Climate Active

PUBLIC DISCLOSURE STATEMENT

VIVA ENERGY GROUP LIMITED, TRADING AS VIVA ENERGY AUSTRALIA

AVIATION JET A-1 FUEL

PRODUCT CERTIFICATION (OPT-IN)

FY2022–23

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Viva Energy Group Limited, (Trading as Viva Energy Australia)
REPORTING PERIOD	1 July 2022 – 30 June 2023 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.* Name of signatory: Lachlan Alistair Pfeiffer Position of signatory: Director Date: 15 July 2024

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

Version: August 2023

1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	617 tCO_2-e
CARBON OFFSETS USED	10% ACCUs, 2% CERs, 88% VCUs
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: ERM
TECHNICAL ASSESSMENT	21/05/2021 on FY2021-22 projection report Michaela Hermanova Ndevr Environmental Next technical assessment due: FY2024-25 report

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2. CERTIFICATION INFORMATION

Description of certification

This product certification relates to a selected part of Viva Energy's Aviation Jet A-1 fuel portfolio, which will be marketed as 'carbon neutral' as an opt-in program for customers.

The emissions functional unit for the purposes of this document is "kg carbon dioxide equivalent per litre (kg CO_2-e/L) of Jet fuel.

As part of its product certification, Viva Energy has undertaken a cradle to grave analysis on its Jet A-1 fuel to capture and quantify emissions associated with every step of the supply chain that generates greenhouse gas (GHG) emissions. The analysis includes the breadth of the supply chain covering (but not limited to) the emissions associated with resource exploration, extraction, transport, and processing as well as distribution and eventual combustion of jet fuel.

Business description

Viva Energy Group Limited (trading as Viva Energy Australia) is a leading energy company with more than 120 years of operations in Australia, supplying approximately a quarter of the country's liquid fuel requirements. Viva Energy is the exclusive supplier of Shell fuels and lubricants in Australia through an extensive network of approximately 1,330 service stations across the country. The company's nationwide supply chain capability is supported internationally by their trading partner Vitol, one of the world's largest independent trading companies.

Viva Energy owns and operates the strategically located Geelong Refinery in Victoria, and operates bulk fuels, aviation, bitumen, marine, chemicals, polymers and lubricants businesses supported by more than 50 terminals and 55 airports and airfields across the country. Viva Energy is proud to manufacture jet fuel at the Geelong Refinery and is the only manufacturer of Aviation Gasoline (Avgas) in the country.

Viva Energy Group Pty Ltd ("Viva Energy Australia") is part of the Viva Energy group of companies owned by Viva Energy Group Limited ("Viva Energy"). Viva Energy is aware that air travel is a contributor to global emissions and that the industry, through the International Air Transport Association (IATA), has put in place an ambitious and robust carbon emissions reduction strategy. Acknowledging that the production, transportation and use of jet fuel is a contributing source of emissions, Viva Energy is exploring avenues to reduce the emissions associated with their fuel products, and support customers in achieving their emissions reduction ambitions, including through the opportunity to opt-in to the purchase of certified carbon neutral products.

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 'attributable processes' of a product or service. These attributable processes are services, materials and energy flows that become the product or service, make the product or service and carry the product or service through its life cycle. These attributable emissions have been quantified in the carbon inventory.

Non-quantified emissions have been assessed as attributable 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

Non-attributable emissions have been assessed as not attributable to a product or service. They can be **optionally included** in the emissions boundary and therefore have been offset, or they can be listed as outside of the emissions boundary (and are therefore not part of the carbon neutral claim). Further detail is available at Appendix D.

Inside emissions boundary

Quantified

- Advertising
- Business travel - accommodation
- Business travel - flights
- Business travel - vehicles taxis, car shares
- Cleaning
- Clothing
- Combustion emissions
- Downstream distribution
- Electricity - purchased from grid
- Employee commute
- Food and catering
- Freight
- Fuel processing/refining
- Gas usage in office/general building areas*
- IT hardware
- Office consumables
- Plant & equipment
- Printing & stationery
- Postage
- Professional services
- Raw material distribution
- Raw material exploration
- Raw material extraction
- Repairs & maintenance
- Telecommunications
- Waste
- Water

Non-quantified

N/A

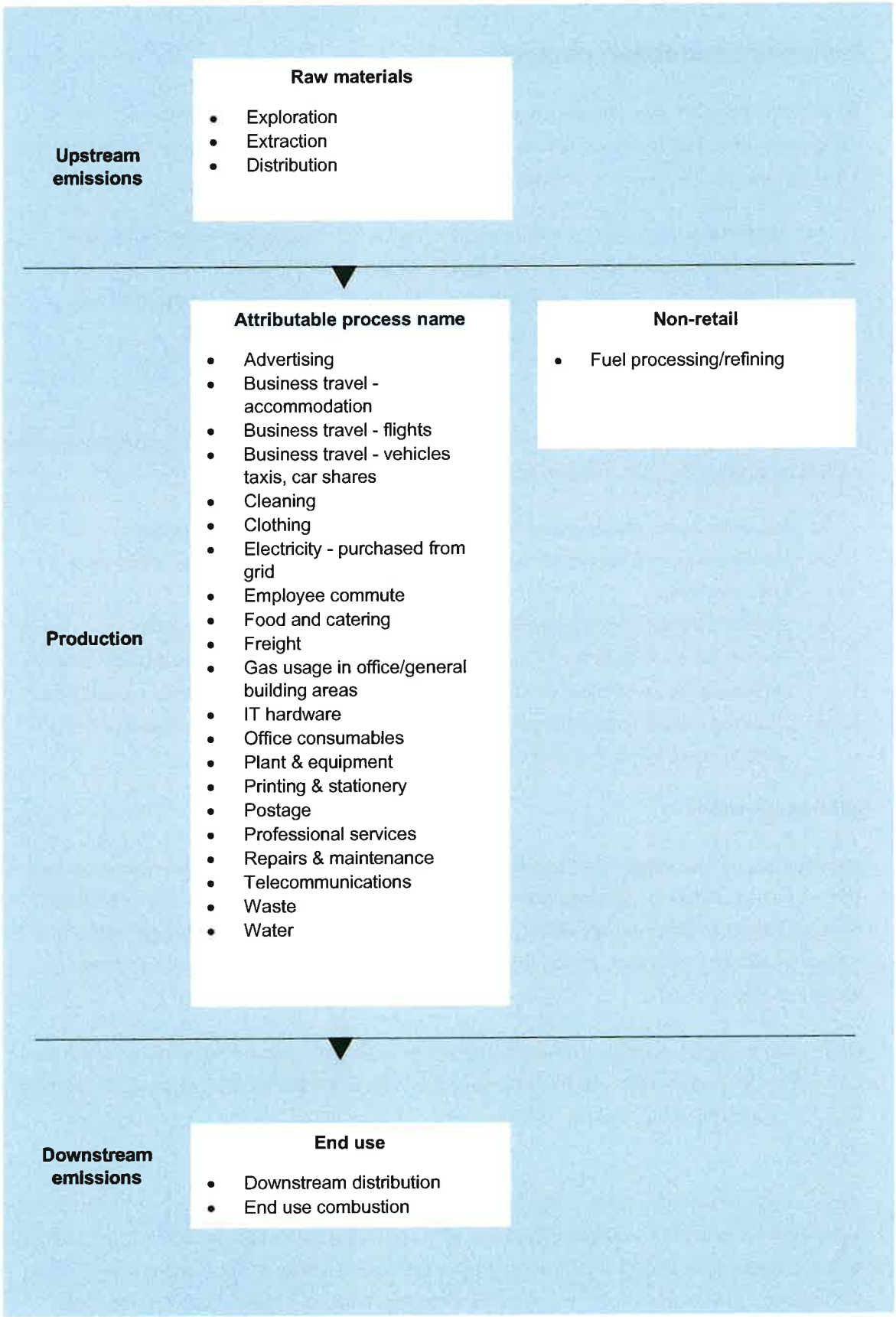
Outside emission boundary

Non-attributable

Any other emission sources related to organisational operations.

** Natural gas use in office/general buildings was included within the emission boundary in FY23 as it was identified some natural gas would be within the product life cycle. Whilst it is immaterial, it has been included in the inventory for completeness.*

Product process diagram



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

On 24 November 2021, Viva Energy Group Limited (the Company) announced its ambition to reduce carbon emissions at its operations, across the medium and long term, in relation to the Company's scope 1 and 2 emissions. The key emissions reduction ambitions are:

1. Targeting net zero Scope 1 and 2 emissions across Retail, Fuels, Marketing, Supply and distribution operations (all non-refining parts of the business) by 2030;
2. Targeting a 10% reduction in emissions intensity of the refining operations by 2030; and
3. Targeting net zero Scope 1 and 2 emissions across all operations by 2050.

Non-refining operations:

Over the medium term, the Company is targeting net zero Scope 1 and 2 emissions across all non-refining parts of the business by 2030. The plan to achieve these goals is underpinned by:

- Improving energy efficiency through operational energy and resource optimisation;
- Implementing and investing in new assets and processes to improve energy efficiency at operational sites;
- Track and transparently report progress against our emissions reduction targets;
- Source renewable electricity for operations through investment in renewable projects, directly purchasing renewable electricity or acquiring LGCs from renewable generation projects; and
- Offsetting residual emissions by investing in carbon off-set projects and purchasing off-sets sourced from certified and credible offset schemes.

Refining operations:

The Company has set a target of 10% reduction in emissions intensity for the Geelong refinery by 2030. This will be achieved through a combination of energy efficiency projects and operational optimisation initiatives. Viva Energy has publicly stated its ambitions in the context of energy transition, both with respect to emissions reductions, the transition to lower carbon fuels, and ensuring security of energy supply throughout.

With respect to energy transition and security, our plan is to develop a suite of initiatives to support the transition to lower carbon fuels, and alternative energies. This is spearheaded by the development of the Geelong Energy Hub at the site of our existing refinery, at which we are investing in a suite of major projects.

These include: (i) significant refinery upgrades to introduce ultra-low sulphur gasoline by 2025 (supported by the Commonwealth); (ii) the development and delivery of lower carbon fuels such as bio and alternative feedstock fuels; (iii) Australia's first commercial scale hydrogen refuelling station (supported by ARENA and the Victorian Government); (iv) a proposed solar energy farm; (v) a floating gas import terminal designed to support the energy security of the east coast of Australia; (vi) the acquisition of the "Viva

Energy Polymers" business (formerly a LyondellBasel company), opening up opportunities for advanced waste plastics recycling, and (vi) investments in additional diesel storage (also supported by the Commonwealth).

These reflect significant current and potential future investments at Geelong, each aligned to moving Australia forward with its ambition for a low-carbon economy, while continuing to play a role in the country's energy security.

We are also progressing specific energy and emissions improvement projects at Geelong Refinery such as the installation of a new, highly efficient heat exchanger - called a Packinox - which is estimated to reduce refinery Scope 1 emissions by almost 1%.

Long term 2050 Group ambition

Over the longer term, Viva Energy announced an ambition to achieve Net Zero Scope 1 and 2 emissions across all operations by 2050. Refining's role in the energy market will adapt over time and we expect this will mean repurposing the refinery and its processing capability by 2050. Our aim is to balance our role in supporting Australia's energy security, and the energy transition with our desire to progress the facility to net zero by 2050.

Emissions reduction actions

To achieve our net zero ambitions, the Company is implementing the following energy efficiency and emission reduction initiatives across our portfolio of assets and operations:

- Refinery
    - Implemented an ISO50001 Energy Management System.
    - Implementing identified energy efficiency projects.
    - Progressed development (subject to approvals) of a behind-the-meter Solar Farm on Geelong Refinery land.
- Supply Chain
    - Implementing energy efficiency projects (such as pump optimisation, and sub-metering) across the terminal facilities.
    - Rolling out LED replacement lighting across supply chain facilities.
    - Reviewing the feasibility of solar power at terminal facilities.
- Retail
    - Rolling out LED lighting replacement and solar rooftops at retail service stations to reduce electricity consumption and greenhouse gas emissions.
    - Converting coffee cups and lids to a more sustainable alternative in line with wider Viva Energy sustainability plans. This will remove approximately 550K+ cups and lids per week from landfill.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total t CO_2-e	**Emissions intensity of the functional unit**
Base year / Year 1:	2021–22	297	2.88 kg CO_2-e/L
Year 2:	2022–23	617	3.267 kg CO_2-e/L

Significant changes in emissions

Emission source	Previous year emissions (t CO_2-e)	Current year emissions (t CO_2-e)	Reason for change
Upstream, processing, distribution, and retail services	211,610	1,209,660	Increase in upstream emissions relating to the updated upstream emission factor for liquid fuels (DCCEEW[1]). Increase in volume produced
Combustion of sold products	3,441,443	4,575,802	Increase in volume produced

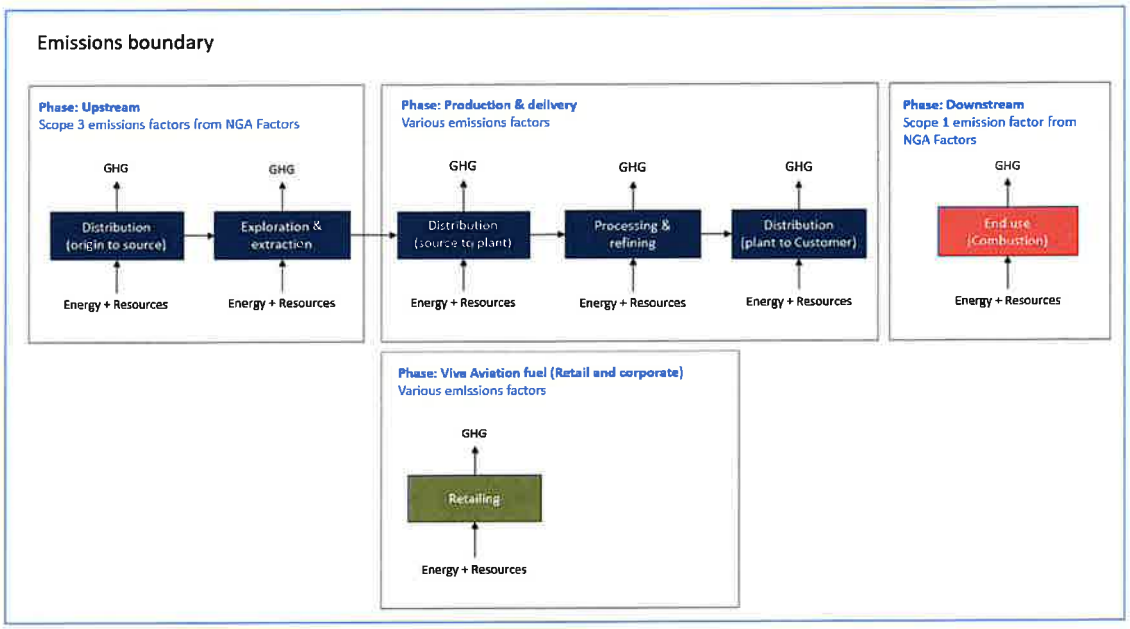
The emissions represented in the table above account for all Aviation Jet A-1 fuel products; inclusive of carbon neutral opt-in Jet A-1 fuel products.

Use of Climate Active carbon neutral products and services

N/A.

[1] In accordance with DCCEEW's National Greenhouse Accounts Factors: 2023, the updated scope 3 liquid fuels emission factor (increasing for many products from 3.6 kgCO_2-e/GJ to ~18 kgCO_2-e/GJ) has been leveraged to calculate the emissions intensity factor for the certified carbon neutral product in this PDS.

Emissions summary



Stage	t CO_2-e
Upstream	119.5
Processing and refining	9.29
Distribution	0.05
Retail services	0.00
Combustion of sold products	487.40

The above table only represents the emissions relating to carbon neutral opt-in products. No uplift factors were applied in the emissions total.

Due to the noted increase outlined in the significance changes table, the emissions intensity of the functional unit of Viva Energy's carbon neutral opt-in Jet A-1 fuel products increased from the 2.88 kg CO_2-e/L to 3.267 kg CO_2-e/L

Emissions intensity per functional unit	**3.267 kg CO_2-e/L**
Number of functional units to be offset	**Confidential**
Total emissions to be offset	**617 tCO_2-e**

6.CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 617 t CO_2-e. The total number of eligible offsets used in this report is 2,774. Of the total eligible offsets used, 617 were previously banked and 0 were newly purchased and retired. 2,157 are remaining and have been banked for future use.

Co-benefits

Wind farm projects in India comprise 90% of the offsets retired for the first quarter of units retired. These offsets support two wind farm projects in Karnataka and Tamil Nadu, India. Across India, wind farms introduce clean energy to the grid which would otherwise be generated by coal fired power stations. Wind power is clean in two ways it produces no emissions and avoids the local air pollutants associated with fossil fuels. Electricity availability in the regions has been improved, reducing the occurrence of blackouts across the area. The projects support national energy security and strengthen rural electrification coverage. In constructing the turbines new roads were built, improving accessibility for locals. The boost in local employment by people engaged as engineers, maintenance technicians, 24-hour on-site operators and security guards also boosts local economies and village services.

Australian ACCU's comprise 10% of the offsets retired for the first quarter of units retired. These offsets support the West Arnhem Land Fire Abatement (WALFA) Project. Arnhem Land in the Northern Territory is prone to extreme, devastating wildfires that affect the landscape, people, plants and animals. These projects are owned exclusively by Aboriginal people with custodial responsibility for those parts of Arnhem Land under active bushfire management. Local rangers conduct controlled burns early in the dry season to reduce fuel on the ground and establish a mosaic of natural firebreaks, preventing bigger, hotter and uncontrolled wildfires later in the season. The projects provide employment and training opportunities for local rangers while supporting Aboriginal people in returning to, remaining on and managing their country Communities are supported in the preservation and transfer of knowledge, the maintenance of Aboriginal languages and the wellbeing of traditional custodians.

Eligible offsets retirement summary

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	62	10%
Certified Emissions Reductions (CERs)	15	2%
Verified Carbon Units (VCUs)	540	88%

Offsets retired for Climate Active certification

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 (%)
Bundled Wind Power Project in Tamil Nadu managed by Enercon India Limited-I	VCU	VERRA	20 May 2021	9007-61126883-61127646-VCS-VCU-208-VER-IN-1-281-08042018-07122018-0	2018	-	764	224	0	540	88%
Enercon Wind Farms in Karnataka Bundled Project – 33 MW	CER	ANREU	20 May 2021	238,770,023-238,772,022	CP2	-	2000	0	1,985	15	2%
West Arnhem Land Fire Abatement (WALFA) Project	ACCU	ANREU	20 May 2021	3,800,455,299-3,800,455,605	2019-20	-	307	73	172	62	10%
									Total offsets retired this report and used in this report	**617**	
									Total offsets retired this report and banked for future reports	**2,157**	

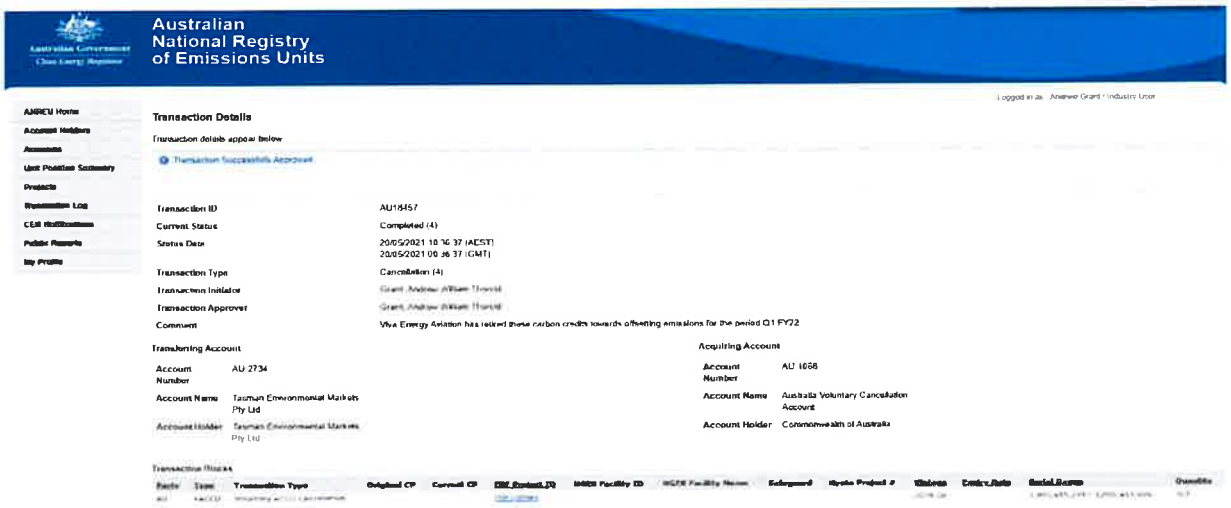
7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

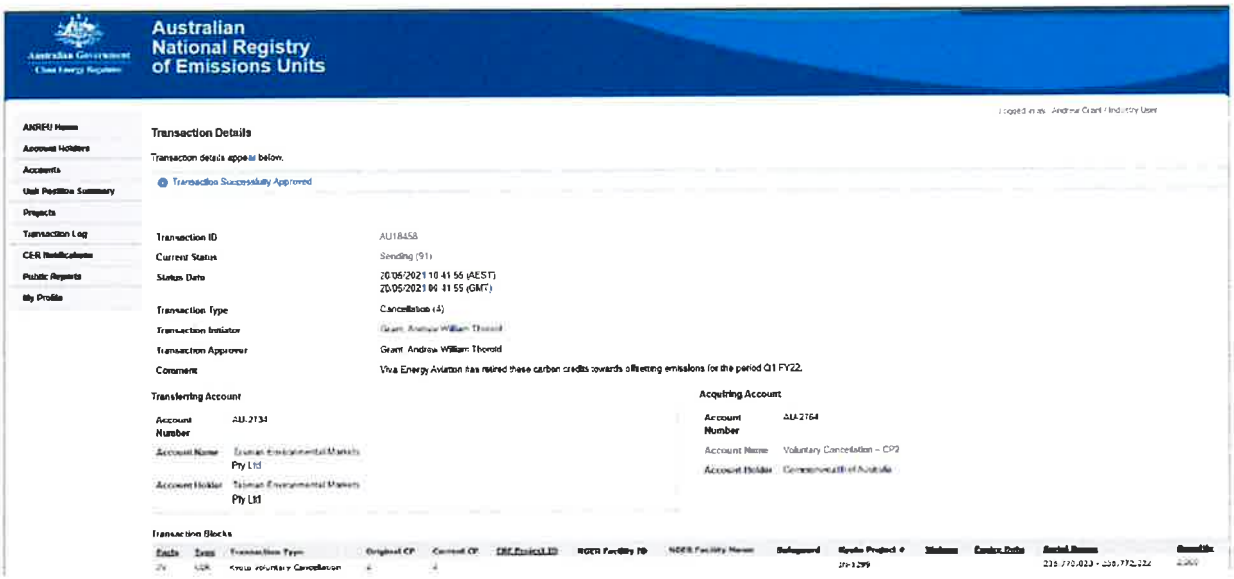
Renewable Energy Certificate (REC) Summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

Proof of ACCUs and CERs retired for this certification





APPENDIX B: ELECTRICITY SUMMARY

N/A – dual reporting not required for complex product certifications.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources have been assessed as attributable, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. 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.

N/A – no attributable processes have been non-quantified in this reporting period

Excluded emission sources

Attributable emissions sources can be excluded from the carbon inventory, but still considered as part of the emissions boundary if they meet **all three of the below criteria**. An uplift factor may not necessarily be applied.

1. A data gap exists because primary or secondary data cannot be collected **(no actual data).**
2. Extrapolated and proxy data cannot be determined to fill the data gap (**no projected data**).
3. An estimation determines the emissions from the process to be **immaterial**).

N/A – no attributable processes have met all 3 exclusion criteria.

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 EMISSION BOUNDARY

Non-attributable emissions have been assessed as not attributable to a product or service (do not carry, make or become the product/service) and are therefore not part of the carbon neutral claim. To be deemed attributable, an emission must meet two of the five relevance criteria. Emissions which only meet one condition of the relevance test can be assessed as non-attributable and therefore are outside the carbon neutral claim. Non-attributable emissions are detailed below.

1. **Size** The emissions from a particular source are likely to be large relative to other attributable emissions.

2. **Influence** The responsible entity could influence emissions reduction from a particular source.

3. **Risk** The emissions from a particular source contribute to the responsible entity's greenhouse gas risk exposure.

4. **Stakeholders** The emissions from a particular source are deemed relevant by key stakeholders.

5. **Outsourcing** The emissions are from outsourced activities that were previously undertaken by the responsible entity or from outsourced activities that are typically undertaken within the boundary for comparable products or services.

Non-attributable emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Any other emission sources related to organisational operations.	N	Y	N	N	N	**Size:** We have not previously undertaken this activity within our emissions boundary and comparable products/services do not typically undertake this activity within their boundary. **Influence:** It is likely that Viva Energy Australia would have influence over some emission sources. **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:** Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our product/service. **Outsourcing:** We have not previously undertaken these activities within our emissions boundary and comparable products do not typically undertake this activity within their boundary.

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