



PUBLIC DISCLOSURE STATEMENT


REDZED LENDING SOLUTIONS

ORGANISATION CERTIFICATION

FY2021–22

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	RedZed Lending Solutions Pty Ltd
REPORTING PERIOD	Financial Year 1 July 2021 – 30 June 2022 [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>  <p>Evan Dwyer Managing Director Date 17th February 2023</p>



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

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Version March 2022.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	508 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	57.71%
TECHNICAL ASSESSMENT	17/05/2022 Tony Overman Encader Consulting Next technical assessment due: May 2025

Contents

- 1. Certification summary 3
- 2. Carbon neutral information 4
- 3. Emissions boundary 5
- 4. Emissions reductions..... 7
- 5. Emissions summary..... 8
- 6. Carbon offsets 10
- 7. Renewable Energy Certificate (REC) Summary 12
- Appendix A: Additional Information 13
- Appendix B: Electricity summary 14
- Appendix C: Inside emissions boundary 16
- Appendix D: Outside emissions boundary 17



2. CARBON NEUTRAL INFORMATION

Description of certification

Australian business operations of RedZed Lending Solutions Pty Ltd, ABN: 31 123 588 527

This Public Disclosure Statement (PDS) supports the certification of the Australian business operations of RedZed Lending Solutions Pty Ltd as an organisation going carbon neutral under the 'Climate Active Carbon Neutral Certification Standard for Organisations'.

This carbon inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022. The emissions boundary has been defined based on the operational control approach and covers the Australian operations of the business. Emissions associated with the loans provided by RedZed are excluded and outside of the emissions boundary.

“Improving our understanding of our carbon footprint and taking action to reach zero net emissions is a critical part of RedZed’s broader environment, social and governance commitments ”

Organisation description

RedZed Lending Solutions Pty Ltd (ABN: 31 123 588 527) is a privately owned specialist lender. With over 15 years of experience, it aims to become the preferred lender to Australia's self-employed.

RedZed recognises the importance of sustainable development and is committed to being environmentally and socially responsible.

Reducing RedZed's contribution of greenhouse gas emissions to the atmosphere is part of this commitment.

RedZed aspires to be known as a leader in Environmental, Social and Governance across the lending sector, by reducing the environmental impact of its operations and connecting communities through its outreach activities.

The Business has offices in Melbourne and Sydney and employed a total staff of 120 in the 2021-2022 Financial Year. RedZed's first Climate Active Certification was achieved for the FY2020-21 reporting year and did not include emissions from the operation of our Sydney office. This was due to the short period our Sydney office operated for within that period, and the low tenancy level.

This year both the Melbourne and Sydney office have been included in our reporting.

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

Accommodation and facilities
Cleaning and Chemicals
Electricity
Food
ICT services and equipment
Office equipment & supplies
Postage, courier and freight
Professional Services
Stationary Energy (gaseous fuels)
Transport (Air)
Transport (Land)
Waste
Water
Working from home
Sydney office

Non-quantified

Refrigerants

Outside emission boundary

Excluded

Investments (loans to customers)

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

RedZed's emissions reduction strategy is the business' roadmap to reduce emissions across the value chain (scopes 1, 2 and 3) by 50% by 2025 from a FY2020- 2021 base year.

Our emissions level has risen since FY2020-21 due to the organic growth of the business. Our assessment for FY2021-22 also includes the operations of our Sydney office, an estimate of emissions resulting from staff commute, and a higher level of understanding relating to our base building usage.

Our emission reduction strategy includes the following actions:

- Scope 2 emissions will be reduced by
 - Monitoring and improving the energy efficiency of our office lighting
 - Purchasing 100% GreenPower for energy usage in the Melbourne and Sydney office
- Scope 3 emissions will be reduced by
 - Continuing to work with the building manager to establish mature waste management using multiple bin types. Encourage staff to reduce waste overall
 - Encourage staff commuting via public transport and walking/cycling
 - Reviewing major procurement choices to favour products and services that are addressing and minimizing their carbon emissions

Emissions reduction actions

Our initial assessment was completed at the end of June 2022, and certification for FY2020-21 was achieved in October of 2022. We consider our base year assessment and certification as a key milestone on our journey to reducing our emissions over time.

A key priority action for us to reduce our emissions going forward was to purchase renewable energy for energy usage within our office tenancies. As of August 2022 we have begun purchasing 100% GreenPower for all energy usage in both our Melbourne and Sydney office. Whilst this won't impact our emissions for FY2021-22, we expect it to have a significant impact on our level of emissions going forward.

We have also implemented more energy efficient lighting in our Melbourne office by installing timed lighting. We expect this to reduce our overall office energy usage by 20-30%.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e
Base year/Year 1:	2020-21	417.51
Year 2:	2021-22	507.22

Significant changes in emissions

Multiple emissions sources saw a reasonably significant change compared to our base year.

In the base year assessment we had no knowledge of any LGC's having been purchased, and within our own tenancy we had not yet begun purchasing renewable energy. The building manager Dexu has purchased a high volume of LGC's for FY2021-22, resulting in around 81% of our base building energy usage being offset by the equivalent in renewable energy being generated and put into the grid.

Throughout the reporting year, travel restrictions relating to the COVID-19 pandemic began to ease, and our employee base increased by roughly 36% since the base year assessment. This organic growth has led to an increase in emissions across a range of sources such as travel by air and land, food & catering, and advertising services.

This increase in emissions was expected, however we don't foresee an impact to our emissions reduction trajectory and overall target.

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)	56	96	Increased renewable energy
Food & Catering	59	26	Increase in staff and events post COVID-19
Storage (ICT)	81	97	Source data clarity improved, less placed under "storage"
Advertising services	32	13	Increase in staff and events post COVID-19
Medium car: unknown fuel	46	22	Staff increase, inclusion of estimate of staff commute
WFH calculator – Result A - VIC	46	56	WFH hours decreased post COVID-19

Use of Climate Active carbon neutral products and services

N/A

Organisation emissions summary

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

Row Labels	Sum of Total Emissions (TCO2e)
Accommodation and facilities	3.31
Cleaning and Chemicals	6.60
Electricity	56.42
Food	59.03
ICT services and equipment	122.48
Office equipment & supplies	25.05
Postage, courier and freight	14.89
Professional Services	52.47
Stationary Energy (gaseous fuels)	8.74
Stationary Energy (liquid fuels)	0.04
Transport (Air)	37.21
Transport (Land and Sea)	67.80
Waste	0.96
Water	1.04
Working from home	51.18
Grand Total	507.22

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

In arrears	
1. Total number of eligible offsets banked from last year's report	2
2. Total emissions footprint to offset for this report	508
3. Total eligible offsets required for this report	506
4. Total eligible offsets purchased and retired for this report	550
5. Total eligible offsets banked to use toward next year's report	44

Co-benefits

The Arbon-Tooligie Human Induced Regeneration Project is set on rich undulating farmland near Cummins in South Australia. The project is regenerating permanent native forest across over 3,000ha of land that had previously been cleared and where regeneration had been suppressed.

Key benefits resulting from the project include:

- Carbon sequestration to mitigate climate change
- Regeneration of native forest, active management and protection for 100 years
- Improvements in native flora and fauna support the local ecosystem
- Improved drought resilience
- Investment in the local economy and creation of jobs

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 (%)
Arbon-Tooligie Human Induced Regeneration Project (EOP100275)	ACCUs	ANREU	26 October 2022	8,345,891,265 - 8,345,891,814	2021-22	0	550	0	44	506	99.6%
Arbon-Tooligie Human Induced Regeneration Project (EOP100275)	ACCUs	ANREU	23 June 2022	8,339,997,440 - 8,339,997,859	2021-22	0	420	418	0	2	0.4%
Total offsets retired this report and used in this report										508	
Total offsets retired this report and banked for future reports										44	
Type of offset units		Quantity (used for this reporting period claim)				Percentage of total					
Australian Carbon Credit Units (ACCUs)		508				100%					

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

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 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)	*52,461	0	39%
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)	24,927	0	19%
Residual Electricity	56,701	56,415	0%
Total grid electricity	134,089	56,415	58%
Total Electricity Consumed (grid + non grid)	134,089	56,415	58%
Electricity renewables	77,388	0	
Residual Electricity	56,701	56,415	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		56,415	
Total renewables (grid and non-grid)	57.71%		
Mandatory	18.59%		
Voluntary	39.12%		
Behind the meter	0.00%		
Residual Electricity Emission Footprint (TCO₂e)	56		

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 (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	0	0	0
NSW	16,061	12,528	1,124
SA	0	0	0
Vic	118,028	107,405	11,803
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	134,089	119,933	12,927
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	134,089	119,933	12,927

Emission Footprint (TCO2e)	133
Scope 2 Emissions (TCO2e)	120
Scope 3 Emissions (TCO2e)	13

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
Enter product name/s here	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.

*Note: Dexus, who manage the Melbourne building RedZed operates in, have surrendered the above mentioned LGCs to match 81.50% of the base building electricity consumption for the reporting period.

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
Refrigerants	Yes	No	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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Investments	No	No	No	No	No	No



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