PUBLIC DISCLOSURE STATEMENT

THE TRUSTEE FOR PHYTO-THERAPY UNIT TRUST

PRODUCT CERTIFICATION

FY2021-22 (TRUE-UP)

FY2022–23 (PROJECTED)

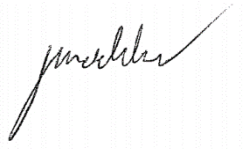
Australian Government

Climate Active
Public Disclosure Statement

PHYTO THERAPY

An Australian Government Initiative

Climate Active

NAME OF CERTIFIED ENTITY	The trustee for Phyto-Therapy Unit Trust
REPORTING PERIOD	financial year 1 July 2022 – 30 June 2023 (Projected) [Includes FY2021-22 True-up]
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.* 
	Name of signatory: Jack Maddock Position of signatory: Sustainability Manager Date: 3/2/2023

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

Version March 2022.

1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	2,362 tCO2-e
THE OFFSETS BOUGHT	100% VCUs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	Next technical assessment due: 31st of October 2024

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

- This certification encompasses all material attributable processes in the production and wholesale of all products sold by Phyto-Therapy Pty Ltd and Phyto-Nutrition Pty Ltd under the trustee for Phyto-Therapy Unit Trust (ABN: 63 611 542 866).

"We wish to take responsibility for the environmental impact of our business, and in doing so, help to address the issue of climate change."

Product/Service description

- Phyto-Therapy has taken a cradle-to-gate approach to this certification, covering products such as plant-based protein powders, superfood powders, fruit and vegetable powders, fibre and seed powders, mushroom powders, sweeteners and flavors, and Phyto-Blends. Attributable processes for these products have been grouped into three main stages: agricultural stage, manufacturing stage, and responsible entity (Phyto-Therapy) stage. Emissions from warehousing and bulk blending operations for Phyto-Therapy products have also been included in the emissions boundary. The emissions boundary is cradle-to-gate, with the 'gate' defined as the point of sale, and therefore excludes all downstream emissions. The cradle-to-grave approach was not selected due to downstream data collection challenges, such as many customers, a wide variety of end uses, and various customer and consumer locations.

- The functional unit for this certification is kg CO2-e/kg of ingredient powders sold (e.g., kg CO2-e/kg of Organic PhytoPea). Emissions for all Phyto-Therapy products have been aggregated under a single inventory, with a common functional unit used to define all products. Relevant attributable processes have been determined using a combined assessment of emissions intensity and quantity of raw materials purchased. The carbon inventory is based on ingredient powders procured from both international and local suppliers, representing a typical mix of products sold.

- This certification provides full coverage up to Phyto-Therapy's end gate. Attributable processes relating to products produced by nominated affiliate entities are also included, provided the products are made using the bulk blends purchased from Phyto-Therapy (which is the subject of this product certification). The nominated affiliates must enter into an affiliate agreement with the Department in connection with Phyto-Therapy's certification.

- Emissions relating to the following products have been quantified and included in the emission boundary;
    - MyBrainCo. Pty Ltd (ABN: 75 624 316 070) - Gut Repair
    - Evolution Botanicals Australia Pty Ltd (ABN: 81 661 839 881) - Evo+ protein blends (all), Mushrooms (all), Mushroom Blends (all), Ashwagandha Extract, and Shisandra Extract.
    - Purity Plant Protein Pty Ltd (ABN: 18 649 172 770) - Protein Performance Superblend.

3.EMISSIONS BOUNDARY

Inside the emissions boundary

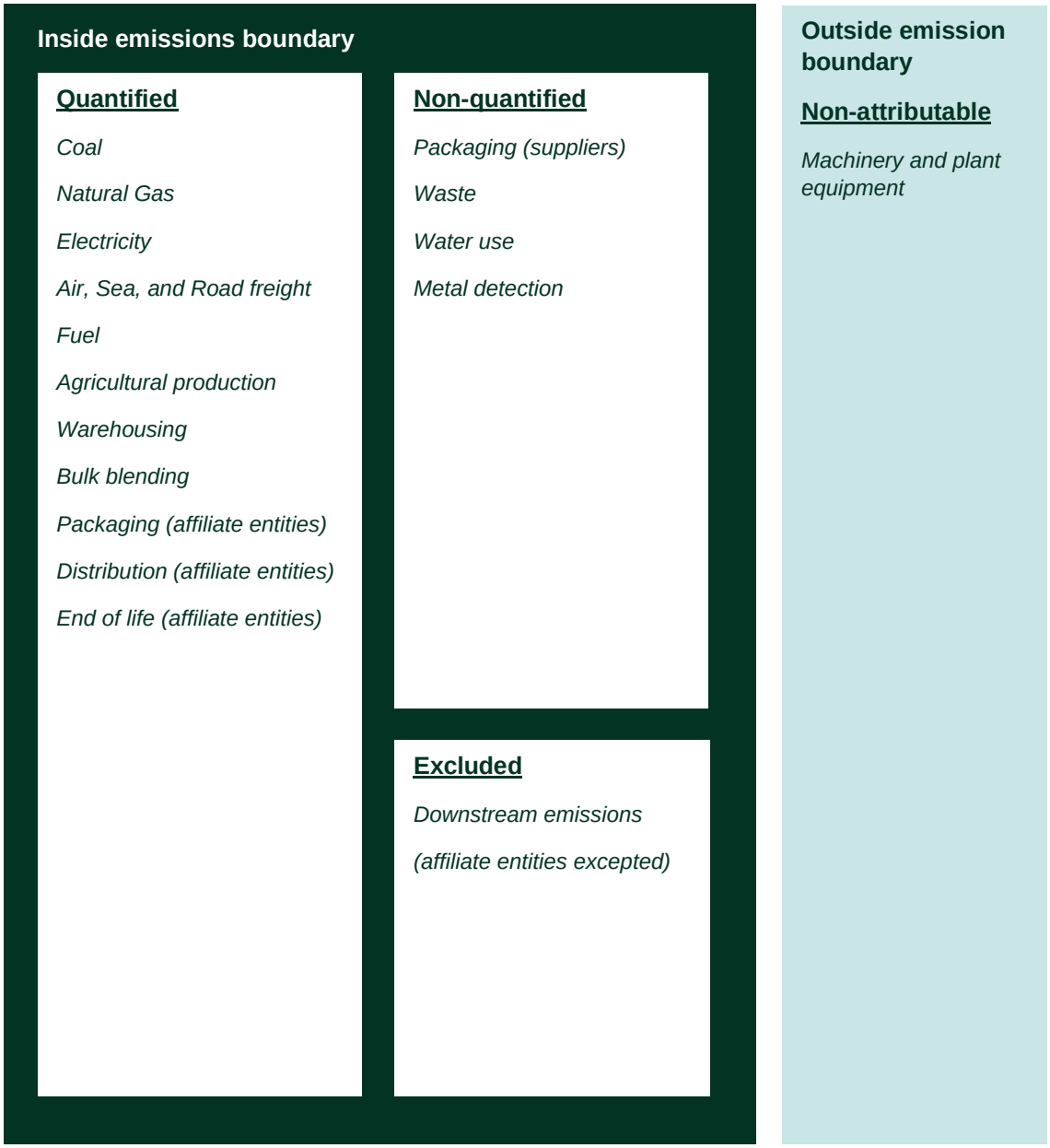
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as 'attributable processes' that become the product, make the product and carry the product through its life cycle. These have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable 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

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.

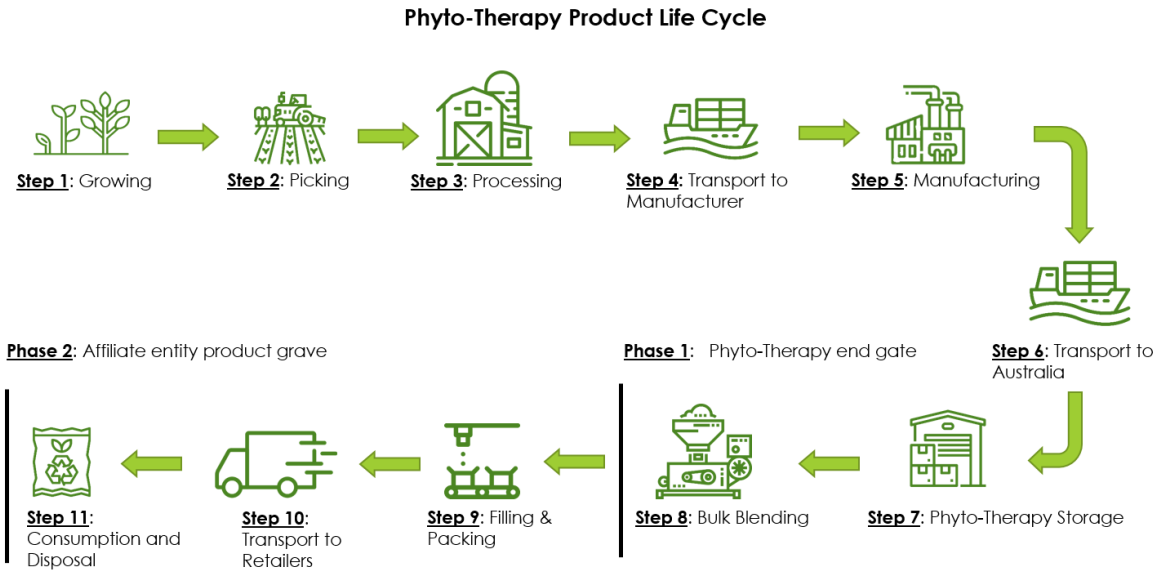

Inside emissions boundary
Quantified
Coal
Natural Gas
Electricity
Air, Sea, and Road freight
Fuel
Agricultural production
Warehousing
Bulk blending
Packaging (affiliate entities)
Distribution (affiliate entities)
End of life (affiliate entities)
Non-quantified
Packaging (suppliers)
Waste
Water use
Metal detection
Excluded
Downstream emissions
(affiliate entities excepted)
Outside emission boundary
Non-attributable
Machinery and plant equipment

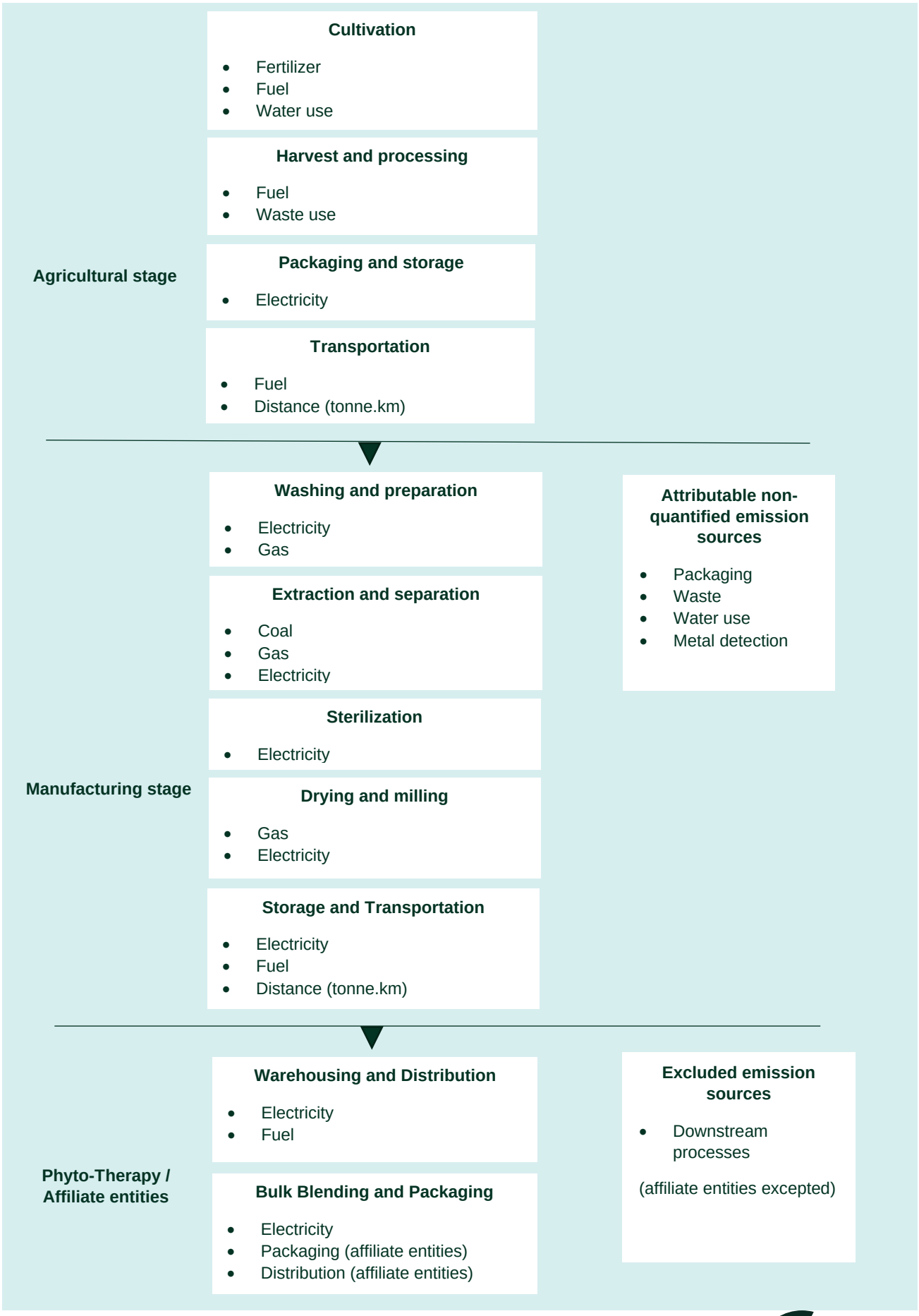
Product/service process diagram

The following diagram is cradle to gate. For this certification, a partial life cycle has been defined for Phyto-Therapy products up to the point of sale. Attributable processes relating to nominated affiliate entities have been included under phase 2 of the product life cycle (filling, packing, transport & disposal).

Bulk blend customers of Phyto-Therapy can be included as affiliate entities under this product certification, given that the additional emissions associated with retailing their relevant finished products are included under this inventory.

All other customer processes have been excluded due to significant data collection barriers and have been assessed as non attributable for this certification. All products sold by Phyto-Therapy are ACO certified (excluding flavours), with the processes listed in both below diagrams reflecting organic practices.




Agricultural stage
Cultivation
Fertilizer
Fuel
Water use
Harvest and processing
Fuel
Waste use
Packaging and storage
Electricity
Transportation
Fuel
Distance (tonne.km)
Manufacturing stage
Washing and preparation
Electricity
Gas
Extraction and separation
Coal
Gas
Electricity
Sterilization
Electricity
Drying and milling
Gas
Electricity
Storage and Transportation
Electricity
Fuel
Distance (tonne.km)
Attributable non-quantified emission sources
Packaging
Waste
Water use
Metal detection
Phyto-Therapy / Affiliate entities
Warehousing and Distribution
Electricity
Fuel
Bulk Blending and Packaging
Electricity
Packaging (affiliate entities)
Distribution (affiliate entities)
Excluded emission sources
Downstream processes
(affiliate entities excepted)

Data management plan for non-quantified sources

The data management plan below outlines how more rigorous quantification can be achieved for material (greater than 1%) non-quantified emission sources.

Emissions from non-quantified sources such as waste, water use, and supplier packaging will be quantified via supplier data collection within the next 5 years. Additionally, Phyto-Therapy will continue improving carbon inventory quality by updating life cycle emission factors and collecting supplier inventory data relating to new products.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Phyto-Therapy is dedicated to achieving the following emissions reduction targets, which have been separated into two main categories based on their scope and contribution to inventory.

Scope 1 & 2 Emissions Reductions:

Phyto-Therapy aims to achieve a 30% reduction in our Scope 1 & 2 emissions by 2030, using FY2021- 22 as our baseline. Our primary focus will be minimizing onsite electricity and fuel consumption emissions at our contract warehousing and manufacturing facilities. We will achieve these reductions by partnering with contract facilities that share our commitment to sustainability. Our partnerships will be based on principles such as using renewable energy, energy-efficient technologies, and sustainable operations practices. All other Scope 1 & 2 emissions relating to Phyto-Therapy are included under our organizational emissions boundary and certification.

Scope 3 Emissions Reductions:

Phyto-Therapy aims to achieve a 20% reduction in Scope 3 emissions by 2030, compared to our FY 2021-22 baseline. The following initiatives are key to achieving this reduction:

Sustainable Sourcing: We will expand our sustainable sourcing initiative by implementing our newly created Supplier Code of Conduct. This document will be used to evaluate and improve the sustainability practices of both new and existing suppliers (see Phyto-Therapy's supplier code of conduct here).

Transportation Emissions Reduction: Our transport emissions reduction initiative will continue to reduce the emissions intensity of our activities. We plan to replace high-emission transportation methods like air freight with sea freight, facilitated by effective inventory management practices. The implementation of new enterprise resource planning software is expected to aid this transition.

Waste Reduction Program: We plan to explore collaborations with contract manufacturers and warehousing providers to improve waste management related to our products and services.

Emissions reduction actions

During the FY2021-22 period, Phyto-Therapy undertook several key actions to reduce our carbon footprint:

Significant Reduction in Air Freight: Given the high-intensity climate impacts of air freight, we have significantly reduced our reliance on this mode of transportation. This strategic action has substantially reduced our air freight emissions (85% reduction from the base year).

Implementation of a New Supplier Code of Conduct: We have developed and implemented a new supplier code of conduct. This document will screen new and existing suppliers for sustainability best practices, ensuring that our supply chain aligns with our commitment to sustainability (see Phyto-Therapy's supplier code of conduct here).

Transition to a New ERP Software Provider: We transitioned to a new Enterprise Resource Planning (ERP) software provider offering enhanced inventory management capabilities. We anticipate that this change will decrease our shipping-related emissions, as more efficient inventory management will reduce the need for expedited shipping via air freight.

Relocation to a Sustainable Warehousing Facility: We moved our operations to a new contract warehousing facility that prioritizes sustainable practices. This facility provides a tool to compare the climate impacts of various shipping routes and transportation modes before confirming a shipment. This capability empowers us to make more environmentally-friendly decisions regarding our logistics and distribution.

These actions contribute to our goal of reducing emissions and mitigating climate impacts. We will continue to monitor their impact and adapt our strategy as necessary to further our commitment to sustainability.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO_2-e	Emissions intensity of the functional unit (tCO_2-e/FU)
Base year:	2019–20	n/a	0.004258
Year 1:	2020–21	4,200.0	n/a
Year 2:	2021–22	2,147.18	0.003564

Significant changes in emissions

Due to the composition of the inventory, the emissions intensity is subject to change based on the annual purchases of raw materials. Total inventory emissions reflective of annual sales for the period FY2021-22.

Emissions sources with -/+ 5% changes (& greater than 5% contribution to inventory)

Emission source name	Current year (tCO_2-e and/ or activity data)	Previous year (tCO_2-e and/ or activity data)	Detailed reason for change
Vegetable and fruit growing, hay plant nurseries, flowers	1,148.9 tCO2-e	843.7 tCO2-e	This increase can be attributed to a shift in our sales away from items that had been accounted for with life cycle emission factors. We also introduced new products to our portfolio, for which we used the Input-Output estimation approach to account for their emissions. This resulted in a higher emissions figure for this category.
Coal (industrial) - pea protein production	325.2 tCO2-e	211.5 tCO2-e	This increase is primarily attributed to a rise in sales of pea-related products. The manufacturing process for these products relies heavily on coal as a primary energy source, thereby leading to higher emissions in this category.

Use of Climate Active carbon neutral products and services

N/A

Product/Service emissions summary

Stage	tCO2-e
Agricultural cultivation	1,469.9
Manufacturing – coal, electricity, gas	807.7
Shipping– air, road, sea	185.4
Phyto-Therapy (warehousing & bulk blending)	8.0
Customer (packaging & distribution)	80.3

The following uplift factors were used to address items that were non-quantified, or where discrepancies in estimation method occurred; non-quantified manufacturing processes (5%), organic agricultural processes (5%). These items were non quantified due to information barriers, and will look to be improved upon in upcoming reporting periods.

Emissions intensity per functional unit	3.56 kg CO2-e
Number of functional units to be offset	602,454
Total emissions to be offset	2,147.18 t CO2e
Total emissions to be offset (with uplifts)	2361.90 t CO2e

6. CARBON OFFSETS

Offsets retirement approach

Offset purchasing strategy: Forward purchasing		
1.	Total offsets previously forward purchased and banked for this report	4,200
2.	Total emissions liability to offset for this report	2,362
3.	Net offset balance for this reporting period	-1,838
4.	Total offsets to be forward purchased to offset the next reporting period	2,362
5.	Total offsets required for this report	2362

Co-benefits

Phyto-Therapy has offset its emissions by purchasing VCUs generated by rainforest preservation activities in the Madre de Dios region of the Peruvian Amazon. The Tambopata-Bahuaja Biodiversity Reserve project, funded by Mirova Natural Capital and administered in partnership with Peruvian NGO, AIDER, conserves 591,951 hectares of threatened tropical rainforest by integrating conservation activities with sustainable economic development. One of the project's main focuses is to help farmers transition to sustainable cacao production in the margins of the protected area. This, in turn, restores degraded land and reduces deforestation pressures, whilst also providing local communities with forest-friendly and sustainable livelihoods. Phyto-Therapy purchases 100 per cent of its offset units from this project. (See Ecosphere+ website for more details.)

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 (%)**
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	27/05/2021	7443-399232430- 399235200-VCU-019-MER-PE-14-1067-01012018- 31122018-1	2018	-	2,771	0	1,838	933	40%
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	16 July 2021	7443-399278738- 399279162-VCU-019-MER-PE-14-1067-01012018- 31122018-1	2018	-	425	0	0	425	18%
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	16 July 2021	9625-112829702- 112830614-VCS-VCU-261- VER-PE-14-1067- 01072017-31122017-1	2017	-	913	0	0	913	39%
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	16 July 2021	10718-244294703-244294793-VCS-VCU-261-VER-PE-14-1067-01072017-31122017-1	2017	-	91	0	0	91	4%
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	3 Feb 2023	12281-398604756-398605183-VCS-VCU-261-VER-PE-14-1067-01072013-30062014-1	2013-14	-	428	0	428	0	0%

REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	3 Feb 2023	10718-244294926-244294931-VCS-VCU-261-VER-PE-14-1067-01072017-31122017-1	2017	-	6	0	6	0	0%
REDD+ Tambopata National Reserve and Bahuaja-Sonene National Park within the area of Madre de Dios region –Peru	VCU	Verra	4 July 2023	10718-244294932-244295012-VCS-VCU-261-VER-PE-14-1067-01072017-31122017-1	2017	-	81	0	81	0	0%
Forest Management to reduce deforestation and degradation in Shipibo Conibo and Cacataibo Indigenous communities of Ucayali region	VCU	Verra	4 July 2023	14814-628516630-628516638-VCS-VCU-576-VER-PE-14-1360-01072019-30062020-1	2019	-	9	0	9	0	0%
									Total offsets retired this report and used in this report	2362	
									Total offsets retired this report and banked for future reports	2362	

(See organisation certification here).

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

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 (kgCO2e)	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)	1,925	0	19%
Residual Electricity	8,547	8,504	0%
Total grid electricity	**10,498**	**8,504**	**19%**
Total Electricity Consumed (grid + non grid)	**10,498**	**8,504**	**19%**
Electricity renewables	1,952	0	
Residual Electricity	8,547	8,504	
Exported on-site generated electricity	**0**	**0**	
Emissions (kgCO2e)		8,504	

Total renewables (grid and non-grid)	**18.59%**
Mandatory	**18.59%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual Electricity Emission Footprint (TCO2e)	**9**

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	8,628	6,730	604
SA	1,870	561	131
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	**10,498**	**7,291**	**735**
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	**10,498**	**7,291**	**735**

Emission Footprint (TCO2e)	**8**
Scope 2 Emissions (TCO2e)	7
Scope 3 Emissions (TCO2e)	1

Climate Active Carbon Neutral Electricity summary

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
Waste	No	No	Yes (uplift applied & data plan in place)	No
Packaging	No	No	Yes (uplift applied & data plan in place)	No
Water use	No	No	Yes (uplift applied & data plan in place)	No
Metal detection	Yes	No	No	No

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

1. A data gap exists because primary or secondary data cannot be collected **(no actual data).**
2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
3. An estimation determines the emissions from the process to be **immaterial**).

	No actual data	No projected data	Immaterial
Machinery and plant equipment	Yes	Yes	Yes

APPENDIX D: OUTSIDE EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a product or service (do not carry, make or become the product/service) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

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
Downstream emissions	Yes	No	No	No	No

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