PUBLIC DISCLOSURE STATEMENT

HYDROFLUX PTY LIMITED

ORGANISATION CERTIFICATION
FY2021-22

Australian Government

Climate Active
Public Disclosure Statement

HYDROFLUX
WATER | SCIENCE | TECHNOLOGY

An Australian Government Initiative

Climate Active

NAME OF CERTIFIED ENTITY	Hydroflux Pty Ltd
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 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.*  Adrian Minshull CEO, Hydroflux Pty Ltd 28/10/2022

Australian Government
Department of Climate Change, Energy, the Environment and Water

Version March 2022.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	491 tCO_2-e
OFFSETS BOUGHT	100% Gold Standard VERs
RENEWABLE ELECTRICITY	18.93%
TECHNICAL ASSESSMENT	06/10/2021 Barbara Albert 100% Renewables Pty Ltd Next technical assessment due: FY2024

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

This carbon neutral organisation certification covers the Australian operations (including emissions generated by international offices) of Hydroflux Pty Ltd, ABN 19 163 533 186. This arrears report contains all relevant emissions generated in the FY2021-22 period, which is the second year of certification.

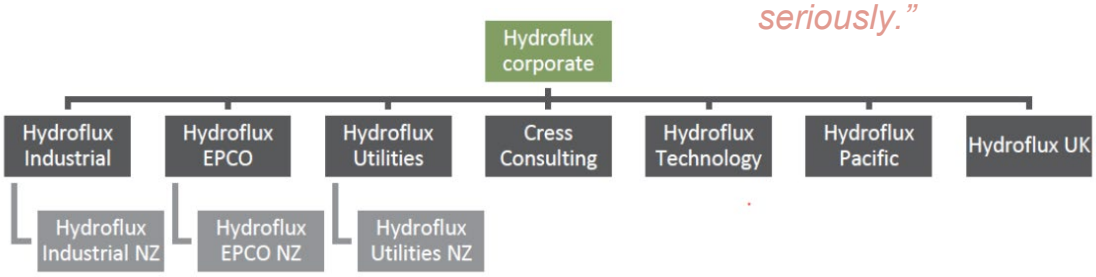
Organisation description

Established in 2013, Hydroflux Pty Ltd, ABN 19 163 533 186, is a privately owned Australian business in the water and wastewater treatment industries providing a range of sustainable water and other solutions for the industrial and municipal sectors. Offices are located in Australia, New Zealand, Fiji & Pacific Islands and United Kingdom.

The company is a diverse business that operates via its network of subsidiary companies. Each company offers specific products and services and operate independently. The detailed corporate structure is presented in the following diagram:

"The Hydroflux Group of companies was created to deliver the highest level of engineering and scientific knowhow to issues of sustainability, climate adaption and environmental protection with a specific focus on water and wastewater.

Climate Active certification demonstrates that Hydroflux is a mature company that takes its climate responsibility seriously."



The following subsidiaries are also included within this certification.

Legal entity name	ABN	ACN
Hydroflux Epco Pty Ltd	93 161 226 606	161 226 606
Hydroflux Industrial Pty Ltd	86 163 374 338	163 374 338
Hydroflux Technology Pty Ltd	19 163 536 810	163 536 810
Hydroflux Utilities Pty Ltd	68 166 065 461	166 065 461
Cress Consulting Pty Ltd	98 150 137 723	150 137 723
Hydroflux Pacific (Fiji)	TIN: 50 56620 06	
Hydroflux Limited (UK)	VAT: 246 1877 84	
Hydroflux Epco NZ Limited	NZBN: 9429046927620	
Hydroflux Industrial NZ Limited	NZBN: 9429046950734	
Hydroflux Utilities NZ Limited	NZBN: 9429046950727	

3.EMISSIONS BOUNDARY

Inside the emissions boundary

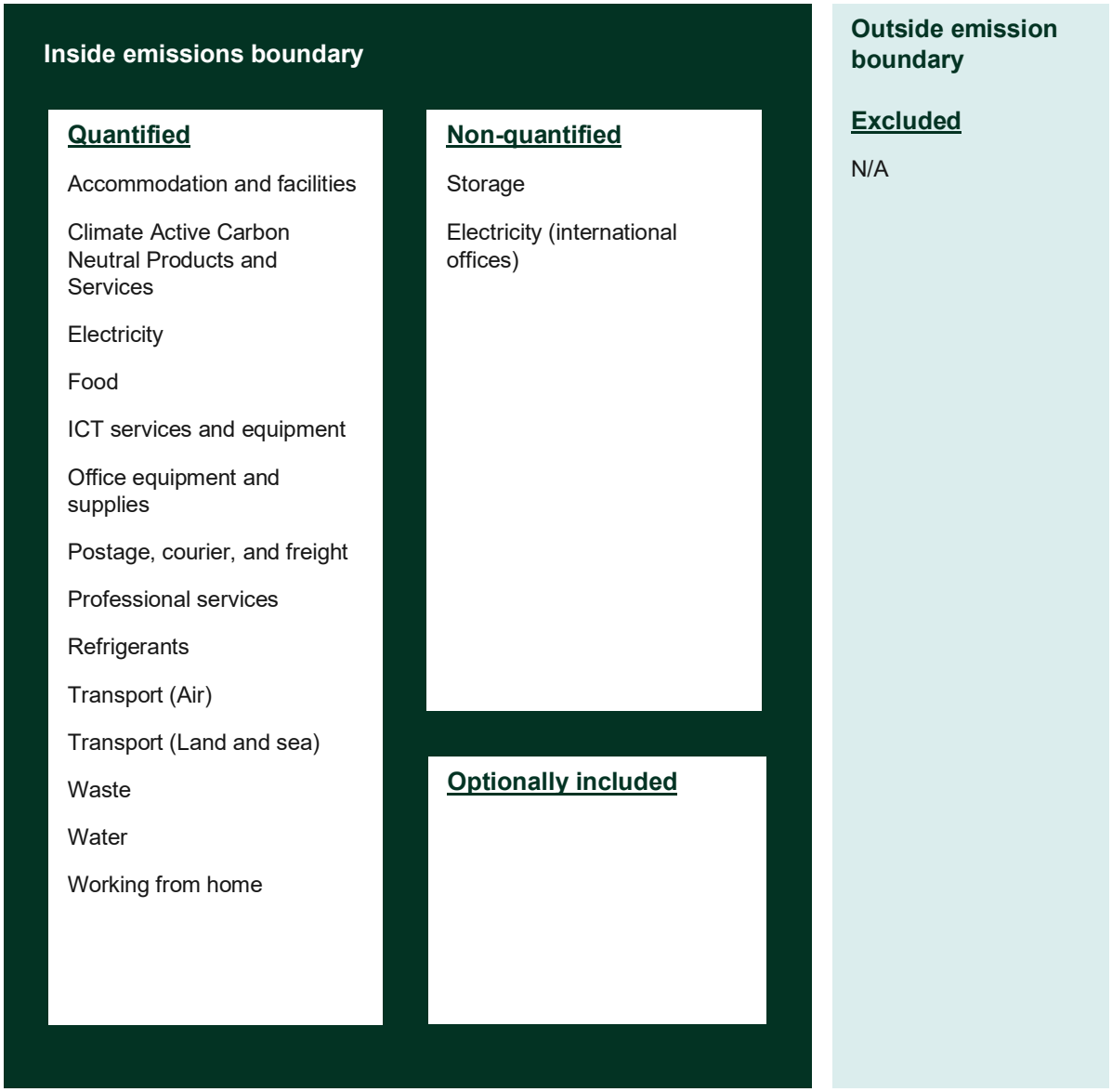
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

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.



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.

Electricity from international offices:

Hydroflux will work with the lessors of their international offices to record their electricity usage. We plan to have this in place before FY2025-26.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Hydroflux takes its climate responsibility seriously. The Hydroflux Group of companies was created to deliver the highest level of engineering and scientific know-how to issues of sustainability, climate adaptation and environmental protection with a specific focus on water and wastewater. Building on our goals from the previous reporting period, Hydroflux is focused on emissions sources where we have the greatest potential to influence emissions reduction.

We recognise that meaningful emissions reduction action takes time, so actions will be undertaken in 2022 and onwards. Hydroflux aims to:

- Transition owned fleet to electric vehicles by 2030 which is estimated to offer a 75% reduction of Scope 1 emissions from the FY2021 base year.
- Purchase 100% renewable energy for owned and leased Sutherland offices by the end of December 2022 which is estimated to offer a minimum 10% reduction of Scope 2 emissions from the FY2021 base year.
- Continue implementation of the waste management program to achieve our goal of zero waste to landfill by the end of December 2023 which is estimated to offer a 1% reduction in Scope 3 emissions from the FY2021 base year. We will develop an e-waste reuse/recycling program and rollout in all offices by the end of December 2023.

Hydroflux will implement its sustainable procurement strategy by the end of December 2023. This will include a revision and update of our Travel and Reimbursement Policy to optimise business travel and mandate carbon offsetting. We will also conduct a review of our key suppliers to assess and internally score based on their sustainability actions.

Emissions reduction actions

In the 2021-22 reporting period, Hydroflux:

- Installed LED lighting in Sutherland offices, achieving a 12% reduction in electricity emissions.
- Conducted a gap analysis against ISO20400 Sustainable Procurement to inform the sustainable procurement strategy.
- Established a Sustainability Committee to support cross-functional collaboration and determine ways Hydroflux can improve its existing practices.
- Continue encouraging employees to commute to and from work in the most safe, efficient and sustainable manner through the Green Transport Initiative.
- Expanded the emissions boundary to include all emissions generated by international offices.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year		
		Total tCO_2-e
Base year/Year 1:	2020-21	470
Year 2:	2021-22	491

Significant changes in emissions

Hydroflux organisation emissions have risen due to business growth. Significant changes (+/- 5%) in the total emissions were due to Climate Active emission factor changes, energy efficiency measures, organic growth, increased business travel and improved data availability and accuracy.

Emission source name	Current year (tCO_2-e)	Previous year (tCO_2-e)	Detailed reason for change
Electricity	123 tCO_2-e	140 tCO_2-e	Energy efficiency measures through LED installation in Sutherland offices
Computer and technical services	65 tCO_2-e	16 tCO_2-e	Improved data completeness and accuracy
Computer and electrical components	31 tCO_2-e	36 tCO_2-e	Climate Active emission factor change
Advertising services	29 tCO_2-e	35 tCO_2-e	Climate Active emission factor change and a focus on website instead of advertising
Short economy class flights	55 tCO_2-e	32 tCO_2-e	COVID-19 travel restrictions eased
Petrol medium car	39 tCO_2-e	74 tCO_2-e	Improved data accuracy through employee commuting survey
Petrol/Gasoline post-2004	28 tCO_2-e	27 tCO_2-e	Organic growth

Use of Climate Active carbon neutral products and services

Certified brand name	Product or Service used
Paper Australia Pty Ltd	Reflex A3 and A4
Qantas Airways Limited	Opt-in carbon neutral passenger service
Virgin Australia Holdings	Opt-in carbon neutral passenger service

Organisation emissions summary

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

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	8	8
Climate Active Carbon Neutral Products and Services	0	0	0	0
Electricity	0	123	0	123
Food	0	0	7	7
ICT services and equipment	0	0	114	114
Office equipment & supplies	0	0	7	7
Postage, courier and freight	0	0	12	12
Professional Services	0	0	33	33
Refrigerants	2	0	0	2
Transport (Air)	0	0	66	66
Transport (Land and Sea)	11	0	146	157
Waste	0	0	5	5
Water	0	0	1	1
Working from home	0	0	-45	-45
Total	13	123	353	489

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
Uplift to account for the electricity emissions from international offices as data are currently unavailable	1.45
Total of all uplift factors	1.45
Total footprint to offset *(total net emissions from summary table + total uplifts)*	**491**

6. CARBON OFFSETS

Offsets retirement approach

In arrears		
1.	Total number of eligible offsets banked from last year's report	730
2.	Total emissions footprint to offset for this report (tCO_2-e)	491
3.	Total eligible offsets required for this report	491
4.	Total eligible offsets purchased and retired for this report	730
5.	Total eligible offsets banked to use toward next year's report	239

Co-benefits

This section provides a brief description of the carbon offsets project purchased and retired for Hydroflux's carbon-neutral claim.

Energy efficiency improvement project leading to multiple sustainable development impacts in Uganda

This project relates to 100 per cent of the total amount of offsets purchased and retired for this reporting period. The activity includes the initial distribution of improved cookstoves (ICS) during the year 2017 to approximately 25,600 families within 3 districts of Uganda. Most families living in the area cook currently with traditional three-stone fires which consume large amounts of firewood. This means that a lot of time is spent on firewood collection. The firewood collection is also causing deforestation and land degradation. Firewood combustion is a significant source of greenhouse gas (GHG) emissions responsible for climate change. In addition to the environmental consequences, there are serious health implications related to inefficient cooking methods through exposure to smoke and other emissions. This project will be attempting to address these issues by implementing energy-efficient cookstoves for households. The energy-efficient stoves will allow households to cook the same amount of food using less firewood.

The project meets the following Sustainable Development Goals:

Eligible offsets retirement summary

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**	**Stapled 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**	**Percentage of total (%)**
Energy efficiency improvement project leading to multiple sustainable development impacts	VER	Gold Standard Impact Registry	18 October 2021	GS1-1-UG-GS6604-16-2019-21336-7659-8388	2019	-	730	0	239	491	100%
									Total offsets retired this report and used in this report	491	
									Total offsets retired this report and banked for future reports	239	

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Emissions Reductions (VERs)	491	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
N/A	-	-	-	-	-	-	-	-	-
						Total LGCs surrendered this report and used in this report	N/A		

APPENDIX A: ADDITIONAL INFORMATION

Hydroflux is committed to the following principles:

- Compliance with our ISO14001 Accredited Environmental Policy
- Compliance with our ISO 45001 & AS/NZS 4801 Accredited Safety Policy
- Compliance with our ISO 31000 Risk Management System
- Compliance with our Modern Slavery Statement
- Providing a safe and respectful workplace
- Encouraging a culture of continuous improvement
- Sustainable water management, specifically the principles of water stewardship
- Conserving natural resources by reusing and recycling where possible
- Ensuring the responsible use of energy throughout the organisation

References:

- H-Sustainability-Policy.pdf (hydroflux.com.au)
- Modern slavery statement reference

Hydroflux aims to bring the highest level of engineering and scientific knowhow to deliver sustainability, climate adaption and environmental protection solutions with a specific focus on water and wastewater. Climate Active certification aligns with our values, business objectives and future direction by connecting our activities in the sustainable water and energy arenas with our values of reducing carbon emissions and helping to bring clean water to those that need it most. Hydroflux has invested in biogas capture technology to produce renewable energy and operates biogas plants to help our clients reduce their carbon emissions. About 80% of business and employee charity contributions are directly related to water. One of the most significant is our partnership with Love Mercy Australia's Well Worth It program delivering wells that help relieve poverty through easy and safe access to clean water in rural Northern Ugandan villages. Climate Active certification demonstrates that Hydroflux takes its climate responsibility seriously.

Figure 1: Hydroflux charity contributions related to water in Northern Uganda

Figure 2: Hydroflux operated biogas plant

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 percentage 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)	28,213	0	19%
Residual Electricity	123,553	122,930	0%
Total grid electricity	**151,766**	**122,930**	**19%**
Total electricity consumed (grid + non grid)	**151,766**	**122,930**	**19%**
Electricity renewables	28,213	0	
Residual Electricity	123,553	122,930	
Exported on-site generated electricity	**0**	**0**	
Emissions ($kgCO_2$-e)		122,930	

Total renewables (grid and non-grid)	**18.59%**
Mandatory	**18.59%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual Electricity Emission Footprint (tCO_2-e)	**123**

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

Location-based approach summary

Location-based approach	Activity Data (kWh)	Scope 2 Emissions ($kgCO_2$-e)	Scope 3 Emissions ($kgCO_2$-e)
ACT	0	0	0
NSW	115,549	90,128	8,088
SA	0	0	0
VIC	17,246	15,694	1,725
QLD	17,246	13,797	2,070
NT	0	0	0
WA	1,725	1,156	17
TAS	0	0	0
Grid electricity (scope 2 and 3)	**151,766**	**120,775**	**11,900**
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
VIC	0	0	0
QLD	0	0	0
NT	0	0	0
WA	0	0	0
TAS	0	0	0
Non-grid electricity (Behind the meter)	**0**	**0**	**0**
Total electricity consumed	**151,766**	**120,775**	**11,900**

Emission Footprint (tCO_2-e)	**133**
Scope 2 Emissions (tCO_2-e)	121
Scope 3 Emissions (tCO_2-e)	12

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity Data (kWh)	Emissions ($kgCO_2$-e)
N/A	**0**	**0**

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their 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. 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
Storage	Yes	No	No	No
Electricity (international offices)	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?
N/A	-	-	-	-	-	-

An Australian Government Initiative

Climate Active