PUBLIC DISCLOSURE STATEMENT

SOUTH POLE AUSTRALIA

ORGANISATION CERTIFICATION
CY2021

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	South Pole Australia Pty Ltd
REPORTING PERIOD	Calendar year 1 January 2021 – 31 December 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.*
	Dale Dawson Director 14 August 2023
	John Davis Director 14 August 2023

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

Version March 2022.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	55 tCO_2-e
OFFSETS BOUGHT	87% VERs, 13% VCUs
RENEWABLE ELECTRICITY	39%
TECHNICAL ASSESSMENT	29/06/2023 Ajit Padbidri South Pole Next technical assessment due: CY2024 report

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

The emission inventory in this public disclosure summary covering the 1 January 2021 – 31 December 2021 reporting period has been developed in accordance with the Climate Active Carbon Neutral Standard for Organisations.

The operational boundary has been defined based on an operational control approach. The boundary covers all entities where South Pole Australia has operational control, including its offices in Sydney and Melbourne.

Our emissions inventory incorporates the seven greenhouse gases listed under the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). This inventory presents them as carbon dioxide equivalents (CO_2e) and classifies scope 1, 2, and 3 emissions where applicable.

"In Australia, it makes sense for us to make our local operations carbon neutral as a way to lead by example and 'walk the talk."

Organisation description

South Pole Australia is the Australian subsidiary of South Pole Asset Management (South Pole), headquartered in Switzerland. South Pole is a leading climate change solutions provider. Initially focused on the development of premium emissions reduction projects, the company now offers a wide spectrum of sustainability services, including climate policy and strategy advisory. Its expertise covers the areas of climate change, forests & land use, water, and sustainable cities and buildings, as well as renewable energy and energy efficiency. South Pole is determined to help its clients grow their business with ground-breaking climate and sustainability solutions, which positively impact the environment, economy and society.

South Pole's Australian presence covers all areas of expertise, from consulting and marketing, to sales and portfolio. The local Australian team is well connected to South Pole's global network of experts. South Pole Australia's offering includes consulting, marketing and product services across five key areas: carbon credits, renewable energy, sustainability consulting, data solutions, and funds and platforms.

This involves providing both the public and private sector with carbon offsets, renewable energy certificates and services including sustainable supply chains and Task Force on Climate-related Financial Disclosures (TCFD) advisory.

In addition, South Pole provides advisory on carbon pricing, climate finance, smart cities and climate policy/Nationally Determined Contributions (NDCs) for the public sector.

South Pole Australia's greenhouse gas (GHG) accounting and reporting procedure is based on the Climate Active Carbon Neutral Standard for organisations and the 'Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised edition' (GHG Protocol).

South Pole Australia's GHG account covers the six GHGs covered by the Kyoto Protocol: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF_6). All emissions are reported in tonnes of carbon dioxide equivalent (tCO_2-e).

The following subsidiaries are also included within this certification:

Legal entity name	ABN	ACN
South Pole Australia Pty LTD	76 613 197 210	613 197 210

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

South Pole was unable to obtain information about the technology used in the air conditioning (AC) systems and any natural gas consumption of the buildings where South Pole had its offices in 2021.

These emission sources are estimated to each be immaterial (<1% of the total emissions) and are thus non-quantified in the carbon inventory. A data management plan is not required for immaterial emission sources.

4.EMISSIONS REDUCTIONS

Emissions reduction strategy

South Pole is taking environmental responsibility for its operations through its Sustainability Policy and Action Plan. It continuously measures its climate impact and encourages the development and diffusion of environmentally-friendly technologies. In January 2018, a number of sustainability targets and goals that have an impact on South Pole's greenhouse gas emissions in Australia were set for the year 2025. Additionally, in 2021, South Pole set a near-term science-based target (SBT) in line with 1.5°C warming scenarios:

"South Pole commits to reduce absolute scope 1 and scope 2 GHG emissions 50% by 2030 from a 2018 base year."

This SBT was validated by the Science-Based Targets initiative (SBTi) through the SME pathway and can be publicly viewed on the SBTi' website. As South Pole is projected to no longer be an SME, South Pole has committed to setting a near-term and a long-term SBT to reach net zero value chain GHG emissions across all relevant scopes, including scope 3.

While the targets above are for South Pole's global operations, South Pole Australia is responsible for contributing to each of these targets.

Emissions reduction actions

Reporting to the United Nations Global Compact (UNGC) every year since 2015, we make ambitious sustainability commitments and pursue them through our comprehensive sustainability action plan. For the purpose of Climate Active, the table below summarises South Pole's action plan related to reducing its carbon footprint in Australia.

South Pole Australia's progress is positive for most targets, with the exception of % of total waste recycled and sheets of paper printer per employee.

Objective	Action	Key performance indicator	2018 baseline	2025 target	2021 status
Energy *(UN SDGs: 7 'Affordable and Clean Energy')*	Power operations with renewable electricity	% of purchased electricity globally	18%	100%	39%
	Reduce South Pole office energy consumption through energy efficiency measures	kilowatt-hours (kWh) reduced (tenancy)	719.7 kWh/employee	20% reduction in kWh/employee	**On track** 86% reduction in kWh/employee
	Reduce carbon emissions from business travel	km/employee	39,025 km/employee	10% reduction in km/employee from business travel by all transport modes	**On track** 93% reduction in km/employee
			37,333 km/employee	15% reduction in km/employee from business travel by air	**On track** 94% reduction in km/employee
Water *(UN SDG: 6 'Clean Water and Sanitation')*	Reduce water consumption in South Pole operations	Cubic metres (m^3)/employee	27.8 m^3/employee per year	20% reduction in m^3/employee	**On track** 95% reduction in m^3/employee
Waste *(UN SDG: 12 'Responsible Consumption and Production')*	Reduce absolute waste generation within South Pole offices	kg/employee	57.6 kg/employee	15% reduction in kg waste/employee	**On track** 89% reduction in kg/employee
	Zero waste to landfill and incineration, including e-waste	kg	Data unavailable	0% of waste to landfill	**Action needed** 60% waste to landfill

Paper *(UN SDGs: 12 'Responsible Consumption and Production'; 15 'Life on Land')*	Low paper offices	Number of paper sheets/employee	62.5 sheets/employee	50% reduction in paper sheets/employee	**Action needed** 54% increase in sheets/FTE
	Purchase of only recycled and certified paper	% certified recycled paper purchased	100% certified recycled paper purchased	99% certified recycled paper purchased	**On track** 100% certified recycled paper purchased
Employee engagement *(UN SDGs: 8 'Decent Work and Economic Growth'; 13 'Climate Action)*	Promote sustainable commuting practices	% of employee commuting (by distance travelled) via public transport, rideshare, bicycle and walking	97% employees commuting via public transport, bicycle, or walking	90% of South Pole employees commuting via public transport, bicycle, or walking	**On track** 100% employees commuting via public transport, bicycle, or walking

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year		
		Total tCO_2-e
Base year:	2018	103.25
Year 1:	2019	130.01
Year 2:	2020	21.63
Year 3:	2021	54.91

Significant changes in emissions

South Pole's total emissions in 2021 showed a significant improvement compared to the base year of 2018, with a reduction of 49% (53 tCO_2-e). However, there was an increase of 54% (33 tCO_2-e) compared to the previous year of 2020. This increase can be attributed to several factors. Firstly, the easing of travel restrictions and fewer mandatory office closures due to the COVID-19 pandemic relative to 2020 played a major role. Secondly, the full-time equivalent (FTE) staff more than doubled in 2021, with 26 FTEs compared to 12 FTEs in 2020.

As displayed in the table below, it is evident that the emission increases primarily originated from three sources: electricity usage, business travels, and legal services. These areas saw a notable rise in emissions, contributing to the overall increase. It is crucial to address these sectors and implement sustainable practices to further reduce emissions and promote environmental conservation in the future.

Emission source	Current year (tCO_2-e)	Previous year (tCO_2-e)	Reason for change
Electricity	9.19	6.70	Increased office activity as compared to the heights of COVID pandemic in 2020.
Food services	3.08	3.66	Adapting to the new normal, there were less catering or eating out activities.
Legal services	4.76	0.01	Increased activity as business returns closer to pre-COVID level.
Short economy class flights (>400km, ≤3,700km)	9.81	6.22	Increased travelling for business activities due to easing of travel restrictions as compared to the heights of COVID pandemic in 2020.
Petrol: Medium Car	3.86	0.03	Increased travelling for business activities due to easing of travel restrictions as compared to the heights of COVID pandemic in 2020.

Working from home – Result A – NSW	3.48	-2.08	Result A was used in 2021 because employee commuting emissions were calculated based on primary data and already accounted for the number of days of WFH. Result B, used in 2020, included avoided employee commuting emissions due to WFH; hence the negative value.
Working from home – Result A - VIC	3.45	-0.05	Result A was used in 2021 because employee commuting emissions were calculated based on primary data and already accounted for the number of days of WFH. Result B, used in 2020, included avoided employee commuting emissions due to WFH; hence the negative value.

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.

Emission category	Sum of total emissions (tCO_2-e)
Accommodation and facilities	0.18
Domestic hotel (unknown stars)	2.12
Cleaning and chemicals	0.04
Electricity	9.19
Food	4.19
Horticulture and agriculture	0.14
ICT services and equipment	7.60
Office equipment & supplies	2.68
Products	0.20
Professional services	7.11
Transport (Air)	9.81
Transport (Land and Sea)	4.47
Waste	0.16
Water	0.08
Working from home	6.93
Total	**54.91**

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
N/A	N/A
Total of all uplift factors	N/A
Total footprint to offset *(total net emissions from summary table + total uplifts)*	**54.91**

6. CARBON OFFSETS

Offsets retirement approach

In arrears	
1. Total number of eligible offsets banked from last year's report	7
2. Total emissions footprint to offset for this report (tCO_2-e)	55
3. Total eligible offsets required for this report	48
4. Total eligible offsets purchased and retired for this report	55
5. Total eligible offsets banked to use toward next year's report	7

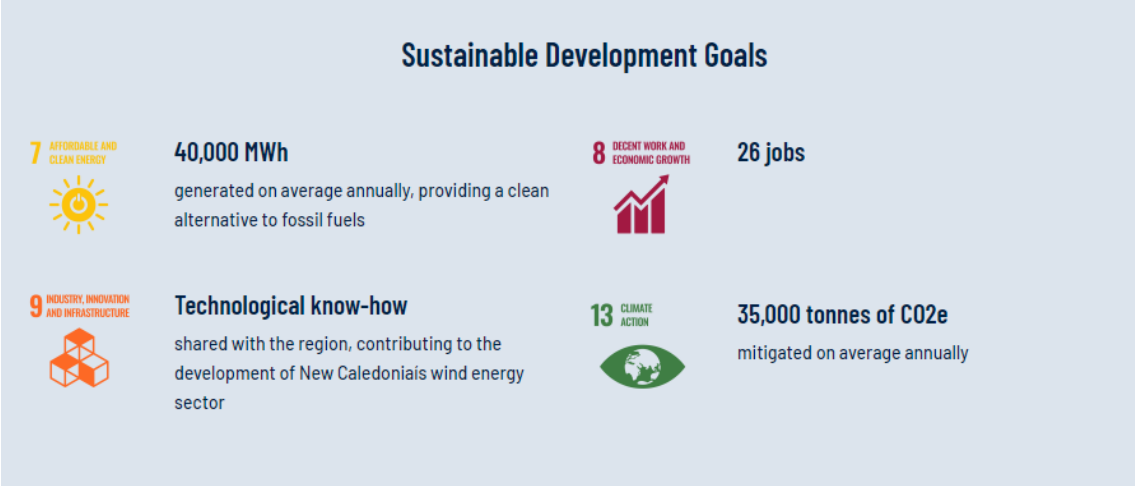
Co-benefits

The Pacific islands region, including New Caledonia, faces increasing environmental and socioeconomic pressures exacerbated by global climate change and climate variability. Under the United Nations Framework Convention on Climate Change (UNFCCC), small island developing states are recognized as being particularly vulnerable to climate change. Pacific island countries are already severely affected by climate variability and extremes, and they remain extremely vulnerable to future changes.

This project involves six wind farms located in two different sites, Kafeate and Prony, on the island of New Caledonia. The sites were installed by the company Aerowatt and consist of 116 wind turbines providing a total capacity of 31 MW with an estimated yearly production of 40 GWh of electricity which is then exported to the New Caledonian grid. The project, therefore, replaces grid electricity that is 80% produced by fossil-fuel power plants.

By reducing the amount of greenhouse gas emissions in electricity generation, this project makes a significant contribution to climate action both in New Caledonia and globally. Air pollutants such as sulphur dioxide, nitrogen oxides, and particles resulting from the electricity generation from fossil fuels are reduced. The project has boosted local small economies by creating local employment during both the construction and operational phases, also stimulating technology and know-how transfer. In addition, it proves the viability of sustainable development in a vulnerable island nation, promoting climate awareness and future climate action for the pacific island region.

Below is the contribution to the United Nations Sustainable Development Goals of the project:



View the project website: https://www.southpole.com/projects/prony-green-power-from-wind

Eligible offsets retirement summary

Offsets retired 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 (%)**
Kariba REDD+ Project, Zimbabwe	VCU	Verra	22 June 2021	9089-67345141-67345170-VCS-VCU-352-VER-ZW-14-902-01012015-31122015-1	2015	-	30	23	0	7	13%
Prony and Kafeate wind-farms, New Caledonia	VER	Gold Standard	23 June 2023	GS1-1-NC-GS566-12-2015-5967-13133-13188	2015	-	56	0	7[1]	48	87%
									Total offsets retired this report and used in this report	**55**	
									Total offsets retired this report and banked for future reports	**7**	

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Emissions Reductions (VERs)	48	87%
Verified Carbon Units (VCUs)	7	13%

[1] 48 units used for South Pole's CY2021 organisation certification; 1 unit used for South Pole's CY2021 service certification.

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)*	3
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
New Gullen Range Wind Farm Pty Ltd	LGC	REC Registry	11 July 2022	WD00NS09	173 - 174; 513	2021	3	Wind	NSW, Australia
					Total LGCs surrendered this report and used in this report		**3**		

APPENDIX A: ADDITIONAL INFORMATION

South Pole is a registered B Corporation in Australia. This registration by B Lab endorses South Pole Australia as a company that meets rigorous social and environmental standards, and a commitment to goals beyond shareholder profit.

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)	3,000	0	20%
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)	2,786	0	19%
Residual Electricity	9,241	9,189	0%
Total grid electricity	**15,027**	**9,189**	**39%**
Total electricity consumed (grid + non grid)	**15,027**	**9,189**	**39%**
Electricity renewables	5,786	0	
Residual electricity	9,241	9,189	
Exported on-site generated electricity	**0**	**0**	
Emissions ($kgCO_2$-e)		9,189	

Total renewables (grid and non-grid)	**38.50%**
Mandatory	**18.54%**
Voluntary	**19.96%**
Behind the meter	**0.00%**
Residual electricity emissions footprint (tCO_2-e)	**9**

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)
NSW	11,348	8,852	794
VIC	3,679	3,348	368
Grid electricity (scope 2 and 3)	**15,027**	**12,199**	**1,162**
NSW	0	0	0
VIC	0	0	0
Non-grid electricity (Behind the meter)	**0**	**0**	**0**
Total electricity consumed	**15,027**	**12,199**	**1,162**

Emissions footprint (tCO_2-e)	**13**
Scope 2 emissions (tCO_2-e)	12
Scope 3 emissions (tCO_2-e)	1

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity Data (kWh)	Emissions (kgCO2e)
N/A	N/A	N/A

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
Refrigerants	Yes	No	No	No
Stationary energy	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.

Emissions from activities of international South Pole employees contributing to the operations of South Pole Australia do not come under the operational control of South Pole Australia. Therefore, emission from International South Pole offices has been excluded as it has been assessed as not relevant according to the relevance test.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
International South Pole offices	Yes	No	No	No	No	No

An Australian Government Initiative

Climate Active