



PUBLIC DISCLOSURE STATEMENT

KPMG AUSTRALIA

ORGANISATION CERTIFICATION
CY2022

Australian Government

Climate Active Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	KPMG Australia
REPORTING PERIOD	1 January 2022 – 31 December 2022 Arrears Report
DECLARATION	<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>  Donna O'Neill Head of Corporate Citizenship 11.05.2023



Australian Government

Department of Climate Change, Energy,
the Environment and Water

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Version March 2023.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	22,478 tCO ₂ -e
OFFSETS USED	8% ACCU, 44% VCUs, 48% CERs
RENEWABLE ELECTRICITY	103%
CARBON ACCOUNT	Prepared by: Jonathon Collins
TECHNICAL ASSESSMENT	Date: 05-05-2023 Organisation: KPMG Next technical assessment due: CY2025 report

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2. CARBON NEUTRAL INFORMATION

Description of certification

The certification includes all operations within Australia, over which KPMG Australia (ABN 51 194 660 183) has operational control. Activities within all our offices fall within the organisational boundary.

The emission inventory in this public disclosure summary covering the 1 January 2022 to 31 December 2022 reporting period has been developed in accordance with The Climate Active Carbon Neutral Standard for Organisation (Organisation Standard).

KPMG Australia's operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007, and includes all locations occupied by KPMG employees: Adelaide, Brisbane, Canberra, Darwin, Gold Coast, Greater Western Sydney (Parramatta, Penrith, Rhodes, Wollongong), Hobart, Melbourne, Newcastle, Sydney (Barangaroo), Townsville and Perth, as well as the offices of controlled entities in Port Moresby (Papua New Guinea), Nadi and Suva (Fiji).

All emissions from these offices are included within the boundary, as they hold permanent KPMG staff and are included as a part of KPMG's Global Climate Response (GCR) carbon accounting methodology for all member firms globally.

The methods used for collecting data, calculating emissions and presenting the carbon account are in accordance with

- The Climate Active Carbon Neutral Standard for Organisation (Organisation Standard)
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

KPMG Australia has considered all 7 x greenhouse gases commonly reported under the Kyoto Protocol in our reporting inventory. The gases that are reported are material to our business and expressed as carbon dioxide equivalents (CO₂-e) as applicable under the Kyoto Protocol.

Organisation description

At KPMG Australia, we help our clients not just grow, but grow meaningfully - consciously, collaboratively, transparently and empathetically.

Nationally, our network of over 12,000 people are dedicated to this, while providing audit, assurance and risk consulting, deals, tax and legal, management consulting and innovation and digital solutions to entities and organisations that span the nation's industrial, governmental and not-for-profit landscapes.

Our commitment is to support our clients' growth, not only so it enhances our nation's economic prosperity, but builds trust while benefiting society, people and the environment.

We have a long-standing commitment to harnessing the passion and capabilities of our people to empower positive change with our clients and in our communities. We believe that our nation can never reach its full potential until everyone has equal access to opportunity. Our Corporate Citizenship approach focuses our efforts on driving change for Indigenous Australia, Mental Health, Climate Action, Lifelong Learning and Human Rights, and the founding principle to leave no-one behind.

Under our Climate Action Plan to end of 2022, KPMG committed to being certified carbon neutral, an enabler of the circular economy and transparently managing our climate risk and ongoing contribution to the UN Sustainable Development Goals. Climate Active reporting began in CY2019 as our first year of attaining carbon neutral status and will continue as part of our Climate Action Plan 2023-2030.

*The Climate
Active
trademark helps
to communicate
a positive and
transparent
narrative of our
climate
commitments,
as it represents
a robust carbon
neutral claim."*

3.EMISSIONS BOUNDARY

KPMG Australia includes direct Scope 1 and indirect scope 2 emissions sources in our Greenhouse Gas emissions inventory. The inventory also includes other indirect Scope 3 emission sources that result from the operations of our business deemed relevant in the relevance test.

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 KPMG Australia'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

Office building natural gas

Electricity for tenancy

Electricity for base building (upstream leased assets)

Business air travel

Business travel in personal vehicles

Business travel (transport fuel) in KPMG owned vehicles

Business travel in taxis and rideshare

Business travel – Accommodation and hotels

Postage, courier and freight services

Waste to landfill

Paper consumption

Purchased food and catering, stationery, and office supplies

Staff working from home

Non-quantified

Optionally included

Outside emission boundary

Excluded

Refrigerants

Other purchased goods and services (excl. food, catering, stationery, and office supplies)

Capital goods

Fuel and energy related activities

Employee commuting

Downstream transportation and distribution

Processing of sold products

Use of sold products

End-of-life treatment of sold products

Downstream leased assets

Franchises

Investments

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In 2017, KPMG Australia set out its inaugural Climate Action Plan (CAP) 2018–2022, outlining our commitments to climate action and our roadmap to achieving net zero emissions by 2030, in line with KPMG International's science-based target (SBTi). The CAP included our commitment to being certified carbon neutral, alongside the following targets by the end of 2022 (inclusive of the reporting period):

- **100% Renewable Energy:** Procurement of renewable energy for KPMG tenancies
- **>90% Recycling Rate:** Staff engagement on waste and recycling, waste audits, education, circular economy thought-leadership
- **-50% Energy Emissions / FTE:** Investigating ongoing energy reduction opportunities, grants or schemes to support energy efficiency of our operations
- **-15% Air travel emissions / FTE:** Setting an internal price on carbon (IPC) to encourage virtual service delivery and increased use of technology to reduce non-essential business travel.
- **Increase Sustainable Procurement:** Increased reporting on supply chain emissions, engaging and supporting our suppliers to achieve net zero

In April 2023 KPMG Australia launched a new [Climate Action Plan 2023-2030](#), developed in consultation with our people, KPMG's subject matter experts and leading non-governmental organisations (NGOs).

It recognises the critical need to continue our decarbonisation efforts beyond our operations and into our supply chain and service offerings, to support our economy's transition to a net zero future.

Our Climate Action Plan to 2030 sets out five commitments:

1. **Decarbonise our operations and supply chain towards net zero** - We commit to achieve a 50 percent reduction on our 2019 baseline across our Scope 1, 2 and 3 emissions by 2030
2. **Support our clients' and Australia's transition to net zero** - We will strengthen our client portfolio resilience to climate risk and support the decarbonisation of our clients across industries by 2030
3. **Strengthen climate resilience with our people, clients and community partners** - We will amplify our people's knowledge and engagement on climate action, and collaborate with clients, community organisations, and NGOs on climate resilience
4. **Advance our commitment to circularity** - We will implement new measures to ensure more raw materials are being reused and recycled by 2030
5. **Understand and improve our impact on nature and biodiversity** - We will continue to support nature positive outcomes based on regeneration, resilience, and resource circularity.

Our CAP 2023-2030 commitments will apply to all future reporting periods.

Emissions reduction actions

KPMG Australia's emission reduction over time has been achieved through energy efficiency in our offices, green building office relocations, renewable energy uptake and targeted behaviour change, specifically to reduce non-essential business travel through use of technology and waste to landfill in our operations.

For the first time since CY2020, we saw our total gross emissions increase predominantly due to higher occupancy in offices and greater volumes of travel between client sites and KPMG offices, which typically account for our largest emission sources.

In CY2022, we implemented the following emission reduction actions:

- Entered into a supply agreement to procure 5GW of renewable energy from Lake Bonney Windfarm, to source 100% renewable energy to cover all tenancies from 1 July 2022
- Implemented an internal price on carbon (IPC) by placing a fee on our air travel-related emissions, anchored to the market price of Australian Carbon Credit Units (ACCUs)
- Set a maximum air travel limit to reduce non-essential business travel to keep us on track to meeting our 50% absolute emission reduction target by 2030
- Became one of the five foundation members of the Qantas Sustainable Aviation Fuel Coalition (SAF Coalition), alongside Australia Post, Boston Consulting Group, Macquarie Group and Woodside Energy, to support the decarbonisation of the aviation industry
- Commenced the first stage of our Sustainable Procurement Framework to support our suppliers to achieve net zero carbon by 2030
- Mapped climate risk in our supply chain through the Avarni automated cloud platform
- Developed a zero waste roadmap, including waste audits, updated recycling signage and introduction of new recycling streams and partners to reduce waste to landfill.

5.EMISSIONS SUMMARY

Emissions over time

		Emissions since base year	
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year:	2019	39,281	N/A
Year 1:	2020	13,629	N/A
Year 2:	2021	8,535	N/A
Year 3:	2022	22,478	N/A

Significant changes in emissions

For 2022, KPMG Australia achieved an increase of 162% in emissions from CY2021 emissions. This trend has been driven primarily by the following changes:

Emission source	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Long business class flights (>3,700km)	382	8,864	Due to international travel restrictions being lifted, higher volumes of air travel were seen than previous years.
Short economy class flights (>400km, ≤3,700km)	1,304	5,542	Due to domestic travel restrictions being lifted, higher volumes of air travel were seen than previous years.
Remote working	3,497	2,871	Increased occupancy of offices and less staff working from home following pandemic restrictions being lifted.

Use of Climate Active carbon neutral products, services, buildings or precincts

The Barangaroo precinct is the first urban precinct in Australia to be awarded carbon neutral status. As Australia's first large-scale carbon neutral community, Barangaroo has been set up to operate with zero net carbon emissions. In attaining carbon neutrality, the precinct defined a reporting boundary that included electricity consumption of base buildings, occupants and tenants. The PDS can be found [here](#). KPMG Australia's Sydney office is included as a tenant of Tower 3, in Barangaroo South, as captured in the market-based electricity summary as a deduction from the total electricity consumed.

Certified brand	Precinct used
Barangaroo	Barangaroo is certified for its precinct, comprising of three main areas: Barangaroo Reserve, Barangaroo South and Central Barangaroo.

Emissions summary

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

Emission category	Sum of Scope 1 (t CO ₂ -e)	Sum of Scope 2 (t CO ₂ -e)	Sum of Scope 3 (t CO ₂ -e)	Sum of total emissions (t CO ₂ -e)
Accommodation and facilities	0.00	0.00	1164.91	1164.91
International operations (Fiji and Papua New Guinea)	0.00	87.81	288.64	376.45
Climate Active Carbon Neutral Products and Services	0.00	0.00	0.00	0.00
Electricity	0.00	0.00	0.00	0.00
Food	0.00	0.00	610.00	610.00
Office equipment & supplies	0.00	0.00	716.20	716.20
Postage, courier and freight	0.00	0.00	119.04	119.04
Stationary Energy (gaseous fuels)	134.34	0.00	9.39	143.72
Transport (Air)	0.00	0.00	15654.73	15654.73
Transport (Land and Sea)	85.09	0.00	619.38	704.47
Waste	0.00	0.00	116.80	116.80
Water	0.00	0.00	0.00	0.00
Working from home	0.00	0.00	2871.45	2871.45
Total	219.43	87.81	22170.53	22477.77

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

In arrears		
1.	Total number of eligible offsets banked from last year's report	816
2.	Total emissions footprint to offset for this report (tCO ₂ -e)	22,478
3.	Total eligible offsets required for this report	21,662
4.	Total eligible offsets purchased and retired for this report	23,500
5.	Total eligible offsets banked to use toward next year's report	1,838

This certification has taken in-arrears offsetting approach. The total emissions to offset is 22,478 t CO₂-e. The total number of eligible offsets used in this report is 23,500. Of the total eligible offsets used, 816 were previously banked and 23,500 were newly purchased and retired. 1,838 are remaining and have been banked for future use.

Co-benefits

Mt Mulgrave

Savanna fire is a major source of global greenhouse gas (GHG) emissions in Australia, contributing to around 3% of the country's annual GHGs. By strategically planned burning of savanna areas across 280,000 hectares, the Mount Mulgrave project in North Queensland aims to significantly reduce the risk of rampant wildfires spreading across the region in dry season, protects the country's endemic wildlife and, as a market-based mechanism for climate protection, the initiative provides financial incentive to landowners.

Ulubelu Geothermal, Indonesia

As well as producing clean electricity for Sumatra, the Ulubelu geothermal power plant contributes to creating 70-80 employment opportunities for local people. As an inexhaustible source of energy, the geothermal power plant also diversifies Indonesia's sources of electricity generation, improving energy security and driving the country towards a low-carbon energy future.

Hong Phong Solar, Vietnam

The project combats the use of fossil fuels by installing a solar energy plant in the Binh Thuan province, just east of Ho Chi Minh City. At the local level, the solar project provides stable jobs with good working conditions for 28 local workers and supports local families living in poverty with funding for students and housing.

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 (%)
Mt Mulgrave Savanna Burning project	ACCU	ANREU	12/05/2023	8,347,899,196-8,347,900,995	2022-23	-	1,800	0	0	1,800	8%
My Son - Hoan Loc Viet Solar Energy Project	VCU	VERRA	12/05/2023	15146-657866180-657870014-VCS-VCU-264-VER-VN-1-1958-01092020-31122020-0	2020	-	3,835	0	0	3,835	17%
				15147-657870015-657876179-VCS-VCU-264-VER-VN-1-1958-01012021-31122021-0	2021	-	6,165	0	0	6,165	27%
Project Ulubelu Unit 3 – 4 PT. Pertamina Geothermal Energy	CER	Swiss Emissions Trading Registry	11/05/2023	35,717,858 – 35,729,557	2017	-	11,700	0	1,838	9,862	44%
Metro Group Energy WWT Project	CER	Swiss Emissions Trading Registry	15/06/2022	9,097,666 – 9,099,383; 15,257,332 – 15,262,613	CP2	-	7,000	6184	0	816	4%
Total offsets retired this report and used in this report										22,478	
Total offsets retired this report and banked for future reports									1,838		

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	1,800	8%
Certified Emissions Reductions (CERs)	10,678	48%
Verified Carbon Units (VCUs)	10,000	44%

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)*	1,266
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* 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	Project location	Eligible unit type	Registry	Surrender date	Accreditation code	Certificate serial number	Generation year	Fuel source	Quantity (MWh)
Lake Bonney Wind Farm Stage 3 - SA	SA, Australia	LGC	REC Registry	24 Nov 2022	WD00SA12	76278-77543	2022	Wind	1,266
Total LGCs surrendered this report and used in this report									1,266

APPENDIX A: ADDITIONAL INFORMATION

Evidence of retired carbon offset units

Transaction Details

Transaction details appear below:

Transaction ID	AU27287
Current Status	Completed (4)
Status Date	2023-05-12 10:09:00 GMT
Transaction Type	Cancellation (4)
Transaction Initiator	Moan, Sashenai
Transaction Approver	Zhou, Ben M Sheng
Comments	Retired by South Pole Australia Pty Ltd on behalf of KPMG AUSTRALIAN SERVICES PTY LTD towards offsetting of all CY2022 emissions to achieve carbon neutrality and Climate Active certification.

Transferring Account	Acquiring Account
Account Number: AU-2077	Account Number: AU-1989
Account Name: South Pole Australia Financial Services Pty Ltd	Account Name: Australia Voluntary Cancellation Account
Account Holder: South Pole Australia Financial Services Pty Ltd	Account Holder: Commonwealth of Australia

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACU Cancellation			03230202					2022-23		6,347,819,196 - 6,347,862,995	1,880

Transaction Status History

Block Date	Status Date	Status
2023-05-12 10:09:00 GMT	2023-05-12 10:09:00 GMT	Completed (4)
2023-05-12 10:09:00 GMT	2023-05-12 10:09:00 GMT	Proposed (1)
2023-05-12 10:09:00 GMT	2023-05-12 10:09:00 GMT	Account Holder Approved (37)
2023-05-12 10:09:00 GMT	2023-05-12 10:09:00 GMT	Acquiring Account Holder Approval (35)

Berne, 11 May 2023

Transaction notification CH-45104

Source account CH-100-830-0
830 - Swiss Carbon Assets

Destination account CH-230-656-2
Voluntary Cancellation Account CP2

Amount 11,700 (5-0-CER)

Transaction status 4-Completed

Transaction date 11.05.2023, 10:09:00

Transaction type 04-00-Voluntary cancellation

Notification No 10000000012804

Comment Retired by South Pole Australia Pty Ltd on behalf of KPMG AUSTRALIAN SERVICES PTY LTD towards offsetting of all CY2022 emissions to achieve carbon neutrality and Climate Active certification.

Transaction history

Transaction status	Transaction date
Proposed	11.05.2023, 10:08:56
Checked (No Discrepancy)	11.05.2023, 10:08:59
Completed	11.05.2023, 10:09:00

Transferred Units

Country	Unit Type	Start block	End block	Applicable CP	Installation	Year	LULUCF	Project No	Track	Expiry date	Amount
ID	5-0-CER	35717858	35729557	2				5773			11,700

Berne, 15 June 2022

Transaction notification CH-32169

Source account CH-100-53- 0
53 - South Pole Carbon Asset Management

Destination account CH-230-656- 2
Voluntary Cancellation Account CP2

Amount 7,000 (5-0-CER)

Transaction status 4-Completed

Transaction date 15.06.2022, 14:19:07

Transaction type 04-00-Voluntary cancellation

Notification No 10000000010827

Comment Retired by South Pole Australia Pty Ltd on behalf of KPMG Australia towards offsetting of all CY2021 emissions to achieve carbon neutrality and Climate Active certification.

Transaction history

Transaction status	Transaction date
Proposed	15.06.2022, 14:19:05
Checked (No Discrepancy)	15.06.2022, 14:19:07
Completed	15.06.2022, 14:19:07

Transferred Units

Country	Unit Type	Start block	End block	Applicable CP	Installation	Year	LULUCF	Project No	Track	Expiry date	Amount
TH	5-0-CER	9097866	9098383	2				5098			1,718
TH	5-0-CER	15257332	15262613	2				5098			5,282





Certificate of Verified Carbon Unit (VCU) Retirement

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 12 May 2023, 3,835 Verified Carbon Units (VCUs) were retired on behalf of:

KPMG AUSTRALIAN SERVICES PTY LTD

Project Name
My Son - Hoan Loc Viet Solar Energy Project

VCU Serial Number
15146-657866180-657870014-VCS-VCU-264-VER-VN-1-1958-01092020-31122020-0

Additional Certifications

Powered by 



Certificate of Verified Carbon Unit (VCU) Retirement

Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 12 May 2023, 6,165 Verified Carbon Units (VCUs) were retired on behalf of:

KPMG AUSTRALIAN SERVICES PTY LTD

Project Name

My Son - Hoan Loc Viet Solar Energy Project

VCU Serial Number

15147-657870015-657876179-VCS-VCU-264-VER-VN-1-1958-01012021-31122021-0

Additional Certifications

Powered by  APX

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the market-based approach.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kg CO 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)	1,266,000	0	16%
GreenPower	1,859,286	0	23%
Climate Active precinct/building (voluntary renewables)	1,391,051	0	18%
Precinct/Building (LRET)	2,181,014	0	28%
Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	403,779	0	5%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	101,530	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	969,723	0	12%
Residual Electricity	-244,300	-233,307	0%
Total renewable electricity (grid + non grid)	8,172,384	0	103%
Total grid electricity	7,928,084	0	103%
Total electricity (grid + non grid)	7,928,084	0	103%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	-244,300	-233,307	
Scope 2	-215,745	-206,037	
Scope 3 (includes T&D emissions from consumption under operational control)	-28,555	-27,270	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	103.08%
Mandatory	41.02%
Voluntary	62.06%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	-206.04
Residual scope 3 emissions (t CO₂-e)	-27.27
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.00
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	0.00
Total emissions liability (t CO₂-e)	0.00

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

Location Based Approach Summary						
Location Based Approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	100%	(kWh)	Scope 2 Emissions (kg CO ₂ -e)	Scope 3 Emissions (kg CO ₂ -e)	(kWh)	Scope 3 Emissions (kg CO ₂ -e)
ACT	544,691	544,691	397,624	32,681	0	0
NSW	3,164,183	3,164,183	2,309,854	189,851	0	0
SA	369,630	369,630	92,408	29,570	0	0
VIC	1,811,687	1,811,687	1,539,934	126,818	0	0
QLD	1,095,752	1,095,752	799,899	164,363	0	0
NT	164,348	164,348	88,748	11,504	0	0
WA	651,416	651,416	332,222	26,057	0	0
TAS	107,842	107,842	18,333	1,078	0	0
Grid electricity (scope 2 and 3)	7,909,549	7,909,549	5,579,022	581,923	0	0
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	0	0	0	0		
Total electricity (grid + non grid)	7,909,549					

Residual scope 2 emissions (t CO₂-e)	5,579.02
Residual scope 3 emissions (t CO₂-e)	581.92
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	3,986.88
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	451.06
Total emissions liability (t CO₂-e)	4,437.94

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO ₂ -e)
Barangaroo	2,181,014	0
Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market based method is outlined as such in the market based summary table.		

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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	Justification reason
N/A	N/A

Data management plan for non-quantified sources

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

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to KPMG Australia'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 KPMG Australia'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 KPMG Australia'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 KPMG Australia's boundary, or from outsourced activities typically undertaken within the boundary or comparable to KPMG Australia

The emission sources tested for relevance listed in the table on pages 22-23 includes sources in KPMG Australia's emissions boundary and the justification for this (e.g. business travel, waste, postage, courier and freight services).

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Refrigerants	N	N	N	N	N	No location is known to have refrigerants, and thus, not applicable to the boundary.
Purchased Goods and Services	Y	Limited	N	Y	N	Purchased goods such as food, onsite catering, stationery and office suppliers (as included in 2019 baseline year) are relevant and included in the reporting boundary. Other purchased goods and services are excluded from our inventory for the following reasons: Size: Emissions from purchased services including ITC & Telecommunications, Community, Social and Professional Services, Public Admin services, real estate activities, including leasing and cleaning services are likely to be large compared to the total emissions from electricity, stationary energy and fuel emissions (220 t-CO₂-e). The electricity used while operating all leased ITC equipment is captured in reporting boundary under Scope 2. Influence: We have <i>limited</i> potential to influence the emissions from this source, including shifting to lower-emissions suppliers for our business. Through our Sustainable Procurement Framework, we are committed to working with our suppliers to set science-based targets and disclose carbon reduction focusing predominantly on suppliers of purchased goods (including ITC, catering and office supplies). Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest. Stakeholders: Our clients and stakeholders recognise the challenges in accurate Scope 3 emission data on supply chain and only request this information where deemed material, relevant and controllable in our business operations. Outsourcing: We have not previously undertaken this activity within our emissions boundary
Capital goods	Y	N	N	N	N	Size: Emissions from capital goods, including IT and furniture are likely to be large when a KPMG office refurbishment or new office occurs, compared to the total emissions from electricity, stationary energy and fuel emissions (220 t-CO₂-e). Influence: We do not have the potential to influence the emissions from this source, including shifting to lower-emissions suppliers for our business. Through our Sustainable Procurement Framework, we are committed to working with our suppliers to set science-based targets and disclose carbon reduction. Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest. Stakeholders: Our clients and stakeholders recognise the challenges in accurate Scope 3 emission data on supply chain and do not request this information and are unlikely to consider this a relevant source of emissions for our business. Outsourcing: We have not previously undertaken this activity within our emissions boundary
Fuel and energy related activities	Y	N	N	Y	N	Included in organisational boundary by virtue of full emission factors for Scope 1 and 2 emission sources, including upstream emissions from purchased fuels and transmission and distribution losses (T&D) of electricity, steam, heating and cooling.

Upstream transportation and distribution	Y	N	N	Y	N	Included in organisational boundary as postage, courier and freight services
Waste generated in operations	N	Y	N	Y	N	Included in organisational boundary as waste to landfill
Business travel	Y	Y	N	Y	N	Included in organisational boundary as business travel, including air travel, accommodation and hotels, business travel in personal vehicles, taxis and rideshare
Employee commuting	Y	N	N	N	N	Size: Based on the WFH emissions calculator, emissions from this source are likely to be between 3,000 and 6,000 t-CO₂-e, which is large compared to the total emissions from electricity, stationary energy and fuel emissions (220 t-CO₂-e). All KPMG Australia offices are located within the central business districts of capital cities and regional centres and are accessible to employees. Influence: Our potential to influence emissions from this source are limited and subject to our 'work from anywhere' policy across home, office and client sites. Emissions from our employees working from home are captured in our organisational boundary. Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest. Stakeholders: Our clients and stakeholders recognise the challenges in accurate Scope 3 emission data on supply chain and do not request this information and are unlikely to consider this a relevant source of emissions for our business. Outsourcing: We have not previously undertaken this activity within our emissions boundary
Upstream leased assets	Y	N	N	Y	N	Included in organisational boundary as base building electricity usage
Downstream transportation and distribution	N	N	N	N	N	N/A – not relevant as KPMG Australia do not use vehicles and facilities for sold products or services
Processing of sold products	N	N	N	N	N	N/A – not relevant as KPMG Australia do not process or manufacture sold products
Use of sold products	N	N	N	N	N	N/A – not relevant as KPMG Australia do not generate direct-use or indirect use emissions from sold products
End-of-life treatment of sold products	N	N	N	N	N	N/A - not relevant as KPMG Australia's waste and recycling of materials generated in our operations is captured under 5. Waste generated in operations. KPMG Australia do not generate sold products or packaging.
Downstream leased assets	N	N	N	N	N	N/A - not relevant as KPMG Australia do not own assets and all tenancies are leased.
Franchises	N	N	N	N	N	N/A - not relevant as KPMG Australia do not own or operate franchises.
Investments	N	N	N	N	N	N/A - not relevant as all acquisitions included in KPMG Australia reporting boundary as operating in KPMG offices.



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