



PUBLIC DISCLOSURE STATEMENT

HERITAGE BANK LIMITED


ORGANISATION CERTIFICATION

FY2020–21

Australian Government
Climate Active
Public Disclosure Statement

Heritage Bank
People first.



NAME OF CERTIFIED ENTITY	Heritage Bank Limited
REPORTING PERIOD	Financial year 1 July 2020 – 30 June 2021
DECLARATION	<p><i>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.</i></p> <p><i>Signature here</i></p> 
	<p>Name of signatory: Andrew Masci Position of signatory: Manager – ESG and Sustainability Date: 08/1/2022</p>



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	3611 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	23.62%
TECHNICAL ASSESSMENT	Date 30 May 2022 Name Steve Toner Organisation: KPMG Next technical assessment due: Date TBC
THIRD PARTY VALIDATION	Type 1 Date 26/08/22 Name: Tia Coventry Organisation KPMG (Brisbane)

Contents

1. Certification summary	3
2. Carbon neutral information	4
3. Emissions boundary	5
4. Emissions reductions.....	7
5. Emissions summary.....	8
6. Carbon offsets	9
7. Renewable Energy Certificate (REC) Summary.....	11
Appendix A: Additional Information.....	12
Appendix B: Electricity summary	13
Appendix C: Inside emissions boundary	15
Appendix D: Outside emissions boundary	15

2. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers the Australian business operations of Heritage Bank Limited ABN 32 087 652 024. AFSL and Australian Credit Licence 240984 for the FY2021 reporting period

Organisation description

Heritage is one of Australia's oldest and largest customer-owned banks with 330,000 members, 900 employees, \$12.2 billion in total assets, and 62 branches and mini branches.

With a history stretching back to 1875, Heritage now serves members across Australia through its national digital presence, branches and mini branches in Queensland and New South Wales, and national network of mortgage broker partners.

Heritage is proudly customer-owned. Everything we do is designed to benefit customers. The profits we make stay at Heritage and we use them to improve our products, services and interest rates. Our goal is to maximise the value we provide for customers.

As a customer-owned bank, giving back to the community is embedded in Heritage's DNA. We do that in many ways, including direct donations and sponsorship contributions, and in-kind support.

In 2020/21, the value of our total community investment amounted to \$6.708 million.

"Heritage Bank understands that we have a responsibility to foster sustainability and environmental responsibilities, and to focus on outcomes beyond financial metrics."

Total community investment

\$6.708 million

3. EMISSIONS BOUNDARY

Inside emissions boundary

Quantified

Accommodation and facilities
Air Transport
Electricity
ICT Services and Equipment
Land and Sea Transport
Office Equipment and Supplies
Postage, Courier and Freight
Refrigerants
Waste

Non-quantified

Excluded

Telecommunications

Office Furniture and equipment

Cleaning

Entertainment.

Stationary Energy

Water

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

Heritage Bank has invested in a range of emission reduction strategies across our Head Office in Toowoomba, our branches and other administrative offices over recent years, these include;

- Ongoing program to replace existing energy inefficient air conditioning infrastructure within the Head Office building.
- Using the Head Office Building Management System to efficiently control air conditioning operation and building lighting.
- Replacing existing fluorescent lighting with LED lighting across the network.
- Installation of motion detection for Head Office lighting.
- All Head Office electricity usage supplied by Green Power alternatives.
- Implementation of a recycling program in the Head Office building.

Heritage is currently undertaking a significant customer communications project that is markedly reducing the use of paper, as customers switch from receiving printed statements to electronic statements. This will be completed by 2022.

Moving forward, Heritage Bank is committed to reducing our electricity based emissions through the continued adoption of Green Power across our branch locations where possible by 2023. Our motor vehicle fleet will be progressively upgraded with hybrid vehicles as existing vehicles come due for replacement with an expected completion date of 2026.

Heritage is currently working on a project that involves constructing new Head Office building in Toowoomba, to be completed by 2025. The design of the building will incorporate significant energy efficient features with the view to the finished building being capable of achieving a six-star NABERS Energy Rating.

Prior to 2025, Heritage Bank will continue to seek to reduce organisational emissions by the development of a detailed emissions reduction strategy. In addition to this an organisation wide energy efficiency audit will be undertaken by 2023 to understand the scope for further reductions in electricity use.

Heritage is also in the process of appointing a person to the newly created role of Manager ESG and Sustainability. This position will provide a dedicated resource to improve Heritage's sustainability activities, including in our commitments to reducing emissions and combatting climate change.

Commitments

In the 2021/22 year, as part of our ESG Policy Framework we made commitments to:

- Investigate gaining certification under Climate Active Carbon Neutral Standard for Organisations (Australian Government standard as determined by the Department of Industry, Science, Energy & Resources) by 2024.
- Seek to become a signatory to the UN's Collective Commitment to Climate Action by 2024
- Install energy efficient lighting across all Heritage Bank locations by 2023
- Ensure that recycling bins are in place in all our offices and encourage staff to place all recycling materials in them.
- Prioritise fuel efficiency and reduced CO2 emissions in the acquisitions of all our company owned vehicles moving forward
- Have all our office locations fitted with quick boil hot water systems to minimise wastage of water
- Dispose of all obsolete IT equipment (printer cartridges, phones, older technology) through an e-Waste recycling program

5. EMISSIONS SUMMARY

Organisation emissions summary

The electricity summary for financial year 2020/2021 is available in the Appendix B. Electricity emissions were calculated using a market based approach (as we have commenced purchasing GreenPower).

Emission category	Sum of Scope 1 (tCO ₂ -e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	0	0	9.42	9.42
Air transport (km)	0	0	12.48	12.48
Electricity	0	2048.41	0	2048.41
ICT services and equipment	0	0	34.42	34.42
Land and sea transport (fuel)	312.71	0	16.48	329.20
Office equipment & supplies	0	0	115.39	115.39
Postage, courier and freight	0	0	347.80	347.80
Refrigerants	0.08	0	0	0.08
Waste	0	0	713.39	713.39
Total	312.71	2048.41	1249.38	3610.50

Uplift factors

N/A

6. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	Zero
2. Total emissions liability to offset for this report	3,611
3. Net offset balance for this reporting period	3,611
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	3,611

Co-benefits

These projects establishes permanent native forests through assisted regeneration from in-situ seed sources (including rootstock and lignotubers) on land that was cleared of vegetation and where regrowth was suppressed for at least 10 years prior to the project having commenced.

And/Or

This project involves strategic and planned burning of savanna areas in the high and low rainfall zones during the early dry season to reduce the risk of late dry season wild fires.

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 (%)
KACCU-AUS-Kenmore Regen	ACCUs	ANREU	27 Sep 2022	8,327,326,807 - 8,327,326,920	2021	114	0	0	114	3 %
KACCU-AUS-Kenmore Regen	ACCUs	ANREU	27 Sep 2022	8,327,329,807 - 8,327,333,303	2021	3497	0	0	3497	97%
Total offsets retired this report and used in this report									3611	
Total offsets retired this report and banked for future reports								0		
Type of offset units				Quantity (used for this reporting period claim)			Percentage of total			
Australian Carbon Credit Units (ACCUs)				3611			100%			

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)*	0
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
<i>Total LGCs surrendered this report and used in this report</i>							0		



APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using 'Electricity emissions are calculated using a Market-based approach

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 (kgCO ₂ e)	Renewable Percentage 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	117,432	0	5%
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)	473,000	0	19%
Residual Electricity	1,908,906	2,048,410	0%
Total grid electricity	2,499,338	2,048,410	24%
Total Electricity Consumed (grid + non grid)	2,499,338	2,048,410	24%
Electricity renewables	590,432	0	
Residual Electricity	1,908,906	2,048,410	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		2,048,410	

Total renewables (grid and non-grid)	23.62%
Mandatory	18.93%
Voluntary	4.70%
Behind the meter	0.00%
Residual electricity emission footprint (tCO₂-e)	2,048

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

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO ₂ e)	Scope 3 Emissions (kgCO ₂ e)
ACT	0	0	0
NSW	56,638	45,877	5,097
SA	0	0	0
Vic	0	0	0
Qld	2,442,700	1,978,587	293,124
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	2,499,338	2,024,464	298,221
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	2,499,338	2,024,464	298,221

Emission Footprint (TCO₂e)	2,323
<i>Scope 2 Emissions (TCO₂e)</i>	2024
<i>Scope 3 Emissions (TCO₂e)</i>	298

APPENDIX C: INSIDE EMISSIONS BOUNDARY

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. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** 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.
5. **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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
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Telecommunications	No	No	No	No	No	No
Office Furniture and equipment	No	No	No	No	No	No
Cleaning	No	No	No	No	No	No
Entertainment	No	No	No	No	No	No
Stationary Energy	No (stationary energy not in use)	No	No	No	No	No
Water	No	Yes (minimal)	No	No	No	No



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