



PUBLIC DISCLOSURE STATEMENT

STEEL BLUE AUSTRALIA

**ORGANISATION
FINANCIAL YEAR 2021**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY: Steel Blue Australia

REPORTING PERIOD: Financial Year 1 July 2020 – 30 June 2021

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

Date

6th October 2021

Name of Signatory

Garry Johnson

Position of Signatory

CEO



Australian Government
Department of Industry, Science,
Energy and Resources

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Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

The Climate Active Carbon Neutral certification covers the Australian business operations of Footwear Industries Pty Ltd (Steel Blue), ABN 15 068 608 917. The operational boundary of the carbon account has been defined based on the operational control approach.

This Public Disclosure Statement represents the reporting period 1 July 2020 to 30 June 2021 (FY2021).

The carbon account has been prepared in accordance with the Climate Active Carbon Neutral Standard for Organisations. This entails using recognised emission factors and methods for carbon accounting published in Australia, such as the National Greenhouse Accounts (NGA) Factors, and the work of the international corporate accounting and reporting standard The Greenhouse Gas Protocol.

The greenhouse gasses included in the carbon account are the seven gasses reported under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These gasses are expressed in carbon dioxide equivalents (CO₂-e), providing the ability to present greenhouse gas emissions as one unit.

Organisation description

Steel Blue is a 100% Australian-owned premium safety footwear manufacturer that continually innovates to provide comfortable, safe and durable work boots.

Established in 1995, Steel Blue is Australia's leading supplier of safety boots and the only one to receive the Australian Physiotherapy Association endorsement. Steel Blue began exporting in 1996 and now services New Zealand, Europe, USA, Papua New Guinea, South-East Asia, West Africa, The Middle East, Trinidad and Tobago.

Steel Blue owns its main premises in Malaga (Western Australia) from where the majority of Steel Blue staff work.

At Steel Blue, we recognise the interconnected nature of global issues and our operations across the world.

Businesses globally have an important role in leading change to protect our environment for future generations.

2. EMISSION BOUNDARY

Diagram of the certification boundary



<u>Quantified</u>	<u>Non-quantified</u>
<ul style="list-style-type: none"> Gas Fuel Stationary energy Electricity (incl WFH) Resources sent to landfill and recycling Water Air travel Postage, courier & freight Land & sea transport Staff commuting to & from work Accommodation Telecommunication Cleaning services Food ICT services & equipment Machinery & vehicles Office equipment & supplies Marketing & distribution Insurance Signage Accounting & bookkeeping services Building & facility maintenance & repair services Education & training Business services Legal services Rates & taxes Entertainment Subscriptions & periodicals Photographic services Banking & investment Security & personal safety Parking & tolls 	<p>All activities have been quantified</p>

<u>Excluded</u>
<ul style="list-style-type: none"> Third party overseas manufacturing International offices Global freight (outside Australia) Third party owned warehouse

Non-quantified sources

- N/A

Excluded sources (outside of certification boundary)

The following emission source have been excluded from our organisation certification:

- Emissions associated with Steel Blue's third party overseas manufacturing are excluded in line with the provisions and application of the relevance test under the Climate Active Carbon Neutral Standard for Organisations.
- Emissions associated with Steel Blue's international offices are excluded in line the Climate Active Carbon Neutral Standard for Organisations.
- Emissions related to sea freight into Sydney and Fremantle ports are excluded. These emissions are attributed to the departure region and are outside of Steel Blue's operational control. Demand planning activities, including inventory levels, are optimised to place minimal reliance on airfreight from our overseas manufacturing sites.
- Emissions relating to storage in Sydney Startrack warehouse are excluded. These emissions are outside of Steel Blue's operational control.

Our climate change strategy focuses on reducing our operational greenhouse gas (GHG) emission, investing in low emissions technologies, supporting activities to rehabilitate degraded ecosystems, promoting product stewardship and managing climate-related risk and opportunity.

3. EMISSIONS SUMMARY

Emissions reduction strategy

Steel Blue is unequivocally committed to achieve and sustain its goal of net zero emissions from operations. Our approach to corporate social responsibility is systematically entrenched within the organisation, beginning with Steel Blue's FORWARD values, which includes the following guiding statement on environmental responsibility:

Responsible – “We care for our communities, people and environment”.

Drawing from our 'Responsible' value, in 2019 we completed our 'In our stride' corporate social responsibility roadmap, outlining a series of key strategic goals and targets including a prescribed climate related goal to 'Be carbon neutral as an organisation by 2025'.

Our documented process and systems configuration for emissions measurement provides management and other key stakeholders with transparent, meaningful, reliable, measurable, and consistent data that enables wide ranging analysis, discussion and informed decision making on emissions control and reductions matters.

The following table summarises achievements and progress on our key emissions reduction goals.

Emissions source	Key goal	What we have done already	What we're doing	What we'd like to do
Freight	*Reduce per pair freight emissions factor 20% by June 2025	Increased minimum order quantities to 4 pairs to optimise packaging Implemented digital returns process whereby returned product no longer needs to be freighted back to main premises	Reviewing warehouse locations to optimise transit distance	>50% of outbound freight electric powered by 2030
Motor vehicle	*Reduce per vehicle emissions factor by 20% by June 2025	Updated company fleet policy to mandate hybrid or electric powered vehicles	Transitioning fleet from diesel to hybrid or full electric	All company owned vehicles to be hybrid or full electric by 2030
Energy	Main premises to be powered by renewable energy before June 2021	Installed 99kw solar system to Perth premises Converted all Perth premises lights to LED lighting Installed light timer switches to automatically turn off when area is inactive		
LPG	All forklifts to be electric powered by 2025	Replaced 1 gas powered forklift with electric powered version	Transitioning remaining forklifts from LPG to full electric	
Air travels	*Use like-minded carbon neutral flight partners for Australian travel requirements	Utilised video conferencing in lieu of flight transportation when face to face activities are non-essential		

		Implemented a travel policy that contains prescribed guidelines on business class travel		
Paper consumption	*Reduce printer click rate by 50% by June 2025	Converted finance and customer service functions to paperless	Converting remaining administration functions to paperless	
Waste	Reduce, reuse, recycle where possible	Reduced 4.5 cubic metre bin frequency from cyclical to 'as required' Conducted third party waste audit and assigned report recommendations for implementation	Implementing recommendations from third party waste audit	

*Base year measured from 1st year of Climate Active certification

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Postage, courier and freight	567.695
Professional services	411.731
Products (does not relate to Steel Blue footwear)	155.616
Waste	116.464
Land and sea transport (fuel)	100.640
ICT services and equipment	83.804
Electricity	79.431
Land and sea transport (km)	64.904
Construction materials and services	62.007
Air Transport (km)	43.770
Food	42.820
Office equipment and supplies	28.273
Accommodation and facilities	10.207
Machinery and vehicles	7.400
Working from home	6.326
Cleaning and chemicals	2.284
Water	1.755
Stationary energy	0.679
Carbon neutral products and services	0.000
<i>Total Net Emissions</i>	1,785.807

Uplift factors

Table 3

Reason for uplift factor	tonnes CO ₂ -e
N/A	
<i>Total footprint to offset (uplift factors + net emissions)</i>	1,785.807

Carbon neutral products

Our purchase of Climate Active carbon neutral products during FY2021 include:

- 401 reams of Climate Active certified carbon neutral office paper (Bibbulmun premium)

Electricity summary

Electricity was calculated using a location approach.

Market-based approach summary

Market-based approach	Activity Data (kWh)	Emissions (kgCO2e)	Renewable %
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables	0	0	0%
Residual Electricity	91,998	98,722	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	21,475	0	19%
Total grid electricity	113,473	98,722	19%
Total Electricity Consumed (grid + non grid)	113,473	98,722	19%
Electricity renewables	21,475	0	
Residual Electricity	91,998	98,722	
Exported on-site generated electricity	0	0	
Emission Footprint (kgCO2e)		98,722	

Emission Footprint (TCO2e)	99
LRET renewables	18.93%
Voluntary Renewable Electricity	0.00%
Total renewables	18.93%

Location-based approach summary

Location-based approach	Activity Data (kWh)	Emissions (kgCO2e)
WA	113,473	79,431
Grid electricity (scope 2 and 3)	113,473	79,431
Non-grid electricity (Behind the meter)	0	0
Total Electricity Consumed	113,473	79,431

Emission Footprint (TCO2e)	79.431
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4. CARBON OFFSETS

Offsets strategy




Offset purchasing strategy: In arrears purchasing	
1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	1,786
3. Net offset balance for this reporting period	1,786
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	1,786

Co-benefits

Yarra Yarra Biodiversity Corridor

The Yarra Yarra Biodiversity Corridor is a Gold Standard-certified native reforestation project located in Southwest Australia. The table below indicates the co-benefits of this project and how this project contributes to the United Nations' SDGs.

As land use and forestry activities are recognised as requiring high levels of upfront finance to source land, to plant and to manage, the Gold Standard PER units from the Yarra Yarra Biodiversity Corridor have been paired with an equal number Climate Active eligible renewable energy offset units.

Co-benefits category	Core co-benefit	Co-benefit description/nature of potential co-benefit	UN Sustainable Development Goals
Environment	Biodiversity / ecosystem services	The Yarra Yarra project reconnects and restores fragmented and declining (remnant) woodland and shrubland which provides habitat for threatened flora and fauna.	Goal 15: Life on land 
	Water Quality	Water quality is assumed to improve due to reduced surface runoff and reduction in sediment and nutrient loads in water catchments. Groundwater levels and salt concentrations are also expected to reduce over time.	Goal 6: Clean Water and Sanitation 
	Soil Quality	Soil quality of the Yarra Yarra project area is expected to improve over time with soil organic matter increasing and salt concentrations declining.	Goal 15: Life on land 

Economic	Local Employment and Skills	The establishment of plantations and conservation areas creates employment opportunities and skills development during the preparation, planting, management of the Yarra Yarra project.	Goal 3: Good Health and Well-being Goal 4: Quality Education Goal 8: Decent Work and Economic Growth Goal 17: Partnerships for the goals		
Social	Indigenous cultural heritage	The Yarra Yarra project recognises and continues to protect significant cultural heritage sites that are located in the project area. This is assumed to strengthen cultural heritage and support spiritual re-connection to country which potentially has positive impacts on mental health and wellbeing of indigenous communities.	Goal 3: Good Health and Well-being Goal 17: Partnerships for the goals		




Rimba Raya Biodiversity Reserve

The Rimba Raya Biodiversity Reserve Project is located in Central Kalimantan, Indonesian Borneo. This project delivers all 17 of the United Nations' SDGs:



The table below summarises some of these.

Co-benefits category	Core co-benefit	Co-benefit description/nature of potential co-benefit	UN Sustainable Development Goals		
Environment	Biodiversity	Indonesia has the largest number of threatened mammal species on Earth, and the fourth largest total across flora and fauna species types.	Goal 15: Life on land		
	Water Quality/Community	By minimising changes in land use, the project is helping to prevent downstream flooding. A successful pilot program has helped deliver clean water filters, protecting the community from lethal, waterborne diseases.	Goal 6: Clean Water and Sanitation		

<p>Economic</p>	<p>Local Employment and Skills</p>	<p>The project is building community centres offering facilities for park and project staff as well as for community organisations. Educational initiatives include creating a Scholarship fund, the construction of libraries, and providing school materials and monetary donations.</p>	<p>Goal 3: Good Health and Well-being Goal 4: Quality Education Goal 8: Decent Work and Economic Growth Goal 17: Partnerships for the goals</p>	 
<p>Social</p>	<p>Zero hunger</p>	<p>Training on growth of cash crops such as fruit trees offers communities an alternative source of income, while also addressing food security concerns in local communities. It also provides a higher density of natural food sources for the endangered and repatriated orangutans of Rimba Raya</p>	<p>Goal 3: Good Health and Well-being Goal 17: Partnerships for the goals</p>	

Offsets summary

Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (TCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Gold Standard-accredited Yarra Yarra Biodiversity Corridor, WA and CN-1966 Renewable Energy-Sichuan Miyaluo small scale hydroelectricity project, China	CDM-CER	GS Impact	5 October 2021	GS1-1-AU-GS3039-21-2021-21745-1-893 (PERs)	2021	893	0	0	893	50%
		ANREU	5 October 2021	1,095,375,291 - 1,095,376,183	CP-2 (2013-2016)	893	0	0	893	50%
Rimba Raya Biodiversity Reserve Project, Indonesia	VCS-REDD	Verra	5 October 2021	5959-269207489-269208381-VCU-016-MER-ID-14-674-01012014-30062014-1	2014	893	0	0	893	50%
Total offsets retired this report and used in this report									1,786t CO₂-e	

Total offsets retired this report and banked for future reports 0t CO₂-e

Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
Certified Emissions Reductions (CERs)	893t CO ₂ -e	50%
Verified Carbon Units (VCUs)	893t CO ₂ -e	50%



Australian National Registry of Emissions Units

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- Public Reports
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Transaction Details

Transaction details appear below.

Transaction Successfully Approved

Transaction ID	AU19918
Current Status	Sending (91)
Status Date	05/10/2021 14:29:05 (AEDT) 05/10/2021 03:29:05 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Wilson, Raymond Glen
Transaction Approver	Wilson, Raymond Glen
Comment	Retired on behalf of Footwear Industries Pty Ltd T/A Steel Blue to offset its FY20/21 Climate Active carbon footprint.

Transferring Account

Account Number	AU-2545
Account Name	Carbon Neutral Pty Ltd
Account Holder	Carbon Neutral Pty Ltd

Acquiring Account

Account Number	AU-2764
Account Name	Voluntary Cancellation – CP2
Account Holder	Commonwealth of Australia

Transaction Blocks

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
CN	CER	Kyoto Voluntary Cancellation	2	2					CN-1966			1,095,375,291 - 1,095,376,183	893

Transaction Status History

Status Date	Status Code
05/10/2021 14:29:09 (AEDT)	Completed (4)
05/10/2021 03:29:09 (GMT)	



5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
Steel Blue website	Carbon Neutral Certified Organisation
Social media – Facebook, LinkedIn, Instagram	Carbon Neutral Certified Organisation
Tender response documents	Carbon Neutral Certified Organisation
Proposal documents cover page	Carbon Neutral Certified Organisation
Email signatures	Carbon Neutral Certified Organisation
Marketing and promotional materials, incl. TV	Carbon Neutral Certified Organisation
Product packaging	Carbon Neutral Certified Organisation

6. ADDITIONAL INFORMATION

Steel Blue aims to continuously strive to improve the lives of all stakeholders, whilst positively impacting the community and minimising our carbon footprint. Some of Steel Blue's achievements to date include:

- Aiming to be Carbon Neutral as an organisation by 2025
- Being selected as a CO2nstruct Zero Business Champion in the UK
- Developing a Restricted Substance policy ensuring no restricted substances that can be harmful to human health or the environment are used, which all Steel Blue suppliers adhere to
- Being an active member of the Australian Packaging Covenant Organisation to reduce the environmental impact of packaging
- Using sustainably and ethically sourced leather from the Leather Working Group

APPENDIX 1

Excluded emissions

Table 9

Relevance test					
Excluded emission sources	<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>
Third party overseas manufacturing	Yes	No	No	No	No
International offices	Yes	No	No	No	No
Global freight (outside Australia)	Yes	No	No	No	No
Third party owned warehouse	No	No	No	No	No

APPENDIX 2

Non-quantified emissions for organisations

All FY2021 emissions activities have been quantified and included.

Table 10

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>

N/A



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