

PUBLIC DISCLOSURE STATEMENT

SHOAL GROUP PTY LTD

ORGANISATION CERTIFICATION FY2020–21 (TRUE-UP)

Climate Active Public Disclosure Statement







NAME OF CERTIFIED ENTITY	Shoal Group Pty Ltd
REPORTING PERIOD	Financial year 1 July 2020 – 30 June 2021 True-up
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.
	Name of signatory: Paul Greenhalf Position of signatory: Chief Operating Officer Date: 4 April 2022



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



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	251 tCO ₂ -e
OFFSETS BOUGHT	50% ACCUs, 50% VCUs
RENEWABLE ELECTRICITY	0%
TECHNICAL ASSESSMENT	23 December 2020 Lauren Jensen Pangolin Associates Next technical assessment due: FY2022-23 report

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2. CARBON NEUTRAL INFORMATION

Description of certification

Shoal Group Pty Ltd is certified carbon neutral against the Climate Active Carbon Neutral Standard for Organisations for all its Australian direct business operations.

Organisation description

The operational control approach was used to establish the certification boundary.

Shoal™ Group Pty Ltd (Shoal), ABN 49 604 474 204, is a leading systems engineering services firm that works across the defence, transport, infrastructure and space sectors. Headquartered in Adelaide with a distributed team across Australia, the company works with clients to define and deliver some of Australia's most complex technical projects. Over more than a decade, Shoal has grown a culture where people are enabled by diversity of thought, high levels of investment in technology-intensive education and training and innovative approaches to collaboration to become a thought leader, with the highest number of professionally accredited systems engineers in Australia.

We are leaders in Systems Thinking. We use it to help clients define, manage and deliver big projects in complex environments; the kinds of projects that you dream of, but then have nightmares trying to figure out. These projects often have lots of moving pieces that are interrelated and technically challenging, so we use a rigorous, complex systems engineering approach, based on best practices gleaned from around the world (amongst which are our own). When we do this, all the pieces of the system come together to enable our clients to make better decisions, adapt, avoid risks and achieve objectives

When developing solutions, we focus on understanding the whole system, its environment and the complex interactions of its elements. We help our clients clearly define the complex problems they are facing and design solutions they can trust.

Sustainability at Shoal Group

Shoal is committed to sustainable operations and business growth. Shoal strives to be a thought leader within the Australian community. "Successful systems are those that are effective in meeting the needs that they were designed to meet and are sustainable in the face of change."

- Shaun Wilson

"At Shoal, we have an open-door policy. We take charge of our responsibilities in the local and wider community. We are taking action to actively and sustainably reduce our emissions."



As systems thinkers, Shoal works to embody sustainable design in the early phases of development.

Using Systems Thinking techniques, our practices strive to minimise unnecessary resource consumption and waste and increase the lifecycle of products and services.

Our clients look to us to provide the best solution, not just for them, but for their stakeholders and wider community too. As a wholly Australian owned business, we invest in our community and want to see it thrive.

We do things differently at Shoal. We want our people to do their best, so we do our best for our people.



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 have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct'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.



Outside emission Inside emissions boundary boundary **Quantified** Non-quantified **Excluded** Air Transport Water Facilities at which work is undertaken, but are ICT services and equipment Refrigerants not operated by Shoal Land and Sea Transport Food Working from home Office equipment & supplies Accommodation and facilities Electricity **Professional Services** Cleaning and Chemicals Postage, courier and freight Waste **Products**

Data management plan for non-quantified sources

The data management plan below outlines how more rigorous quantification can be achieved for material (greater than 1%) non-quantified emission sources.

Shoal Group will work with the building manager in the next measured period to source the unavailable data; namely, water consumption and refrigerant details.



4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Shoal has developed an Environmental Policy and Environmental Sustainability Plan to encompass our actions and accountability.

Our emissions reduction strategy includes:

- Measuring and reporting on our energy consumption and carbon footprint annually
- Acting on and creating opportunities to reduce our emissions by improving operational
 efficiencies, reducing our resource consumption and investing in innovative and sustainable
 technologies
- Promoting our commitments to our partners, consultants and clients to encourage sustainable change within the industry above and beyond our own business
- Educating and engaging our staff and contractors on how to minimise their impacts both at work and at home
- Integrating our emissions reduction strategy with our Quality Assurance and management procedures to ensure implementation and commitment on every level of the business

Shoal has incorporated the following actions into our corporate policies, with the aim to implement these measures over the next year:

- An overnight "electronic turn off" policy for all non-essential electronic equipment
- Recycling and organic waste disposal facilities within the office
- Incentives on a rotating basis to encourage sustainable practices both within and beyond the office



Emissions reduction actions

The following measures have been put in place this reporting period to reduce emissions. Shoal will continue to implement and expand these measures over the next year:

- Electing an Environmental Officer to oversee company sustainability efforts
- Engaging in a coffee pod recycling plan for all coffee within the office
- Shower facilities in the office to encourage employees to commute to work by bicycle
- Implementing remote working capabilities and teleconference facilities to reduce the need for travel
- Supplying each employee with laptops and workstations equipped with multiple screens to minimise printing



5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

This assessment and Climate Active submission was prepared with the assistance of <u>Pangolin Associates</u>, whose services are carbon neutral.

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a location-based approach.

The previous report was a projection report using representative data to estimate the emissions for the reporting year. This table shows the differences between the projected emissions and the actual emissions recorded.

Emission category	Projected emissions (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Air Transport (km)	91.05	77.51
Land and Sea Transport (km)	43.89	22.17
Accommodation and facilities	17.49	18.10
Electricity	15.95	15.74
ICT services and equipment	12.93	32.37
Food	8.42	22.14
Working from home		19.74
Land and Sea Transport (\$)	1.65	0.63
Office equipment & supplies	5.36	19.47
Waste	1.49	1.61
Cleaning and Chemicals	1.09	3.26
Professional Services	1.03	4.10
Postage, courier and freight	0.35	1.96
Products		0.02
Total Net Emissions	200.70	238.81
Difference between projected and actual		-38.11



Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO ₂ -e
Uplift to account for non-quantified sources where data is unavailable (Water	11.94
and Refrigerants)	
Total footprint to offset (uplift factors + net emissions)	250.75



6.CARBON OFFSETS

Offsets strategy

	0,	
Off	set purchasing strategy: In ar	rears
1.	Total offsets previously forward purchased and banked for this report	300
2.	Total emissions liability to offset for this report	251
3.	Net offset balance for this reporting period	-49
4.	Total offsets to be forward purchased to offset the next reporting period	0
5.	Total offsets required for this report	251

Co-benefits

Tiwi Islands, NT, Aboriginal Savanna Burning Project

In the Tiwi Islands, savanna burning is an important carbon farming project that is delivered in partnership with Tiwi Land Council and Charles Darwin University. Savanna burning is a fire management method that prevents destructive bushfires (prevalent in tropical savannas of northern Australia) by reducing the fuel load in a controlled manner and therefore reducing greenhouse gas emissions. By practicing traditional patchwork burning in the early dry season when fires are cooler and by burning less country, there are fewer emissions released and more carbon is stored in the soil and plants, keeping the land healthy for the Tiwi people.

This method generates Australian Carbon Credit Units ("ACCU") and in turn brings environmental, social and cultural co-benefits such as:

- Elders sharing traditional ecological knowledge with young people;
- Protection of rock art and sacred sites;
- Protection of the environment by Aboriginal led land and sea management;
- Meaningful employment aligning with the interests and values of Traditional Owners; and
- Contribution to increased pride and self- esteem of Aboriginal people.



CECIC HKC Gansu Changma Wind Power project

The purpose of the project is to generate electricity using wind power resources in the region and to deliver to the Northwest China Power Grid (NWPG) which is predominated by connected fossil fuel fired power plants. The project aims to generate a total of 431,949 MWh of clean electricity to the NWPG annually and has been estimated to reduce GHG emissions by 430,588 tCO2-e annually. The wind farm provides a needed boost in electricity for the area. China's rapid economic growth has resulted in frequent power outages. A local source of clean electricity gives energy security to the region. It is also a source of employment and educational opportunities for the community.

i.



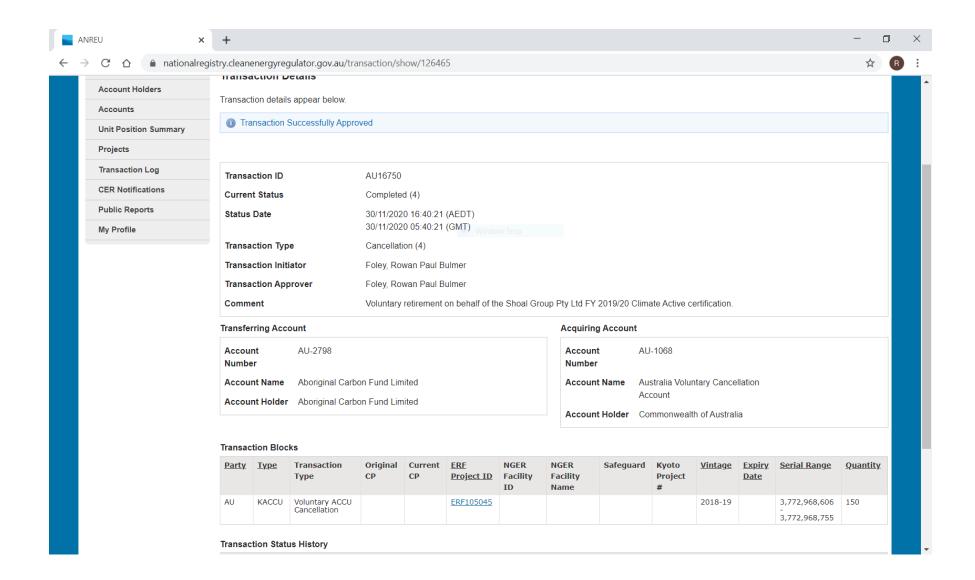
Offsets summary

Proof of cancellation of offset units

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 (%)
CECIC HKC Gansu Changma Wind Power project	VCUs	Verra	1 Dec 2020	7821-430270658- 430270762-VCU-034- APX-CN-1-717- 24092018-31122018-0 7821-430270763- 430270807-VCU-034- APX-CN-1-717- 24092018-31122018-0	2018	150	0	24	126	50%
Tiwi Islands, NT, Aboriginal Savanna Burning Project	ACCUs	ANREU	30 Nov 2020	3,772,968.606 - 3,772,968.755	2018-19	150	0	25	125	50%
Total offsets retired this report and used in this report						251				
Total offsets retired this report and banked for future reports							49			
Type of offset units Quantity (used for this reporting period claim) Percentage of total										
Australian Carbon Cr	edit Units (ACCUs)		125 50%						
Verified Carbon Units (VCUs) 126 50%										



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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 certifi	cates (LGCs)*
2. Other RECs	0

^{*} LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), 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
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
				Total LGCs surrendered ti	his report and use	d in this report	0		



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APPENDIX A: ADDITIONAL INFORMATION

Shoal Group has also purchased an additional 150 tonnes of biodiversity offsets through Greenfleet. Greenfleet is a leading Australian not-for-profit environmental organisation on a mission to protect our climate by restoring forests. Greenfleet forests address critical deforestation, restore habitat for wildlife including many endangered species, capture carbon emissions to protect our climate, reduce soil erosion, improve water quality, and economically support local and indigenous communities.



This is to certify

Shoal Group

offset 150.00 tonnes of ${\rm CO}_2$ -e with Greenfleet.

Your support will help us restore native forests and ecosystems, which provide crucial habitat for endangered wildlife, help counter the devastating impact of the bushfires, and reduce the impacts of climate change.

Greenfleet will plant enough biodiverse native trees on your behalf to offset these emissions.

Thank you for helping us grow our forests and grow climate hope.

Wayne Wescott | Greenfleet CEO

Wz-CLL A

27/11/2020

Thank you



APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location-based approach.

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 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.

Market-based approach summary

Market-based approach	Activity data (kWh)	Emissions (kgCO2-e)	Renewable % of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	0	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	5,730	0	19%
Residual electricity	24,548	26,342	0%
Total grid electricity	30,278	26,342	19%
Total electricity consumed (grid + non grid)	30,278	26,342	19%
Electricity renewables	5,730	0	
Residual electricity	24,548	26,342	
Exported on-site generated electricity	0	0	
Emission footprint (kgCO ₂ -e)		26,342	

Total renewables (grid and non-grid)	19%
Mandatory	19%
Voluntary	0%
Behind the meter	0%
Residual electricity emission footprint (tCO ₂ -e)	26

Figures may not sum due to rounding. Renewable percentage can be above 100%



Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)
ACT	0	0
NSW	0	0
SA	30,278	15,745
Vic	0	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Grid electricity (scope 2 and 3)	30,278	15,745
ACT	0	0
NSW	0	0
SA	0	0
Vic	0	0
Qld	0	0
NT	0	0
WA	0	0
Tas	0	0
Non-grid electricity (behind the meter)	0	0
Total electricity consumed	30,278	15,745
Emission footprint (tCO ₂ -e)	16	

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO ₂ -e)
N/A	0	0

Climate Active carbon neutral electricity is not considered renewable electricity. The emissions have been offset by another Climate Active carbon neutral product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources 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. Cost effective 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. <u>Maintenance</u> 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
Water	No	No	Yes (uplift applied & data plan in place)	No
Refrigerants	No	No	Yes (uplift applied & data plan in place)	No

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:

- <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
- 2. <u>Influence</u> 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. Stakeholders Key stakeholders deem the emissions from a particular source are relevant.
- Outsourcing 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.



The only facility at which work is undertaken that was deemed relevant is the Adelaide office. Activities undertaken at client facilities are considered to be within the boundaries of those organisations. Small office spaces leased from WeWork in other states have been excluded as they have been assessed as not relevant according to the relevance test

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
DST Edinburgh	Yes	No	No	No	No	No
Rusell offices	No	No	No	No	No	No
DST Fishermans Bend	No	No	No	No	No	No
DST Fairbairn	No	No	No	No	No	No
PTV / Transport for Victoria	No	No	No	No	No	No
Transport for NSW	No	No	No	No	No	No
Minelab, Mawson Lakes	No	Yes	No	No	No	No
WeWork spaces	No	No	No	No	No	No





