



PUBLIC DISCLOSURE STATEMENT

BANK AUSTRALIA LIMITED

**ORGANISATION
2019-20**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY: Bank Australia

REPORTING PERIOD: Financial year 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.

Date 31 October 2021



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

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Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

This certification is for the Australian business operations of Bank Australia Limited (ABN: 21 087 651 607).

Organisation description

Bank Australia Limited is an authorised deposit taking institution headquartered in Melbourne, Victoria with a national network of 18 branches and five office sites around Australia. We report on our organisation's scope 1, 2 and 3 emissions as per the Greenhouse Gas Protocol and are seeking carbon neutral certification as an organisation.

We use the operational control approach to set our organisational boundary. We have three subsidiaries over which we have full operational control: Ed Credit Services Pty Ltd, ECS Unit Trust and Buloke Funding Trust No. 1. Our emissions inventory covers Bank Australia Limited and these subsidiaries, as the subsidiaries are located on the same premises and do not have separate operations to the consolidated entity.

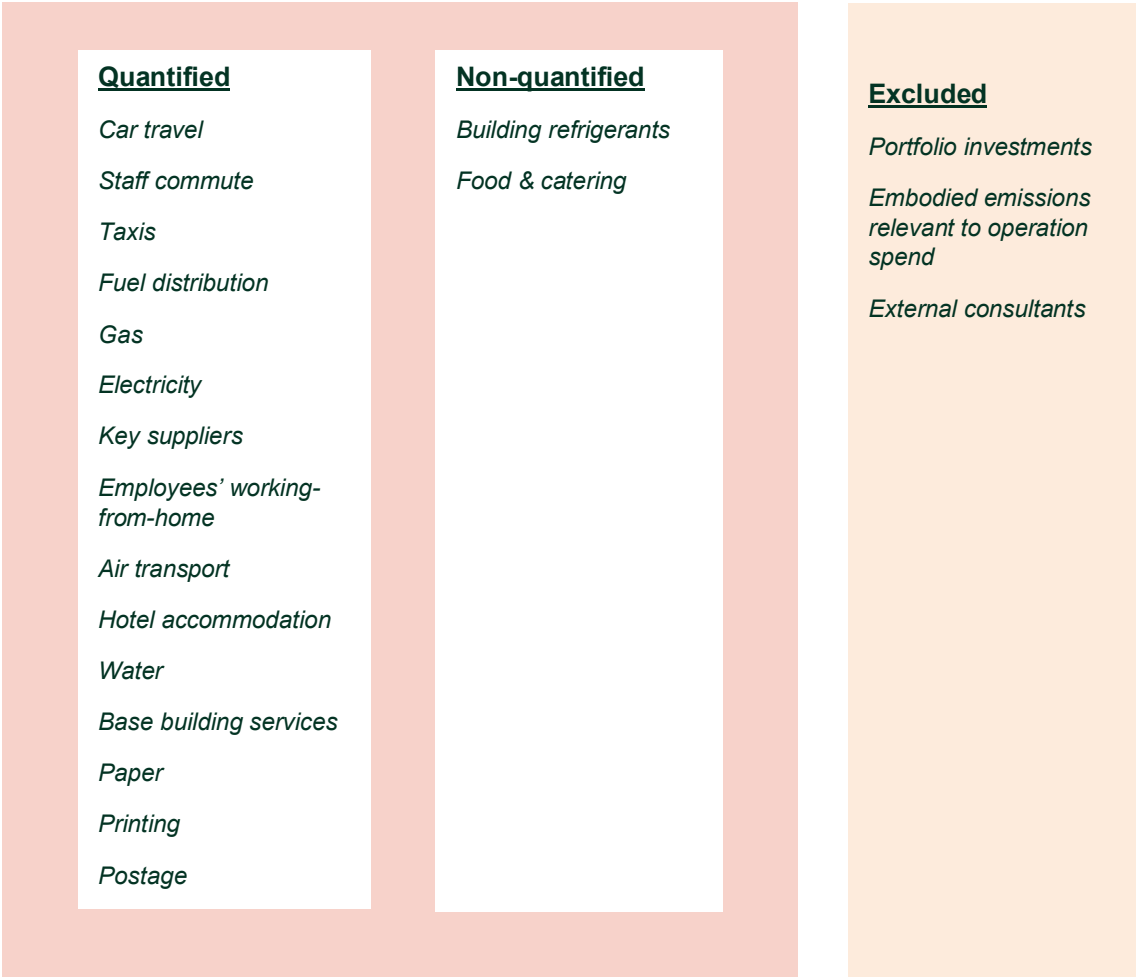
Bank Australia holds equity investments in two unincorporated entities, Data Action Pty Ltd and Cuscal Limited, which provide banking and payment services to Bank Australia and other mutual financial institutions. These entities are excluded from the organisational boundary as Bank Australia does not have operational control over them¹. In FY20, emissions from these entities have been included as Scope 3 emissions in Bank Australia's supply chain.

Our emissions inventory incorporates the seven greenhouse gases considered listed under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

The Climate Active certification sets the standard for estimating and reporting on carbon emissions and offsets.

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

Some emissions sources are relevant to Bank Australia's organisational boundary yet satisfy the non-quantification criteria per sections 2.3.1 and 2.6 of the Climate Active Carbon Neutral Standard for Organisations. These have been deemed immaterial as each individually contributed less than 1.0% of the total inventory and less than 5.5% combined. Non-quantified sources include:

- Building refrigerants
- Food & catering

Excluded sources (outside of the certification boundary)

Some emissions sources have been excluded from Bank Australia's organisational boundary as they satisfy the exclusion condition using the relevance test as per the Climate Active Carbon Neutral Organisations s2.3.1 Standard. Excluded sources include:

- Portfolio investments
- Embodied emissions relevant to operation spend
- External consultants

*“Key message of why Climate Active is important to the Organisation.
Key message of why Climate Active is important to the Organisation.”*

3. EMISSIONS SUMMARY

Emissions reduction strategy

The onset of the global pandemic and associated restrictions was the primary driver for Bank Australia's emissions reductions over FY20, which saw declines across almost all emissions sources.

We explored opportunities to improve our visibility over our utility consumption, as well as investments for reducing our gas consumption over time. Though the emissions reductions benefits of this work will largely be reported on in future years.

Emissions over time

Since Bank Australia's base year with Climate Active in FY18, total gross emissions have declined by 41.2%. Declines were almost universal across all emissions sources relative to the base year, largely reflecting implementation of Bank Australia's 100% renewable electricity claim, changes to the Bank's branch and office footprint, as well as some reductions in later months resulting from the pandemic and associated restrictions.

The biggest falls since FY18 were driven by:

- Electricity (-1,056.8 tCO₂-e, or -100.0%) reflecting the Bank's switch to 100% renewable electricity for every megawatt hour of electricity consumed across all of our offices and branches;
- Air travel (-50.4 tCO₂-e, or -22.8%) reflecting the mobility restrictions in response to the pandemic;
- Car travel – employee owned cars (-18.7 tCO₂-e, or -34.4%), Car travel – pool cars (-11.6 tCO₂-e, or -59.2%) and waste (-12.1 tCO₂-e, or -19.5%) reflecting limited employee and customer office and branch visitation in response to the pandemic; and
- Base building services (-9.1 tCO₂-e, or -24.7%) reflecting branch closures and improved energy efficiency measures implemented in some shopping centres.

These declines were only slightly offset with rises in emissions associated with gas consumption and distribution, which rose 8.2 tCO₂-e (or +16.6%) and 0.5 tCO₂-e (or +13.5%) respectively. All other rises relatively to the base year were for emissions sources which have been added to our quantified boundary since FY18.

Table 1

	Base year 2017-18	Current year Year 2: 2019-20

Total gross tCO ₂ -e	1,640.2	965.0
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Emissions summary (inventory)

Scope 1 emissions were reported at 65.7 tCO₂-e in FY20, representing a decline of 3.4 tCO₂-e (or -4.9%) relative to FY18.

- Car travel – pool cars’ – emissions were reported at 8.0 tCO₂-e in FY20, representing a decline of 11.6 tCO₂-e (or -59.2%) relative to FY18. This reflects changes to the Bank’s footprint, including branch closures, the pandemic and associated mobility restrictions, as well investment in more fuel efficient company-owned vehicles.
- Gas consumption – emissions associated with this source were reported at 57.7 tCO₂-e in FY20, representing an increase of 8.2 tCO₂-e (or 16.6%) relative to FY18. This reflects solid growth in employee numbers.

Scope 2 emissions, using the market based approach, were reported at 0.0 tCO₂-e reflecting the first full year that Bank Australia operated on 100% renewable electricity. Using the location based approach, Scope 2 emissions were reported at 995.6 tCO₂-e, representing an increase of 37.4 tCO₂-e (or +3.9%) relative to FY18. This reflects growth in the Bank’s operations, including employees and customer numbers.

Scope 3 emissions were reported at 899.3 tCO₂-e, representing an increase of 286.4 tCO₂-e (or +46.7%) relative to FY18.

- Staff commute emissions were reported at 349.8 tCO₂-e and estimated for the first time in FY20. These emissions the primary driver for the rise in Scope 3 emissions in FY20. Similarly, emissions associated with postage were reported at 77.8 tCO₂-e and were estimated for the first time in FY20, contributing to the solid increase in Scope 3 emissions. Emissions associated with our key suppliers also increased 32.8 tCO₂-e relative to FY18 – that emissions source was introduced in FY19.
- Emissions associated with salary packaged and job needs car travel declined 18.7 tCO₂-e (or -34.4%) and employee owned car travel declined 5.3 tCO₂-e (or -22.7%) relative to FY18. These declines reflect the impacts from pandemic-related mobility restrictions.
- Employees working-from-home emissions were reported at 12.9 tCO₂-e – an emissions source added to our quantified boundary for the first time in FY20.
- Air transport emissions were reported at 1708 tCO₂-e, representing a decline of 50.4 tCO₂-e (or -22.8%) relative to FY18. Whereas, hotel accommodation emissions were reported at 86.2 tCO₂-e, representing a decline of only 3.2 tCO₂-e (or -3.6%) relative to FY18. These declines reflect the pandemic and associated mobility restrictions.
- Paper emissions were reported at 0.0 tCO₂-e as they are sourced from a carbon neutral supplier.

- Water emissions were reported at 2.8 tCO₂-e, representing a decline of 0.5 tCO₂-e (or -15.2%) relative to FY18. This decline likely reflects the pandemic and associated mobility restrictions limiting staff numbers on-site.
- Waste emissions were reported at 62.6 tCO₂-e, representing a slight increase of 0.5 tCO₂-e (or -0.8%) relative to FY18.
- Printing emissions were reported at 14.5 tCO₂-e, representing a decline of 4.5 tCO₂-e (or -23.7%) relative to FY18. This decline reflects initiatives to promote uptake of online statements and communications with customers.
- Postage emissions were reported at 77.8 tCO₂-e – an emissions source added to our quantified boundary for the first time in FY20.
- Base building emissions were reported at 27.8 tCO₂-e, representing a decline of 9.1 tCO₂-e (or -24.7%) relative to FY18. This decline reflects several branch closures as well as improved energy efficiency of our base buildings.
- Key suppliers emissions were reported at 32.8 tCO₂-e – an emissions source added to our quantified boundary since FY18. Year-on-year, emissions from this source declined 24.8 tCO₂-e (or -43.1%) relative to FY19.
- Gas distribution emissions were reported at 4.2 tCO₂-e, representing a slight increase of 0.5 tCO₂-e (or 13.5%) from FY18.
- Fuel distribution emissions were reported at 0.4 tCO₂-e, representing a decline of 0.6 tCO₂-e (or -60.0%) relative to FY18. The decline reflects the pandemic and associated mobility restrictions, as well investment in more fuel efficient company-owned vehicles.

Table 2

Emission source category	tonnes CO ₂ -e
Car travel - pool	8.0
Gas consumption	57.7
Subtotal - Scope 1	65.7
Electricity (Scope 2)	893.8
LGCs	-724.3
Electricity – Scope 2	169.5
Car travel – salary packaged and job needs	35.7
Car travel – employee owned	18.0
Taxis and rideshare	3.0

Staff commute	349.8
Employees working-from-home	12.9
Air transport	170.8
Hotel accommodation	86.2
Paper	0.0
Water	2.8
Waste	62.6
Printing	14.5
Postage	77.8
Base buildings	27.8
Key suppliers	32.8
Gas distribution	4.2
Fuel distribution	0.4
Electricity distribution	92.4
Subtotal – Scope 3	991.7
<i>Total Emissions</i>	1,227.0

* Note: Bank Australia operated on 100% renewable electricity for the first full year in FY20. The Bank reported using the location-based electricity estimates, surrendering additional Large-Scale Generation Certificates (Serial numbers: 20942-21146; 123734-123962; 132276-132494; 22005-22065).

4. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: In arrears	
1. Total offsets previously forward purchased and banked for this report	584
2. Total emissions liability to offset for this report	1,227
3. Net offset balance for this reporting period	643
4. Total offsets to be forward purchased to offset the next reporting period	1657
5. Total offsets required for this report	1,227

Co-benefits

Bank Australia acknowledges that carbon offsetting is used as a last-resort when accounting for the greenhouse gas emissions we are responsible for. However, offsets do play an important role in enabling our transition to a zero carbon future.

In FY20 we purchased offsets for our operations from a leading Gold Standard project in Timor Leste, WithOneSeed, which works with subsistence farming communities to replant and protect their forests, and a premium conservation project in Victoria. For the purposes of our carbon neutral claim, these offsets were stapled to VCUs which are also reported in the table below.

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	Quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period claim	Percentage of total (%)
Watchbox conservation project, Victoria Stapled to Inner Mongolia Ximeng Zheligentu Wind Farm Phase I Project	VCUs	VCS	16 Sep 2021	9651-115152188-115154487-VCS-VCU-259-VER-CN-1-849-01012018-20072018-0	2018	2,300	2,300	0	1,657	643	52%
WithOneSeed Timor Leste	VER	The Gold Standard Environmental Registry	8 Sep 2019	GS1-1-TL-GS4210-21-2016-6145-6526-7525	2016	1,000	1,000	416	0	584	48%
Total offsets retired this report and used in this report										1,227	
Total offsets retired this report and banked for future reports									1,657		

Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
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Verified Emissions Reductions (VERs)	1,000	81.5%
Verified Carbon Units (VCUs)	227	18.5%

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)*	856
2. Other RECs	00

* 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
Pacific Hydro Crowlands	LGC	REC Registry	18 Sep 2020	WD00VC32	123734-123962	2019	229	Wind	VIC, Australia
Pacific Hydro Crowlands	LGC	REC Registry	18 Sep 2020	WD00VC32	132276-132494	2019	219	Wind	VIC, Australia
Pacific Hydro Crowlands	LGC	REC Registry	18 Sep 2020	WD00VC32	20942-21146	2020	205	Wind	VIC, Australia
Pacific Hydro Crowlands	LGC	REC Registry	18 Sep 2020	WD00VC32	22005-22207	2020	203	Wind	VIC, Australia
<i>Total LGCs surrendered this report and used in this report</i>							856		

5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
Bank Australia website	Network member

6. 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.

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>
<i>Portfolio investments</i>	Yes	No	No	No	No
<i>Embodied emissions relevant to operation spend</i>	No	No	No	No	No
<i>External consultants</i>	Yes	No	No	No	No

APPENDIX 2

Non-quantified emissions for organisations

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>
<i>Building refrigerants</i>	Yes			
<i>Food & catering</i>	Yes			



An Australian Government Initiative

