

Australian Government

Climate Active Public Disclosure Statement




NAME OF CERTIFIED ENTITY: LGSS Pty Ltd

REPORTING PERIOD: 1 July 2018 – 30 June 2019

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: 4 th May 2020
Name of Signatory: Moya Yip	
Position of Signatory: Head of Responsible Investment	



Australian Government
Department of Industry, Science,
Energy and Resources

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1. Carbon neutral information

Description of certification

This certification includes all staff, head office and regional offices in which LGSS Pty Ltd operates. LGSS Pty Ltd is the trustee for the Local Government Super fund (LGS) and the emissions associated solely with the operation and management of this fund are certified carbon neutral. Any emissions associated with the investment assets themselves are outside of this certification boundary.

Organisation description

Local Government Super (LGS) was established in 1997 to provide retirement benefits to employees of Local Councils in NSW and is now a public offer fund. LGS manages \$12 billion in superannuation assets and has approximately 90,000 members. LGS is a multi-award winning certified responsible super fund with investments across Australian and International shares, property, infrastructure, private equity, absolute return and fixed interest. LGS manages a \$680 million direct property portfolio (the Portfolio) which comprises eight high quality assets located throughout NSW. The Portfolio helps LGS to achieve long-term stable returns which is key to helping our members build their retirement savings. In April 2019, the Portfolio was the first property portfolio in Australia to be certified carbon neutral by NABERS on behalf of Climate Active.

Emissions reduction strategy

LGS is exploring ways to reduce emissions associated with operational business practices, such as the use of technology like videoconferencing and screen sharing to reduce travel.

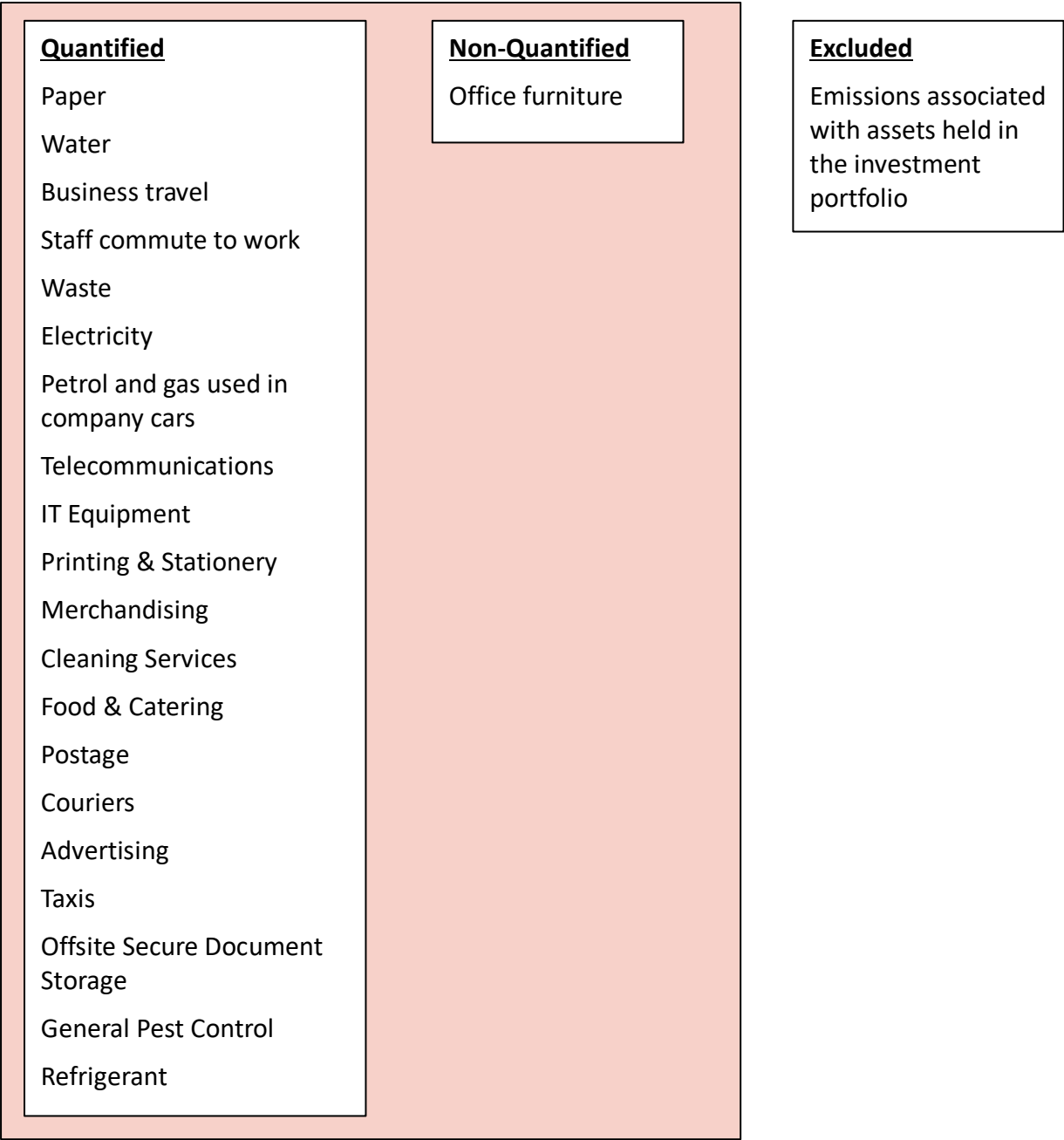
LGS also sources GreenPower for its head office and uses Powershop to provide 100% carbon neutral electricity across all of its locations. The Sydney head office is also located in a carbon neutral building, further reducing the emissions associated with utilities.

As a result of this inventory, postage has been identified as a significant emissions source. LGS will seek to better understand its emissions through greater dialogue with its postal suppliers and investigate ways to reduce its dependence on postal services, such as through the use of digital documents and sign offs.

Other considerations will also go into increasing flexible working, reducing staff travel to and from work. LGS is also undertaking optimisation of fleet vehicle programmes and offsetting its remaining emissions.

2. Emission Boundary

Diagram of the certification boundary



Non-quantified sources

The embodied emissions for office furniture were non-quantified as they were not considered to be material to the assessment and would make up less than 1% off the total inventory.

Excluded sources (outside of certification boundary)

Emissions associated with assets held by LGS are excluded as they fall outside of the organisational boundary of LGSS Pty Ltd.

3. Emissions summary

Table 3.1 Emissions Summary	
Emission source category	tonnes CO ₂ -e
Accommodation and facilities	41.68
Cleaning and Chemicals	4.23
Electricity	0.00
Food	13.50
ICT services and equipment	65.87
Land and Sea Transport (fuel)	90.85
Land and Sea Transport (km)	47.61
Office equipment & supplies	153.32
Postage, courier and freight	818.48
Professional Services	61.41
Refrigerants	0.07
Waste	100.06
Water	1.51
Air Transport (km)	40.73
Taxi and Uber	2.68
Horticulture and Agriculture	0.07
Total Gross Emissions	1,442.08
Carbon Neutral Base Building	-82.54
Total Net Emissions	1,359.54

Uplift factors

Table 3.2 Uplift factors	
Reason for uplift factor	tonnes CO ₂ -e
n/a	n/a
Total Footprint to offset (uplift factors + net emissions)	1,359.54

Carbon Neutral products

The LGS head office, located at 28 Margret Street in Sydney is a carbon neutral building and all emissions associated with the building have been deducted.

Electricity Summary

Electricity was calculated using a Location-based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification by July 2020. Given a decision is still pending on the accounting way forward, a summary of emissions using both measures has been provided for full disclosure and to ensure year on year comparisons can be made.

Table 3.3 Market-based approach Electricity summary

Electricity Inventory items	kWh	Emissions tonnes CO ₂ e)
Electricity Renewables	140,109.79	0.00
Electricity Carbon Neutral Power	174,773.05	-188.95
Electricity Remaining	34,663.26	37.47
Net Electricity emissions market based		0.00
Renewable electricity percentage	80%	

Table 3.4 Location-based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
ACT/NSW	Electricity Renewables	107,602	-0.90	-96.84
ACT/NSW	Electricity Carbon Neutral Power	174,773	-0.90	-157.30
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	174,773	0.90	157.30
	Total net electricity emissions (Location based)		0.00	0.00

4. Carbon offsets

Offset purchasing strategy: in arrears

Carbon offsets will be purchased and retired on an annual basis following the estimation of emissions for the previous reporting period. Only Climate Active eligible carbon offsets are used by LGS towards their carbon neutrality and these are purchased and retired by Pangolin Associates on behalf of LGS through the APX Registry.

LGS also purchases local biodiversity offsets for 50% of its emissions through Greenfleet.

Table 4 Offsets Summary

1. Total offsets required for this report									
2. Offsets retired in previous reports and used in this report									
3. Net offsets required for this report									
Project description	Eligible offset units type	Registry unit retired in	Date retired	Serial number (including hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO2-e)	Quantity used for previous report	Quantity to be banked for future years	Quantity to be used this report
Rimba Raya Biodiversity Reserve Project	VCU	APX	23 Apr 2020	5816-261745130-261745715-VCU-016-MER-ID-14-674-01072013-31122013-1	2013	586	0	0	586
Rimba Raya Biodiversity Reserve Project	VCU	APX	23 Apr 2020	5816-261745036-261745129-VCU-016-MER-ID-14-674-01072013-31122013-1	2013	94	0	0	94
Bundled Wind Power Project in Rajasthan by Orange Renewable Power Private Limited	VCU	APX	23 Apr 2020	7142-374198321-374198991-VCU-034-APX-IN-1-1465-01042018-31122018-0	2018	671	0	0	671
Bundled Wind Power Project in Rajasthan by Orange Renewable Power Private Limited	VCU	APX	23 Apr 2020	7205-377127424-377127432-VCU-034-APX-IN-1-1465-01042018-31122018-0	2018	9	0	0	9
Total offsets retired this report and used in this report									1,360
Total offsets retired this report and banked for future reports									0

Co-benefits

LGS invests in a NSW based reforestation project through Greenfleet to plant native biodiverse forests, capture carbon emissions, protect the climate, enhance soil and water quality, and restore habitat for native wildlife. Each of these biodiversity credits has an associated retired carbon credit from the Orange Renewable Power Bundled Wind Power Project in Rajasthan, India. In addition to generating renewable energy, Orange Renewable Power Private Limited strives to eradicate hunger, poverty and malnutrition through health and sanitation initiatives. They contribute to the UN Sustainable Development Goals (SDGs) through the initiatives below:

Health and sanitation:

- Providing health care centres, an ambulance service, and measures such as ante and post natal care.
- Making safe drinking water available through bore wells, pumps and clean water storage tanks.
- Implementing sanitary toilet and hand washing facilities in the community.

Environmental:

- Teaching water conservation to farmers, promoting rainwater harvesting, dam maintenance, and irrigation techniques.
- Planting trees along roads and in public spaces.

Economic and humanitarian:

- Providing employment for local people.
- Implementing development programs in trades and technology.
- Adopting strict child labour policies for the project and its supply chain.
- Developing awareness programs for anti violence, gender and social equality.

Education:

- Providing school infrastructure, furniture, books and uniforms.
- Implementing literacy programs for men and women.
- Providing scholarships.

LGS also invests in Rimba Raya Biodiversity Reserve in Kalimantan Indonesia. The project is a climate change mitigation, conservation and biodiversity initiative. Rimba Raya supports surrounding villages whilst protecting and giving sanctuary to endangered species of flora and fauna. Some of these include wild orangutans, monkeys, bears and pangolins. The project also provides employment and educational opportunities to the local population. Rimba Raya meets all 17 United Nations Sustainable Development Goals.

The projects supported provide environmental, social and economic co-benefits. LGS's international projects deliver community benefits in the form of employment opportunities for the local population and especially for women in enterprise. Additionally, these projects will raise living standards in the areas of clean water and solar energy as well as introducing innovations in agriculture.

6. Additional information

LGS is "whole of fund" RI certified by RIAA (Responsible Investment Association of Australasia), has a 4 star GRESB Assessment rating and a 5 star Green Building Council of Australia Green Star rating for the direct property portfolio.

LGS purchased an additional 680 biodiverse carbon offsets through Greenfleet. This equates to planting an estimated 2,538 native trees.

Greenfleet revegetation projects are located in areas that are in need of native, biodiverse forests. The native forests take carbon from the atmosphere to restore and protect our climate, but they also do much more. Greenfleet plants a variety of native trees in permanent forests that help to reduce salinity and soil erosion, provide essential habitat for native wildlife, and provide much needed resilience in our precious landscape.

Some images of typical Greenfleet revegetation projects can be found here: <https://www.flickr.com/photos/greenfleet/albums/with/72157667271225051>

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.

Excluded Emission	Relevance Test				
	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
Investment Portfolio	Emissions associated with the assets held within the LGS investment portfolio fall outside of this organisational carbon neutral certification boundary as it relates specifically to the operational emissions of LGSS Pty Ltd. However, efforts are being made to reduce emissions associated with this portfolio and it contains the first property portfolio in Australia to be certified carbon neutral by NABERS on behalf of Climate Active.				