



# **PUBLIC DISCLOSURE STATEMENT**

**HERITAGE BANK LIMITED**

**ORGANISATION CERTIFICATION**


**FY2021-2022**

Australian Government  
**Climate Active**  
**Public Disclosure Statement**



An Australian Government Initiative



|                          |   |
|--------------------------|---|
| NAME OF CERTIFIED ENTITY | Heritage Bank Limited   |
| REPORTING PERIOD         | Financial year 1 July 2021 – 30 June 2022<br>Arrears report   |
| 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>Name of signatory: Andrew Masci<br/>Position of signatory: Manager – ESG and Sustainability<br/>Date: 18/05/2023</p> |



**Australian Government**  
**Department of Climate Change, Energy,  
the Environment and Water**

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Version March 2022.



# 1. CERTIFICATION SUMMARY

|                        |  |
|------------------------|--|
| TOTAL EMISSIONS OFFSET | 2487 tCO <sub>2</sub> -e   |
| OFFSETS BOUGHT         | 100% ACCUs   |
| RENEWABLE ELECTRICITY  | 77.76%   |
| TECHNICAL ASSESSMENT   | 30 May 2022<br>Organisation: KPMG<br>Next technical assessment due: FY2024 |

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## 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 FY2022 reporting period.

No financed emission or emissions associated with investments by Heritage Bank are covered by this certification.

### 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 FY2021, the value of our total community investment amounted to \$6.708 million. In FY2022, investment totalled \$7.2 million, a 7% increase from FY2021.

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

## 3.EMISSIONS BOUNDARY

### Inside the emissions boundary

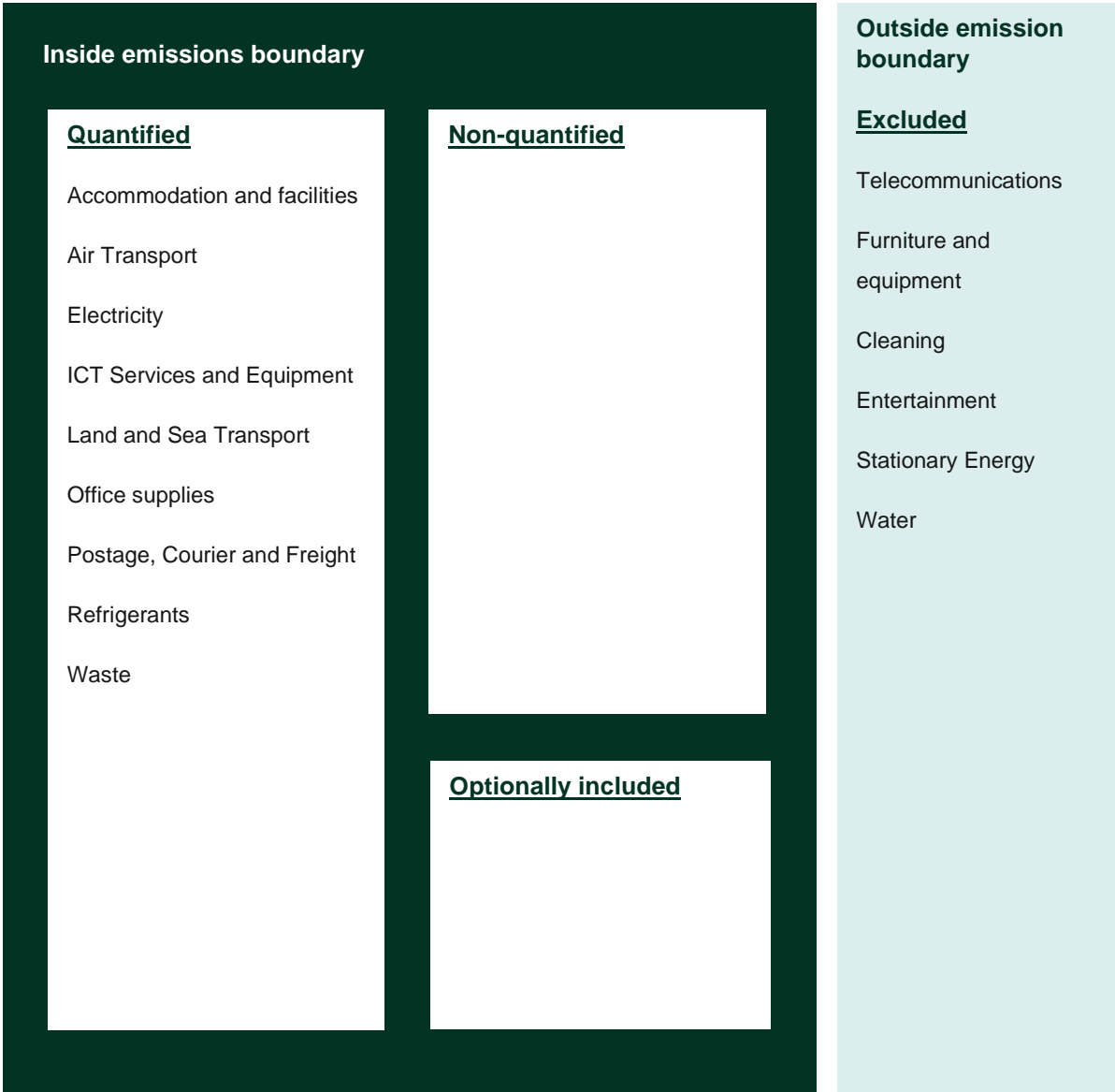
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

**Quantified emissions** have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however, are **optionally included**.

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

### Outside the emissions boundary

**Excluded emissions** are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.



**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 Emissions Reduction Strategy would not meet Climate Active requirements for the FY22 reporting period. This is due to the upcoming merger with People's Choice Credit Union on March 1, 2023. After this date, Heritage Bank will officially trade as Heritage and People's Choice PTY LTD and any existing strategies would not be accurate or relevant as the emissions sources and volumes will differ and systems and process that are in place will be changed and updated.

For the FY23 reporting period, the submission for certification will be the consolidation of both Heritage Bank and People's Choice Credit Union under the new trading entity of Heritage and People's Choice. This submission and subsequent PDS will outline a defined emissions reduction strategy including specific reduction measures as well as short, medium and long term targets for the new bank.

### Emissions reduction actions

During the reporting period, the two main actions delivered during the were:

1. Expansion of green power procurement to an additional 5 branches.
2. Increase ability for members to access services online reduced the need for vehicle travel and therefore, reduced fuel consumption.

## 5. EMISSIONS SUMMARY

### Emissions over time

| Emissions since base year |           | Total tCO <sub>2</sub> -e |
|---------------------------|-----------|---------------------------|
| Base year/ Year 1:        | 2020-2021 | 3610.50                   |
| Year 2:                   | 2021-2022 | 2486.71                   |

### Significant changes in emissions

| Emission source                                   | Current year<br>(tCO <sub>2</sub> -e) | Previous year<br>(tCO <sub>2</sub> -e) | Reason for change  |
|---|---------------------------------------|--|--|
| Total net electricity emissions<br>(Market based) | 551.95                                | 2048.41                                | Increased purchasing of Greenpower for an additional 5 branches across the business    |
| Mailing services: parcels, postal and courier     | 614.89                                | 347.80                                 | Reduced usage of mailing services due to expanded electronic advertising               |
| Petrol / Gasoline post-2004                       | 263.18                                | 312.71                                 | Improved online services enabled reduced vehicle travelling needs for mobile services. |
| General waste (municipal waste)                   | 256.53                                | 274.43                                 | New branches opened during the reporting period compared to baseline year.             |
| Paper and cardboard (not recycled)                | 386.99                                | 228.954                                | Improved IT capability and printing restrictions enabled reduce requirement for paper. |

### Use of Climate Active carbon neutral products and services

None used.



## Organisation emissions summary

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

| Emission category            | Sum of scope 1 (tCO <sub>2</sub> -e) | Sum of Scope 2 (tCO <sub>2</sub> -e) | Sum of scope 3 (tCO <sub>2</sub> -e) | Total emissions (tCO <sub>2</sub> -e) |
|------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|
| Accommodation and facilities | 0.00                                 | 0.00                                 | 18.37                                | 18.37                                 |
| Electricity                  | 0.00                                 | 551.95                               | 0.00                                 | 551.95                                |
| ICT services and equipment   | 0.00                                 | 0.00                                 | 34.42                                | 34.42                                 |
| Office equipment & supplies  | 0.00                                 | 0.00                                 | 112.96                               | 112.96                                |
| Postage, courier and freight | 0.00                                 | 0.00                                 | 614.89                               | 614.89                                |
| Refrigerants                 | 0.08                                 | 0.00                                 | 0.00                                 | 0.08                                  |
| Transport (Air)              | 0.00                                 | 0.00                                 | 37.34                                | 37.34                                 |
| Transport (Land and Sea)     | 249.88                               | 0.00                                 | 13.30                                | 263.18                                |
| Waste                        | 0.00                                 | 0.00                                 | 853.52                               | 853.52                                |
| <b>Total</b>                 | <b>249.95</b>                        | <b>551.95</b>                        | <b>1684.81</b>                       | <b>2486.71</b>                        |

## Uplift factors

N/A

## 6. CARBON OFFSETS

### Offsets retirement approach

#### In arrears

|  |      |
|--|------|
| 1. Total number of eligible offsets banked from last year's report           | 0    |
| 2. Total emissions footprint to offset for this report (tCO <sub>2</sub> -e) | 2487 |
| 3. Total eligible offsets purchased and retired for this report              | 2500 |
| 4. Total eligible offsets banked to use toward next year's report            | 13   |

### Co-benefits

This project 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.

## Eligible offsets retirement summary

| Offsets retired for Climate Active carbon neutral certification        |                      |          |                 |  |           |                  |   |   |   |  |                         |
|--|----------------------|----------|-----------------|--|-----------|------------------|---|---|---|--|-------------------------|
| Project description  | Type of offset units | Registry | Date retired    | Serial number (and hyperlink to registry transaction record) | Vintage   | Stapled quantity | Eligible quantity (tCO <sub>2</sub> -e) | Eligible quantity used for previous reporting periods | Eligible quantity banked for future reporting periods | Eligible quantity used for this reporting period | Percentage of total (%) |
| Garrawin Gumahah Regeneration Project                                  | ACCUs                | ANREU    | 3 February 2023 | 8,342,079,041 – 8,342,081,540                                | 2021-2022 | -                | 2500                                    | 0   | 13  | 2487   | 100 %                   |
| <b>Total offsets retired this report and used in this report</b>       |                      |          |                 |  |           |                  |   |   |   | <b>2487</b>                                      |                         |
| <b>Total offsets retired this report and banked for future reports</b> |                      |          |                 |  |           |                  |   |   | <b>13</b>   |  |                         |

| Type of offset units                   | Quantity (used for this reporting period claim) | Percentage of total |
|--|---|---------------------|
| Australian Carbon Credit Units (ACCUs) | 2487  | 100%                |

## 7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

### Renewable Energy Certificate (REC) summary

N/A

## APPENDIX A: ADDITIONAL INFORMATION

N/A

## APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a **market-based approach**.

Location-based method:

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method:

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

| Market-based approach summary  |                     |                                  |                               |
|--|---------------------|----------------------------------|-------------------------------|
| Market-based approach  | Activity data (kWh) | Emissions (kgCO <sub>2</sub> -e) | Renewable percentage of total |
| Behind the meter consumption of electricity generated                  | 0                   | 0                                | 0%                            |
| <b>Total non-grid electricity</b>                                      | <b>0</b>            | <b>0</b>                         | <b>0%</b>                     |
| LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)       | 0                   | 0                                | 0%                            |
| GreenPower   | 1,475,459           | 0                                | 59%                           |
| 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) | 463,597             | 0                                | 19%                           |
| Residual electricity   | 554,741             | 551,947                          | 0%                            |
| <b>Total grid electricity</b>  | <b>2,493,796</b>    | <b>551,947</b>                   | <b>78%</b>                    |
| <b>Total electricity consumed (grid + non grid)</b>                    | <b>2,493,796</b>    | <b>551,947</b>                   | <b>78%</b>                    |
| Electricity renewables   | 1,939,056           | 0                                |                               |
| Residual electricity   | 554,741             | 551,947                          |                               |
| <b>Exported on-site generated electricity</b>                          | <b>0</b>            | <b>0</b>                         |                               |
| Emissions (kgCO <sub>2</sub> -e)                                       |                     | 551,947                          |                               |
| <b>Total renewables (grid and non-grid)</b>                            | <b>77.76%</b>       |                                  |                               |
| <b>Mandatory</b>   | <b>18.59%</b>       |                                  |                               |
| <b>Voluntary</b>   | <b>59.17%</b>       |                                  |                               |
| <b>Behind the meter</b>  | <b>0.00%</b>        |                                  |                               |
| <b>Residual electricity emissions footprint (tCO<sub>2</sub>-e)</b>    | <b>552</b>          |                                  |                               |

*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 <sub>2</sub> -e) | Scope 3 emissions (kgCO <sub>2</sub> -e) |
|--|---------------------|--|--|
| NSW  | 79,222              | 61,793                                   | 5,546                                    |
| QLD  | 2,414,574           | 1,931,659                                | 289,749                                  |
| <b>Grid electricity (scope 2 and 3)</b>        | <b>2,493,796</b>    | <b>1,993,452</b>                         | <b>295,294</b>                           |
| NSW  | 0                   | 0  | 0  |
| QLD  | 0                   | 0  | 0  |
| <b>Non-grid electricity (Behind the meter)</b> | <b>0</b>            | <b>0</b>                                 | <b>0</b>                                 |
| <b>Total electricity consumed</b>              | <b>2,493,796</b>    | <b>1,993,452</b>                         | <b>295,294</b>                           |

|  |              |
|--|--------------|
| <b>Emissions footprint (tCO<sub>2</sub>-e)</b> | <b>2,289</b> |
| <i>Scope 2 emissions (tCO<sub>2</sub>-e)</i>   | 1993         |
| <i>Scope 3 emissions (tCO<sub>2</sub>-e)</i>   | 295          |

### Climate Active carbon neutral electricity summary

| Carbon neutral electricity offset by Climate Active product | Activity data (kWh) | Emissions (kgCO <sub>2</sub> -e) |
|---|---------------------|----------------------------------|
| NA  | 0                   | 0                                |

*Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their product certification.*

## APPENDIX C: INSIDE EMISSIONS BOUNDARY

### Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to one of the following reasons:

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

There are no non-quantified emission sources within Heritage Bank's FY2021-22 emissions boundary.



# 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? |
|---------------------------------------|--------------------------------------|------------------|----------|------------------|-----------------|-----------------------|
| 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<br>(stationary energy not in use) | No               | No       | No               | No              | No                    |
| Water                                 | No                                   | Yes<br>(minimal) | No       | No               | No              | No                    |



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