PUBLIC DISCLOSURE STATEMENT

ASSET RELIABILITY INSPECTIONS PTY LTD

ORGANISATION CERTIFICATION

CY2023

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY	Asset Reliability Inspections Pty Ltd
REPORTING PERIOD	1 January 2023 – 31 December 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.* 
	Neil Young Chief Executive Officer 29 April 2024

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

Version August 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	451 tCO_2-e
CARBON OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	62%
CARBON ACCOUNT	Prepared by: Sustainable Business Consultants
TECHNICAL ASSESSMENT	29/4/24 Suzanne Ridding, Sustainable Business Consultants Next technical assessment due: CY2027 report

Contents

2. CERTIFICATION INFORMATION

Description of organisation certification

This organisation certification is for the business operations of Asset Reliability Inspections Pty Ltd, ABN 721 298 313 76. It is based on the operational control approach.

This Public Disclosure Statement includes information for CY2023 reporting period.

Organisation description

Asset Reliability Inspections Pty Ltd, ABN 721 298 313 76, known as “ARI” for short, is an asset integrity/compliance company that offers pressure equipment inspection, pressure equipment design verification, weld inspection and non-destructive testing (NDT) services.

ARI was started in 2008 and has had a proud history of best practice processes, holding certification to ISO9001 – Quality Management Systems; ISO14001 – Environmental Management Systems; ISO45001 – Occupational Health & Safety Management System and is a certified to ISO17025 as a testing laboratory by NATA.

Our team of experienced professionals are committed to providing high-quality, reliable inspection services to ensure the safety and compliance of our clients’ assets. We use state-of-the-art equipment and adhere to industry standards and regulations to deliver accurate, actionable results.

Our goal is to help our clients reduce downtime and improve the reliability of their assets while maintaining the highest safety standards. When your operations cannot stop our team will execute 24 hours a day, 7 days a week to meet your inspection needs.

We have experience supporting routine in-service inspections, planned shutdown projects, and new construction projects.

We are proud to have achieved Carbon Neutral Certification and will actively encourage the inspection industry to follow our lead.

Our offices are located at 3c Mason Street, Bunbury and 5/437 Yangebup Drive, Cockburn Central in Western Australia, with an emerging presence in Adelaide. ARI expanded in 2023 and staff numbers grew by 66%, based on 2022 figures. As such ARI has now moved to Climate Active’s Medium category for its certification.

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.

Inside emissions boundary

Quantified

- Fuels
- Electricity
- Accommodation
- Aerosol sprays
- Cleaning and chemicals
- Data storage
- Electrical equipment
- Food
- ICT equipment
- Technical machinery/equipment
- Professional services
- Land and sea transport
- Office equipment, furniture and supplies
- Parking
- Personal protective clothing & equipment
- Postage, courier and freight
- Refrigerants
- Transport (air)
- Transport (land and sea)
- Vehicles
- Vehicle maintenance
- Venue hire
- Waste
- Water
- Working from home

Non-quantified

- Electricity for Adelaide co-hab desks

Outside emission boundary

Excluded

Emissions outside of ARI's operational control including employee accommodation at client sites, air travel to client mining camps and on-site vehicle use.

Natural gas

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

This plan sets out ARI's target and how we intend to achieve it for our operations over the next seven years against the 2022 calendar year baseline.

It is ARI's target to achieve a 30% reduction in emissions intensity per full time equivalent (FTE) by 2030, compared to the 2022 base year emissions of 9.8 tCO2e per FTE.

In 2023, ARI has undergone a period of rapid expansion both in staffing numbers and locations across Australia. We are mindful of the impact on carbon emissions of providing our services to Australian companies, located both centrally and regionally. As we have with ISO quality, environment and health and safety accreditation requirements, ARI is steadily incorporating strategies to reduce carbon emissions from its operations, with reporting to Board level one of the ESG metrics required. The emissions reduction plan is not a static document and as a minimum will be reviewed annually to incorporate changes in available carbon emission reduction technology and practice improvements.

The initiatives in the table below are set out based on the emissions causing activities in our carbon inventory. In setting these initiatives we have considered our ability to control or influence emissions reduction, to switch to alternative sources and to purchase lower carbon supplies and services. Targets are also set mindful that ARI's operations are expanding.

Initiative	'23	'24	'25	'26	'27	'28	Measure and/or Target, and status end of 2023
Energy (Scope 2)							
Investigate justification for battery storage for Perth and Bunbury branches and instal if justified	x		x				COMPLETED – cannot currently justify. Continue to monitor.
Implementation of a 'night-time power down protocol' for electrical appliances	x	x	x	x	x	x	Protocol COMPLETED 2023 50% compliance. 2024+ 100% compliance
Investigate installation of remote-controlled power outlet plugs to assist with daily appliance power down.		x					Complete by Dec 2024
Conduct an energy survey of computers / monitors	x	x					Complete by Aug 2024
Progressively replace inefficient computers / monitors with those causing less carbon emissions		x	x	x			Complete by Dec 2026
Conduct survey of lighting and install motion monitors to assist with minimising energy use		x	x				Complete by Dec 2025
Conduct survey of air-conditioning use and implement measures to improve efficiency through maintenance of split system filters and sealing of doors / windows		x					Complete by Dec 2024
Fuel / Travel (Scopes 1 and 3)							

Initiative	'23	'24	'25	'26	'27	'28	Measure and/or Target, and status end of 2023
Convert to EVs or hybrid company vehicles for vehicles that are not used for travel to remote sites				x	x		Review by 2026 as access to remote recharge facilities may have increased. 25% of non-technical staff fleet by 2030.
Reduce average air kilometres travelled per non-technical staff members through increased use of technology		x	x	x	x		5% YOY reduction from base year starting 2024
Specify preference in relevant purchasing and ISO14001 documents preference for low carbon emitting business-use vehicles (through use of guidance such as the Green Vehicle Guide)	x						COMPLETED
Educate staff on impact of driving habits on carbon emissions (and incorporate in inductions, with reminders in monthly meetings)	x	x	x	x	x	x	PROCEDURE COMPLETED INDUCTION UPDATE COMPLETED Training completed by June 2024. Ongoing
Waste (Scope 3)							
Update environmental procedures for Perth branch to instead use Henderson Waste Recovery Plant for aerosol cans, batteries, etc. to enable recycling.	x						COMPLETED
Identify obsolete IT (or other) equipment and identify companies to take as waste for re-use	x	x					ON-GOING Complete by June 2024
Improve waste segregation system and practices at branch locations	x						COMPLETED
Purchased goods and services (scope 3)							
Move to Climate Active certified carbon neutral products and services (where available and practicable) by incorporating preference in purchasing and policy documents (incorporate considerations such as distance travelled, cost impact over life etc)	x						POLICY CHANGE COMPLETED
Purchase recycled (preferentially Climate Active certified carbon neutral*) office paper	x	x	x	x	x	x	100% compliance
Conduct Sustainability Survey of Office Supplies with development of preferred purchases / suppliers list		x					Complete by Dec 2024

*Currently (June 2023) unable to obtain supply as Australian Paper has shut. While awaiting new products, will use other certified recycled paper products, if available.

Emissions reduction actions

In 2023 ARI has been in a period of rapid expansion, both in staffing numbers and locations across the

country. Whilst undergoing this expansion, actions ARI took to reduce emissions in the 2023 period include:

- Reduction of F2F Board Meetings (requiring flights to Sydney) from a frequency of monthly to quarterly, with use on online technology in intervening months.
- Minimise hotel accommodation by flying in and out on same day where possible.
- Development of an internal ARI App to reduce paper use and streamline administrative processes.
- Trialling use of tablets for inspections to reduce paper use, streamline inspection and reporting processes.
- Development of procedure for Power Management, including end of day checklist for powering down.
- Development of procedure for Safe and Fuel-Efficient Driving.
- Purchase of new vehicles with improved fuel efficiency performance.
- Selection of capital equipment with durable rechargeable batteries with charging optimised to use energy generated from solar panels.
- Revised Environment Policy to reflect commitment to carbon neutrality.
- Developed Purchasing Policy and controls to help select products and services that preferentially reduce our carbon footprint, while satisfying other obligatory considerations.
- Commenced Energy Survey of each location for office equipment, lighting and air conditioning use.
- Commenced Office Stationery survey to identify and eliminate purchases of items that do not meet our emission reduction strategy.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO_2-e (without uplift)	**Total tCO_2-e** (with uplift)
Base year/Year 1:	2022	271.00	285.55
Year 2:	2023	450.59	N/A

Significant changes in emissions

As already detailed, ARI expanded nationally during 2023 and increased its staff numbers by 66%

Significant changes in emissions			
Emission source	**Previous year emissions** ($t CO_2$-e)	**Current year emissions** ($t CO_2$-e)	**Reason for change**
Short economy class flights (>400km, ≤3,700km)	32.34	48.66	Business growth
Diesel oil post-2004	67.02	57.98	Business growth
Petrol / Gasoline post-2004	37.29	50.39	Business growth

Use of Climate Active carbon neutral products, services, buildings or precincts

Certified brand name	Product/Service/Building/Precinct used
N/A	

Emissions summary

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

Emission category	Scope 1 emissions (tCO_2-e)	Scope 2 emissions (tCO_2-e)	Scope 3 emissions (tCO_2-e)	Total emissions (t CO_2-e)
Accommodation and facilities	0.00	0.00	13.76	13.76
Aerosol sprays	0.00	0.00	8.52	8.52
Cleaning and Chemicals	0.00	0.00	0.02	0.02
Electricity	0.00	5.35	0.66	6.01
Food	0.00	0.00	1.24	1.24
ICT services and equipment	0.00	0.00	7.07	7.07
Machinery and vehicles	0.00	0.00	157.07	157.07
Office equipment & supplies	0.00	0.00	8.07	8.07
Postage, courier and freight	0.00	0.00	13.82	13.82
Products	0.00	0.00	2.56	2.56
Professional Services	0.00	0.00	36.87	36.87
Refrigerants	2.33	0.00	0.00	2.33
Transport (Air)	0.00	0.00	59.87	59.87
Transport (Land and Sea)	86.71	0.00	31.63	118.35
Waste	0.00	0.00	14.60	14.60
Water	0.00	0.00	0.35	0.35
Working from home	0.00	0.00	0.10	0.10
Total emissions (tCO_2-e)	**89.04**	**5.35**	**356.20**	**450.59**

Uplift factors

N/A

6. CARBON OFFSETS

Eligible offsets retirement summary

Offsets retired for Climate Active certification

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Verified Carbon Units (VCUs)	451	100%

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 (%)
Wind project Maharashtra, India	VCU	Verra	19 June 2023	8455-21834720-21835739-VCS-VCU-997-VER-IN-1-1520-01012019-31102019-0	2019	-	1,020	286	283	451	100%
Total eligible offsets retired and used for this report										**451**	
Total eligible offsets retired this report and banked for use in future reports									283		

Co-benefits

India Wind Project Maharashtra

As a business ARI can procure carbon offsets from anyway around the world. This selection helps the local economies where the offsets are procured from in addition to offsetting our carbon emissions.

ARI has chosen to support India due to its vast geography and diverse ecosystems offering a wide array of carbon offset opportunities including its prevalence of solar and wind energy installations, reforestation efforts and biogas projects.

Our two countries have a long history and are looking to the future with our respective Governments continuing to collaborate closely in matters of education, trade, defence and immigration. By ARI choosing to engage in carbon offset procurement from India it will assist with strengthening the ties between both countries. It showcases a collaborative effort to combat climate change and promote sustainable practices.

The projects support national energy security and strengthen rural electrification coverage. In constructing the turbines new roads were built, improving accessibility for locals. The boost in local employment by people engaged as engineers, maintenance technicians, 24-hour on-site operators and security guards also boosts village services.

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	9,373	0	54%
Total non-grid electricity	**9,373**	**0**	**54%**
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
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)	1,544	0	9%
Residual Electricity	6,600	6,006	0%
Total renewable electricity (grid + non grid)	**10,917**	**0**	**62%**
Total grid electricity	**8,144**	**6,006**	**9%**
Total electricity (grid + non grid)	**17,517**	**6,006**	**62%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**6,600**	**6,006**	
Scope 2	5,874	5,346	
Scope 3 (includes T&D emissions from consumption under operational control)	725	660	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	

Total renewables (grid and non-grid)	**62.32%**
Mandatory	**8.81%**
Voluntary	**0.00%**
Behind the meter	**53.51%**
Residual scope 2 emissions (t CO_2-e)	**5.35**
Residual scope 3 emissions (t CO_2-e)	**0.66**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**5.35**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.66**
Total emissions liability (t CO_2-e)	**6.01**

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)**
WA	8,144	8,144	4,316	326	0	0
Grid electricity (scope 2 and 3)	**8,144**	**8,144**	**4,316**	**326**	**0**	**0**
WA	9,373	9,373				
Non-grid electricity (behind the meter)	**9,373**	**9,373**	**0**	**0**		
Total electricity (grid + non grid)	**17,517**					

Residual scope 2 emissions (t CO_2-e)	**4.32**
Residual scope 3 emissions (t CO_2-e)	**0.33**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**4.32**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**0.33**
Total emissions liability	**4.64**

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 CO_2-e)
N/A	**0**	**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.		

Climate Active carbon neutral electricity products

Climate Active carbon neutral electricity product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO_2-e)
N/A	**0**	**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.		

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
Electricity in co-hab spaces in Adelaide and Sydney	Immaterial

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.

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
Employee accommodation at client mining camps paid for by clients.	N	N	N	N	N	**Size:** this emissions source would be much lower than for hotel accommodation which makes up 3% of total emissions. This emissions source is likely to be less than 1% of total emissions which is not large compared to the total emissions from electricity, stationary energy and fuel emissions. **Influence:** we do not have the ability to influence the emissions from this source as the accommodation is at mining camps. **Risk:** this source does not contain a supply chain risk. **Stakeholders:** key stakeholders are unlikely to consider this a relevant source of emissions for our business for the reasons given in this table. **Outsourcing:** we have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.
Air travel to client mining camps and vehicle use at mining sites organised and paid for by clients.	N	N	N	N	N	**Size:** air travel organised by clients to their mining camps made up around 75% of all kilometres flown in 2023 however this air travel is either by charter or commercial flights which are often shared with other regional companies. These emissions sources are unlikely to be large relative to electricity, stationery energy and fuel. **Influence:** we do not have the ability to influence the emissions from this source as the air travel is to mining camps and organised by clients. The regional companies in the area book the seats for their collective use and will include direct client employees and other companies contracted to perform services. ARI has no control over choice of carrier, cost and who the other passengers are (from different companies). **Risk:** this source does not contain a supply chain risk. **Stakeholders:** key stakeholders are unlikely to consider this a relevant source of emissions for our business for the reasons given in this table. **Outsourcing:** we have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.

Natural gas	N	N	N	N	N	Size: Natural gas is not used at any of our locations or whilst we work at client sites and is therefore not included in the boundary for this certification. Influence: See above Risk: see above Stakeholders: see above Outsourcing: N/A

An Australian Government Initiative

Climate Active