

2018 national carbon offset standard public disclosure summary



3 June 2019

About us

The Health Employees Superannuation Trust Australia ('HESTA' or 'Fund') is an industry superannuation fund. HESTA has more than 870,000 members and \$50 billion in assets. The Trustee of the Fund is H.E.S.T. Australia Limited ('Trustee'). The Trustee leases office space in each state and territory throughout Australia, with its national office in Melbourne. Located at the national office are the majority of employees including the investment and supporting administrative teams, whilst the interstate offices contain member engagement and advice teams.

This year is the Trustee's inaugural National Carbon Offset (NCOS) certification and public disclosure. As part of its corporate responsibility plan, the Trustee is committed to being efficient, socially minded and having carbon neutral operations.



About this report

This report provides an overview of the Trustee's approach to achieving NCOS carbon neutral certification and managing its emissions footprint. The NCOS requirements for auditing the carbon footprint have been met and a copy of the independent assurance report is available on request.

Carbon Neutral Information

The NCOS certification covers all of the Trustee's operations. It does not include HESTA's investments. The Trustee utilises an operational control approach consistent with the requirement under the National Greenhouse and Energy Reporting Act 2007 as well as the Greenhouse Gas Protocol (GHG Protocol). An organisation is considered to have operational control over a facility if they have the authority to introduce and implement any of the following for the facility:

1. Operating policies
2. Health and safety policies, or
3. Environmental policies.

The implementation of the above policies in leased premises, is to a certain extent governed by the policies of the building owners/operators.

Emissions

The Trustee's global carbon emissions for the financial year 2018 were 1,445.11 tCO₂-e. This is the first year the Trustee has undertaken NCOS certification, and the period 1 July 2017 – 30 June 2018 will form the baseline for future reporting years.

The following sources of emissions contribute to the Trustee's carbon footprint.

Scope	Emission Source	tCO ₂ -e
Scope 1	Petrol in Vehicles	119.07
	Refrigerant - R134A	0.14
Scope 2	Electricity - Tenancy Light and Power	158.29
Scope 3	Diesel Oil - Base Building Consumption	0.70
	Natural Gas - Base Building Use - Non Operational Control	14.85
	Electricity - Base Building Electricity - Non Operational Control	149.75
	Electricity - Base Building Electricity - Non Operational Control (T&D)	16.30
	Tenancy Electricity Transmission & Distribution	15.89
	Data Centre Electricity	39.61
	Data Centre Electricity - Transmission & Distribution	5.73
	Landfill Waste	3.89
	Water - Potable water	2.51
	Paper External recycled	83.47
	Paper External FSC	42.43
	Paper External non- recycled	2.21
	75% - 100% Recycled Paper Usage	2.74
	Taxi Travel	18.76
	Long Haul Air Travel (Economy)	87.53
	Long Haul Air Travel (Premium Economy)	46.59
	Long Haul Air Travel (Business)	271.64
	Medium Haul Air Travel (Economy)	145.10
	Medium Haul Air Travel (Business)	5.22
	Employees travel to and from work	204.23
	Short Haul Air Travel	2.11
	Petrol in Vehicles Indirect Emissions	6.34
Gross		1,445.11
Green Power		-5.93
Net emissions		1,439.18

Table 1. Emission Sources

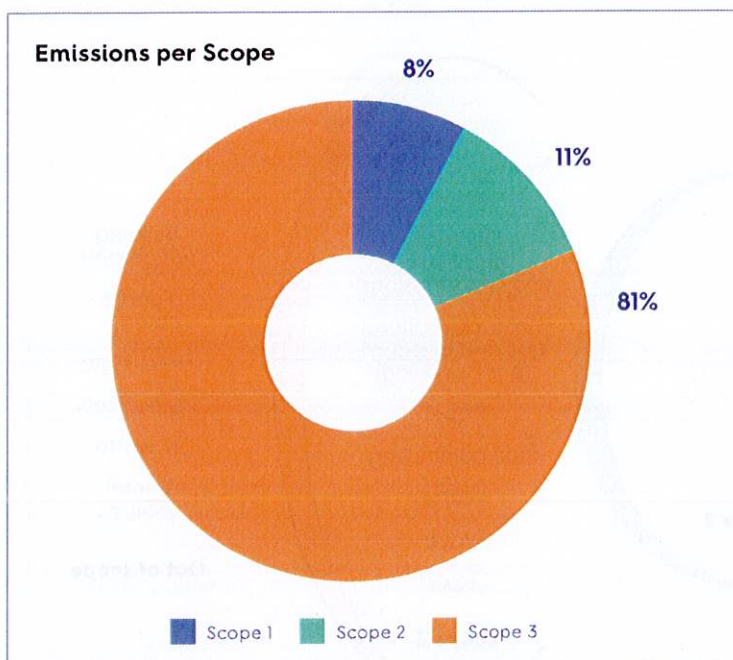


Figure 1 Emissions per Scope

Non-quantified sources

The following emission sources have not been quantified in line with the provisions in the NCOS. The impact of excluding these sources is not expected to materially affect the overall total emissions.

- **IT waste related emissions** – The Trustee recycles the majority of its IT waste. Statistics have been requested.
- **Food and catering related emissions** – The data is not currently available for these activities. However the implementation of a supplier management system within the next two to three years will re-examine the impact of food and catering related emissions.
- **Base building refrigerants** – Refrigerant usage in base building chillers has not been estimated due to the difficulty of obtaining data and likely immaterial contribution of this emission source.
- **Emissions associated with HESTA's investment portfolio** – Emissions from investments have not been quantified or estimated due to limiting the reporting to Trustee operations. Emissions related to the management of investments by the Trustee has been captured.
- **Hotel stays** – data is not currently collected for hotel stays as it is considered a non-material contributor. However the implementation of a supplier management system within the next two to three years will re-examine the impact of hotel stays.
- **Rental vehicles** – Data is captured for the Trustee's fleet, taxi usage and employee travel to and from work. Data for rental vehicles is not currently captured as it is considered a non-material contributor to the Trustee's emissions. However the implementation of a supplier management system within the next two to three years will re-examine the impact of rental vehicles.

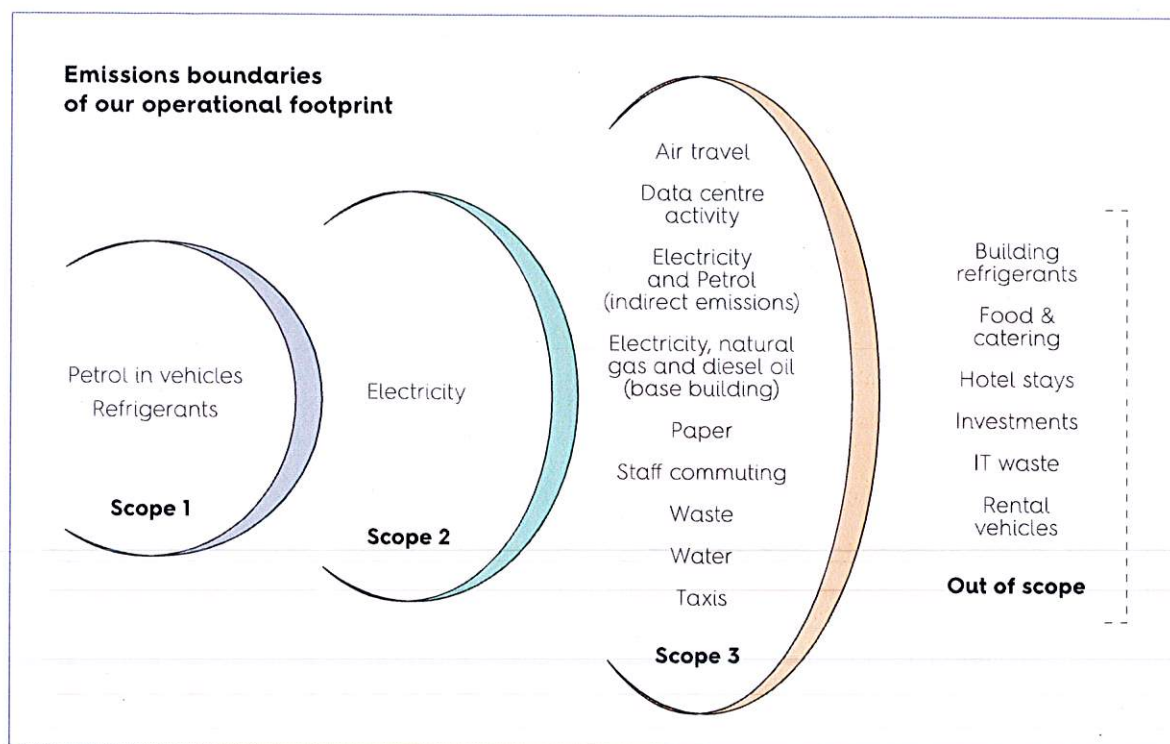


Figure 2 Emissions boundaries

Emission reduction measures

Over time the reduction of the Trustee's carbon emissions has largely been attributed to changes in its travel policies and the improved efficiency of the buildings leased. The Trustee is always working to reduce its impact on the environment. And is currently working to transition the business operation functions to be more sustainable, for example, by replacing its hybrid fleet with electric vehicles, implementing video conferencing and re-engineering its procurement processes. The vision is to meet current business needs without comprising the ability of future generations to meet their own. This will be achieved in such a way that the Trustee and others can endure and thrive going forward.

Below is a list of initiatives completed or underway for the FY2018 period.

Reduction Measure / Activity	Emission Source & Scope	Status	Expected Annual Reduction (tCO ₂ -e)
Office Fit out Design Guidelines – a large part of our strategy is to design efficient and productive offices. Another intent of the design is to provide the framework for employees to be sustainable. This has an objective of employees adapting their behaviour to the office environment.	Electricity, Scope 2	Implemented	10
Level 21 national office upgrade was undertaken in FY18.	Electricity, Scope 2, Waste Scope 3	Implemented	20
Lighting Controls	Electricity, Scope 2	Implemented	50
Energy Education Program	Electricity, Scope 2 & 3	Implemented	20
Labelling and signage	Waste	Implemented	5

Table 2. Reduction Measures

Carbon Offsets

HESTA purchases and retires offsets upon completion of our annual carbon account. In the reporting period we purchased green power to the equivalent of 5.93 tCO₂-e which reduced our footprint to 1,439.18 tCO₂-e

Offset type and registry	Year retired	Quantity tCO ₂ -e	Serial Number(s)	Type
Regen Berangabah Human-Induced Regeneration Project - Non Kyoto Units	FY2018	1050.00	ERF101494 3,749,594,648 - 3,749,595,807	Non Kyoto ERF
West Arnhem Land Fire Abatement - Kyoto Units	FY2018	40.00	EOP100945 3,756,676,049- 3,756,676,088	Kyoto ERF
Wind Power Project at Chitaradurga	FY2018	199.00	635-297185410- 297185608-VCU-050- APX-IN-1-706- 01112017-31122017-0	VCUs
Brazilian Rainforest Project		151.00	5361-227844657- 227844766-VCU-001- MER-BR-14-1115- 15022013-14022014-0 5507-239689816- 239689856-VCU-001- MER-BR-14-1115- 15022013-14022014-0	VCUs
Total Offsets		1440		
Total Emissions		1439.18		
Net Emissions		0		

Table 3. Carbon offsets - refer to appendix for certificates

Verification

Annual independent Assurance of global carbon neutral GHG and offset data

Name of assurer: Pangolin Associates PTY LTD

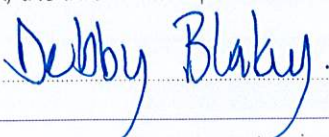
Period covered: FY 2017/2018

Date of assurance: 5th June 2019

Next assurance verification due: 4th June 2022

Declaration

To the best of my knowledge and having met the requirements of the National Carbon Offset standard Program, the information provided in this public disclosure summary is true and correct.

 (HESTA CEO Debby Blakey)

contact us

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Appendix

Qantas Future Planet Retirement Report

Cancelled on behalf of HESTA to meet its obligations under the National Carbon Offset Standard for the period: financial year 2017/18.

Ref.	Project Short Name	Country	Project ID	Type	Units
1	Berangabah Human-Induced Regeneration Project- Non Kyoto Units	Australia	ERF101494	ReGen	1050
2	West Arnhem Land Fire Abatement - Kyoto Units	Australia	EOP100945	Savanna Burning	40
					1090

Individual Retirement Confirmations

1

Transaction Details

Transaction details appear below:

Transaction Successfully Approved

Transaction ID	AU11267
Current Status	Completed (4)
Status Date	11/10/2018 11:23:25 (AEDT) 11/10/2018 00:23:25 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Grant, Andrew William Thorold
Transaction Approver	Grant, Andrew William Thorold
Comment	Cancelled on behalf of HESTA to meet its obligations under the National Carbon Offset Standard for the period: financial year 2017/18.

Transferring Account

Account Number	AU-2734
Account Name	Tasman Environmental Markets Pty Ltd
Account Holder	Tasman Environmental Markets Pty Ltd

Acquiring Account

Account Number	AU-1058
Account Name	Australia Voluntary Cancellation Account
Account Holder	Commonwealth of Australia

Transaction Blocks

Party	Type	Original CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	NKACCU		ERF101494					2016-17		3,749,596,862 - 3,749,597,911	1,050

Transaction Status History

Status Date	Status Code
11/10/2018 11:23:25 (AEDT)	Completed (4)
11/10/2018 00:23:25 (GMT)	
11/10/2018 11:23:25 (AEDT)	Proposed (1)
11/10/2018 00:23:25 (GMT)	
11/10/2018 11:23:25 (AEDT)	Account Holder Approved (97)
11/10/2018 00:23:25 (GMT)	
11/10/2018 11:22:31 (AEDT)	Awaiting Account Holder Approval (95)
11/10/2018 00:22:31 (GMT)	

2

Transaction Blocks

Party	Type	Original CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU		EOP100945					2016-17		3,756,676,049 - 3,756,676,088	40

Transaction Status History

Status Date	Status Code
11/10/2018 11:18:48 (AEDT)	Completed (4)
11/10/2018 00:18:48 (GMT)	
11/10/2018 11:18:48 (AEDT)	Proposed (1)
11/10/2018 00:18:48 (GMT)	
11/10/2018 11:18:48 (AEDT)	Account Holder Approved (97)
11/10/2018 00:18:48 (GMT)	
11/10/2018 11:18:11 (AEDT)	Awaiting Account Holder Approval (95)
11/10/2018 00:18:11 (GMT)	

Appendix continued

Qantas Future Planet Retirement Report

Cancelled on behalf of HESTA to meet its obligations under the National Carbon Offset Standard for the period: financial year 2017/18.

Ref.	Project Short Name	Country	Project ID	Type	Units
1	Wind Power Project at Chitradurga	India	VCS706	Wind	199
					199

Individual Retirement Confirmations

1

VA

VCS Administrator <vcs@apx.com>

Tim Worrall

9.0

APX VCS Registry: Notification of Verified Carbon Unit (VCU) Retirement

This email is to acknowledge that on Jan 22 2019 10:04PM, Tasman Environmental Markets Pty Ltd retired 199 APX VCS Registry Verified Carbon Units (VCUs). The VCUs were issued in accordance to Verified Carbon Standard protocols, which prescribe a rigorous carbon offset project registration and verification process used to ensure the originating offset project contributes to real and additional emission reductions. The issuance and ownership of these VCUs has been tracked in VCS Registries using unique serial numbers to prevent double counting or double selling. Now that these VCUs have been retired from the registry permanently, no one else can hold or retire the VCUs. Details about the VCUs are listed below.

Quantity of retired VCUs: 199

VCU serial numbers: 6355-297185410-297185608-VCU-050-APX-IN-1-705-01112017-31122017-0

Date of retirement: Jan 22 2019 10:04PM

Beneficial Owner: HESTA

VCU retirement reason details: NCOS Programme; Cancelled on behalf of HESTA to meet its obligations under the National Carbon Offset Standard for the period: financial year 2017/18.

Public URL:

Originating carbon offset project: 51 MW Wind Power Project at Chitradurga

Project type: Energy industries (renewable/non-renewable sources)

Project country: IN

Visit <http://vcsregistry.com> for more information about The APX VCS Registry. You can view public reports listing retired VCUs and additional information about the offset project, including project documentation.

Carbon Offsetting Certificate

151
tonnes CO₂-e

This certificate verifies that in the period of 1 July 2017 to 30 June 2018

HESTA

has offset 151 tonnes of greenhouse gas emissions with the purchase and retirement of certified carbon credits.

Project: ARI/AMAPÁ REDD+ Project, Brazil

Registry: APX

Serial No.'s: 5361-227844657-227844766-VCU-001-MER-BR-14-1115-15022013-14022014-0 - Qty 110

Project: JARI/AMAPÁ REDD+ Project, Brazil

Registry: APX

Serial No.'s: 5507-239689816-239689856-VCU-001-MER-BR-14-1115-15022013-14022014-0 - Qty 41

Date issued: 25th March 2019



Iain Smale
Managing Director, Pangolin Associates Pty Ltd

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