



SUMMARY OF TOITŪ CARBONREDUCE
CERTIFICATION

FOR RESERO LIMITED

RESERO

Summary for 01 April 2022 to 31 March 2023

TOITŪ CARBONREDUCE ORGANISATION CERTIFIED: RESERO LIMITED

Toitū carbonreduce means committing to ongoing reductions while achieving annual measurement for at least the Toitū mandatory emissions.ⁱⁱ



Measured emissions to **ISO 14064-1:2018** and **Toitū requirements**



Managing and reducing against **Toitū requirements**

This report provides a summary of the annual greenhouse gas (GHG) emissions inventory and management report for Resero Holdings Limited as part of the annual work to achieve Toitū carbonreduce certification. Additional details of the annual achievements, commitments, and verification are available on request from Resero Holdings Limited.

Toitū carbonreduce organisation certified: Resero Limited: Toitū carbonreduce certified means measuring emissions to ISO 14064-1:2018 and Toitū requirements; and managing and reducing against Toitū requirements

Resero is striving to play its part in leaving the world in a better place than how we found it. We have a long way to go but we are excited to be on this journey with Toitū and our aim is to one day be certified carbon zero.

ACHIEVEMENTS

These achievements have been verified in line with ISO 14064-3:2019 and Toitū carbonreduce Programme Technical Requirements for the 01 April 2022 to 31 March 2023 measurement period.

EMISSIONS MEASUREMENT

Resero Holdings Limited's greenhouse gas emissions for this year (01 April 2022 to 31 March 2023) were 2,766.58 tCO₂e. Resero Holdings Limited has measured the emissions resulting from its operational activities, purchased energy, and selected impacts from its value chain activities, including business travel, freight, and waste sent to landfill. The annual inventory is detailed in the following table. Emissions and reductions are reported using a location-based methodology.ⁱⁱⁱ

Category (ISO 14064-1:2018)	Scopes (GHG Protocol)	GHG emissions (tCO ₂ e)		
		Base Year 2019/2020	Previous Year 2021/2022	Current Year 2022/2023
Category 1: Direct emissions (tCO ₂ e)	Scope 1	420.87	336.47	314.26
Category 2: Indirect emissions from imported energy (location-based method*) (tCO ₂ e)	Scope 2	1,512.10	1,369.26	1,302.10
Category 3: Indirect emissions from transportation (tCO ₂ e)	Scope 3	1,752.53	598.74	877.16
Category 4: Indirect emissions from products used by organisation (tCO ₂ e)		1,910.65	1,852.09	273.05
Category 5: Indirect emissions associated with the use of products from the organisation (tCO ₂ e)		0.00	0.00	0.00
Category 6: Indirect emissions from other sources (tCO ₂ e)		0.00	0.00	0.00
Total gross emissions* (tCO ₂ e)		5,596.15	4,156.57	2,766.58
Category 1 direct removals (tCO ₂ e)		0.00	0.00	0.00
Total net emissions (tCO ₂ e)		5,596.15	4,156.57	2,766.58

*Gross and net emissions are reported using a location-based methodology. Contact Resero Holdings Limited for full details.

The operational GHG emission sources included in this inventory are shown in Figure 1 below.

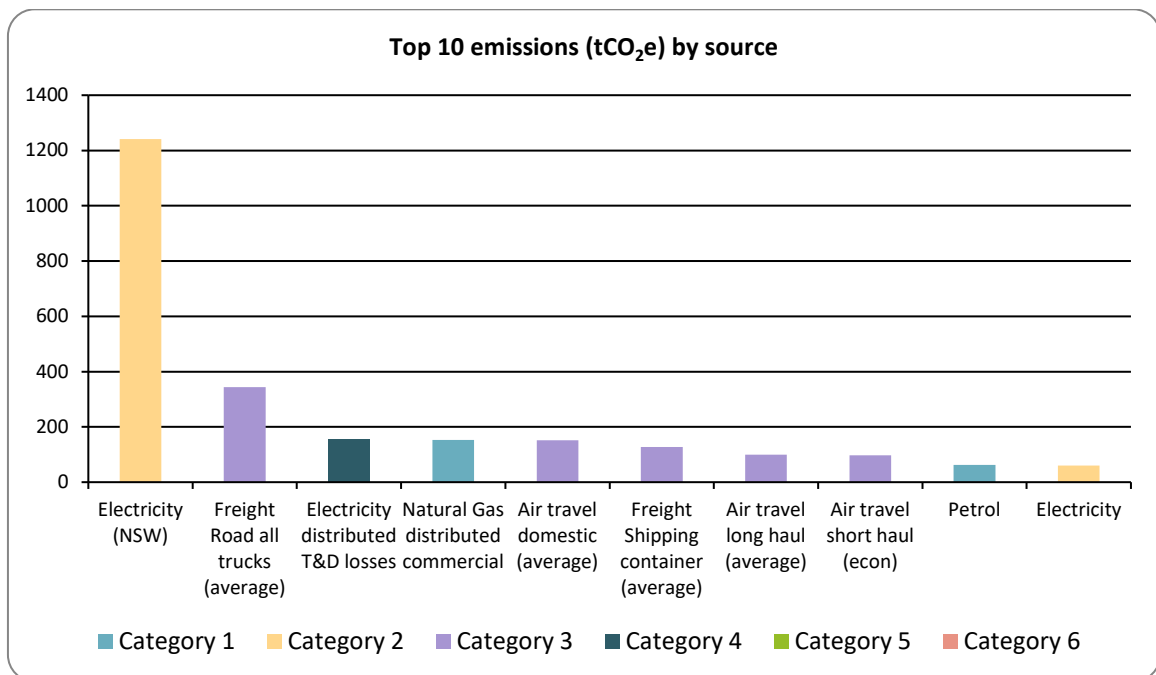


Figure 1: Top 10 GHG emissions (tonnes CO₂e) by source

SCOPE OF MEASURED INVENTORY

CONSOLIDATION APPROACH

An operational control consolidation approach was used to account for emissions. Organisational boundaries were set with reference to the methodology described in the GHG Protocol and ISO 14064-1:2018 standards.^{iv}

An operational control consolidation approach was used to account for emissions. This is the most meaningful approach for the business as it fits in with how we already coordinate information within the business.

BOUNDARIES

Over the past two years, we have shifted away from a parent entity structure that had individual businesses below it, each with its own leadership team and CEO. Our new structure is a single business, with one leadership team across the full business. This was done to help with efficiencies, and to simplify our business.

A result of the Covid lockdowns, we have closed two of our physical offices, in Auckland and Singapore. We still have people in each market, but they work from home until we decide on opening up physical offices again.

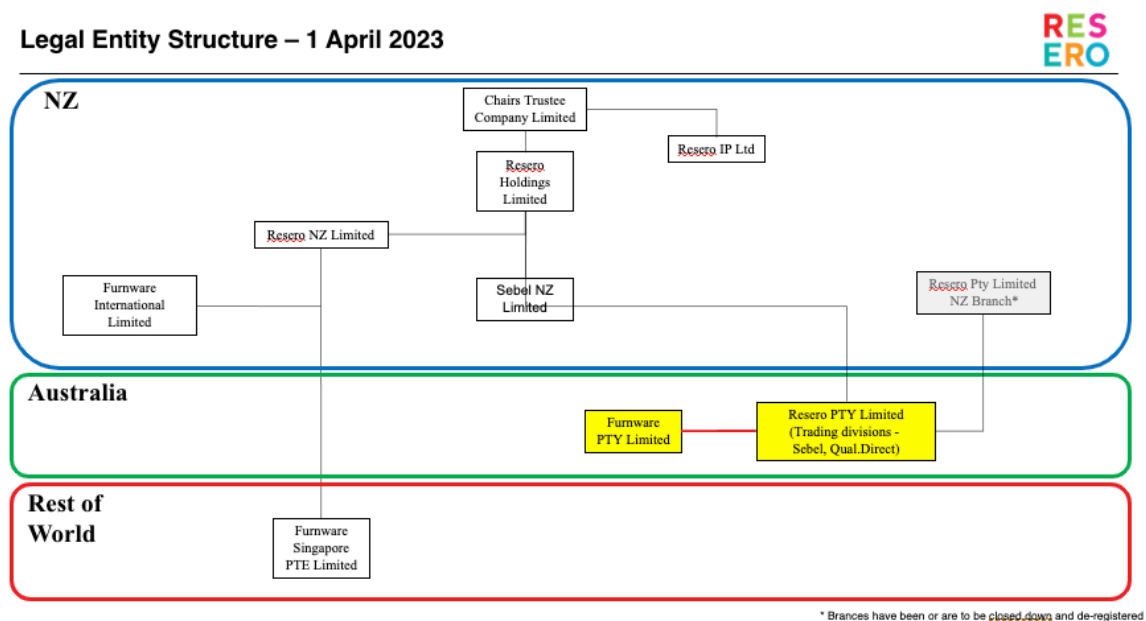


Figure 2: Organisational structure showing business units included and excluded

None. Excluded emissions do not exceed 5% of the total footprint within the organisation boundary stated.

MANAGING AND REDUCING

This is the fourth year of reporting under the Toitū carbonreduce. An absolute reduction in Category 1 and 2 emissions of 316.66 tCO₂e has been achieved against base year. A reduction in emissions intensity (for Category 1, 2 and mandatory Category 3 and 4 emissions) of 7.60 tCO₂e/\$M has been achieved based upon a 4-year rolling average, adjusted for inflation.

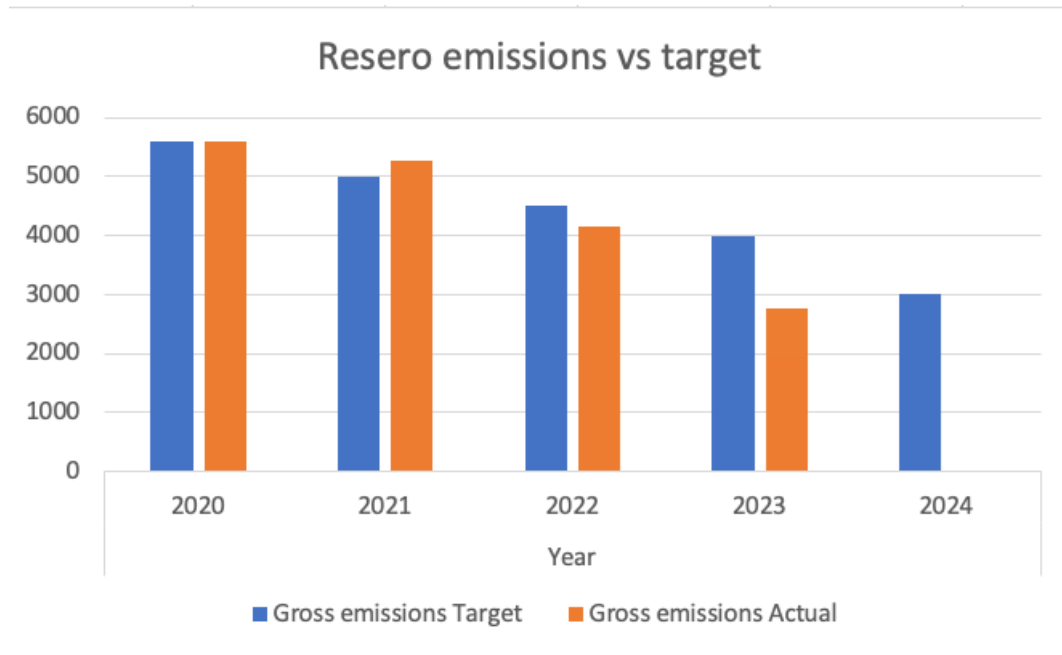


Figure 3: Performance against target since the base year

We have made very good progress against our targets, bearing in mind that there will still be some lingering Covid effect on these results. We are however, seeing significant business decisions through the lens of how they will effect our business emissions, which is a very positive step. We are hoping to have most of our vehicle fleet as either PHEV's, or pure EV's by the end of 2023. Covid has also shown us that we don't need to travel to every meeting, although I expect travel related emissions to keep increasing back towards pre-covid levels. There has been a post-covid bounce in travel related emissions which was to be expected. Our decision to change our waste management partner at our Minto plant, has had a significant positive impact in the first year, with emissions falling by 1,324 tco2e in the last year. This equates to a near 92% reduction in emissions from sending waste to landfill. Our target had been 85% in 18 months, so it is great that this has been successful. The flip side of this is that we are now recycling a lot more, which has created new emissions sources such as 'recycled PP' which has created 175tco2e that didn't previously exist. Overall, a good result.

We have made meaningful progress towards two out of three of our emissions reduction targets. Our waste to landfill emissions in Australia have reduced 92% and our petrol vehicle emissions have reduced 40% since our base year. Our third emitter, wood waste to landfill has increased by 500% since base year, but this is due to our previous waste to energy solution being rejected by the end user. Since we set the target for this in 2021, emissions have dropped 58%. We are working on a plan to remedy this, which is close to being installed. This should see these emissions drop down below base year within 18 months.

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Current performance (tCO ₂ e)	Current performance (%)	Comments
Reduce waste to landfill emissions	FY2020	31/03/2024	Absolute	-1716.08	-94%	We have made great progress here
Reduce our petrol usage	FY2020	31/03/2024	Absolute	-66.89	-40%	We are making good progress on this as a result of changing company cars to PHEV's
Reduce landfilled wood waste	FY2021	31/03/2024	Absolute	-306.19	-58%	We are not making good progress with this but once a solution is found, the issue should largely disappear

COMMITMENTS

REDUCTION TARGETS

Resero Holdings Limited is committed to managing and reducing its emissions. Resero Holdings Limited's commitments, including GHG emissions reduction targets and plans, have been reviewed and are in line with Toitū carbonreduce programme requirements.

The group is committed to managing and reducing its emissions in accordance with the Programme requirements. Table 1 provides details of the emission reduction targets to be implemented. These are 'SMART' targets (Specific, Measurable, Achievable, Realistic and Time-constrained).

Resero Group is committed to reducing its GHG emissions in compliance with rule 59b of the programme requirements. The target is to reduce intensity by 40% within 5 years of the base year. We have already exceeded this which is worth celebrating.

As shown in Table 1, there are specific 'subtargets' at a more detailed level, by emission source. By achieving each sub target, the aggregated results will mean we achieve our overall target for the total inventory.

Target name	Baseline period	Target date	Type of target (intensity or absolute)	Categories covered	Target		KPI	Responsibility	Rationale
Reduce waste to landfill emissions	FY2020	31/03/2024	Absolute	C4	50%	1834tco2e down to 917tco2e	Absolute	Matt Whyte	We have partnered with a new waste provider to reduce our waste to landfill by up to 85% out of our NSW plant. TBC if we can translate this to our NZ plant as well.
Reduce our petrol usage	FY2020	31/03/2024	Absolute	C1	50%	168tco2e down to 84tco2e	Absolute	Matt Whyte	We are replacing all of our company cars with PHEV's which is having a large impact of on our emissions from petrol ICE's.
Reduce landfilled wood waste	FY2021	31/03/2024	Absolute	C4	80%	526tco2e down to 105tco2e	Absolute	Matt Whyte	We are trying to find a better use for this saw dust than it ending up in landfill. Some options we're exploring are briquette machines and changing our material altogether. Once we find a solution, we should see a massive reduction in emissions
Reduce electricity consumption (NSW)	FY2020	31/12/2030	Absolute		50%	1395tco2e down to 698tco2e	Absolute	Matt Whyte	A combination of more efficient machines coming online over the next few years, and the Australian grid getting greener. The Australian government is projecting that renewable generation as a percentage will go from 18% in 2022, to 69% by 2030. We are also looking at solar power as a potential solution to some of these emissions.

Looking ahead, Resero Holdings Limited is currently focused on the following projects.

Objective	Project	Responsibility	Completion date	Potential co-benefits	Potential unintended consequences	Actions to minimise unintended consequence
Divert waste away from landfills	Significantly reduce our general waste that ends up in landfill	Matt Whyte, Head Curiosity Lab	31/03/2024	Decrease costs	None anticipated	n/a
	Significantly reduce our wood waste that ends up in landfill	Matt Whyte, Head Curiosity Lab	31/03/2024	Decrease costs	None anticipated	n/a
Decrease our electricity usage	Reduce our electricity usage	Matt Whyte, Head Curiosity Lab	Ongoing	Decrease costs	None anticipated	n/a
	Upgrade our plant and equipment	Pat Varanasi, COO	Ongoing	Decrease power consumption	None anticipated	n/a
Improve efficiency for company wide road freight	Assembly in market	Pat Varanasi, COO	Ongoing	More efficient shipping	Require more storage space at some sites	Use data to make the correct stock

CERTIFICATE DETAILS

Certification status:	Toitū carbonreduce certified organisation
Certificate number:	2024199J, Year 1 of 3 year certificate period
Valid until:	1 July 2027
Measurement period:	01 April 2022 to 31 March 2023
Base year:	01 April 2019 to 31 March 2020
Audited by:	Toitū Envirocare
Level of assurance:	Reasonable for all categories

ⁱ ©Enviro-Mark Solutions Limited 2020.

Disclaimer: This Certification Summary Statement is a summary of the information (validated and verified for relevant components of the certification) considered for certification and the certification decision. It should not be taken to represent the full submission for certification. Whilst every effort has been made to ensure that the information in this Statement is accurate and complete, Enviro-Mark Solutions Limited (trading as Toitū Envirocare) does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

ⁱⁱ The mandatory sources that must be included in any Toitū carbon programme inventory include:

- All direct emissions from the activities of the organisation, or the part of the organisation being certified. Direct emissions come from assets owned or controlled by the organisation, such as emissions from fleet vehicles, boilers, generators and HVAC systems.
- All emissions from imported energy (electricity, heat and steam)
- Emissions from business travel and freight paid for by the organisation
- Emissions associated with waste disposed of by the organisation, as well as the transmission and distribution of electricity, and natural gas

ⁱⁱⁱ All purchased and generated energy emissions are dual reported using both the location-based method and market-based method in the certified Inventory Report and appendices. This summary document presents the information using the location-based method. Note that reductions and any required compensation are assessed using that method. Dual reporting illustrates the role of supplier choice, onsite renewable energy generation and contractual instruments in managing indirect emissions from energy alongside any ongoing energy efficiency and reduction efforts. This dual reporting aligns with ISO 14064-1:2018 and the GHG Protocol. Please contact this organisation for the dual reporting details applicable to this inventory.

^{iv} Control: the organisation accounts for all GHG emissions and/or removals from facilities over which it has financial or operational control. Equity share: the organisation accounts for its portion of GHG emissions and/or removals from respective facilities.