

Summary of CEMARS certification:



Palliser Estate Wines of Martinborough Limited

Palliser Estate Wines of Martinborough Limited meets the requirements of CEMARS® certification, having measured its greenhouse gas emissions in compliance with ISO 14064-1 and committed to reducing its emissions in respect of the operational activities of its organisation including vineyards, the winery, contract bottling and non-free-on-board freight to destination on the shipping note.



Introduction¹ – Palliser Estate Wines of Martinborough Limited (Palliser Estate Wines) is a wine estate located in the Martinborough District of the Wairarapa, New Zealand.

Palliser Estate Wines' main varieties of Pinot Noir, Chardonnay, Riesling, Sauvignon Blanc and Pinot Gris are grown on six vineyards – Winery, Palliser, Pencarrow, Om Santi, Pinnacles and Clouston. Covering about 85 hectares in total, the vineyards are all on the renowned Martinborough Terrace, but have distinct differences in soil type and climate, which helps to add complexity to their wines.

Palliser Estate Wines has an environmental policy that states it is committed to producing wines of the highest quality through environmentally sustainable practices. Palliser Estate Wines is also certified to the international environmental standard ISO 14001, is a member of the Sustainable Winegrowing scheme that promotes (and audits for) economically and environmentally sustainable vineyard management.

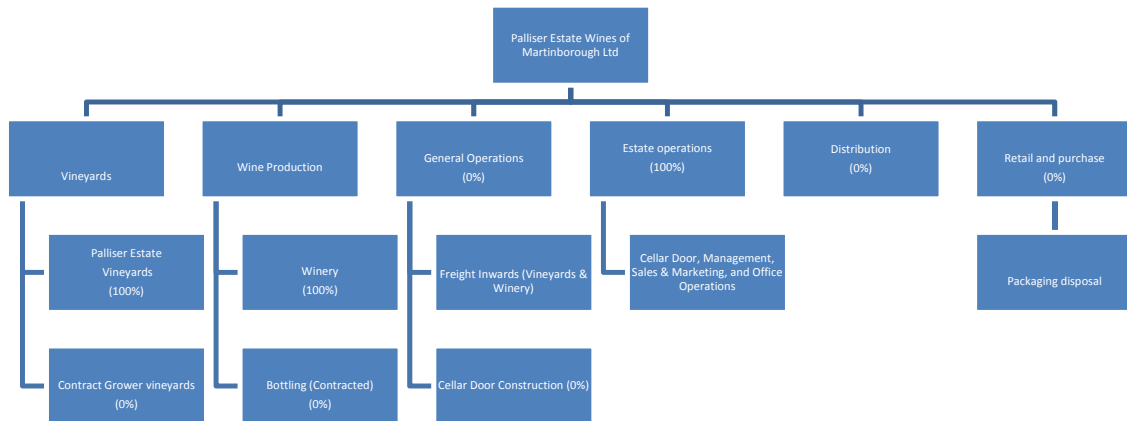
Each financial year, Palliser Estate Wines produce a triple bottom-line report, which covers their financial, social and environmental performance.

Boundary – the diagram below shows the organisational structure used for describing Palliser Estate Wines' greenhouse gas (GHG) emissions inventory, and what business units were included in the CEMARS certification.

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.

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Consolidation approach – Operational control

Base year – 01/07/2006 to 30/06/2007

Measurement period – 01/07/2008 to 30/06/2009

GHG emissions source inclusions – the Palliser Estate Wines inventory reports diesel, petrol, LPG and fertiliser use as Scope 1 emissions, electricity as Scope 2 emissions, freight (international air, international shipping, and road), international and domestic air travel, accommodation, public transport (bus, train), reimbursed vehicle travel, contractor vehicle travel, contract growers, contract bottling, and embodied glass bottle and aluminium caps emissions as Scope 3 emissions.

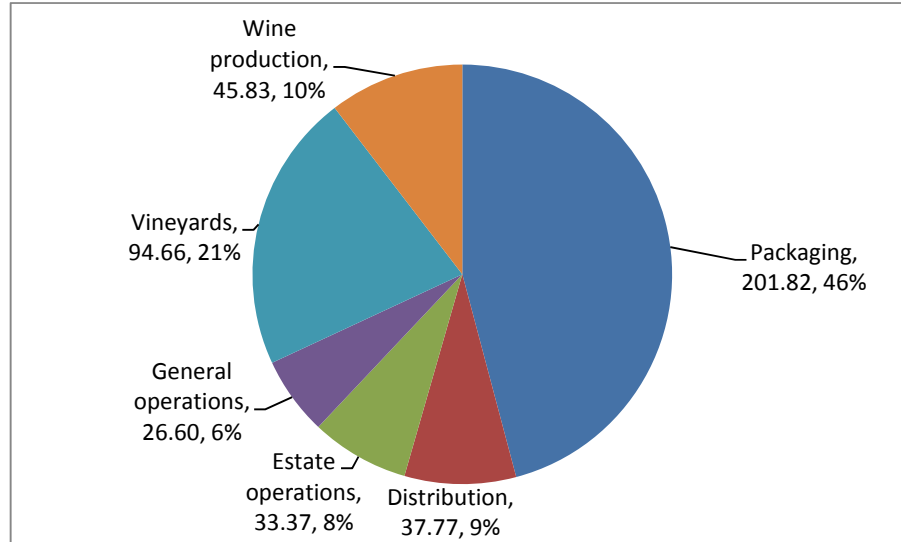
GHG emissions profile – the diagram below shows the operational GHG emissions for Palliser Estate Wines by business activity. Palliser Estate's total emissions were 502 tonnes of CO₂e for the 12 month period 01/07/2008 to 30/06/2009; of these, 238 tonnes of CO₂e were operational emissions, 202 tonnes of CO₂e were from materials used in packaging and 61 tonnes of CO₂e were one-time emissions associated with construction of the underground cellar and function centre. Packaging had not been

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included in previous year's inventories. This comprised 108.19 tonnes CO₂e Scope 1, 39.02 tonnes CO₂e Scope 2 and 292.85 tonnes CO₂e Scope 3 emissions.



GHG emissions source exclusions – the following emissions sources were excluded:

- GHG emissions associated with the disposal of waste from the winery and the wine estate have been excluded for this period due to insufficient data availability

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

- Reduce electricity consumption (per litre of wine produced) by 5%, to be achieved through various actions.
- Reduce diesel use per hectare in vineyard operations by 5%, to be achieved through various actions, including consideration of the efficiency of machinery movements.
- Reduce road freight emissions for inwards goods per case of wine by 2%, by considering the purchase of lighter weight bottles.
- Reduce road freight emissions for distributed goods per case of wine by 2%, by ensuring that the closest port is used where possible.

GHG emissions reduction report against base year – Total operational GHG emissions for Palliser Estate Wines were 238 tonnes of CO₂e for the period 01/07/2008 to 30/6/2009, whilst there were 277.92 tonnes of CO₂e for the period 01/07/2007 to 30/6/2008 (base year) and 264.37 tonnes of CO₂e for the period 01/07/2006 to 30/6/2007. This is a decrease of 26.13 tonnes CO₂e from the base year.

Scope 1 emissions have increased since the base year, largely due to the inclusion of CO₂ winery gases in this inventory. Scope 2 emissions have also increased. However,

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there was a significant reduction in Scope 3 emissions this year. Most of the emissions reductions occurred in general operations and on the vineyards. The winery emissions have increased since the base year. Emissions from diesel and road freight have decreased but electricity related emissions have increased during this time.

Verified by – carboNZero Strategic Business Unit

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

Level of assurance – Limited

Certification status – CEMARS certified “organisation”

Certificate number – 2010074J

Valid until – 30 September 2010