PUBLIC DISCLOSURE STATEMENT

NEXT GREEN GROUP PTY LTD

ORGANISATION CERTIFICATION
CY2022

Australian Government

Climate Active
Public Disclosure Statement

nextgreengroup.

An Australian Government Initiative

Climate Active

NAME OF CERTIFIED ENTITY	Next Green Group
REPORTING PERIOD	1 January 2022 – 31 December 2022 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.*  Ben Henderson and David Hayes Co-CEO 11/07/2023

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

Version March 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	3861 tCO_2-e
OFFSETS USED	10% ACCUs 90% VCUs
RENEWABLE ELECTRICITY	18.64%
CARBON ACCOUNT	Prepared by: Next Green Group & Northmore Gordon
TECHNICAL ASSESSMENT	24 April 2023 Shan Nanayyakara – Northmore Gordon Next technical assessment due: CY2025
THIRD PARTY VALIDATION	Type 1 28 April 2023 Damon Roddis – Zephyr Environmental

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2.CARBON NEUTRAL INFORMATION

Description of certification

This carbon neutral certification is for the business operations of Next Green Group, ABN 39 656 555 636.

Organisation description

Next Green Group retail business energy and provide energy efficient and renewable energy equipment to residential, commercial and community customers, specialising in solar photovoltaics, batteries, LED lighting, microgrid, refrigerated display cabinets and hot water heat pumps.

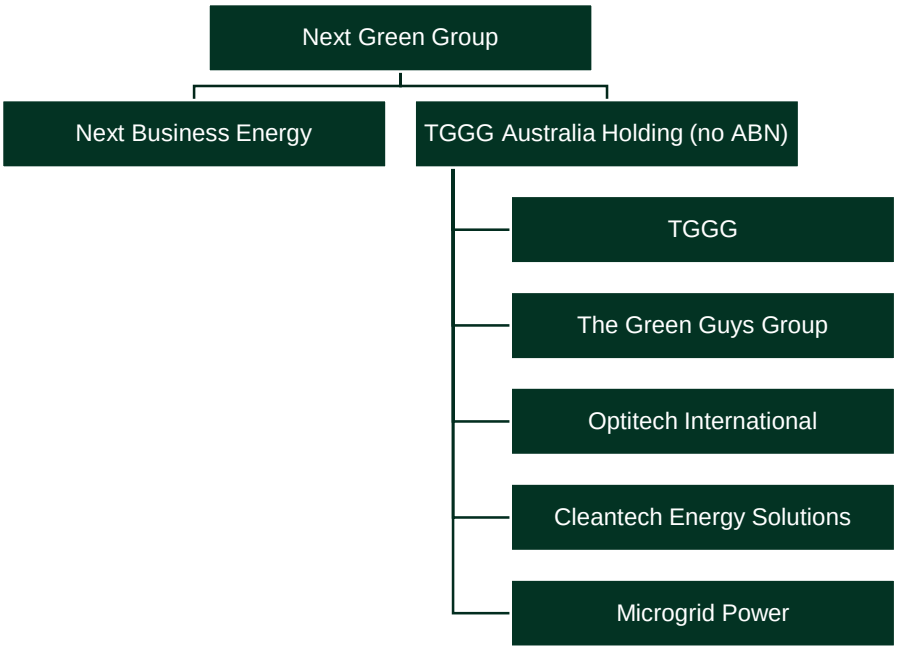
This certification includes the business Next Business Energy, TGGG, The Green Guys Group, Optitech International, Cleantech Energy Solutions and Microgrid Power. An operational control boundary has been applied. Emissions associated with the manufacture of products that are on-sold to customers, emissions associated with the energy use of the sold products and emissions associated with the generation of electricity on-sold to customers, have been excluded from the boundary.

The offices and warehouses are in North Sydney NSW, Southbank VIC, Regents Park NSW, Terrigal NSW, Broadmeadows VIC and for part of 2022 in North Melbourne VIC and Alexandria NSW.

The following subsidiaries are included within this certification:

Legal entity name	ABN	ACN
Next Business Energy	91 167 937 555	167 937 555
TGGG	68 138 605 651	138 605 651
The Green Guys Group	28 143 063 263	143 063 263
Optitech International	13 155 134 642	155 134 642
Cleantech Energy Solutions	92 621 781 726	621 781 726
Microgrid Power	93 628 991 131	628 991 131

The organisation structure is as follows:



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.

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 and facilities
Cleaning and Chemicals
Construction Materials and Services
Electricity
Food
ICT services and equipment
Machinery and vehicles
Office equipment & supplies
Postage, courier and freight
Products
Professional Services
Refrigerants
Transport (Air)
Transport (Land and Sea)
Waste
Water
Working from home

Non-quantified

Outside emission boundary

Excluded

Construction Materials and Services (products on-sold to customers e.g., solar PV racks, heat pumps, RDCs)

Machinery and vehicles (products on-sold to customers e.g., Solar PV, LEDs, inverters, batteries, etc)

Electricity (consumed by products during lifetime)

Electricity (traded by NBE)

4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Next Green Group has set a target of a 10% reduction in carbon intensity by 2030 based on 2022 base year. This target has been set considering that scope 3 emissions account for over 95% of Next Green Groups emissions with over 50% from road and sea freight.

Intensity will be measured on a carbon emissions per installation basis, which for 2022 was 5533 installations resulting in 0.7 tCO_2e per installation.

The 10% reduction will be achieved through these steps:

1. All our offices and warehouses will use 100% Greenpower by CY2024. This will result in zero scope 2 emissions.
2. Continuing to engage with product suppliers to minimise non-recyclable packaging. Under our ISO14001 accreditation we have already achieved the replacement of non-recyclable Styrofoam with recyclable cardboard. We continue to ensure site waste is segregated for recycling. We will aim to reduce waste to landfill by 10% by end of CY24 based on CY22 data to reduce emissions.
3. Developing an Electric Vehicle Policy to support and incentivise employees to utilise EVs for business travel and commuting. Communicate the policy by the end of CY23.
4. Promoting our existing employee energy offering which includes below market rate 100% GreenPower electricity contracts and discounts on home solar PV systems and heat pumps. Look to overcome barriers to employee uptake. This will reduce our work from home emissions.
5. Conducting a staff commuting survey in CY23 to better understand our commuting emissions and develop a plan to support greener commuting.
6. Updating our IT policy during CY23 to specify minimum energy efficient standards for new equipment.
7. Engaging our key suppliers to better understand their green initiatives and how this could be captured in our scope 3 emissions quantification.

The emissions avoided through the installation of our energy efficient equipment and renewable energy systems can be estimated by the quantity of environmental certificates created, our 2022 installations will result in over 600,000 tCO_2e avoided over the equipment lifetime.

5.EMISSIONS SUMMARY

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 market-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	-	-	11.05	11.05
Cleaning and Chemicals	-	-	5.26	5.26
Construction Materials and Services	-	-	24.50	24.50
Electricity	-	90.11	64.52	154.64
Food	-	-	11.21	11.21
ICT services and equipment	-	-	143.00	143.00
Machinery and vehicles	-	-	264.99	264.99
Office equipment & supplies	-	-	33.25	33.25
Postage, courier and freight	-	-	2,187.19	2,187.19
Products	-	-	31.16	31.16
Professional Services	-	-	491.73	491.73
Refrigerants	-	-	3.22	3.22
Transport (Air)	-	-	42.07	42.07
Transport (Land and Sea)	58.33	-	177.59	235.92
Waste	-	-	203.48	203.48
Water	-	-	2.36	2.36
Working from home	-	-	15.35	15.35
Total emissions	**58.33**	**90.11**	**3,711.95**	**3,860.39**

Uplift factors

N/A

6.CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 3861 tCO_2-e. The total number of eligible offsets used in this report is 3861. Of the total eligible offsets used, none were previously banked and all were newly purchased and retired. Some are remaining and have been banked for future use.

Legal entity name	Emissions tCO_2-e	Strategy
Next Business Energy	379	Our business operations are all in Australia. We have chosen to support an energy efficiency project in Australia.
TGGG	3482	Our energy efficient and renewable energy products are manufactured in China. We have chosen to support a renewable energy project in China in order to support the greening of our supply chain.
The Green Guys Group		
Optitech International		
Cleantech Energy Solutions		
Microgrid Power		

Co-benefits

VCU

Reduction of air pollution due to reduced electricity from local coal fired power stations and short and long term employment opportunities for local people during construction and operation.

ACCU

Supporting large scale lighting efficiency projects throughout Australia.

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 (%)**
Changshatou 10MW Hydropower Project in Hubei Province, China	VCU	VERRA	26 May 2023	13534-510784913-510788781-VCS-VCU-208-VER-CN-1-91-01012013-31122013-0	2013		3482	0	387	3482	90%
ERF120525 Smart Lighting Upgrade Project	KACCU	ANREU	11 July 2023	8,369,965,766-8,369,966,144	2022-23		379	0	0	379	10%
									Total eligible offsets retired and used for this report	3861	
									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)	3482	90%
Australian Carbon Credit Units (ACCUs)	379	10%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

VERRA

Verified Carbon Standard

Certificate of Verified Carbon Unit (VCU) Retirement

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 26 May 2023, 3,869 Verified Carbon Units (VCUs) were retired on behalf of:

Next Green Group Pty Ltd

Project Name

Changshatou 10MW Hydropower Project in Hubei Province

VCU Serial Number

13534-510784913-510788781-VCS-VCU-208-VER-CN-1-91-01012013-31122013-0

Additional Certifications

Powered by APX

Comment

These units were retired on behalf of Next Business Energy Pty Ltd to support its carbon neutral claim against the Climate Active Carbon Neutral Standard for the calendar year 2022

Transferring Account

Account Number	AU-2527
Account Name	Northmore Gordon Environmental Pty Ltd
Account Holder	Northmore Gordon Environmental 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			ERF120525					2022-23		8,369,965,766 - 8,369,966,144	379

Transaction Status History

Status Date	Status Code
11/07/2023 08:30:33 (AEST) 10/07/2023 22:30:33 (GMT)	Completed (4)
11/07/2023 08:30:33 (AEST) 10/07/2023 22:30:33 (GMT)	Proposed (1)
11/07/2023 08:30:33 (AEST) 10/07/2023 22:30:33 (GMT)	Account Holder Approved (97)
10/07/2023 18:18:56 (AEST) 10/07/2023 08:18:56 (GMT)	Awaiting Account Holder Approval (95)

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 **market-based approach**.

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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)	24,479	0	19%
Residual Electricity	106,846	102,038	0%
Total renewable electricity (grid + non grid)	**24,479**	**0**	**19%**
Total grid electricity	**131,325**	**102,038**	**19%**
Total electricity (grid + non grid)	**131,325**	**102,038**	**19%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**106,846**	**102,038**	
Scope 2	94,358	90,111	
Scope 3 (includes T&D emissions from consumption under operational control)	12,488	11,927	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	.

Total renewables (grid and non-grid)	**18.64%**
Mandatory	**18.64%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual scope 2 emissions (t CO_2-e)	**90.11**
Residual scope 3 emissions (t CO_2-e)	**11.93**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**90.11**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**11.93**
Total emissions liability (t CO_2-e)	**102.04**

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 (kg CO2-e)**	**Scope 3 Emissions (kg CO2-e)**	**(kWh)**	**Scope 3 Emissions (kg CO2-e)**
ACT	0	0	0	0	0	0
NSW	96,279	96,279	70,284	5,777	0	0
SA	0	0	0	0	0	0
VIC	35,046	35,046	29,789	2,453	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	**131,325**	**131,325**	**100,073**	**8,230**	**0**	**0**
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	**0**	**0**	**0**	**0**		
Total electricity (grid + non grid)	**131,325**					

Residual scope 2 emissions (t CO_2-e)	**100.07**
Residual scope 3 emissions (t CO^2-e)	**8.23**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**100.07**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**8.23**
Total emissions liability	**108.30**

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**
	0	**0**
	0	**0**
	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 product used	**Electricity claimed from Climate Active electricity products (kWh)**	**Emissions (kg CO_2-e)**
n/a	**61,150**	**0**
	0	**0**
	0	**0**
	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

N/A

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this 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.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Construction Materials and Services (products on-sold to customers eg solar PV racks) Machinery and vehicles (products on-sold to customers eg Solar PV, LEDs, inverters, batteries, etc)	Y	N	N	N	N	Sold products (PV, inverters, LEDs, batteries, racks) excluded as embodied emissions are insignificant compared to the avoided emissions of the system. We have limited potential to influence the emissions from the manufacture of the equipment; there are no relevant laws or regulations that apply to limit emissions specifically from this source; key stakeholders are unlikely to consider this a relevant source for our business and we have not previously undertaken this activity and comparable organsiations do not typically undertake this activity.
Electricity (traded by NBE)	Y	N	N	N	N	Not expected by the customer.
Electricity (consumed by products during lifetime)	Y	N	N	N	N	Emissions from electricity use by LEDs and inverters are excluded as insignificant compared to the avoided emissions. We have limited potential to influence the emissions from the manufacture of the equipment; there are no relevant laws or regulations that apply to limit emissions specifically from this source; key stakeholders are unlikely to consider this a relevant source for our business and we have not previously undertaken this activity and comparable organsiations do not typically undertake this activity.

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