



PUBLIC DISCLOSURE STATEMENT

CARBON NEUTRAL PTY LTD

**ORGANISATION CERTIFICATION
CY2020**

Australian Government
**Climate Active
Public Disclosure Statement**



NAME OF CERTIFIED ENTITY: Carbon Neutral Pty Ltd

REPORTING PERIOD: 1 January 2020 – 31 December 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 "Ray Wilson".

Date 15 April 2021

Name of Signatory

Ray Wilson

Position of Signatory

CEO



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

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Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

Carbon Neutral Pty Ltd has been certified for its Australian business operations.

Organisation description

Carbon Neutral is a profit-for-purpose carbon solutions provider and carbon project developer.

Established in 2001, we are a leader in climate change solutions. Our strength is in supporting organisations to minimise their carbon emissions and manage the opportunities and risks in a low carbon economy.

We provide carbon management services to organisations across the globe, from carbon advisory to offsetting GHG emissions. Our core services include carbon accounting and sustainability consulting, energy reduction strategies, carbon calculators, carbon offset retailing, biodiverse reforestation project development and management, energy and water auditing and Environmental Management System development and implementation.

Carbon Neutrality

Carbon Neutral is committed to having net zero emissions to help mitigate human induced climate change. Since 2013 we have measured and offset our unavoidable greenhouse gas (GHG) emissions. We address our carbon own footprint through reducing and managing emissions, and offsetting all unavoidable emissions through the purchase and surrender of carbon credits that help fund projects that permanently reduce, avoid or sequester greenhouse gases.

Carbon Neutral has determined its organisational GHG emissions inventory in accordance with the Climate Active Carbon Neutral Standard for Organisations and included all facilities under the operational control of the organisation. In addition to including emission from facilities over which it has control over, emission that are a consequence of the organisation's activities but which are outside of Carbon Neutral's operational control have also been included.

This inventory includes Perth office and remote workers.

Where available, included are the seven GHGs covered by the UNFCCC/Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

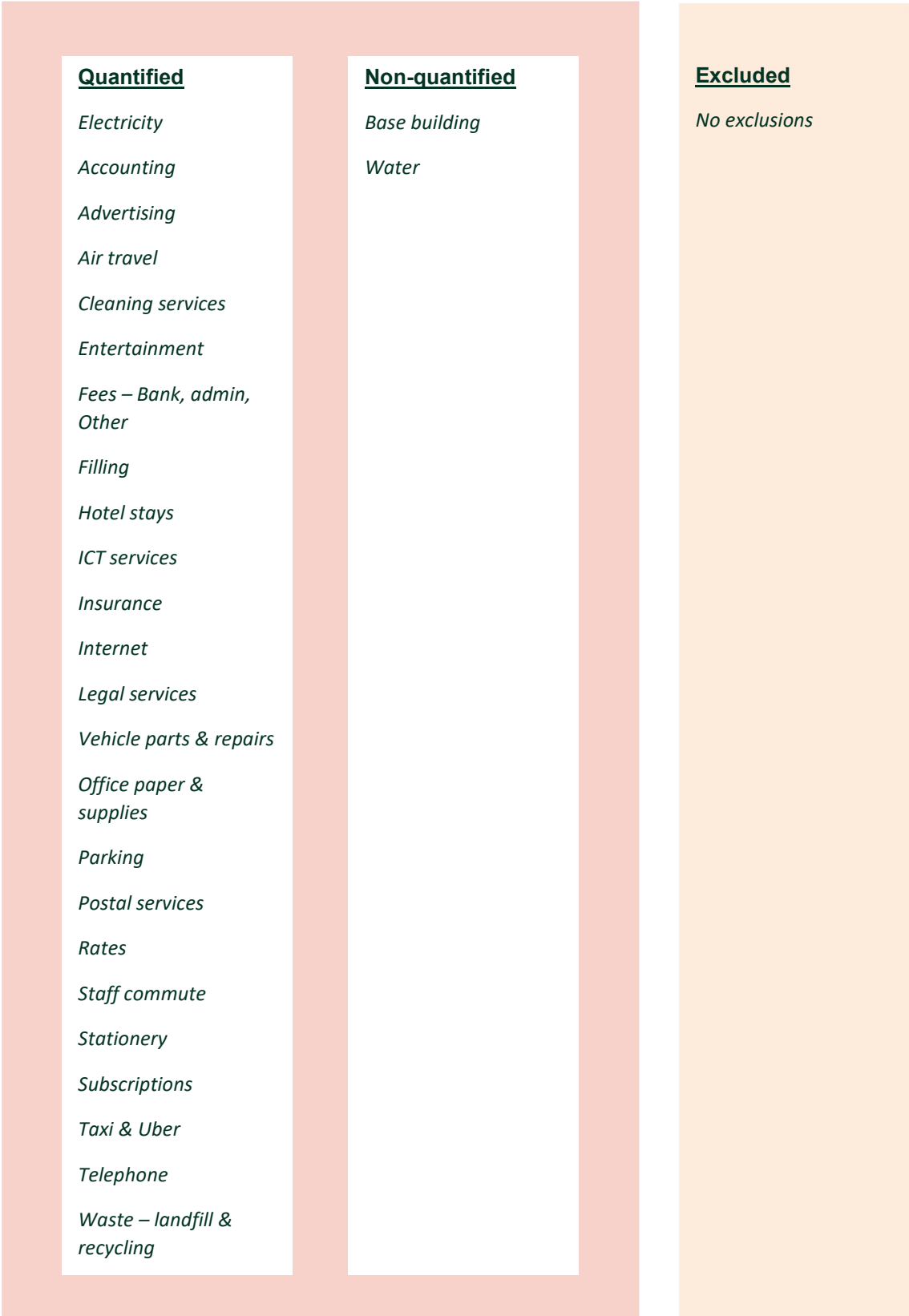
Where available emission factors have been taken from the National Greenhouse Accounts (NGA) Factors, 2020.

CY2020 is Carbon Neutral's second year as a Climate Active Carbon Neutral certified organisation.

“Carbon neutral certification allows us to solidify our commitment to climate change and provide a point of difference for internal and external stakeholders.”

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

Base building

Due to company growth of employees by 55%, Carbon Neutral moved to a new location eight months into CY2020. Emissions relating to energy and water use in common areas at the old location remains as they were in CY2019; non-quantified based on immateriality. The new location includes base building electricity consumption in the electricity charge on the monthly rent invoices and four months of base building electricity consumption has been included in the carbon account.

Water

Water used by the business is minimal and considered immaterial.

Emissions arising from the above activities are considered immaterial in that they do not account for more than 1% of the total carbon inventory for the organisation individually or more than 5% collectively.

Data management plan

While considered a small organisation, Carbon Neutral has chosen to adapt the large organisation approach and included all relevant emission sources.

Excluded sources (outside of certification boundary)

Not relevant. Carbon Neutral has endeavoured to include all relevant emission sources.

3. EMISSIONS SUMMARY

Emissions reduction strategy

Our GHG Inventory is dominated by scope 3 emissions. The major contributors to these emissions are staff travel for business purposes and the purchase professional services. The other material emissions source is office and base building energy consumption (scope 2 and 3).

Carbon Neutral's emission reduction strategy consists of:

- Improving office electricity consumption where we strive to influence the landlord to address the building's energy and waste emissions. We will continue to communicate with the managing agent/s / landlord to work on this.
- 75% renewable energy where 90% of staff are based by 2025
- Travel reduction: Improve technology for electronic videoconferencing over face-to-face meetings

Emissions over time

Carbon Neutral's headcount grew 55% in CY2020. Whilst real emissions increased by nearly 7tCO₂-e across CY2020 the net carbon emissions responsibility of each employee fell.

CY2020 saw a number of new emission sources on the carbon inventory which the organisation had not had expenses towards during CY2019 such as a video production and additional professional services adding an extra 2.2tCO₂-e to the CY2020 carbon inventory.

Whilst not included in CY2019, CY2020 includes an estimate of the electricity usage at sub-contractors' home offices in Western Australia and Victoria. This increases the CY2020 emissions associated with Carbon Neutral's electricity usage by 1.035tCO₂-e whilst CY2020 still show a reduction on Carbon Neutrals' emissions associated with electricity usage by 11%.

Table 1

Emissions since base year		
	Base year: CY2019	Current year: CY2020
<i>Total tCO₂e</i>	40.85	47.16

Emissions reduction actions

Across CY2020 Carbon Neutral reduced emissions from electricity usage by 11% mainly due to its move to cloud-based solutions. This reduced the need to operate two (standalone) servers with its own air conditioner and the need to keep computers on in order to access the server data remotely.

The carbon footprint grew in a number of key areas such as petrol use for large and medium vehicles caused by increased number of trips to reforestation/planting sites and an increase in staff travel from additional employees, printing and stationery, accounting and bookkeeping and public administration and finance services.

These upward movements in this carbon inventory in CY2020 from CY2019 have all occurred due to an increase in headcount.

As per the CY2019 plan for carbon reductions Carbon Neutral set out to use less paper through the use of electronic invoicing and recording systems rather than paper records. This is evident in a 0 paper ream purchase across CY2020.

Emissions summary (inventory)

A summary of Carbon Neutral's carbon inventory for CY2020 is shown in the following table.

Table 2

	Emission source category	tonnes CO ₂ -e
Scope 2	Electricity	8.50
Scope 3	Accommodation and Facilities	0.06
Scope 3	Cleaning and Chemicals	0.31
Scope 3	Food	0.34
Scope 3	ICT Services and Equipment	3.23
Scope 3	Land and Sea Transport (staff travel) (km)	15.73
Scope 3	Machinery and Vehicles	0.08
Scope 3	Office Equipment and Supplies	4.82
Scope 3	Postage, Courier and Freight	0.45
Scope 3	Products	0.70
Scope 3	Professional Services (legal, accountants, tax)	12.56
Scope 3	Waste	0.38
	<i>Total Net Emissions</i>	47.16

Uplift factors

No uplift factor has been applied.

Carbon neutral products

Carbon Neutral made no purchase of office paper during the reporting period; hence no Climate Active carbon neutral certified office paper purchase was made.

Electricity summary

Electricity was calculated using a location-based approach.

Table 3 Market-based approach summary

Market-based approach	Activity Data (kWh)	Emissions (kgCO ₂ -e)	Renewable %
Behind the meter consumption of electricity generated	0	0	0.0%
Total non-grid electricity	0	0	0.0%
LGC Purchased and retired (kWh) (including PPAs)	0	0	0.0%
GreenPower	0	0	0.0%
Jurisdictional renewables	0	0	0.0%
Residual Electricity	9,612	10,364	0.0%
Large Scale Renewable Energy Target (applied to grid electricity only)	2,300	0	19.3%
Total grid electricity	11,913	10,364	19.3%
Total Electricity Consumed (grid + non grid)	11,913	10,364	19.3%
Electricity renewables	2,300	0	
Residual Electricity	9,612	10,364	
Exported on-site generated electricity	0	0	
Emission Footprint (kgCO ₂ e)		10,364	
Emission Footprint (tCO₂-e)	10		
LRET renewables	19.3%		
Voluntary Renewable Electricity	0.0%		
Total renewables	19.3%		

Table 4 Location-based approach summary

Location-based approach	Activity Data (kWh)	Emissions (kgCO ₂ e)
VIC	416	453
WA	11,497	8,048
Grid electricity (scope 2 and 3)	11,913	8,501
Non-grid electricity (Behind the meter)	0	0
Total Electricity Consumed	11,913	8,501
Emission Footprint (tCO₂-e)	9	

4. CARBON OFFSETS

Offsets strategy

Table 5










Offset purchasing strategy:	
In arrears	
1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	47.16
3. Net offset balance for this reporting period	47.16
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	47.16

Co-benefits

The *Yarra Yarra Biodiversity Corridor* is a native reforestation project located in Southwest Australia. The table indicates the co-benefits of this project and how this project contributes to the United Nation SDGs.

As land use and forestry activities are recognised as requiring high levels of upfront finance to source land, to plant and to manage, we have supplemented our local biodiverse reforestation carbon offsets from the *Yarra Yarra Biodiversity Corridor* with Climate Active eligible renewable energy offset units.

Table 6 Co-benefits of the *Yarra Yarra Biodiversity Corridor*, Australia

Co-benefits category	Core co-benefit	Co-benefit description/nature of potential co-benefit	UN Sustainable Development Goals
Environment	Biodiversity / ecosystem services	The Yarra Yarra project reconnects and restores fragmented and declining (remnant) woodland and shrubland which provides habitat for threatened flora and fauna.	Goal 15: Life on land 
	Water Quality	Water quality is assumed to improve due to reduced surface runoff and reduction in sediment and nutrient loads in water catchments. Groundwater levels and salt concentrations are also expected to reduce over time.	Goal 6: Clean Water and Sanitation 
	Soil Quality	Soil quality of the Yarra Yarra project area is expected to improve over time with soil organic matter increasing and salt concentrations declining.	Goal 15: Life on land 
Economic	Local Employment and Skills	The establishment of plantations and conservation areas creates employment opportunities and skills development during the preparation, planting, management of the Yarra Yarra project.	Goal 3: Good Health and Well-being Goal 4: Quality Education Goal 8: Decent Work and Economic Growth Goal 17: Partnerships for the goals  
			 
Social	Indigenous cultural heritage	The Yarra Yarra project recognises and continues to protect significant cultural heritage sites that are located in the project area. This is assumed to strengthen cultural heritage and support spiritual re-connection to country which potentially has positive impacts on mental health and wellbeing of indigenous communities.	Goal 3: Good Health and Well-being Goal 17: Partnerships for the goals  

Offsets summary

Table 7 Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (tCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Biodiverse Reforestation Carbon Offsets <i>Yarra Yarra Biodiversity Corridor</i> , Australia	-	-	14 April 2021	12PWA175827B - 12PWA175874B	-	48	0	0	48	100%
and										
CN-316 Renewable Energy Wind-farm <i>Ningxia Helanshan</i> Project, China	CDM-CER	ANREU	13 April 2021	1,011,038,813 - 1,011,038,860	CP-2	48	0	0	48	100%
Total offsets retired this report and used in this report									48	
Total offsets retired this report and banked for future reports									0	
Additional offsets cancelled for purposes other than Climate Active Carbon Neutral certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (tCO ₂ -e)	Purpose of cancellation			

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Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
Certified Emissions Reductions (CERs)	48	100

5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
Website	Certified organisation
Marketing collateral (including email signature)	Certified organisation, Climate Active Network Member
Company documentation	Certified organisation

6. ADDITIONAL INFORMATION

N/A



APPENDIX 1

Excluded emissions

No excluded emissions.

APPENDIX 2

Non-quantified emissions for organisations

The table below outlines the reasons that applies to each non-quantified emission source.

Table 9

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Base building	Yes	No	No	No
Water use	Yes	No	No	No



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