

felix

Australian Government
Climate Active Program
Public Disclosure Statement

1 July 2020 – 30 June 2021 (projected)



felix

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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

Paul Tierney

Position of Signatory

General Manager – Business Development

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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 Service certification is for the business and customer support operations of felix. This service includes all emissions that are non-attributable to felix's Climate Active Carbon Neutral Product certification, but which are of relevance to the operations felix, as defined through the Climate Active Relevance Test. The scope of this service includes:

- the operation of offices and call centres in Australia – including electricity consumption, waste, water, IT equipment, office machinery, and other consumables
- electricity and diesel consumption for data centres
- business travel
- employee commuting
- freight of goods
- third party business services (e.g. legal, marketing and advertising services)
- electricity consumption in outsourced overseas call centres used in customer support operations.

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 makes up a portion of the total freight emissions within this felix service certification.

Given felix is newly launched and was not in operation in FY18-19, the calculations of base year emissions have been based on the relevant business and customer support operations for the broader TPG Telecom Limited (then Vodafone Hutchison Australia) operations on a per-customer basis in FY18-19.

Unlike the Vodafone brand, felix will not operate storefronts nor 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 and storefronts 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 (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆). All emissions are reported in tonnes of carbon dioxide equivalent (tCO₂-e).

Functional unit

The functional unit for this service certification is: 1 year of business and customer support services for one felix customer. As such, the emissions for this product have been calculated in kgCO₂e per customer, calculated based on the average number of felix customers for the reporting year.

Service process diagram

The following diagram is cradle to grave.

Key: Attributable processes Excluded Emission Sources Non attributable processes

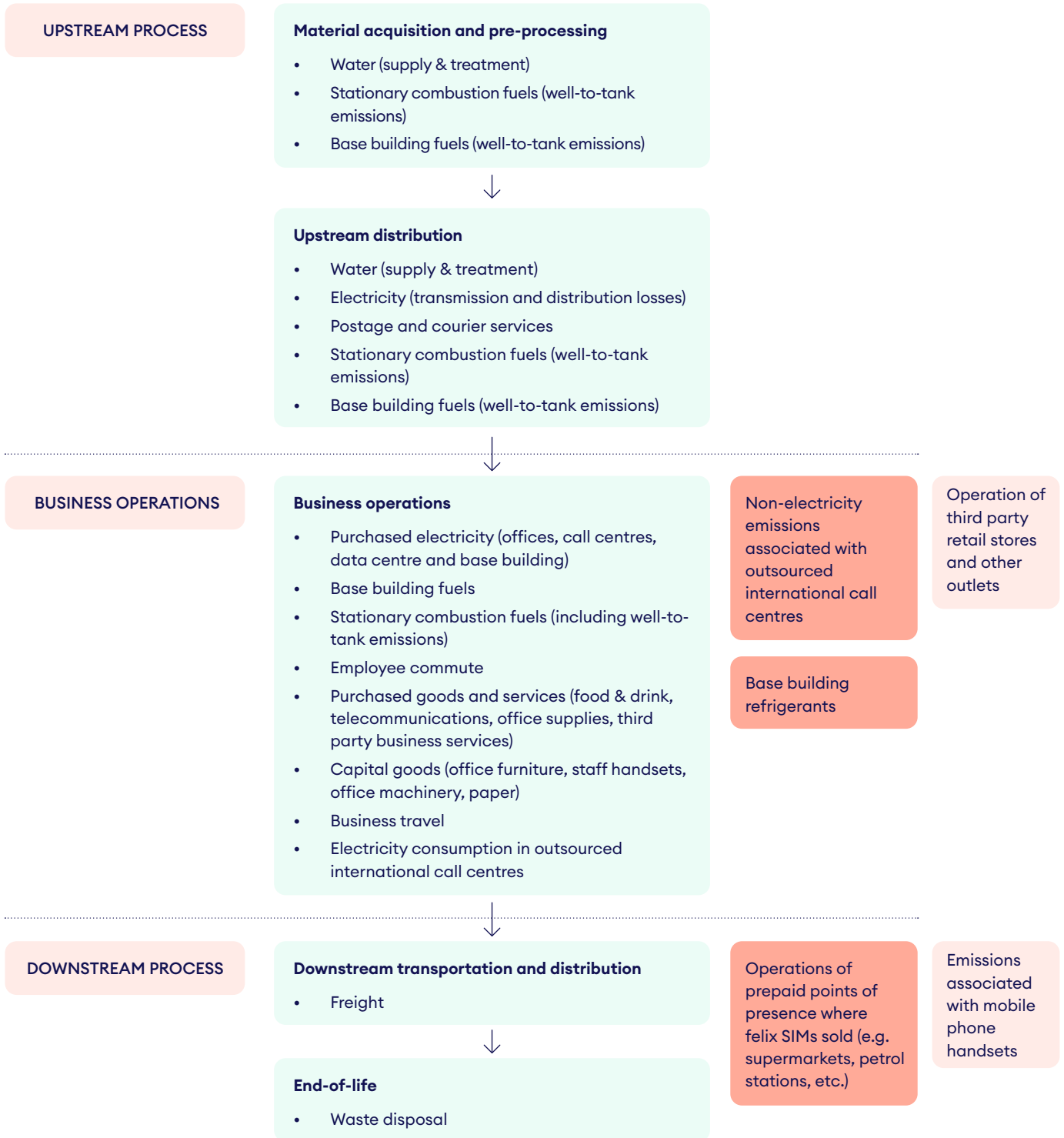


Figure 1. Product process diagram

Emissions reduction strategy

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

The felix ongoing sustainability strategy includes:

- Increasing flexible/remote working to reduce employee commuting, targeting a minimum of two days remote working per week, and encouraging public transport use.
 - Targeting zero air travel, with any air travel by exception only.
 - Ensuring energy efficiency of office space, prioritising office spaces which have received high Green Star and NABERS' ratings.
 - Reviewing IT vendor and architecture to prioritise Cloud platforms with lower carbon footprints.
 - Reviewing other vendor and partner selection to prioritise products and services with lower carbon footprints, and/or encouraging existing vendors to reduce their carbon footprints or target carbon neutrality.
 - Exploring the use of eSIM technologies to transition away from physical SIM cards and therefore avoid the manufacture and transport required currently.
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2 Emission Boundary

Diagram of the certification boundary

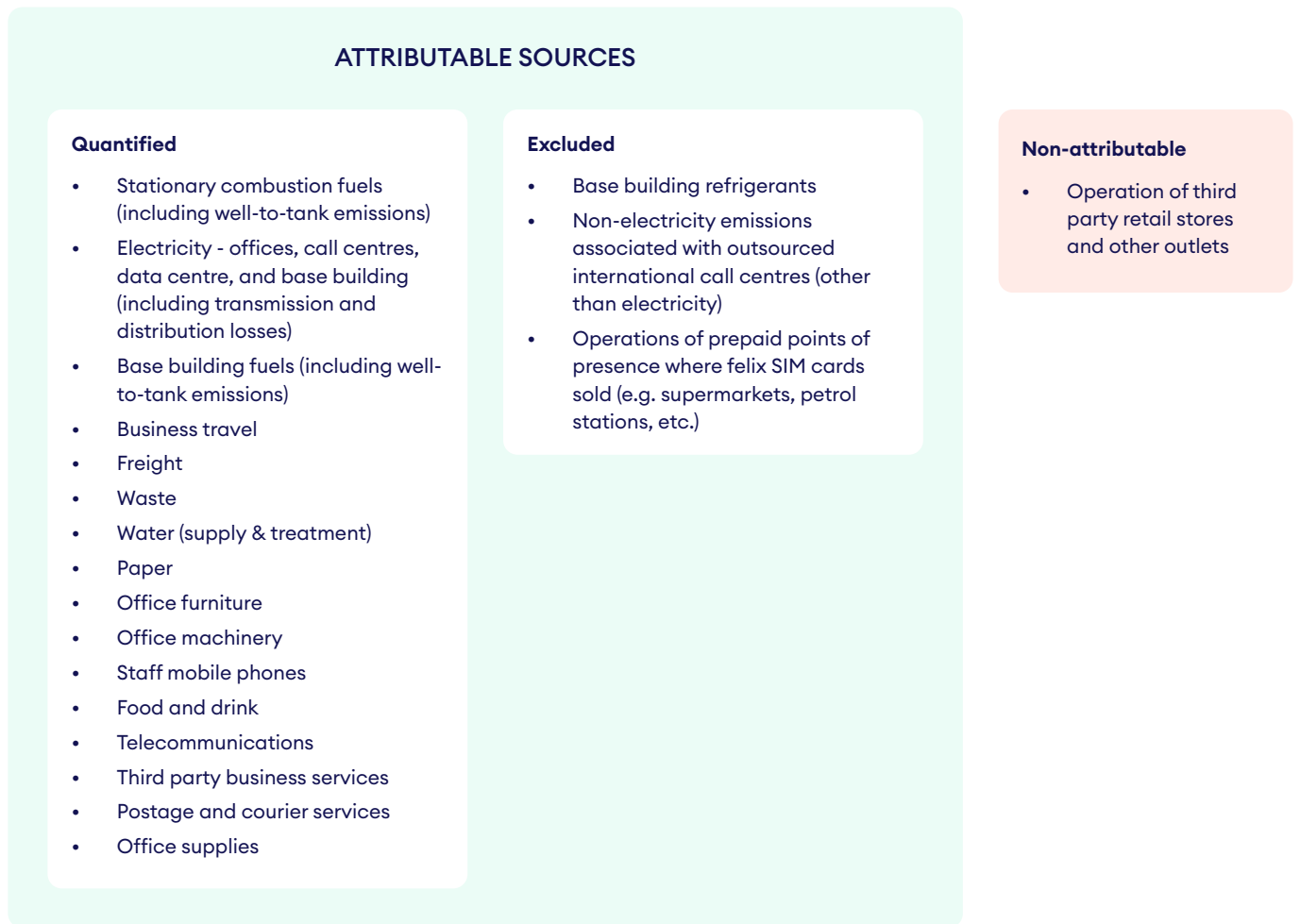


Figure 2. Certification boundary diagram

Attributable Non-quantified sources

None

Data management plan

Not required, as there are no attributable non-quantified sources.

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
Base building refrigerants	Data is not able to be obtained on the use of refrigerants in office and domestic call centre buildings. Based on an analysis of similar office-based greenhouse gas inventories, it is estimated that base building refrigerants would be <1% of the emissions boundary.
Non-electricity emissions associated with outsourced international call centres	These call centre facilities are outside of TPG Telecom Limiteds operational control and data is unable to be obtained on business operations. While proxy data has been used to produce an estimate of emissions due to electricity consumption in these call centres, this approach is not able to be implemented for other emission sources. It is estimated that the non-electricity emissions from outsourced international call centres would be <1% of the emissions boundary.
Operations of prepaid points of presence where felix SIM cards sold (e.g. supermarkets, petrol stations, etc.)	It is unfeasible to obtain data on the emissions from all locations where felix SIM cards are sold. Due to the large number of items sold in each of the prepaid points of presence, the portion of emissions attributable to the sale of the SIM cards is likely to be negligible and the overall contribution of these points of presence to the felix emissions inventory is estimated to be immaterial.

Non Attributable sources (outside certification boundary)

Non-attributable emission sources are those which are 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
Operation of third party retail stores and other outlets	felix products will not be sold from physical storefronts operated by TPG Telecom Limited. felix's product offering only includes SIM cards that are either ordered online and directly shipped to customers or purchased at a prepaid point of presence, such as supermarkets or petrol stations. For completeness, this emission source has also been assessed against the relevance test (refer Appendix 1).

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. For the FY20-21 period, 25,000 functional units are expected at a rate of 0.0055 tonnes CO₂-e per functional unit.

Table 4. Emissions Summary (inventory)

Emission source category	tonnes CO ₂ -e
Stationary combustion fuels (including well-to-tank emissions)	0.03
Purchased electricity (including transmission and distribution losses)	72.30
Electricity consumption in outsourced international call centres	2.20
Base building fuels (including well-to-tank emissions)	0.27
Business travel	10.23
Employee commute	7.25
Freight	0.35
Paper	0.04
Office machinery	0.89
Office furniture	0.52
Office supplies	1.25
Staff mobile handsets	0.67
Food & drink	1.07
Telecommunications	0.68
Postage and courier services	1.89
Third party business services	38.25
Water (supply & treatment)	0.14
Waste disposal	0.12
1a. Total inventory Emissions	139
1b. Total inventory Emissions to be offset	139
2. Emissions per functional unit (based on number of functional units represented by inventory)	0.0055

Uplift factors

Table 5. Uplift factors	
Reason for uplift factor	tonnes CO ₂ -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 ₂ e)
Electricity Renewables	15,910.97	-
Electricity Carbon Neutral Power	-	-
Electricity Remaining	68,412.32	73.96
Renewable electricity percentage	19%	
Net emissions (Market based approach)		73.96

Table 7. Location-based summary

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2+3)	Emissions
ACT/NSW	Electricity Renewables	227	-0.90	-0.20
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	77,291	0.90	69.56
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	486	0.53	0.26
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	1,080	1.12	1.21
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	431	0.93	0.40
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	-	0.74	0.28
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	379	0.17	0.79
	Total net electricity emissions (Location based)		0.00	72.30

4 Carbon offsets

Offset purchasing strategy: forward purchasing

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)	139
3. Net offset balance for this reporting period (FY20-21)	139
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)					139				
2. Total offsets required for this reporting period (FY20-21)					0				
3. Net offset balance for this reporting period (FY20-21)					139				
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 ^a	2019-20	715	665 ^b	0	50 ^b
“Aak Puul Ngantam” Savanna Burning Project	ACCU	ANREU	Jun 24, 2020	3,799,440,627 - 3,799,440,646 ^a	2019-20	20	10 ^b	0	10 ^b
Prony and Kafeate wind-farms, New Caledonia	VER	GS Registry	Jun 30, 2020	GS1-1-NC-GS566-12-2014-5968-9332-10010	2014	679	600 ^b	0	79 ^b
Total offsets retired this report and used in this report									139
Total offsets retired this report and banked for future reports								0	

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

^b 1275 credits have been used for the felix Climate Active product certification FY20-21 report.

Non Attributable sources (outside certification boundary)

In total, felix has purchased 1414 tCO₂e of offsets from South Pole, consisting of 735 tCO₂e from the Aak Puul Ngantam Savanna Burning Project in Cape York, Australia and 679 tCO₂e 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.

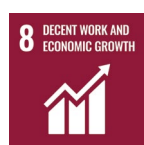
Operated by Indigenous-owned & directed not-for-profit Aak Puul Ngantam (APN Cape York) in partnership with Balkanu Cape York Development Corporation, the Aak Puul Ngantam Savanna Burning project comprises 370,000 hectares of land on Traditional Homelands. Project rangers implement planned ‘cool’ fires 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 km²
now with mobile coverage in remote areas thanks to the construction of two communications towers funded by carbon revenue



42,000 tCO₂e
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:



40,000 MWh
generated on average annually, providing a clean alternative to fossil fuels



26 jobs
created for the maintenance and operation of the project, most filled by island nationals



Technology know-how
shared with the region, contributing to the development of New Caledonia’s wind energy sector



36,000 tCO_{2e}
mitigated on average annually

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	×	×	×	×	×