



Climate Change 2015 Information Request Australia Post

Module: Introduction

Page: Introduction

CC0.1

Introduction

Please give a general description and introduction to your organization.

Australia Post's commitment to managing its environmental impact is based on its importance to our stakeholders and to our long term business outcomes. As a business that is practically owned by the Australian community, our decision-making gives genuine consideration to balancing commercial returns, customer service and community and environmental interests. We recognise that it's our responsibility to manage the social and environmental impacts of what we do and the opportunities that we have as an organisation with such an extensive network across Australia.

Our environmental policy was endorsed in 2013 and is set out below:

We are committed to:

- driving a culture of continuous environmental improvement with a focus on fuel and energy efficiency
- actively pursuing renewable or lower carbon fuels and energy sources
- understanding and managing our environmental risks with the goal of minimising or eliminating those risks
- ensuring the environment is considered in our investment and corporate strategies, procurement and the products and services we offer
- actively working to minimise pollution, manage waste streams and address relevant biodiversity issues
- engaging with our customers, employees and shareholder on environmental issues and transparently reporting on our environmental performance
- complying with all applicable legal and regulatory requirements.

By valuing our natural resources and delivery sustainable solutions for our customers we believe we can help our people, customers and community build a better environment.

CC0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Mon 01 Jul 2013 - Mon 30 Jun 2014

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country

Australia

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

AUD (\$)

CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Further Information

Module: Management

Page: CC1. Governance

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

The Australia Post Board has ultimate responsibility for ensuring that Australia Post meets its climate change activities. Progress is reported each year as part of the Annual report including delivery on specific targets and ensuring we meet our risk and compliance objectives.

Australia Post's climate change responsibility is governed through the Enterprise Risk Management Forum (ERMF) chaired by the Group Chief Operating Officer which meets regularly throughout the year and whose members are the Australia Post Executive General Managers and other General Managers from across the business.

The ERMF monitors and endorses progress on the environmental strategy including key initiatives to be progressed each year and our ongoing progress against the 2020 carbon reduction target which was endorsed by the board in 2010.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Executive officer	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Other: Financial savings	The General Manager of Property and Procurement has annual carbon reduction targets embedded as part of his performance scorecard.
Business unit managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	The Head of Environmental Sustainability has climate change related targets established in the individual performance scorecard. These targets apply to both the management of climate related risks, opportunities and carbon reduction goals. The Head of Environmental Sustainability reports progress on the performance targets each year to the ERMF and has day-to day responsibility for the climate change programme. The head helps co-ordinate specific business activity directly linked to business impact for the individual business units.
Environment/Sustainability managers	Monetary reward	Emissions reduction project Emissions reduction target	Individual members of the Environmental Sustainability team have responsibility for individual components of the environmental strategy. There is a dedicated role within the team looking at the strategy for Carbon and

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
		Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Other: Financial Savings	Energy Management on behalf of the organisation.
Facility managers	Monetary reward	Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator	The Head of Facility Management and National Fleet Manager have energy and carbon related targets. These targets are based on the delivery and ongoing efficiency improvements in the management of both the Property and Transport related business functions.

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee	Australia Post operates primarily in Australia and this is the main	1 to 3 years	Climate change risks and opportunities are managed as part of the ongoing corporate risk

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
	appointed by the Board	focus for managing risks and opportunities.		management framework as well as the broader corporate strategy.

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

The Australia Post board has established a comprehensive Risk Management Policy.

The Policy provides guidance on risk management practices and adds clarity to the management and director roles and responsibilities, both for developing and administering the Policy, and for implementing risk management processes. This Policy and any associated processes are consistent with the principles of the International Standard for Risk Management (AS/NZS ISO 31000:2009), the Australian Standard on Compliance Programs (AS 3806:2006), and the ASX Corporate Governance Principles and Recommendations (Principle 7: Recognise and Manage Risk).

The Policy describes a 3-lines of defence principles based approach to risk management at Australia Post to ensure consistency with frameworks and processes as stated in the Annual Report. Specific details concerning the core risk management components are set-out in the Australia Post Risk Management Framework

In terms of climate change and risk opportunities this has been managed at a company, business unit and asset level eg risk to ongoing operations, impact to individual parts of the business and consideration of assets (buildings, vehicles, data centres, etc. These risks are given impact and likelihood ratings developed for the material risks identified for climate change.

CC2.1c

How do you prioritize the risks and opportunities identified?

Australia Post has developed a comprehensive framework for managing both risks and opportunities.

Australia Post Risk Management Framework is consistently applied across the organisation and each business unit is responsible for providing a comprehensive update every quarter.

Risks are prioritised using the Enterprise Risk and Compliance Rating tool which covers impact (critical to insignificant and likelihood (Almost certain to rare), which is then consolidated at a business unit level.

Opportunities are managed through the business and environment strategy which delivers value to the organisation through:

- improved environmental performance;
- reduced operational costs;
- increased customer value; and
- enhanced brand and reputation.

The approach to managing these opportunities is approved internally through the Enterprise Risk Management Forum.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

The development of the business strategy is informed by insight from customers, the community, regulatory frameworks an environmental materiality assessment and competitor analysis.

The key macro challenges/opportunities that were identified were the environment, social inclusion, digitisation and globalisation.

These challenges are then combined with the organisations capabilities and strengths to establish strategic initiatives.

With respect to the environment and climate change, the key short term outcomes were the establishment of a carbon reduction target and the establishment of a comprehensive approach to energy and fuel management.

This included an extensive capital works program which spent just under \$11m energy saving initiatives.

A longer term outcome of the strategy is the establishment of a program to improve the organisation and communities adaptation capability to climate related impacts. A comprehensive program of work is underway to better inform the key parts of the business of the likely climate related trends and the ongoing impact to the operation, people and assets. This is also aiming to integrate these insights into the decision making frameworks.

A critical element in successfully implementing the strategy has involved each Australia Post business unit identifying and being accountable for relevant environmental activities within their area. This integrated approach is critical to us delivering tangible, economic and social benefits for us and the communities we serve.

An opportunity that has been identified through this process is the climate related impacts on natural resources and product stewardship. A customer solution has been established that uses our distribution network to facilitate enhanced recovery and reuse of products at the end of life, providing convenience for consumers, improved environmental and climate outcomes and new revenue lines. This is driving innovation in our business and strengthening relationships with both consumers and business customers.

CC2.2c

Does your company use an internal price of carbon?

No, but we anticipate doing so in the next 2 years

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support	Australia Post has been an active participant in meeting its mandatory reporting obligations over the last ten years in Australia. The initial legislative requirement arose from the Energy Efficiency Opportunities Act of 2006 and was followed by the National Greenhouse and Energy Reporting	This has been an ongoing process since 2005 and remains in place through our relationships that have been developed with the

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
		Scheme. Australia Post has worked carefully with the Federal Government on the framing of the legislation.	Department of Environment.
Energy efficiency	Support	Australia Post was an active member of the program and helped to develop the legislation in respect of energy efficiency. Australia Post was able to use the legislation to raise awareness of energy efficiency amongst senior executives and to put in place a framework that continues today.	Australia Post worked with other participants in the re-design of the program prior to its abolition.
Adaptation resiliency	Support	Australia Post has worked with a number of government agencies including the Bureau of Meteorology and CSIRO in developing frameworks for better understanding the impact of climate change on our business.	Australia Post will continue to work with the Department of Environment in support of any legislative requirements, as well as to develop organisation capability.

CC2.3h

What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Australia Post has developed an environmental strategy that places a priority on both managing its own direct operations as well as developing strategies to help the broader community. This external stakeholder framework includes: customers, suppliers, workforce and community partners. With this framework in place Australia Post is able to develop processes for both direct and indirect activities that ensure the consistency in approach.

This clarity around climate policy is then supported by a government and stakeholder engagement framework coordinated through the Corporate Secretariat function. All engagement with policy makers is controlled via this framework.

CC2.4

Would your organization's board of directors support an international agreement between governments on climate change, which seeks to limit global temperature rise to under two degree Celsius from pre-industrial levels in line with IPCC scenarios such as RCP2.6?

No opinion

CC2.4a

Please describe your board's position on what an effective agreement would mean for your organization and activities that you are undertaking to help deliver this agreement at the 2015 United Nations Climate Change Conference in Paris (COP 21)

The current Board endorsed carbon reduction strategy of a 25% reduction on the 2000 baseline is consistent with global aspirations for the future international agreement.

Further Information

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1+2	100%	25%	2000	348436	2020	Australia Post set the performance reduction target in 2010 and revised the baseline following the acquisition of the StarTrack business which had a material impact on the emissions of the group. The revised baseline was reset in 2014 as part of the annual report process. In 2010 emissions have been at the highest level during the reporting period and peaked at 360,550 tonnes.

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	40%	47.6%	Australia Post was able to reduce emissions during the past financial year by an additional 14,707 tonnes (4.5%) which keeps us on track to meet the 2020 target. Australia Post is now 12% down on the 2000 baseline and 15% down on the highest emissions in 2010. Australia Post's Scope 1 & 2 emissions were 321,857 tonnes in FY13 and 307,150 tonnes in FY2014.

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

No

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and/or implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	7	
To be implemented*	16	11019
Implementation commenced*	9	7312
Implemented*	11	3697
Not to be implemented	0	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Australia Post has undertaken energy efficiency initiatives managed from a capital budget. Initiatives are undertaken in four different ways a) As part of a dedicated energy efficiency project b) As part of a capital replacement for end of life c) As part of a major facility upgrade likely to include upgrade to existing machinery	9417	Scope 2	Voluntary	601000	2700000	4-10 years	Ongoing	For Australia Post this is an activity which has been built into the Capital Plan for the past five years. Between 2009 and 2014, we conducted energy efficiency works at 132 sites, resulting in 19,194 tonnes of carbon savings (17.642 MWh) and annual energy savings of \$2.8 million, representing a 17 per cent

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	d) As part of a consolidation plan to improve business efficiency, where energy was not the primary reason for the change								cost reduction across Australia Post's total building portfolio. In FY14, the CRE program of energy efficiency activity delivered electricity savings of 3,704 MWH, 3,222 tonnes of CO2-e and \$601K achieved.
Transportation: fleet	Australia Post has focused on ensuring each major category of fleet included consideration to reducing fuel usage. This is primarily achieved through an active replacement strategy and ensuring that older vehicles are replaced first.	1446	Scope 1	Voluntary	716000	0	<1 year	Ongoing	This year has seen the introduction of four new vehicles into the fleet. These are; a new motorbike which is 60% more fuel efficient, a Toyota Corolla to replace our Ford Falcons (14% more fuel efficient), new Renault Vans (14% more fuel

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
									efficient than the vehicles being replaced), and a new Fuso truck, (data not yet available).
Low carbon energy purchase	Australia Post has introduced a 5% Bio-diesel product at its primary transport facility in NSW, which has seen 95,000 litres of biofuel sourced from tallow or similar biofuels from our fuel suppliers.	247	Scope 1	Voluntary	0	0	<1 year	Ongoing	Australia Post continues to explore opportunities with introducing bio-diesel at its own fuel tanks through its relationship with its existing suppliers.

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for low carbon product R&D	Australia Post has a dedicated budget of \$500k for piloting new technologies. In FY14 Australia Post managed a range of initiatives including trialling; new retail lighting solutions, a new HVAC product, task lighting and a 100kw solar system. In addition one site at Ballarat had a suite of projects implemented which reduced overall energy consumption by more than 30%.
Dedicated budget for energy efficiency	Australia Post has a dedicated budget for energy efficiency initiatives that included this year undertaking 31 energy audits, introducing 17 new initiatives, dollar savings of \$240,000 and 1,129 tonnes of carbon. In addition a new monitoring tool has been introduced to 97 air conditioning units at our retail post offices with enhanced calibration controls, which reduces the energy usage.
Other	At Australia Post energy efficiency considerations are included as part of ongoing capital asset planning and in 2014 this included the replacement of air conditioning units and high

Method	Comment
	speed roller doors at just under 100 facilities. The same approach is followed within the transport fleet with fuel efficiency a key component of our procurement strategy. As an example, our new motorbikes are 60% more fuel efficient than the previous model.

Further Information

Page: CC4. Communication

CC4.1

Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s)

Publication	Status	Page/Section reference	Attach the document
In mainstream financial reports but have not used the CDSB Framework	Complete	Pg 39, Section - Our Performance, Driving Environmental Change	https://www.cdp.net/sites/2015/26/57626/Climate Change 2015/Shared Documents/Attachments/CC4.1/Australia_Post_Annual_Report_2013-14.pdf

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Cap and trade schemes	While the current government policy is not supportive of a cap and trade scheme, there is growing uptake and discussion of these types of programs globally. This has been the policy of previous Australian Governments and if there were to be a part change in the future there is a chance a similar policy could be introduced.	Increased operational cost	3 to 6 years	Direct	About as likely as not	Medium	The financial implications would be dependent on the scheme dynamics, including approach to grandfathering, reduction targets and ultimate price of carbon. Dependent on these variables, a price of carbon could result in gross liability of between \$3m and \$9m per annum (based on a total scope 1 and 2 emission footprint of 300,000 tonnes and a carbon price of between \$10 and \$30.	The approach to managing a regulatory price of carbon would be to - expand the current approach to energy and fuel management - introduce a carbon trading capability - increase the carbon reporting obligations - reevaluate capital investment decisions with a carbon impact	The cost to manage these programs would be incremental management related costs, increase in monitoring and assurance costs and potential diversion of capital from other business related activities to programs that would reduce the carbon liability of the organisation. With the exception of the capital revaluation, costs would be expected to be in the hundreds of thousand dollars.

CC5.1b

Please describe your inherent risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Uncertainty of physical risks	Australia Post has an extensive network which is directly impacted by changes to the local physical environment. The organisation includes climate adaptation as a key component of the environmental strategy with the approach concentrated on both the short to medium term.	Reduction/disruption in production capacity	Unknown	Direct	About as likely as not	Medium	The implications from the increased severity and variability of weather and climate related phenomenon is affecting our business today. These impacts are impacting our operation, people and physical assets. Examples of direct impacts have included severe thunderstorms in Queensland that resulted in multi-million dollar repair costs and disruptions in our operating capacity. Depending on the ongoing impact and frequency, the costs are expected to be	The approach being taken to manage these risks is around three key areas, 1. Enhance the notification protocols to ensure effective management decisions can be taken to reduce the impact on the operation. An example of this is work with the Bureau of Meteorology (BoM) to better understand and be able to interpret the significant forecasting information available. 2. Use a risk based approach to build enhanced resilience around	The cost of management of these risks is through enhanced modelling and assessment of potential impact areas (including geography). The responses that are then taken will have associated costs eg upgrading of facilities, building improved redundancy around infrastructure. The actual costs of these activities will be site, asset and geography dependent.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
							significant.	key asset groups (eg facilities, operational areas) 3. Build climate and weather related insights are incorporated into long term business decision making. 4. Collaborate with similar organisations through the Green Cross Business Adaptation Network, enabling the sharing of information and management approaches.	

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer	There is a risk that consumer behaviour will shift	Reduced demand for goods/services	3 to 6 years	Direct	About as likely as not	Low-medium	The financial implication is	The approach being taken includes -	The cost of management is embedded

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
behaviour	based on the perception of certain goods and services and their associated impact on the environment and climate. As an e-commerce organisation that among other things facilitates the transportations of goods, there may be impacts in the types of products being sought by consumers as well as the method of which those products are delivered.						difficult to quantify.	ongoing focus on energy and fuel management - active investigation and deployment of renewable energy technology - investigation of "sustainable product lines" - ongoing measurement and monitoring of consumer insights and trends.	d with the costs of the ongoing environmental management programs.

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any inherent climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	Regulation changes that apply enhanced product stewardship obligations on companies due to environmental impacts and requirements to reduce energy consumption through improved recycling can create opportunities for transport and distribution organisations.	Increased demand for existing products/services	1 to 3 years	Direct	Likely	Low-medium	It is expected that significant growth (greater than 10%) could be seen in existing product ranges.	Approach to capitalise on these opportunities is via - understanding current and future regulatory opportunities - establishing strong customer relationships - developing comprehensive and scalable product solutions and proof points An example is the collaboration with TerraCycle, a recycling and waste management organisation. We have partnered with TerraCycle to enable convenient and accessible collection and returns	Cost of management of these programs are limited to some research and development activity with the remainder being deployed through product development cycles.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								program for waste streams such as coffee capsules, used packaging and batteries. These return programs are enabling brands to ensure maximum value is extracted from their products at the end of life, reducing unnecessary energy usage and driving brand value.	

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate opportunities	In the same way that climate related changes may impact the severity and frequency of	Increased demand for existing products/services	1 to 3 years	Indirect (Client)	About as likely as not	Low-medium	The financial implications have not been quantified at this point.	The approach being taken to manage these risks/opportunities is around three key areas , 1. Enhance the notification	The cost of management is embedded with the costs of the ongoing environmental strategy develop

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>weather phenomenon, these events may be an opportunity for organisations that are able to demonstrate enhanced resilience and therefore be in a position to better support customers and community respond and re-establish themselves.</p>							<p>protocols to ensure effective management decisions can be taken to reduce the impact on the operation. An example of this is work with the Bureau of Meteorology (BoM) to better understand and be able to interpret the significant forecasting information available. 2. Use a risk based approach to build enhanced resilience around key asset groups (eg facilities, operational areas) 3. Build climate and weather related insights are incorporated into long term business decision making. 4. Collaborate with similar organisations through the Green Cross Business Adaptation Network,</p>	<p>ment and management programs . Incremental costs will be incurred where process or asset upgrades are required.</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
								enabling the sharing of information and management approaches. As the businesses adaptation capability is enhanced, this will enable the position of our services as resilience and support related tools.	

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Changing consumer behaviour	The change in consumer attitudes and behaviours may result in a shift in the desire for certain products and services. This may result in a need for more sustainable	New products/business services	1 to 3 years	Direct	About as likely as not	Low-medium	The financial opportunities are related to the driving uptake of new products or services. The magnitude of the potential revenue opportunities are significant if over time if consumer and	Approach to this opportunity is via - ongoing internal carbon management approach - market testing of potential risk products/services and desired future services - strong engagement across key customer segments - product and	The cost of management is embedded with the costs of the ongoing environmental strategy development and management programs. Incremental costs will be incurred where additional

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	products and organisations that have better sustainability credentials. Early action in both the internal management of climate impacts and development of lower carbon products may create additional opportunities						society sentiment progress towards lower carbon alternatives. This behavioural shift will impact some legacy products or services, therefore in these instances the ability to maintain customers through new lower carbon service offerings will be important.	service development.	customer and market research and product testing is required.

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Thu 01 Jul 1999 - Fri 30 Jun 2000	111027
Scope 2	Thu 01 Jul 1999 - Fri 30 Jun 2000	237409

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	IPCC Fifth Assessment Report (AR5 - 100 year)
CH4	IPCC Fifth Assessment Report (AR5 - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference

Further Information

Emission factors in response to question 7.4 have been provided in the attached. Within Australia the Electricity emission factors vary by State / Region, and so these have been detailed and distinguished accordingly

Attachments

[https://www.cdp.net/sites/2015/26/57626/Climate_Change_2015/Shared Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/Emission_Factors.xlsx](https://www.cdp.net/sites/2015/26/57626/Climate_Change_2015/Shared_Documents/Attachments/ClimateChange2015/CC7.EmissionsMethodology/Emission_Factors.xlsx)

Page: CC8. Emissions Data - (1 Jul 2013 - 30 Jun 2014)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

118298

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

188853

CC8.4

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Assumptions Metering/ Measurement Constraints	Our consolidated reporting reflects the most accurate available data at the time of publication of data. Due to the number of data points and timing issues with collection of some of the data. This results in a small percentage (less than 5% of emissions) requiring to be estimated. All of the emissions sources are reviewed by our external; auditors and any areas for improvement specifically identified.
Scope 2	Less than or equal to 2%	Data Gaps Metering/ Measurement Constraints	Our consolidated reporting reflects the most accurate available data at the time of publication of data. Due to the number of data points and timing issues with collection of some of the data. This results in a small percentage (less than 5% of emissions) requiring to be estimated. All of the emissions sources are reviewed by our external; auditors and any areas for improvement specifically identified. As all of our major Australia Post facilities receive monthly invoices there are less estimations for this data set.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/26/57626/Climate Change 2015/Shared Documents/Attachments/CC8.6a/FINAL Beca Assurance Conclusion for Australia Post 201314 NGERS Audit.pdf	Page 1.	ASAE3000	100

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of reported Scope 2 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/26/57626/Climate Change 2015/Shared Documents/Attachments/CC8.7a/FINAL Beca Assurance Conclusion for Australia Post 201314 NGERS Audit.pdf	Page 1.	ISAE3000	100

CC8.8

Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
Progress against emission reduction target	This is undertaken as part of the annual report process and shows the progress made towards the carbon reduction target.
Year on year change in emissions (Scope 1 and 2)	This is undertaken as part of the annual report process.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

No

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

By activity

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Australia Post	87365
StarTrack	30933

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Road Transport	108464
Corporate Real Estate	9833

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Jul 2013 - 30 Jun 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

No

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)
Australia Post	171812
StarTrack	17041

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	438298
Electricity	207893
Heat	25732
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	384645
Motor gasoline	43624
Liquefied petroleum gas (LPG)	6849
Biodiesels	2503
Lubricants	676

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
Grid connected low carbon electricity generation owned by company, instruments created and retired by company	81	Australia Post generated Solar from one facility in 2014 with an installed capacity of 284kWp.

Further Information**Attachments**

[https://www.cdp.net/sites/2015/26/57626/Climate Change 2015/Shared Documents/Attachments/ClimateChange2015/CC11.Energy/Strawberry Hills_100514_06 \(1\).JPG](https://www.cdp.net/sites/2015/26/57626/Climate%20Change%202015/Shared%20Documents/Attachments/ClimateChange2015/CC11.Energy/Strawberry%20Hills_100514_06%20(1).JPG)

Page: CC12. Emissions Performance

CC12.1

How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?

Decreased

CC12.1a

Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	2	Decrease	The energy reduction savings of 5,473 achieved in the year cover changes made to both the fleet and corporate real estate. The total emissions are 321,857 tonnes from FY2013. Australia Post was able to undertake a number of Corporate Real Estate initiatives including: upgrading chillers, introducing solar panels at two facilities, lighting upgrades and a major facility upgrade at our StarTrack House Head Office in Sydney. Australia Post was able to achieve savings across a number of transport categories. Changes included providing new suppliers for sedans, vans and rigid trucks, as well as a significant upgrade to the existing motorcycles which are now 60% more fuel efficient.
Divestment	2	Decrease	This activity includes the closure of the 120 Collins Street site and three other facilities that have represented a significant change to the property portfolio. Total savings from divestment have been 5,331 tonnes. The total emissions are 321,857 tonnes from FY2013.
Acquisitions	0	No change	This was not a material activity in FY14.
Mergers	0	No change	This was not a material activity in FY14.
Change in output	0	No change	This was not a material activity in FY14.
Change in methodology	1	Decrease	Australia Post achieved additional savings of 4,304 arising from the Change in emissions factors across all states in Australia. The most significant changes occurred in South Australia and Queensland where the percentage of renewables in the National Electricity Market increased. This change in factor had benefits for Australia Post during this reporting period. The total emissions are 321,857 tonnes from FY2013.
Change in boundary	0	No change	This was not a material activity in FY14.
Change in physical operating conditions	0	No change	This was not a material activity in FY14.
Unidentified	0	No change	This was not a material activity in FY14.
Other	0	Decrease	The savings here total 60 tonnes and refers to Real Estate capital projects that were introduced as part of end of life and would have happened anyway. They do provide performance improvements as old equipment has been replaced. The total emissions are 321,857 tonnes from FY2013.

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
44	metric tonnes CO2e	unit total revenue	13	Decrease	Australia Post has seen an improvement in performance as revenue has increased overall, primarily for the parcels business but the direct emissions have not increased in line with this growth. The intensity figure is 44 tonnes per million dollars revenue. The two emission figures used are 321,857 tonnes (FY2013) and 307,150 in FY2014. Revenue used was \$5.79billion Australia Post only (2014) and \$5.2billion in 2013. In FY15 we will include the revenue comparison for the combined entity.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
8.33	metric tonnes CO2e	FTE employee	4	Increase	There has been a small increase for Australia Post between the two reporting periods as the reduction in FTE has been greater than the total reduction in emissions. This is largely due to the impact of the integration with StarTrack. In FY13 Australia Post's baseline was 8.42. We have excluded the impact of StarTrack for this reporting period and will include in FY15.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.165	metric tonnes CO2e	square meter	3	Decrease	The change is primarily the result of the emissions going down from three different sources; energy savings initiatives including some property consolidations, building upgrades, and carbon savings from change in emission factors. In FY13 the baseline was 0.170. In FY15 we will report for this intensity indicator including StarTrack.

Further Information

Page: CC13. Emissions Trading

CC13.1**Do you participate in any emissions trading schemes?**

No, and we do not currently anticipate doing so in the next 2 years

CC13.2**Has your organization originated any project-based carbon credits or purchased any within the reporting period?**

No

Further Information

Page: CC14. Scope 3 Emissions

CC14.1**Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions**

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, not yet calculated				
Capital goods	Relevant, not yet calculated				
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Relevant, calculated	39479	NGA Emission factors, relevant to the individual fuel and energy sources.	100.00%	
Upstream transportation and distribution	Relevant, calculated	575458	This is a complex process with approaches used for the different services that are represented by Australia Post including: for rail, road, ship and air.	100.00%	For our air freight calculation we have used the emissions factor sourced by our supplier.
Waste generated in operations	Relevant, calculated	10539	NGA emission factors for waste to landfill.	95.00%	This covers emissions for all of the waste to landfill for both

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					Australia Post and StarTrack managed by our two primary service providers. It does not cover the sites where we receive a local pick up including both specialist suppliers and local council services.
Business travel	Relevant, calculated	3434	Emission factors direct from our supplier, covering all air travel by our Australia Post employees.	100.00%	
Employee commuting	Relevant, calculated	22244	We have used the data from the ABS as our guide to performance, this was not externally assured. It was reported as part of our 2014 International Postal Corporation submission.	100.00%	
Upstream leased assets	Not relevant, explanation provided				Any leased assets have been included within our scope 2 calculations as a result of an "operational control" assessment.
Downstream transportation and distribution	Relevant, not yet calculated				
Processing of sold products	Not relevant, explanation provided				As a ecommerce organisation that supports the end to end value chain including enabling business and customers to transact and exchange goods and services. The use of Australia Post's services is captured under the Scope 1 and 2 calculations.
Use of sold products	Not relevant, explanation provided				As a ecommerce organisation that supports the end to end value chain including enabling business and customers to transact and exchange goods and services. The use of Australia Post's services is captured

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					under the Scope 1 and 2 calculations.
End of life treatment of sold products	Relevant, not yet calculated				
Downstream leased assets	Not relevant, explanation provided				Emissions from energy use in leased properties (where Australia Post is the lessor) are not currently separated billed to the lessee and so are captured under Australia Post's Scope 1 and 2 emissions. (Eg 111 Bourke Street).
Franchises	Relevant, calculated	26086	We have estimated electricity consumption for our Licensed Post Office network based on comparison with electricity for some of our smaller retail post offices. There are nearly 3000 facilities covered by this arrangement.	100.00%	
Investments	Relevant, not yet calculated				
Other (upstream)	Not evaluated				
Other (downstream)	Not evaluated				

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Limited assurance	https://www.cdp.net/sites/2015/26/57626/Climate Change 2015/Shared Documents/Attachments/CC14.2a/AusPost_AR14_Assurance_Statement.pdf	Page 1	ISAE3000	100

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

No, this is our first year of estimation

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our customers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

We are currently working with a range of customers to better understand the type of reporting requirements they may have including tailored reporting based on the services that have purchased from Australia Post.

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Michael Tenace	Group Chief Operating Officer (acting)	Chief Operating Officer (COO)

Further Information

CDP: [D][-,]

