

# felix

**Australian Government**

**Climate Active Program**

**Public Disclosure Statement**

**1 July 2020 – 30 June 2021 (projected)**



felix

# Australian Government Climate Active Program Public Disclosure Statement

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**NAME OF CERTIFIED ENTITY:** TPG Telecom Limited  
**REPORTING PERIOD:** 1 July 2020 – 30 June 2021  
(projected)

## 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 25/09/2020
Name of Signatory	<b>Paul Tierney</b>	
Position of Signatory	<b>General Manager – Business Development</b>	

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# 1 Carbon neutral information

## Description of certification

felix is a new digital mobile service provider, being launched by TPG Telecom Limited (ABN 76096304620) in 2020 to provide customers with access to the mobile phone and data network.

felix exists as a business unit within TPG Telecom Limited (ABN 76096304620) and is not a registered business with a unique ABN. As a result, certification as an 'Organisation' under the Climate Active Carbon Neutral Standard for Organisations was not possible.

This Climate Active Product certification is for the provision of access to the mobile network for felix customers. This product includes the operation and maintenance of the mobile network and the production, distribution and end-of-life for the SIM cards which are used by felix customers to access the network.

The scope of this product certification includes:

- TPG Telecom Limited mobile network construction and maintenance
- the operation of TPG Telecom Limited re-owned and shared mobile network assets
- the use of network assets owned and operated by third parties, including outgoing data roaming
- materials and manufacturing of SIM cards and packaging
- upstream and downstream freight of SIM cards and packaging
- SIM card warehousing
- end-of-life for SIM cards and packaging

felix has both a product and service Climate Active certification. The service certification is deemed to be the parent certification and as such, any shared emission sources will be offset through the service certification only as per the Climate Active guidance on Emission boundary: Shared emissions. The only shared emissions are from the downstream freight of SIM cards and packaging, which is also included as part of the total freight emissions within the felix service certification.

Given felix is newly launched and will start operation in FY20-21, the calculations of FY20-21 emissions have been based on data from broader TPG Telecom Limited (then Vodafone Hutchison Pty Limited) operations in FY18-19, which has been allocated on a per-customer basis.

felix will not sell handsets. felix's product offering is limited to access to the mobile network via SIM cards which that are either ordered online and directly shipped to customers or purchased at a prepaid point of presence, such as a supermarkets and petrol stations. As such, emissions from handsets are not attributable to felix and have not been included in the emissions boundary.

felix's account covers the six GHGs covered by 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), and sulphur hexafluoride (SF<sub>6</sub>). All emissions are reported in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>-e).

## Functional unit

The functional unit for this product certification is: 1 year of access to mobile 3G/4G/5G voice and data for one felix customer - excluding customer device and associated use.

As such, the emissions for this product have been calculated in kgCO<sub>2</sub>e per customer connected to the mobile 3G/4G/5G voice and data network, calculated based on the average number of felix customers connected to the mobile network for the reporting year.

## Product process diagram

The following diagram is cradle to grave.

Key: Attributable processes Excluded Emission Sources Non attributable processes

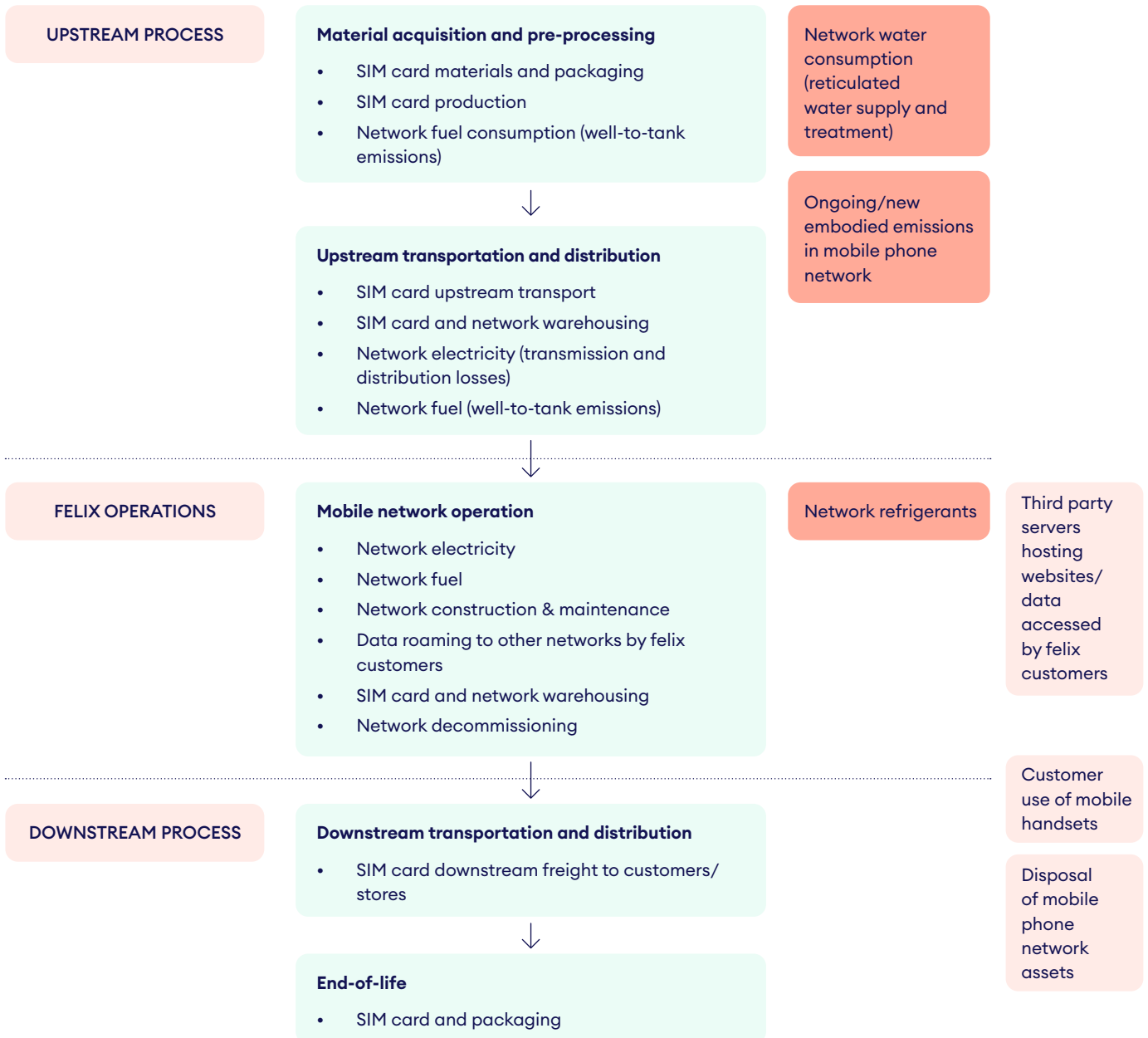


Figure 1. Product process diagram

## Emissions reduction strategy

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Sustainability is one of our key foundational values and we strive to operate our business in an environmentally friendly way.

The felix service is provided using the TPG Telecom mobile network, and the operation of this mobile network uses electricity which in turn generates emissions. This electricity accounts for the majority of emissions relating to the felix product.

TPG Telecom Ltd have an ongoing focus on the energy efficiency of the mobile network and undertake various initiatives to reduce energy usage:

- Installing passive fan-cooling systems to reduce reliance on energy-intensive air conditioners to keep network equipment cool
  - The installation of hundreds of energy 'smart meters' to better understand and manage energy use
  - Working with network partners to install more efficient equipment and using innovative network site design to improve energy performance
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Whilst felix have designed our SIM cards and packaging to minimise waste, we are also exploring the use of eSIM technologies to avoid the manufacture and transport of SIM cards.

## 2 Emission Boundary

### Diagram of the certification boundary

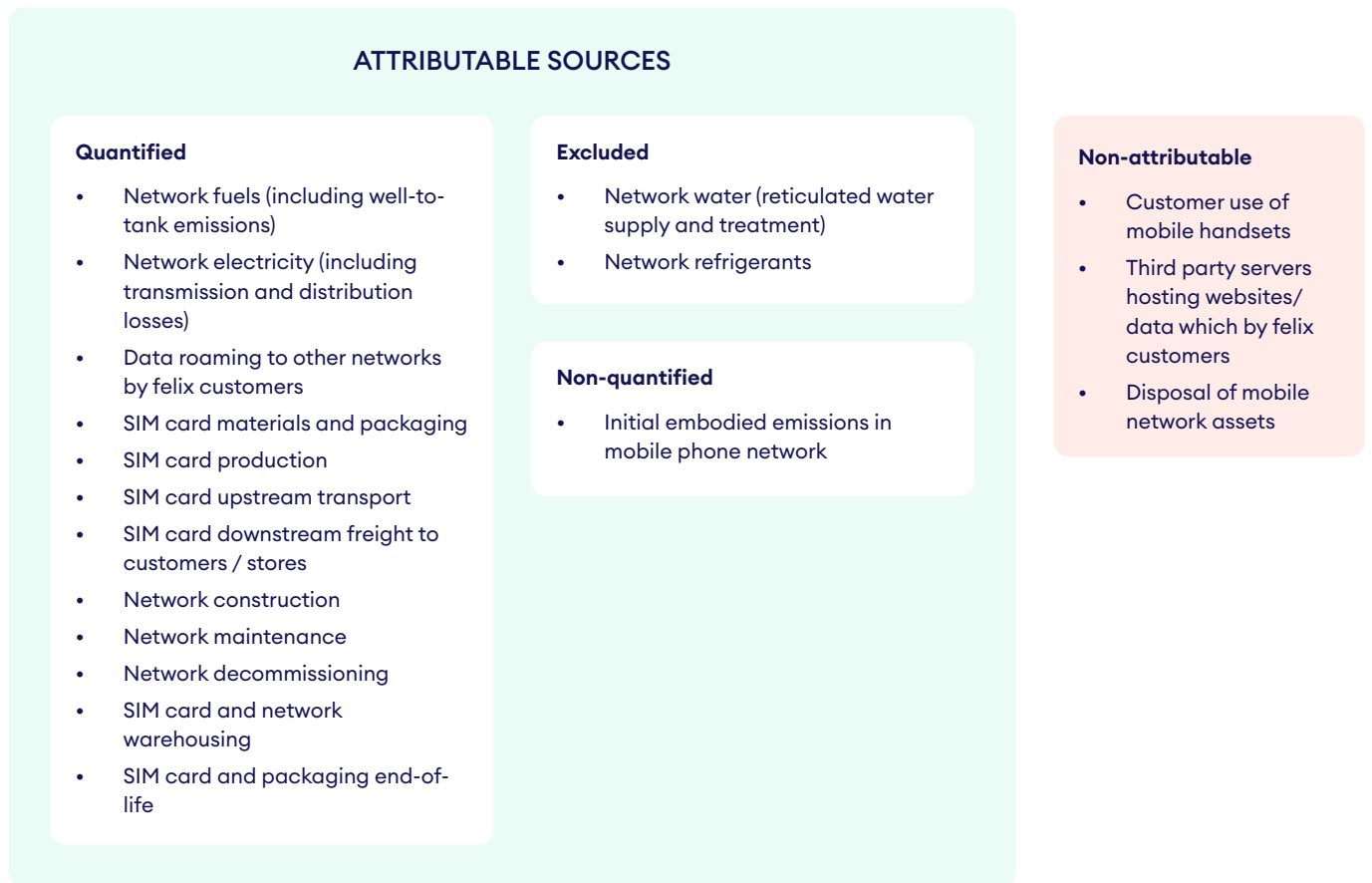


Figure 2. Certification boundary diagram

## Attributable Non-quantified sources

Table 1. Attributable non-quantified emission sources	
Emission source	Reason for non-quantification
Initial embodied emissions in mobile phone network	The initial emissions from the construction of the mobile phone network have not been quantified but repairs and replacements have been quantified through the calculation of emissions from annual network construction and maintenance. These repairs and replacements are quantified as ongoing/new embodied emissions in the mobile phone network.

## Data management plan

Not required

## Excluded sources (within certification boundary)

Some emission sources have been excluded from the emissions inventory. These are emissions sources which are within the certification boundary, but meet the following three conditions:

- A data gap exists because primary or secondary data cannot be collected (no actual data).
- Extrapolated and proxy data cannot be determined to fill the data gap (no projected data).
- An estimation determines the emissions from the process to be not material.

The below table documents the reason for exclusion of each excluded emission source.

Table 2. Excluded emission sources	
Emission source	Reason for exclusion
Network refrigerants	Data is not available for the leakage of refrigerants from cooling systems within the mobile network and appropriate proxy data has been unable to be obtained. It has been estimated by the TPG Telecom Limited (then Vodafone Hutchison Pty Limited) networks team that emissions due to refrigerants would be immaterial.
Network water (reticulated water supply and treatment)	Data is not available on the use of water in the network. Water is not used in the operation of base stations and overall there is very little water consumption in the network. Emissions due to this source are estimated to be immaterial.

## Non Attributable sources (outside certification boundary)

Non-attributable emission sources are those which are not directly connected to the business and customer support operations of felix. For transparency, these sources are disclosed below, with a description of why they have been determined to be non-attributable.

Table 3. Non-attributable emission sources	
Emission source	Explanation of non-attribution
Customer use of mobile handsets - embodied emissions in handsets, electricity consumption due to handset use, and e-waste from handset disposal	Customer use of mobile handsets is considered non-attributable to the product. This is consistent with industry standard LCAs for this product.  This emission source has also been assessed against the relevance test (refer Appendix 1) with the finding being that the emissions are not relevant.
Third party servers hosting data which is accessed by felix customers	The emissions from the third party servers hosting data which is accessed by felix customers are considered non attributable to the product. This is consistent with industry standard LCAs for this product.
Disposal of mobile network assets	The emissions from the end-of-life disposal of mobile network equipment are considered non attributable to the product. This is consistent with industry standard LCAs for this product.



### 3 Emissions summary

felix is newly launched and will start operation in FY20-21; therefore, the calculations of first year emissions have been based on data from broader TPG Telecom Limited (then Vodafone Hutchison Pty Limited) operations in FY18-19, allocated on a per-customer basis.

Table 4. Emissions Summary (inventory)

Emission source category	tonnes CO2-e
Stationary combustion fuels (including well-to-tank emissions)	0.14
Network electricity (including transmission and distribution losses)	661.42
Network construction	567.36
Network maintenance	36.08
Network decommissioning	3.11
SIM card warehousing	0.29
Network warehousing	1.58
Data roaming to other networks by felix customers	1.72
SIM card materials and packaging	1.15
SIM card production	1.91
SIM card upstream transport	0.26
SIM card downstream freight to customers / stores	0.07*
SIM card materials and packaging end-of-life	4.31x10 <sup>-5</sup>
1a. Total inventory Emissions	1275
1b. Total inventory Emissions to be offset*	1275
2. Emissions per functional unit (based on number of functional units represented by inventory)	0.051

\* Note: SIM card downstream freight to customers / stores has already been offset through felix's Climate Active Service certification so have been excluded from the calculations of emissions required to be offset.

## Uplift factors

Table 5. Uplift factors	
Reason for uplift factor	tonnes CO <sub>2</sub> -e
N/A	N/A
Total Footprint to offset (uplift factors + net emissions)	N/A

## Carbon Neutral products

None

## Electricity Summary

Electricity was calculated using a Location based approach, based upon 25,000 functional units.

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. 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 6. Market based approach Electricity summary		
Electricity Inventory items	kWh	Emissions (tonnes CO <sub>2</sub> e)
Electricity Renewables	136,196.86	-
Electricity Carbon Neutral Power	-	-
Electricity Remaining	596,044.33	644.38
Renewable electricity percentage	19%	
Net emissions (Market based approach)		644.38

Table 7. Location-based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2+3)	Emissions
ACT/NSW	Electricity Renewables	-	-0.90	0.00
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.00
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.00
ACT/NSW	Electricity Total	256,340	0.90	230.71
SA	Electricity Renewables	-	-0.53	0.00
SA	Electricity Carbon Neutral Power	-	-0.53	0.00
SA	Netted off (exported on-site generation)	-	-0.44	0.00
SA	Electricity Total	65,682	0.53	34.81
Vic	Electricity Renewables	-	-1.12	0.00
Vic	Electricity Carbon Neutral Power	-	-1.12	0.00
Vic	Netted off (exported on-site generation)	-	-1.02	0.00
Vic	Electricity Total	179,871	1.12	201.46
Qld	Electricity Renewables	-	-0.93	0.00
Qld	Electricity Carbon Neutral Power	-	-0.93	0.00
Qld	Netted off (exported on-site generation)	-	-0.81	0.00
Qld	Electricity Total	149,276	0.93	138.83
NT	Electricity Renewables	-	-0.71	0.00
NT	Electricity Carbon Neutral Power	-	-0.71	0.00
NT	Netted off (exported on-site generation)	-	-0.63	0.00
NT	Electricity Total	3,794	0.71	2.69
WA	Electricity Renewables	-	-0.74	0.00
WA	Electricity Carbon Neutral Power	-	-0.74	0.00
WA	Netted off (exported on-site generation)	-	-0.69	0.00
WA	Electricity Total	69,798	0.74	51.65
Tas	Electricity Renewables	-	-0.17	0.00
Tas	Electricity Carbon Neutral Power	-	-0.17	0.00
Tas	Netted off (exported on-site generation)	-	-0.15	0.00
Tas	Electricity Total	7,481	0.17	1.27
	Total net electricity emissions (Location based)		0.00	661.42

## 4 Carbon offsets

### Offset purchasing strategy: forward purchasing

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Due to the commercially sensitive nature of projected customer numbers, offsetting for FY20-21 has not been based on predicted customer numbers for felix. Instead, a number of carbon offsets have been retired to demonstrate felix's commitment to carbon neutrality through the Climate Active scheme. At the end of the FY20-21 reporting year, the actual emissions will be calculated and a true-up will be performed against the forward purchased offsets.

Table 7a Forward purchasing summary

1. Total offsets previously forward purchased for this reporting period (FY20-21)	0
2. Total offsets required for this reporting period (FY20-21)	1275
3. Net offset balance for this reporting period (FY20-21)	1275
4. Total offsets to be forward purchased for next reporting period (FY21-22)	0

Table 8. Offsets Summary

1. Total offsets previously forward purchased for this reporting period (FY20-21)					1275				
2. Total offsets required for this reporting period (FY20-21)					0				
3. Net offset balance for this reporting period (FY20-21)					1275				
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
“Aak Puul Ngantam” Savanna Burning Project	ACCU	ANREU	Jun 24, 2020	3,799,428,512 - 3,799,429,226 <sup>a</sup>	2019-20	715	50 <sup>b</sup>	0	665
“Aak Puul Ngantam” Savanna Burning Project	ACCU	ANREU	Jun 24, 2020	3,799,440,627 - 3,799,440,646 <sup>a</sup>	2019-20	20	10 <sup>b</sup>	0	10
Prony and Kafeate wind-farms, New Caledonia	VER	GS Registry	Jun 30, 2020	GS1-1-NC-GS566-12-2014-5968-9332-10010	2014	679	79 <sup>b</sup>	0	600
Total offsets retired this report and used in this report									
Total offsets retired this report and banked for future reports								0	

<sup>a</sup> A hyperlink to the ANREU registry transaction record is unable to be provided. Evidence of the offset retirement has been provided to Climate Active.

<sup>b</sup> 139 credits have been used for the felix Climate Active service certification FY20-21 report

## Non Attributable sources (outside certification boundary)

In total, felix has purchased 1414 tCO<sub>2</sub>e of offsets from South Pole, consisting of 735 tCO<sub>2</sub>e from the Aak Puul Ngantam Savanna Burning Project in Cape York, Australia and 679 tCO<sub>2</sub>e from the Prony Wind Power Project in New Caledonia.

## Aak Puul Ngantam Savanna Burning Project

Bounded by the Ward and Watson Rivers about 630 km northwest of Cairns, the community of Aurukun in the Western Cape York is home to over 1200 people. For tens of thousands of years, Traditional Custodians the Wik and Kugu people managed the area’s savannas strategically with fire. Without this management, intensely destructive fires tear through these ecosystems in the dry season – threatening wildlife, livestock and human communities.

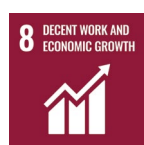
Operated by Indigenous-owned & directed not-for-profit Aak Puul Ngantam (APN Cape York) in partnership with Balkanu Cape York Development Corporation, the Aak Puul Ngantam Savanna Burning project comprises 370,000 hectares of land on Traditional Homelands. Project rangers implement planned ‘cool’ fires early in the dry season to reduce fuel loads, preventing more intense bushfires later on – thereby reducing emissions. APN Cape York have extensive skills in strategic savanna burning, with aerial and onground burning operations since 2013. The property is broken into zones, depending on how often areas need management; high traffic zones require burning every year, while others are burnt less frequently.

As well as reducing emissions by controlling and preventing large, intense and uncontrollable bushfires, the Aak Puul Ngantam Savanna Burning project employs local Indigenous people as project rangers, engaging Wik and Kugu people in traditional practices to care for and connect with their ancestral homelands. Revenue raised from the sale of carbon credits supports a range of activities that APN Cape York runs alongside the carbon project – such as funding the installation of two communications towers to increase connectivity in the region. Rangers and others out on country can now travel knowing that they can call for assistance and keep in touch with family, even in extremely remote areas.

Below is the contribution towards the United Nations Sustainable Development Goals made by the Aak Puul Ngantam Savanna Burning Project:



Emissions Reduction Fund



**7-9 Indigenous rangers employed**  
from the local community, depending on the time of year



**2,500 km<sup>2</sup>**  
now with mobile coverage in remote areas thanks to the construction of two communications towers funded by carbon revenue



**42,000 tCO<sub>2</sub>e**  
mitigated on average annually since 2015 by preventing and managing larger, hotter late dry season bushfires with strategic fire management



**370,5000 ha**  
of land managed by the project, supporting fire-dependent ecosystems and protecting the habitat of endemic Australian flora and fauna

## Prony Wind Power Project, New Caledonia

Islands of the Pacific Ocean like New Caledonia face serious environmental and socioeconomic pressures that are exacerbated by climate change. Pacific Island nations are already severely affected by extreme weather and climate variability, and their inhabitants are amongst the world’s most vulnerable communities to the growing effects of climate change. Yet in New Caledonia, 80 percent of energy demands are met by fossil fuel power plants.

Prony Wind Power involves six wind farms located at two different sites on the island of New Caledonia that supply electricity to the local grid. The Kafeate and Prony sites consist of 116 wind turbines with a total capacity of 31 MW, with an estimated yearly production of 40 GWh of emissions-free, renewable electricity

By displacing greenhouse gas emissions from fossil fuel power plants with renewable electricity, Prony Wind Power contributes to global climate action. The project has also boosted local economies, creating employment in both the construction and operational phases and spreading technological know-how. Prony’s success is a tribute the viability and value of sustainable development in small island nations, promoting climate awareness and action, and ultimately increasing climate resilience in the Pacific Island region.

Below is the contribution towards the United Nations Sustainable Development Goals made by the Prony Wind Power Project:



<p><b>40,000 MWh</b> generated on average annually, providing a clean alternative to fossil fuels</p>	<p><b>26 jobs</b> created for the maintenance and operation of the project, most filled by island nationals</p>	<p><b>Technology know-how</b> shared with the region, contributing to the development of New Caledonia’s wind energy sector</p>	<p><b>36,000 tCO<sub>2e</sub></b> mitigated on average annually</p>

View the factsheet for the Prony Wind Power Project: <https://a.southpole.com/public/media/300344/0344.pdf>

## 5 Use of trade mark

Trademark not yet used as this is the initial year of reporting.

## Appendix 1: Non-attributable emissions

To be deemed relevant an emission must meet two of the five relevance criteria. Non-attributable emissions are detailed below against each of the five criteria.

	Relevance Test				
Non-Attributable Emission	The emissions from a particular source are likely to be large relative to other attributable emissions.	The emissions from a particular source contribute to the responsible entity's greenhouse gas risk exposure.	The emissions from a particular source are deemed relevant by key stakeholders.	The responsible entity has the potential to influence the reduction of emissions from a particular source.	The emissions are from outsourced activities that were previously undertaken by the responsible entity or from outsourced activities that are typically undertaken within the boundary for comparable products or services.
Customer use of mobile handsets	✓	✗	✗	✗	✗