



An Australian Government Initiative



Bank Australia

RESPONSIBLE BANKING

# Australian Government Carbon Neutral Program Public Disclosure Summary

Name of Certified Entity: Bank Australia

Reporting Period: FY2018

## Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Signature

14 December 2018

Name of Signatory

Damien Walsh

Position of Signatory

Managing Director

Carbon neutral certification category

Organisation

Date of most recent external  
verification/audit

18 December 2018

Auditor

EY



Australian Government

Department of the Environment and Energy

# 1. Carbon neutral information

## 1A. Introduction



Bank Australia exists to create mutual prosperity for its customers, their communities and the planet we all live on.



This includes a long-standing commitment to sustainability and reducing our environmental footprint.



Since FY2011, we have been measuring, reducing and offsetting the greenhouse gas emissions associated with our operations.



From FY2018, we are aligning our carbon neutrality with the National Carbon Offset Standard.

Bank Australia Limited is an authorised deposit taking institution headquartered in Melbourne, Victoria with a network of 25 branches around Australia. We report on our organisation's scope 1, 2 and 3 emissions as per the Greenhouse Gas Protocol and are seeking carbon neutral certification as an organisation.

We use the operational control approach to set our organisational boundary. We have three subsidiaries over which we have full operational control: Ed Credit Services Pty Ltd, ECS Unit Trust and Buloke Funding Trust No. 1. Our emissions inventory covers Bank Australia Limited and these subsidiaries, as the subsidiaries are located the same premises and do not have separate operations to the consolidated entity.

Bank Australia holds equity investments in two unincorporated entities, Data Action Pty Ltd and Cuscal Limited, which provide banking and payment services to Bank Australia and other mutual financial institutions. These entities are excluded from the organisational boundary as Bank Australia does not have operational control over them<sup>1</sup>. In FY2019, emissions from these entities will be included as Scope 3 emissions in Bank Australia's supply chain as data becomes available.

Our emissions inventory incorporates the seven greenhouse gases considered listed under the Kyoto Protocol: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

<sup>1</sup> Operational control is defined as per the Greenhouse Gas Protocol: "A company has operational control over an operation if the former or one of its subsidiaries... has the full authority to introduce and implement its operating policies at the operation." WBCSD & WRI (2004). Greenhouse Gas Protocol. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>, accessed 5 August 2018.

## 1B. Emission sources within certification boundary

### Quantified sources

The following sources are included in Bank Australia's greenhouse gas emissions inventory.

| Scope | Source   |
|-------|--|
| 1     | Car travel – company owned vehicles                                  |
| 1     | Gas  |
| 2     | Electricity  |
| 3     | Gas – transmission and distribution                                  |
| 3     | Electricity – transmission and distribution                          |
| 3     | Car travel – company owned vehicles                                  |
| 3     | Car travel – employee owned claims                                   |
| 3     | Car travel – salary packaged and job needs cars                      |
| 3     | Air travel   |
| 3     | Water  |
| 3     | NCOS-certified carbon neutral paper (Australian Paper 100% Recycled) |
| 3     | Printing jobs, including paper and printing process                  |
| 3     | Waste – general waste to landfill                                    |
| 3     | Hotel stays  |
| 3     | Base building services   |

### Non-quantified sources

| Scope | Source                           | Reason for exclusion and expected impact  |
|-------|----------------------------------|---|
| 1     | Building refrigerants            | Bank Australia does not currently have data available for its use of building refrigerants. Emissions from this source are expected to be immaterial.   |
| 3     | Data centre and payment services | Bank Australia uses third-party suppliers for data centres and payments services. In FY2019, Bank Australia will engage with these suppliers to enable estimation of emissions from these services, and will include emissions from these services in its FY2019 inventory. |
| 3     | Taxis                            | From FY2019, Bank Australia is implementing a new system that will enable it to capture activity data for taxi use.   |
| 3     | Staff commute                    | Bank Australia staff commute to work mainly using public transport and private vehicles. A survey of staff is planned for FY2019.   |
| 3     | Food and beverage catering       | Data on food and beverage catering is currently unavailable; however this source of emissions is expected to be immaterial.   |
| 3     | Postage, courier and freight     | Data on courier and postage services is currently unavailable; however this source of emissions is expected to be immaterial.   |

## 1C. Diagram of the certification boundary

**Bank Australia Limited organisational boundary**

- Bank Australia offices
- Bank Australia branches

**Scope 1**

- Car travel – company owned
- Gas

**Scope 2**

- Electricity

**Scope 3**

- Waste
- Paper and printing
- Flights
- Base building – electricity & gas
- Hotel accommodation
- Scope 3 emissions from gas, electricity and vehicle fuels
- Car travel – salary packaged & job needs cars
- Car travel – employee-owned vehicles
- Water

**Non-quantified sources**

- Building refrigerants
- Staff commuting
- Data centre and payment services
- Food & catering
- Taxis
- Postage, courier & freight

## 2. Emissions reduction measures

### 2A. Emissions over time

Between FY2011 and FY2017 Bank Australia reduced its greenhouse gas emissions by 33%. This was during a time of growth for the bank – total emissions per full-time equivalent have decreased by 39%. A large portion of the emissions reductions have been due to works performed at Kew, including expansion of our rooftop solar PV system (expanded from 10kW to 20kW in 2015) and upgrades performed as part of Sustainability Victoria's Energy Efficient Office Buildings (EEOB) program. LED lighting has also been rolled out across the branch and office network. We will now be measuring further emissions reduction action against our NCOS base year of FY2018.

### 2B. Emissions reduction strategy

Bank Australia's current emissions reduction strategy focuses is on its largest source of emissions: electricity. It has a commitment to switch to 100% renewable electricity by 2020.

Bank Australia has used science-based methods to determine target to reduce scope 1 and 2 GHG emissions by 16% by FY2025 from an FY2017 baseline. A science based target determines our bank's share of the emissions reductions needed to keep global temperature increases to under 2 degrees Celsius.

Bank Australia expects to comfortably exceed its scope 1 and 2 target through its planned switch to 100% renewable electricity.

### 2C. Emissions reduction actions

Bank Australia's current actions to switch to 100% renewable electricity are set out in the table below.

#### Emissions reduction measures implemented in the current reporting period

| Year completed  | Emission source | Reduction measure and calculation method   | Scope | Status              | Reduction t CO <sub>2</sub> -e |
|---|-----------------|--|-------|---------------------|--------------------------------|
| Apr 2018  | Electricity     | 32.5KW solar system on National Contact Centre (Vic) <sup>2</sup>  | 2     | Completed           | 10                             |
| Jan 2018  | Electricity     | GreenPower purchase (Vic) <sup>3</sup>   | 2     | Ongoing to Dec 2018 | 232                            |
| Jan 2019  | Electricity     | LGC purchase via Melbourne Renewable Energy Project (will be equivalent to 100% of MWh consumed over 10-year contract) | 2     | Future              |                                |
| <b>Total emission reductions implemented in this reporting period</b> |                 |  |       |                     | <b>242</b>                     |

<sup>2</sup> Expected annual reduction 43t CO<sub>2</sub>-e (40MWh of electricity consumption now behind the meter, multiplied by the Victorian scope 2 emissions factor)

<sup>3</sup> 215,247kWh of GreenPower purchased, multiplied by the Victorian scope 2 emissions factor

# 3. Emissions summary

## Emissions Summary

| Scope                        | Emission source   | t CO <sub>2</sub> -e |
|------------------------------|---|----------------------|
| 1                            | Car travel (company owned, petrol)                                | 19                   |
| 1                            | Gas   | 50                   |
| 1                            | Electricity – solar generated on site (29,352 kWh)                | 0                    |
| 2                            | Electricity   | 958                  |
| 3                            | Car travel (company owned, petrol)                                | 1                    |
| 3                            | Car travel (employee owned claims)                                | 23                   |
| 3                            | Car travel (salaray packaged and job needs)                       | 54                   |
| 3                            | Gas – transmission and distribution                               | 4                    |
| 3                            | Electricity – transmission and distribution                       | 99                   |
| 3                            | Air travel  | 221                  |
| 3                            | Hotel accomodation  | 89                   |
| 3                            | Base building electricity & gas                                   | 37                   |
| 3                            | Printing, including paper   | 19                   |
| 3                            | Waste – municipal solid waste                                     | 62                   |
| 3                            | Water supply  | <1                   |
| 3                            | Carbon neutral product: Australian Paper 100% Recycled (7 tonnes) | 0                    |
| <b>Total Gross Emissions</b> |   | <b>1,637</b>         |
| GreenPower or retired LGCs   |   | 232                  |
| <b>Total Net Emissions</b>   |   | <b>1,404</b>         |

## 4. Carbon offsets

### 4A. Offsets summary

| Offset type                                    | Registry                                 | Serial numbers  | Year retired | Tonnes of CO <sub>2</sub> -e |
|--|--|---|--------------|------------------------------|
| ACCU—savanna burning                           | ANREU                                    | 3,745,332,692 -3,745,332,824  | 2016-17      | 133                          |
| VER – WithOneSeed Timor Leste                  | The Gold Standard Environmental Registry | GS1-1-TL-GS4210-22-2015-5273-371 to 1770; GS1-1-TL-GS4210-22-2013-5275-307 to 506 | 2017-18      | 1600                         |
| <b>Total offset units retired</b>              |  |   |              | <b>1,733</b>                 |
| <b>Total emissions</b>                         |  |   |              | <b>1,404</b>                 |
| <b>Net emissions after offsetting</b>          |  |   |              | <b>0</b>                     |
| <b>Surplus offsets banked for future years</b> |  |   |              | <b>329<sup>4</sup></b>       |

### 4B. Offsets purchasing and retirement strategy

Bank Australia forward purchases carbon offsets at the start of each financial year. Once the carbon account has been completed at the end of the financial year, we complete a 'true-up' process. Any surplus offsets are banked for future years, or any shortfall is made up by purchasing and retiring additional offsets.

<sup>4</sup> Serial numbers of banked offsets: GS1-1-TL-GS4210-22-2015-5273-1442 to 1770

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## 5. Use of trade mark

Bank Australia has not yet used the trade mark as this is its initial application for certification.

## 6. Have you done more?

As a customer owned bank, we're committed to taking action on issues that our customers care about like climate change and encouraging growth in renewable energy. We're always looking for innovative ways to do this, like participating in the Melbourne Renewable Energy Project.



**The Melbourne Renewable Energy Project**



**Our commitment to 100% renewable electricity by 2020**

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Bank Australia is part of the Melbourne Renewable Energy Project, a group of organisations led by the City of Melbourne that joined together to support the development of a wind farm that will be built near Ararat in regional Victoria.

Bank Australia Managing Director, Damien Walsh, says the project will be a key part of the bank's environmental strategy: "The majority of our current greenhouse gas emissions are from electricity. The Melbourne Renewable Energy Project will help us make big emission reductions and meet our commitment to purchasing 100% renewable electricity by 2020."

The project will also help us meet the expectations of our customers, who have told us renewable energy is a priority for them.

The project has united 14 leading universities, cultural institutions, corporations and councils to source energy from the new 80 megawatt wind farm.

Bank Australia will transition all sites to renewable energy once the wind farm is up and running in 2019.

