

Summary of carboNZero certification: Brands International Limited



Brands International Limited (including Apparel & Merchandising Solutions) meets the requirements of the carboNZero^{CertTM} certification having measured and reduced its greenhouse gas emissions in compliance with ISO 14064-1 and committed to managing and reducing its emissions and neutralising its emissions with respect to the operational activities of its organisation



APPAREL & MERCHANDISING
SOLUTIONS

Introduction¹ – BIL is a small - medium size business with four distinct interlocking components in its business. These are:

- Apparel brand design, marketing and distribution
- Corporate Apparel and Merchandising Solutions (AMS)
- Online marketing
- Specialty Retail

Apparel & Merchandising Solutions (AMS) has evolved from a business unit of BIL to become a company with its own identity and specific focus.

Environmental sustainability is a priority to BIL and the company has implemented a programme of strategies and activities aligned with BIL's Environmental Sustainability Policy. These include:

- Locating premises centrally enabling us to walk to many of our customers.
- Encouraging staff to utilise public transport routes and biking to work.
- Prioritising imported goods on sea freight rather than airfreight.
- Recycling all our delivery cartons from inwards goods, requiring only one purchase of cartons in the past eleven years (and they are used ones at that). This saves the environment and operating costs.
- Old and broken cartons along with any plastics and glass are recycled weekly.
- Air conditioning is switched off and doors left open for ventilation.
- Lights are turned off at night and our warehouse operates with the lights off in the summer.
- A4 paper is recycled for printing emails that require printing. Each team member collects these at their desk. We print documents double-sided.
- We operate dual flush toilet systems.
- We discuss Environmental sustainability initiatives at quarterly staff meetings.

BIL reviews our sustainable practice policy internally by:

- Reviewing ways to reduce carbon footprint by regularly checking on the internet for what other businesses are doing and adopting their ideas into our practices.

¹ **Disclaimer:** This Disclosure Statement is a summary of the verified information considered for certification and the certification decision. It should not be taken to represent the full submission for certification. While every effort has been made to ensure that the information in this Disclosure Statement is accurate and complete, Landcare Research does not, to the maximum extent permitted by law, give any warranty or guarantee relating to the accuracy or reliability of the information.

Summary of carboNZero certification: Brands International Limited



- Making Aroha clothing range in New Zealand from merino and bamboo/cotton fabrics (both eco-friendly). The graphics are of unique authentic Maori motifs. We have Trade and Enterprise grants to market Aroha overseas.
- All screen printing and embroidery will be done in New Zealand.

Boundary – the diagram below shows the organisational structure used for describing BIL’s greenhouse gas (GHG) emissions inventory. All business units were included in the carboNZero certification. No business units were excluded from the certification. Figures 1(a) and 1(b) show the organisational structure of BIL over the 12 months of the baseline reporting period.

Brands International Limited 2008-09

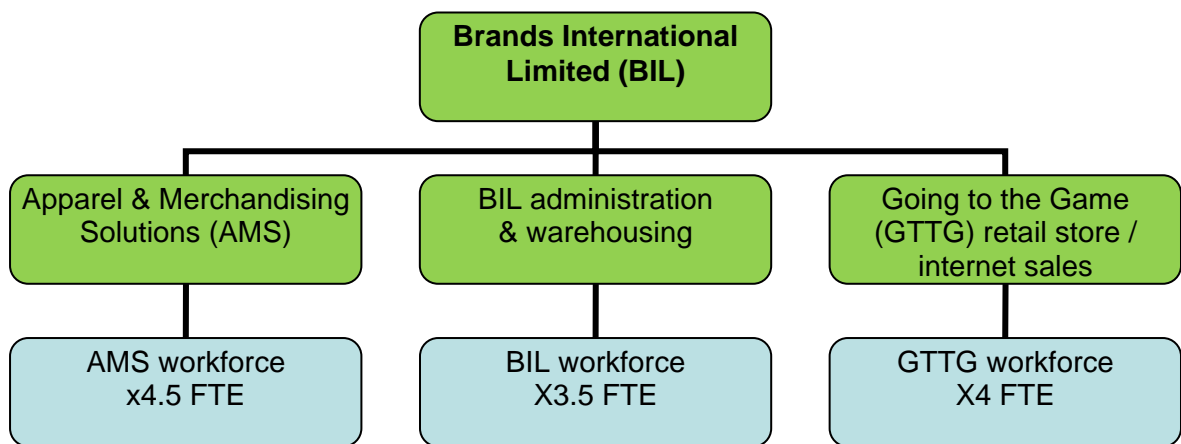
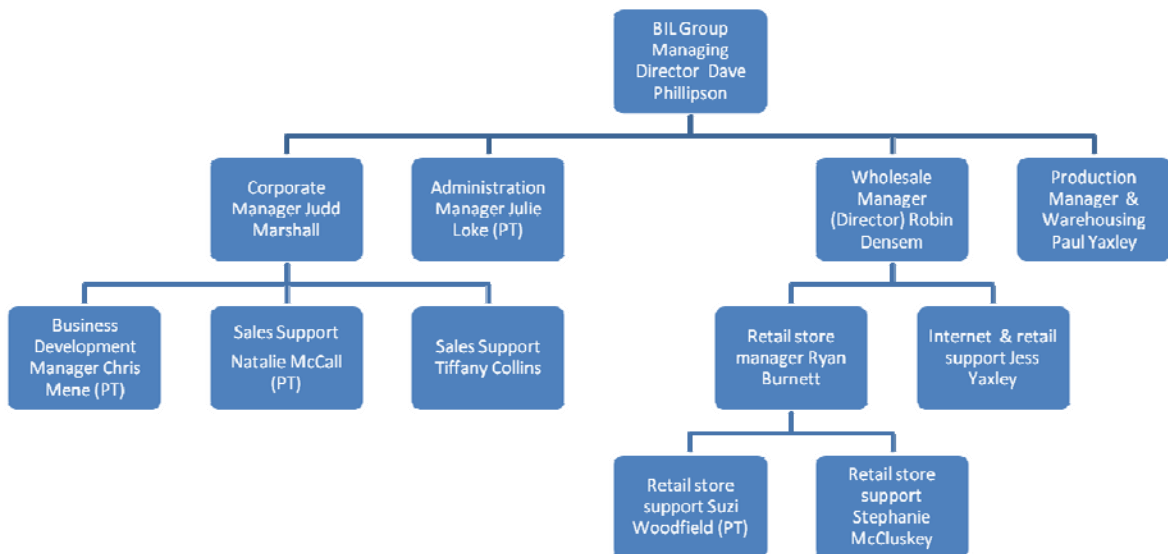


Figure 1(a) - BIL organisational structure

Note: For the purpose of the below organisation charts the Administration Manager (shared role) is split 0.5 FTE to BIL and 0.5 FTE to AMS.

Figure 1(b): BIL organisational structure (detailed)



Summary of carboNZero certification: Brands International Limited



Consolidation approach – operational control

Base year – 01/04/2008 to 31/03/2009

Measurement period – 01/04/2008 to 31/03/2009

GHG emissions source inclusions – the diagram below shows the operational GHG emissions for BIL by emissions source. BIL's total emissions for this period were 53.92 tonnes carbon dioxide equivalents (CO₂e) comprising 29.16 tonnes CO₂e Scope 1, 12.11 tonnes CO₂e Scope 2 and 12.65 tonnes CO₂e Scope 3 emissions.

As seen in Figure 2, Scope 1 emissions made up the majority of emissions by Scope.

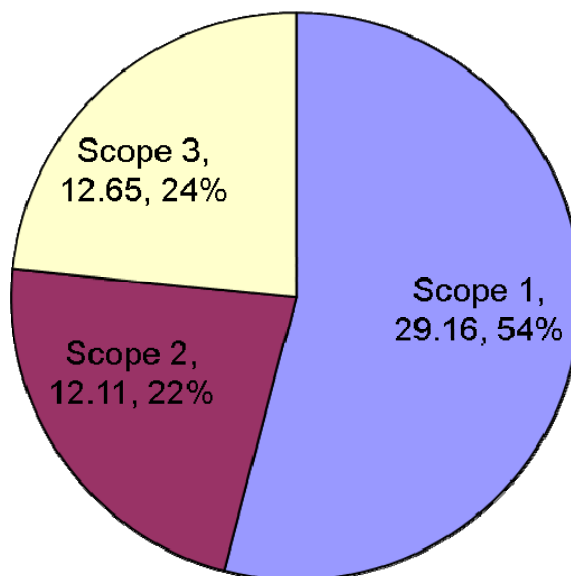


Figure 2: GHG emissions (tonnes CO₂e) by scope.

Figure 3 shows petrol was the highest emissions source followed by electricity.

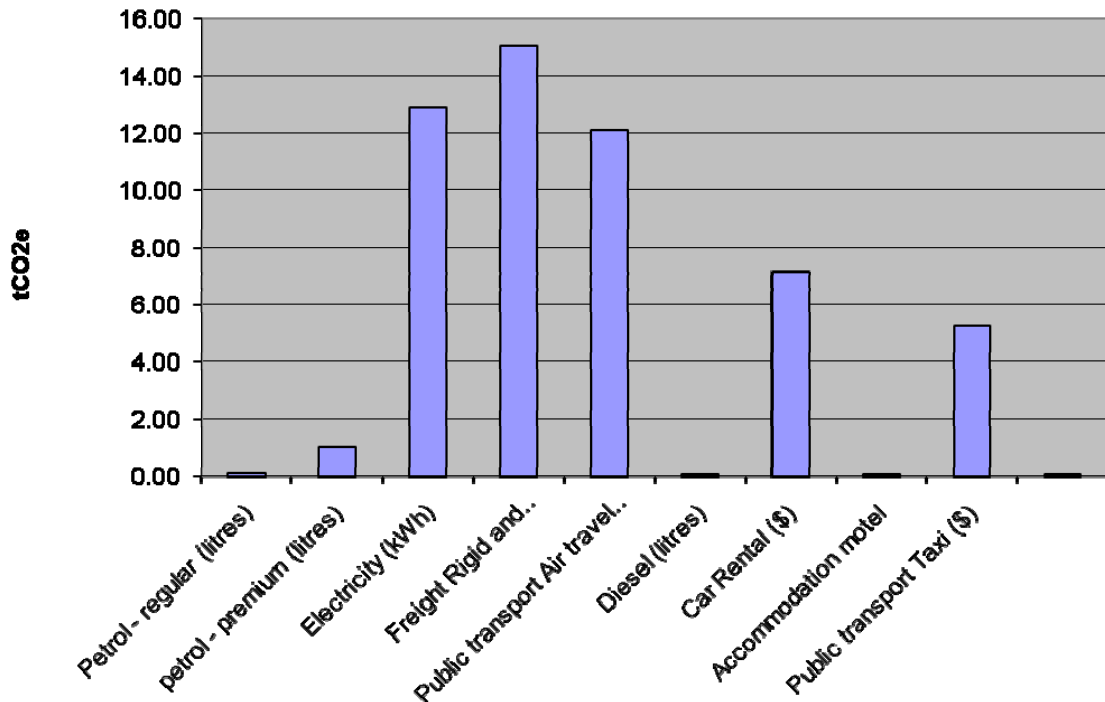


Figure 3 - Top 10 GHG emissions sources

GHG emissions source exclusions – One exclusion has been identified from the GHG emissions inventory. This is the shipping of imported product from the Peoples Republic of China. No refrigeration or air-conditioning is used in AMS operations and therefore no emissions from hydrofluorocarbons are included in the inventory.

BIL has no operations that use perfluorocarbons or sulphur hexafluoride, therefore no holdings of these are reported and no emissions from these sources are included in this inventory.

GHG emissions reduction commitments – BIL has developed a GHG emissions reduction plan. Some projects in this plan include:

1. Fuel emissions: audit of vehicle usage and initiative to reduce usage
2. Freight emissions: prioritise and organise shipping vs air freight
3. Energy savings: audit of heating sources and usage,
4. Energy savings: via improved building insulation
5. Energy savings: via lighting devices in buildings
6. Air travel: via review and prioritisation of domestic air travel

Summary of carboNZero certification: Brands International Limited



Offset – 42 tonnes CO₂e. VERs² from Gold Standard Meridian Energy windpower projects. Serial numbers 406338-406379 have been cancelled (or equivalent) on the carboNZero registry.

Carbon credits were not required to offset emissions from purchased electricity because all electricity is purchased from Meridian Energy (12.11 tonnes CO₂e).

Verified by – Verification NZ

Threshold of materiality – excluded emissions do not exceed 5% of the total footprint for organisation and product boundary stated.

Level of assurance – reasonable assurance

Certification status – carboNZero certified “organisation”

Certificate number – 2010032J

Valid until – 30 June 2010

Brands International Ltd and Apparel & Merchandising Solutions
85 Peterborough Street, 03 365 4585, robin@apparelms.co.nz www.apparelms.co.nz

² VERs are created by eligible projects for emissions reductions achieved up to the end of 2007.