

Australian Government
Carbon Neutral Program
Public Disclosure Summary



An Australian Government Initiative

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NAME OF CERTIFIED ENTITY: United Super Pty Ltd ABN 46 006 261 623 as trustee of the Construction and Building Unions Superannuation Fund ABN 75 493 363 262 (Cbus)

REPORTING PERIOD: 1 July 2018 to 30 June 2019

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 	Date 29-10-19
Name of Signatory	Nicole Bradford
Position of Signatory	Portfolio Head, Responsible Investment
Carbon neutral certification category	Organisation
Date of most recent external verification/audit	7 February 2019 (This relates to our FY17 carbon account)
Auditor	NDEVR Environmental
Auditor assurance statement link	https://www.cbussuper.com.au/content/dam/cbus/files/governance/reporting/NCOS-Assurance-Audit-Report-for-Cbus.pdf



Australian Government
Department of the Environment and Energy

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1. Carbon neutral information

1A. Introduction

About Cbus

Cbus believes that climate change is a complex environmental and social issue that will increasingly impact the global economy. In 2016, with the support of the Trustee Board, a climate change position statement was developed, publicly recognising that as a Fund the most material climate change risks and opportunities will be imposed on our investment portfolio. Further, in 2018 our Investment Committee approved a Climate Change Road Map. The Road Map aims to improve portfolio resilience, mitigate exposure to risk and contribute through investing and advocating for change.

The Trustee also believes it has a responsibility to take a leadership role in the built environment in which the Fund's members work, including the development of sustainable building and construction practices.

Further, the Trustee believes the Fund should operate in a manner consistent with its approach to responsible investment. As such, the Trustee seeks to incorporate responsible investment practices, including those related to climate change, within the broader Fund. This has resulted in the Cbus Trustee office commitment to go carbon neutral.

Carbon neutrality

Cbus has taken a broad approach to its carbon neutral commitment. We have included in our carbon assessment all emissions produced by our offices across Australia, as well as material emissions produced within our supply chain and by our staff commuting to and from our offices. Our carbon neutral account excludes emissions associated with our investments, as these are considered to be outside of our operational control in accordance with the National Carbon Offset Standard. Climate-related investment risks are managed through implementation of our Climate Change Road Map and will continue to evolve over time.

Cbus's inventory has been prepared based on the "National Carbon Offset Standard" and the "Greenhouse Gas Protocol – A Corporate Accounting and Reporting Standard" ¹.

Where available, the inventory covers all six greenhouse gases listed under the Kyoto Protocol:

- Carbon dioxide (CO₂)
- Methane (CH₄)
- Nitrous oxide (N₂O)
- Hydrofluorocarbons (HFCs)
- Perfluorocarbons (PFCs)
- Sulphur hexafluoride (SF₆)

Where available, emission factors have been taken from the National Greenhouse Accounts (NGA) Factors, August 2019. These have been complemented with emission factors and calculations from Balancing Act – A Triple Bottom Line² reports (input-output data) and other relevant literature sources, which have been listed in our carbon account.

¹ Published by: World Resources Institute and World Business Council for Sustainable Development, March 2004

² Foran, Barney; Lenzen, Manfred; Dey, Christopher. Balancing Act : a Triple Bottom Line Analysis of the Australian Economy. In: Canberra, ACT: University of Sydney and CSIRO Sustainable Ecosystems; 2005

The carbon account is based on an operational consolidation approach. The Cbus offices are:

- Melbourne Level 26/27/28, 2 Lonsdale Street
- Melbourne Level 17, 321 Exhibition Street
- Geelong 78 Fyans Street
- Geelong 6 Gherinhap Street
- Sydney Level 25, 44 Market Street
- Perth Level 1, 82 Royal Street, East Perth
- Adelaide Ground floor, 50 Flinders Street
- Brisbane Level 2, 14 Campbell Street, Bowen Hills
- Brisbane Level 9, 167 Eagle Street
- Brisbane Level 2A/3A, 300 Adelaide Street
- Townsville 448 Flinders Street
- Hobart 80 Federal Street
- Darwin G01- 29 Daly Street
- Canberra 2 Badham Street, Dickson

1B. Emission sources within certification boundary

Quantified sources

The following emission sources have been included in our carbon account:

Table 1. Emission Sources		
OFFICE UTILITIES	Natural gas consumption (GJ)	Scope 1
	Electricity (kWh)	Scope 2
	Base building (rating)	Scope 3
	Water (kL)	Scope 3
	Waste to landfill (t)	Scope 3
	Waste to recycling (t)	Scope 3
BUSINESS TRAVEL	Company vehicles (km)	Scope 1
	Company vehicles (km)	Scope 3
	Flights (#)	Scope 3
	Taxis (\$ spend)	Scope 3
	Public transport (\$ spend)	Scope 3
	Rental cars (\$ spend)	Scope 3
	Accommodation (hotel nights)	Scope 3
COMMUTING	Employee commuting (pkm)	Scope 3
PURCHASES	Purchased goods and services (\$ spend)	Scope 3
PAPER EOL	End-of-life of paper sent to members (\$ spend)	Scope 3
ENERGY RELATED SCOPE 3 EMISSIONS	Natural gas consumption (GJ)	Scope 3
	Electricity (kWh)	Scope 3

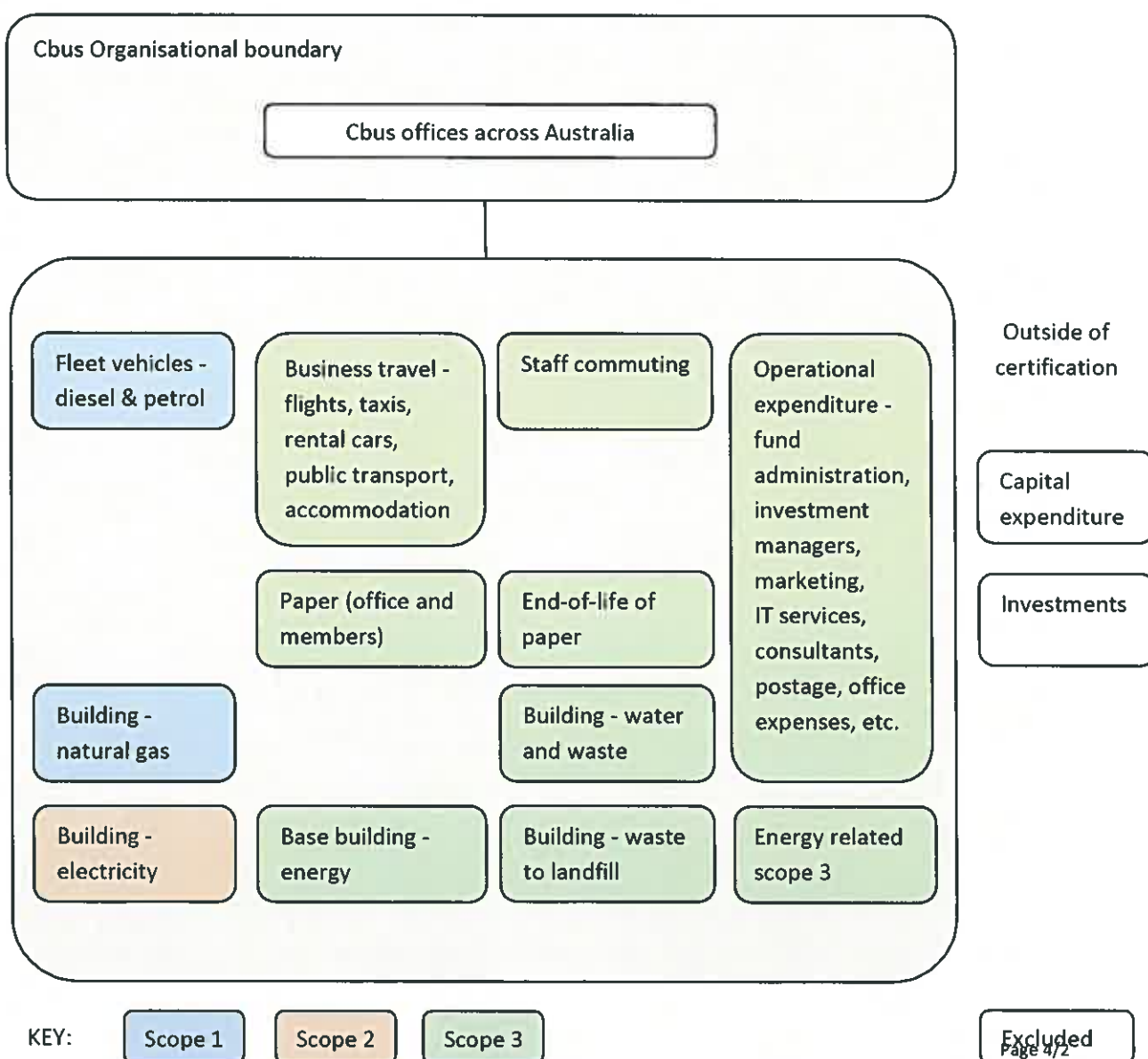
Excluded sources

Cbus' organisational boundary has been established using the control approach. The following emission sources have been excluded in line with the provisions of the National Carbon Offset Standard for Organisations:

- Capital expenditure. Emissions associated with capital expenditure have been excluded from our organisational boundary, as the emission sources are outside of our operational control and do not meet the relevance test under the National Carbon Offset Standard.
- Investments. Emissions associated with investments are outside of our organisational boundary as these operations are beyond our operational or financial control.

1C. Diagram of the certification boundary

The following diagram shows the system boundary of our carbon account. To the best of our knowledge, we have included all of our scope 1, 2 and 3 emission sources, with the exception of emissions associated with capital expenditure and investments.



2. Emissions reduction measures

2A. Emissions over time

This section compares emissions over time between the base year and current year.

Cbus's FY17 base year emissions amounted to 9,888 t CO₂e. Due to the delivery timing of the base year report, emissions have not been calculated for the FY18 period. The FY19 carbon account (14,378 t CO₂e) is 45% larger than for the base year, which is predominantly caused by the growth of the organisation. Staff numbers, membership numbers and funds under management have all gone up since 2017.

The emissions from purchased goods and services (scope 3) are responsible for the majority of the increase in total emissions (around 4,000 t CO₂e). Other emissions have increased moderately across the board, in line with the growth of the organisation. Flight emissions have bucked the trend and have reduced slightly from FY17, indicating that Cbus's focus on reducing travel emissions has made an impact.

2B. Emissions reduction strategy

The Cbus carbon account for the offices of the Trustee is dominated by the consumption of electricity, corporate travel related activities and the purchase of goods and services. Our strategy also reflects our Head Office at 2 Lonsdale Street, Melbourne which currently attracts a 4.5 Star NABERS Rating. In 2020 the Fund's Head Office will move to Wesley Place 130 Lonsdale Street, Melbourne which is Targeting a 5-Star NABERS Energy Rating.

2C. Emissions reduction actions

Throughout the course of FY19, Cbus has concentrated its actions in two areas:

1. Existing office
2. Office relocation to Wesley Place in 2020

Existing office

Throughout FY19, Cbus has continued to invest in video conferencing (VC) capability to ensure its reliability, effectiveness and user friendliness, encouraging staff to favour this technology over interstate travel wherever practicable. The Facilities and Procurement team are developing a paper-use reduction strategy for the Fund. And, managing staff growth with existing office space, reducing the need for more office space expansion and associated energy use.

Office relocation

In mid-2020, Cbus will relocate its Melbourne Head Offices to Wesley Place, 130 Lonsdale St Melbourne. Having signed a tenancy agreement prior to the development of the building, Cbus has been able to play a key role in FY19 of the office fit-out and design, aiming for the highest levels of sustainability and carbon neutrality.

We continue to engage with vendors on the future strategy for 'GreenStar' performance uplift. The project has an aspiration of achieving a 'GreenStar' Interior rating to ensure the ultimate in employee comfort levels whilst reducing our 'footprint' by designing and operating to the high levels of sustainability in the built form.

3. Emissions summary

The following table provides a summary of Cbus's greenhouse gas emissions for all emission sources included in the certification boundary.

Table 2. Emissions Summary		
Scope	Emission source	t CO₂-e
1	Natural gas consumption (GJ)	0.0
2	Electricity (kWh)	418.9
3	Base building (rating)	501.8
3	Water (kL)	9.7
3	Waste to landfill (t)	15.5
3	Waste to recycling (t)	0.0
1	Company vehicles (km)	234.6
3	Company vehicles (km)	12.2
3	Flights (#)	413.5
3	Taxis (\$ spend)	23.1
3	Public transport (\$ spend)	4.1
3	Rental cars (\$ spend)	6.9
3	Accommodation (hotel nights)	112.5
3	Employee commuting (pkm)	580.1
3	Purchased goods and services (\$ spend)	11,785.8
3	End-of-life of paper sent to members (\$ spend)	216.3
3	Natural gas consumption (GJ)	0.0
3	Electricity (kWh)	42.6
Total Gross Emissions		14,378
GreenPower or retired LGCs		0.0
Total Net Emissions		14,378

4. Carbon offsets

4A. Offsets summary

The offsets purchased by Cbus for the FY19 reporting period are presented below.

Table 3. Offsets Summary			
Offset type and registry	Year retired	Quantity	Serial numbers
Nongyai Wastewater Treatment, Thailand (P.S.C Starch Wastewater Treatment and Biogas Utilization Project) (Verified Carbon Standard VCUs)	2019	11,502	7140-373867312-373878813-VCU-030-APX-TH-13-417-01012015-31122015-0
Yinxin Waste Heat Energy Project, China (Gold Standard VERs)	2019	2,876	GS1-1-CN-GS750-15-2013-3612-37598-40473
Total offset units retired			14,378 tonnes
Net emissions after offsetting			0
Total offsets banked for use future years			0

4B. Offsets purchasing and retirement strategy

Cbus is carbon neutral from FY19 onwards. We will offset our scope 1, 2 and 3 emissions each year on a retrospective basis and retire credits in accordance with the National Carbon Offset Standard (NCOS) [within 120 days of the end of the reporting period].

4C. Offset projects (Co-benefits)

Cbus's offsets are sourced from two projects:

- Nongyai Wastewater treatment (Thailand).

The Nongyai Wastewater Treatment Project captures methane generated at a starch, sweetener and ethanol production facility in Chonburi Province in Thailand. The captured methane is combusted to produce electricity and heat for internal use in the facility. The project helps to reduce the company's dependence on fossil fuels by providing a local source of clean, renewable energy. The project supported local sustainable development by creating new jobs and income opportunities through contracting local firms for the construction, operation and maintenance of the plant.

This project issues Voluntary Carbon Units (VCUs) certified by Verra.

- Yingxin Waste Heat Energy (China).

The Yingxin company in China's northern Hebei province is a glass producer. Glass production is an energy-intensive, fossil fuel powered process. In an effort to reduce energy consumption and the company's carbon footprint, Yingxin has implemented a modern waste-heat recovery system. The innovative system uses waste heat from the glass smelting furnaces to generate clean electricity.

This then meets part of the electricity demand of the company, displacing electricity generated from grid-connected fossil fuel-fired power plants. In the absence of the project, the waste heat would be vented into the atmosphere. In addition to environmental benefits, the project owner is providing scholarships to children and supporting schools, as well as elderly people and the local infrastructure. Local people are also permitted to borrow machinery and tools at no cost.

This project issues Verified Emissions Reduction (VER) units certified by Gold Standard.

Furthermore, 20% of Cbus's offsets are coupled with a South Pole's EcoAustralia credits. For every 1 t CO₂e from international carbon offsets, the EcoAustralia credits include an Australian Biodiversity Unit (ABU), which is a unit that is derived from a Biodiversity Equivalence Unit which is managed on the Victorian Government's Native Vegetation Credit Register. Each ABU represents 1.5 m² of government-accredited habitat protection. A covenant is placed on the land title to ensure the vegetation is managed for conservation in perpetuity. Cbus supports the Myamyn project, encompassing sections of the Annys State forest in Western Victoria. The project replants the area with natural vegetation, helping to preserve the habitat of endangered native species such as the Scented Spider-orchid, the Powerful Owl, and the Long-nosed Potoroo.

5. Use of trade mark

Cbus is carbon neutral from FY19 onwards. The trade mark has not been used at present.