



GREENHOUSE GAS EMISSIONS INVENTORY REPORT

Toitū carbonreduce and Toitū carbonzero programme



The Warehouse Group (excluding overseas Group Sourcing Support)

Dated: 27 August 2021

For the period: 01 August 2020 to 31 July 2021

Base year: 01 August 2014 to 31 July 2015

Verification status: Reasonable



Disclaimer

The template has been provided by Enviro-Mark Solutions Limited trading as Toitū Envirocare. While every effort has been made to ensure the template is consistent with the requirements of ISO 14064-1:2006, Toitū Envirocare does not accept any responsibility whether in contract, tort, equity or otherwise for any action taken, or reliance placed on it, or for any error or omission from this report. The template should not be altered (i.e. the black text); doing so may invalidate the organisation's claim that its inventory is compliant with the ISO 14064-1:2006 standard.

This work shall not be used for the purpose of obtaining emissions units, allowances, or carbon credits from two or more different sources in relation to the same emissions reductions, or for the purpose of offering for sale carbon credits which have been previously sold.

The consolidation approach chosen for the greenhouse gas inventory should not be used to make decisions related to the application of employment or taxation law.

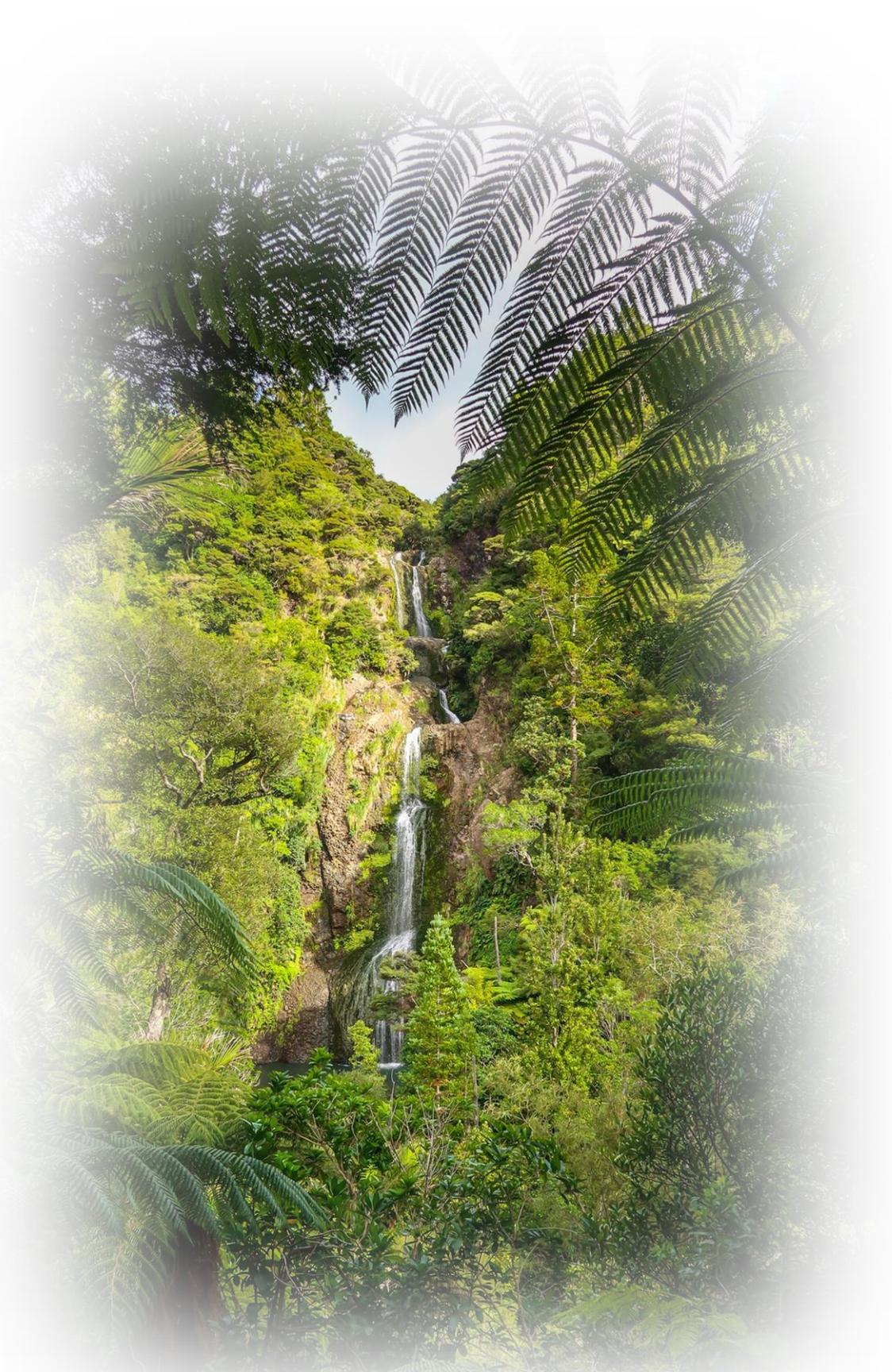
This report shall not be used to make public greenhouse gas assertions without independent verification and issue of an assurance statement by Toitū Envirocare.

CONTENTS

1	Introduction	8
2	Statement of intent	8
3	Organisation description	8
4	Organisational boundaries included for this reporting period	8
5	Organisational business units excluded from inventory	10
6	GHG emissions source inclusions	10
6.1	Other emissions – HFCs, PFCs and SF6	21
6.2	Other emissions – biomass	21
6.3	Other emissions – deforestation	21
6.4	Pre-verified data	21
7	GHG emissions source exclusions	21
8	Data collection and uncertainties	21
9	GHG emissions calculations and results	22
10	GHG emissions reductions and removals enhancement	24
11	Liabilities	25
11.1	GHG stocks held	26
11.2	Land-use change	27
12	Purchased reductions	27
13	Double counting / double offsetting	27
14	References	28
15	Appendix 1: GHG emissions data summary	28
	Table 1: GHG emissions data summary	5
	Table 2: Gross organisation GHG emissions by scope for current measurement year	5
	Table 3: GHG emissions inventory summary by scope and business unit	6
	Table 4: Mobile and stationary combustion of biomass	6
	Table 5: Deforestation of two hectares or more	6
	Table 6: GHG stock liability (see Table 13: for mass of individual gases)	7
	Table 7: Land-use liabilities	7
	Table 8: Renewable electricity generation on-site	7
	Table 9: Purchased emissions reductions	7
	Table 10: Brief description of business units in the certifying entity	9
	Table 11: GHG emissions sources included in the inventory	11
	Table 12: GHG emissions sources excluded from the inventory	21
	Table 13: HFCs, PFCs and SF ₆ GHG emissions and liabilities	26
	Figure 1: Organisational structure	9
	Figure 2: GHG emissions (tonnes CO ₂ e) by scope	23
	Figure 3: GHG emissions (tonnes CO ₂ e) by business activity	23
	Figure 4: GHG emissions sources by source	24
	Figure 5: Comparison of GHG operational emissions by scope between the reporting periods	25

Figure 6: Comparison of GHG operational emissions by emissions sources between the reporting periods.25

Figure 7: Comparison of emissions by business unit between the reporting periods.26



GREENHOUSE GAS EMISSIONS INVENTORY SUMMARY

Table 1: GHG emissions data summary.

	2015	2017	2018	2019	2020	2021
Scope 1	3,505.71	2,479.69	2,962.66	2,931.92	2,678.35	3,015.55
Scope 2	13,972.14	11,521.82	11,920.50	9,702.64	9,028.64	9,276.34
Scope 3 Mandatory	22,339.83	25,511.38	25,968.50	26,563.96	24,325.74	24,391.73
Scope 3 Additional	0.00	0.00	0.00	0.00	0.00	0.00
Scope 3 One time	0.00	0.00	0.00	0.00	0.00	0.00
Total gross emissions	39,817.68	39,512.89	40,851.66	39,198.52	36,032.73	36,683.62
Certified green electricity	0.00	0.00	0.00	0.00	0.00	0.00
Purchased emission reductions	0.00	0.00	0.00	0.00	0.00	0.00
Net GHG emissions (all scopes)	39,817.68	39,512.89	40,851.66	39,198.52	36,032.73	36,683.62
Total gross GHG emissions per Turnover/revenue (\$Millions)	14.37	13.26	13.64	12.76	11.36	10.74
Total mandatory GHG emissions per Turnover/revenue (\$Millions)	14.37	13.26	13.64	12.76	11.36	10.74

Notes:

Total mandatory emissions includes scope 1, scope 2, and scope 3 (i.e. excludes scope 3 one-time and scope 3 additional). Refer to inventory spreadsheet for full time series.

Revenue figures for FY17 & FY20, (which impact 'Total gross GHG emissions per Turnover/revenue (\$Millions)' and 'Total mandatory GHG emissions per Turnover/revenue (\$Millions)') have been amended from original EIR reports to reflect final audited figures.

Table 2: Gross organisation GHG emissions by scope for current measurement year.

Indicator	tCO ₂ e
Scope 1	
Refrigerants	604.17
Transport fuels	2,411.38
Scope 2	
Electricity	9,276.34
Scope 3	

Indicator	tCO ₂ e
Electricity	725.25
Freight	16,928.04
Other gases	1.09
Passenger vehicles - default age	159.99
Transport - other	740.03
Transport fuels	5,079.51
Waste	418.14
Waste Management unique emission factors	339.67
Total	36,683.62

Table 3: GHG emissions inventory summary by scope and business unit.

Component gas	Scope 1	Scope 2	Scope 3	Total	Removals	After removals
CH ₄	19.12	354.92	716.41	1,090.45	0.00	1,090.45
CO ₂	2,361.42	8,908.61	23,362.45	34,632.49	0.00	34,632.49
HFCs	604.17	0.00	0.00	604.17	0.00	604.17
N ₂ O	30.84	12.81	312.87	356.51	0.00	356.51
NF ₃	0.00	0.00	0.00	0.00	0.00	0.00
PFCs	0.00	0.00	0.00	0.00	0.00	0.00
SF ₆	0.00	0.00	0.00	0.00	0.00	0.00
Total	3,015.55	9,276.34	24,391.73	36,683.62	0.00	36,683.62

Table 4: Mobile and stationary combustion of biomass.

Biomass	Quantity	Tonnes Biogenic CO ₂
No activity recorded	n/a	n/a

Table 5: Deforestation of two hectares or more.

Source	Mass	tCO ₂ e
Deforestation tCO ₂ e (tCO ₂ e)	0.00	0.00

Table 6: GHG stock liability (see Table 13: for mass of individual gases).

Source	Units	Quantity	Potential Liability tCO ₂ e
Diesel commercial	litres	25,110.00	66.89
HCFC-22 (R-22, Genetron 22 or Freon 22)	kilograms	3,841.80	6,953.66
HFC-32	kilograms	23.70	16.00
LPG stationary commercial	litres	3,040.00	4.94
R-407C	kilograms	12.00	21.29
R-410A	kilograms	1,060.10	2,212.96
R-438A	kilograms	258.20	584.71

Table 7: Land-use liabilities.

Type of sequestration	Liability tCO ₂ e
Contingent liability (carbon sequestered this reporting period)	0.00
Potential sequestration liability (total carbon stock)	0.00

Table 8: Renewable electricity generation on-site.

Renewable generation on-site	kWh generated	tCO ₂ e avoided
No activity recorded	n/a	n/a

Table 9: Purchased emissions reductions.

Type of emission reductions purchased	Amount	tCO ₂ e
Certified green electricity (tCO ₂ e)	0.00	0.00
Purchased emission reductions (tCO ₂ e)	0.00	0.00
Total	0.00	0.00

1 INTRODUCTION

This report is the annual greenhouse gas (GHG) emissions¹ inventory report for the named organisation. The inventory is a complete and accurate quantification of the amount of GHG emissions that can be directly attributed to the organisation's operations within the declared boundary and scope for the specified reporting period. The inventory has been prepared in accordance with the requirements of the **measure-step**² of the Programme, which is based on the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and ISO 14064-1:2006 Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*³. Where relevant, the inventory is aligned with industry or sector best practice for emissions measurement and reporting.

This report is the annual greenhouse gas (GHG) emissions inventory prepared for The Warehouse Group Limited covering the New Zealand-based businesses of The Warehouse (including emissions related to corporate business activities), Warehouse Stationery, Noel Leeming Group, Torpedo 7 Group, The Market, Group Sourcing Support and TWG Investments. Excluded are the overseas offices of Group Sourcing Support - located in India, China and Bangladesh.

2 STATEMENT OF INTENT

This inventory forms part of the organisation's commitment to gain Programme certification.

This inventory reports into the Toitū carbonreduce and Toitū carbonzero programmes. This inventory forms part of the TWGs commitment to retain its carboNZero certification.

This inventory aligns to the requirements of the Toitū carbonreduce and Toitū carbonzero programmes. We intend on using the content from this report to help us respond to other reporting requirements and industry engagements including our annual CLC obligations and responses to CDP and SBT surveys. We have recently submitted The Warehouse Groups first emissions reduction target reflecting best-practice requirement of the Science Based Targets initiative. We expect to have our target validated in September 2021.

3 ORGANISATION DESCRIPTION

The Warehouse Group Limited is New Zealand's largest general merchandise retail group with over 250 retail stores and several online stores, supported by a small number of distribution centres and a head office (Store Support Office). At The Warehouse Group, we recognise that choices we make today affect the future environment. We need to play our part in ensuring that growth today does not compromise opportunities for future generations. To be a sustainable business, we need to extend our perspective beyond immediate commercial objectives. We believe that this is good for business and for the long-term interests of our shareholders and other stakeholders. It is this belief that led to The Warehouse Group's goal of reducing carbon emissions 32% by 2030 and seeking to become carbon neutral by 2025. It has also inspired us to set emissions reduction targets aligned to SBT criteria.

¹ Throughout this document "emissions" means "GHG emissions".

² Programme refers to the Toitū carbonreduce and the Toitū carbonzero programme.

³ Throughout this document 'GHG Protocol' means the *GHG Protocol Corporate Accounting and Reporting Standard* and 'ISO 14064-1:2006' means the international standard *Specification with Guidance at the Organizational Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals*.

4 ORGANISATIONAL BOUNDARIES INCLUDED FOR THIS REPORTING PERIOD

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 14064-1:2006 standards. The GHG Protocol allows two distinct approaches to be used to consolidate GHG emissions: the equity share and control (financial or operational) approaches. The Programme specifies that the operational control consolidation approach should be used unless otherwise agreed with the Programme.

The inventory covers The Warehouse Group Limited businesses of The Warehouse (including emissions related to corporate business activities), Warehouse Stationery, Noel Leeming Group, Torpedo 7 Group, The Market and Group Sourcing. The business unit not covered in these emissions is overseas based Group Sourcing Support which includes sourcing offices in China, India and Bangladesh.

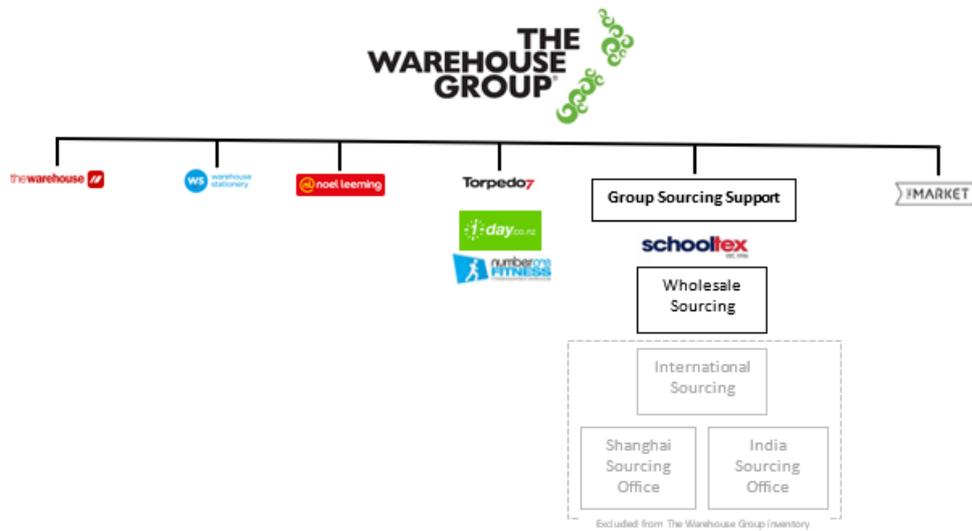


Figure 1: Organisational structure.

The Warehouse Group
 26 The Warehouse Way
 Northcote
 Auckland 0627
 Store Support Office

Table 10: Brief description of business units in the certifying entity.

Business unit	Address	Purpose
The Warehouse (incl. The Market)	26 The Warehouse Way, Northcote, Auckland	General Merchandise Retail
Warehouse Stationery	26 The Warehouse Way, Northcote, Auckland	General Merchandise Retail
Noel Leeming Group	26 The Warehouse Way, Northcote, Auckland	General Merchandise Retail

Business unit	Address	Purpose
Torpedo 7 Group	26 The Warehouse Way, Northcote, Auckland	General Merchandise Retail
The Warehouse Group Sourcing Services	26 The Warehouse Way, Northcote, Auckland	Wholesale

5 ORGANISATIONAL BUSINESS UNITS EXCLUDED FROM INVENTORY

International offices (part of Group Sourcing based in India, China and Bangladesh) are excluded based on geographic boundary as per the programme requirements Rule 26.

6 GHG EMISSIONS SOURCE INCLUSIONS

The GHG emissions sources included in this inventory are those required for Programme certification and were identified with reference to the methodology described in the GHG Protocol and ISO14064-1:2006 standards. Identification of emissions sources was achieved via personal communications with The Warehouse Group (excluding overseas Group Sourcing Support) staff, and cross-checked against operational expenditure records for the reporting period. These records were viewed in order to see what activities may be associated with emissions from all of the operations.

As adapted from the GHG Protocol, these emissions were classified into the following categories:

- **Direct GHG emissions (Scope 1):** GHG emissions from sources that are owned or controlled by the company.
- **Indirect GHG emissions (Scope 2):** GHG emissions from the generation of purchased electricity, heat and steam consumed by the company.
- **Indirect GHG emissions (Scope 3):** GHG emissions required by the Programme that occur as a consequence of the activities of the company but occur from sources not owned or controlled by the company. Inclusion of other Scope 3 emissions sources is done on a case-by-case basis.

After liaison with the organisation, the emissions sources in Table 11 have been identified and included in the GHG emissions inventory.

Table 11: GHG emissions sources included in the inventory

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
1 Day	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
1 Day/Logistics 1D/Domestic Air 1D	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
1 Day/Logistics 1D/Domestic Road 1D/Courier 1D	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
1 Day/Vehicles, fuel and mileage 1D/Private vehicle (mileage) 1D	Car Average (unknown fuel type)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
Group Sourcing/Logistics GS/Domestic Air GS	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
Group Sourcing/Logistics GS/Domestic Road GS/Courier GS	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
Group Sourcing/Travel GS	Air travel (pre-verified CO ₂ e)	Scope 3	FCM Travel - preverified CO ₂	kg	Very low
Group Sourcing/Vehicles, fuel and mileage GS/Private vehicle (mileage) GS	Car Average (unknown fuel type)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
Noel Leeming/Electricity NL	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
Noel Leeming/Logistics NL/Domestic Air NL	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Noel Leeming/Logistics NL/Domestic Road NL/Courier NL	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
Noel Leeming/Logistics NL/Domestic Road NL/Freight NL	Freight Road all trucks (average)	Scope 3	Fliway Report	tkm	Very low
Noel Leeming/Logistics NL/Domestic Sea NL	Freight Shipping Ro-Ro ferry (freight, average)	Scope 3	Fliway Report	tkm	Very low
Noel Leeming/Vehicles, fuel and mileage NL/Own fleet NL	Diesel	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Noel Leeming/Vehicles, fuel and mileage NL/Own fleet NL	Electricity	Scope 3	CustomFleet / Leaseplan reporting	kWh	Low
Noel Leeming/Vehicles, fuel and mileage NL/Own fleet NL	Petrol premium	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Noel Leeming/Vehicles, fuel and mileage NL/Own fleet NL	Petrol regular	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Noel Leeming/Vehicles, fuel and mileage NL/Private vehicle (mileage) NL	Private Car average (fuel type unknown)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
Noel Leeming/Waste NL/Stores NL	Waste landfilled - Kate Valley	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Noel Leeming/Waste NL/Stores NL	Waste landfilled - MDL Bonny Glen Landfill	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Noel Leeming/Waste NL/Stores NL	Waste landfilled - Redvale and Whitford	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Noel Leeming/Waste NL/Stores NL	Waste landfilled - Silverstream	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Noel Leeming/Waste NL/Stores NL	Waste landfilled - Tirohia	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Noel Leeming/Waste NL/Stores NL	Waste landfilled LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Noel Leeming/Waste NL/Stores NL	Waste landfilled No LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Market NZ/Logistics TM/Domestic Air TM	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
The Market NZ/Logistics TM/Domestic Road TM/Courier TM	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
The Warehouse	R-410A	Scope 1	McAlpine Hussmann report	kg	Low
The Warehouse	R-438A	Scope 1	McAlpine Hussmann report	kg	Low
The Warehouse/Electricity WH/DC WH	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
The Warehouse/Electricity WH/SSO WH	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
The Warehouse/Electricity WH/Stores WH	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
The Warehouse/Logistics WH/Domestic Air WH	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
The Warehouse/Logistics WH/Domestic Rail WH	Freight Rail	Scope 3	Domestic logistics suppliers invoicing data applied to a model developed by the National Logistics Manager.	tkm	Moderate due to assumptions in model. All delivered units treated as 333kg/m ³
The Warehouse/Logistics WH/Domestic Road WH	CO ₂	Scope 3	Courier emissions from Urgent Couriers. CO ₂ e values have been validated by Urgent who are a carbonZero certified service.	kg	Very low
The Warehouse/Logistics WH/Domestic Road WH	Diesel	Scope 3	Courier emissions from Urgent Couriers. CO ₂ e values have been validated by Urgent who are a carbonZero certified service.	L	Very low
The Warehouse/Logistics WH/Domestic Road WH/Courier WH	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
The Warehouse/Logistics WH/Domestic Sea WH	Freight Shipping Ro–Ro ferry (freight, average)	Scope 3	Domestic logistics suppliers invoicing data applied to a model developed by the National Logistics Manager.	tkm	Moderate due to assumptions in model. All delivered units treated as 333kg/m ³
The Warehouse/Logistics WH/International Air WH	Freight Air travel long haul (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low
The Warehouse/Logistics WH/International Air WH	Freight Air travel short haul (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low
The Warehouse/Logistics WH/International Sea WH	Freight Shipping container (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
The Warehouse/Vehicles, fuel and mileage WH/Hoists WH	Diesel	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
The Warehouse/Vehicles, fuel and mileage WH/Hoists WH	LPG	Scope 1	OnGas and Contact Energy supplier invoices	kg	Low
The Warehouse/Vehicles, fuel and mileage WH/Hoists WH	LPG	Scope 1	OnGas and Contact Energy supplier invoices	L	Low
The Warehouse/Vehicles, fuel and mileage WH/Own fleet WH	Diesel	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
The Warehouse/Vehicles, fuel and mileage WH/Own fleet WH	Electricity	Scope 3	CustomFleet / Leaseplan reporting	kWh	Low
The Warehouse/Vehicles, fuel and mileage WH/Own fleet WH	Petrol premium	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
The Warehouse/Vehicles, fuel and mileage WH/Own fleet WH	Petrol regular	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
The Warehouse/Vehicles, fuel and mileage WH/Private vehicle (mileage) WH	Private Car average (fuel type unknown)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
The Warehouse/Waste WH	Waste landfilled - Kate Valley	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Warehouse/Waste WH	Waste landfilled - MDL Bonny Glen Landfill	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
The Warehouse/Waste WH	Waste landfilled - Redvale and Whitford	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Warehouse/Waste WH	Waste landfilled - Silverstream	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Warehouse/Waste WH	Waste landfilled - Tirohia	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Warehouse/Waste WH	Waste landfilled LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
The Warehouse/Waste WH	Waste landfilled No LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Electricity T7	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
Torpedo 7/Logistics T7/Domestic Air T7	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
Torpedo 7/Logistics T7/Domestic Road T7/Courier T7	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
Torpedo 7/Logistics T7/Domestic Road T7/Freight T7	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Torpedo 7/Logistics T7/International Air T7	Freight Air travel long haul (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low
Torpedo 7/Logistics T7/International Air T7	Freight Air travel short haul (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low
Torpedo 7/Logistics T7/International Sea T7	Freight Shipping container (average)	Scope 3	Mondiale Shipping Reports	tkm	Very low
Torpedo 7/Vehicles, fuel and mileage T7/Hoists T7	LPG	Scope 1	OnGas and Contact Energy supplier invoices	kg	Low
Torpedo 7/Vehicles, fuel and mileage T7/Own fleet T7	Diesel	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Torpedo 7/Vehicles, fuel and mileage T7/Own fleet T7	Electricity	Scope 3	CustomFleet / Leaseplan reporting	kWh	Low
Torpedo 7/Vehicles, fuel and mileage T7/Own fleet T7	Petrol premium	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Torpedo 7/Vehicles, fuel and mileage T7/Own fleet T7	Petrol regular	Scope 1	CustomFleet / Leaseplan reporting	L	Low - supplier considered very accurate
Torpedo 7/Vehicles, fuel and mileage T7/Private vehicle (mileage) T7	Private Car average (fuel type unknown)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
Torpedo 7/Waste T7	Waste landfilled - Kate Valley	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Waste T7	Waste landfilled - MDL Bonny Glen Landfill	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Torpedo 7/Waste T7	Waste landfilled - Redvale and Whitford	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Waste T7	Waste landfilled - Silverstream	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Waste T7	Waste landfilled - Tirohia	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Waste T7	Waste landfilled LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Torpedo 7/Waste T7	Waste landfilled No LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery	R-410A	Scope 1	McAlpine Hussmann report	kg	Low
Warehouse Stationery	R-438A	Scope 1	McAlpine Hussmann report	kg	Low
Warehouse Stationery/Electricity WHS	Electricity	Scope 2	EnergyPro verified invoices	kWh	Low
Warehouse Stationery/Logistics WHS/Domestic Air WHS	Jet A1/Jet Kerosene	Scope 3	NZ Post delivery data used in an adapted NZ Post model.	L	Moderate due to assumptions in model
Warehouse Stationery/Logistics WHS/Domestic Rail WHS	Freight Rail	Scope 3	Domestic logistics suppliers invoicing data applied to a model developed by the National Logistics Manager.	tkm	Moderate due to assumptions in model. All delivered units treated as 333kg/m ³

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Warehouse Stationery/Logistics WHS/Domestic Road WHS/Courier WHS	Diesel	Scope 3	NZ Post delivery data used in an adapted NZ Post model. This model then applied to non-NZ Post suppliers to estimate total.	L	Moderate due to assumptions in model
Warehouse Stationery/Logistics WHS/Domestic Road WHS/Freight WHS	Diesel	Scope 3	Domestic logistics suppliers invoicing data applied to a model developed by the National Logistics Manager.	L	Moderate due to assumptions in model
Warehouse Stationery/Logistics WHS/Domestic Sea WHS	Freight Shipping Ro-Ro ferry (freight, average)	Scope 3	Domestic logistics suppliers invoicing data applied to a model developed by the National Logistics Manager.	tkm	Moderate due to assumptions in model. All delivered units treated as 333kg/m ³
Warehouse Stationery/Vehicles, fuel and mileage WHS/Private vehicle (mileage) WHS	Private Car average (fuel type unknown)	Scope 3	Internal mileage claim reports	km	Moderate, not all mileage is necessarily claimed
Warehouse Stationery/Waste WHS	Waste landfilled - Kate Valley	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery/Waste WHS	Waste landfilled - MDL Bonny Glen Landfill	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery/Waste WHS	Waste landfilled - Redvale and Whitford	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery/Waste WHS	Waste landfilled - Silverstream	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.

Business unit	GHG emissions source	GHG emissions level scope	Data source	Data collection unit	Uncertainty (description)
Warehouse Stationery/Waste WHS	Waste landfilled - Tirohia	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery/Waste WHS	Waste landfilled LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.
Warehouse Stationery/Waste WHS	Waste landfilled No LFGR Mixed waste	Scope 3	Waste Management Reports	t	High, volume data converted in weight for sites where landfill is not weighed.

6.1 Other emissions – HFCs, PFCs and SF₆

We use hydrofluorocarbons (HFCs) in our operations and these have been included in the inventory. Not all sites and all business units are responsible for the servicing of refrigeration or air-conditioning or other equipment, these sites and business units have been excluded (notable exclusions are Torpedo 7 Group and The Warehouse Financial Services).

No operations use perfluorocarbons (PFCs), Nitrogen Trifluoride (N₃) nor sulphur hexafluoride (SF₆), therefore no holdings of these are reported and no emissions from these sources are included in this inventory. No operations use perfluorocarbons (PFCs), Nitrogen Trifluoride (N₃) nor sulphur hexafluoride (SF₆), therefore no holdings of these are reported and no emissions from these sources are included in this inventory.

6.2 Other emissions – biomass

No biomass is combusted in the operations and therefore no emissions from the combustion of biomass are included in this inventory.

6.3 Other emissions – deforestation

No deforestation has been undertaken by the organisation on land it owns and that is included in this inventory. Therefore no emissions from deforestation are included in this inventory.

6.4 Pre-verified data

Pre-verified data is included in this inventory. Pre-verified data has been provided by Urgent Couriers for road freight emissions and air travel from agent FCM Travel.

7 GHG EMISSIONS SOURCE EXCLUSIONS

Emissions sources in Table 12 have been identified and excluded from the GHG emissions inventory.

The following mandatory emission sources have been excluded: fuel from rental vehicles, fuel from taxis, and fuel for own vehicles purchased outside of fuel cards.

Table 12: GHG emissions sources excluded from the inventory

Business unit	GHG emissions source	GHG emissions level scope	Reason for exclusion
All	Fuel from rental vehicles	Scope 1	Emissions are estimated to be de minimis (having compared data to previous years data which was excluded), so they have been excluded from the overall footprint.
All	Fuel from taxis	Scope 3 Mandatory	Emissions are estimated to be de minimis (having compared data to previous years data which was excluded), so they have been excluded from the overall footprint.
All	Fuel for own vehicles purchased outside of fuel cards	Scope 1	Emissions are estimated to be de minimis (having compared data to previous years data which was excluded), so they have been excluded from the overall footprint.

Business unit	GHG emissions source	GHG emissions level scope	Reason for exclusion
All	Diesel stationary combustion	Scope 1	Emissions are estimated to be de minimis (having compared data to previous years data which was excluded), so they have been excluded from the overall footprint.

8 DATA COLLECTION AND UNCERTAINTIES

Table 11 provides an overview of how data were collected for each GHG emissions source, the source of the data and an explanation of any uncertainties or assumptions made. Estimated numerical uncertainties are reported with the emissions calculations and results.

All data was calculated using Toitū emanage and GHG emissions factors as provided by the Programme (see Appendix 1 - data summary.xls).

A calculation methodology has been used for quantifying the GHG emissions inventory using emissions source activity data multiplied by GHG emissions or removal factors.

Information about data collection and uncertainty has been provided in table 11.

9 GHG EMISSIONS CALCULATIONS AND RESULTS

GHG emissions for the organisation for this measurement period are provided in Table 1 where they are stated by greenhouse gas, by scope, by business unit and as total emissions.

Emissions remain dominated by Scope 3 (Fig 2) and The Warehouse business unit (Fig 3). Scope 3 emissions dominate results due to freight, transport and waste.

Overall Freight shipping is the highest emission source, emitting 42% of total emissions, closely followed by electricity emitting 26%. The 3rd largest contributor was diesel fuel emissions associated with domestic road transportation. This split of contributions has remained the same for the last 3 years.

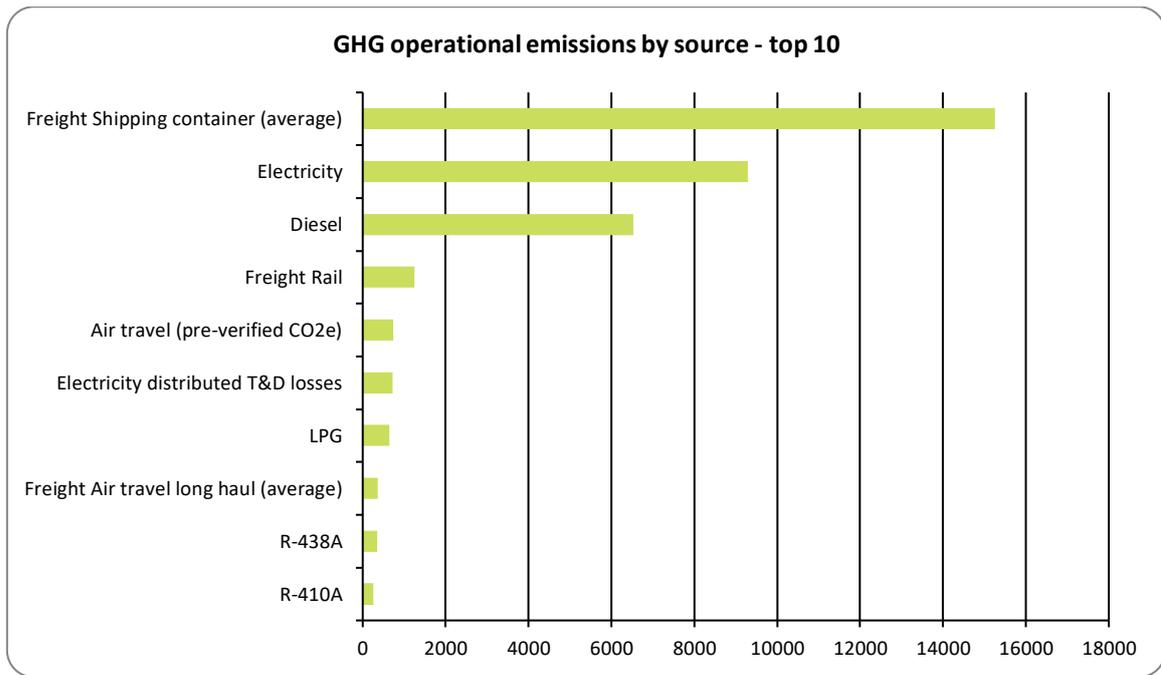


Figure 4: GHG emissions sources by source.

The inventory report and any GHG assertions are expected to be verified by a Programme-approved, third-party verifier. The level of assurance is reported in a separate Assurance Statement provided to the directors of the certified entity.

10 EMISSIONS REDUCTIONS AND REMOVALS ENHANCEMENT

GHG emissions for the organisation for the current reporting period are detailed in Table 1. GHG emissions for the organisation for the current reporting period are detailed in Table 1. The Warehouse emits around 84% of the emissions (Fig 3 and 7), following by Noel Leeming at 8.7% Torpedo7 4%, Warehouse Stationary 3%, The Market and 1-Day account for roughly 0.5%. This contribution is virtually the same as 2020.

An overview of emissions by business unit is included below:

Warehouse Stationary – 5% reduction, a reduction of 52 tonnes

Noel Leeming – 2% reduction, a reduction of 50 tonnes

The Warehouse (incl. Group Sourcing) – 3.5% increase, an increase of 1049 tonnes.

Torpedo7 – 23.7% reduction, a reduction of 447 tonnes

Overall, The Warehouse Group emissions have increase by 651 tonnes (1.8%) vs last year.

Scope 1, 2 emissions increased by 13% (337 tonnes), 2.7% (248 tonnes) respectively. Scope 3 emissions increased by 0.25% or 66 tonnes.

While there have been many emission reduction initiatives in progress this year (LED upgrades, EV transitions, waste minimisation, travel reductions and store consolidation) we have observed a minor (2%) increase in emissions on FY20. While emissions increased year on year this is encouraging as the comparison year (FY20) included 7 weeks of near full lockdown meaning

virtually zero electricity usage. For FY21 to report a less than 2% increase on FY20 emissions is considered a good result.

The management and reduction plan has not changed since certification.

The organisation will have an updated management plan in place for managing and reducing emissions in the future in order to maintain Programme recertification.

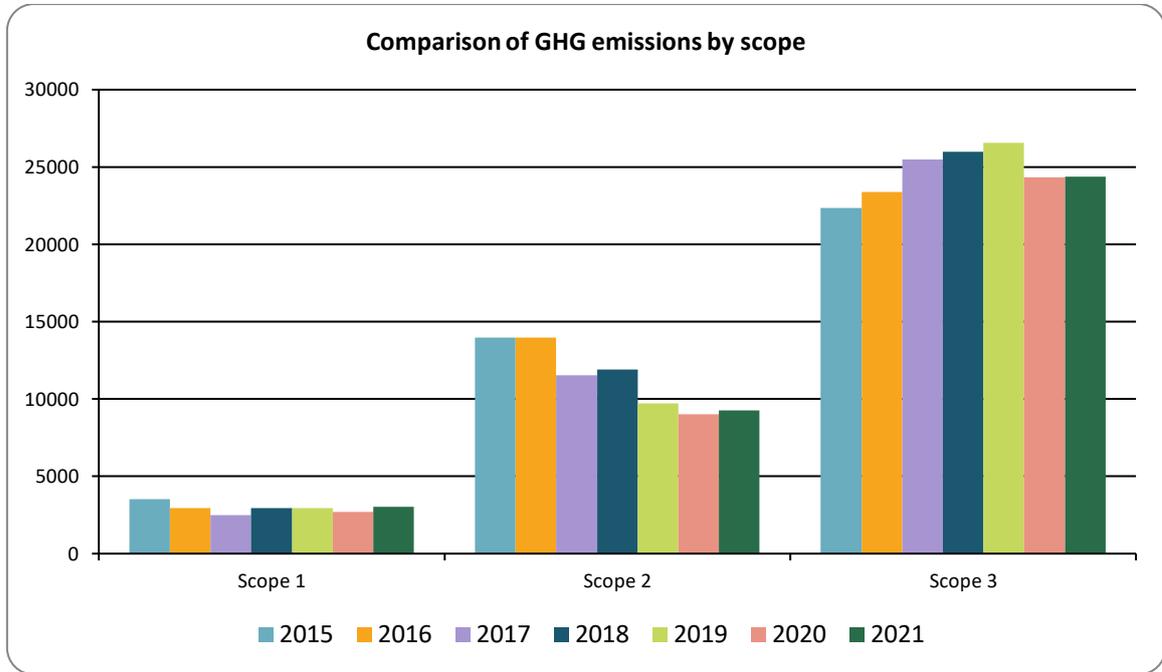


Figure 5: Comparison of GHG operational emissions by scope between the reporting periods.

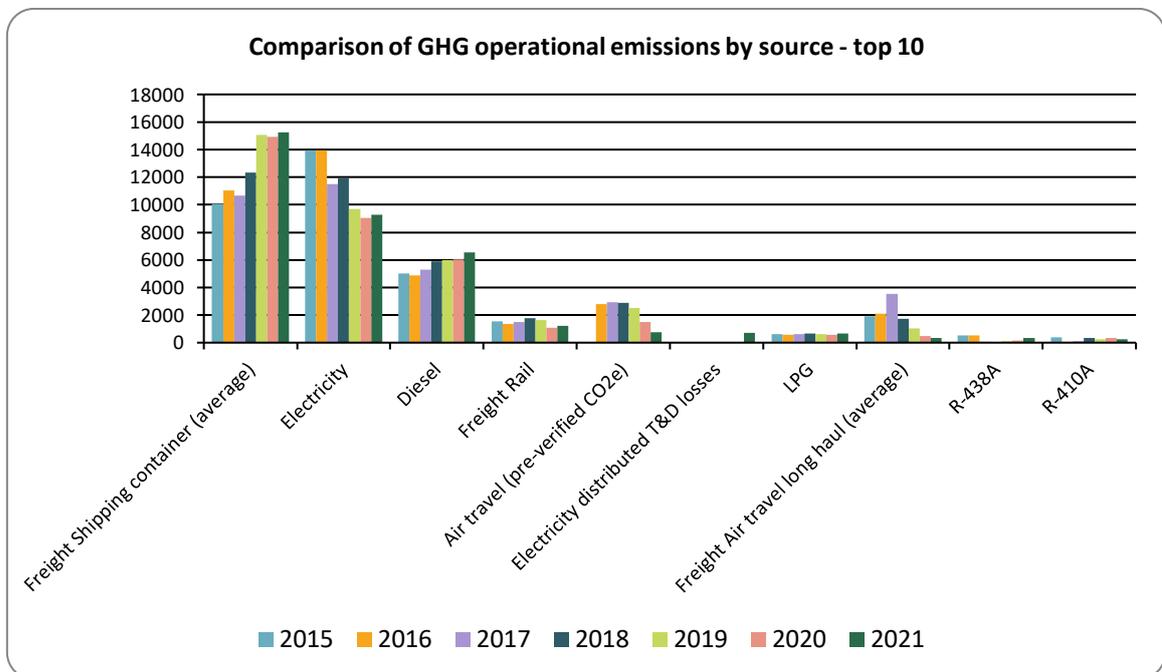


Figure 6: Comparison of GHG operational emissions by emissions sources between the reporting periods.

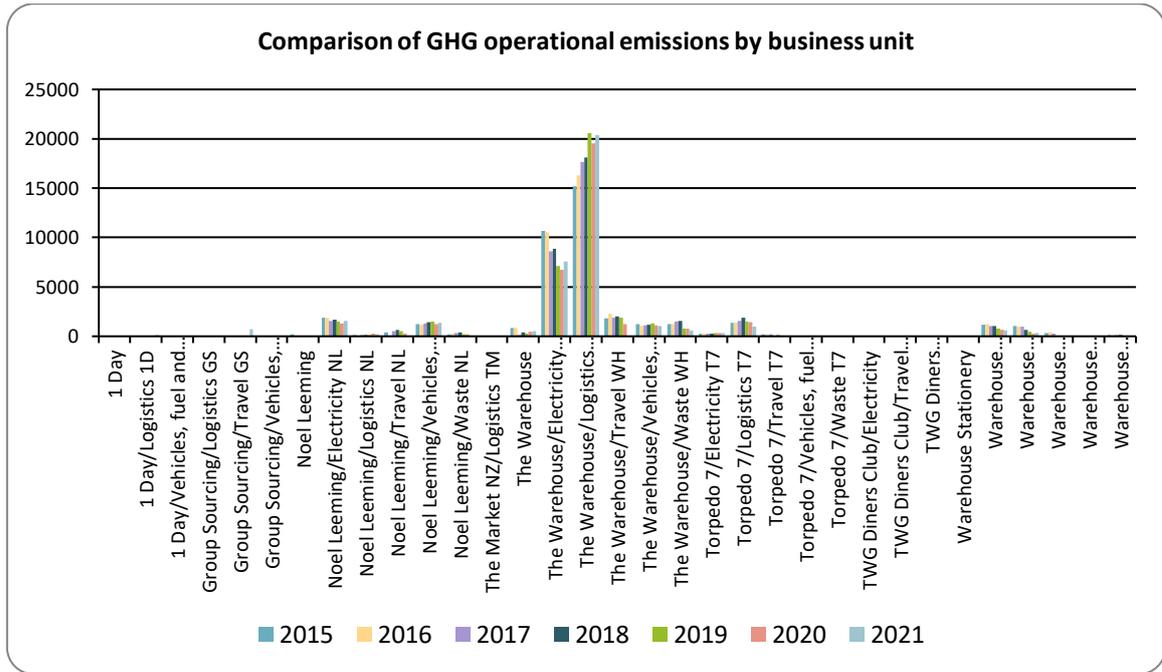


Figure 7: Comparison of emissions by business unit between the reporting periods.

11 LIABILITIES

11.1 GHG stocks held⁴

GHG stocks have been reported in this inventory and added into the GHG Stock Liability questionnaire. HFCs, PFCs and SF₆ represent GHGs with high global warming potentials. Their accidental release could result in a large increase in emissions for that year, and therefore the stock holdings are reported under the Programme (Table 13).

GHG stocks have been reported in this inventory and added into the GHG Stock Liability questionnaire.

Stationary diesel combustion (holding = 25,110 litres) comes to about 140 tonnes of CO₂ which may be considered be de minimis and is therefore excluded from the inventory.

Table 13: HFCs, PFCs and SF₆ GHG emissions and liabilities.

Business Unit	Source	Units	Amount held - start of reporting period	Amount held - end of reporting period	Potential Liability tCO ₂ e
The Warehouse Group	Diesel commercial	litres	(no data)	25110	66.88601
The Warehouse Group	HFC-22 (R-22, Genetron 22 or Freon 22)	kilograms	3,841.80	3,841.80	6,953.66

⁴ HFC stock liabilities for systems under 3 kg can be excluded.

Business Unit	Source	Units	Amount held - start of reporting period	Amount held - end of reporting period	Potential Liability tCO ₂ e
The Warehouse Group	HFC-32	kilograms	23.70	23.70	16.00
The Warehouse Group	LPG stationary commercial	litres	3,040.00	3,040.00	4.94
The Warehouse Group	R-407C	kilograms	12.00	12.00	21.29
The Warehouse Group	R-410A	kilograms	1,060.10	1,060.10	2,212.96
The Warehouse Group	R-438A	kilograms	258.20	258.20	584.71

11.2 Land-use change

Organisations that own land subject to land-use change may achieve sequestration of carbon dioxide through a change in the carbon stock on that land. Where a sequestration is claimed, then this also represents a liability in future years should fire, flood or other management activities release the stored carbon.

Land-use change has not been included in this inventory.

Land-use change is not relevant to The Warehouse Group.

12 PURCHASED REDUCTIONS

Purchased reductions could include certified “green” electricity, verified offsets or other carbon-neutral-certified services. Organisations may choose to voluntarily purchase carbon credits (or offsets) or green electricity that meets the eligibility criteria set by a regulatory authority. The reported gross emissions may not be reduced through the purchase of offsets or green tariff electricity.

Purchased emission reductions have not been included in this inventory. No emission reductions have been purchased.

Certified green electricity has not been included in this inventory. No certified green electricity has been purchased.

We do not currently generate on-site renewable electricity. This will likely change in FY21 as our rooftop solar programme commences and we target 2MWp of generation.

13 DOUBLE COUNTING / DOUBLE OFFSETTING

Double counting/offsetting refers to situations where:

- Parts of the organisation have been prior offset.
- The same emissions sources have been reported (and offset) in both organisation and product.
- Emissions have been included and potentially offset in the GHG emissions inventories of two different organisations, e.g. a company and one of its suppliers/contractors. This is particularly relevant to indirect (Scope 2 and 3) emissions sources.
- The organisation generates renewable electricity, uses or exports the electricity and claims the carbon benefits.
- Emissions reductions are counted as removals in an organisation's GHG emissions inventory and are counted or used as offsets/carbon credits by another organisation.

Double counting / double offsetting has been included in this inventory. We use Urgent Courier for some of our freights, and they are a Carbonzero certified service. These emissions can be deducted from our offset requirements.

14 REFERENCES

International Organization for Standardization, 2006. ISO14064-1:2006. Greenhouse gases – Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas GHG emissions and removals. ISO: Geneva, Switzerland.

World Resources Institute and World Business Council for Sustainable Development, 2004 (revised). The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. WBCSD: Geneva, Switzerland.

15 APPENDIX 1: GHG EMISSIONS DATA SUMMARY

More GHG emissions data is available on the accompanying spreadsheet to this report:

(no documents provided)