Australian Government

Carbon Neutral Program **Public Disclosure Summary**







An Australian Government Initiative

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NAME OF CERTIFIED ENTITY: PROTECT GROUP

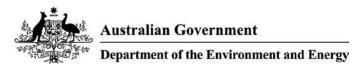
REPORTING PERIOD: FY2017-18

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

| Signature | Date 31 October 2018 | |
|----------------------------------|-------------------------|--|
| Name of Signatory Paulo Ramos | | |
| Position of Signatory IT Manager | | |

| Carbon neutral certification category | Organisation |
|---|---------------|
| Date of most recent external verification/audit | October 2016 |
| Auditor | RSM Australia |
| Auditor assurance statement link | |



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1. Carbon neutral information

1A. Introduction

Based in North Melbourne, Protect Group (Protect) is Australia's leading industry severance scheme, employing more than 20 staff who service over 35,000 workers and 1,200 participating employers. Protect represents diverse industries including electrical trades, maritime, construction, service maintenance, manufacturing, rail, power, supply and distribution, and oil and petrochemical.

Protect has been setting the pace for industry severance schemes offering its members superior benefits, including tax-free redundancy payments, income protection and counselling. Protect is the industry scheme preferred by an ever-growing number of workers and employers throughout the nation.

NCOS Organisation Certification

Protect is composed of the Protect Severance Scheme (PSS) and the Protect Services Trust (PST). Employer contributions to the scheme go into PSS while administration services to PSS are provided by PST.

Protect is claiming carbon neutrality under the 'Organisation' certification category with an operational control emission boundary. Under this boundary, most emissions fall under the PST site in North Melbourne, Victoria. As PSS holds the fund which is classified as 'Managed investments and client services', emissions from PSS are excluded in accordance with the GHG Protocol (see 1B).

Protect also has a sales employee based in Western Australia. Due to the nature of the role, Protect does not have any site in Western Australia and that employee works purely on the road or at client sites. The transport fuel for that employee has been captured in the carbon emissions inventory.

The Protect (ANZSIC Code: 7299) carbon emissions inventory has been prepared based on the NCOS standard and accounts for the six Kyoto Protocol greenhouse gases: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydro-fluorocarbons (HFCs), per-fluorocarbons (PFCs) and sulphur hexafluoride (SF6). There were no Scope 1 PFC and SF 6 sources identified within the reporting boundary.

1B. Emission sources within certification boundary

Quantified sources

The following emission sources have been included:

- Transport Petrol [Scopes 1 & 3]
- Transport Diesel [Scopes 1 & 3]
- Transport Ethanol [Scope 1]
- Purchased electricity [Scopes 1 & 3]
- Staff commuting [Scope 3]
- Flights [Scope 3]
- Postage and Courier [Scope 3]
- Accommodation [Scope 3]
- Office Consumables [Scope 3]
- Catering [Scope 3]
- IT Equipment [Scope 3]
- Waste Municipal solid waste [Scope 3]
- Taxis [Scope 3]
- Office Water use [Scope 3]
- Base Building Electricity [Scope 3]
- Paper Office Use [Scope 3]
- Waste Paper Recycling [Scope 3]

Non-quantified sources

The following emission sources have not been quantified in line with the provisions in the NCOS:

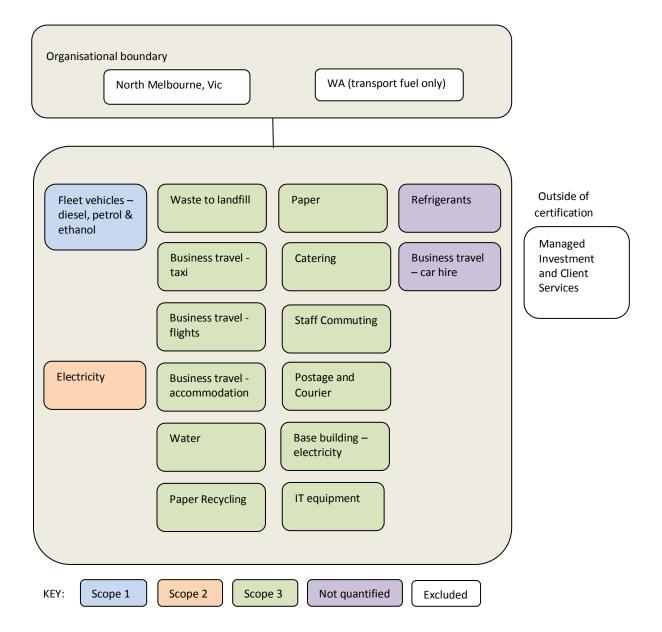
- Refrigerants [Scope 1]
 - While onsite domestic general-use refrigerators could be a potential source of Scope 1 HFCs, the impact on the inventory is estimated to be not material and therefore HFCs were not quantified.
 There is also an air conditioner that cannot be accessed and Protect is working to rectify this issue.
- Car Hire [Scope 3]
 - In general, where transport was required, staff were given cab charges and therefore these emissions are already captured under the Scope 3 - Taxis. Protect did not use any rental vehicles during previous NCOS reporting periods.
 - There was car hire for the first time during FY2017-18, but was expected to be an exception that does not materially affect the overall total emissions.

Excluded sources

The following emission sources have been excluded in line with the provisions of the National Carbon Offset Standard for Organisations.

- Managed investments and client services [Scope 3]
 - In accordance with the guidance from GHG Protocol's Corporate Value Chain (Scope 3)
 Accounting and Reporting Standard (see table 5.10), 'Managed investments and client services' were excluded from Protect's inventory. In addition, as Protect investments are managed by an independent fund manager, the investment data is not directly accessible to Protect.

1C. Diagram of the certification boundary



2. Emissions reduction measures

2A. Emissions over time

| Table 1. Emissions since base year | | | | | |
|------------------------------------|-----------|---------|----------------------|--|--|
| | Base Year | Year 1 | Current year: Year 2 | | |
| | 2015-16 | 2016-17 | 2017-18 | | |
| Scope 1 (t CO2-e) | 45.7 | 50.3 | 48.9 | | |
| Scope 2 (t CO2-e) | 89.8 | 77.2 | 31.7 | | |
| Scope 3 (t CO2-e) | 70.2 | 88.8 | 100.9 | | |
| Total | 205.7 | 216.3 | 188.8 | | |

A comparison and review of the Postage & Courier emissions data over two years has revealed that two large invoices were missed in the previous year and this resulted overall Protect emissions in the previous report (2016-17) being under-reported by 7.3 t CO2-e or 3.3%. This previous year omission has been corrected in the this current year (2017-18) emission inventory and report.

2B. Emissions reduction strategy

Protect is targeting up to a 30% reduction of its emission over three years through a combination of approaches such as:

- Lighting upgrades: up to 10% of energy consumption
- Solar electricity generation: around 5% of energy consumption
- Fleet changes: around 5% of fuel consumption
- Supply chain management: up to 40% of emissions
- Ongoing measuring and reporting on carbon footprint
- Educating and engaging staff
- Improving operational efficiencies

Protect will review this target each year and adjust as needed to reflect the lessons learnt from that year. At the end of the three year period, Protect will establish new targets for future periods.

2C. Emissions reduction actions

Protect commenced the purchasing of NCOS certified electricity and Green Power from November 2017. This resulted in more than halving of Scope 2 this year and will result in nil scope 2 emissions in future years.

3. Emissions summary

| Table 2. Emissions Summary | | | |
|----------------------------|--|----------------------|--|
| Scope | Emission source | t CO ₂ -e | |
| 1 | Transport Petrol | 38.4 | |
| 1 | Transport Diesel | 10.5 | |
| 1 | Transport Ethanol | 0.0 | |
| 2 | Purchased electricity | 31.7 | |
| 2 | Purchased electricity | 0.0 | |
| 3 | Transport Petrol | 2.0 | |
| 3 | Transport Diesel | 0.5 | |
| 3 | Purchased electricity | 3.0 | |
| 3 | Purchased electricity | 0.0 | |
| 3 | Staff Commuting | 45.0 | |
| 3 | Flights | 14.9 | |
| 3 | Postage and Courier | 11.0 | |
| 3 | Office Consumables | 10.2 | |
| 3 | IT Equipment | 4.8 | |
| 3 | Catering | 4.2 | |
| 3 | Accommodation | 4.0 | |
| 3 | Taxis | 0.6 | |
| 3 | Waste - Municipal solid waste | 0.5 | |
| 3 | Office Water use | 0.2 | |
| 3 | Base Building Electricity | 0.0 | |
| 3 | Paper - Office Use | 0.0 | |
| 3 | Waste - Paper Recycling | 0.0 | |
| 3 | Recalculation of Postage and Courier 2016-17 | 7.3 | |
| Total G | oss Emissions | 188.8 | |
| GreenPower or retired LGCs | | 40.3 | |
| | et Emissions | 148.5 | |

4. Carbon offsets

4A. Offsets summary

| Table 3. Offsets Summary | | | | |
|--|---|---|---------|----------|
| Date of cancellation | Offset project, unit type and registry | Serial numbers | Vintage | Quantity |
| 12 Feb 2018 | WithOneSeed Timor Leste Community Forestry Program – Gold Standard LUF, Markit registry | GS1-1-TL-GS4210-22-2013-6148- 251 to 467 | 2013 | 217 |
| | | | | |
| | | | | |
| | | | | |
| Total offsets cancelled | | | 217 | |
| Net emissions after offsetting | | | 0 | |
| Total offsets banked for use future years: | | | 68 | |
| GS1-1-TL-GS4210-22-2013-6148-400 to 467 | | | | |

4B. Offsets purchasing and retirement strategy

During each reporting year, Protect will purchase and retire eligible offsets up-front based on its emissions from the previous year and any 'banked' offset units. At the end of each reporting year, the actual emission inventory for that year will be established and:

- If the actual emissions are larger than the quantity of offset units already retired for that year, a 'true-up' will be formed where additional offset units will be retired to ensure the full inventory has been offset.
- If the actual emissions are smaller than the quantity of offset units already retired for that year, the excess unites will be carried forward ('banked') for use in future years.

4C. Offset projects (Co-benefits)

Protect will offset by purchasing Gold Standard Voluntary Emission Reductions (VER) CarbonSocial credits. CarbonSocial credits come from the WithOneSeed program auspiced by the Australian not-for-profit company xpand Foundation.

WithOneSeed works with subsistence farming communities in Timor-Leste to generate income through a community forestry initiative. The reforestation of their land reduces soil erosion, improves soil and water quality, crop yields and nutrition, which improves the health and wellbeing of the community. It also helps to build the local economy, boost education and training and to deliver social and economic participation.

As of October 2016 the program has 450 farmers participating and 80,000 mahogany trees planted on their land in locations of the farmers' choosing. The trees are owned and maintained by the farmers. The farmers receive annual payments for the management of the trees.

The employment of 11 people by the Timor-Leste organisation Ho Musan Ida Foundation is funded by WithOneSeed. Ho Musan Ida grows and distributes WithOneSeed seedlings and supports farmers by facilitating agroforestry education and training. Baguia Farmers Cooperative has been established to represent the interests of participating farmers.

By October 2016, through local salaries, farmer payments, local activities and infrastructure development, WithOneSeed has contributed over US\$250,000 into the Baguia community.

Co-benefits of CarbonSocial credits include:

- Supports 10 of the 17 United Nations Sustainable Development Goals
- Improves social and economic outcomes for subsistence farmers in Timor-Leste
- Stabilises and improves the quality of soil
- · Improves retention of groundwater
- Improves crop yields and reduces hunger
- Regenerates severely degraded forests
- Currently employs local people in propagation, distribution and agroforestry training
- Generates farmer income through annual payments
- Increases farmer agroforestry skills
- Replenishes the planet

5. Use of trade mark

| Table 4. Trade mark register | | |
|---|----------------------------------|--|
| Where used | Logo type | |
| Protect's website (main page) | Carbon Neutral Organisation logo | |
| Protect's website (http://www.protect.net.au/CarbonNeutralInitiative) | Carbon Neutral logo | |
| Protect Newsletter for Members | Carbon Neutral logo | |