



PUBLIC DISCLOSURE STATEMENT

BANK AUSTRALIA LIMITED

**ORGANISATION CERTIFICATION
FY2022-23**

Australian Government
**Climate Active
Public Disclosure Statement**



NAME OF CERTIFIED ENTITY	Bank Australia Limited
REPORTING PERIOD	1 July 2022 – 30 June 2023 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><i>Sasha Courville</i></p> <p>Name of signatory: Sasha Courville Position of signatory: Chief Impact Officer Date: 18 12 2023</p>



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

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Version August 2023.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	2,619 tCO ₂ -e
OFFSETS USED	13% VERs, 87% VCUs
RENEWABLE ELECTRICITY	100%
CARBON ACCOUNT	Prepared by: Bank Australia
TECHNICAL ASSESSMENT	Date 24 June 2022 Name Organisation EY Next technical assessment due: FY2024

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2. CARBON NEUTRAL INFORMATION

Description of certification

This certification is for the Australian business operations of Bank Australia Limited (ABN: 21 087 651 607). Financed emissions have been excluded from the certification boundary.

Organisation description

Bank Australia Limited is an authorised deposit taking institution headquartered in Melbourne, Victoria with a national network of eleven branches and six office sites across Australia. In FY23 site locations included: Melbourne region (Fitzroy, Kew, Collingwood, Melbourne), Gippsland region (Moe, Morwell, Traralgon), Western Victoria region (Bendigo, Ballarat), Canberra, Sydney region (Chatswood, Sydney), Brisbane and Adelaide.

We report on our organisation's scope 1, 2 and 3 emissions as per the Greenhouse Gas Protocol and are seeking carbon neutral certification as an organisation.

We use the operational control approach to set our organisational boundary. The following subsidiaries are also included within this certification as they were active during FY23. Our emissions inventory covers Bank Australia Limited and these subsidiaries, as the subsidiaries are located on the same premises and do not have separate operations to the consolidated entity.

Legal entity name	ABN	ACN
Ed Credit Services Pty Ltd	19 157 278 776	006 159 548
ECS Unit Trust	19 157 278 776	006 159 548
Buloke Funding Trust No. 1	56 626 624 981	N/A

Bank Australia holds equity investments in two unincorporated entities, which provide banking and payment services to Bank Australia and other financial institutions. The following entities are excluded from the organisational boundary, as Bank Australia does not have operational control over them. In FY23, emissions from these entities have been included as Scope 3 emissions in Bank Australia's supply chain as these entities are key suppliers to Bank Australia.

Legal entity name	ABN	ACN
Data Action Pty Ltd	32 008 102 690	008 102 690
Cuscal Limited	95 087 822 455	087 822 455

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

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 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

Gas consumption and distribution

Electricity consumption and distribution

Climate Active Carbon Neutral Products and Services

Land and sea transport

Employees' working-from-home

Air transport

Hotel accommodation

Water

Waste

Printing

Postage

Paper

Merchandise

Base building services

Site fit-out

Key suppliers

Non-quantified

Building refrigerants

Food & catering

External consultants

Outside emission boundary

Excluded

Embodied emissions relevant to operational spend

Financed emissions

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Bank Australia became certified carbon neutral in 2018 under the Australian Government's Climate Active Standard, and is committed to taking holistic climate action.

Bank Australia is committed to [net zero by 2035](#) from a 2021 base year. This net zero target covers our operational emissions (disclosed in this statement), as well as our financed emissions. This makes it the most ambitious net zero target of any bank in Australia, and one of the most ambitious of any bank in the world.

As part of our climate action strategy, we have:

1. Become the first financial institution to set validated, [science-based emissions reduction targets for 2030](#) in March 2023. These targets are in line with limiting global warming to 1.5 degrees, which is crucial to avoid the worst impacts of climate change. These science based targets apply to our operations, as well as our residential and commercial lending and corporate bond portfolios (our financed emissions), which make up 82% of our lending and investment activities as of 2021, our baseline year for the target. Our commitment is to reduce operational scope 1, 2 & 3 emissions by 42%, residential mortgage loans by 64% per square metre, and commercial real estate loans by 70% per square metre, relative to a 2021 base year.
2. Committed to [ceasing car loans for new fossil fuel cars from 2025](#) to actively support the shift towards a decarbonised economy.
3. Committed to a goal of [financing \\$1.5b in clean energy transition and conservation by 2025](#), including growing funding for green homes, electric vehicles, green property and green bonds.
4. Committed to [replacing our hybrid vehicle fleet with electric vehicles](#), which will be charged with 100% renewable energy off-site and on-site.

In FY23, we reported 56.58 tCO₂-e of scope 1 emissions associated with fleet and salary packaged vehicles, representing 2.16% of our total gross emissions. All of these vehicles are hybrid powered vehicles.

Bank Australia has committed to cease further procurement of internal combustion engine or hybrid cars from FY23. Electric vehicles will be purchased to replace our hybrid vehicle fleet at the end of their natural tenure with the bank. We expect over 50% of the hybrid vehicle fleet to be replaced by end FY25, representing a 1.08% reduction in total gross emissions, with a further 1.08% reduction by end FY27.

5. Continued to source [100% of our electricity from renewable sources](#) as part of the Melbourne Renewable Energy Project.

Emissions reduction actions

In 2022-23, we relocated our head office to an [industry-leading sustainable site](#), with 6-star Green Star Design, Platinum WELL rating, and 5 NABERS energy rating. Other co-benefits for this site include increased access to public and active transport options for staff (in addition to supporting a hybrid working model), multi-stream waste disposal (including organics, e-waste, soft plastics, mobile phones and batteries and clothing) to reduce the amount of waste going to landfill, and significantly reducing our gas consumption.

5. EMISSIONS SUMMARY

Emissions over time

		Emissions since base year	
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year/Year 1:	2017–18	1,637.00	N/A
Year 2:	2018–19	2,169.00	N/A
Year 3:	2019-20	1,227.00	N/A
Year 4:	2020-21	699.77	N/A
Year 5:	2021-22	766.49	N/A
Year 6:	2022-23	2,618.71	N/A

Significant changes in emissions

In 2023, our operational greenhouse gas emissions increased by 1,693.1 tCO₂-e¹, or +182.9% between 2022 and 2023. This was primarily driven by a rise in scope 3 emissions (+1,681.6 tCO₂-e), due to a significant head office site change and associated fit-out. Scope 3 emissions also increased due to use of transport (air, land and sea) and accommodation facilities as our staff numbers grew and staff resumed pre-pandemic activities.

New sources added in 2023 are emissions associated with Bank Australia's head office site change (1,159.8 tCO₂-e) and merchandise purchased for staff and customers (43.4 tCO₂-e). We moved into the new office in July 2022, and the emissions associated with this move include interior finishing, office furniture and IT equipment. Our head office site change is a once-off large emissions generating event and is not expected to re-occur. However, we will continue to improve our facilities in less substantial ways in ongoing years, and associated emissions will be reported under this category. Emissions associated with merchandise are primarily from clothing and similar branded material, provided to staff for the first time in 2023. Inclusion of these new sources reflects Bank Australia's continued commitment to disclosing all emissions sources as they become relevant.

Scope 1 emissions associated with consumption of gas reduced due to our head office site change, where our new location is has no scope 1 gas emissions.

Scope 3 emissions associated with working from home decreased as staff returned to the office, and other declines associated with key suppliers and water consumption are due to decreased grid emissions factors and improved calculation methodologies.

Bank Australia's inventory does not include any items which have changed by 10% *and* make up 10% of the total inventory for 2023, however we did see an increase in our emissions in this reporting period.

¹ Emissions figures and percentage changes are consistent with Bank Australia's 2023 Impact Report. Figures for scope 3 and total emissions vary from our 2022 Climate Active PDS, as an error associated with key supplier emissions was identified. Key supplier emissions were underreported by 108.1 tCO₂-e in 2022. We have separately offset an equal amount to correct for the error, and updated our 2023 Impact Report.

Emission source name	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Construction materials and services: Non-residential building construction and interior finishing	0	644.51	Head office site change and associated fit out activities.
Transport (land and sea): Medium car unknown fuel	0	417.2	This represents staff commute emissions by car. This was previously reported as a total of multiple medium car sources (staff commute, employee-owned car travel kilometres claimed, and salary packaged cars). This was driven by an increase in staff numbers, and employees returning to work-from-office.

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

In 2022-23, Bank Australia directly or indirectly procured an estimated 173 Climate Active certified parcels and 1,050kgs of Climate Active certified paper.

Certified brand name	Product/Service/Building/Precinct used
Australia Postal Corporation (Australia Post)	Domestic Parcel (Card Product)
Australia Postal Corporation (Australia Post)	Express Post (Card Product)
Paper Australia Pty Ltd (Opal Australian Paper)	Reflex 100% Recycled Bright White
Paper Australia Pty Ltd (Opal Australian Paper)	Winc Carbon Neutral Copy Paper

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 CO2-e)	Sum of Scope 2 (t CO2-e)	Sum of Scope 3 (t CO2-e)	Sum of Total Emissions (t CO2-e)
Accommodation and facilities	0.00	0.00	91.86	91.86
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Construction materials and services	0.00	0.00	770.09	770.09
Electricity	0.00	0.00	132.50	132.50
Postage, courier and freight	0.00	0.00	51.32	51.32
Products	0.00	0.00	43.43	43.43
Stationary energy (gaseous fuels)	20.41	0.00	1.58	22.00
Transport (air)	0.00	0.00	425.94	425.94
Transport (land and sea)	56.58	0.00	488.66	545.46
Waste	0.00	0.00	6.61	6.61
Water	0.00	0.00	11.41	11.41
Working from home	0.00	0.00	90.19	90.19
Office equipment and supplies	0.00	0.00	427.89	427.89
Total	77.00	0.00	2541.49	2618.70

Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions that cannot be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim. NA

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken a forward offsetting approach. The total emission to offset is 2619 t CO₂-e. The total number of eligible offsets used in this report is 2619. Of the total eligible offsets used, 1290 had been previously banked and 1329 were newly purchased and retired. 671 are remaining and have been banked for future use.

Co-benefits

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

In 2023, we the offsets we used that had co-benefits were from a Gold Standard-approved carbon offset project focused on replanting native forests in Timor Leste through WithOneSeed, with co-benefits of conservation and self-determination for Indigenous peoples.

Eligible offsets retirement summary

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (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 (%)
WithOneSeed Timor Leste Community Forestry Program	VER	GSR	19/10/2021	GS1-1-TL-GS4210-21-2020-21820-4553-5652	2020		1,100	767	0	333	13%
Watchbox conservation project, Victoria Stapled to Inner Mongolia Ximeng Zheligentu Wind Farm Phase I Project	ABU VCU	 Verra	 16/09/2021	VOL001 6035-7500 & VOL002 1-134 & 1271-4470 9651-115152188-115154487-VCS-VCU-259-VER-CN-1-849-01012018-20072018-0	 2018	2,300	- 2,300	- 1,343	- 0	- 957	 37%
Wind bundle project in Maharashtra by Sispara	VCU	Verra	13/09/2023	8457-21913276-21915275-VCS-VCU-997-VER-IN-1-1660-01012019-31102019-0	2019		2,000	0	671	1,329	51%
Total eligible offsets retired and used for this report										2,619	
Total eligible offsets retired this report and banked for use in future reports									671		

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Verified Emissions Reductions (VERs)	333	13%
Verified Carbon Units (VCUs)	2286	87%

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)*	509
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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)
Pacific Hydro Crowlands Pty Ltd	Victoria, Australia	LGC	REC Registry	08 Sep 2023	WD00VC32	103639-103670	2021	Wind	32
Pacific Hydro Crowlands Pty Ltd	Victoria, Australia	LGC	REC Registry	08 Sep 2023	WD00VC32	190249-190406	2022	Wind	158
Pacific Hydro Crowlands Pty Ltd	Victoria, Australia	LGC	REC Registry	08 Sep 2023	WD00VC32	40035-40205	2022	Wind	171
Pacific Hydro Crowlands Pty Ltd	Victoria, Australia	LGC	REC Registry	08 Sep 2023	WD00VC32	13682-13829	2023	Wind	148
Total LGCs surrendered this report and used in this report									509

APPENDIX A: ADDITIONAL INFORMATION

Offset retirement certificate for GS1-1-TL-GS4210-21-2020-21820-4553-5652. Retired by xPand foundation.



carbon social certificate

José Ramos-Horta
Nobel Peace Prize Laureate, Patron of WithOneSeed

Sr Antonio dos Ramos
Sub District Administrator, Bagaia Administrative Post

Sra Leopoldina Guterres
Program Manager, Ho Musan Ida

Andrew Mahar AM
Chief Executive Officer and Director, xPand Foundation

It's the voluntary social carbon credit from Timor-Leste that's helping to build healthier communities.

Each Carbon Social credit is equivalent to one tonne of carbon dioxide (CO₂e) and is 100% guaranteed certified by Gold Standard and audited by the Rain Forest Alliance.

Sequestered by the WithOneSeed community tree program in Bagaia, Timor-Leste, Carbon Social credits contribute to making environments more sustainable, helping end poverty and hunger, increasing access to education and training and building regional partnerships.

VR unit assignment:

Quantity of assigned VERs: 1100

VER credit serial numbers:

GS1-1-TL-GS4210-21-2020-21820-4553-5652

Date of assignment:

October 19 2021

Assignee:

Bank Australia 222 High Street, Kew, Victoria
3051, Australia



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	101,810	0	11%
Total non-grid electricity	101,810	0	11%
LGC Purchased and retired (kWh) (including PPAs)	509,000	0	57%
GreenPower	96,401	0	11%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
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)	32,709	0	4%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	8,295	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	139,282	0	16%
Residual Electricity	-701	-670	0%
Total renewable electricity (grid + non grid)	887,498	0	100%
Total grid electricity	784,987	0	89%
Total electricity (grid + non grid)	886,797	0	100%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	-701	-670	
Scope 2	-619	-592	
Scope 3 (includes T&D emissions from consumption under operational control)	-82	-78	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	100.08%
Mandatory	16.64%
Voluntary	71.96%
Behind the meter	11.48%
Residual scope 2 emissions (t CO₂-e)	-0.59
Residual scope 3 emissions (t CO₂-e)	-0.08
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 (kgCO ₂ -e)	Scope 3 Emissions (kgCO ₂ -e)	(kWh)	Scope 3 Emissions (kgCO ₂ -e)
ACT	44,124	44,124	32,210	2,647	0	0
NSW	36,055	36,055	26,320	2,163	0	0
SA	48,318	48,318	12,079	3,865	0	0
VIC	615,972	615,972	523,577	43,118	0	0
QLD	40,518	40,518	29,578	6,078	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	784,987	784,987	623,764	57,872	0	0
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	101,810	101,810	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)	101,810	101,810	0	0		
Total electricity (grid + non grid)	886,797					

Residual scope 2 emissions (t CO ₂ -e)	623.76
Residual scope 3 emissions (t CO ₂ -e)	57.87
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	623.76
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	57.87
Total emissions liability	681.64

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Two emissions sources have tested relevant to the boundary but have not been quantified, including emissions associated with:

- Building refrigerants, which have not been quantified because they are immaterial, and data is unavailable and cannot be determined cost-effectively; and
- Food & catering, which have not been quantified because they are immaterial, and data is unavailable and cannot be determined cost-effectively. This may be reconsidered in future years as in-person events increase after the COVID pandemic.

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
Building refrigerants	Immaterial
Food & catering	Immaterial
External consultants	Immaterial

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 Bank 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 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.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Embodied emissions relevant to operational spend	N	N	N	N	N	Embodied emissions relevant to operational spend has been excluded as it has been assessed as not relevant according to the relevance test for size, influence, risk, stakeholders and outsourcing.
Financed emissions	Y	N	Y	Y	N	Financed emissions are not included within the inventory boundary as the carbon neutral assessment scope is limited to Bank Australia's operations. Bank Australia's climate action strategy outlines our targets to reduce our financed emissions, including our validated science based emissions reduction target.



An Australian Government Initiative

