



PUBLIC DISCLOSURE STATEMENT

HESTA

**ORGANISATION
YEAR 2019-20**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY:

HESTA

REPORTING PERIOD:

1 July 2019– 30 June 2020

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature

Feb 26, 2021

Date

Name of Signatory: Ms Debby Blakey

Position of Signatory: CEO



Australian Government
Department of Industry, Science,
Energy and Resources

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1. CARBON NEUTRAL INFORMATION

Description of certification

The Climate Active certification covers all the Trustee's business operations. It does not include HESTA's investments. The Trustee utilises an operational control approach consistent the requirement under the National *Greenhouse and Energy Reporting Act 2007* as well as the Greenhouse Gas Protocol (GHG Protocol). An organisation is considered to have operational control over a facility if they have the authority to introduce and implement any of the following for the facility:

1. operating policies
2. health and safety policies, or
3. environmental policies.

The implementation of the above policies in leased premises is, to a certain extent, governed by the policies of the building owners/operators.

“At HESTA we believe today’s decisions and actions have a lasting effect, so we’re committed to reducing our environmental impact today for a better tomorrow.”

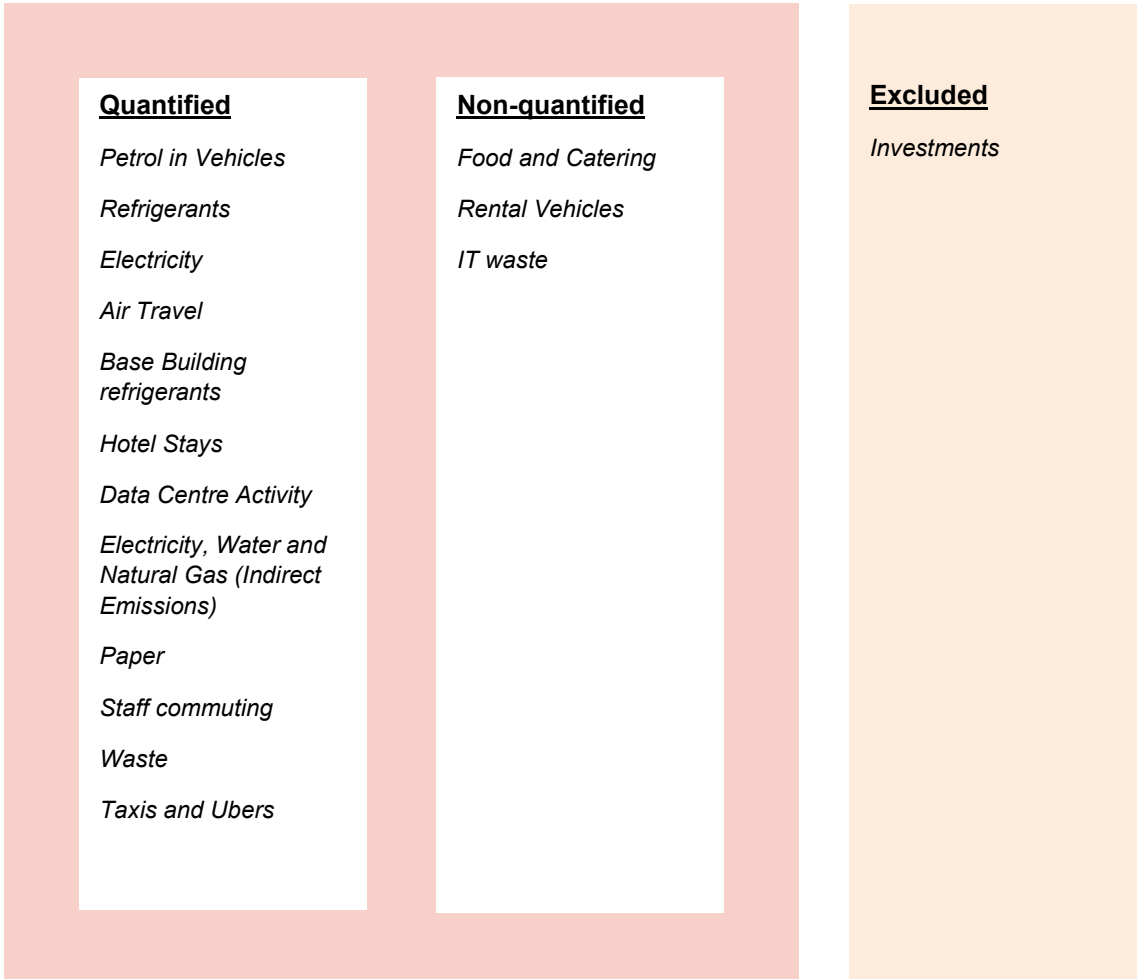
Organisation description

The Health Employees Superannuation Trust Australia ('HESTA' or 'Fund') is an industry superannuation fund. HESTA has more than 870,000 members and \$56 billion in assets¹. The Trustee of the Fund is H.E.S.T. Australia Limited ('Trustee'). The Trustee leases office space in each state and territory throughout Australia, with its national office in Melbourne. The majority of HESTA employees are located at the national office, including the investment and supporting administrative teams. Interstate offices predominately employ member and partnership engagement and advice teams.

¹ As at 9 December 2020.

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

HESTA has accounted for rental vehicles and food and catering by applying uplift factors and has put in place a data management plan to collect in the future (see below).

HESTA recycles approximately 90% of its IT waste. Due to the inert nature of IT waste it is considered to have negligible emissions.

Data Management Plan

Rental Vehicles - HESTA will work with the finance team next year to identify costs and potentially usage involved in relation to the hire of rental vehicles.

Food and Catering – in 2020/21, HESTA will work with the finance team to identify spend on food and catering and investigate what data can be provided by key suppliers.

Excluded sources (outside of certification boundary)

HESTA's boundary is governed by its operational control. The investment portfolio is not under this control hence is considered an excluded source.

“We understand our actions have a lasting effect, which is why over many years we’ve embedded carbon reduction initiatives across all our business operations.”

3. EMISSIONS SUMMARY

Emissions reduction strategy

The Trustee is always working to reduce its impact on the environment and is currently working to transition the business operation functions to be more sustainable, for example, by replacing its hybrid fleet with electric vehicles, implementing video conferencing and re-engineering its procurement processes.

In 2021, HESTA will begin implementing a Climate Immersion program for all employees and will be completing the fit-out for two new levels at the national office to a 5 star Green Star standard.

Emissions over time

Despite a 25% increase in staff HESTA achieved a 24% decrease in emissions through the ongoing implementation of our Office and Fit out Design Guidelines as well as the purchase of Carbon Neutral electricity and base building services. Some of the reductions can also be attributed to reduced use of offices and vehicles due to COVID-19.

Table 1

Emissions since base year			
	Base year: 2017-18	Year 1: 2018-19	Current year Year 2: 2019-20
<i>Total tCO₂e</i>	1,445.23	1,795.54	1,364.71

Emissions reduction actions

Electricity usage has decreased significantly due the purchase of Carbon Neutral power in Victoria and South Australia as well as decreased office use due to COVID-19

Base building electricity, natural gas and water was reduced through the procurement of Carbon Neutral base building services in Victoria.

COVID-19 also caused a significant reduction in vehicle usage and the resulting emissions.

HESTA continued to implementation our Office and Fit out Design Guidelines reducing the energy usage and wastage in our offices.

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Accommodation and facilities	87.62
Office equipment & supplies	176.55

Land and Sea transport (km)	132.24
Electricity	344.30
Stationary energy	5.71
Land and Sea transport (fuel)	76.07
Taxi and Uber	13.79
Refrigerants	3.03
Air transport (km)	503.73
Water	0.97
Landfill waste	7.31
Total Net Emissions	1351.33

Uplift factors

Table 2

Reason for uplift factor	tonnes CO ₂ -e
Uplift for non-quantified sources (food & catering, rental cars and IT waste), 0.9%	13.38
Total Footprint to offset (uplift factors + net emissions)	1364.71

Carbon neutral products

Carbon neutral paper (Fuji)

Carbon neutral electricity (Powershop)

Carbon neutral services from ISPT for base building electricity, natural gas, water and diesel

Electricity summary

Electricity was calculated using a location-based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification. Given a decision is still pending on the accounting way forward, a summary of emissions using both measures has been provided for full disclosure and to ensure year on year comparisons can be made.

Market-based approach electricity summary

Electricity inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	104,631	0.00
Electricity Carbon Neutral Power	147,618	-159.59
Electricity Remaining	432,985	468.10
Renewable electricity percentage	19%	-
<i>Net emissions (Market based approach)</i>	-	628

Location-based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
ACT/NSW	Electricity Renewables	-	-0.90	0.00
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.00
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	205,632	0.90	185.07
SA	Electricity Renewables	-	-0.53	0.00
SA	Electricity Carbon Neutral Power	1,521	-0.53	-0.81
SA	Netted off (exported on-site generation)	-	-0.44	0.00
SA	Electricity Total	34,907	0.53	18.50
Vic	Electricity Renewables	4,635	-1.12	-5.19
Vic	Electricity Carbon Neutral Power	146,097	-1.12	-163.63
Vic	Netted off (exported on-site generation)	-	-1.02	0.00
Vic	Electricity Total	241,140	1.12	270.08
Qld	Electricity Renewables	-	-0.93	0.00
Qld	Electricity Carbon Neutral Power	-	-0.93	0.00
Qld	Netted off (exported on-site generation)	-	-0.81	0.00
Qld	Electricity Total	23,306	0.93	21.67
NT	Electricity Renewables	-	-0.71	0.00
NT	Electricity Carbon Neutral Power	-	-0.71	0.00
NT	Netted off (exported on-site generation)	-	-0.63	0.00
NT	Electricity Total	972	0.71	0.69
WA	Electricity Renewables	-	-0.74	0.00
WA	Electricity Carbon Neutral Power	-	-0.74	0.00
WA	Netted off (exported on-site generation)	-	-0.69	0.00
WA	Electricity Total	21,987	0.74	16.27
Tas	Electricity Renewables	-	-0.17	0.00
Tas	Electricity Carbon Neutral Power	-	-0.17	0.00

Tas	Netted off (exported on-site generation)	-	-0.15	0.00
Tas	Electricity Total	9,672	0.17	1.64
<i>Total net electricity emissions</i>		-	0.00	344.30

5. CARBON OFFSETS

Offset purchasing strategy: in arrears

HESTA has partnered with QANTAS under the QANTAS Future Planet program to procure offsets. This is a three-year agreement, commencing in 2019. HESTA will review its strategy within the next two years.

Co-benefits

Arnhem Land in the Northern Territory is prone to extreme wildfires that affect the landscape, people, plants and animals. These projects are owned and managed by indigenous rangers with custodial responsibility for wilderness areas under active bushfire management.

Local rangers conduct controlled burns early in the dry season to reduce fuel on the ground and establish a mosaic of natural firebreaks, preventing bigger, hotter and uncontrolled wildfires later in the season.

These projects support indigenous communities in returning to, remaining on and managing their country. Preventing wildfires also reduces the risk of wildlife loss, protects ancient rock art sites, supports the preservation of native languages and the wellbeing of traditional custodians.



Photo 1. Permission to use provided by QANTAS Future Planet program.

Offsets summary

1. Total offsets required for this report				1,364.71					
2. Offsets retired in previous reports and used in this report				0					
3. Net offsets required for this report				1,364.71					
Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used for previous report	Quantity to be banked for future years	Quantity to be used this report
Central Arnhem Land Fire Abatement (CALFA) Project	ACCUs	Tasman Environmental Market Pty Ltd	19/11/20	3,785,076,654 – 3,785,078,226	2018-19	1,573.00	0	208.29	1364.71
<i>Total offsets retired this report and used in this report</i>							1,364.71		
<i>Total offsets retired this report and banked for future reports</i>							208.29		

6. TRADE MARK USE

Description where trademark used	Logo type
N/A	

7. ADDITIONAL INFORMATION

APPENDIX 1

Excluded emissions

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

	Relevance Test				
Excluded Emission	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.</i>
Investments	Yes	No	No	No	No

APPENDIX 2

Non-quantified emissions for organisations

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Rental Vehicles	No	No	Yes	No
Food and Catering	No	No	Yes	No
IT waste	Yes	No	No	No






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Final Audit Report

2021-02-26

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