PUBLIC DISCLOSURE STATEMENT

ACTIVE SUPER

ORGANISATION CERTIFICATION
FY2022–23

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	LGSS Pty Ltd as trustee for Local Government Super (trading as Active Super)
REPORTING PERIOD	1 July 2022 – 30 June 2023 Arrears report
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.*
	Name of signatory: Moya Yip Position of signatory: Head of Responsible Investment Date: 23 May 2024

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

Version August 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,884 tCO_2-e
OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	37.97%
CARBON ACCOUNT	Prepared by: Pangolin Associates
TECHNICAL ASSESSMENT	Date: 24/01/2024 Name: Josh Prado Organisation: Pangolin Associates Next technical assessment due: FY2025-26

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2022 to 30 June 2023 and covers the Australian business operations of Active Super, ABN: 28 901 371 321.

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This certification includes all staff, head office in Sydney and regional offices in which Active Super operates in: Ballina, Newcastle, Wagga Wagga, Tamworth and Wollongong. (Please note that Active Super's GHG emissions for minor regional offices in Ballina, Wagga Wagga and Tamworth, have been incorporated into Sydney's).

LGSS Pty Ltd is the trustee for the Active Super fund 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.

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

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

Organisation description

Local Government Super (trading as Active Super) was established in 1997 to provide retirement benefits to employees of Local Councils in NSW and is now a public offer fund.

Active Super manages over $14 billion in superannuation assets and has approximately 80,000 members. Active Super has investments across Australian and International shares, property, fixed interest, infrastructure and private equity. Active Super manages a $750 million direct property portfolio (the Portfolio) which comprises eight high quality assets located throughout NSW. The Portfolio helps Active Super 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.

3. EMISSIONS BOUNDARY

Inside the emissions boundary

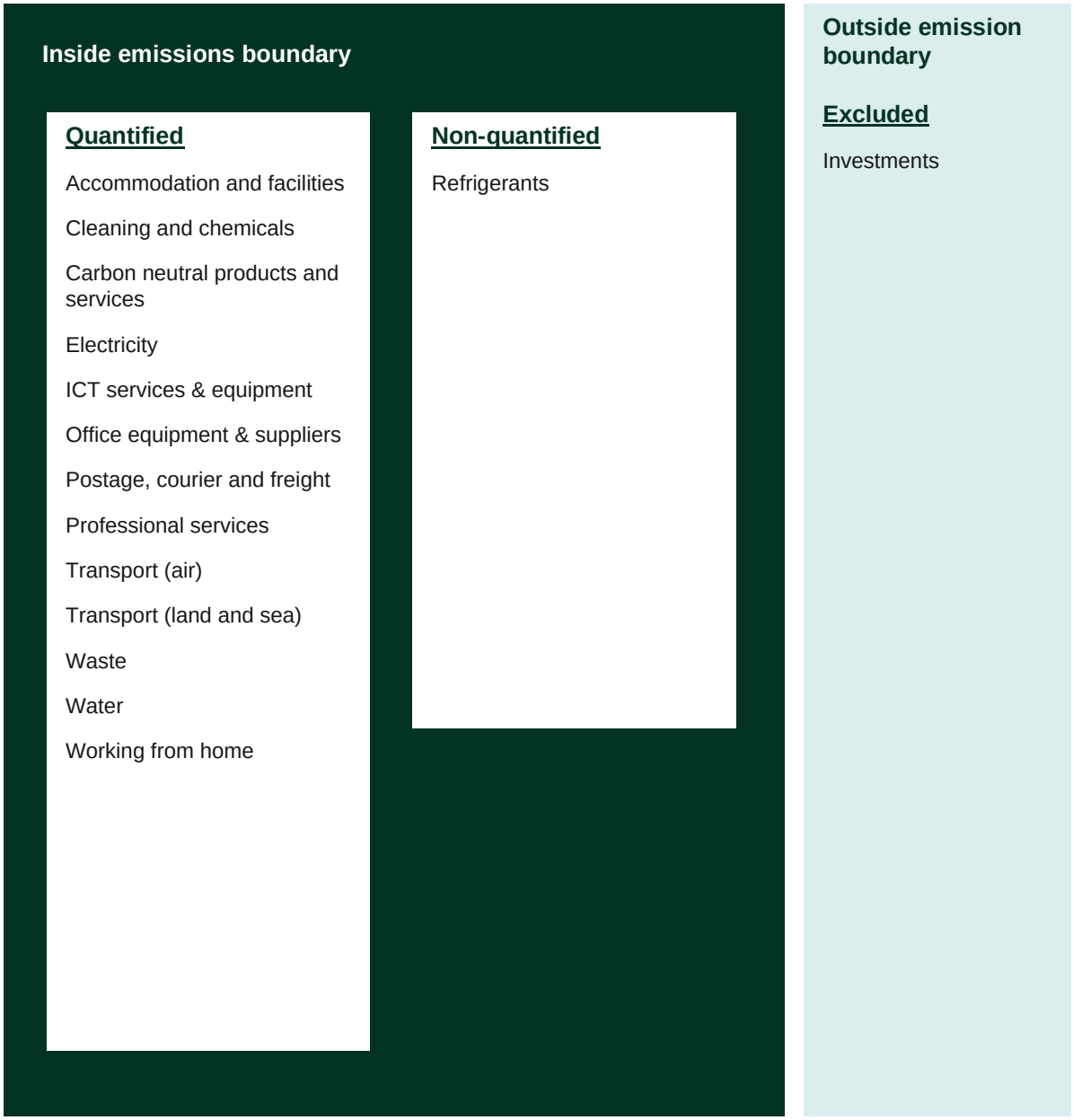
All emission sources listed in the emissions boundary are part of the carbon neutral claim.

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 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

In this review, refrigerants are immaterial and non-quantified.

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Active Super's goal is to reduce total scope 1, 2 and 3 emissions by 50% by 2030 compared to a 2022 baseline. A 2022 baseline has been selected as it includes revised boundaries in the current year, such as essential professional services.

Our strategy to achieve the target is set out below. The strategy will be reviewed each year to align with the level of decarbonisation required to keep global temperature increases below 2°C compared to pre-industrial temperatures:

- Active Super aims to achieve at least a 50% reduction of scope 3 emissions by 2030 compared to a 2022 baseline subject to merger outcomes.
    - As part of the above-mentioned 50% reduction of scope 3 emissions, we aim to achieve an average reduction of 10% per year over 5 years subject to merger outcomes.
    - through procurement and supplier engagement strategies such as utilising direct supplier engagement along our procurement policy which preferences carbon neutral sources with a requirement for suppliers to have an emissions reduction roadmap.
- Professional Services and IT Services represent 90% of scope 3 emissions. We will aim to work with our current suppliers to bring them in line with a new procurement policy which preferences carbon neutral sources.
- Reducing professional services expenses and related emissions given expected internalisation of administrative services as part of the merger.

Emissions reduction actions

Over the FY2022-2023, Active Super's emissions decreased by 7.1%. The key areas of change and their related actions are detailed below.

Major decreases in emissions since last year:

- Office Supplies & Services was the largest decrease, by 68.8%, compared to FY2022. This was due to an increase in digital application and staff working from home, hence only requiring very low volumes of office supplies.

- Postage, Couriers & Logistics decreased by 32.1% compared to FY2022. This was the 2nd largest reduction. Electronic mail is encouraged and used by more customers than traditional mail. This was a conscious area to reduce emissions with positive outcomes in the current year.

- Employee-related emissions decreased by 21.4% compared to FY2022. This 3rd largest reduction occurred due to staff working from home more than the previous year, resulting in employee's commuting less often.

Major increases in emissions since last year:

- Transport Fuel emissions increased 158.4% compared to FY2022. This increase was due to our sales team being more active outside of the office post Covid-19.

- Business Travel emissions increased 60.7% compared to FY2022. This was likewise due to our sales team and staff being more active in a post-Covid environment.

- ICT Services emissions increased 6.8% compared to FY2022. This increase was due to increases in Cyber, Computer Communications and System maintenance costs.

5. EMISSIONS SUMMARY

Emissions over time

Emissions reductions since base year		
		Total tCO_2-e
Year 1:	2018–19	1,359.54
Year 2:	2019–20	768.42
Year 3:	2020-21	620.69
Base year/Year 4*:	2021-22	2,032.53
Year 5:	2022–23	1,883.35

*Active Super have restated the base year to 2021-2022 as it reflects a revised boundary which includes activities such as essential professional services.

Significant changes in emissions

Emission source name	Previous year emissions (t CO_2-e)	Current year emissions (t CO_2-e)	Detailed reason for change
Advertising Services	395.85	349.09	Marketing strategy changed
Computer and Technical Services	268.45	298.24	Implementation of new member data system and increase cyber security
Services to finance and investments	387.64	335.76	Actuarial tri-annual valuation in previous FY, external audit and legal expenses vary each year and were less this FY.
Consulting Services	0.00	342.20	The increase is primarily due to regulatory requirements.

Use of Climate Active carbon neutral products and services

Certified brand name	Product/Service/Building/Precinct used
Opal Australian Paper (Winc)	Copy paper
Active Super	Building - 28 Margaret Street, Sydney, NSW
Pangolin Associates	Consulting services
Origin	Electricity products and services
Powershop	Electricity products and services

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_2-e)	Sum of scope 2 (tCO_2-e)	Sum of scope 3 (tCO_2-e)	Sum of total emissions (t CO_2-e)
Accommodation and facilities	0.00	0.00	22.26	22.26
Cleaning and Chemicals	0.00	0.00	2.43	2.43
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Electricity	0.00	0.00	0.00	0.00
ICT services and equipment	0.00	0.00	326.65	326.65
Office equipment & supplies	0.00	0.00	33.10	33.10
Postage, courier and freight	0.00	0.00	2.57	2.57
Professional Services	0.00	0.00	1,344.54	1,344.54
Transport (Air)	0.00	0.00	25.76	25.76
Transport (Land and Sea)	61.65	0.00	52.21	113.86
Waste	0.00	0.00	0.94	0.94
Water	0.00	0.00	0.63	0.63
Working from home	0.00	0.00	10.60	10.60
Total emissions	**61.65**	**0.00**	**1,821.70**	**1,883.35**

Uplift factors

N/A

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emissions to offset is 1,884 tCO_2-e. The total number of eligible offsets used in this report is 1,884. Of the total eligible offsets used, 0 were previously banked and 1,884 were newly purchased and retired. 0 are remaining and have been banked for future use.

Co-benefits

Renewable Solar Power Project by Shapoorji Pallonji

Community benefits

The construction and operations of the solar project sites, as well as more reliable power generation overall, creates direct and indirect employment opportunities and boosts economic activity at every level of the communities in the project regions.

The Shapoorji Pallonji investment into the communities also results in better education and improved infrastructure such as roads. At a granular level, the organisation provides updated technology such as LED lighting and computers for local schools.

The Shapoorji Pallonji project contributes to two UN Sustainable Development Goals. These goals are designed to achieve a better and more sustainable future for all people across the globe.

- SDG 7 – Affordable and clean energy
- SDG 13 – Climate Action

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 retired (tCO_2-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 (%)**
Renewable Solar Power Project by Shapoorji Pallonji	VCU	Verra	25 Jan 2024	13275-487379766-487381649-VCS-VCU-1491-VER-IN-1-1976-01012020-31122020-0	2020	0	1,884	0	0	1,884	100.0%
									Total eligible offsets retired and used for this report	1,884	
									Total eligible offsets retired this report and banked for use in future reports	0	

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Verified Carbon Units (VCUs)	1,884	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

N/A.

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the market-based approach.

Market-based approach summary

Market-based approach	Activity Data (kWh)	Emissions (kg CO_2-e)	Renewable percentage of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	**0**	**0**	**0%**
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	74,882	0	38%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCS surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	0	0	0%
Residual Electricity	122,355	116,849	0%
Total renewable electricity (grid + non grid)	**74,882**	**0**	**38%**
Total grid electricity	**197,237**	**116,849**	**38%**
Total electricity (grid + non grid)	**197,237**	**116,849**	**38%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**122,355**	**116,849**	
Scope 2	108,054	103,191	
Scope 3 (includes T&D emissions from consumption under operational control)	14,301	13,658	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	

Total renewables (grid and non-grid)	**37.97%**
Mandatory	**0.00%**
Voluntary	**37.97%**
Behind the meter	**0.00%**
Residual scope 2 emissions (t CO_2-e)	**103.19**
Residual scope 3 emissions (t CO_2-e)	**13.66**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.00**
Total emissions liability (t CO_2-e)	**0.00**

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

Location-based approach summary

Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	**100%**	**(kWh)**	**Scope 2 Emissions ($kgCO_2$-e)**	**Scope 3 Emissions ($kgCO_2$-e)**	**(kWh)**	**Scope 3 Emissions ($kgCO_2$-e)**
ACT	0	0	0	0	0	0
NSW	197,237	197,237	143,983	11,834	0	0
SA	0	0	0	0	0	0
VIC	0	0	0	0	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	**197,237**	**197,237**	**143,983**	**11,834**	**0**	**0**
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	**0**	**0**	**0**	**0**		
Total electricity (grid + non grid)	**197,237**					

Residual scope 2 emissions ($t\ CO_2$-e)	**143.98**
Residual scope 3 emissions ($t\ CO^2$-e)	**11.83**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) ($t\ CO_2$-e)	**0.00**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) ($t\ CO_2$-e)	**0.00**
Total emissions liability	**0.00**

Climate Active carbon neutral electricity products

Climate Active carbon neutral product used	**Electricity claimed from Climate Active electricity products (kWh)**	**Emissions (kg CO_2-e)**
Origin (opt-in)	56,139	0
Powershop	66,216	0
Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.		

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	**Electricity consumed in Climate Active certified building/precinct (kWh)**	**Emissions (kg CO2-e)**
Active Super Property: 28 Margaret St, Sydney 2000	74,882	0
Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market-based summary table.		

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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.

Relevant non-quantified emission sources	Justification reason
Refrigerants	This emission source is Immaterial.

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation'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.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Investment portfolio	Y	N	N	N	N	The certification relates to Active Super's internal operations only. Emissions from the investment portfolio are not included in the carbon neutral assessment. **Size:** This emissions source is expected to be material in size compared to the total emissions from electricity, stationary energy and fuel emissions. **Influence:** We do not have the potential to influence the emissions from this source. **Risk:** There are no relevant laws or regulations that apply to limit emissions specifically from this source. Emissions from this source are unlikely to contribute significantly to the organisation's risks of supply chain interruptions or lawsuits, or to be of significant public interest. **Stakeholders:** Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our business operations. **Outsourcing:** This is not an activity previously undertaken within our emissions boundary, nor is it one that comparable organisations typically undertake within their boundary.

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