

Australian Government Carbon Neutral Program Public Disclosure Summary

Name of Certified Entity: Bank Australia Limited
Reporting Period: 2018-19

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Signature



31 October 2019

Name of Signatory

John Yardley

Position of Signatory

Acting Chief Executive Officer

Carbon neutral certification category

Organisation

Date of most recent external
verification/audit

18 December 2018

Auditor

EY



Australian Government
Department of the Environment and Energy

1. Carbon neutral information

1A. Introduction



Bank Australia exists to create mutual prosperity for its customers, their communities and the planet we all live on.



This includes a long-standing commitment to sustainability and reducing our environmental footprint.



Since FY2011, we have been measuring, reducing and offsetting the greenhouse gas emissions associated with our operations.



From FY2018, we have aligned our carbon neutrality with the National Carbon Offset Standard.

Bank Australia Limited is an authorised deposit taking institution headquartered in Melbourne, Victoria with a national network of 20 branches and five office sites around Australia. 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. We have three subsidiaries over which we have full operational control: Ed Credit Services Pty Ltd, ECS Unit Trust and Buloke Funding Trust No. 1. 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.

Bank Australia holds equity investments in two unincorporated entities, Data Action Pty Ltd and Cuscal Limited, which provide banking and payment services to Bank Australia and other mutual financial institutions. These entities are excluded from the organisational boundary as Bank Australia does not have operational control over them¹. In FY2019, emissions from these entities have been included as Scope 3 emissions in Bank Australia's supply chain.

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

¹ Operational control is defined as per the Greenhouse Gas Protocol: "A company has operational control over an operation if the former or one of its subsidiaries... has the full authority to introduce and implement its operating policies at the operation." WBCSD & WRI (2004). Greenhouse Gas Protocol. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>, accessed 5 August 2018.

1B. Emission sources within certification boundary

Quantified sources

The following emission sources are included in Bank Australia's greenhouse gas inventory.

Scope	Source
1	Car travel – company owned vehicles (petrol)
1	Gas
2	Electricity – consumption (Bank Australia)
3	Gas – distribution
3	Electricity – transmission and distribution (Bank Australia)
3	Electricity – consumption (third-party suppliers)
3	Car travel – company owned vehicles
3	Car travel – employee owned claims
3	Car travel – salary packaged and job needs cars
3	Taxis
3	Staff commute
3	Air travel
3	Hotel stays
3	Water
3	Base building services
3	NCOS-certified carbon neutral paper (Australian Paper 100% Recycled)
3	Printing jobs, including paper and printing process
3	Waste – general waste to landfill

For the first time, this report includes emissions from:

- electricity from third-party suppliers Bank Australia use for data centres and payments services;
- taxi usage, estimated from taxi and ride-share expenditure data; and
- staff commute, estimated from a staff survey of modes of travel and distance between home and the workplace.

Unquantified sources

The following emission sources have not been quantified, however, this is not expected to materially affect the overall total emissions estimates.

Scope	Source	Reason and expected impact
1	Building refrigerants	Bank Australia does not currently have data available for its use of building refrigerants. Emissions from this source are expected to be immaterial.
3	Food and beverage catering	Data is on food and beverage catering is currently unavailable; however this source of emissions is expected to be immaterial.
3	Postage, courier and freight	Data on courier and postage services is currently unavailable; however this source of emissions is expected to be immaterial.

1C. Diagram of the certification boundary

Bank Australia Limited organisational boundary

- Bank Australia offices
- Bank Australia branches

Scope 1 (quantified sources)

- Car travel – company owned
- Gas

Scope 1 (non-quantified sources)

- Building refrigerants

Scope 2

- Electricity

Scope 3 (quantified sources)

- Waste
- Flights
- Hotel accommodation
- Car travel – salary packaged & job needs cars
- Car travel – employee-owned vehicles
- Paper and printing
- Base building – electricity & gas
- Scope 3 emissions from gas, electricity and vehicle fuels
- Water
- Electricity of data centre and payment services
- Taxis
- Staff commuting

Scope 3 (non-quantified sources)

- Food & catering
- Postage, courier & freight

2. Emissions reduction measures

2A. Emissions over time

Between FY2011 and FY2019 Bank Australia reduced its net greenhouse gas emissions by 23.4%. This was during a time of growth for the bank; over the same period, total emissions per full-time equivalent decreased by 39.0%.

Emissions reductions since FY2011 have been driven by switching to renewable electricity via installation of rooftop solar at our head office and contact centre, and entering into a long-term power purchase agreement with a wind farm in Western Victoria. We've also performed energy efficiency upgrades at our head office, and rolled out LED lighting across the branch and office network.

In FY2019 we added additional sources of emissions in line with best practice, including staff commute, taxis and electricity consumption of key third party suppliers. The inclusion of new emissions sources represent an additional 576.9 tCO₂-e (33.1%) to net emissions – of which, staff commute was the primary contributor at 515.8 tCO₂-e.

Table 1. Emissions (t CO₂-e)

	First year certified carbon neutral FY2018	Current year FY2019
Scope 1	69.0	69.9
Scope 2	958.2	893.9
Scope 3	613.0	1,205.2
Total	1,640.2	2,169.0

2. Emissions reduction measures

2B. Emissions reduction strategy

In the June quarter 2019, Bank Australia achieved its key decarbonisation strategy of switching to 100% renewable electricity, ahead of our 2020 target.

Bank Australia has used science-based methods to determine the target to reduce scope 1 and 2 GHG emissions by 16% by FY2025 from an FY2017 baseline. A science-based target determines our bank's share of the emissions reductions needed to keep global temperature increases to under 2 degrees Celsius.

Bank Australia is currently exceeding its scope 1 and 2 target through its switch to 100% renewable electricity.

2C. Emissions reduction actions

Emissions reduction measures implemented in the current reporting period

Year completed	Emission source	Reduction measure and calculation method	Scope	Status	Reduction t CO ₂ -e
Ongoing	Car travel – company owned	Commenced converting vehicle fleet to hybrid vehicles	1	Ongoing	1.9
June quarter 2019	Electricity	LGC purchase via Melbourne Renewable Energy Project (will be equivalent to 100% of MWh consumed over 10-year contract)	2	Ongoing	199.7
Jul-Dec 2018	Electricity	GreenPower purchase (Vic) ²	2	Completed	227.7
Ongoing	Car travel – salary packaged and job needs cars	Commenced converting vehicle fleet to hybrid vehicles	3	Ongoing	5.5
Total emission reductions implemented in this reporting period					434.8

² 15,247kWh of GreenPower purchased, multiplied by the Victorian scope 2 emissions factor

3. Emissions summary

Table 2. Emissions Summary

Scope	Emission source	t CO ₂ -e
1	Car travel – company owned (petrol)	176
1	Gas	52.3
2	Electricity – consumption (Bank Australia)	893.9
3	Gas – distribution	4.0
3	Electricity – transmission and distribution (Bank Australia)	88.1
3	Electricity – consumption (third party suppliers)	576
3	Car travel – company owned	0.9
3	Car travel – employee owned claims	21.5
3	Car travel – packaged & job needs cars	48.9
3	Taxis	3.4
3	Staff commute	515.8
3	Air travel	234.7
3	Hotel accommodation	98.5
3	Water	3.0
3	Base building services	37.4
3	Carbon neutral product: Australian Paper 100% Recycled (1.9 tonnes of office paper; 4.1 tonnes of statement paper)	0
3	Printing jobs, including paper	25.8
3	Waste – general waste to landfill	65.5
Total Gross Emissions		2,169.0
Electricity – additional LGCs retired		-199.7
Electricity – Greenpower		-227.7
Total Net Emissions		1,741.6

4. Carbon offsets

4A. Offsets summary

Table 3. Offsets Summary

Projects supported by offset purchase	Eligible offset units	Registry	Cancellation date	Serial numbers (including hyperlink to registry transaction record)	Vintage	Quantity
WithOneSeed Timor Leste	VERs	The Gold Standard Environmental Registry	15 September 2017	GS1-1-TL- GS4210-22-2015- 5273-1446 to 1770	2015	326
WithOneSeed Timor Leste	VERs	The Gold Standard Environmental Registry	4 August 2018	GS1-1-TL- GS4210-22-2015- 6146-686 to 1685	2015	1,000
WithOneSeed Timor Leste	VERs	The Gold Standard Environmental Registry	8 September 2019	GS1-1-TL- GS4210-21-2016- 6145-6526 to 6941	2016	416
Total offsets cancelled						1,742
Total offsets banked for use future years						0

4B. Offsets purchasing and retirement strategy

Bank Australia forward purchases carbon offsets at the start of each financial year. Once the carbon account has been completed at the end of the financial year, we complete a 'true-up' process. Any surplus offsets are banked for future years, or any shortfall is made up by purchasing and retiring additional offsets.

4C. Offset projects (Co-benefits)

We purchase offsets from leading Gold Standard project WithOneSeed, which works with subsistence farming communities in Timor Leste to replant and protect their forests. WithOneSeed generates co-benefits that align with our values, like providing opportunities to empower communities on the frontlines of climate change; and encouraging sustainable economic activities for development. Our relationship with this project over the past three years has given us the privilege of seeing the project develop over time.

5. Use of trade mark

Table 4. Trade mark register

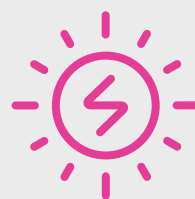
Where used	Logo type
Bank Australia 2018 Public Disclosure Summary	Certified organisation
Bank Australia website (December quarter 2018)	Certified organisation

6. Have you done more?

As a customer owned bank, we're committed to taking action on issues that our customers care about like climate change and encouraging growth in renewable energy. We're always looking for innovative ways to embed responsible practices into our operations and activities, like participating in the Melbourne Renewable Energy Project.



In May 2019 we became the first bank in the country to switch to 100% renewable electricity, one year ahead of our 2020 target.



Bank Australia is a member of RE100, a global business initiative of influential companies committed to 100% renewable power.

We achieved this through a range of actions including:

- installing 88 solar panels on our head office in Melbourne
- installing 110 solar panels on our Contact Centre in Moe
- buying renewable electricity from Crowlands Wind Farm in Victoria.

"Being the first bank in Australia to switch to 100% renewable electricity is a huge achievement for us," said Damien Walsh, Managing Director.

"Our customers have told us they want to see clear action on climate change and we're pleased to show how business can lead on climate action."

Running on 100% renewable electricity means avoiding around 780 tonnes of carbon emissions per year, which is the equivalent to taking 232 cars off the road.

Bank Australia is a member of RE100, a global business initiative of influential companies committed to 100% renewable power.

Jon Dee, RE100 Australia Coordinator, said, "As the first Australian member of RE100 to achieve a switch to 100% renewable electricity, Bank Australia has set a really positive example."



Bank Australia
RESPONSIBLE BANKING