

# PUBLIC DISCLOSURE STATEMENT

**CARSALES.COM LIMITED** 

ORGANISATION CERTIFICATION FY2020-21

#### Australian Government

# Climate Active Public Disclosure Statement







NAME OF CERTIFIED ENTITY: Carsales.com Limited

REPORTING PERIOD: Financial year 1 July 2020 - 30 June 2021

#### **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.

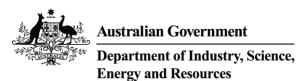
Signature

Date

20 June 2022

Name of Signatory Chloe Fast

Position of Signatory GM - Corporate Affairs, Employer Brand and Sustainability



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# 1. CARBON NEUTRAL INFORMATION

#### **Description of certification**

This inventory has been prepared for the financial year from 1 July 2020 to 30 June 2021 and covers the Australian business operations of carsales.com Ltd, ABN: 91 074 444 018

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following locations and facilities:

- 449 Punt Road, Cremorne 3121, VIC
- Level 1, Building 5 The Mill, 41-43 Bourke Road, Alexandria 2015, NSW
- Unit 4, 3466 Pacific Highway, Springwood 4127, QLD
- 188-198 Churchill Avenue, Subiaco 6008, WA
- 2/40 Greenhill Road, Wayville 5034, SA
- 18 Trevi Crescent, Tullamarine 3043, VIC
- Factory 12, 355-365 South Gippsland Highway, Dandenong South 3175, VIC
- 578 Plummer St, Port Melbourne 3207, VIC
- 90 Victoria Road, North Parramatta 2151, NSW
- 90 Howe Street, Osborne Park 6017, WA
- 10 Aranda St, Slacks Creek 4127, QLD

"This certification is so important to us because it sends a clear message to our people, customers, clients, and stakeholders that we are committed to sustainability and to minimising our impact on the environment, now and into the future."

The methods used for collating data, performing calculations, and presenting the carbon account are in accordance with the following standards:

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). These have been expressed as carbon dioxide equivalents (CO<sub>2</sub>-e) using relative global warming potentials (GWPs) as specified in the 2014 IPCC Assessment Report 5 with a 100 year horizon.



#### Organisation description

Founded in 1997, carsales.com Ltd (carsales) is a global leader in digital automotive marketplaces, holding market leading positions in Australia, Latin America, Asia and The United States. With over 1300 people working around the globe, our purpose is to make buying and selling a great experience. Our global markets have a combined population of 750 million people and car sales volumes of approximately 25 million per annum. Publicly listed on the Australian Securities Exchange (ASX:CAR), carsales also operates market leading websites in non-automotive verticals including motorcycles, boats, caravans, trucks and heavy machinery.

Figure 1 provides an overview of carsales' global presence. Please note this certification only includes Australian operations and excludes carsales global presence.



Figure 1. carsales global presence

The trading names associated with the operations in Australia are carsales and RedBook. Four controlled entities operated as separate businesses during FY21: Tyresales, Placie, Audience360 and RedBook Inspect. carsales intends to expand certification to include global operations from FY23 onwards.

The certification boundary applied for greenhouse gas (GHG) emissions reporting under Climate Active comprises our business operations in Australia under carsales.com Limited (ABN 91 074 444 018), Automotive Data Services Pty Ltd (ABN 21 001 680 593), Tyresales Pty Ltd ABN 14 158 371 42), CS Motion Australia Pty Ltd (ABN 53 636 666 138), CS Motion Technologies Pty Ltd (ABN 55 628 607 009), CS Motion Development Pty Ltd (ABN 46 628 499 767), Automotive Exchange Pty Ltd (ABN 90 129 848 9150 and RedBook Inspect Pty Ltd (ABN 67 125 096 077)

The offices under scope of the Organisation Certification are as follows:

The emisse under coope of the organication continuation are as follows:					
Site	Location				
449 Punt Road, Cremorne 3121	VIC, Australia				
Level 1, Building 5 - The Mill, 41-43 Bourke Road, Alexandria 2015	NSW, Australia				
Unit 4, 3466 Pacific Highway, Springwood 4127	QLD, Australia				
188-198 Churchill Avenue, Subiaco 6008	WA, Australia				
2/40 Greenhill Road, Wayville 5034	SA, Australia				

The retail fixed site locations under scope of the Organisation Standard for RedBook Inspect are as follows:

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Site	Location
18 Trevi Crescent, Tullamarine 3043	VIC, Australia
Factory 12, 355-365 South Gippsland Highway, Dandenong South 3175	VIC, Australia
578 Plummer St, Port Melbourne 3207	VIC, Australia
90 Victoria Road, North Parramatta 2151	NSW, Australia
90 Howe Street, Osborne Park 6017	WA, Australia
10 Aranda St, Slacks Creek 4127	QLD, Australia



# 2. EMISSION BOUNDARY

## Diagram of the certification boundary

#### Quantified

Accommodation and

facilities

Air transport (km)

Cleaning Services

Electricity

Employee Commute

Food

Merchandising

IT Equipment

Office equipment &

supplies

Postage, courier, and

freight

Professional Services

Refrigerants

Staff Clothing

Taxi & rideshare

Telecommunications

Transport fuels -

privately owned vehicles

Waste

Water

Working From Home

## Non-quantified

N/A

#### **Excluded**

International offices



## Non-quantified sources

N/A

Data management plan

N/A

# Excluded sources (outside of certification boundary)

International offices and operations are excluded since they are outside of the certification boundary.

"Sustainability is a journey, and we are at an early stage of ours. Becoming Climate Active certified means that we can rest assured knowing that we are following a best practice framework when it comes to calculating, reducing and offsetting our emissions."



# 3. EMISSIONS SUMMARY

## **Emissions reduction strategy**

carsales is committed to reducing emissions and minimising our environmental impact. As a digital business we recognise that our environmental footprint is relatively small compared to many other companies, however we intend to remain accountable for our impact on climate change and take responsibility for implementing positive change. We are also conscious of thinking about our contribution in relation to the significant environmental footprint of the wider automotive industry.

In addition to the risks posed by climate change, we also consider the opportunities that a transition to a low carbon economy may provide.

Over the next two years, we intend to review our impact across several focus areas including:

- Emissions develop a detailed emissions reduction strategy with time-bound targets.
- Office tenancies in FY21 we were pleased to be advised that our head office building in Cremorne, Victoria, has been Climate Active certified and has achieved a 4.5-star NABERS energy rating and a 6-star NABERS water rating. Redbook Inspect have already commenced investing in flexible and moveable self-contained pods for waiting areas and office spaces at their fixed sites. This means that if they move locations those resources can move with them. We intend to continue working with our building owners and landlords around Australia to explore ways that we can continue to reduce our energy consumption and waste impact. We also intend to be strategic when looking at any future tenancies in terms of their location and proximity to public transport to encourage our team members to use this mode of transport where possible.
- Corporate travel whilst interstate and international travel has been minimal for the past two years
  due to COVID-19, we recognise that this is likely to increase as borders open. We intend to review
  our policies around travel and, where possible, continue to use technology to connect thus
  avoiding unnecessary travel and associated environmental impacts.
- Waste and e-waste Our e-waste consists of redundant, obsolete, or irreparably damaged
  equipment and we have a program in place that seeks to ensure that all e-waste is either re-used,
  recycled, or goes to materials recovery. We are currently working with a provider to determine the
  weight of e-waste that we send for disposal by reuse, recycling, and materials recovery. In Australia,
  we aim to achieve complete re-use of electronic waste.
- Data centres (both physical and virtual or cloud-based) approximately 80% of carsales data is currently stored in the cloud and external data centres, which reduces our carbon emissions and environmental impact. In Melbourne, we utilise Equinex's ME1 data centre which meets the silver standards of the Leadership in Energy and Environmental Design (LEED) Green Building Rating System. It also features optimised lighting controls, evaporative coolers and hot aisle containment, both important measures of data center power efficiency. We are currently undertaking work to move more of our infrastructure into the cloud and decommission servers no longer require. We anticipate that once this work is completed, we will be operating at close to 100% cloud based.
- Education in the 25 years that we have been operating, carsales has had no influence or view on
  what vehicles our customers buy. The rapid onset of climate change has focused the attention of
  the potential for vehicle choice to play an active role in reducing emissions. While it will always be
  the buyer's right to choose, we believe it is important that buyers do so from an informed position.
  carsales is already one of the leaders in the Australian marketplace in terms of provision of



independent content related to electric, hybrid and other low emission vehicles and we recently became a member of the Electric Vehicle Council. The evolution of automotive from largely ICE (internal combustion engine) platforms to battery electric and other low emission technologies is the largest step change in the industry in a century. We believe carsales has an important role to facilitate this change, whether by providing clear, easy to understand and independent information on new automotive technologies or as a path to market. We look forward to being able to help educate consumers, offer advice and improve understanding around electric vehicle adoption.

## **Emissions summary (inventory)**

#### Table 2

Emission source category	to	onnes CO <sub>2</sub> -e
Accommodation and facilities		4.9
Air Transport (km)		38.0
Cleaning and Chemicals		37.7
Electricity		765.6
Food		58.1
ICT services and equipment		420.8
Land and Sea Transport (\$)		1.5
Land and Sea Transport (fuel)		421.5
Land and Sea Transport (km)		402.3
Office equipment & supplies		30.4
Postage, courier and freight		31.8
Products		38.0
Professional Services		1418.4
Refrigerants		0.2
Waste		55.3
Water		50.0
Working from home		366.7
	Total Net Emissions	4141.1

## **Carbon neutral products**

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



## **Electricity summary**

Electricity was calculated using a location-based approach.

### Market-based approach summary

#### Table 4

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Market-based approach	Activity Data (kWh)	Emissions (kgCO <sub>2</sub> -e)	Renewable %
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)	146,802	0	19%
Residual Electricity	628,901	674,862	0%
Total grid electricity	775,703	674,862	19%
Total Electricity Consumed (grid + non grid)	775,703	674,862	19%
Electricity renewables	146,802	0	
Residual Electricity	628,901	674,862	
Exported on-site generated electricity	0	0	
Emission Footprint (kgCO2e)		674,862	

Total renewables (grid and non-grid)	18.93%
Mandatory	18.93%
Voluntary	0.00%
Behind the meter	0.00%
Residual Electricity Emission Footprint (TCO2e)	675

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

## Location-based approach summary

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Location-based approach	Activity Data (kWh)	Emissions (kgCO₂-e)
NSW	112,539	101,285
SA	35,828	18,630
Vic	504,362	549,755
Qld	42,731	39,740
WA	80,243	56,170
Grid electricity (scope 2 and 3)	775,703	765,581
NSW	0	0
SA	0	0
Vic	0	0
Qld	0	0
WA	0	0
Non-grid electricity (Behind the meter)	0	0
Total Electricity Consumed	775,703	765,581

Emission Footprint (tCO <sub>2</sub> -e)	766
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## 4. CARBON OFFSETS

#### Offsets strategy

#### Table 6

Off	set 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	4142
3.	Net offset balance for this reporting period	4142
4.	Total offsets to be forward purchased to offset the next reporting period	83
5.	Total offsets required for this report	4142

#### Co-benefits

#### NIHT Topaiyo REDD +

NIHT Inc. has partnered with the traditional landowners of New Ireland and East New Britain to put an end to deforestation initiated by industrial logging in the region. The preservation of these rainforests is essential to not only the carbon and biodiversity benefits inherent with projects of this nature, but also for the wellbeing and prosperity of the people of New Ireland and East New Britain. The project is in the forested areas of New Ireland and East New Britain in Papua New Guinea. The project has evolved based on the input and needs expressed by persons living in the region. What began as a traditional timber operation has been recognised as an opportunity with enormous carbon sequestering potential and has evolved into a forest protection project that will provide substantial economic benefits to the people of Papua New Guinea. Through the avoidance of carrying out exploitative industrial commercial timber harvesting in the project area, the project expects to generate nearly 60 million tonnes of CO2 emissions reductions across the 30-year project lifetime, depending on the number and size of Project Activity Instances (PAIs) added to the project.

#### Pacajai REDD+ Project

Pacajai REDD+ Project is working to provide legal land-use permits that will result in official land titles for those villages that actively participate in forest protection. Through funds raised, the project can continue to improve food security through agroforestry techniques, while introducing sustainable livelihood alternatives to local communities. With over 56,000 hectares of land dedicated to these inhabitants, it is expected that each family will receive approximately 140 hectares, and each town will have its own land donated to it. In partnership with local NGOs, the project will provide capacity building to local families to develop and submit

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business plans (individually or in groups) to apply for funding to start small sustainable businesses – those that take advantage of non-timber products in the project area, such as the highly valuable Acai fruit. We are also building local capabilities in the use of agroforestry techniques, to diversify and secure food consumption, while achieving a sustainable production of cassava – used in farinha production. Since the world's forests are our greatest ally in the fight against climate change, we've made it our mission to prevent over 10 million tonnes of harmful CO2 entering the atmosphere over the 40- year lifetime of the project. We have been successfully validated and verified against the Verified Carbon Standard (VCS) and validated to the CCB Standards Second Edition - achieving Climate Adaptation and Biodiversity Gold Levels.

#### Midilli Hydroelectric Power Plant

The social impacts of Midilli Hydroelectric Power Plant, significant positive employment effects occurred especially during the construction and installation period. Management, operation, and maintenance of the HPP creates permanent jobs which require high qualification, contributing to capacity building and know-how dissemination in Turkey. Moreover, since it is a renewable energy project, it contributes to achieve nationally stated sustainable development priorities which were indicated like in the law on use of renewable energy resources for electricity generation. Introduction purpose of this Law; the use of renewable energy resources for electrical energy generation to spread these resources to the economy in a reliable, economical, and quality manner, decreasing greenhouse gas emissions, utilizing wastes, protecting the environment, and developing the manufacturing sector needed to achieve these objectives. Moreover, sustainable development goals outcomes and the actual results of the contributed sustainable development indicators by the project during the monitoring period such as Climate Action and Affordable and clean energy.

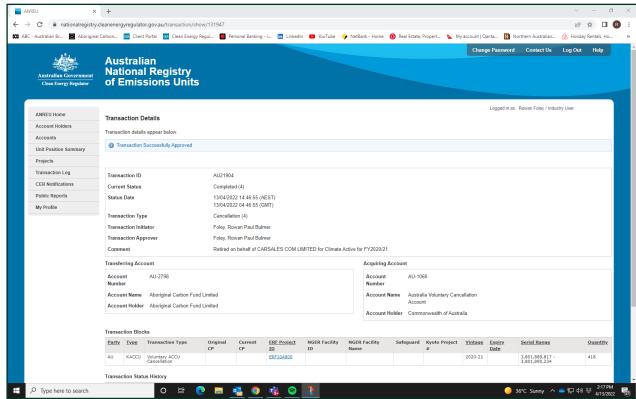
#### Karlantijpa North Savanna Burning project

Aboriginal carbon farming projects, are lead and managed by Aboriginal ranger groups and Traditional Owners, provide core benefits to community. These benefits resonate with today's generation and provide pathways for inter-generational learning, connection to country and wealth generation. The carbon farming projects and initiatives provide a sustainable business model, which extends land management and conservation work and provides core benefits in a range of areas. This includes social, cultural, environmental, economic, health and political self-determination. Such as:

- increased community harmony, through enhanced relationships and reduction of drug and alcohol abuse,
- increased opportunities for women to participate and benefit from project,
- education of children by Elders in traditional knowledge, especially caring for country,
- increased retention of language and identity, recovery of biodiversity through the protection of native species of flora and fauna,
- secure employment for people living in remote communities,
- development of income generation projects
- · improved spiritual wellbeing through the regular completion of cultural obligations to country
- increased management of tourists visiting country and reduction of their impacts and Achievement of Sustainable Development Goals at local and national levels between others.









## Offsets summary

Proof of cancellation of offset units

Table 7

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible Quantity (tCO <sub>2</sub> -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
NIHT Topaiyo REDD +	VCUs	Verra	19 April 2022	9895-156960050- 156961049-VCS- VCU-466-VER- PG-14-2293- 01062017- 31122019-0	2017	1,000	0	83	917	22.1%
Pacajai REDD+ Project	VCUs	Verra	19 April 2022	11026- 270317697- 270318696-VCS- VCU-259-VER- BR-14-981- 01012014- 31122014-0	2014	1,000	0	0	1,000	24.7%
Midilli Hydroelectric Power Plant	VCUs	Verra	19 April 2022	12432- 410594917- 410595523-VCS- VCU-290-VER-	2016	607	0	0	607	14.7%

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				TR-1-1330- 01012016- 31122016-0						
Midilli Hydroelectric Power Plant	VCUs	Verra	19 April 2022	12432- 410595617- 410596816-VCS- VCU-290-VER- TR-1-1330- 01012016- 31122016-0	2016	1,200	0	0	1,200	29%
Karlantijpa North Savanna Burning project	ACCUs	ANREU	13 April 2022	3,801,889,817- 3,801,890,234	2020-21	418	0	0	418	10%
Total offsets retired this report and used in this report  Total offsets retired this report and banked for future reports 83							4,142			

Type of offset units	Quantity (used for this reporting period claim)	Percentage of Total
Australian Carbon Credit Units (ACCUs)	418	10%
Verified Carbon Units (VCUs)	3807	90%



# 5. USE OF TRADE MARK

#### Table 8

Description where trademark used	Logo type
Annual Sustainability Report	Certified organisation
Annual Report	Certified organisation
carsales ASX announcements	Certified organisation
carsales Australian website	Certified organisation
RedBook Inspect Australian website	Certified organisation
Audience360 Australia website	Certified organisation
tyresales Australian website	Certified organisation
Placie Australian website	Certified organisation
RedBook Australian website	Certified organisation
Email signatures	Certified organisation
Social media sites including LinkedIn, Instagram, Twitter, Facebook.	Certified organisation
Marketing collateral (newsletter, online communications, printed materials)	Certified organisation
Internal communications	Certified organisation

# 6. ADDITIONAL INFORMATION

N/A



# **APPENDIX 1**

## **Excluded emissions**

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Table 9

Relevance test					
Excluded emission sources	The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions	The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.	Key stakeholders deem the emissions from a particular source are relevant.	The responsible entity has the potential to influence the reduction of emissions from a particular source.	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.
International Offices	No	No	No	Yes	No



# APPENDIX 2

## Non-quantified emissions for organisations

#### Table 10

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

N/A





