 2:	2021–22	320

Significant changes in emissions

The observed changes between the years can mainly be attributed to both the post-COVID and the company's growth.

Emission source	Current year (tCO ₂ -e)	Previous year (tCO ₂ -e)	Detailed reason for change
Computer and technical services	136.42	102.08	The company's growth resulted in increased expenditure on IT services, leading to a rise in emissions.
Telecommunications	22.45	13.90	The company's growth resulted in increased expenditure on telecommunications, leading to a rise in emissions.
Medium Car: unknown fuel	42.54	25.94	The post-COVID return to the office has resulted in significant growth in the use of cars for employee commuting.
Total net electricity emissions (Location based)	60.17	64.55	The electricity footprint has fallen due to the grid becoming cleaner from year-to-year

Use of Climate Active carbon neutral products and services

Certified brand name	Product or Service used
N/A	N/A

Organisation 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 (tCO ₂ -e)
ICT services and equipment	-	-	167.50	167.50
Electricity	-	60.17	-	60.17
Transport (Land and Sea)	1.30	-	47.66	48.96
Waste	-	-	19.89	19.89
Transport (Air)	-	-	10.75	10.75
Water	-	-	4.46	4.46
Accommodation and facilities	-	-	2.82	2.82
Food	-	-	2.21	2.21
Working from home	-	-	1.20	1.20
NZ electricity (Bespoke)	-	0.88	-	0.88
Office equipment & supplies	-	-	0.78	0.78
Grand Total	1.30	61.05	257.29	319.65

Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions which can't 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
No uplift factor required	-
Total of all uplift factors	-
Total footprint to offset <i>(total net emissions from summary table + total uplifts)</i>	-

6. CARBON OFFSETS

Offsets retirement approach

In arrears		
1.	Total number of eligible offsets banked from last year's report	0
2.	Total emissions footprint to offset for this report	320
3.	Total eligible offsets required for this report	320
4.	Total eligible offsets purchased and retired for this report	320
5.	Total eligible offsets banked to use toward next year's report	0

Co-benefits

Smartways has been looking for a balance of carbon offset projects that match our operations, values and stakeholders. We are proud to be supporting carbon farming projects in Australia to help regenerate and protect native vegetation, as well as fire management in Arnhem Land. We are also investing in renewable energy in India, Turkey, and China, hydropower in Vietnam, and rainforest protection in South America. All of these projects are not only reducing carbon emissions but also providing a range of additional benefits that we have outlined below.

E X T R A O R D I N A R Y I M P A C T

OFFSET PROJECT CATEGORY OVERVIEW

Over the past 20 years demand for electricity in Vietnam has grown significantly, averaging 12.4% growth per annum. During this time period, fossil fuels have been responsible for the majority of new production with average annual growth of 15.1%. This has grown the percentage of generation from fossil fuel sources from 44% in 2000 to 69% in 2020.

Hydropower stations in Vietnam displace some of this growth in fossil-fuel power plants by generating power using dams and diversion structures to alter the flow of a river or other body of water. This alternative source of electricity generates power (hydroelectricity) by passing water through turbines. As these turbines spin they convert motion into electricity energy. The use of hydroelectricity reduces the dependence on resource intensive coal and gas fired power plants.

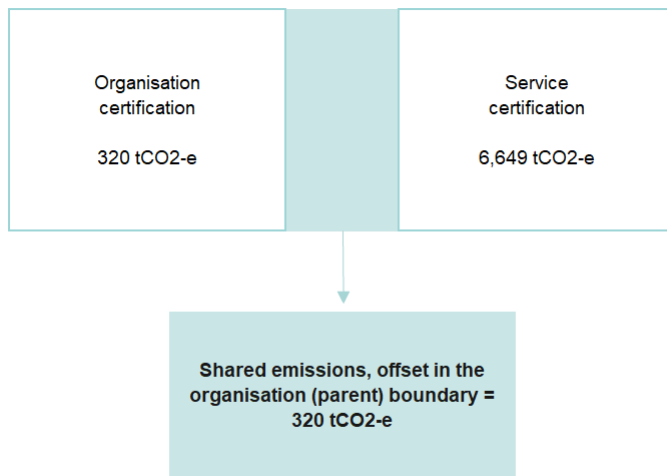


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Active

Shared emissions between certifications by the same responsible entity

	Emissions (tCO ₂ -e)
Total offset liability	6,969 tCO ₂ -e
Offset by organisation	320 tCO ₂ -e
Offset by service	6,649 tCO ₂ -e



Eligible offsets retirement summary

Offsets cancelled 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 (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 (%)
Khe Bo Hydro	CERs	ANREU	27/01/2023	20,786,108 - 20,787,845	2016		1738	0	1418	320	100.00%
Total offsets retired this report and used in this report										320	
Total offsets retired this report and banked for future reports									1418		

*note that this is the quantity used in the FY22 service certification

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Certified Emissions Reductions (CERs)	320	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: USE OF TRADE MARK

Description where trademark used	Logo type
Website	Certified organisation
Corporate documents and marketing material	Certified organisation
Freight labels	Certified organisation
Emails	Certified organisation
Mail	Certified organisation

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location-based approach

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.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kgCO 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 & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	12,589	0	19%
Residual Electricity	55,132	54,855	0%
Total grid electricity	67,722	54,855	19%
Total Electricity Consumed (grid + non grid)	67,722	54,855	19%
Electricity renewables	12,589	0	
Residual Electricity	55,132	54,855	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		54,855	
Total renewables (grid and non-grid)	18.59%		
Mandatory	18.59%		
Voluntary	0.00%		
Behind the meter	0.00%		
Residual Electricity Emission Footprint (TCO₂e)	55		

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

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	0	0	0
NSW	30,613	23,878	2,143
SA	0	0	0
Vic	20,478	18,635	2,048
Qld	8,997	7,198	1,080
NT	0	0	0
WA	7,633	5,114	76
Tas	0	0	0
Grid electricity (scope 2 and 3)	67,722	54,825	5,347
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	67,722	54,825	5,347
Emission Footprint (TCO2e)	60		
<i>Scope 2 Emissions (TCO2e)</i>	55		
<i>Scope 3 Emissions (TCO2e)</i>	5		
Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)	
N.A	0	0	

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions 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 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	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance plan in place
N/A	N/A	N/A	N/A	N/A

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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Rent	No	No	No	No	No	No
Consultancy Fees	No	No	No	No	No	No
Equipment Rental	No	No	No	No	No	No
Insurance	No	No	No	No	No	No
Legal Fees	No	No	No	No	No	No
Subscriptions/Memberships	No	No	No	No	No	No
Training & Seminars	No	No	No	No	No	No
Uniforms*	No	No	No	No	No	No
Advertising*	No	No	No	No	No	No
Packaging*	No	No	No	No	No	No
Van freight*	No	No	No	No	No	No
Truck freight*	No	No	No	No	No	No
Air freight*	No	No	No	No	No	No

*Included in the boundary of Smartways' Climate Active Service Certification



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