



# **PUBLIC DISCLOSURE STATEMENT**

REA GROUP LTD

ORGANISATION CERTIFICATION  
FY19-20

Australian Government  
**Climate Active**  
**Public Disclosure Statement**



An Australian Government Initiative



NAME OF CERTIFIED ENTITY: REA Group Ltd

REPORTING PERIOD: 1 July 2019 – 30 June 2020

**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.

Signature:

A handwritten signature in black ink, appearing to read "Owen Wilson".

Date: 21 January 2021

Name of Signatory: Owen Wilson

Position of Signatory: Chief Executive Officer



**Australian Government**  
**Department of Industry, Science,**  
**Energy and Resources**

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# 1. CARBON NEUTRAL INFORMATION

## Description of certification

REA Group's Climate Active carbon neutral certification relates to REA Group's owned and operated business operations in Australia and internationally, including Malaysia, Singapore, Thailand, Hong Kong, and Indonesia.

## Organisation description

[REA Group](#) was founded in 1995 in Australia and is a digital advertising business, specialising in property, with a team of over 1,400 people, across Australia and Asia.

The certification boundary applied for our greenhouse gas (GHG) emissions reporting under Climate Active comprises of the overall REA Group's (ABN 54 068 349 066) operations and activities, including all of our Australian and international activities that sit under the subsidiaries over which the REA Group has operational control<sup>1</sup>.

Our boundary accounts for the GHG emissions from the offices<sup>2</sup> and other business activities associated with these operations. Table 1 provides a summary of the business entities that sit within the certification boundary and where their offices are located.

*“At REA Group, everything we do is driven by our purpose to ‘change the way the world experiences property’. We recognise the large impact the property sector has on global emissions and want to take responsibility for our operational carbon footprint. Climate Active is a great way to demonstrate our commitment to minimising our impact.”*

**Table 1. REA Group's business entities included in the certification boundary**

| Business name                | Country of operation |
|------------------------------|----------------------|
| Realestate.com.au            | Australia            |
| Realcommercial.com.au        |                      |
| Flatmates.com.au             |                      |
| Spacely.com.au               |                      |
| Smartline Home Loans Pty Ltd |                      |
| Hometrack Australia Pty Ltd  |                      |
| Flatmate.com.au              |                      |
| Myfun                        |                      |
| iproperty.com.my             | Malaysia             |
| squarefoot.com.hk            | Hong Kong            |
| ThinkofLiving                | Thailand             |
| iproperty.com.sg*            | Singapore            |
| rumah123.com*                | Indonesia            |

\* These businesses transitioned from wholly owned subsidiaries to investment in associate (via an arrangement with the 99.Group) at the end of February 2020.

<sup>1</sup> These subsidiaries are summarised in our annual report.

<sup>2</sup> In FY20 REA Group operated out of 21 offices across multiple regions.

## 2. EMISSION BOUNDARY

### Diagram of the certification boundary

The reporting boundary for REA Group’s business operations has been developed in accordance with the Climate Active Organisation Standard. The following steps were undertaken to develop this reporting boundary and ensure it aligns with the Standard and stakeholder expectations:

- We identified a long list of potential emissions sources to be considered based on a desktop assessment of:
  - REA Group’s Annual Report
  - REA Group’s FY20 asset list
  - Climate Active reporting by REA Group’s peers.
- We completed detailed relevance testing across each of the identified emissions sources in line with the requirements of the Climate Active Carbon Neutral Standard for Organisations.

Figure 1 summarises the relevant emissions sources (quantified and non-quantified) that are included in REA Group’s Climate Active boundary, and those emissions sources that are excluded.

**Figure 1. REA Group’s Climate Active certification boundary**

| Quantified                                     | Non-quantified | Excluded   |
|--|----------------|--|
| Electricity (Australia, incl. data centres)    | N/A            | Business services  |
| Electricity (International)                    |                | SMART Expo events  |
| Stationary energy                              |                | Merchandise (clothing)   |
| ICT services (cloud services)                  |                | Postage, freight and courier services  |
| Office equipment and supplies (paper)          |                | IT equipment   |
| Water  |                | Investments in Move inc, Elara Technologies Pte Ltd and ScaleUp Media Fund 2.0 Pty Limited |
| Waste  |                |  |
| Air transport                                  |                |  |
| Taxi and uber                                  |                |  |
| Accommodation and facilities                   |                |  |
| Land and sea transport (km)                    |                |  |
| Land and sea transport (fuel)                  |                |  |
| Working from home                              |                |  |
| Franchises (Smartline)                         |                |  |
| Investment in associate arrangement with 99.co |                |  |

## Non-quantified sources

N/A

## Data management plan

N/A

## Excluded sources (outside of certification boundary)

REA Group undertook a detailed relevance assessment to determine the emissions reporting boundary for this certification, in accordance with the relevance tests outlined in Section 2.3.1 of the Climate Active Organisations Standard. The following sources were excluded based on the relevance assessment:

- Business services
- SMART expo events
- Merchandise (clothing)
- Freight, postage and courier services
- IT equipment
- Proportionate emissions associated with investments made by REA Group in a Move inc, Elara Technologies Pte Ltd and ScaleUp Media Fund 2.0 Pty Limited

Appendix 1 provides the outcomes of the relevancy testing for these excluded sources.

*“Being part of the Climate Active program is an effective way for REA Group to take responsibility for its impact on the environment, as well as positively engaging with employees, customers, investors and suppliers on the Group’s emissions reduction goals.”*

## 3. EMISSIONS SUMMARY

### Emissions reduction strategy

In our first annual Sustainability Report launched in November 2019, we set a goal to understand our carbon footprint, report on it and set targets to reduce our impact.

In FY20, we engaged an independent sustainability consultancy to calculate REA Group's Scope 1, 2 and 3 carbon footprint which led us to establishing emissions reduction targets that are aligned with science-based methodologies, and mean that the Group must reduce Scope 1 and 2 emissions by 42%, and scope 3 emissions by 25%, by 2030 (compared with a 2020 base year). In addition, we published our first Climate Change Policy<sup>3</sup> in October 2020, which focuses on addressing climate change in three broad ways:

1. Understanding the impacts, risks and opportunities that climate change poses for our business.
2. Reducing and offsetting our carbon emissions each year to achieve carbon neutral certification.
3. Supporting our customers and consumers in making sustainable changes, reducing their carbon emissions and saving money to support our Climate Change Policy commitments.

We have developed a carbon emissions reduction action plan to address the six largest contributors to the Group's footprint, including electricity consumption, energy efficiency, business flights, base building emissions, employee commuting and car fuel.

We have established cross-functional squads across the business to build out the specifics of the action plan and will finalise this over the next two years. However, to date, we have identified the following actions that will be rolled out progressively across the business:

1. Commitment to transitioning to solar in REA Group's Melbourne based head offices and setting targets to transition to GreenPower.
2. Commitment to improve energy efficiency across the business through:
  - a. Ensuring new office buildings being rented or built have high NABERS base building ratings.
  - b. Transitioning to energy efficient products in our offices (e.g. lights, white goods, computer monitors, etc.)
  - c. Turning all office screens off overnight.
  - d. Undertaking behaviour campaigns to educate employees about reducing energy use in the office and when working from home.
3. Encourage employees to replace flights with virtual meetings and support this with a Travel Policy update.
4. Commitment to reduce emissions from staff commuting through:
  - a. Developing a policy requiring offices to be in close proximity to public transport locations (where possible).
  - b. Actively encouraging and incentivising employees to actively commute to work.
  - c. Ensuring end-of-trip facilities are eco-friendly and accessible for all employees.
  - d. Facilitating discounts on PT passes, bicycle purchases, e-bike novated leasing options and ensure safe storage of bikes available.

<sup>3</sup> [https://cdn.rea-group.com/wp-content/uploads/2020/10/08153146/Climate\\_Change\\_Policy\\_FINAL.pdf](https://cdn.rea-group.com/wp-content/uploads/2020/10/08153146/Climate_Change_Policy_FINAL.pdf)

- e. Encourage employees to purchase higher efficiency or hybrid vehicles.
- f. Providing electric vehicle charging stations at offices.

## Emissions summary (inventory)

| Emission source category                   | tonnes CO <sub>2</sub> -e |
|--|---------------------------|
| Electricity (Australia, incl. data centre) | 1,673                     |
| Electricity (International)                | 376                       |
| Stationary energy                          | 29                        |
| ICT services (cloud services)              | 269                       |
| Office equipment and supplies (paper)      | 2                         |
| Water                                      | 11                        |
| Waste                                      | 51                        |
| Air transport                              | 1,693                     |
| Taxi and uber                              | 43                        |
| Accommodation and facilities               | 224                       |
| Land and sea transport (km)                | 740                       |
| Land and sea transport (fuel)              | 501                       |
| Working from home                          | 470                       |
| Franchises (Smartline)                     | 223                       |
| <b>Total Net Emissions</b>                 | <b>6,305</b>              |

\*Electricity figure includes the associate investment in joint venture 99.co electricity consumption for 4 months (March 2020 – June 2020) which accounts for less than 1% of the overall carbon account. This investment was deemed relevant as it triggers the “outsourcing” and “stakeholder” tests, as these digital marketplace services were provided in-house by REA Group via iProperty.com.sg and rumah123.com, and because REA is the largest shareholder of the venture at 27%.

## Uplift factors

| Reason for uplift factor  | tonnes CO <sub>2</sub> -e |
|---|---------------------------|
| Uplift applied to ICT services (cloud services) to account for Scope 1 and 3 emissions as the bespoke emission factor only includes Scope 2 emissions. <sup>4</sup>   |                           |
| The bespoke emissions factor used for ICT services (cloud services) (including data storage and software as a service (SaaS)) was developed using AWS specific emissions information which only accounts for Scope 2 emissions. Therefore, the Scope 1 and 3 emissions associated with delivering these cloud services needs to be estimated to mitigate the risk of underrepresenting emissions from cloud services within REA Group's carbon account. To derive an appropriate uplift factor, Point Advisory reviewed NEXTDC's Climate Active PDS (a certified carbon neutral data centre) to understand the typical breakdown of Scope 1, 2 and 3 emissions at data centres. Using this information it was determined that a 24% uplift factor would need to be applied to the Scope 2 equivalent emissions from cloud services, to account for Scope 1 and 3 emissions. | 64.5                      |
| Uplift applied to land and sea transport related to employee commuting to account for the 'work from home' emissions from REA Group's international employees (approximately 25% of its workforce) as the Climate Active working from home calculator does not incorporate international regions in its emissions estimates.  | 173.7                     |
| <i>Total Footprint to offset (uplift factors + net emissions)</i>   | 6,543                     |

## Carbon neutral products

| Climate Active Carbon Neutral products used | Weight (kg) | Avoided emissions (tonnes CO <sub>2</sub> -e) |
|---|-------------|---|
| <i>Emission source category</i>             |             |   |
| Paper (Australian paper)                    | 1,135       | 2.561   |

## Electricity summary

Total emissions from electricity presented in the emissions summary table at the start of this section, were calculated using a location-based approach as market-based methods are not yet able to be applied for REA's international-based countries of operation as residual mix factors are not currently available.

However, a summary of REA Group's Australian-based electricity emissions using both the market-based and location-based carbon accounting methodologies is provided below for full disclosure and to ensure year on year comparisons can be made. There are no existing calculators to compare the market-based and location-based approach for REA's international sites.

<sup>4</sup> 24% uplift factor derived from publically available Climate Active PDS for NEXTDC's data centre infrastructure and their relevant proportion of Scope 1, 2 and 3 emissions. <https://www.climateactive.org.au/buy-climate-active/certified-members/nextdc>



**Market-based approach electricity summary – Australian locations only**

| Electricity inventory items                  | kWh       | Emissions<br>(tonnes CO <sub>2</sub> e) |
|--|-----------|---|
| Electricity Renewables                       | 309,002   | 0.00                                    |
| Electricity Carbon Neutral Power             | 0         | 0.00                                    |
| Electricity Remaining                        | 1,352,301 | 1,461.9726                              |
| Renewable electricity percentage             | 19%       |   |
| <i>Net emissions (Market based approach)</i> |           | 1,461.973                               |

**Location-based summary – Australian location only**

| State/<br>Territory | Electricity Inventory items              | kWh       | Full<br>Emission<br>factor<br>(Scope 2 +3) | Emissions<br>(tonnes<br>CO <sub>2</sub> e) |
|---------------------|--|-----------|--|--|
| ACT/NSW             | Electricity Renewables                   | -         | -0.90                                      | 0.00                                       |
| ACT/NSW             | Electricity Carbon Neutral Power         | -         | -0.90                                      | 0.00                                       |
| ACT/NSW             | Netted off (exported on-site generation) | -         | -0.81                                      | 0.00                                       |
| ACT/NSW             | Electricity Total                        | 315,866   | 0.90                                       | 284.279                                    |
| SA                  | Electricity Renewables                   | -         | -0.53                                      | 0.00                                       |
| SA                  | Electricity Carbon Neutral Power         | -         | -0.53                                      | 0.00                                       |
| SA                  | Netted off (exported on-site generation) | -         | -0.44                                      | 0.00                                       |
| SA                  | Electricity Total                        | 86,382    | 0.53                                       | 45.782                                     |
| Vic                 | Electricity Renewables                   | -         | -1.12                                      | 0.00                                       |
| Vic                 | Electricity Carbon Neutral Power         | -         | -1.12                                      | 0.00                                       |
| Vic                 | Netted off (exported on-site generation) | -         | -1.02                                      | 0.00                                       |
| Vic                 | Electricity Total                        | 1,040,660 | 1.12                                       | 1,165.539                                  |
| Qld                 | Electricity Renewables                   | -         | -0.93                                      | 0.00                                       |
| Qld                 | Electricity Carbon Neutral Power         | -         | -0.93                                      | 0.00                                       |
| Qld                 | Netted off (exported on-site generation) | -         | -0.81                                      | 0.00                                       |
| Qld                 | Electricity Total                        | 84,432    | 0.93                                       | 78.522                                     |
| WA                  | Electricity Renewables                   | -         | -0.74                                      | 0.00                                       |
| WA                  | Electricity Carbon Neutral Power         | -         | -0.74                                      | 0.00                                       |
| WA                  | Netted off (exported on-site generation) | -         | -0.69                                      | 0.00                                       |
| WA                  | Electricity Total                        | 133,963   | 0.74                                       | 99.132                                     |
|                     | <i>Total net electricity emissions</i>   |           |  | 1,673.256                                  |

## 4. CARBON OFFSETS

### Offset purchasing strategy: in arrears

FY20 is REA Group's first year of carbon neutral certification and also our base year. We have applied the purchasing in arrears approach for purchasing and retiring offsets. Offsets have been purchased and retired to ensure we are carbon neutral for the FY20 period 1 July 2019 to 30 June 2020. We will continue this offsetting process annually to maintain our carbon neutrality year on year.

### Offsets summary

| <b>1. Total offsets required for this report</b>                       |                            |                          |              | 6,543  |         |                         |                                   |  |                                 |
|--|----------------------------|--------------------------|--------------|--|---------|-------------------------|-----------------------------------|--|---------------------------------|
| <b>2. Offsets retired in previous reports and used in this report</b>  |                            |                          |              | 0  |         |                         |                                   |  |                                 |
| <b>3. Net offsets required for this report</b>                         |                            |                          |              | 6,543  |         |                         |                                   |  |                                 |
| Project description  | Eligible offset units type | Registry unit retired in | Date retired | Serial number (including hyperlink to registry transaction record)                   | Vintage | Quantity (tonnes CO2-e) | Quantity used for previous report | Quantity to be banked for future years | Quantity to be used this report |
| Biomass Based Cogeneration Project at Nectar Life Sciences Ltd         | VCU                        | VCS Registry             | 9 Dec 2020   | <a href="#">7104-370379072-370381071-VCU-034-MER-IN-1-251-01012016-30062016-0</a>    | 2016    | 2,000                   | 0                                 | 0                                      | 2,000                           |
| Wind bundle project in Maharashtra (India) by Sispara                  | VCU                        | VCS Registry             | 9 Dec 2020   | <a href="#">8456-21841655-21846197-VCS-VCU-997-VER-IN-1-1660-01092018-31122018-0</a> | 2018    | 4,543                   | 0                                 | 0                                      | 4,543                           |
| <i>Total offsets retired this report and used in this report</i>       |                            |                          |              |  |         |                         | 0                                 | 0                                      | 6,543                           |
| <i>Total offsets retired this report and banked for future reports</i> |                            |                          |              |  |         |                         | 0                                 | 0                                      | 0                               |

## Offset project descriptions

This section provides a brief description of the carbon offset projects purchased and retired for REA Group's FY20 carbon neutral claim.

### Biomass based cogeneration project at Nectar Life Sciences Ltd

This project relates to 31% of the total amount of offsets purchased and retired for this reporting period. This India-based project generates energy by burning biomass to create steam to power two turbines. Prior to this project, energy was generated using non-renewable energy sources as the electricity requirement was met by the general electricity grid with diesel generator as backup, and the steam requirement was met by oil-based boilers.

Link: <https://registry.verra.org/app/projectDetail/VCS/251>

### Wind bundle project in Maharashtra by Sispara

This project represents 69% of the total amount of offsets purchased and retired for this reporting period. This small-scale project involves the installation of 35.5MW capacity of wind power across four locations in India. Clean energy generated by the project will be exported to the local electricity grid in Maharashtra, displacing the fossil-fuel generated electricity on the Northern, Eastern, Western and North-Eastern regional grids (NEWNE) grid of India.

Link: <https://registry.verra.org/app/projectDetail/VCS/1660>

## 5. USE OF TRADE MARK

| Description where trademark used  | Logo type              |
|---|------------------------|
| Annual sustainability report  | Certified organisation |
| Annual report   | Certified organisation |
| REA Group Australian Website  | Certified organisation |
| Social media sites including LinkedIn, Instagram, Twitter               | Certified organisation |
| Email signature   | Certified organisation |
| Other marketing materials (printed, newsletters, online communications) | Certified organisation |

## 6. ADDITIONAL INFORMATION

In addition to the carbon benefits associated with the offsets projects detailed in Section 4, REA Group also purchased and retired an additional 1,000 Australian Biodiversity Units (ABUs) that support a local biodiversity project in Australia which provides significant conservation of native flora and fauna.

The **Watchbox Australian Biodiversity Project** is located in central Victoria, Australia and supported two of the UN's Sustainable Development Goals (SDGs), 13 Climate Action and 15 Life on Land. This small-scale biodiversity project helps to protect several engaged species including the brush-tailed phascogale, which is protected under a 'Trust for Nature' covenant in perpetuity. The site is predominantly made up of grassy dry forest and healthy dry forest. This project produces ABUs that are registered and retired on the Native Vegetation Credit Register (and then subsequently moved to a voluntary register run by Vegetation Link – for voluntary purposes). Each ABU represents 1.5m<sup>2</sup> of high conservation value native habitat.

- Project name: Watchbox Conservation Project
- Location: Central Victoria, Australia
- Serial numbers: 2232 – 3232
- Date retired: 25 November 2020
- Protection: Trust for Nature covenant (perpetuity)
- Registry: Native Vegetation Credit Register (AU)
- NVCR allocation reference: C18454\_VOL001



## APPENDIX 1: EXCLUDED EMISSIONS

The Climate Active standard states that any Scope 3 emissions sources that are deemed to be 'relevant' must be included in the emissions boundary. To be deemed 'relevant', an emissions source must meet **at least two of five relevance criteria**. The table below details all sources that have been deemed **not** relevant, and hence are excluded from REA Group's Climate Active reporting boundary.

| Excluded Emission  | Relevance Test  |  |   |   |  |
|--|---|--|---|---|--|
|  | <i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i> | <i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i> | <i>Key stakeholders deem the emissions from a particular source are relevant.</i> | <i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i> | <i>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.</i> |
| Smart Expo events  | X   | X  | X   | ✓   | X  |
| Merchandise (clothing) for distributing to employees                                       | X   | X  | X   | ✓   | X  |
| Business services  | X   | X  | X   | X   | X  |
| Owned and leased IT equipment (computers, laptops, monitors)                               | X   | X  | X   | X   | X  |
| Freight, postage and courier services  | X   | X  | ✓   | X   | X  |
| Investments in Move inc, Elara Technologies Pte Ltd and ScaleUp Media Fund 2.0 Pty Limited | ✓   | X  | X   | X   | X  |