



THIRD PARTY VALIDATION

March 2023

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Version history

Date	Changes summary
16 March 2023	<ol style="list-style-type: none"> Updated language throughout for consistent use of 'assurance practitioner', 'validate', 'agreed upon procedures', 'assurance engagement' and 'LCA critical review' to better align with relevant standards. Restructured document into specific sections for Type 1, Type 2 and Type 3 third party validations. Inclusion of, and updates to, key validation schedule information from the Climate Active Licence Agreement. Other minor updates to improve clarity, including to procedures.

1. OVERVIEW OF REQUIREMENTS

This document sets out the third party validation requirements for carbon neutral certification against the Climate Active Carbon Neutral Standard (Standard). This includes the requirements for validations funded by the organisation seeking or maintaining Climate Active certification (Responsible Entity¹), as well as annual risk-based validations of selected carbon neutral claims funded by the administrator of the Climate Active initiative (Administrator).

This document provides guidance for businesses seeking to gain or maintain carbon neutral certification and for the assurance practitioner² engaged to validate carbon neutral claims. It covers carbon neutral claims against the Climate Active Carbon Neutral Standard for: Organisations; Products and Services; Events; and Precincts. This document explains which types of assurance or agreed upon procedures apply to each of the certification types, as well as the qualifications that assurance practitioners must hold. This document details the requirements of a Type 1, Type 2 and Type 3 validations respectively.

Box 1: Technical assessments

In addition to the third party validation requirements, most certifications are subject to a technical assessment of the carbon neutral claim on application. The technical assessment must be carried out by a registered consultant. The validation schedule in the Licence Agreement (and below in Table 1 and 2) specifies which certifications are subject to a technical assessment. Technical assessment procedures and further information about registered consultants is available at www.climateactive.org.au

1.1 Responsible Entity funded third party validations

The third party validation requirements of a carbon neutral claim against the Climate Active Carbon Neutral Standard differ by:

1. certification type (i.e. organisation, precinct, event etc.)
2. sub-category within each certification type based on factors such as the size of an organisation and its carbon footprint.

The different types and subcategories are subject to different risk proportionate data validation procedures when they apply for carbon neutral certification, and at intervals throughout the life of their certification. Some certifications are subject to assurance engagements, some to agreed upon procedures and others to a mix of both types of validation procedures.

The validation schedule - Table 1 and Table 2 (and in the Licence Agreement) sets out:

- validation requirements for Organisations, Products, Services and Precincts
- third party validation types

Please note: The validation schedule may be updated from time to time, yet each carbon neutral client will

¹Responsible Entity as defined in the Climate Active Licence Agreement

² For the purposes of this document 'assurance practitioner', is the person or team engaged to complete Climate Active Type 1, Type 2 or Type 3, Third Party Validations. This is equivalent to 'auditor' in the Climate Active Licence Agreement. "Assurance" in this definition does not necessarily imply that assurance over a Climate Active carbon neutral claim is being provided.

be subject to the version they signed up to, until their Licence Agreement is renewed. The latest validation schedule is available in Table 1 and 2 (below) but assurance practitioners and their clients must refer to the requirements set out in the validation schedule to the client's specific Licence Agreement.

Table 1: Validation requirements for Organisations, Products, Services and Precincts

(Please note: The validation schedule may be updated from time to time, yet each carbon neutral client will be subject to the version they signed up to, until their Licence Agreement is renewed)

Certification type	Initial certification		Ongoing certification or recurring event	
	Technical Assessment	Third Party Validation *	Technical Assessment	Third Party Validation *
Small Organisation	Not required	Type 1	Not required	Type 1 required if Base Year Recalculation is required
Medium Organisation	Required	Type 1	Required every 3 years or whenever Base Year Recalculation is required	Type 1 required if Base Year Recalculation is required
Large Organisation	Required	Type 2	Required every 3 years or whenever Base Year Recalculation is required	Type 2 required if Base Year Recalculation is required
Simple Service	Required	Type 1	Required every 3 years or whenever Base Year Recalculation is required	Type 1 required if Base Year Recalculation is required
Complex Service	Required	Type 3	Required every 3 years or whenever Base Year Recalculation is required	Type 3 required if Base Year Recalculation is required
Product	Required	Type 3	Required every 3 years or whenever Base Year Recalculation is required	Type 3 required if Base Year Recalculation is required
Precinct	Required	Type 2	Required every 3 years or whenever Base Year Recalculation is required	Type 2 required if Base Year Recalculation is required
Small event	Not required	Not required	Not required	Not required
Large event	Required	<u>Pre- event:</u> Not required <u>Post event:</u> Type 1 required or for the first large event in an event portfolio	Every 3 years	Not required

*See Table 2 below for third party validation types.

Table 2: Third party validation types*

Third party validation type	Can be completed by:
Type 1 (Small and medium organisation and simple service validation)	<p>Agreed upon procedure by</p> <ul style="list-style-type: none"> • A Registered Greenhouse and Energy Assurance Practitioner (register available at www.cleanenergyregulator.gov.au/Infohub/Audits/register-of-auditors); or • A chartered accountant (directory available at www.charteredaccountantsanz.com/find-a-ca); or • A certified practicing accountant (directory available at www.cpaaustralia.com.au/FindACpa/Locate.mvc/Index); or • An external Lead Auditor in Environmental Management Systems ISO 14001 accredited by, and currently registered with, an internationally recognised certification body. (Register of eligible auditors available at Exemplar Global) • Approved verifier under the EPD Australasia program (register available at www.epd-australasia.com/about-us/certified-verifiers);
Type 2 (Assurance Engagement)	<p>Assurance engagement by</p> <ul style="list-style-type: none"> • A Registered Greenhouse and Energy Assurance Practitioner (register available at www.cleanenergyregulator.gov.au/Infohub/Audits/register-of-auditors); or • An external Lead Auditor in Environmental Management Systems ISO 14065:2013 accredited by, and currently registered with, an internationally recognised certification body. (Register of eligible auditors available at Exemplar Global)
Type 3 (Product/complex service validation)	<p>Product or service validation by</p> <ul style="list-style-type: none"> • An ALCAS Certified Life Cycle Assessment (LCA) Practitioner (register available at www.alcas.asn.au/certified-practioners) who also meets Type 1 or Type 2 Validation requirements; or • An ALCAS Certified LCA Practitioner (register available at www.alcas.asn.au/certified-practioners) who is also an approved verifier under the EPD Australasia program (register available at www.epd-australasia.com/about-us/certified-verifiers); or • An assurance practitioner or accountant (meeting Type 1 or Type 2 Validation requirements) with in-depth knowledge of the LCA methodology who has: <ul style="list-style-type: none"> 1. access to AusLCI, ecoinvent or similar Life Cycle Inventory database; and 2. relevant skills through one of the following <ul style="list-style-type: none"> - Training in international standard ISO 14040/ISO14044 or ISO 14067 - Degree in LCA at the undergraduate or graduate level; and 3. relevant experience through one of the following <ul style="list-style-type: none"> - Five independent third party LCA reviews according to ISO 14040/14044 - Five years experience applying the LCA methodology, for example, through published LCAs or LCA consultancy work

*The Third Party Validation must be undertaken by a party (individual or team) who meets the requirements in Table 2.

1.2 Administrator funded, risk based validations

In addition to the validation schedule requirements, the Administrator of the Climate Active initiative will arrange for risk based validations of selected certifications each year. The Administrator will engage and pay the assurance practitioners for these validations: the Responsible Entity does not need to pay. These Administrator funded validations may be of the entire carbon neutral claim or the Administrator may choose to commission validations of specific aspects in specific years in order to target known common issues and identify others.

Box 2: Administrator funded, risk based validations

- Administrator funded validations must be carried out by a party eligible to undertake Type 2 assurance engagements.
- Administrator funded validations will function, in part, as independent validations of technical assessments

2. RESPONSIBILITIES OF THE ENTITY/INTENDED USERS

2.1 Responsibility of entity

The entity making the carbon neutral claim (Responsible Entity) is responsible for: preparing and maintaining the carbon neutral claim in accordance with the requirements of the relevant Climate Active Carbon Neutral Standard (including by engaging a Registered Consultant, where relevant); maintaining appropriate records for validation purposes; and paying for the relevant validation type set out in the validation schedule of their Licence Agreement.

The Responsible Entity must keep records that are adequate to enable the assurance practitioner to assess the relevance, completeness, consistency, transparency and accuracy of reported data during an external validation. Records can be kept in electronic or paper form. Records should be stored in a format that is accessible to external assurance practitioners if required.

The validation is performed on the basis that the Responsible Entity acknowledges and understands that it has a responsibility to provide the assurance practitioner with reasonable access to:

- all information that management is aware is necessary for the performance of the engagement and agreed upon procedures
- additional information that may be requested for the purpose of the engagement
- persons within the entity from whom the assurance practitioner require co-operation in order to perform the engagement.

As appropriate to the carbon account, the assurance practitioner may need reasonable access to:

- facilities, equipment and personnel required for the operations within the organisation's emissions boundary
- records, including monitoring records, utility bills, test reports, failure reports, internal validation and management review records, customer complaints and statistics related to the activities within the emissions boundary
- any additional reporting or information source used to develop the carbon account.

2.2 Responsibility of intended users

The intended users of the Third Party Validation reports are technical officers of the team administrating the Climate Active initiative. The intended users are expected to conduct their own assessment of the assurance practitioner's findings, combined with other information available to them and, if necessary, perform further procedures in order to obtain sufficient appropriate evidence on which to base their decision about whether the carbon neutral certification application or annual reporting documents should be accepted or rejected.

Note, responsibilities of the assurance practitioner are outlined in section 3.

3. RESPONSIBILITIES OF AN ASSURANCE PRACTITIONER

The assurance practitioner's responsibility is to undertake a validation in relation to a carbon neutral claim made by the Responsible Entity. The assurance practitioner must carry out a validation in accordance with either:

Agreed upon procedures

- *The National Greenhouse and Energy Reporting (Audit) Determination 2009*, Parts 1, 2 and 4, with the exceptions set out in section 1 above.
- The Clean Energy Regulator's Audit Determination Handbook Chapters 2, 3, 4 and in particular 6, with exceptions set out below (www.cleanenergyregulator.gov.au).

All assurance practitioners are required to be familiar with the requirements set out in the above documents. These requirements are not replicated in this document. Assurance practitioners will need to apply the following exceptions to the Audit Determination Handbook guidance:

- References to the Clean Energy Regulator are to be read as references to the Administrator of the Climate Active initiative.
- References to the schemes administered by the Clean Energy Regulator are to be read as references to the relevant Climate Active Carbon Neutral Standard and to the administrator of the Climate Active initiative.
- References to the legislation underpinning or governing the schemes administered by the Clean Energy Regulator are to be read as references to the relevant Climate Active Carbon Neutral Standard.
- References to Part 6 validations are to be read as references to validations that assess compliance with the relevant Climate Active Carbon Neutral Standard.
- If the assurance practitioner and/or entity believe it is necessary to amend the agreed upon procedures, the amendments must be discussed and agreed in writing between the assurance practitioner and the administrator of the Climate Active initiative (Climate.Active@industry.gov.au)

The assurance practitioner's responsibility is to report factual findings obtained from conducting the agreed upon procedures set out in Section 5 – 10, as applicable. The validation must be undertaken in accordance with this framework, the National Greenhouse and Energy Reporting (Audit) Determination 2009, Parts 1, 2 and 4 and the Clean Energy Regulator's Audit Determination Handbook Chapters 2, 3, 4 and 6, with the exceptions set out above. The assurance practitioner must comply with the relevant ethical requirements relating to agreed upon procedures, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour. Because the agreed upon procedures do not constitute an assurance engagement, the assurance practitioner does not express any conclusion and provides no assurance on the carbon neutral claim. The assurance practitioner must report if the documentation prepared by the entity for validation is not complete or if the data is incorrect.

Assurance engagements

- ASAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information; or
- ISO 14064-3: Greenhouse gas specification with guidance for the validation and verification of greenhouse gas assertions, or

The validation criteria that must be applied are the requirements set out in the relevant Climate Active Carbon Neutral Standard. The assurance practitioner may wish to contact the Administrator to discuss any issues or interpretations concerning the Standard.

The assurance practitioner must consider the evidence gathered in the course of carrying out the validation and provide a conclusion (also known as an assurance statement or validation opinion) about the preparation of the Public Disclosure Statement in line with the relevant Climate Active Carbon Neutral Standard. The conclusion must be either unqualified, qualified, adverse, or a conclusion that the assurance practitioner is unable to form an opinion. An unqualified or qualified assurance statement must at minimum be expressed in terms of limited assurance. Some entities may choose to commission a reasonable assurance engagement, which is also acceptable.

If the assurance practitioner identifies any Corrective Action Requests (CARs) and/or observations in the course of the audit, they must provide these to the Responsible Entity. The Responsible Entity should wherever possible be given the opportunity to resolve these prior to the closure of the validation activity. At the conclusion of the validation engagement, the assurance practitioner must provide the Responsible Entity with a list of any unresolved CARs and/or observations.

The assurance practitioner must provide the Responsible Entity with a written validation report. This report must include the assurance conclusion and, if relevant, the list of unresolved CARs and/or observations. It is optional to also include a list of CARs and observations that were resolved during the course of the validation engagement. The report must be completed using the Climate Active online certification portal, when available. In cases where the certification portal is unavailable, the Climate Active Carbon Neutral Standard validation templates below must be used to complete the report. The completed report(s) must be submitted to the Administrator of the Climate Active initiative within the timelines specified by the Administrator.

4. TYPE 1: AGREED UPON PROCEDURES

This section sets out the requirements for Type 1 third party agreed upon procedure (Type 1 validation) in relation to a carbon neutral claim against the Climate Active Carbon Neutral Standard. A Type 1 validation is conducted by an assurance practitioner to report factual findings obtained from conducting the agreed upon procedures set out below. A Climate Active Type 1 validation is informed by International Standards ISO 14001 and ASRS 4400.

Refer to Table 2: Refer to Third party validation types to view a list of who is able to conduct a Type 1 validation.

Please note: The validation schedule may be updated from time to time, yet each carbon neutral client will be subject to the version they signed up to, until their Licence Agreement is renewed. The latest validation schedule is available in Table 1 and 2 above, but assurance practitioner's and their clients must refer to the requirements set out in the validation schedule to the client's specific Licence Agreement.

Key Steps

Type 1 validations require the assurance practitioner to carry out specified procedures, but not to provide a validation opinion.

The key steps in the validation process are:

1. An **independence and conduct declaration** is signed by the assurance practitioner within the *Type 1: Agreed Upon Procedures Report of Findings Template* below.
2. **Terms of the engagement** are agreed and signed. The terms must set out the standard under which the engagement is being conducted and the agreed upon procedures for validation and must state that the terms have been agreed to by the assurance practitioner.
3. The entity confirms that all relevant information and source data has been made available to the assurance practitioner.
4. The **agreed upon procedures** referred to in this document are carried out by the assurance practitioner.
5. The assurance practitioner issues a **report of factual findings** and **one corresponding Type 1 agreed upon procedure template, dependent on the certification** (below in this document), which set out the result of each specific test of the agreed upon procedures. **Two templates (in the same document) must be submitted by the assurance practitioner.**

TYPE 1: AGREED UPON PROCEDURES REPORT OF FINDINGS TEMPLATE

Note: The third party validation may be prepared by the same organisation that completed the technical assessment (pending relevant qualifications), however, the lead assurance practitioner on the technical assessment should be a different lead to the third party validation.

This template is for use in Type 1 validations of carbon neutral claims against the Climate Active Carbon Neutral Standard. It cannot be used for Type 2 or Type 3 validations.

This template has been adapted from the National Greenhouse and Energy Reporting audit report in the Clean Energy Regulator's Audit Determination Handbook. The assurance practitioner must complete their report using this template. The client must submit this report with their submission. Text in square brackets is to be replaced as prompted. Text in blue italics is for guidance or editing and should be deleted/edited as appropriate.

Agreed Upon Procedures Engagement (Agreed Upon Procedures Report)

Responsible Entity	The Responsible Entity for the Climate Active carbon neutral claim
Contact person for engaging party	
Assurance practitioner team leader	
Assurance practitioner's organisation	
Other validation team members	
Lead assurance practitioner's relevant qualifications, registrations and credentials	These must be one of the qualifications for a Type 1 validation as set out in the validation schedule of your client's signed Licence Agreement.
Kind of engagement	Type 1 Agreed Upon Procedures (informed by ISO 14001 and ASRS 4400).
Subject of Agreed Upon Procedure:	Please select the relevant option and delete those not relevant: Organisation / Simple Service / Event / Organisation and Simple Service
Reporting period covered by engagement	e.g. FY 2021–22, CY 2022
Total emissions (tonnes CO₂-e) relating to carbon neutral claim	

Emission sources checked	Please list all emission sources checked as part of this validation
Percentage of total inventory of emissions checked	(Minimum 70% checked. Must include checking all source data for stationary energy and fuel and all source data for purchased or matched electricity including GreenPower and LGCs)

[Insert name of assurance practitioner's organisation] confirms that we are not aware of any actual or perceived conflict of interest in having completed this engagement or detail any perceived conflict of interest and how this was addressed.

Report of factual findings

This is a [please select: Responsible Entity funded validation / Administrator funded validation]. The procedures set out below have been applied to the documentation that forms and supports the carbon neutral claim. Where the carbon neutral claim is used as a basis for certification against the Climate Active Carbon Neutral Standard (Standard), the Administrator of the Climate Active initiative determines whether the factual findings provide a reasonable basis for certification. We do not express any conclusion, nor do we provide any assurance regarding the carbon neutral claim or certification. If we had performed additional procedures, a reasonable assurance engagement to a limited assurance engagement, other matters might have come to our attention which would have been reported.

Other matters to be reported

Aspects impacting on the agreed upon procedure. [Insert any details of aspects of the matter being validated that particularly impacted on the carrying out of the agreed upon procedure.]

Restriction on use of report

This report is intended for solely for the use of the Responsible Entity and the Administrator of the Climate Active initiative, solely in relation to validating a carbon neutral claim under the Climate Active Carbon Neutral Standard for Organisations. Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than these intended users for any consequences of reliance on this report for any purpose. The procedures performed and the factual findings obtained are as follows:

This table to be populated (by the Climate Active portal or assurance practitioner) based on the AUPs listed in sections for the specific engagement.

Name of lead assurance practitioner	
Position of lead assurance practitioner	
Signature of lead assurance practitioner	

Date

Please delete the tables and pages below that are not relevant to your third party validation.

TYPE 1 – AGREED UPON PROCEDURES SMALL OR MEDIUM ORGANISATIONS

Test performed	Agreed upon procedure for small or medium organisations	Factual findings	Details of errors or exceptions identified	Test complete/not performed.														
<p>Confirm activity data for emissions sources</p>	<p><u>You must complete the table below.</u></p> <p>Step 1- Check the source data used for stationary energy and fuel consumption for all relevant stationary fuels e.g. natural gas, diesel fuel, LPG, coal, all transport fuels. Are all source data values within +/-5% of the values inputted into the inventory, calculators?</p> <p>Step 2 – Check the source data used for purchased or matched electricity including GreenPower and LGCs. Are source data values within +/-5% of the values inputted into the electricity calculator, inventory?</p> <p>Step 3 – Check the source data used for other emissions sources not covered by Steps 1 and 2. Check remaining data for significant emissions (emissions that make up more than or equal to 5% of the total amount of emissions) in descending order of the size of the emission source. Stop checking when 70% of the total amount of emissions in the carbon inventory, measured in CO2-e, has been checked*</p> <p>Tick the box (in the factual findings column) to show whether variances are less than or greater than +/-5% of the values.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 15%;">Certification</th> <th style="width: 20%;">Sources tested</th> <th style="width: 15%;">% of total carbon inventory (<i>stop at 70% must include Steps 1, 2, 3</i>)*</th> <th style="width: 50%;"></th> </tr> </thead> <tbody> <tr> <td rowspan="4" style="text-align: center; vertical-align: middle;"><i>Medium organisation</i></td> <td><i>Domestic flights</i></td> <td style="text-align: center;"><i>24%</i></td> <td rowspan="4" style="text-align: center; vertical-align: middle;"><i>75%</i></td> </tr> <tr> <td><i>Electricity</i></td> <td style="text-align: center;"><i>23%</i></td> </tr> <tr> <td><i>Accommodation</i></td> <td style="text-align: center;"><i>20%</i></td> </tr> <tr> <td><i>Natural Gas</i></td> <td style="text-align: center;"><i>8%</i></td> </tr> </tbody> </table>	Certification	Sources tested	% of total carbon inventory (<i>stop at 70% must include Steps 1, 2, 3</i>)*		<i>Medium organisation</i>	<i>Domestic flights</i>	<i>24%</i>	<i>75%</i>	<i>Electricity</i>	<i>23%</i>	<i>Accommodation</i>	<i>20%</i>	<i>Natural Gas</i>	<i>8%</i>	<p><input type="checkbox"/> no variance (<i>source</i>)</p> <p><input type="checkbox"/> less than +/-5% variance (<i>source</i>)</p> <p><input type="checkbox"/> greater than +/-5% variance (<i>source</i>)</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (<i>provide details</i>)</p>
Certification	Sources tested	% of total carbon inventory (<i>stop at 70% must include Steps 1, 2, 3</i>)*																
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	<i>Accommodation</i>	<i>20%</i>																
	<i>Natural Gas</i>	<i>8%</i>																

<p>Confirm the consistency of reporting documents</p>	<p>Assess whether the reporting documents are consistent by checking the information contained in the PDS (used for application to Climate Active) and the carbon inventory match for the following:</p> <ul style="list-style-type: none"> • The list of quantified emissions • the list of non-quantified emissions, • the list of excluded emissions, • the net carbon emissions and total amount to be offset • base year and • reporting year. 	<p>The list of non-quantified emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>the list of excluded emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>total amount to be offset,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>base year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>reporting year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>List and detail the manner of record keeping for the reporting documents and source data</p>	<p>Provide the details of the records provided by entity to the assurance practitioner. List and detail the manner of record keeping for the reporting documents and source data.</p> <p>Data sources may include the following, this is not an exhaustive list: Utility metering records, bills for deliveries of any discrete (batch) supplies, showing quantities delivered and how they were measured. If the data does not include enough separate deliveries, then obtain any regular records of storage</p>	<p><i>Detail records provided by the Responsible Entity</i></p>

capacity readings, documentation of any GreenPower purchases, documentation of any Climate Active carbon neutral purchases in supply chain, documentation of any LGCs sold or voluntarily retired, financial data, inventories for travel and commuting survey data

End of Type 1 agreed upon procedures: Organisations (small/medium)

TYPE 1 – AGREED UPON PROCEDURES: SIMPLE SERVICES (SEPARATE OR COMBINED WITH ORGANISATIONS)

Test performed	Agreed upon procedure for simple services	Factual findings	Details of errors or exceptions identified	Test complete/not performed.														
<p>Confirm activity data for emissions sources</p>	<p><u>You must complete the table below.</u></p> <p>Step 1 - Check the source data used for stationary energy and fuel consumption for all relevant stationary fuels e.g. natural gas, diesel fuel, LPG, coal, all transport fuels. Are all source data values within +/-5% of the values inputted into the inventory, calculators?</p> <p>Step 2 – Check the source data used for purchased or matched electricity including GreenPower and LGCs. Are source data values within +/-5% of the values inputted into the electricity calculator, inventory?</p> <p>Step 3 – Check the source data used for other emissions sources not covered by Steps 1 and 2. Check remaining data for significant emissions (emissions that make up more than or equal to 5% of the total amount of emissions) in descending order of the size of the emission source. Stop checking when 70% of the total amount of emissions in the carbon inventory, measured in CO₂-e, has been checked*</p> <p>Tick the box (in the factual findings column) to show whether variances are less than or greater than +/-5% of the values.</p> <table border="1"> <thead> <tr> <th>Certification</th> <th>Sources tested</th> <th colspan="2">% of total carbon inventory (stop at 70%)*</th> </tr> </thead> <tbody> <tr> <td rowspan="4">Medium organisation</td> <td>Domestic flights</td> <td>24%</td> <td rowspan="4">75%</td> </tr> <tr> <td>Electricity</td> <td>23%</td> </tr> <tr> <td>Accommodation</td> <td>20%</td> </tr> <tr> <td>Natural Gas</td> <td>8%</td> </tr> </tbody> </table>	Certification	Sources tested	% of total carbon inventory (stop at 70%)*		Medium organisation	Domestic flights	24%	75%	Electricity	23%	Accommodation	20%	Natural Gas	8%	<p><input type="checkbox"/> no variance</p> <p><input type="checkbox"/> less than +/-5% variance</p> <p><input type="checkbox"/> greater than +/-5% variance</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
Certification	Sources tested	% of total carbon inventory (stop at 70%)*																
Medium organisation	Domestic flights	24%	75%															
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	Accommodation	20%																
	Natural Gas	8%																
<p>Confirm the</p>	<p>Assess whether the reporting documents are consistent by checking the</p>	<p>the list of non-</p>	<p><i>Detail any errors or</i></p>	<p><input type="checkbox"/> Complete</p>														

consistency of reporting documents	<p>information contained in the PDS (used for application to Climate Active) and the carbon inventory match for the following:</p> <ul style="list-style-type: none"> the list of non-quantified emissions, the list of excluded emissions, the list of non-attributable emissions total amount to be offset, Certification unit description/definition certification unit intensity base year reporting year 	quantified emissions, <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>exceptions identified</i>	<input type="checkbox"/> Not performed <i>(provide details)</i>
		the list of excluded emissions, <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>
		total amount to be offset, <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>
		base year <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>
		reporting year <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>
		functional unit number <input type="checkbox"/> Consistent <input type="checkbox"/> Inconsistent	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>
List and detail the manner of record keeping for the reporting	<p>Provide the details of the records provided by entity to the assurance practitioner. List and detail the manner of record keeping for the reporting documents and source data.</p> <p>Data sources may include the following, this is not an exhaustive list: Utility</p>	<i>Detail records provided by the Responsible Entity</i>		<input type="checkbox"/> Complete <input type="checkbox"/> Not performed <i>(provide details)</i>

<p>documents and source data</p>	<p>metering records, bills for deliveries of any discrete (batch) supplies, showing quantities delivered and how they were measured. If the data does not include enough separate deliveries, then obtain any regular records of storage capacity readings, documentation of any GreenPower purchases, documentation of any Climate Active carbon neutral purchases in supply chain, documentation of any LGCs sold or voluntarily retired, financial data, inventories for travel and commuting survey data</p>		
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End of Type 1 Agreed upon procedures: Simple services (separate or combined with organisations)

TYPE 1 – AGREED UPON PROCEDURES: EVENT CERTIFICATION

Test performed	Agreed upon procedure for events.	Factual findings	Details of errors or exceptions identified	Test complete/not performed.														
<p>Confirm activity data for other emission sources.</p>	<p><u>You must complete the table below.</u></p> <p>Step 1- Check the source data used for stationary energy and fuel consumption for all relevant stationary fuels e.g. natural gas, diesel fuel, LPG, coal, all transport fuels. Are all source data values within +/-5% of the values inputted into the inventory, calculators?</p> <p>Step 2 – Check the source data used for purchased or matched electricity including GreenPower and LGCs. Are source data values within +/-5% of the values inputted into the electricity calculator, inventory?</p> <p>Step 3 – Check the source data used for other emissions sources not covered by Steps 1 and 2. Check remaining data for significant emissions (emissions that make up more than or equal to 5% of the total amount of emissions) in descending order of the size of the emission source. Stop checking when 70% of the total amount of emissions in the carbon inventory, measured in CO2-e, has been checked*</p> <p>Tick the box (in the factual findings column) to show whether variances are less than or greater than +/-5% of the values.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 15%;">Certification</th> <th style="width: 25%;">Sources tested</th> <th style="width: 30%;">% of total carbon inventory (<i>stop at 70%*</i>)</th> <th style="width: 30%;"></th> </tr> </thead> <tbody> <tr> <td rowspan="4" style="text-align: center; vertical-align: middle;"><i>Event</i></td> <td><i>Food</i></td> <td style="text-align: center;"><i>30%</i></td> <td rowspan="4" style="text-align: center; vertical-align: middle;"><i>73%</i></td> </tr> <tr> <td><i>Domestic flights</i></td> <td style="text-align: center;"><i>20%</i></td> </tr> <tr> <td><i>Electricity</i></td> <td style="text-align: center;"><i>15%</i></td> </tr> <tr> <td><i>Professional services</i></td> <td style="text-align: center;"><i>8%</i></td> </tr> </tbody> </table>	Certification	Sources tested	% of total carbon inventory (<i>stop at 70%*</i>)		<i>Event</i>	<i>Food</i>	<i>30%</i>	<i>73%</i>	<i>Domestic flights</i>	<i>20%</i>	<i>Electricity</i>	<i>15%</i>	<i>Professional services</i>	<i>8%</i>	<p><input type="checkbox"/> no variance</p> <p><input type="checkbox"/> less than +/-5% variance</p> <p><input checked="" type="checkbox"/> greater than +/-5% variance</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
Certification	Sources tested	% of total carbon inventory (<i>stop at 70%*</i>)																
<i>Event</i>	<i>Food</i>	<i>30%</i>	<i>73%</i>															
	<i>Domestic flights</i>	<i>20%</i>																
	<i>Electricity</i>	<i>15%</i>																
	<i>Professional services</i>	<i>8%</i>																

<p>Confirm the consistency of reporting documents</p>	<p>Assess whether the reporting documents are consistent by agreeing the information contained in the PDS (used for application to Climate Active) with the carbon inventory for the following:</p> <ul style="list-style-type: none"> the list of non-quantified emissions, the list of excluded emissions, the net carbon footprint and total amount to be offset, base year and reporting year. 	<p>The list of non-quantified emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
		<p>the list of excluded emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
		<p>total amount to be offset,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
		<p>base year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
		<p>reporting year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
<p>List and detail the manner of record keeping for the reporting</p>	<p>Provide the details of the records provided by entity to the assurance practitioner. List and detail the manner of record keeping for the reporting documents and source data.</p> <p>Data sources may include the following, this is not an exhaustive list: Utility</p>	<p><i>Detail records provided by the Responsible Entity</i></p>		<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>

<p>documents and source data</p>	<p>metering records, bills for deliveries of any discrete (batch) supplies, showing quantities delivered and how they were measured. If the data does not include enough separate deliveries, then obtain any regular records of storage capacity readings, documentation of any GreenPower purchases, documentation of any Climate Active carbon neutral purchases in supply chain, documentation of any LGCs sold or voluntarily retired, financial data, inventories for travel and commuting survey data</p>		
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End of Type 1 agreed upon procedures: Events

5. TYPE 2: ASSURANCE ENGAGEMENT THIRD PARTY VALIDATION

This document sets out the requirements for a Type 2 third party assurance engagement validation (Type 2 validation) of carbon neutral claims against the Climate Active Carbon Neutral Standard. A Climate Active Type 2 validation is consistent with International Standards ISO 14065:2013, ASAE 3000 and ISO 14064-3.

Only some entities are required to undergo an assurance engagement as set out in the Validation Schedule (Table 1) and in the [Licence Agreement](#). The assurance practitioner may consider any other relevant assurance engagement of the same period such as a validation conducted for National Greenhouse and Energy Reporting (NGER).

The subject of the assurance engagement is the carbon neutral claim against the Climate Active Carbon Neutral Standard, with the exception of offsets, which will be validated by the Administrator.

High level requirements for assurance engagements

Elements of assurance engagements against the Climate Active Carbon Neutral Standard

Element	Description
Validation type:	Assurance
Minimum level of assurance required:	Limited
Assurance standards:	<ul style="list-style-type: none"> • ISO 14065:2013 or • ASAE 3000 or • ISO 14064-3
Required qualifications for assurance practitioners:	<p>Assurance practitioner's must be:</p> <ul style="list-style-type: none"> • included on the Register of Greenhouse and Energy Auditors, as established under section 75A of the <i>National Greenhouse and Energy Reporting Act 2007</i> (NGER Act) and maintained by the Clean Energy Regulator; or • accredited to the international standard ISO 14065:2013.
Validation criteria:	<p>The relevant Climate Active Carbon Neutral Standard.</p> <p>For example, if assessing an organisation certification this is the Climate Active Carbon Neutral Standard for Organisations. If assessing a precinct certification, this is the Climate Active Carbon Neutral Standard for Precincts, etc.</p>
Subject matter:	A carbon neutral claim against the relevant Climate Active Carbon Neutral Standard, with the exception of offsets.
Responsible Entity:	The Responsible Entity for the carbon neutral claim.
Purpose of validation	Refer to the Validation Schedule (Table 1) Please note: The validation schedule may be updated from time to time, yet each carbon neutral client will be subject to the version they signed up to, until their Licence Agreement is renewed)

TYPE 2: ASSURANCE ENGAGEMENT REPORT TEMPLATE

Note: The third party validation may be prepared by the same organisation that completed the technical assessment (pending relevant qualifications), however, the lead on the technical assessment should be a different lead assurance practitioner to the third party validation.

This template is for use in Type 2 validations of carbon neutral claims against the Climate Active Carbon Neutral Standard. It cannot be used for Type 1 or Type 3 validations.

This template has been adapted from the National Greenhouse and Energy Reporting audit report in the Clean Energy Regulator's Audit Determination Handbook. The assurance practitioner must complete their report using this template. The client must submit this report with their submission. Text in square brackets is to be replaced as prompted. Text in blue italics is for guidance or editing and should be deleted/edited as appropriate.

Assurance Engagement (Independent assurance report)

Responsible Entity	
Contact person for responsible entity	
Assurance practitioner team leader	
Assurance practitioner team's organisation	
Other validation team members	
Lead assurance practitioner's relevant qualifications, registrations and credentials	Please select: <i>NGER registration number / Formal training against ISO 14065:2013</i>
Kind of engagement	Type 2 Assurance Engagement (consistent with ISO 14065:2013 or ASAE 3000 or ISO 14064-3).
Type of assurance	Please select: <i>Limited/Reasonable Assurance.</i>
Assurance engagement for:	<input type="checkbox"/> Climate Active carbon neutral certification for Large Organisations <input type="checkbox"/> Climate Active carbon neutral certification for Precincts
Reporting period covered by validation	<i>e.g. FY 2021–22, CY 2022</i>

Subject(s) of carbon neutral claim(s)	E.g. 'The Australian Business Operations of Company x', or 'The opt-in x service offered by Company y'. If a carbon neutral claim is certified by the Administrator, the subject of certification (i.e. subject of the carbon neutral claim) is stated in the initial notice of certification: schedule of certification, and must be copied exactly here.
Purpose of validation	Please select the relevant option and delete the rest: Initial application/ Base year recalculation / Department risk based validation / Optional ongoing
Total emissions (tonnes CO₂-e) relating to carbon neutral claim	
Emission sources checked	Please list all emission sources checked as part of this validation

[Insert name of assurance practitioner's organisation] confirms that we are not aware of any actual or perceived conflict of interest in having completed this engagement or detail any perceived conflict of interest and how this was addressed.

[Insert name of lead assurance practitioner] confirms that he/she has not carried out more than five previous consecutive validations for [insert Responsible Entity].

[Insert name of lead assurance practitioner] confirms that he/she has not carried out more than five previous consecutive audits for [insert Responsible Entity name].

Summary of procedures undertaken

The procedures we conducted in our [reasonable/limited] assurance engagement included:

[Insert a summary of procedures undertaken. These can include such procedures as:

- interviews conducted to gather evidence
- analysis of procedures the Responsible Entity used to gather data
- testing of calculations the Responsible Entity performed, and
- identification and testing of assumptions supporting the calculations.]

Use of our [reasonable/limited] assurance engagement report

This report has been prepared for the use of [Responsible Entity], the Administrator of the Climate Active initiative, [and intended users identified in the terms of the engagement] for the sole purpose of reporting on [Responsible Entity]'s carbon neutral claim(s) against the Climate Active Carbon Neutral Standard. Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than the Administrator of the Climate Active initiative, [Responsible Entity] and [names of intended users] for any consequences of reliance on this report for any purpose.

Inherent limitations

There are inherent limitations in performing assurance—for example, assurance engagements are based on selective testing of the information being examined—and because of this, it is possible that fraud, error, or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all misstatements, as an assurance engagement is not performed continuously throughout the period that is the subject of the engagement and the procedures performed on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given its nature and the methods used for determining, calculating, and sampling or estimating such data.

[\[Detail any specifics around estimates or extrapolated data used by the Responsible Entity\].](#)

[\[If limited assurance\]](#) The procedures performed in a limited assurance engagement vary in nature from, and are narrower in scope than, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than that in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether [\[Responsible Entity\]](#)'s carbon neutral claim has been prepared, in all material respects, in accordance with the relevant Climate Active Carbon Neutral Standard.

Assurance engagement conclusions

Assurance engagement conclusion	<p>Please select from the following and delete non-relevant text:</p> <p>Unqualified conclusion: Based on the procedures performed (as described above), nothing has come to our attention that would lead to believe that the [Responsible Entity]'s carbon claim has not been prepared in all material respects in accordance with the relevant Climate Active Carbon Neutral Standard.</p> <p>Qualified conclusion: Based on the procedures performed (as described above), with the exception of the matter(s) referred to in the qualification explanation below, nothing has come to our attention that would lead to believe that the [Responsible Entity]'s carbon claim has not been prepared in all material respects in accordance with the relevant Climate Active Carbon Neutral Standard.</p> <p>Adverse opinion: In our opinion, because of the effects of the matter/s referred to in the qualification explanation below, the Responsible Entity's carbon neutral [select as appropriate: claim has / claims have] not been prepared in accordance with the Climate Active Carbon Neutral Standard.</p> <p>Inability to form an opinion: In our opinion, because of the existence of the limitation/s on the scope of our work, as described in the qualification explanation below, and the effects of such adjustments, if any, as might have been determined to be necessary had the limitation/s not existed, we are unable to and do not express an opinion as to whether the participant's carbon neutral claim is in accordance with the relevant Climate Active Carbon Neutral Standard.</p>
Assurance engagement conclusion qualifications	<p>If an adverse, qualified or 'unable to form an opinion' validation conclusion was provided above, please provide a clear description of the reasons for providing this conclusion and, where possible, a quantification of the effects of the qualification on the participant's carbon neutral claim(s) should be provided here, otherwise just type n/a.</p>
Recommendations	<p><i>Number of unresolved major CARS:</i></p> <p><i>Number of unresolved minor CARS:</i></p> <p><i>Number of unresolved observations:</i></p> <p>Please list whether any of the corrections listed, in the opinion of the validation team, must be resolved by next report.</p>
Name of lead assurance practitioner	

Position of lead assurance practitioner	
Signature of lead assurance practitioner	
Date	

Major Corrective Action Requests (CARs): A systematic problem, unmet requirement of the Climate Active Carbon Neutral Standard, total lack of procedure, or evidence of significant number of minor CARs in relation to a single element that represents a material misstatement or material discrepancy relating to the requirements of the relevant category or categories of the Climate Active Carbon Neutral Standard. A major CAR must be corrected before an unqualified validation opinion can be given.

Minor Corrective Action Requests (CARs): A deficiency in management of any element of the carbon neutral claim(s) that, if not corrected, could result in the claim(s) not meeting the requirements of the relevant category of the Climate Active Carbon Neutral Standard. A minor CAR must be corrected prior to completion of the carbon account and public report for the reporting year following the validation.

Observation: An item where clarification or improvement is appropriate.

Corrective Action Requests and Observations

In this section the assurance practitioner must provide descriptions of any Corrective Action Requests (CARs) and observations that were identified but not resolved during the validation activity. It is optional to also provide details of CARs or observations that were resolved. Types of CARs and observations are defined above.

Finding	Summary of CAR/ observation	Summary of action taken to address the CAR/ observation (Responsible Entity's response and assurance practitioner's conclusion)	Was the CAR resolved prior to the closure of the validation activity?
Choose an item.			Choose an item.
Choose an item.			Choose an item.
Choose an item.			Choose an item.
Choose an item.			Choose an item.
Choose an item.			Choose an item.

Documents reviewed

This section provides details of all documents reviewed by the assurance practitioner during the validation.

Name or description of document	Document title / filename	Author and date prepared, and version if applicable

6. TYPE 3: AGREED UPON PROCEDURES, ASSURANCE ENGAGEMENT AND LCA CRITICAL REVIEW THIRD PARTY VALIDATION

This section sets out the requirements for a Type 3 third party agreed upon procedure, assurance engagement and life cycle assessment (LCA) critical review validation (Type 3 validation) on carbon neutral claims against the Climate Active Carbon Neutral Standard. This document includes a template for a Type 3 validation. A Type 3 validation is conducted by an assurance practitioner who reports factual findings obtained from conducting the agreed upon procedures below and also provides limited or reasonable levels of assurance that carbon neutral claims are prepared in accordance with the rules of the Climate Active Carbon Neutral Standard. Climate Active Type 3 agreed upon procedure, assurance engagement and LCA critical review validation is informed by International Standards ASAE 3000, ASRS 4400 ISO 14040, ISO 14041, ISO 14044, 14065:2013, ISO 14064-3, ISO 14067 and ISO/TS 14071.

Refer to Table 2: *Descriptions and third party assurance practitioner requirements* to view a list of who is able to conduct a Type 3 third party validation.

Please note: The validation schedule may be updated from time to time, yet each carbon neutral client will be subject to the version they signed up to, until their Licence Agreement is renewed. The latest validation schedule is available at Table 1 above, but assurance practitioners and their clients must refer to the requirements set out in the validation schedule to the client's specific Licence Agreement.

Key Steps

Type 3 validations require the assurance practitioner to carry out specified procedures and in some cases requires providing a validation opinion.

The key steps in the validation process are:

1. An **independence and conduct declaration** to be signed by the assurance practitioner within the *Type 3: Agreed Upon Procedures Report of Findings Template* below.
2. **Terms of the engagement** are agreed and signed. The terms must set out the standard under which the engagement is being conducted and the agreed upon procedures, assurance engagement and LCA critical review for validation and must state that the terms have been agreed to by the assurance practitioner.
3. The Responsible Entity confirms that all relevant information and source data has been made available to the assurance practitioner.
4. The **agreed upon procedures, assurance engagement and LCA critical review** referred to in this document are carried out by the assurance practitioner.
5. The assurance practitioner issues a **report of factual findings** and one additional Type 3 validation template (below in this document) which, set out the result of each specific test of the validation

TYPE 3: FACTUAL FINDINGS TEMPLATE

Note: The Type 3 validation may be prepared by the same organisation that completed the technical assessment (pending relevant qualifications), however, the lead on the technical assessment should be a different lead assurance practitioner to the third party validation.

This template is for use in agreed upon procedures, assurance engagement and LCA critical review (Type 3 third party validation) of carbon neutral claims against the Climate Active Carbon Neutral Standard. It cannot be used for Type 1 or Type 2 validations.

This template has been adapted from the National Greenhouse and Energy Reporting audit report in the Clean Energy Regulator's Audit Determination Handbook. The assurance practitioner must complete their report using this template. The client must submit this report with their submission. Text in square brackets is to be replaced as prompted. Text in blue italics is for guidance or editing and should be deleted/edited as appropriate.

Agreed upon procedures, assurance engagement and LCA critical review

Responsible Entity	
Contact person for assurance practitioner	
Assurance practitioner team leader	
Assurance practitioner's organisation (including the location in the jurisdiction of practice)	
Other validation team members	
Lead assurance practitioner's relevant qualifications, registrations, and credentials	These must be one of the qualifications for a Type 3 validation as set out in Table 2 of this document or in the validation schedule in the Climate Active Licence Agreement.
Kind of engagement	Type 3 agreed upon procedures (this engagement is informed by the following standards ASAE 3000, ASRS 4400 ISO 14040, ISO 14041, ISO 14044, 14065:2013, ISO 14064-3, ISO 14067, ISO/TS 14071)
Agreed Upon Procedure for:	Please select the relevant option and delete those not relevant: Complex Service or Product
Reporting period covered by engagement	e.g. FY 2021–22, CY 2022

Total emissions (tonnes CO₂-e) relating to carbon neutral claim	
Emission sources checked	Please list all emission sources checked as part of this validation
Percentage of total inventory of emissions checked	(Minimum 70% check)

[Insert name of assurance practitioner's organisation] confirms that we are not aware of any actual or perceived conflict of interest in having completed this engagement or detail any perceived conflict of interest and how this was addressed.

Report of factual findings

This is a [please select: Responsible Entity funded validation / Administrator funded validation]. The procedures set out below have been applied to the documentation that forms and supports the carbon neutral claim. Where the carbon neutral claim is used as a basis for certification against the Climate Active Carbon Neutral Standard (Standard), the Administrator of the Climate Active initiative determines whether the factual findings provide a reasonable basis for certification. If we had performed additional procedures, a reasonable assurance engagement to a limited assurance engagement, other matters might have come to our attention which would have been reported.

Other matters to be reported

Aspects impacting on the agreed upon procedure, assurance engagement and LCA critical review.

[Insert any details of aspects of the matter being validated that particularly impacted on the carrying out of the agreed upon procedure, assurance engagement and LCA critical review.]

Other matters

[Insert any details of any matter related to the matter being validated that the assurance practitioner team leader has found during the carrying out of the agreed upon procedure that he or she believes amount to a contravention of the Climate Active Carbon Neutral Standard for Organisations.]

Restriction on use of report

This report is intended for solely for the use of the entity and the Administrator of the Climate Active initiative, solely for use to validate carbon neutral claims under the Climate Active Carbon Neutral Standard for Products and Services. Accordingly, we expressly disclaim and do not accept any responsibility or liability to any party other than these intended users for any consequences of reliance on this report for any purpose. The procedures performed and the factual findings obtained are as follows:

This table to be populated (by the Climate Active portal or assurance practitioner) based on the specific engagement.

Name of lead assurance practitioner
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Position of lead assurance practitioner

Signature of lead assurance practitioner

Date

Please delete the tables and pages below that are not relevant to your third party validation.

TYPE 3 PRODUCT OR COMPLEX SERVICE CERTIFICATION

Test performed	Specific tests for product or complex service certification	Findings	Details of errors or exceptions identified	Test complete/not performed.
Confirm that the product or service has been fully described	Has the product or service been fully described?	Yes/No	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete
	Is a process diagram, including its function and purpose, included and in accordance with Section 2.3.1 of the Product and Service Standard?	Yes/No		<input type="checkbox"/> Not performed (provide details)
Confirm that the functional unit has been described.	Has the functional unit of the product or service been described in accordance with Section 2.3.1 of the Product and Service Standard?	Yes/No	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed (provide details)
Confirm that the emissions boundary has been clearly defined and reasonably contains all processes attributable to the product or service.	Has a process diagram been provided which clearly defines the emission boundary and is consistent with the product/service description?	Yes/No	<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete
	Has a standard emissions boundary diagram also been included that clearly identifies attributable-quantified, excluded, attributable – non-quantified and non-attributable emissions?	Yes/No		<input type="checkbox"/> Not performed (provide details)
	Has the emissions boundary been clearly defined in accordance with Section 2.3.1 of the Product and Service Standard?	Yes/No		
	Does the emissions boundary reasonably contain all processes attributable to the product or service?	Yes/No		

<p>Confirm that processes or emission sources classified as excluded, non-quantified or non-attributable meet the relevant conditions.</p>	<p>Do all excluded emission sources meet the exclusion conditions?</p>	<p>Yes/No</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p>
	<p>Do all non-quantified emission sources meet the non-quantification conditions?</p>	<p>Yes/No</p>		<p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
	<p>Are all disclosed non-attributable emissions reasonably justified in accordance with the rules of Section 2.3.1 of the Product and Service Standard and the Climate Active Technical Guidance Manual?</p>	<p>Yes/No</p>		
<p>Confirm that emission factors for stationary energy, fuel and electricity have been sourced in accordance with requirements as set out in the Products and Service Standard from appropriate sources.</p>	<p>Have approved emission factors for stationary energy and fuel been used in accordance with the requirements set out in Section 2.3.5 of the Product and Service Standard?</p> <p>For guidance on emission factors please refer to the Climate Active Technical Guidance Manual.</p>	<p>Yes/No</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>
<p>Confirm that bespoke emission factors have been sourced in accordance with the Product and Service</p>	<p>Have all bespoke emission factors been sourced from appropriate sources in accordance with Section 2.3.4 of the Product and Service Standard?</p> <p>For guidance on emission factors please refer to the Climate Active Technical Guidance Manual.</p>	<p>Yes/No</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed <i>(provide details)</i></p>

<p>Standard from appropriate sources.</p>				
<p>Confirm that regional variations in emission factors have been accounted for.</p>	<p>Have the correct national, jurisdictional, or regional emissions factors been applied when calculating emissions that occur in particular locations?</p>	<p>Yes/No</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete <input type="checkbox"/> Not performed (provide details)</p>
<p>Confirm documentation of any LGCs sold or voluntarily retired in the reporting year for the purposes of this carbon neutral claim.</p>	<p>Is there documentation of any LGCs sold or retired for the purposes of this claim. This includes LGCs purchased through a Power Purchase Agreement. Does the documentation match what is used for the Climate Active carbon neutral claim?</p>	<p>Yes/No Yes/No</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete <input type="checkbox"/> Not performed (provide details)</p>
<p>Confirm activity data for emission sources.</p>	<p>Confirm that the source data used for all emissions sources matches the activity data used in the Climate Active materials (e.g., PDS, calculators and inventory). <u>You must complete the table below.</u> Check next data for significant emissions (emissions that make up more than or equal to 5% of the total amount of emissions) in descending order of the size of the emission source. Stop checking when 70% of the total amount of emissions in the carbon inventory, measured in CO2-e, has been checked* Tick the box to show whether variances are less than or greater than +/-5% of the values.</p>	<p><input type="checkbox"/> no variance <input type="checkbox"/> less than +/-5% variance <input type="checkbox"/> greater than +/-5% variance</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete <input type="checkbox"/> Not performed (provide details)</p>

	Certification	Sources tested	% of total carbon inventory (<i>stop at 70%</i>) *					
<i>Product</i>		<i>Transport (land and sea)</i>	40%	83%				
		<i>Electricity</i>	23%					
		<i>Stationary energy</i>	20%					
Confirm activity data and emissions per functional unit are plausible and in line with similar products or services.	Can you confirm the activity data and emissions per reference unit are plausible and consistent with other similar products or services where information is available for these?				Yes/No		<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed (<i>provide details</i>)
Confirm number of functional units reportedly sold or expected to be sold during the reporting period is plausible and, if deemed important by the assurance practitioner, is able to be checked as part of this validation.	Are the number of reference units reportedly sold or expected to be sold during the reporting period plausible? Can information be provided to substantiate these figures?				Yes/No		<i>Detail any errors or exceptions identified</i>	<input type="checkbox"/> Complete <input type="checkbox"/> Not performed (<i>provide details</i>)
					Yes/No			
Confirm that records of reporting documents have been kept.	Are appropriate records of how the carbon account was created being stored, for example, in records management systems?							

<p>Confirm the consistency of reporting documents</p>	<p>Assess whether the reporting documents are consistent by checking the information contained in the PDS (used for application to Climate Active) and the carbon inventory match for the following:</p> <ul style="list-style-type: none"> • The list of quantified emissions • the list of non-quantified emissions, • the list of excluded emissions, • the net carbon emissions and total amount to be offset, • base year and • reporting year. <p>(Items to be checked are: the list of non-quantified emissions, excluded emissions, the list of non-attributable emissions, the net carbon footprint and total amount to be offset, functional unit intensity, base year and reporting year).</p>	<p>The list of non-quantified emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>the list of excluded emissions,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>total amount to be offset,</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>base year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>reporting year</p> <p><input type="checkbox"/> Consistent</p> <p><input type="checkbox"/> Inconsistent</p>	<p><i>Detail any errors or exceptions identified</i></p>	<p><input type="checkbox"/> Complete</p> <p><input type="checkbox"/> Not performed (provide details)</p>
		<p>List and detail the manner of record keeping for the reporting documents</p>	<p>Provide the details of the records provided by the entity to the assurance practitioner</p> <p>List and detail the manner of record keeping for the reporting</p>	<p><i>Detail records provided by the Responsible Entity</i></p>

and source data	documents and source data Data sources may include the following. This is not an exhaustive list. Utility metering records, utility billing data covering the full 12 months of the validation period for each energy source used in the rated premises, bills for deliveries of any discrete (batch) supplies, showing quantities delivered and how they were measured. If the data does not include enough separate deliveries, then obtain any regular records of storage capacity readings, documentation of any GreenPower purchases, documentation of any Climate Active carbon neutral purchases in supply chain, documentation of any LGCs sold or voluntarily retired, financial data, inventories for travel and commuting survey data and architectural drawings or 3D modelling		
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End of Type 3: Product or complex service certification

Note: If the assurance practitioner and/or entity believe it is necessary to amend the above agreed upon procedures, assurance engagement and LCA critical review validation, the amendments must be discussed and agreed in writing between the assurance practitioner and the Administrator of the Climate Active initiative (Climate.Active@industry.gov.au).