



PUBLIC DISCLOSURE STATEMENT

COLES SUPERMARKETS AUSTRALIA PTY LTD

PRODUCT CERTIFICATION

FY2022–23

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	Coles Supermarkets Australia Pty Ltd
REPORTING PERIOD	1 July 2022 – 30 June 2023
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>Martin Smithson General Manager – Meat</p>



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

Public Disclosure Statement documents are prepared by the submitting organisation. The material in Public Disclosure Statement documents represents the views of the organisation and do not necessarily reflect the views of the Commonwealth. The Commonwealth does not guarantee the accuracy of the contents of the Public Disclosure Statement documents and disclaims liability for any loss arising from the use of the document for any purpose.

Version: August 2023



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	10,506tCO ₂ -e
THE OFFSETS USED	100% ACCUs
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Integrity Ag
TECHNICAL ASSESSMENT	30/10/2023 Dr Stephen Wiedemann Integrity Ag Next technical assessment due: FY 2024

Contents

1. Certification summary	3
2. Carbon neutral information	4
3. Emissions boundary	5
4. Emissions reductions	8
5. Emissions summary.....	10
6. Carbon offsets	11
7. Renewable Energy Certificate (REC) summary	13
Appendix A: Additional information.....	14
Appendix B: Electricity summary	15
Appendix C: Inside emissions boundary	16
Appendix D: Outside emission boundary	17

2. CARBON NEUTRAL INFORMATION

Description of certification

The carbon neutral product certification is for sale portions of Coles Finest Certified Carbon Neutral Beef (recorded per kilogram sold) (the **Product**) including packaging, supplied by selected producer participants in the Coles Beef Carbon Neutral Program.

Producers have been specially selected by Coles to participate in the Program because they deliver beef that satisfies Coles' highest-quality standards, and because they produce lower emission cattle than the Australian industry average¹. Cattle are procured by Coles and processed through a third-party processing plant before secondary processing, storage, distribution and retail. The Product is sold by Coles Supermarkets Australia Pty Ltd (ABN 45 004 189 708). The Product footprint was determined by directly engaging all major stages of the supply chain, collecting primary data for FY2023 and covered scope 1, scope 2 and scope 3 emissions.

The functional unit for this certification is beef portions, normalised to one kilogram of Coles Finest Certified Carbon Neutral Beef product sold on the retail shelf to customers by Coles Supermarkets Australia Pty Ltd. To achieve this a cradle-to-gate boundary was used.

Product description

At Coles, we recognise the importance of our sustainability responsibilities and believe that our ambitions can create momentum and activate change. We have a clear ambition to become Australia's most sustainable supermarket and this new range supports that ambition.

We have partnered with specially selected Australian farmers to bring you our Coles Finest Certified Carbon Neutral Beef.

Together, we are reducing the carbon footprint of this product through best practice farming and investment in emission reduction initiatives. With carbon credits, Coles has offset the remaining emissions from the production and transport of this product from farm to store.

The carbon neutral brand is a full-coverage product.

¹ As reported in the Australian Beef Sustainability Report <https://www.sustainableaustralianbeef.com.au>

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' of a product or service. These attributable processes are services, materials and energy flows that become the product or service, make the product or service and carry the product or service through its life cycle. These attributable emissions 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

Pre-farm inputs of purchased products including fertiliser, animal health products, services and fuel, supplementary feed, freight.

On-farm emissions associated with:

On-farm fuel use

On-farm electricity use

Fertilisers and lime use and associated field emissions.

On-farm emissions from livestock including enteric methane and manure emissions.

Post-farm emissions:

Road freight to processing plant.

All impacts from meat processing including energy use, chemical use and waste treatment.

Supermarket, distribution and head office centre energy use and refrigeration.

Product packaging manufacturing and disposal.

Non-quantified

Refrigerants from secondary processing.

Water use in the distribution centre and supermarket.

See Appendix C

Optionally included.

N/A

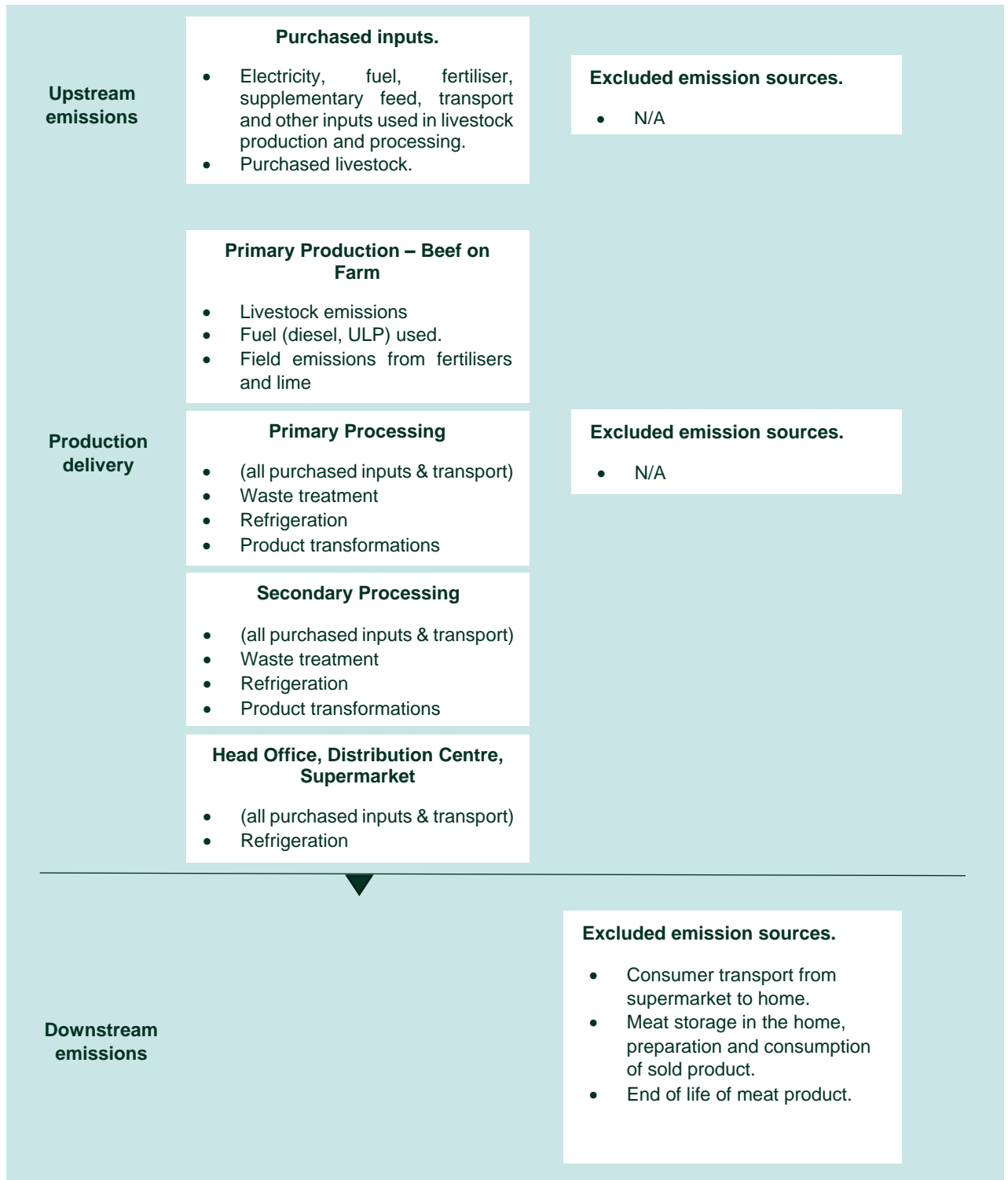
Outside emission boundary

Non-attributable

Consumer meat preparation, in-home storage, consumption and end-of-life disposal of the sold product, associated waste and associated packaging.

See Appendix D

Product process diagram



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In beef product supply chains, on-farm emissions are largely driven by emissions generated by the livestock themselves, particularly enteric methane. More productive herds generate less methane per kilogram of beef. Farms may also reduce net emissions by storing more carbon in trees planted on farm and potentially in soil. In the processing stages, efficiency can be improved to increase product yields. There are a range of options that will be explored throughout the supply chain to reduce emissions.

Emission reduction strategies being explored include:

Primary Production

- Improving herd productivity by reducing the number of unproductive animals and increasing growth rates and finished weights for young animals, through genetic improvement, management and strategic use of supplementation and grain finishing.
- Developing low emission diets for young cattle. This includes increasing the proportion of animals on low emission diets and exploring feed supplements that can be fed to cattle to reduce enteric methane.
- Storing carbon in vegetation via tree planting to reduce net emissions. Coles have piloted Climate Active's new draft guidelines for insetting carbon sequestered from trees planted on farms, helping to reduce net beef production emissions from farm to retail shelf. Pending the release of the guidelines, supplier farms will be introduced into the program and tree planting activities are proposed.

Coles Initiatives

As detailed in [Coles Sustainability Strategy](#) and annual [Sustainability Report](#), Coles Group has committed:

- For the entire Coles Group to be powered by 100% renewable electricity by the end of FY25 (noting that Coles already has the agreements in place to meet this commitment).
- To reduce combined Scope 1 and 2 greenhouse gas emissions by more than 75% by the end of FY30 (from a FY20 baseline).
- To deliver net zero greenhouse gas emissions by 2050.

Emissions reduction actions

Coles are trialing the implementation of Bovaer in the supply chain. This will be more comprehensively implemented in the FY24 reporting period. This has been implemented in 3 feeding facilities across New South Wales and Victoria.

Coles has increased the proportion of cattle fed on a high grain diet. This reduces methane emissions generated by cattle by lowering the methane generated by cattle per unit of feed consumed, and by helping cattle reach weight requirements in a shorter period of time.

Coles Carbon Neutral beef range sources livestock directly from a select group of suppliers. In FY24, Coles will develop an overarching emission reduction plan, support the development of emission reduction plans with each supplier business, and will report emission reduction targets in the FY24 PDS.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e	Carbon sequestration (t CO ₂ -e)	Net Emissions (t CO ₂ -e)	Percentage change in the emissions intensity of the functional unit
Year 1:	2021-2022	1,780.7	-57.3	1,723.4	N/A
Year 2:	2022-2023	10,577.6	-72.2	10,505.4	-4%

Significant changes in emissions

The product sales volume increased substantially from the previous year (year 1). This was due to the present year (year 2) covering twelve months of sales data, where the first year of sales only had 3 months of product availability. Additionally, the program expanded to be nationally available, thus increasing the total sales volume further. For these reasons, total supply chain emissions were higher than the previous reporting period.

The product carbon footprint decreased from the first year to the current reporting year.

Use of Climate Active carbon neutral products and services

N/A

Emissions summary

Product Stage and Process	Contribution
Meat Processing and Beef Production	93.7%
Distribution Centre	0.4%
Post Processing	1.3%
Supermarket	4.6%

Emissions intensity per functional unit	Confidential
Number of functional units to be offset	Confidential
Total emissions to be offset	10,505.4

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 10,506 t C O₂-e. The total number of eligible offsets used in this report is 10,506. Of the total eligible offsets used, 2026 were previously banked and 10,636 were newly purchased and retired. 2,156 are remaining and have been banked for future use.

Co-benefits

N/A

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 (%)
Armoobilla Regeneration Project, QLD	ACCUs	ANREU	25/03/2022	8,337,473,874 – 8,337,477,623	2021-22		3,750	1,724	-	2,026	19%
Southwell Station (EOP100539)	KACCU	ANREU	07/08/2023	8,356,772,119 – 8,356,778,051	2022-23		5,933	-	2,156	3,777	36%
Merluna Station (EOP100704)	KACCU	ANREU	07/08/2023	8,356,741,301 – 8,356,746,003	2022-23		4,703	-	-	4,703	45%
Total offsets retired this report and used in this report										10,506	
Total offsets retired this report and banked for future reports									2,156		

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	10,506	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) Summary

Not applicable.

APPENDIX A: ADDITIONAL INFORMATION

Transaction ID	AU28961
Current Status	Completed (4)
Status Date	07/08/2023 08:42:33 (AEST) 06/08/2023 22:42:33 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Troy, Nicholas Liam
Transaction Approver	Mansfield, Jane Lauren
Comment	These units were cancelled on behalf of Coles Supermarkets Australia Pty Ltd to support its Coles Finest Certified Carbon Neutral Beef claim against the Climate Active Carbon Neutral Standard for reporting period FY2022-23.

Transferring Account	
Account Number	AU-3292
Account Name	COLES ENVIRONMENTAL SERVICES PTY LTD
Account Holder	COLES ENVIRONMENTAL SERVICES 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			EOP100539					2022-23		8,356,772,119 - 8,356,778,051	5,933
AU	KACCU	Voluntary ACCU Cancellation			EOP100704					2022-23		8,356,741,301 - 8,356,746,003	4,703

Transaction Status History	
Status Date	Status Code
07/08/2023 08:42:33 (AEST) 06/08/2023 22:42:33 (GMT)	Completed (4)
07/08/2023 08:42:33 (AEST) 06/08/2023 22:42:33 (GMT)	Proposed (1)
07/08/2023 08:42:33 (AEST) 06/08/2023 22:42:33 (GMT)	Account Holder Approved (97)
07/08/2023 08:40:24 (AEST) 06/08/2023 22:40:24 (GMT)	Awaiting Account Holder Approval (95)



APPENDIX B: ELECTRICITY SUMMARY

Not applicable.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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	Justification reason
Refrigerants from secondary processing.	(1) Immaterial, and; (3) Data unavailable (but uplift applied & data plan in place)
Water use in the distribution centre and supermarket.	(1) Immaterial, and; (3) Data unavailable (but uplift applied & data plan in place)

Excluded emission sources

Not applicable

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.

Although immaterial, water use in the distribution centre and supermarket will be evaluated in the FY24 assessment.

As the data management plan in relation to refrigerant use at secondary processing, Coles will engage with and collect activity data from the secondary processor as part of the FY24 assessment.

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 other attributable emissions.
2. **Influence** The responsible entity could influence emissions reduction from a particular source.
3. **Risk** The emissions from a particular source contribute to the responsible entity's greenhouse gas risk exposure.
4. **Stakeholders** The emissions from a particular source are deemed relevant by key stakeholders.
5. **Outsourcing** The emissions are from outsourced activities that were previously undertaken by the responsible entity or from outsourced activities that are typically undertaken within the boundary for comparable products or services.

Non-attributable emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Consumer meat preparation, in-home storage, consumption and end-of-life disposal of the sold product.	N	N	N	N	N	<p> Size: N/A Influence: N/A Risk: N/A Stakeholders: N/A Outsourcing: N/A </p> <p>The assessment of GHG emissions was completed from cradle to gate. These sources are downstream emissions which are outside of the emission boundary.</p>



An Australian Government Initiative

