PUBLIC DISCLOSURE STATEMENT

KATESTONE ENVIRONMENTAL

SMALL ORGANISATION CERTIFICATION
FY2020–21

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Katestone Environmental Pty Ltd
REPORTING PERIOD	1 July 2020 – 30 June 2021 Arrears report
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.*
	Christine Killip Director 23 June 2022

Australian Government
Department of Industry, Science, Energy and Resources

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

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	150 tCO_2-e
OFFSETS BOUGHT	100% VERs
RENEWABLE ELECTRICITY	0%
TECHNICAL ASSESSMENT	Not required
THIRD PARTY VALIDATION	Type 1 17 June 2022 Philip Barnes CFO Insight Pty Ltd

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

Katestone Environmental Pty Ltd has prepared this assessment to demonstrate our carbon neutral status that is required to achieve Climate Active Certification under the category of 'small organisation certification'. The assessment has been prepared in accordance with the requirements of the Climate Active Program to achieve carbon neutral certification. This certification covers the Australian business operations of Katestone Environmental Pty Ltd.

"Katestone regards carbon neutrality as business imperative. Climate Active is our way of credibly demonstrating our own carbon neutral status. Our contribution to the global effort to combat climate change includes our own achievement of Net Zero carbon emissions and assisting others to do the same."

Organisation description

Environmental consulting group with expertise in all the aspects associated with air quality, odour, greenhouse gas emissions, meteorology, forecasting, and climate change.

- Katestone Environmental Pty Ltd is a private company (ABN: 92 097 270 276 / ACN: 097 270 276)
- It is owned by Christine Killip (Managing Director) and Simon Welchman (Director).
- Katestone is the company's trading name.
- Katestone also owns Weather Intelligence Pty Ltd, based in Brisbane.

Katestone's operations that are considered in this assessment are:

- Brisbane based office where 15 FTEs are located (including Weather Intelligence)
- A satellite office located in Ireland, with 1 FTE

3. EMISSIONS BOUNDARY

This is a small organisation certification, which uses the standard Climate Active small organisation emissions boundary.

Inside the emissions boundary

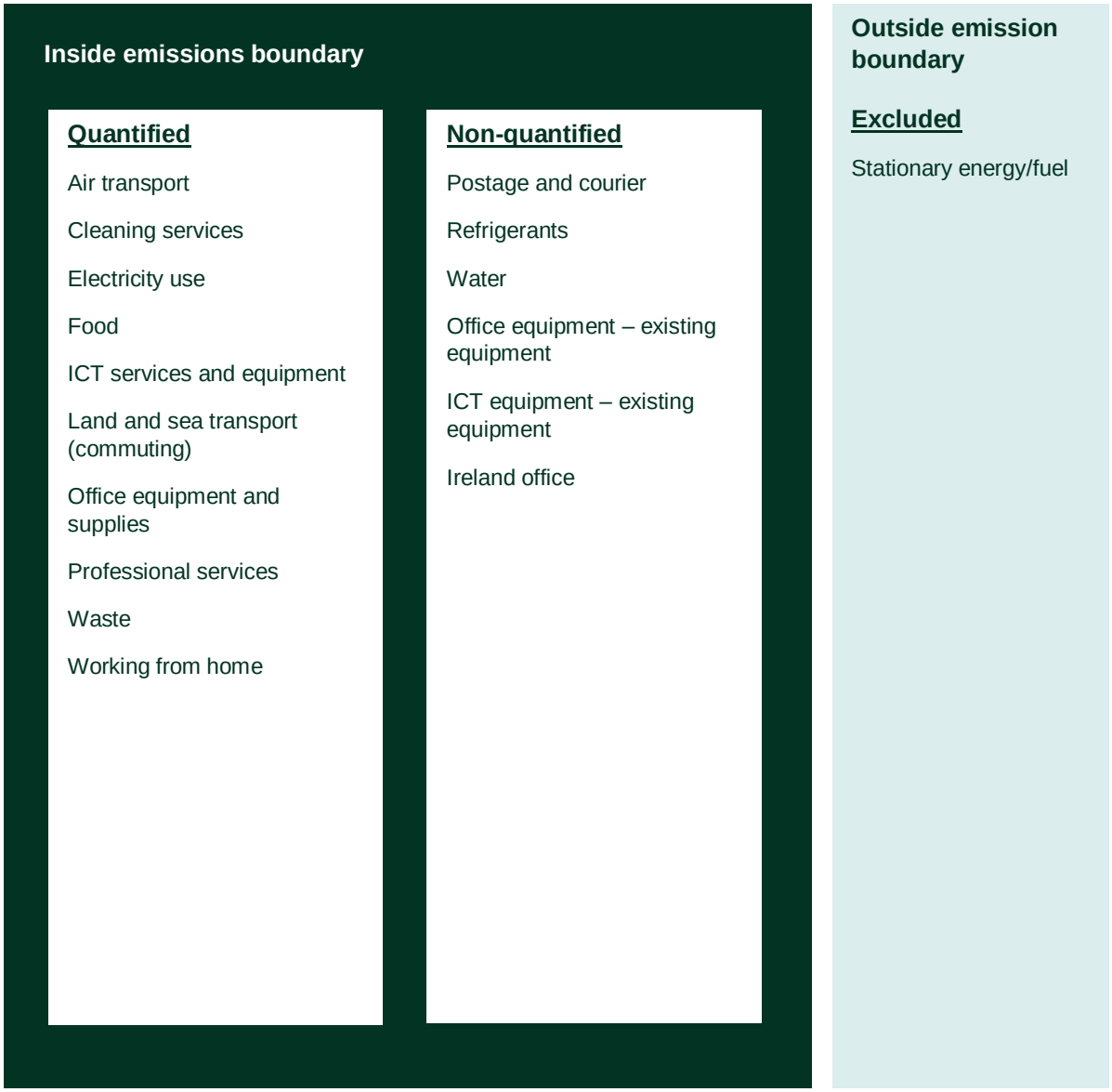
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

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.



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.

Postage and courier services: Costs associated with postage and courier services are minimal. For the assessment period it was not possible to determine the costs associated with postage and courier services with reasonable effort. Data management processes will be reviewed and adjusted so that the costs associated with postage and courier services can be reported in the 2021-2022 reporting period.

Refrigerants: Refrigerants are a potential source of GHG emissions associated with air conditioning for the building. The required information to determine the relevance of refrigerants to the assessment was requested from the facilities management. The relevance and significance of refrigerants to the assessment will be reconsidered for the 2021-2022 reporting period and assessed if necessary.

Water: Water use is expected to account for less than 1% of the Katestone's GHG emissions. Katestone

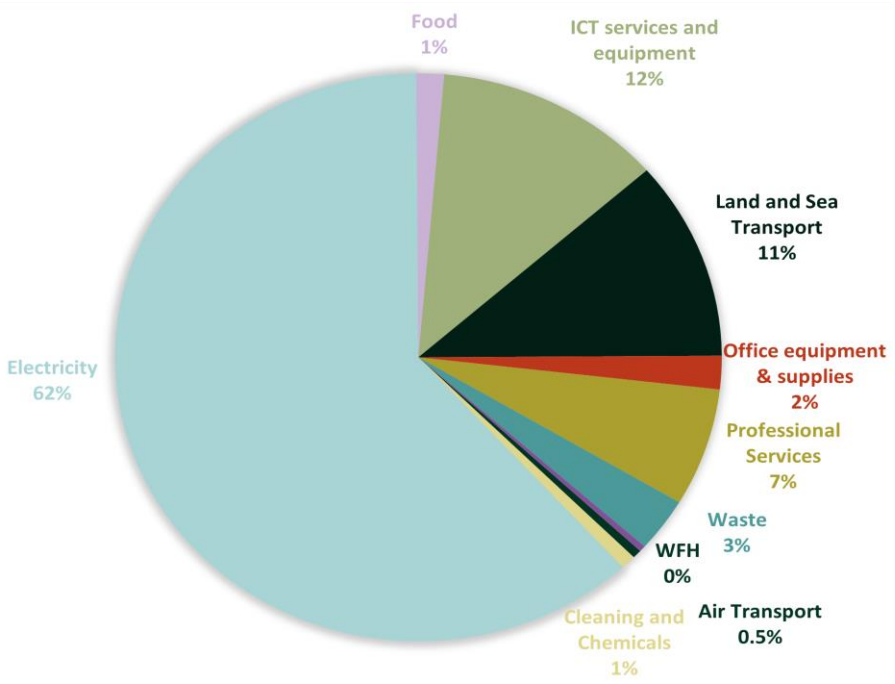
occupies a small tenancy in a larger building. Bathroom facilities are shared. Water use to tenancies is not separately metered. Occupancy of the building has been highly variable over the 2020-2021 reporting period. Katestone will work with the facilities management to determine a method of allocating water use with the view to include water use in the 2021-2022 assessment period.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

The following pie chart shows the breakdown of Katestone's GHG emissions. The top three emission sources accounting for at least 85% of GHG emissions are:

- Electricity (62%)
- ICT services and equipment (12%)
- Land and sea transport (11%)



Katestone's strategy will be to initially focus on reducing emissions across these categories to minimise our carbon footprint. The measures Katestone will take to reduce our GHG emissions across these categories are described in the following sections.

Electricity

Katestone's electricity use is made of approximately 50% tenancy usage and 50% base building consumption. Procurement of electricity for the office building is outside of Katestone's control. Our strategy to reduce emissions associated with electricity is to:

- Reduce tenancy electricity consumption by 10% through energy efficiency measures by the conclusion of FY2023. This can be measure on a monthly basis to track our progress towards meeting our targets. Options available to use include:
    - Set fridge temperature to between 3°C and 5°C; and between minus 15°C and minus 18°C for the freezer
    - Set the temperature on the air conditioning to a reasonable level to ensure staff comfort

without over chilling in summer or heating in winter

- Upgrading of operational technology to more energy efficient options:
  - Complete transition from CPU towers to energy efficient laptops by FY2023
  - Ensure all computer monitors comply with the Minimum Energy Performance Standards (MEPS) by FY 2024
- Ensure all computers and monitors are set to energy efficiency mode when not in use.

- Work with facilities management and other building tenants to purchase 25% green by the conclusion of FY2023
- Assess the option of purchasing large generator certificates (LGC's) equivalent to our total electricity consumption (tenancy + base building) in place of carbon offsets by the conclusion of FY2023.

ICT services and equipment

The largest contributors to emissions associated with ICT services and equipment is cloud storage services provided by Amazon Web Services (65%).

Katestone is a data intensive business that relies on fast data processing, high quality storage and internet communications. This has been the most significant consideration behind the choice of ICT service providers. Amazon currently have a goal to power their operations by 100% renewable energy by 2025. Katestone will conduct a review into alternative ICT service providers by the end of FY2023 to determine alternative providers that are either carbon neutral or have a lower carbon footprint compared to the default emission factor used in the assessment.

Land and sea transport

Emissions associated with land and sea transport are predominantly associated with commuting and have been estimated using the Climate Active calculator. The estimation assumes that 63% of employed people travel an average commuting distance of 17 km. This is likely to be an overestimate of commuting by car for Katestone staff. Our initial strategy to be implemented over the next year will be to:

- Develop a better understanding of employee commuting habits through a commuting survey during the FY2022 period
- Estimate commuting related emission based on the survey for the FY2023 reporting period

5. EMISSIONS SUMMARY

Organisation emissions summary

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

Emission category	Sum of total emissions (tCO_2-e)
Accommodation and facilities	0.03
Air transport (fuel)	0.00
Air transport (km)	0.64
Bespoke	0.00
Carbon neutral products and services	0.00
Cleaning and chemicals	1.06
Construction materials and services	0.00
Electricity	81.52
Food	1.95
Horticulture and agriculture	0.00
ICT services and equipment	16.13
Land and sea transport (fuel)	0.00
Land and sea transport (km)	15.00
Machinery and vehicles	0.00
Office equipment & supplies	2.61
Postage, courier and freight	0.00
Products	0.00
Professional services	8.88
Refrigerants	0.00
Roads and landscape	0.00
Stationary energy	0.00
Waste	0.00
Water	4.06
Working from home	0.45
Total	**132.21**

Carbon neutral products

Australian Paper carbon neutral copy paper (fifteen reams)

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
5% uplift to account for non-quantified sources where data is unavailable	6.58

Compulsory additional 5% of the total to be added for small organisations	6.58
Rounding-up	5.19
Total footprint to offset (uplift factors + net emissions)	150

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	150 (rounded up)
3.	Net offset balance for this reporting period	150
4.	Total offsets to be forward purchased to offset the next reporting period	0
5.	Total offsets required for this report	150

Co-benefits

This project mitigates climate change caused by the combustion of unsustainably harvested biomass. More than 21,000 fuel efficient stoves have been provided to families in rural areas of the Bugesera (Rwanda). The carbon offsets purchased for this certification were purposefully selected due to their co-benefits in particular the improvement of health and wellbeing due to improved household air quality. The co-benefits of the project, aligned with the Sustainable Development Goals include:

Good health and well-being

Improved household air and reduced injuries and burns.

Affordable and clean energy

Energy efficient cook stoves replace combustible fuels for heating and cooking.

Gender equality

Less time cooking and collecting firewood by women and girls.

Climate action

Reducing greenhouse gas emissions.

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 (%)**
GS1247 VPA 12 Improved Kitchen Regimes: Shyara (Bugesera), Rwanda	VERs	GSR	22 June 2022	GS1-1-RW-GS3444-16-2018-19191-4902-5051 (https://registry.goldstandard.org/credit-blocks/details/276086)	2018	150	0	0	150	100%
Total offsets retired this report and used in this report									150	
Total offsets retired this report and banked for future reports								0		

Type of offset units	**Quantity (used for this reporting period claim)**	**Percentage of total**
Verified Emissions Reductions (VERs)	150	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

Electricity emission have been estimate using the location-based reporting method. RECs have not been used to reduce electricity emissions

APPENDIX A: ADDITIONAL INFORMATION

Not required

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location-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 (kgCO2-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)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	16,589	0	19%
Residual electricity	71,067	76,261	0%
Total grid electricity	**87,656**	**76,261**	**19%**
Total electricity consumed (grid + non grid)	**87,656**	**76,261**	**19%**
Electricity renewables	16,589	0	
Residual electricity	71,067	76,261	
Exported on-site generated electricity	**0**	**0**	
Emission footprint ($kgCO_2$-e)		76,261	

Total renewables (grid and non-grid)	**18.93%**
Mandatory	**18.93%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual electricity emission footprint (tCO_2-e)	**76**

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

Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions ($kgCO_2$-e)
ACT	0	0
NSW	0	0
SA	0	0
Vic	0	0
Qld	87,656	81,520
NT	0	0
WA	0	0
Tas	0	0
Grid electricity (scope 2 and 3)	**87,656**	**81,520**
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	**87,656**	**81,520**
Emission footprint (tCO_2-e)	**82**	

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions ($kgCO_2$-e)
Not used	**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
Postage and courier	No	Yes (uplift applied)	No	No
Refrigerants	No	No	Yes (uplift applied & data plan in place)	No
Water	No	No	Yes (uplift applied & data plan in place)	No
Office equipment – existing equipment	No	No	No	Yes
ICT equipment existing	No	No	No	Yes
Ireland office	No	Yes (uplift applied)	No	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.

Although stationary energy and fuel is a deemed relevant emission under the small organisation certification, we do not use stationary energy/fuel and as such it has not been included in PDS or carbon inventory.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
stationary energy and fuel	N/A	N/A	N/A	N/A	N/A	No

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