



PUBLIC DISCLOSURE STATEMENT

SHOAL GROUP

**ORGANISATION CERTIFICATION
FY20/21 (PROJECTED)**

1. CARBON NEUTRAL INFORMATION

Description of certification

Shoal Group Pty Ltd is certified carbon neutral against the Climate Active Carbon Neutral Standard for Organisations for all its Australian direct business operations

Organisation description

Shoal™ Group Pty Ltd (Shoal) is a leading systems engineering services firm that works across the defence, transport, infrastructure and space sectors. Headquartered in Adelaide with a distributed team across Australia, the company works with clients to define and deliver some of Australia's most complex technical projects. Over more than a decade, Shoal has grown a culture where people are enabled by diversity of thought, high levels of investment in technology-intensive education and training and innovative approaches to collaboration to become a thought leader, with the highest number of professionally accredited systems engineers in Australia.

We are leaders in Systems Thinking. We use it to help clients define, manage and deliver big projects in complex environments; the kinds of projects that you dream of, but then have nightmares trying to figure out. These projects often have lots of moving pieces that are interrelated and technically challenging, so we use a rigorous, complex systems engineering approach, based on best practices gleaned from around the world (amongst which are our own). When we do this, all the pieces of the system come together to enable our clients to make better decisions, adapt, avoid risks and achieve objectives

When developing solutions, we focus on understanding the whole system, its environment and the complex interactions of its elements. We help our clients clearly define the complex problems they are facing and design solutions they can trust.

Sustainability at Shoal Group

Shoal is committed to sustainable operations and business growth. Shoal strives to be a thought leader within the Australian community.

As systems thinkers, Shoal works to embody sustainable design in the early phases of development. Using Systems Thinking techniques, our practices strive to minimise unnecessary resource consumption

“Successful systems are those that are effective in meeting the needs that they were designed to meet and are sustainable in the face of change.”

- Shaun Wilson

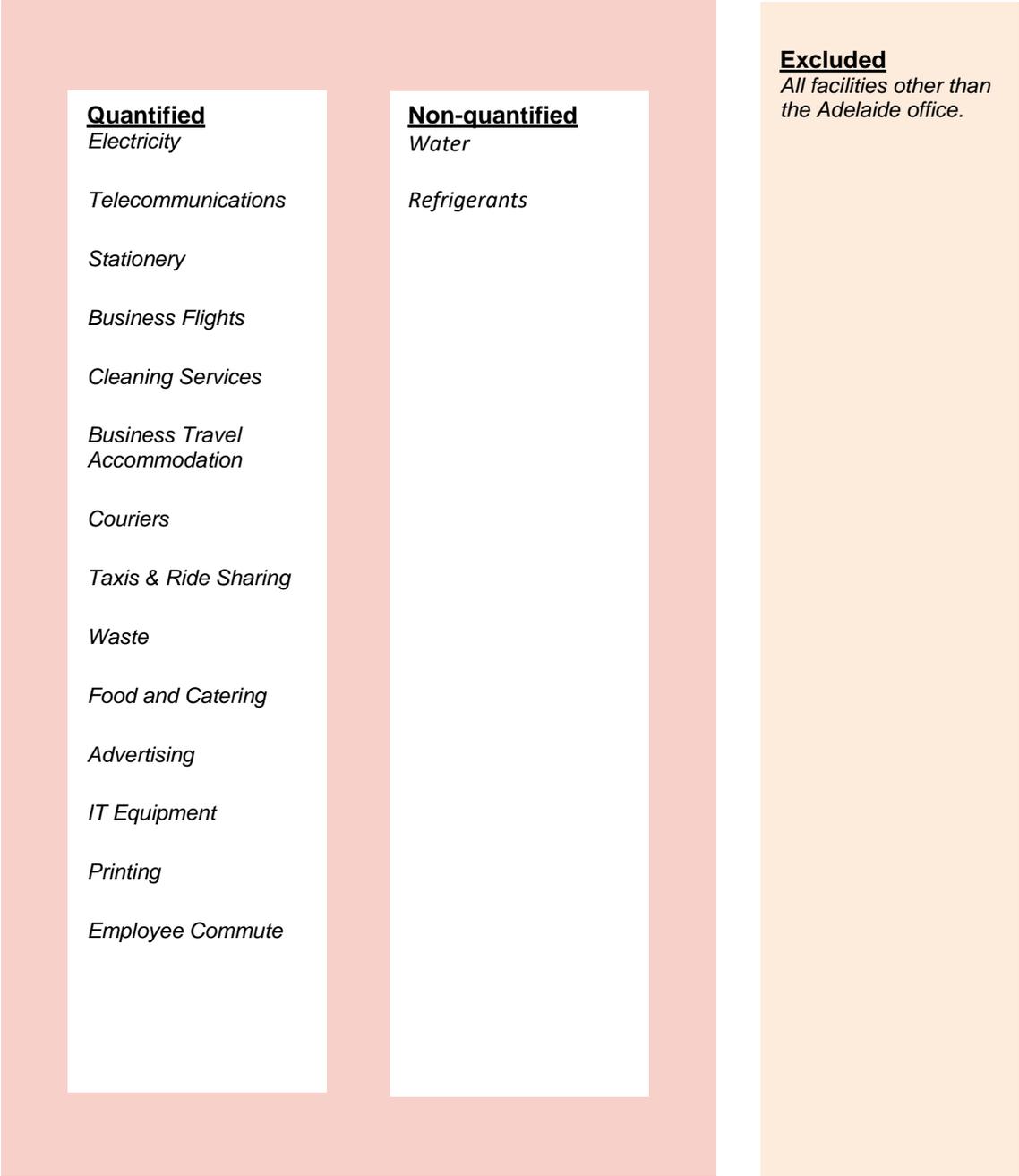
and waste and increase the lifecycle of products and services.

Our clients look to us to provide the best solution, not just for them, but for their stakeholders and wider community too. As a wholly Australian owned business, we invest in our community and want to see it thrive.

We do things differently at Shoal. We want our people to do their best, so we do our best for our people.

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

Water and refrigerant data was not available and therefore an uplift factor was applied.

Data management plan

Shoal Group will work with the building manager in the next measured period to source the unavailable data.

Excluded sources (outside of certification boundary)

As per relevance test shown in the Appendix I, all facilities other than the Adelaide office are used on a contract-by-contract and were deemed not to be relevant for this certification.

3. EMISSIONS SUMMARY

Emissions reduction strategy

Shoal has developed an Environmental Policy and Environmental Sustainability Plan to encompass our actions and accountability.

Our emissions reduction strategy includes:

- Measuring and reporting on our energy consumption and carbon footprint annually
- Acting on and creating opportunities to reduce our emissions by improving operational efficiencies, reducing our resource consumption and investing in innovative and sustainable technologies
- Promoting our commitments to our partners, consultants and clients to encourage sustainable change within the industry above and beyond our own business
- Educating and engaging our staff and contractors on how to minimise their impacts both at work and at home
- Integrating our emissions reduction strategy with our Quality Assurance and management procedures to ensure implementation and commitment on every level of the business

Shoal has also implemented the following actions into our corporate policies:

- Electing an Environmental Officer to oversee company sustainability efforts
- An overnight “electronic turn off” policy for all non-essential electronic equipment
- Engaging in a coffee pod recycling plan for all coffee within the office
- Recycling and organic waste disposal facilities within the office
- Shower facilities in the office to encourage employees to commute to work by bicycle
- Implementing remote working capabilities and teleconference facilities to reduce the need for travel
- Supplying each employee with laptops and workstations equipped with multiple screens to minimise printing
- Incentives on a rotating basis to encourage sustainable practices both within and beyond the office

Shoal will aim to implement these measures over the next year.

“At Shoal, we have an open-door policy. We take charge of our responsibilities in the local and wider community. We are taking action to actively and sustainably reduce our emissions.”

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Air Transport (km)	91.05
Land and Sea Transport (km)	37.91
Accommodation and facilities	17.49
Electricity	15.95
ICT services and equipment	12.93
Food	8.42
Taxis & Ride Sharing	7.63
Office equipment & supplies	5.36
Waste	1.49
Cleaning and Chemicals	1.09
Professional Services	1.03
Postage, courier and freight	0.35
<i>Total Net Emissions</i>	200.70

Uplift factors

Table 3

Reason for uplift factor	tonnes CO ₂ -e
Water and Refrigerants (uplift factor of 5%)	10.04
<i>Total footprint to offset (uplift factors + net emissions)</i>	210.74

Carbon neutral products

N/A

Electricity summary

Electricity was calculated using a Location-based approach.

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.

Market-based approach electricity summary

Table 4

Electricity inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	5,598	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	24,497	26.48
Renewable electricity percentage	n/a	
<i>Net emissions (Market based approach)</i>		26.48

Location-based summary

Table 5

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
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	30,094	0.53	15.95
	<i>Total net electricity emissions (Location based)</i>		0.00	15.95

4. CARBON OFFSETS

Offset purchasing strategy: forward purchasing.

Shoal Group are forward purchasing offsets for FY20-21 based on projected emissions and a true-up will occur at the end of the reporting period. If required, additional offsets will be purchased at the end of FY20-21.

Table 6

Forward purchasing summary	
1. Total offsets previously forward purchased for this reporting period	0
2. Total offsets required for this reporting period	211
3. Net offset balance for this reporting period	211
4. Total offsets to be forward purchased for next reporting period	0

Offsets summary

Table 7

1. Total offsets required for this report				211					
2. Offsets retired in previous reports and used in this report				0					
3. Net offsets required for this report				211					
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
CECIC HKC Gansu Changma Wind Power project	VCUs	Verra	1 Dec 2020	7821-430270658-430270762-VCU-034-APX-CN-1-717-24092018-31122018-0 7821-430270763-430270807-VCU-034-APX-CN-1-717-24092018-31122018-0	2018	150	0	45	105
Tiwi Islands, NT, Aboriginal Savanna Burning Project	ACCUs	ANREU	30 Nov 2020	3,772,968.606 - 3,772,968.755	2018-19	150	0	44	106
<i>Total offsets retired this report and used in this report</i>							211		
<i>Total offsets retired this report and banked for future reports</i>							89		

Co-benefits

Tiwi Islands, NT, Aboriginal Savanna Burning Project

In the Tiwi Islands, savanna burning is an important carbon farming project that is delivered in partnership with Tiwi Land Council and Charles Darwin University. Savanna burning is a fire management method that prevents destructive bushfires (prevalent in tropical savannas of northern Australia) by reducing the fuel load in a controlled manner and therefore reducing greenhouse gas emissions. By practicing traditional patchwork burning in the early dry season when fires are cooler and by burning less country, there are fewer emissions released and more carbon is stored in the soil and plants, keeping the land healthy for the Tiwi people.

This method generates Australian Carbon Credit Units (“ACCU”) and in turn brings environmental, social and cultural co-benefits such as:

- Elders sharing traditional ecological knowledge with young people;
- Protection of rock art and sacred sites;
- Protection of the environment by Aboriginal led land and sea management;
- Meaningful employment aligning with the interests and values of Traditional Owners; and
- Contribution to increased pride and self- esteem of Aboriginal people.

CECIC HKC Gansu Changma Wind Power project

The purpose of the project is to generate electricity using wind power resources in the region and to deliver to the Northwest China Power Grid (NWPG) which is predominated by connected fossil fuel fired power plants. The project aims to generate a total of 431,949 MWh of clean electricity to the NWPG annually and has been estimated to reduce GHG emissions by 430,588 tCO₂-e annually. The wind farm provides a needed boost in electricity for the area. China’s rapid economic growth has resulted in frequent power outages. A local source of clean electricity gives energy security to the region. It is also a source of employment and educational opportunities for the community.

5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
The website - www.shoalgroup.com	Certified organisation
Marketing material (LinkedIn posts, brochures etc)	Certified organisation
Material for clients (Capability statements, proposals, one-pagers etc)	Certified organisation

6. ADDITIONAL INFORMATION

Shoal Group has also purchased an additional 150 tonnes of biodiversity offsets through Greenfleet. Greenfleet is a leading Australian not-for-profit environmental organisation on a mission to protect our climate by restoring forests. Greenfleet forests address critical deforestation, restore habitat for wildlife including many endangered species, capture carbon emissions to protect our climate, reduce soil erosion, improve water quality, and economically support local and indigenous communities.



This is to certify

Shoal Group

offset 150.00 tonnes of CO₂-e with Greenfleet.

Your support will help us restore native forests and ecosystems, which provide crucial habitat for endangered wildlife, help counter the devastating impact of the bushfires, and reduce the impacts of climate change.

Greenfleet will plant enough biodiverse native trees on your behalf to offset these emissions.

Thank you for helping us grow our forests and grow climate hope.

A handwritten signature in black ink, appearing to read "Wayne Wescott".

Wayne Wescott | Greenfleet CEO

27/11/2020

Thank you

APPENDIX 1

Excluded emissions

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

Table 9

Relevance test					
Excluded emission sources	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.</i>
DST Edinburgh	✓	x	x	x	x
Russell offices	x	x	x	x	x
DST Fishermans Bend	x	x	x	x	x
DST Fairbairn	x	x	x	x	x
PTV / Transport for Victoria	x	x	x	x	x
Transport for NSW	x	x	x	x	x
Minelab, Mawson Lakes	x	x	x	✓	x

APPENDIX 2

Non-quantified emissions for organisations

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 10

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Water	No	No	Yes	No
Refrigerants	No	No	Yes	No