



PUBLIC DISCLOSURE STATEMENT

STONE & CHALK LIMITED

ORGANISATION CERTIFICATION

FY2020–21




Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	STONE & CHALK LIMITED
REPORTING PERIOD	1 July 2020 – 30 June 2021 Arrears report
DECLARATION	<p><i>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.</i></p>  <hr/> <p>Mike Horton Operations Manager – Stone & Chalk Adelaide 2/02/2022</p>



Australian Government
**Department of Industry, Science,
Energy and Resources**

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Version September 2021. To be used for FY20/21 reporting onwards.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,266 tCO ₂ -e
OFFSETS BOUGHT	100% VCUs
RENEWABLE ELECTRICITY	22.07%
TECHNICAL ASSESSMENT	Date: 16/11/2021 Name: Grant Westphalen Organisation: Trellis Technologies Pty Ltd Next technical assessment due: 31/10/2024
THIRD PARTY VALIDATION	Type 1 Date: 1/12/21 Name: Alexander Stathakis Organisation: Conversion Pty Ltd

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2. CARBON NEUTRAL INFORMATION

Description of certification

The Australian business operations of Stone & Chalk.

Organisation description

Stone & Chalk (Stone and Chalk Ltd, ABN 29 603 489 229) is an innovation and technical services support company that works to assist the growth and development of emerging tech sector start-ups. Since 2014, it has grown to be the largest dedicated start-up and scaleup innovation community in Australia with management hubs in Sydney, Melbourne and Adelaide. In FY2021, Stone & Chalk merged with AustCyber to pursue the common purpose of growing high impact Australian companies in critical and emerging technologies, expanding the community reach to Canberra and several smaller nodes. For the purposes of this assessment, 'Stone & Chalk' or 'S&C' will refer to the group organisation consisting of both Stone & Chalk and AustCyber unless specifically stated otherwise.

Stone & Chalk acts as hosts to a broad range of residents that comprise independent corporate entities. Consequently, the emissions assessment includes those sources for which Stone & Chalk has overarching responsibility of engagement with suppliers but does not seek to include activities that can be attributed to their residents as these are considered outside of their operational control. For example, the Stone & Chalk electricity assessment includes all spaces under their management, including that used by residents, whereas business travel only includes that directly related to Stone & Chalk staff.

“Stone & Chalk recognises that many of our startups are working to address the issue of climate change, so we are proud to be reducing our impact by going carbon neutral with Climate Active.”

3.EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however, are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary

Quantified

Transport fuel
Stationary fuel
Natural gas
Electricity
Staff commuting
Accommodation
Flights
Office equipment and supplies
IT and telecommunications
Paper
Postage and freight
Cleaning services
Food and catering
Waste

Non-quantified

Building HVAC gasses

Outside emission boundary

Excluded

Client staff commuting
Client business travel
Client stationary and transport fuel usage
Client postage and freight
Client office equipment and supplies
Client IT and telecommunications
Client food and catering
Client accommodation

Data management plan for non-quantified sources

The data management plan below outlines how more rigorous quantification can be achieved for material (greater than 1%) non-quantified emission sources.

HVAC gas leakage from large scale air-conditioner systems has been requested but not obtained from building managements.

As part of future assessments, further engagement will be pursued with the intention of making this information a requirement for leasing agreements.

An additional uplift of 1% of total emissions has been included in the emissions estimate to encompass this source.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

As tenants, Stone and Chalk has limited capacity to influence building infrastructure and related utilities and the merger with AustCyber has added a dimension to emissions management objectives. However, there are a number of areas wherein Stone and Chalk will aim to reduce emissions over the next five years, including (but not limited to):

- Improved data quality for tenancy related utilities. Accepting that utilities data (specifically, electricity, natural gas and water consumption) can be difficult to obtain by lease holders, Stone and Chalk will engage with its building managers/landlords to improve data acquisition for emissions management as part of tenancy agreements. Improved data quality will likely result in lower emissions contemporary utilities assessments are to some extent based on estimates that aim to be conservative.

Timeframe for delivery of this objective: 2 - 5 years.

- Behavioural changes to reduce energy consumption. This will require an engagement across Stone and Chalk clients through an education strategy with potential incentives to reduce energy consumption through changes in behaviour (powering off devices rather than leaving them idle). This will culminate in an emissions reduction playbook hosted on our resident guides that is shared amongst our client base. Stone & Chalk's commitment to sustainability will start to be integrated into our onboarding procedures for both staff and clients, therefore imparting a focus on reducing environmental impact and emissions from day 1.

Timeframe for delivery of this objective: 1 - 3 years.

- The Stone and Chalk client engagement strategy will also aim to encourage them to pursue carbon neutral assessment. Given that Stone and Chalk would be a major carbon neutral supplier to these businesses, this should make such assessments potentially attractive. Carbon neutral clients will, as part of their own emissions management, help reduce emissions across each of the hub communities as well as potentially generate greater leverage on suppliers and economies of scale.

Timeframe for delivery of this objective: 2 - 5 years.

- Greater use of remote meeting & events options in lieu of business travel.

One of the major learnings because of the pandemic is improved uptake and support for online meeting options. The Stone & Chalk events function is also pushing for better allowance for hybrid events where attendees, speakers and panelists can all participate remotely rather than being there in person. There is an expectation that there will be substantially lower business-related travel even once travel restrictions are eased.

Timeframe for delivery of this objective: immediate and ongoing.

- Where flights are undertaken, offsetting the related emissions as part of ticket purchases can be instigated as part of business policy as well as engagement with travel providers. However, key to this approach is unambiguous data indicating that offset tickets have been purchased. This requires both a behavioural change as well as capacity to require and store the information, most probably as relatable line items in the relevant finance systems (i.e., the data for a ticket purchase can be related to the additional fee for offsetting).

Timeframe for delivery of this objective: 1 - 2 years.

Emissions reduction actions

The merger with AustCyber has to some extent required a level of reset on emissions management strategies. However, data acquisition approaches have improved relative to the initial assessment through delineation/description of finance system related data and improved engagement with building management/landlords.

Since the initial assessment, Stone and Chalk has initiated engagement with the “Carbon Neutral Adelaide”, which aims to make the City of Adelaide a carbon neutral city. Stone & Chalk was a finalist in the Carbon Neutral Adelaide awards 2021.

5. EMISSIONS SUMMARY

Emissions over time

Note that the base year has been reset to 2020-21 owing to the merger with AustCyber.

Emissions since base year		Total tCO ₂ -e
Base year:	2019–20	948.9
Year 1:	2019–20	948.9
Year 2:	2020–21	1,265.7

Significant changes in emissions

In FY2021, Stone & Chalk merged with AustCyber, expanding the community reach to Canberra and several smaller nodes.

In addition, learnings from the previous year's assessment have led to some improvements to data quality.

Emission source name	Current year (tCO ₂ -e and/ or activity data)	Previous year (tCO ₂ -e and/ or activity data)	Detailed reason for change
Total net electricity emissions (Market based)	847.165	602.304	Merger with another entity during FY 2021
Commercial and Industrial Waste	90.805	11.387	Merger with another entity during FY 2021 and improved data acquisition

Use of Climate Active carbon neutral products and services

Carbon neutral paper (Reflex brand) is used across Adelaide and Melbourne hubs. Note that data on Canberra and Sydney has not been obtained due to lockdowns but has been assumed to be not carbon neutral.

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Use this section for projection reports and arrears reporting when a true-up is not required. If a true-up is required, use the next section and not this section.

Emission category	Sum of Scope 1 (tCO ₂ -e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	0	0	7.29	7.29
Air transport (km)	0	0	68.63	68.63
Carbon neutral products and services	0	0	0	0

Cleaning and chemicals	0	0	25.03	25.03
Electricity	0	847.16	0	847.16
Food	0	0	43.78	43.78
ICT services and equipment	0	0	41.45	41.45
Land and sea transport (km)	0	0	52.34	52.34
Office equipment & supplies	0	0	46.93	46.93
Postage, courier and freight	0	0	0.23	0.23
Stationary energy	32.5	0	5.23	37.71
Waste	0	0	90.8	90.8
Water	0	0	5.03	5.03
Working from home	0	0	-19.6	-19.6
Total	36.13	930.08	367.59	1,246.8

Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO ₂ -e
There are no data available HVAC gasses. An additional 1% uplift has been applied to account for this lack	12.46
Stone and Chalk has 5 FTEs that operate in "independent nodes" (i.e., rented desk spaces within broader office environments wherein there is limited operational control). Emissions related to this source have been allocated based on the total emissions per FTE + residents across quantified locations.	6.5
<i>Total footprint to offset (uplift factors + net emissions)</i>	1,265.7

6. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	1,266
3. Net offset balance for this reporting period	1,266
4. Total offsets to be forward purchased to offset the next reporting period	4
5. Total offsets required for this report	1,266

Co-benefits

Biomass/Biogas based heat and power generation at Everest Starch

The project activity utilizes the renewable resources to generate steam and electricity for captive consumption, thereby avoiding the use of non-renewable energy resources such as coal and fossil fuel-based grid electricity.

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 (%)	
Biomass/Biogas based heat and power generation at Everest Starch	VCUs	Verra	16/11/2021	5474-238470502-238471771-VCU-030-APX-IN-1-1535-01012015-31122015-0 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=129205	2015	1,270	0	4	1,266	100	
<i>Total offsets retired this report and used in this report</i>									1,266		
<i>Total offsets retired this report and banked for future reports</i>								4			
Type of offset units		Quantity (used for this reporting period claim)			Percentage of total						
Verified Carbon Units (VCUs)		1,266			100						

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1. Large-scale Generation certificates (LGCs)*	0
2. Other RECs	0

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<i>Total LGCs surrendered this report and used in this report</i>							0		

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double counting.

Market-based approach summary

Market-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)	Renewable % of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	31,882	0	3%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	7,442	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	184,283	0	18%
Residual electricity	789,470	847,165	0%
Total grid electricity	1,013,077	847,165	22%
Total electricity consumed (grid + non grid)	1,013,077	847,165	22%
Electricity renewables	223,607	0	
Residual electricity	789,470	847,165	
Exported on-site generated electricity	0	0	
Emission footprint (kgCO ₂ -e)		847,165	

Total renewables (grid and non-grid)	22.07%
Mandatory	22.07%
Voluntary	0.00%
Behind the meter	0.00%
Residual electricity emission footprint (tCO₂-e)	847

Figures may not sum due to rounding. Renewable percentage can be above 100%

Voluntary includes LGCs retired by the ACT (MWh)

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Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)
ACT	39,324	35,392
NSW	398,105	358,294
SA	176,607	91,836
Vic	399,041	434,955
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Grid electricity (scope 2 and 3)	1,013,077	920,476
ACT	0	0
NSW	0	0
SA	0	0
Vic	0	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Non-grid electricity (behind the meter)	0	0
Total electricity consumed	1,013,077	920,476
Emission footprint (tCO₂-e)	920	

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO ₂ -e)
NA	0	0

Climate Active carbon neutral electricity is not considered renewable electricity. The emissions have been offset by another Climate Active carbon neutral product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable, but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
HVAC Gasses	No	No	Yes	No

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** 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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Client staff commuting	No	No	No	No	No	No
Client business travel	No	No	No	No	No	No
Client stationary and transport fuel	No	No	No	No	No	No
Client postage and freight	No	No	No	No	No	No
Client office equipment and supplies	No	No	No	No	No	No
Client IT and telecommunications	No	No	No	No	No	No

Client food and catering	No	No	No	No	No	No
Client accommodation	No	No	No	No	No	No



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