



**SUSTAINABLE  
MARKETING**



# Sustainable Marketing Carbon Report

Reporting period: April 2011 to April 2012  
Prepared by: Maria Anderson, Managing Director



## **Contents**

Introduction	2
Objectives	2
About Sustainable Marketing Services	2
Person responsible	2
Primary business activities resulting in emissions	3
Organisational and operational boundaries	3
Methodology used in creating the carbon inventory report	4
Emission sources included in the carbon inventory report	5
Emission sources not included in the carbon inventory report	5
Indicators	7
Implications	7
Regulations	8
Voluntary Reporting	8
Carbon Management	9
Reporting procedures and improvement.	10

Carbon Inventory Report – Sustainable Marketing Services

Prepared by Maria Anderson, Managing Director

In accordance with the GHG Protocol and ISO 14064-1

Date: 3 November 2012

For the period: Date: 28/04/2010 to 27/04/2011



## Introduction

This carbon inventory report has been prepared and written in accordance with ISO 14064-1 and is designed to be used in Sustainable Marketing Services' journey to carbon neutrality by 2013.

## Objectives

Sustainable Marketing Services is passionate about sustainable business practices. Sustainability is a core brand value and drives the investments and activities of Sustainable Marketing Services. As an ecoBiz Partner, Sustainable Marketing Services exceeds the goal of maintaining a 10% reduction of emissions (against original baseline in 2010-2011). This carbon reporting which forms part of Sustainable Marketing Services' environmental management plan aims to:

- ❖ Identify opportunities for emission improvements through measurement
- ❖ Progressively implement a range of activities that continue to reduce emissions
- ❖ Progressively increase the productivity achieved for each tonne of emission
- ❖ Be independently certified as being carbon neutral
- ❖ Offset unavoidable emissions.

## About Sustainable Marketing Services

Sustainable Marketing Services is a multi-award winning, Brisbane Marketing Agency that delivers sustainable marketing services to growing businesses with technical products or services, sustainability focussed and professional services businesses in Brisbane and Australia.

Our qualified and experienced marketing experts transform complex products or services into sustainable profits and growth - whether that be on or off grid power solutions; accounting, legal or financial services; energy efficient lighting, solar, refrigeration or chiller solutions; mining services, electrical contracting services, medical services or even innovations for farms.

As a Brisbane marketing agency, Sustainable Marketing Services help companies build a unique brand story, identify and execute top performing marketing strategies, implement and drive marketing plans, create marketing campaigns, corporate brochures, advertising, editorials and online strategies.

Sustainable Marketing Services' maintains a home office located at 52 Lorikeet Drive, Thornlands Qld 4164. As at 3 November 2012, Sustainable Marketing Services has a team of five part-time contractor employees.

See attachment 1 to review Sustainable Marketing Services' vision and mission.

## Person responsible

Maria Anderson, the managing director, has overall responsibility for this carbon inventory report. Maria has approved Sustainable Marketing Services' environmental management plan which comprises a Sustainability Policy (see attachment 2), Action Plan and this carbon inventory. The documents were prepared for Sustainable Marketing Services by Maria Anderson.



## Primary business activities resulting in emissions

The primary business activities that result in Sustainable Marketing Services' generating greenhouse emissions are shown below:

Business activity	Type of emission	Co2-e emitted	% of total inventory
Driving company vehicle to client meetings	Direct (scope 1)	4.29 tonnes	43%
Electricity to provide power for the office	Indirect (scope 2)	1.05 tonnes	11%
Flights to attend professional development workshops and meet with interstate clients	Optional (scope 3)	3.92 tonnes	40%
Office waste (that cannot be recycled)	Optional (scope 3)	0.63 tonnes	6%

## Organisational and operational boundaries

A diagram showing the organisational and operational boundaries is shown below:

### Organisational and operational boundaries





## Methodology used in creating the carbon inventory report

The carbon inventory report was prepared using the methodology described in the GHG Protocol and the ISO 14064-1 standard. The report applies the five GHG Protocol principles of relevance, completeness, consistency and transparency:

- ❖ *“Relevance – reflects the GHG emissions of the organisation and serves the decision making needs.*
- ❖ *“Completeness – all GHG emissions sources and activities within the chosen boundary. Disclose and justify exclusions.*
- ❖ *“Consistency – use consistent methodologies to allow for meaningful comparisons over time.*
- ❖ *“Transparency – address issue in a factual and coherent, clear audit trail, disclose assumptions, reference methodologies & sources*
- ❖ *“Accuracy – achieve sufficient accuracy to enable users to make decisions with reasonable assurance to the integrity of the information provided.” (GHG Protocol)*

Emissions have been classified into three categories:

- ❖ Direct emissions (scope 1): emissions from sources owned by the company
- ❖ Indirect emissions (scope 2): emissions from the generation of purchased electricity consumed by the company
- ❖ Indirection emissions optional (scope 3): emissions that occur as a consequence of the company’s activities which occur from sources not owned by the company.

The emissions were calculated using the following factors contained in National Greenhouse Accounts Factors, Australian National Greenhouse Accounts (July 2012):

### Emissions calculations table

Emissions source	Scope	Emissions Factor (EF)	EF Units
Company car	1	66.7	kg CO2-e/GJ
Electricity	2	0.86	kg CO2-e/kWh
Air flights	3	0.00015 x RFI of 2.7	kg CO2-e/GJ
Municipal solid waste	3	1.2	t CO2-e/t waste

The calculations of emissions were calculated using the following worksheets:

- ❖ Company car and electricity –“examples of emissions calculations table setup for data tabs from Carbon Accounting Course (as at November 2012)
- ❖ Air flights: NCS Swinburne – Course in Carbon Accounting, worksheet 3: Calculating your greenhouse gas emissions from flights - [http://my.tafe.qld.gov.au/MSI/MSI\\_Environmental\\_Studies/MSI\\_M00VICVPAU324\\_TQC\\_B/Content/Supporting\\_Docs/EPAVIC/Worksheets/Worksheet\\_3-Flights%20\(updated\).pdf](http://my.tafe.qld.gov.au/MSI/MSI_Environmental_Studies/MSI_M00VICVPAU324_TQC_B/Content/Supporting_Docs/EPAVIC/Worksheets/Worksheet_3-Flights%20(updated).pdf)
- ❖ Municipal solid waste: NCS Swinburne – Course in Carbon Accounting, Worksheet 5: Calculating your GHG emissions from waste [http://my.tafe.qld.gov.au/MSI/MSI\\_Environmental\\_Studies/MSI\\_M00VICVPAU324\\_TQC\\_B/Content/Supporting\\_Docs/EPAVIC/Worksheets/Worksheet\\_5-Waste.pdf](http://my.tafe.qld.gov.au/MSI/MSI_Environmental_Studies/MSI_M00VICVPAU324_TQC_B/Content/Supporting_Docs/EPAVIC/Worksheets/Worksheet_5-Waste.pdf)

Please refer to the supporting carbon inventory document prepared in excel to view calculations and base data.



## Emission sources included in the carbon inventory report

Emissions included in the carbon inventory report are:

1. Direct emissions (scope 1): emissions from the company car
2. Indirect emissions (scope 2): emissions from purchased electricity consumed by the company
3. Indirect emissions optional (scope 3): emissions from air travel for employees and waste.

As Sustainable Marketing Services is reporting on a voluntary basis, the company has decided to include two optional scope 3s. Airflights have been included because they generate significant emissions. Air travel is minimized where possible through the use of skype and online education. Waste has been included because the company is progressively moving towards becoming a paperless office and prior to participating in the ecoBiz Program, paper was a significant source of waste.

## Emission sources not included in the carbon inventory report

Upstream activities of suppliers in supplying goods and downstream activities of customers have not been included. Whilst Sustainable Marketing Services aims to influence suppliers through a Supplier Partner Sustainability Checklist and customers through education, these activities have not been included for two reasons:

1. To avoid double counting
2. The collection of the data would require an unreasonable effort.

Sustainable Marketing Services arranges for the following materials to be recycled. These materials are not shown in the report for simplification purposes. These activities are measured and recorded as part of the ecoBiz Program bi-annually.

- ❖ Paper is shredded and given to pet shops
- ❖ Ink toners are given to OfficeWorks for recycling
- ❖ Batteries are given to BatteryWorld for recycling
- ❖ Mobile phones are given to Phone Muster (none in the reporting period)
- ❖ Redundant office equipment are either given away or, if broken, given to Good Guys for recycling (none in the reporting period).

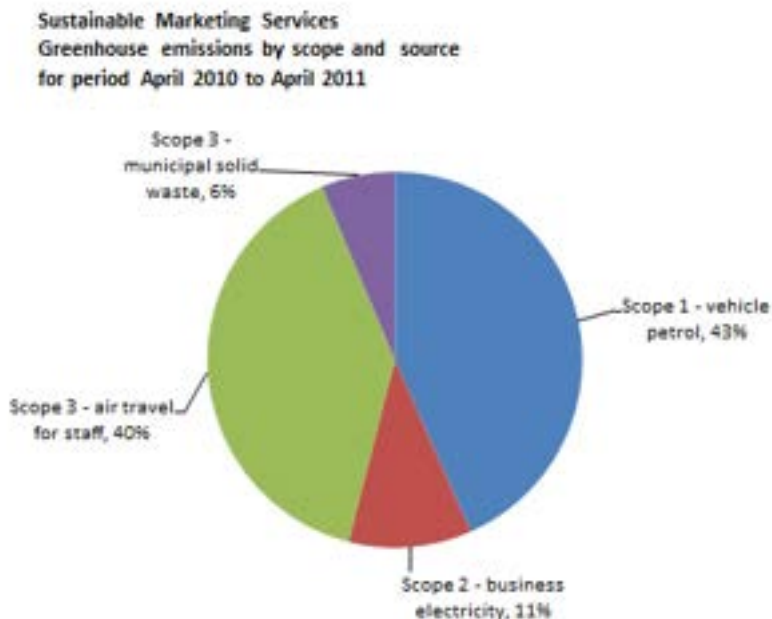


## Inventory

A copy of the summary carbon inventory table is shown below:

Emissions source	Consumption units	Consumption	co2-e (tonnes)	Proportion of total inventory (%)
<b>Direct emissions (Scope 1)</b>				
Petrol for vehicles	kL	18,219	4.29	43%
<b>Total Scope 1</b>			<b>4.29</b>	
<b>Indirect emissions (Scope 2)</b>				
10% of household electricity assigned to business	kWh	1,219.8	1.05	11%
<b>Total Scope 2</b>			<b>1.05</b>	
<b>Optional emissions (Scope 3)</b>				
Flights	km	9,676.0	3.92	40%
Municipal solid waste	m3	2.9	0.63	6%
<b>Total Scope 3</b>			<b>4.55</b>	
<b>Scope 1 + 2</b>			<b>5.34</b>	
<b>Scope 1 + 2 + 3</b>			<b>9.88</b>	100%
<b>Reduction measures</b>				
Carbon offsets purchased through Climate Friendly			9	tonnes
<b>Net emissions after offsets</b>			<b>0.88</b>	<b>tonnes</b>

A pie chart showing Sustainable Marketing Services' emissions by scope and activity is shown below:







## Indicators

Ratio indicators provide information on organisational performance relative to the emissions generated. By comparing indicators over time and through organisational changes, the relationship between the value of an organisation and its environmental impact can be improved.

Sustainable Marketing Services adopted a productivity/efficiency ratio in the ecoBiz Program. For consistency the same productivity/efficiency ratio (sales/emissions ratio) will be applied in the carbon inventory report. The results of the ratio are shown below:

### Productivity/Efficiency ratio

Gross sales for period	\$180,000
divided by emissions before offsets	9.9
<b>Value create per unit of GHG emitted</b>	<u><u>\$18,182</u></u>

## Implications

Participation in the ecoBiz Program has already enabled Sustainable Marketing Services to address some of their drivers for adopting sustainability business practices.

- ❖ Aligns with core brand values.
- ❖ Outperform competitors by 15%+\*
- ❖ Demand from society
- ❖ Strengthens competitive advantage
- ❖ Sustainability is profitable
- ❖ Voluntary reporting
- ❖ Engages team and increases loyalty
- ❖ Differentiate our brand
- ❖ Brand reputation and ethical

Sustainable Marketing Services has continues to achieve a 36% reduction of greenhouse gas emissions against the original 2009-2010 ecoBiz baseline. The adoption of sustainable business practices enabled the company to outperform competitors by over 15%+ net profit. Sustainability has helped the company develop a strong brand. Team members are engaged with an average retention of 3 years.

The carbon inventory report builds on the work conducted via ecoBiz. Maria Anderson, the owner, believes sustainability is about value creation and not just financial savings. The carbon inventory productivity/efficiency gives Sustainable Marketing Services the ability to continue to improve the value created for each emission generated. In addition, the carbon inventory report provides the basis for the company to achieve carbon neutrality.

There are no financial implications or risks for Sustainable Marketing Services for any of the carbon price signals. We expect larger companies impacted by carbon price signals to select suppliers who adopt sustainable business practices. Sustainable Marketing Services is well positioned to take advantage of this opportunity.





## Regulations

Sustainable Marketing Services does not trigger any mandatory reporting requirements. Our assessment and use of the results from the carbon accounting program are voluntary.

Reporting Regulation	Reporting Threshold
National Greenhouse and Energy Reporting Act 2006.	At the corporate level: 50 kilotonnes (50,000 tonnes) of CO <sub>2</sub> -e emissions <u>or</u> the consumption or production of 200 Terajoules (200 trillion Joules) of energy.  At the facility level: 25 kilotonnes (25,000 tonnes) of CO <sub>2</sub> -e emissions or the consumption or production of 100 Terajoules (100 trillion Joules) of energy.
Clean Energy Act 2008 (QLD)	Production of 10 Terajoules of energy.
Energy Efficiency Opportunities Act 2006	

## Voluntary Reporting

Sustainable Marketing Services voluntarily reports to ecoBiz on a bi-annual basis (see attachment 3). The organisation also wishes to be independently certified as carbon neutral in 2013. As the company is a small organisation, it will source a cost effective way of being independently audited in 2013.

The reporting requirements for ecoBiz are shown below:

- ❖ Initial 6 to 12 month baseline
- ❖ 12 months of reduction activities and then a reassessment against the baseline
- ❖ Must achieve and maintain a 10% reduction for energy, materials, GHGs and waste
- ❖ Required to adopt an indicator relevant to the type of organisation
- ❖ Audited by Department of Environmental and Heritage Protection.
- ❖ Receive formal accreditation



## Carbon Management

Carbon management is the measurement and control of carbon emissions. Sustainable Marketing Service's sustainability goals are shown below:

1. Achieve and exceed a 10% reduction in GHGs required under the ecoBiz Program
2. Be certified as carbon neutral in 2013 through independent certification
3. Progressively increase the productivity achieved for each tonne of emission

### Carbon management principles

Carbon management principles, such as the EPA Victoria's Carbon Management Principles help businesses prioritise actions to optimise environmental and business outcomes. These principles can help an organisation reduce input costs, build reputation, improve market opportunity and reduce business risk.

Sustainable Marketing Services has already implemented a large number of activities through ecoBiz from using natural light, installing energy efficient lights and fans, progressively purchasing more energy efficient appliances, progressively moving to a paperless office through the cloud, installing power clocks, programming computers to shut off at a certain time, arranging for inkjet cartridges, toners, batteries and old office equipment to be recycled and replacing the Nissan Xtrail with a Lexus Hybrid.

The carbon management principles are discussed below:

1. **Measure.** What is the organisation emitting? *Sustainable Marketing Services emits 9.9 tonnes (before offsets)*
  - The organisation will continue to measure emissions as per the ecoBiz Program
2. **Set objectives.** What does the organisation want to achieve? *See above.*
3. **Avoid.** Can the organisation avoid generating emissions?
  - Source some of the required professional development courses locally in Brisbane
4. **Reduce.** Can the organisation change its activities to reduce its emissions?
  - Replace Nissan Xtrail with Lexus Hybrid (done in July 2012)
5. **Switch.** Can the organisation switch its energy sources to less greenhouse intensive sources?
  - Purchase part of all green electricity
6. **Sequester.** What are the options available to sequester carbon? *Not applicable*
7. **Assess.** What are the organisation's residual emissions? *Would need to assess this in 2013.*
8. **Offset.** Can the organisation offset its residual emissions?
  - The organisation currently offsets 9 tonnes each year via Climate Friendly leaving a residual of .9. With the purchase of the Lexus Hybrid in July 2012, the total emissions will fall below 9 tonnes in 2013.



## Reporting procedures and improvement.

The main two barriers experienced when developing the inventory and report are 1) prioritising time to complete the activities and 2) calculating the formulas. Through the ecoBiz Program, we have become accustomed to the type of data collection and analysis required and don't find this difficult.

Opportunities for improvement regarding the organisation's carbon reporting procedures include:

- ➔ Add key deliverables to the company's online project management software
- ➔ Consider measuring the materials that are recycled. E.g. inkjet cartridges, toners, batteries and office equipment
- ➔ Develop an internal process to embed carbon accounting into the core business' monthly activities
- ➔ Set up spreadsheets with the formulas already inputted to make the process easier and faster
- ➔ Arrange for the next carbon report to be audited by an independent organisation
- ➔ Develop a shorter version of the report for our website and share with clients.

The report is developed in accordance with Sustainable Marketing Services' strategic business plan and brand values and brand style guide.



## VISION

At **Sustainable Marketing**, our vision is at the heart of everything we do. In collaboration with our clients, we influence, create and grow sustainable SME brands that balance profits, people and our planet's long term needs.



## RELATIONSHIPS

Create authentic, long term relationships



## KNOWLEDGE

Excel through unique marketing expertise



## SUSTAINABILITY

Inspire excitement about a sustainable future



## PERFORMANCE

Achieve reliable and optimised results

## MISSION

The way we achieve our vision is to help our clients realise sustainable growth, all the while continuing to meet the long term needs for profits, people and the planet. Our marketing services are delivered via sustainable business practices, which allow us to use resources more efficiently.



## Attachment 2 – Sustainable Marketing Services’ Sustainability Policy

Sustainable Marketing is committed to working collaboratively with clients, suppliers and the community to achieve the following commitments during 2012-2013. Maria Anderson will manage and implement our Sustainability Action Plan and will measure and report to ecoBiz on our performance.

## Our Commitments



### ENERGY

Reduce energy consumption per person by 10% of base line



### TRANSPORT

Offset carbon footprint created by air and car travel



### MATERIAL

Increase efficiency of ink and paper used by 10% of base line Operate a paperless office (where possible)



### KNOWLEDGE

Improve sustainable knowledge by undertaking a carbon accounting course and a diploma in sustainability



### PEOPLE & COMMUNITY

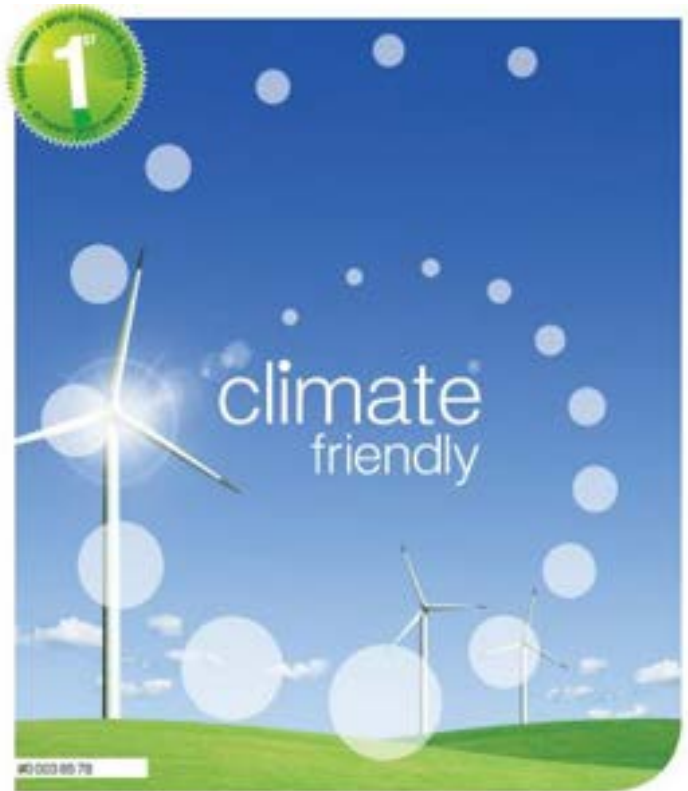
Encourage people, suppliers and the business community to adopt sustainable business practices

Maria Anderson has been a formal mentor to Griffith University’s mentoring program for the last two years; and is a judge and now mentor to the Griffith University’s Innovation Challenge. Maria mentors Siobhan Remy, an employee of a client, and is a mentor to Australian Businesswomen’s Network mentorNet program. Maria also donates time to run “Considering Business Workshops. SMS donates marketing support to the Capalaba Business Improvement District. SMS donates money to Redlands Centre for Women.



# SUSTAINABLE MARKETING

## Attachment 3 - Supporting information for our sustainability credentials



This is in recognition that  
**Sustainable Marketing**  
has offset their carbon footprint of 9.0 tonnes

**9.0**  
Tonnes

Thank you for taking meaningful action on  
climate change and supporting clean energy

*Julie E. Parkinson*  
Sustainable Marketing Services

31 Dec 2012





Attachment 4 – ecoBiz results

Sustainable Marketing  
ecoBiz Savings Report



Environmental savings per production unit

	Indicator	Unit	Baseline	Re-assessment	Change	% change	
Consumption	Production unit		0	136,452	180,069	43,617	31.97%
	Materials input	tonnes		0.00	0.00	0.00	-52.94%
	Energy	MJ		0.04	0.02	-0.01	-33.70%
	Potable water	litre		0.13	0.10	-0.04	-26.31%
	Water	litre		0.13	0.10	-0.04	-26.31%

	Indicator	Unit	Baseline	Re-assessment	Change	% change	
Production	Production unit		0	136,452	180,069	43,617	31.97%
	Greenhouse gas	kg CO <sub>2</sub> -e		0.01	0.01	0.00	-33.70%
	Disposal waste	cubic metre		0.00	0.00	0.00	-60.14%
	Recycling waste	cubic metre		0.00	0.00	0.00	-60.54%
	Wastewater output	litre		0.12	0.09	-0.03	-26.31%





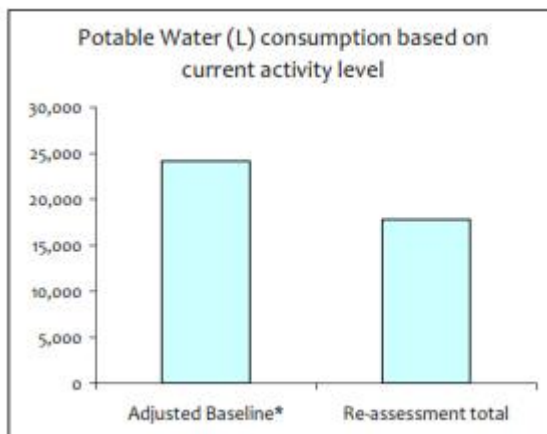
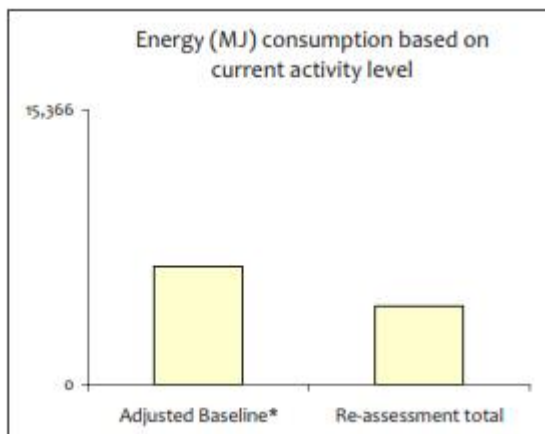
## Sustainable Marketing ecoBiz Savings Report



Environmental savings based on current business activity level

Indicator	Unit	Adjusted Baseline*	Re-assessment total	Change	% change
Production unit	o	180,069	180,069	0	0.00%
Materials input	tonnes	0	0	0	-52.94%
Energy	MJ	6,619	4,388	-2,230	-33.70%
Potable water	litre	24,156	17,800	-6,356	-26.31%
Water	litre	24,156	17,800	-6,356	-26.31%

\* Refers to Baseline data scaled to your current Re-assessment activity level (production unit) to eliminate influences associated with changes in activity level.

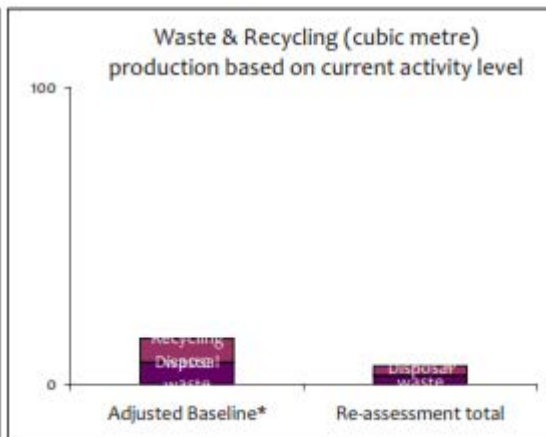
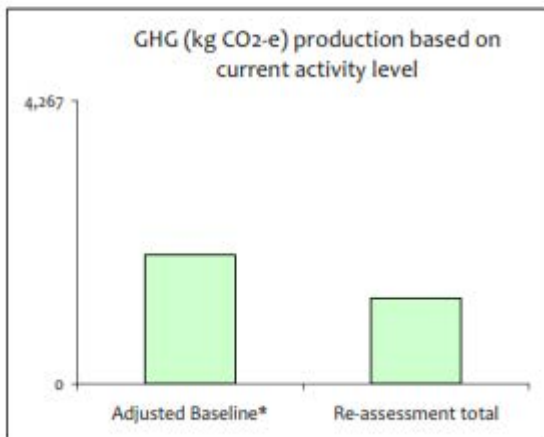




# SUSTAINABLE MARKETING

Indicator	Unit	Adjusted Baseline*	Re-assessment total	Change	% change
Production unit	0	180,069	180,069	-2,230	-33.70%
Greenhouse gas	kg CO <sub>2</sub> -e	1,946	1,290	-656	-33.70%
Disposal waste	cubic metre	7	3	-4	-60.14%
Recycling waste	cubic metre	8	3	-5	-60.54%
Wastewater output	litre	21,983	16,198	-5,785	-26.31%

\* Refers to Baseline data scaled to your current Re-assessment activity level (production unit) to eliminate influences associated with changes in activity level.



## Sustainable Marketing ecoBiz Savings Report



Your business has made annual waste savings equalling the volume of

**18** Household wheelie bins!

