



2020

**Environment and
Sustainability Report Card**



Save the Children

SUSTAINABILITY AND THE PANDEMIC

In 2020 the COVID-19 pandemic took hold across Australia and the world. The pandemic had a significant impact on our environmental footprint.

Save the Children Australia delivers children and family services, support and programs nationally where the use of vehicles and travelling by air is common. The pandemic posed significant challenges to our continued delivery of programs nationally, especially with states which experienced lengthy and strict restrictions, like Victoria. However, the pandemic did give us opportunities to experiment with our service delivery. In many locations, we changed our ways of working to remote delivery and through online connection.

In the first quarter of 2020, Save the Children Australia implemented a carbon offset scheme to address air travel, which was identified as a high emitter of carbon across our organisation.

The advent of the pandemic in the second quarter saw a global reduction in carbon emissions as aeroplanes were grounded. This was no different for Save the Children Australia and it has resulted in a 56% reduction in carbon emissions from air travel over the year.

We also reduced emissions from electricity consumption and fleet travel, despite our acquisition of 12 new retail stores in New South Wales at the end of 2019.

A real reduction of 24.6% of carbon emissions was recorded in 2020. The application of carbon offsets against air travel contributed to a further reduction of 16.4%, taking the overall reduction to 41.05%.

We continue to align with the Greenhouse Gas Protocol and endeavour to identify other business functions which impact our carbon footprint. We also recognise that waste minimisation strategies have not been sufficiently addressed in previous years. This has been identified as an area to be included in our decarbonisation strategy.

In line with our commitments to children's rights, we have continued our commitment to science-based emissions reduction, ensuring we are contributing to addressing the underlying causes of climate change. We have committed to a real reduction in our emission greater than 50% and offsetting unavoidable residual emission, such as some of our programmatic land and air travel, by 2030. By 2021, we will have developed, costed and started to implement a decarbonisation roadmap with clear 2030 and 2050 benchmarks and targets.

Our environmental sustainability initiatives focus on four key themes and our progress against these is outlined in this report.



- 1. Suppliers & operations:** Reducing our environmental impact through the selection of our suppliers and the way we manage our operations and support functions.
- 2. Employee engagement:** Improving environmental performance through building 'top down' and 'bottom up' commitment of staff across all departments.
- 3. Reporting & benchmarking:** Improving environmental performance by providing timely and accurate feedback on progress to managers, the Executive, Board and external stakeholders.
- 4. Project design & delivery:** Improving environmental performance through incorporating good environmental principles and our Project Environment Management System into the delivery of all our international projects.

1. SUPPLIERS & OPERATIONS

Initiatives from the Head Office to State and program locations to retail stores continue with recycling printer cartridges, use of LED lights, scheduling lights and heaters to be turned off overnight, use of reusable bags in retail, e-waste recycling, regular servicing of air-conditioners and green waste disposal for food scraps. In some programs, reducing food waste is implemented in partnership with SecondBite, a leading national food rescue organisation.

Our decarbonisation roadmap, which will be developed in 2021 will provide a range of specific actions and targets to further reduce our carbon footprint nationally.

In 2021, we will re-ignite the ethical procurement strategy to identify suppliers which we can engage with nationally to reduce our emissions.

Discussions with our Fleet Management Organisation began in 2020, including on recommendations for the use of hybrid vehicles in our programs where suitable. However, this was stymied by the reduced supply of such vehicles during the pandemic. Further investigation into the viability of electric vehicles is also a consideration for our Retail arm.

2. EMPLOYEE ENGAGEMENT

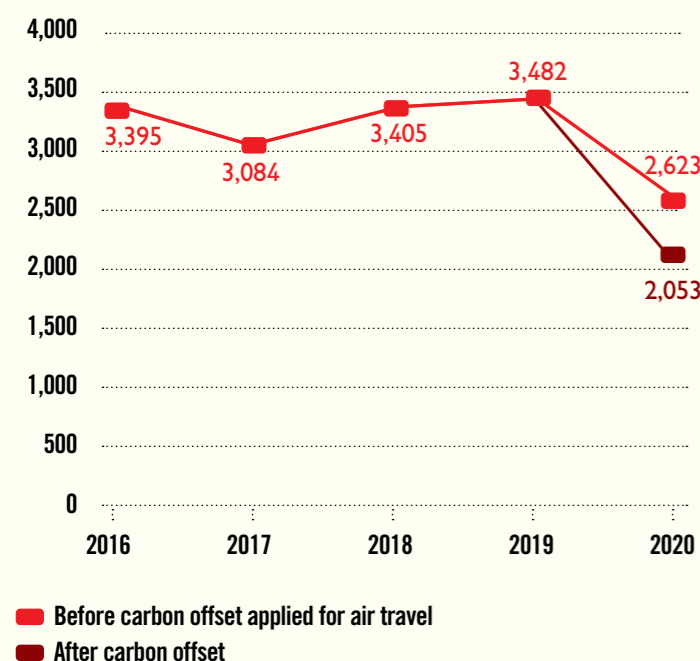
With most staff working from home due to the pandemic, we temporarily suspended our employee engagement committee.

Employee engagement is critical to deliver Save the Children's commitment to protecting our environment. The committee will re-commence its work in 2022, with a focus on the behaviour change needed across the organisation to achieve 2030 and 2050 carbon reduction goals.

1. REPORTING & BENCHMARKING

In 2020, Save the Children Australia's programming income grew by 9%. Our social enterprises enjoyed 39% year-on-year growth. Despite COVID lockdown impacts, our Retail store network's revenue grew by 31% in 2020, mainly due to acquisition of a new store network in NSW.

TOTAL EMISSIONS BY YEAR



The total emissions for 2020 saw a significant drop primarily due to the restrictions on air travel globally and within Australia caused by strict lockdowns. This was further reduced with the implementation of carbon offsets for air travel.

The challenge in 2021 and beyond will be to maintain the carbon reduction we achieved in 2020 once air travel opens up again post-pandemic.

The total figures reported¹ comprise emissions from Save the Children Australia's offices and project sites in Australia, retail sites and our travel activities except for paper which only accounts for head office use.

¹ Note reported flight activity excludes a limited portion of international travel activity for which data was not accessible. Further it was not possible to capture electricity consumption data for some of our smaller program sites that operate in a shared space with other service providers and where we are not the primary tenant. Data presented for paper relates only to head office paper usage and does not include paper used for marketing purposes or by other sites. We estimate that the omission of this data would not have a noticeable impact on total reported emissions.

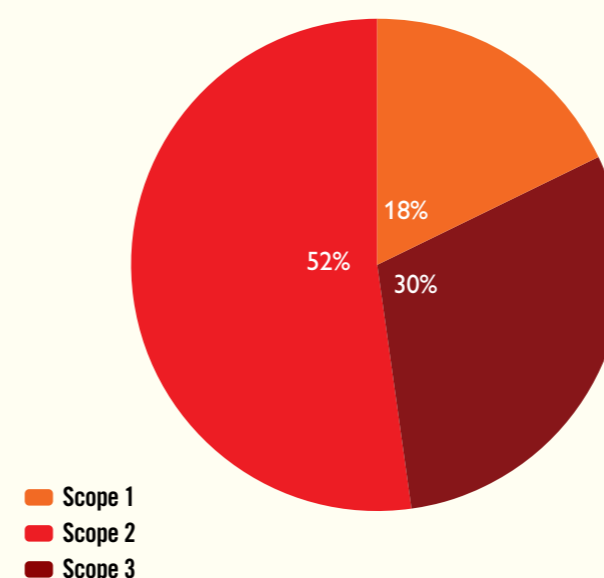
EMISSION BREAKDOWN BY SOURCE

SOURCE	EMISSIONS (T.CO2-E)	
	2019	2020
Flights	1,315	570
Electricity	1,618	1,563
Fleet Travel	548	490
Paper	1	0
Total Emissions	3,482	2,623
Carbon Offset	-	570
Adjusted Emissions	3,482	2,053

A significant 56% reduction in emissions was derived from less staff travel associated with the restriction on air travel globally and within Australia due to the pandemic.

- A further reduction of emissions was achieved with the implementation of offsetting air travel for 2020.
- Emissions from electricity consumption reduced by 12% between 2019 and 2020. Despite lockdowns experienced in states like Victoria, many retail stores, program offices and locations continued to operate nationally. In addition, 12 new retail stores were acquired in New South Wales in December 2019.
- Fleet emissions reduced by 11% reflecting the pivot to online delivery of programs in some states where restrictions prevented staff from delivering face-to-face program at locations.
- Paper emissions have reduced as we continue to adopt paperless practices in our head office.

EMISSIONS BREAKDOWN BY SCOPE



Note, Save the Children's reporting boundary for the calculation of 2020 emissions is as follows:

SOURCE	SCOPE 1	SCOPE 2	SCOPE 3	ENERGY
Air travel	N/A	N/A	Included	Included
Electricity	N/A	Included	Included	Included
Fleet	Included	N/A	Included	Included
Paper	N/A	N/A	Included	Excluded

Scope 1 (S1): Direct greenhouse gas emissions, including fuel combustion, company vehicles and fugitive emissions.

Scope 2 (S2): Energy indirect greenhouse gas emissions, including purchased electricity, heat and steam.

Scope 3 (S3): Other indirect greenhouse gas emissions, including purchased goods and services, business travel, employee commuting, waste disposal, use of sold products, transportation and distribution, investments, leased assets and franchises.

The current reporting boundary includes electricity consumption for all offices, project sites and retail locations which comprise the majority of Save the Children Australia's electricity consumption.



2. PROJECT DESIGN & DELIVERY

Building from our 2019 accreditation, in 2020 Save the Children Australia worked with the Green Climate Fund to build a pipeline of large-scale projects to help build the climate resilience of children and communities across a number of countries in the Asia-Pacific and Africa. The COVID-19 pandemic resulted in significant delays in proposal development as communities, countries and Save the Children Australia worked to help address the impacts of the pandemic. We anticipate the first of our projects will go to the Green Climate Fund Board for consideration in early 2022.

The Green Climate Fund is the world's largest dedicated climate change financing mechanism – aiming to help generate transformational change in the way developing countries address climate change. We are leveraging our significant global network of specialist technical advisers working in climate change, disaster risk reduction, health, water and sanitation, livelihoods, education, agriculture and food security to develop and deliver projects that help vulnerable children and communities achieve sustainable development in a changing climate.

As our pipeline of projects has grown, we revised and updated our Environmental and Social Safeguards Screening Tool, to remain in line with developments in international best practice. The tool continues to ensure that Save the Children Australia and its implementing partners have a consistent avenue through which to highlight environmental risks and guide responses – where appropriate – at the design phase of a project. All international projects developed by Save the Children Australia utilise this tool as a fundamental component of the design process. All projects screened with the tool to date have been considered low risk, but they continue to be monitored to ensure that any risks arising are managed effectively and efficiently.



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Save the Children

**Save the Children Australia
33 Lincoln Square South
Carlton Vic 3053
1800 76 00 11**

savethechildren.org.au