



PUBLIC DISCLOSURE STATEMENT

**SMARTER FREIGHT PTY LTD (TRADING AS
FREIGHT PEOPLE AND CARIO)**

**ORGANISATION/PRECINCT CERTIFICATION
CY2022**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



| | |
|--------------------------|---|
| NAME OF CERTIFIED ENTITY | Smarter Freight Pty Ltd (trading as Freight People and Cario Technologies) |
| REPORTING PERIOD | 1 January 2022 – 31 December 2022 |
| 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>Name of signatory: Fiona Marshall Position of signatory: Director Date: 20.01.2024</p> |



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

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Version August 2023.

1. CERTIFICATION SUMMARY

| | |
|------------------------|---------------------------------------|
| TOTAL EMISSIONS OFFSET | 123.11 tCO ₂ -e |
| OFFSETS USED | 100% CER's |
| RENEWABLE ELECTRICITY | N/A |
| CARBON ACCOUNT | Prepared by: Smarter Freight Pty Ltd |
| TECHNICAL ASSESSMENT | Next technical assessment due: CY2024 |

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2. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers the organisational operations of Smarter Freight Pty Ltd (ABN 44 609 951 493) and associated companies within Australia.

The emissions inventory in this Public Disclosure Statement has been developed in accordance with the Climate Active Carbon Neutral Standard for Organisations and Smarter Freight has used an operational control approach to determine its emissions boundary.

Organisation description

Freight People simplifies Australian logistics for our customers. Cario, is an AI enabled freight management system which provides smart solutions to Australian and Global companies.

Rather than dealing directly with multiple freight carriers and systems, we optimise costs and service, and reduce environmental impact through a single system that provides dispatch, analytics and reporting.

Operating since 1987, we help companies choose the best freight carrier for their goods, at the best price. Most businesses send a range of products to a range of locations, requiring a range of freight services. Different carriers have different strengths in either regions, service or freight profile. The hard part is knowing who to use for what, where and when. Smarter freight means having access to all these multiple carriers at any time, to allow you to choose the right option for the right goods, without the need to compromise or add complexity. One freight invoice, one phone number to call for all your freight, and one technology system. All integrated to ensure your logistics is as simple as possible.

We are an independent technology driven freight management company, who also have a dream to drive carbon neutral initiatives in the freight industry.

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

| Legal entity name | ABN | ACN |
|------------------------------|----------------|-----|
| Cario Technology | 80 630 600 056 | |
| Smarter Freight Technologies | 36 627 080 004 | |

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 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

- Electricity
- Business travel (flights, accommodation, car hire)
- Business Services
- Company Vehicles (Freight People fleet)
- Cleaning
- ICT services and equipment (software and computer services)
- Professional services
- Office equipment and supplies
- Postage, courier and freight
- Staff Commuting
- Telephone and Internet
- Taxi's and Uber
- Waste
- Water

Non-quantified

Outside emission boundary

Excluded

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

2022: Scope 1 and 2 emissions focus: Smarter Freight is committed to taking positive action to reduce our impact on the environment. Our long-term strategy extends our carbon neutrality focus to our services. Our goal is to remove the impact of the hundreds of thousands of freight movements Freight People facilitate every year and to give our customers the choice to select the most environmentally friendly freight options. This is long term, as currently suppliers do not provide accurate data on this.

For our office and workspace emission we intend to implement emission reduction steps to reduce emissions we can directly impact – through positive action within our direct control. Our aim is to keep our emission growth at only 10% (using CY2022 as a baseline) by CY2027 – noting this aim will be a significant reduction in a per person or per revenue calculation, as our revenue goals are to increase by 100% by CY2027. This doubling of our revenue will result in a 50% increase in our staff, so to increase our emissions by only 10% will require significant effort and will be big hurdle to jump. But we are committed to trying to achieve this.

We will be focusing on the below elements of our emissions to achieve this:

Electricity

This is one of our larger sources of emissions and in 2022 we spent significant time and effort on educating our staff on simple solutions. These included turning lights off that weren't being used, air conditioning in the office only when required. And likewise heating only as needed.

Our staff all implemented hibernation to help reduce this component of our emissions Freight people has a long term commitment to reduce our electricity emissions over 5 years by 30% - and we are on the way with this emissions result.

Flights

Our emissions from flights increased this year, as we opened a Sydney office. This required travel by our senior leadership team for hiring, setting up and training our new employees. We expect this to reduce over the next 2 years as this office becomes self-sufficient and does not require senior leadership to be onsite.

We have committed to reducing this over 5 years by 10%, and we will do this by hiring staff in the other states that we service, so that our Melbourne based team aren't travelling to customer sites.

ICT

Our emissions from ICT reduced this year. This component of emissions has been a major focus internally, as our technology team optimize and make our technology platform less resource intensive, in particular on cloud services.

With our 5 year growth goals to double revenue (and a 50% increase in people), this will be a constant point of friction and we don't believe this will be reduced in total, over the next 5 years. However, we expect on a per customer / per revenue / per IT resource, our emissions will reduce – and we are committed to improving and optimizing the balance between IT consumption and growth.

Supply Chain and Internal Engagement

Freight People will continue to engage with key freight providers to investigate less carbon intensive options and the goal of extending our carbon neutrality to the services we provide. Internally, we will facilitate continuous discussions about sustainability performance at staff meetings and encourage staff to get involved with sustainability initiatives.

Emissions reduction actions

Scope 3 emissions focus:

We have invested in developing a Scope 3 Australian Freight carbon calculator that is part of our broader Freight Management system, to enable our customers to calculate carbon emissions relating to their freight.

This is an extremely complex task and involves a number of algorithms - as our customers book with over 250 various freight carriers across Australia, some of which are more focused on carbon reduction than others. Our hope is that once we can calculate with accuracy these carbon emissions, we can start presenting freight options to our customers based on carbon emissions, and not just price or ETA (ie/ express vs general).

This has been a huge focus in 2022, and we are spending significant time investing in educating and advocating our customers to start to measure their carbon emissions.

5. EMISSIONS SUMMARY

Emissions over time

| Emissions since base year | | Total tCO ₂ -e |
|---------------------------|------|---------------------------|
| Base year: | 2020 | 147 |
| Year 1: | 2021 | 171.49 |
| Year 2: | 2022 | 123.11 |

Significant changes in emissions

| Emission source name | Previous year emissions (t CO ₂ -e) | Current year emissions (t CO ₂ -e) | Detailed reason for change |
|------------------------|--|---|---|
| Total Cleaning | 2.26 | 1.73 | CY2021 contained extensive cleaning due to Covid cleaning required multiple times |
| Electricity | 32.08 | 13.42 | CY2021 seems to be an aberration, potentially due to lack of focus at the time (trying to manage business through Covid and less focus on saving energy). In CY2022 we focused on energy saving initiatives in the office (computers off at night, aircon used sparingly etc). |
| ICT Services | 49.10 | 44.38 | 8% reduction from CY21 to CY22. This has been a major focus internally, as our technology team aim to optimise and make our technology platform less resource intensive, in particular on cloud services. We are growing rapidly so this will be a constant point of friction for the team to balance our growth with trying to reduce or maintain our ICT services emissions |
| Postage and Courier | 0.68 | 0 | We had very minimal postal services this year as staff in the office full time, compared to our CY 21 reporting period when many staff were at home due to Covid lockdowns. |
| Transport Land and sea | 57.06 | 18.64 | Reduced travel as hired new sales people compared to CY21, closer to customers, which reduced the amount of driving required to service these customers. |
| Transport Air | 1.06 | 10.68 | Opened an office in Sydney start of CY22, which resulted in our CEO having to fly to Sydney more regularly to train and then support the new team member. This is a focus for our team, although as we expand into new markets (NZ and QLD) |

this will be a difficult emissions to reduce - until we build up local teams in these new markets.

| | | | |
|----------------------|-----|-----|--|
| Taxi and Hire Car | 3.1 | 8.2 | As above, with a new office in CY22 our CEO and other staff travelling hired more cars / taxis to get to and from the airport. |
|----------------------|-----|-----|--|

Use of Climate Active carbon neutral products, services, buildings or precincts

N/A

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 (t CO2-e) | Sum of Scope 2 (t CO2-e) | Sum of Scope 3 (t CO2-e) | Sum of Total Emissions (t CO2-e) |
|-------------------------------|---------------------------------|---------------------------------|---------------------------------|---|
| Accommodation and facilities | 0.00 | 0.00 | 3.52 | 3.52 |
| Cleaning and chemicals | 0.00 | 0.00 | 1.73 | 1.73 |
| Electricity | 0.00 | 12.42 | 1.02 | 13.45 |
| ICT services and equipment | 0.00 | 0.00 | 44.38 | 44.38 |
| Professional services | 0.00 | 0.00 | 24.23 | 24.23 |
| Transport (air) | 0.00 | 0.00 | 10.68 | 10.68 |
| Transport (land and sea) | 0.00 | 0.00 | 18.64 | 18.64 |
| Waste | 0.00 | 0.00 | 6.40 | 6.40 |
| Water | 0.00 | 0.00 | 0.00 | 0.00 |
| Office equipment and supplies | 0.00 | 0.00 | 0.08 | 0.08 |
| Total | 0.00 | 12.42 | 110.69 | 123.11 |

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 124 t CO₂-e. The total number of eligible offsets used in this report is 124. Of the total eligible offsets used, 828 were previously banked and 0 were newly purchased and retired. 704 are remaining and have been banked for future use.

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 (%) |
| Hubei Dube Pankou Hydropower Project | CER | ANREU | 07/09/2022 | 1,126,374,559-1,126,375,558 | CP2 | | 1,000 | 172 | 704 | 124 | 100% |
| Total offsets retired this report and used in this report | | | | | | | | | | 124 | |
| Total offsets retired this report and banked for future reports | | | | | | | | | 704 | | |

| Type of offset units | Quantity (used for this reporting period claim) | Percentage of total |
|---------------------------------------|---|---------------------|
| Certified Emissions Reductions (CERs) | 124 | 100% |

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

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 **location-based approach**

| Market Based Approach Summary | | | |
|---|---------------------|----------------------|-------------------------------|
| Market Based Approach | Activity Data (kWh) | Emissions (kg CO2-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) | 2,762 | 0 | 19% |
| Residual Electricity | 12,054 | 11,511 | 0% |
| Total renewable electricity (grid + non grid) | 2,762 | 0 | 19% |
| Total grid electricity | 14,815 | 11,511 | 19% |
| Total electricity (grid + non grid) | 14,815 | 11,511 | 19% |
| Percentage of residual electricity consumption under operational control | 100% | | |
| Residual electricity consumption under operational control | 12,054 | 11,511 | |
| Scope 2 | 10,645 | 10,166 | |
| Scope 3 (includes T&D emissions from consumption under operational control) | 1,409 | 1,345 | |
| 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 CO2-e) | 10.17 |
| Residual scope 3 emissions (t CO2-e) | 1.35 |
| Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 10.17 |
| Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 1.35 |
| Total emissions liability (t CO2-e) | 11.51 |
| <i>Figures may not sum due to rounding. Renewable percentage can be above 100%</i> | |

| 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 | 1,402 | 1,402 | 1,023 | 84 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 13,414 | 13,414 | 11,402 | 939 | 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) | 14,815 | 14,815 | 12,425 | 1,023 | 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) | 14,815 | | | | | |

| | |
|---|--------------|
| Residual scope 2 emissions (t CO2-e) | 12.42 |
| Residual scope 3 emissions (t CO2-e) | 1.02 |
| Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 12.42 |
| Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 1.02 |
| Total emissions liability (t CO2-e) | 13.45 |

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. 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.

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

N/A



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