



PUBLIC DISCLOSURE STATEMENT

WIDE OPEN AGRICULTURE LTD

**ORGANISATION CERTIFICATION
2019/20**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY: Wide Open Agriculture Ltd (WOA)

REPORTING PERIOD: 1 July 2019 – 30 June 2020

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.

Signature:

A handwritten signature in black ink, appearing to read "Lachlan James Ritchie".

Date: 20th October 2020

Name of Signatory: Lachlan James Ritchie

Position of Signatory: Carbon Neutral Agriculture Manager



Australian Government
Department of Industry, Science,
Energy and Resources

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1. CARBON NEUTRAL INFORMATION

Description of certification

This certification encompasses the business operations of Wide Open Agriculture Ltd (ASX:WOA, ABN 86 604 913 822), including two wholly owned and operated subsidiaries, Wide Open Land Pty Ltd and Dirty Clean Food Pty Ltd. Scope 1, 2 and 3 emissions from corporate, operations, office and warehouse related activities are included, as described in detail in section 2. For avoidance of doubt, this includes emissions associated with the marketing, storage and delivery of all food products sold by the company.

This certification excludes the emissions associated with the production of any food products sold by the company. WOA intends to individually certify the production and delivery (to WOA’s warehouse) of value-added food products created by the company, against separate Climate Active Product Certifications. The emissions associated with the production of third-party branded products are not encompassed within any WOA Climate Active Carbon Neutral Certifications.

“We see Climate Active Carbon Neutral Certification as a vital 3rd party endorsement to demonstrate our company-wide commitment to positive environmental stewardship.”

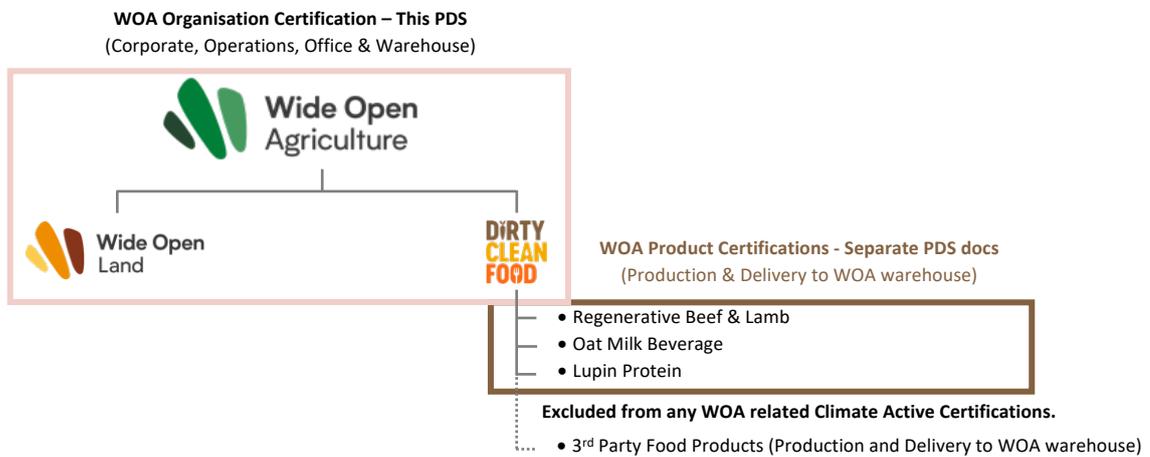


Figure 1: Diagram showing the relationship between WOA’s separate Climate Active Organisation and Product Certifications (by 2023).

Organisation description

WOA is Australia’s leading ASX-listed regenerative food and agriculture company. The Company’s primary activities centre around the development, sale and multi-channel distribution of value-added food products. The Company is based in the Wheatbelt of Western Australia. WOA operates under a ‘4 Returns’ framework and seeks to deliver measurable outcomes on *financial, natural, social and inspirational*

returns. WOA is listed on the Australian Securities Exchange (code: WOA) and the Frankfurt Stock Exchange (code: 2WO) and is the world's first '4 Returns' publicly listed company.

The Company is consolidated for tax purposes incorporating two wholly owned and operated subsidiaries, Wide Open Land Pty Ltd and Dirty Clean Food Pty Ltd. Wide Open Land is currently a non-trading internal services division.

The Dirty Clean Food business unit markets and distributes food products with a focus on conscious consumers in Australia and South-East Asia. Products are chosen based on their market potential and the positive impact they deliver to farmers, their farmland and regional communities. Dirty Clean Food currently focuses on three value-added products in various stages of development; Regenerative Beef and Lamb, Oat milk and Australian Sweet Lupin Protein. In addition, the Company also distributes a carefully curated selection of 3rd party products, from leading Australian food brands that are selected based on their provenance, sustainability standards and fairness to farmers.

In early 2020 the company made the commitment to become Certified Carbon Neutral by 2023 across all of its operations. As part of the Company's holistic commitment to the environment it also works closely with its farming partners to support the adoption of farming practices that enhance biodiversity, improve water cycles and build soil health within Australian farmland (known as regenerative farming).

Emissions reduction strategy

The company is deeply committed to its carbon neutral goal and will seek to methodically reduce emissions across its entire supply chain. 2019-20 is the first financial year in which a carbon inventory has been undertaken for the organisation, it has provided the insights needed for the company to begin strategic programs to reduce emissions.

The activity centers outlined in the following table have been identified as the most materially relevant carbon impact areas of the business.

Emission Source	Explanation	% of emissions
Travel, Postage, Courier & Freight	Encompasses all business-related road travel, staff commuting, company delivery vehicles and third-party couriers.	42%
Professional Services	Encompasses all professional services procured by the overall company, including advertising and marketing expenditure.	18%
Livestock	Accounts for the enteric emissions associated with a small livestock herd purchased and held on agistment for a period of time before being processed.	15%
Electricity	Encompasses the electricity usage associated with warehousing, refrigeration and offices.	10%

Given that core activities of the company involve the distribution of food products, it is anticipated that the largest area of impact for the company is associated with transport. Wide Open Agriculture manages partnerships with farmers across the broader Wheatbelt, Great Southern and South West regions of Western Australia. The company also has staff members located in Williams, Perth and Margaret River. A degree of regional staff travel is essential for operations. As the largest component of the Companies

carbon inventory, emissions associated with travel and transport also represents the most important focus area for an emissions reduction plan.

The 15% emissions associated with Livestock represents a non-core activity that is unlikely to be continued. In future any livestock related emissions will be accounted for separately as part of a Climate Active Carbon Neutral Product Certification. As such specific strategies to reduce these enteric emissions are not outlined below.

Wide Open Agriculture currently leases warehouse and refrigeration facilities from a third party operator, as such has no operational control over the electricity component of the carbon emissions. The facility owner has installed a 166KW solar system that will be fully operation for the coming year. This is anticipated to reduce the electricity component of emissions by 30-35%.

Over the next 12 months the Company intends to:

- Create a detailed emission reduction plan across all activities and undertake staff education programs to empower staff to contribute to emission reductions.
- Establish an internal carbon accounting framework (shadow carbon price) for assessing the emission impacts of all new business cases, activities and product developments.
- Develop a tracking and reporting system for all business-related travel, to increase accountability for travel decisions and provide more detailed primary data (such as vehicle fuel efficiency) to enable future strategic decisions to reduce emissions.
- Develop a procurement policy that favours the procurement of third-party services from Certified Carbon Neutral Companies (e.g. Freight providers, marketing agencies, stationary products etc).

2. EMISSION BOUNDARY

Diagram of the certification boundary

This Wide Open Agriculture includes all direct (Scope 1) and indirect energy (Scope 2) emission sources, as well as all indirect (Scope 3) emissions sources. Emissions resulting from the three scopes were identified through a detailed review of annual expenditure. The emissions boundary diagram shown in figure 2 summarises all included and excluded processes identified during the analysis.

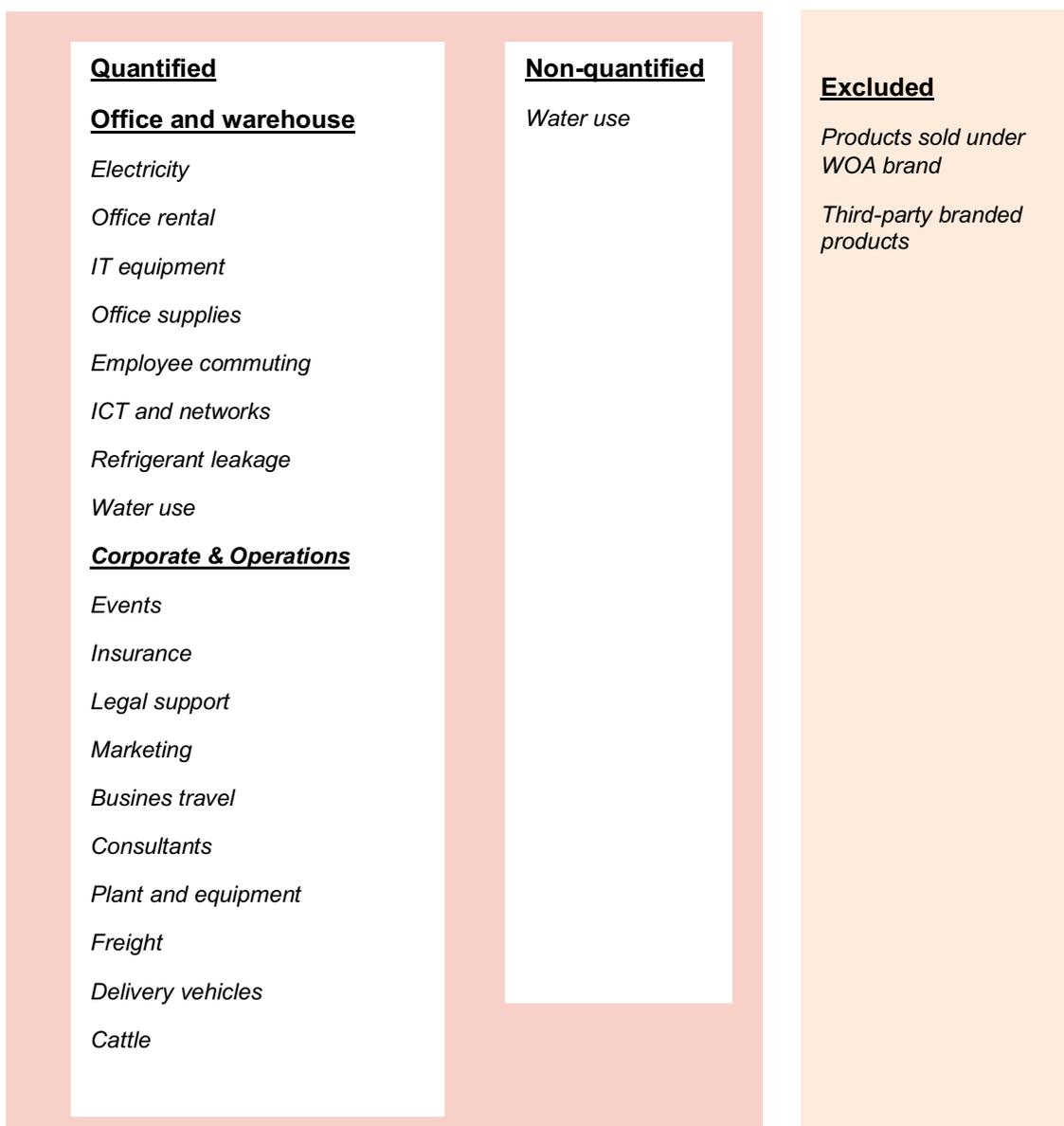


Figure 2: Certification Boundary Diagram.

Climate Active's standard required organisations to identify relevant processes and emission sources.

All relevant processes identified are shown in **Figure 2**. Processes have been classified into two categories:

- **office and warehouse management**, covering the electricity requirement of the office/warehouse, employee commuting, office rental and general expenses and refrigerant leakage in the warehouse
- **corporate and operations**, which include all aspects related to the management of the businesses, such as consultants, marketing, legal and insurance fees, internal and external events, freight and fuel use of own delivery vehicles, equipment, business travel and other expenses.

Non-quantified sources

- **Water use** in the office/warehouse used by WOA, as it is shared by a group of businesses and costs are included in the rental agreement. As water use only concerns staff amenities (toilets and basins), and is supplied from the mains, it has been deemed that the contribution of water usage is immaterial (see the table in Appendix 1 that demonstrates that water usage is immaterial and no uplift factor is required).

Data management plan

Not Applicable.

Excluded sources (outside of certification boundary)

A small number of non-relevant processes have been excluded from the assessment.

- WOA sources and on-sells **products from multiple suppliers**. For products such as meat, some value adding may be undertaken. However, WOA has committed to certify these products individually against Climate Active's carbon neutral scheme. As such, they were excluded from this account.
- **Third-party branded products** which are purchased and on-sold by WOA are excluded on the basis that the organisation has no operational control over them. For these products, WOA functions like a retailer.

3. EMISSIONS SUMMARY

Emissions summary (inventory)

Emission source category	tonnes CO ₂ -e
Accommodation and facilities	7.3
Food	21.9
Horticulture and agriculture	2.3
ICT services and equipment	5.7
Machinery and vehicles	1.8
Office equipment and supplies	2.5
Products	0.4
Postage, courier and freight	85.7
Professional services	58.5
Waste	0.008
Land and sea Transport (fuel)	34.8
Air transport (km)	1.3
Land and sea Transport (km)	14.1
Taxi and Uber	0.01
Refrigerants	1.0
Electricity	30.9
Livestock	47.9
Passenger train	0.3
<i>Total Net Emissions</i>	316

Uplift factors

None.

Carbon neutral products

None.

Electricity summary

Electricity was calculated using a Location-based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification. Given a decision is still pending on the accounting way forward, a summary of emissions using both measures has been provided for full disclosure and to ensure year on year comparisons can be made.

Market-based approach electricity summary

Electricity inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	7,766	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	33,985	36.741
Renewable electricity percentage	19%	
<i>Net emissions (Market based approach)</i>		36.741

Location-based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
WA	Electricity Renewables	-	-0.74	0.00
WA	Electricity Carbon Neutral Power	-	-0.74	0.00
WA	Netted off (exported on-site generation)	-	-0.69	0.00
WA	Electricity Total	41,750	0.74	30.895
	<i>Total net electricity emissions (Location based)</i>		0.00	30.895

4. CARBON OFFSETS

Offset purchasing strategy: in arrears

Offsets summary

1. Total offsets required for this report				317					
2. Offsets retired in previous reports and used in this report				0					
3. Net offsets required for this report				317					
Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used for previous report	Quantity to be banked for future years	Quantity to be used this report
Bierbank and Lanherne Regeneration Project (QLD). ERF101519	ACCUs	ANREU	28 Aug 2020	3,783,232,281 - 3,783,232,580	2018-19	300	0	150	150
SMRC Waste Composting Facility Project (WA). EOP100194.	ACCUs	ANREU	28 Aug 2020	3,798,728,289 - 3,798,728,588	2019-20	300	0	133	167
<i>Total offsets retired this report and used in this report</i>									317
<i>Total offsets retired this report and banked for future reports</i>								283	

Co-benefits

In line with its holistic commitment to ensure positive social and environmental impact, the Company has selected to purchase 100% of its carbon offset units from Australian based projects registered as Australian Carbon Credit Units (ACCU's). The two projects chosen demonstrated strong alignment to the Company's mission.

SMRC Waste Composting Facility Project in Western Australia is reducing greenhouse gas emissions associated with household waste via aerobic composting. Organic household waste is segregated and brought to the facility for composting. This compost is used to put nutrients back into the soil for improving crops, pastures, parks, verges and gardens.

The Bierbank and Lanherne Regeneration Project in Queensland supports the assisted revegetation of forest on grazing farmland that was cleared of vegetation and where regrowth was suppressed for at least 10 years prior to the project having commenced.

5. USE OF TRADE MARK

Description where trademark used	Logo type
Company Websites	Certified Organisation
Email signatures and social media profiles	Certified Organisation
Company presentations, reports and announcements	Certified Organisation
Other marketing materials (newsletters, online communications, printed materials)	Certified Organisation

6. ADDITIONAL INFORMATION

Wide Open Agriculture through its Dirty Clean Food brand source products from a network of farmers dedicated to the concept of Regenerative Agriculture. Regenerative Agriculture is a combination of farming principles and practices that increase biodiversity, enrich soils, restore watersheds, and enhance ecosystem services. Regenerative agriculture helps reverse current global trends of atmospheric accumulation of carbon by drawing carbon back down into the soil, offers increased yields, resilience to climate instability, and higher health and vitality for farming communities (Terra Genesis International). Farmers who adopt these practices will reduce their input costs, and a farm with a strong and healthy ecosystem becomes more resilient to extreme weather and a changing climate.

Wide Open Agriculture has developed a comprehensive farming framework and tiered-payment system for suppliers that incentivises improvements and further adoption of regenerative farming practices. With ongoing strategic support, Wide Open Agriculture invests in these long-term farmer relationships to bring direct benefits to farmers, their communities and the land. Read more about our bold vision and goals via our company websites (www.wideopenagriculture.com.au and www.dirtycleanfood.com.au).

7.APPENDIX 1: EXCLUDED EMISSIONS

Excluded emissions

Please detail any excluded emissions in the table below and indicate yes or no against each of the specific criteria.

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Table 9

Relevance test					
Excluded emission sources	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
Products sold under WOA banner	No	Yes	No	No	No
Products sold from 3 rd parties	No	Yes	No	No	No

8.APPENDIX 2

Non-quantified emissions for organisations

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 10

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Water use	Yes	No	No	No