

PUBLIC DISCLOSURE STATEMENT

PwC AUSTRALIA

ORGANISATION CERTIFICATION FY2020-21

Australian Government

Climate Active Public Disclosure Statement





Australian Government

Department of Industry, Science, Energy and Resources

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Version September 2021. To be used for FY20/21 reporting onwards.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	12,597 tCO ₂ -e
OFFSETS BOUGHT	15% ACCUs, 49% VCUs, 36% CERs
RENEWABLE ELECTRICITY	75.11%
TECHNICAL ASSESSMENT	12 November 2021 Liza Maimone Managing Partner, Chief Operating Officer PwC Australia Next technical assessment due: FY24

Contents	
1. Certification summary	3
2. Carbon neutral information	4
3. Emissions boundary	5
4. Emissions reductions	7
5. Emissions summary	9
6. Carbon offsets	13
7. Renewable Energy Certificate (REC) Summary	16
Appendix A: Additional Information	17
Appendix B: Electricity summary	18
Appendix C: Inside emissions boundary	20
Appendix D: Outside emissions boundary	21



2.CARBON NEUTRAL INFORMATION

Description of certification

This public disclosure statement confirms that PwC Australia is a certified carbon neutral organisation under the Climate Active Carbon Neutral Standard for Organisations for the period between 1 July 2020 and 30 June 2021 (FY21 period). This means that eligible offset units, also called carbon credits, have been purchased and retired to offset the greenhouse gas (GHG) emissions generated by the Australian business operations of PwC Australia.

This GHG inventory was prepared in accordance with the Climate Active Carbon Neutral Standard for Organisations.

Other standards referenced in this inventory include:

- GHG Protocol Corporate Accounting and Reporting Standard, revised edition.
- GHG Protocol Scope 2 Guidance
- Corporate Value Chain (Scope 3) Accounting and Reporting Standard
- National Greenhouse Accounts (NGA) Factors
- UK government (DEFRA) conversion factors for company reporting of GHG emissions

The inventory incorporates all seven GHGs listed under the Kyoto Protocol, and are measured in terms of carbon dioxide equivalent (CO2e).

"We're extremely proud that PwC Australia has been certified as carbon neutral since 2008. Our voluntary participation in Climate Active's carbon neutral certification is an important way we can demonstrate environmental stewardship and accelerate the transition to a lowcarbon economy."



Organisation description

'PwC Australia' refers to the Australian member firm of the PwC network.

PwC Australia is a team of 8,137 people¹ working together to build trust in society and solve important problems. PwC Australia delivers quality in assurance, advisory and tax services to clients in business, government and community sectors.

PwC Australia is part of a network of firms in 156 countries with over 295,000 people. Each member firm is a separate legal entity. 'PwC' is used to refer to the collective firms within the PwC network. Please see www.pwc.com/structure for further details.

Organisational boundary

PwC Australia applies the 'operational control' consolidation approach to set its organisational boundary for the purpose of our Climate Active carbon neutral certification. This is aligned with the GHG Protocol Corporate Accounting and Reporting Standard, revised edition, which defines 'operational control' as 'having the full authority to introduce and implement operating policies'.

Our organisational boundary includes PwC Australia (ABN 52 780 433 757) and any entity owned or controlled by PwC Australia unless noted in the exclusions below. It also includes PwC's Indigenous Consulting (ABN 51 165 106 712). PwC Australia's organisational boundary *includes* all PwC entities and operations within Australia. This applies to 11 offices which are occupied by PwC people, located in: Adelaide, Brisbane, Canberra, Darwin, Melbourne, Newcastle, Parramatta (Macquarie Street, Phillip Street), Perth and Sydney (Barangaroo, The Rocks).

The organisational boundary of PwC Australia *excludes* all PwC entities and operations that occur outside of Australia, including: all member firms of the PwC network that operate outside of Australia; all offshore entities (such as shared service delivery centres) where PwC Australia is an equity shareholder; and offshore operations of joint ventures with other PwC member firms.



¹ As at 30 June 2021

3.EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions are those that have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. There are no non-quantified emissions for this carbon neutral claim.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.





Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.



4.EMISSIONS REDUCTIONS

Emissions reduction strategy

In September 2020, PwC announced a worldwide science-based commitment to achieve net zero greenhouse gas emissions by 2030. In September 2021, the Science Based Targets initiative (SBTi) validated PwC's targets to reduce greenhouse gas emissions by 50% in absolute terms by 2030, from a 2019 base year. Importantly, PwC's targets go beyond scope 1 & 2 emissions to include PwC's largest indirect scope 3 emissions.

PwC's commitment involves five key areas:

- **Operations.** PwC will reduce its emissions in line with a 1.5 degree climate scenario, including a 50% absolute reduction in scope 1 and 2 emissions and a 50% absolute reduction in business travel emissions from 2019 levels by 2030.
- **Renewables & offsets.** PwC will transition to 100% renewable electricity by the end of FY22 and will continue to offset its other emissions through high-quality carbon credits, working together with other PwC network firms to do so.
- **People**. Working with our people to encourage the adoption of sustainable behaviours aligned with our net zero commitment at home and at work.
- **Clients.** PwC will work with its clients to support their efforts to make a net zero future a reality for all. This will build on existing client work in sustainability and net zero transformation.
- **Suppliers.** PwC will engage with key suppliers, encouraging and supporting them to achieve net zero.
- **Climate agenda.** PwC will continue its long-standing programme of research and collaboration with business, policy makers, and NGOs to accelerate a net zero economy.

More information on PwC's commitment to achieve net zero greenhouse gas emissions by 2030 is available on the <u>PwC website</u>.



Emissions reduction actions

PwC Australia's total greenhouse gas emissions have been impacted by reduced office usage and business travel associated with COVID-19. In addition to this, PwC Australia has implemented a number of emission reduction actions in the FY21 period, including:

- Increased renewable electricity mix to approximately 80%, through the active procurement of 100% GreenPower for tenancy usage in five office locations. As part of this arrangement, PwC Australia also secured an exclusive at-home discount on renewable energy to support PwC people, many of whom were working from home for all or part of the FY21 period.
- Enhanced our interactive data visualisation dashboard to monitor greenhouse gas emissions from business air travel. This has enabled the firm to identify where to focus decarbonisation efforts, raise awareness of the environmental impacts of business air travel and drive behavioural change.
- Developed a new framework to assess the environmental, social and governance (ESG) criteria of potential and existing suppliers to support procurement decisions.
- Engaged with Tier 1 suppliers to raise awareness of our commitment to Net Zero by 2030 and to identify opportunities to collaborate to reduce emissions.
- Implemented a number of initiatives to reduce the environmental impact of paper, stationery and merchandise, including: transitioning to 100% recycled paper and introducing measures to control access to specialty paper and stationery to reduce wastage.
- Updated PwC Australia's <u>environmental policy</u> to reflect our commitment to Net Zero by 2030, and established a Net Zero Governance Committee.
- Continued to grow the Green Team, a people network with more than 250 members, which raises awareness of environmental issues and advocates for behaviour change to support the realisation of PwC's commitment to net zero greenhouse gas emissions by 2030.
- Continued focus on building a culture of care for our planet by supporting credible environmental campaigns such as Earth Day and World Environment Day. This included a 'Green Week' in June 2021 that involved more than 10 people engagement events in office locations around Australia, and a trans-Tasman event in partnership with PwC New Zealand.
- Released PwC publications on environmental issues, including "<u>Australia's road to zero transport</u> <u>emissions</u>" and "<u>Building a more circular Australia</u>" to raise awareness of environmental issues and actions amongst our clients and other key stakeholders.

These actions build on steps taken in previous reporting periods, including relocation to more energy efficient office buildings, flexible working policies and investments in technology to support remote working, a transition to paperless offices, bans on single use coffee cups in our Melbourne and Sydney offices, and the implementation of four waste streams (general waste, organic, commingled recycling and secure paper recycling) in the majority of office locations.

Please refer to PwC Australia's past public disclosure statements on the Climate Active website for more information on actions taken in previous reporting periods.



5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year							
		Total tCO ₂ -e					
Base year:	2007–08	37,300					
Year 5:	2012–13	31,414					
Year 6:	2013–14	31,093					
Year 7:	2014–15	38,478					
Year 8:	2015–16	41,436					
Year 9:	2016–17	46,390					
Year 10:	2017–18	45,619					
Year 11:	2018–19	46,248					
Year 12:	2019–20	33,063					
Year 13:	2020–21	12,597					

Significant changes in emissions

Emission source name	Current year (tCO ₂ -e)	Previous year (tCO ₂ -e)	Detailed reason for change
Air transport (Short economy class flights)	1,437	7,361	Emissions from business air travel decreased due to the impact of COVID-19 restrictions and border closures.
Electricity	1,836	6,474	Emissions from electricity decreased due to reduced energy usage as a result of office closures during COVID-19 lockdowns, and due to an increase in renewables purchased for tenancy electricity. GreenPower was purchased for 100% of electricity usage from 1 January 2021 for five office locations. Scope 3 electricity emissions from leased data centres and shared facilities in leased office buildings are now shown under 'Upstream leased assets'.
Employee commuting (Medium car)	1,439	594	An improvement to data collection has enabled a more accurate and complete estimation of commuting by location. Using this methodology, emissions from employee commuting by car last year would have totalled 4,821 tCO2-e. Emissions from commuting decreased due to the majority of PwC people working from home as a result of COVID-19 lockdowns and other restrictions.



Working from home (NSW)	1,263	(1,041) Included a reduction in employee commuting	An improvement to data collection has enabled a more accurate estimation of working from home. These figures have been obtained using the Energetics' working from home (WFH) calculator, which excludes emissions from employee commuting as these are reported separately. Last year, if emissions from employee commuting were excluded, WFH
Working from home (VIC)	1,991	(127) Included a reduction in employee commuting	 emissions would have totalled: WFH (NSW) - 419 WFH (VIC) - 724 Emissions from working from home increased due to office closures as a result of COVID-19 lockdowns and other restrictions. This has led to many PwC people predominantly working from home for the duration of the FY21 period.
Upstream leased assets (electricity for shared areas in office buildings and data centres)	916	0	Scope 3 electricity emissions from leased data centres and shared facilities in leased office buildings are now shown under 'Upstream leased assets'. In previous years, emissions from these sources were shown under 'Electricity'.

Use of Climate Active carbon neutral products and services

The PwC Sydney office is located in the Barangaroo Precinct, which is certified by Climate Active as a carbon neutral precinct. As such, activities related to the operations of our Sydney office are considered to contribute zero emissions to PwC Australia's carbon accounts, as these emissions have already been offset by the Barangaroo Precinct. Further details on the Climate Active carbon neutral certification for the Barangaroo Precinct is available <u>here</u>.



Organisation emissions summary

The electricity summary is available in Appendix B. Electricity emissions were calculated using a marketbased accounting approach.

Emission category	Sum of Scope 1 (tCO₂-e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO₂-e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	0	0	818.39	818.39
Air transport (km)	0	0	1,990.70	1,990.70
Electricity	0	2,048.14	0	2,048.14
Employee commuting ²	0	0	1,579.30	1,579.30
Land and sea transport (km)	0	0	635.98	635.98
Postage, courier and freight	0	0	256.46	256.46
Stationary energy	22.04	58.27	1.67	81.98
Upstream leased assets	0	0	957.92	957.92
Waste	0	0	275.28	275.28
Water	0	0	17.87	17.87
Working from home	0	0	3,865.98	3,865.98
Total GHG emissions subject to carbon neutral claim	22.04	2,106.41	10,399.55	12,528.00
PwC office operations in Barangaroo ³	2.51	39.79	26.31	68.61
Total emissions liability to offset for this report	24.55	2,146.20	10,425.86	12,596.61

³ GHG emissions in relation to PwC office operations in Climate Active carbon neutral Barangaroo Precinct which In PwC Australia has opted to voluntarily offset.



² Includes emissions from our people commuting to & from all PwC offices in Australia, including the PwC Sydney office in Barangaroo. The Barangaroo Precinct has excluded emissions from visitors travelling to & from the Precinct in its FY20 public disclosure statement. As such, it is assumed this source is not included as a carbon neutral activity under the Precinct's boundary.

6.CARBON OFFSETS

Offsets strategy

Offse	Offset purchasing strategy: In arrears						
1. 1	Total offsets previously forward purchased and banked for this report	3,356					
2.	Total emissions liability to offset for this report	12,597					
3.	Net offset balance for this reporting period	9,241					
4.	Total offsets to be forward purchased to offset the next reporting period	-					
5.	Total offsets required for this report	12,597					

Co-benefits

The projects PwC Australia supports helps create and sustain sustainable landscapes, support local economic and social development, renewable markets and the development of a mature voluntary carbon market.

Landscapes

The projects within this category relate to 15% of the total amount of offsets purchased and retired for the FY21 period. Based around the South West Darling Downs region of Queensland, the Native Forest Restoration project is regenerating the native forests which have been suppressed through agriculture such as grazing. In addition, the project delivers other sustainable development benefits relating to No Poverty and Clean Water. More information is available <u>here</u>.

Renewables

The projects within this category relate to 22% of the total amount of offsets purchased and retired for the FY21 period. The Shanghai Rudong Wind Power project is supporting China's green growth by enhancing renewable energy capacity to meet growing energy demands. In addition, the project expects to deliver other sustainable development benefits relating to Affordable & Clean Energy, Decent Work & Economic Growth, and Quality Education. More information is available <u>here</u>.

Community

The projects within this category relate to 63% of the total amount of offsets purchased and retired for the FY21 period. These projects provide access to improved cookstoves which improve the indoor air quality and living conditions of local communities. In addition, the projects expect to deliver other sustainable development benefits relating to Affordable & Clean Energy and Good Health & Wellbeing. More information is available on the China project <u>here</u>, and the Bangladesh project <u>here</u>.



Offsets summary

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 (%)	
Nanyang Danjiang River Solar Cooker Project (Phase 1), China	VCUs	Verra	Dec 2019	<u>6635-328864991-</u> <u>328900190-VCU-009-</u> <u>APX-CN-1-1886-</u> <u>01042015-31122015-</u> <u>0</u>	2015	35,200	31,844	0	3,356	27%	
Hebei Yuxian Second Phase 49.5MW Wind Power Project, China	VCUs	Verra	Jul 2021	8099-455524854- 455535273-VCU-034- APX-CN-1-814- 01012018-31102018- 0	2018	6,500 ⁴	0	3,759	2,741	22%	
Flanders Carbon Project, Native Forest Regeneration, Australia ⁵	ACCUs	ANREU	Mar 2021	3,808,746,295 - 3,808,748,244	2020-21	1,950	0	0	1,950	15%	
Improved Cookstoves, Bangladesh ⁶	CER	ANREU	Jul 2021	1,163,360 - 1,175,963	2013	4,550 ⁷	0	0	4,550	36%	
Total offsets retired this	report and ι	used in this rep	port						12,597		
Total offsets retired this	report and b	panked for futu	ire reports					3,759			

⁷ Total quantity issued for PwC network was 12,604. Total quantity available for PwC Australia was 4,550. More information is available in Appendix A.



⁴ Total quantity issued for PwC network was 10,420. Total quantity available for PwC Australia was 6,500. More information is available in Appendix A.

⁵ As the ANREU registry is not publicly accessible, a screenshot providing evidence of the cancellation is included in Appendix A.

⁶ As above.

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Australian Carbon Credit Units (ACCUs)	1,950	15%
Certified Emissions Reductions (CERs)	4,550	36%
Verified Carbon Units (VCUs)	6,097	49%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1.	Large-scale Generation certificates (LGCs)*	2,711
2.	Other RECs	0

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements and Precinct LGCs), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location	
Refer to the FY21 Climate Active public disclosure statement for the Barangaroo Precinct. The Barangaroo Precinct retires LGCs on behalf of all tenants.										
	0									



APPENDIX A: ADDITIONAL INFORMATION

Update to methodology to calculate emissions from our people working from home & commuting

In FY20, PwC Australia included emissions from our people working from home and commuting to and from our office buildings. These calculations were performed using 'Result B' from the Energetics' Working From Home calculator, which includes an estimate of the reduction in commuting emissions due to an increased number of people working from home.

In FY21, an improvement in data availability and collection has enabled PwC Australia to more accurately understand the number of people working and commuting to our offices, as well as those working from home. As a result, working from home calculations have been performed using 'Result A' from the Energetics' WFH calculator. Calculations for emissions from commuting have been undertaken separately.



Evidence of cancellation of offsets

As the ANREU registry is not publicly accessible, a screenshot providing evidence of the cancellation of offsets purchased for FY21 are included below.

Flanders Carbon Project, Native Forest Regeneration, Australia:

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Unit Position Summary														
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Transaction Log	Current Status		Completed (4	()										
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	Transaction Initiator		Wyatt, Gary I	Mark										
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	Transaction App	prover	Reamon, Ju	ustin Matthew									
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	Transferring Acc	count					Acquiring Acco	unt					
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PwC network purchases offsets on behalf of PwC member firms

The PwC network purchases offsets on behalf of all PwC member firms. The PwC network purchased offsets from "Hebei Yuxian Second Phase 49.5MW Wind Power Project" and "Improved Cookstoves". Only a portion of these offsets have been allocated for use by PwC Australia.



Update to methodology for offsets for emissions relating to PwC Sydney's office in Barangaroo

In FY21, PwC Australia has opted to voluntarily continue to purchase additional carbon offsets for relevant scope 1, 2 and 3 emissions sources related to the operations of the PwC Sydney office in Barangaroo. These emissions are reported separately in the carbon account, under the label "PwC office operations in Barangaroo".

This is an update to the methodology followed in FY20, whereby PwC Australia's public disclosure statement identified that the Barangaroo Precinct had been purchasing and retiring offsets for all tenancy and base building electricity usage for all tenants since FY17. As PwC Australia had also been purchasing and retiring offsets for these emissions, it was agreed with Climate Active that these offsets could be reapplied against other electricity emissions. The total volume of offsets agreed to be reapplied was 15,407 tCO2e. A portion of these offsets were used to offset PwC Australia's FY20 electricity emissions (8,904 tCO2e) and the remainder were carried forward to be used in PwC Australia's FY21 inventory (6,503 tCO2e).

Project description	Quantity (tCO2e)	Quantity used for FY20 report	Quantity banked for FY21 report
Electricity offsets purchased and retired for Barangaroo emissions from FY17-FY19	15,407	8,904	6,503
Danjiang River Solar Cookers, China	35,200	22,940	12,260

Offset details as noted in PwC Australia's public disclosure statement in FY20 (pages 12-13):

PwC Australia has decided not to apply offsets purchased and retired by the Barangaroo Precinct to offset our emissions in FY21 or previous periods.

Excess offsets from the Danjiang River Solar Cookers project in China that PwC purchased will be used to offset the FY20 emissions which were previously noted as being offset by the Barangaroo electricity offsets. No Barangaroo offsets will be carried forward to FY21.

Amended offset details for FY20:

Project description	Quantity (tCO2e)	Quantity used for FY20 report	Quantity banked for FY21 report
Electricity offsets purchased and retired for Baranagroo emissions from FY17-FY19	15,407	0	0
Danjiang River Solar Cookers, China	35,200	31,844	3,356



APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based method.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based approach	Activity data (kWh)	Emissions (kgCO2-e)	Renewable % of total
Behind the meter consumption of electricity generated	7,823	0	0%
Total non-grid electricity	7,823	0	0%
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	2,711,348	0	35%
GreenPower	1,225,352	0	16%
Jurisdictional renewables (LGCs retired)	364,626	0	5%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	85,113	0	1%
Large Scale Renewable Energy Target (applied to grid electricity only)	1,364,457	0	18%
Residual electricity	1,908,656	2,048,141	0%
Total grid electricity	7,659,552	2,048,141	75%
Total electricity consumed (grid + non grid)	7,667,375	2,048,141	75%
Electricity renewables	5,758,719	0	
Residual electricity	1,908,656	2,048,141	
Exported on-site generated electricity	0	0	
Emission footprint (kgCO ₂ -e)		2,048,141	

Total renewables (grid and non-grid)	75.11%
Mandatory	23.66%
Voluntary	51.34%
Behind the meter	0.10%
Residual electricity emission footprint (tCO ₂ -e)	2,048
Figures may not sum due to rounding. Renewable percentage can be	e above 100%
Voluntary includes LGCs retired by Barangaroo Precinct (MWh)	2,711
Voluntary includes LGCs retired by the ACT (MWh)	364



Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)
ACT	449,739	404,765
NSW ⁸	3,300,058	2,970,052
SA	212,048	110,265
Vic	1,682,774	1,834,224
Qld	1,078,593	1,003,091
NT	33,689	23,245
WA	902,698	631,889
Tas	0	0
Grid electricity (scope 2 and 3)	7,659,599	6,977,531
ACT	0	0
NSW	0	0
SA	7,823	0
Vic	0	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Non-grid electricity (behind the meter)	7,823	0
Total electricity consumed	7,667,422	6,977,531
Emission footprint (tCO ₂ -e)	6,978	

⁸ Under the location-based method, electricity consumption for the PwC Sydney office in Barangaroo is not treated as zero emissions. This is on the basis that the LGCs purchased by the Precinct for all tenancy usage are only eligible under the market-based method.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources of emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to <u>one</u> of the following reasons:

- 1. Immaterial <1% for individual items and no more than 5% collectively
- 2. <u>Cost effective</u> Quantification is not cost effective relative to the size of the emission but uplift applied.
- 3. <u>Data unavailable</u> Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
- 4. Maintenance Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non- quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
N/A	N/A	N/A	N/A	N/A



APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

- 1. <u>Size</u> The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
- Influence The responsible entity has the potential to influence the reduction of emissions from a particular source.
- 3. <u>Risk</u> The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
- 4. <u>Stakeholders</u> Key stakeholders deem the emissions from a particular source are relevant.
- <u>Outsourcing</u> 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.

PwC Australia has excluded the following sources from its operational boundary:

- **Refrigerants**. Assessed as not relevant according to the relevance test as it meets none of the conditions.
- Purchased goods and services. Not tested for relevance in FY21.
- Fuel-related and energy-related activities. Assessed as not relevant according to the relevance test as it only meets one condition that emissions from this source are likely to be large relative to stationary energy, electricity and fuel emissions.
- All other emissions sources (ie, capital goods, downstream transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products, downstream leased assets, franchises and investments) have been assessed as not relevant according to the relevance test as they meet none of the conditions.

We will continue to review the relevance of all emissions sources, and consider on an annual basis whether to include them within our inventory.



Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Refrigerants	No	No	No	No	No	No
Purchased goods and services	N/A	N/A	N/A	N/A	N/A	N/A
Capital goods	No	No	No	No	No	No
Fuel and energy related activities	Yes	No	No	No	No	No
Upstream transportation and distribution	Yes	No	No	Yes	No	Yes
Waste generated in operations	No	Yes	No	Yes	No	Yes
Business travel	Yes	Yes	No	Yes	No	Yes
Employee commuting	Yes	Yes	No	Yes	No	Yes
Upstream leased assets	Yes	No	No	Yes	No	Yes
Downstream transportation and distribution	No	No	No	No	No	No
Processing of sold products	No	No	No	No	No	No
Use of sold products	No	No	No	No	No	No
End-of-life treatment of sold products	No	No	No	No	No	No
Downstream leased assets	No	No	No	No	No	No
Franchises	No	No	No	No	No	No
Investments	No	No	No	No	No	No





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