



# 2023

| Sustainability  
| Data Book

# 2023 | Sustainability Data Book



This Sustainability Data Book provides a summary of NBN Co's sustainability performance metrics, covering the Company's performance, across the five areas of the Company's value creation model:

- Network
- Customers, communities and partners
- People
- Environment
- Financial resources

This Sustainability Data Book should be read in conjunction with the 2023 Annual Report for further commentary on NBN Co's sustainability performance. How we deliver and measure value across the five value creation areas is outlined in the 2023 Annual Report (refer to page 14 to 15).

This is the second year NBN Co has prepared and published a summary of sustainability performance metrics. Some metrics have only recently been calculated and monitored. Historical data for FY20 and FY21 has been included where data is available.

Where metrics included in this Sustainability Data Book have been subject to limited assurance or reasonable assurance in FY23, this has been stated. Unless indicated, results in this Sustainability Data Book have not been subject to external assurance.

## **Important Notice**

While every effort is made to provide accurate and complete information, NBN Co does not warrant or represent that the information in this pack is free from errors or omissions or is suitable for your intended use. Some of the figures are estimates made on the basis of best available data. It is provided for information purposes only. This document must not be used other than with the consent of NBN Co.

# Network

As Australia's digital backbone and national telecommunications asset, the **nbn**<sup>®</sup> network is helping to lift the digital capability of Australia, enabling greater productivity, economic prosperity and social opportunity.



Value creation  
outcome

## Australia's digital backbone

Metric	Premises ready to connect (RTC)	Business Fibre Zones created <sup>(1)</sup>	Average network availability <sup>(2)</sup>
FY20 Result	11.7m	N/A	99.95%
FY21 Result	12.0m	240	99.96%
FY22 Result	12.13m	304	99.95%
FY23 Result	12.29m	321	99.97%

<sup>(1)</sup> Cumulative number of Business Fibre Zones created across Australia.

<sup>(2)</sup> Percentage of time the **nbn**<sup>®</sup> network is available and operating. For this measure, the network is considered 'unavailable' during the time NBN Co is restoring services following the raising of a fault. It doesn't include periods where the network is unavailable due to operational outages for network upgrades and improvements or events beyond NBN Co's control.

# Customers, communities and partners

Working collaboratively with our industry, suppliers and partners to deliver excellent customer experience and make meaningful contributions to the communities we serve.



Value creation outcome

## Customer experience, partnerships and connected communities

Metric	Homes and Businesses Connected (Activations)*	Faults resolved within agreed time frames	Met agreed installation times	Reconciliation Action Plan (RAP IV) outcomes progress - number of RAP actions completed by 30 June of specified financial year <sup>(1)</sup>	Modern Slavery Workplan action completion - number of actions completed in financial year <sup>(2)</sup>
FY20 Result	7.3m	N/A	N/A	N/A	N/A
FY21 Result	8.2m	N/A	N/A	32 of 118 actions completed and 22 in progress	N/A
FY22 Result	8.52m	88%	97%	63 of 118 actions completed and 27 in progress	6 actions completed out of 13
FY23 Result	8.56m	92%	98%	107 of 118 actions completed	5 actions completed out of 11

\* Limited assurance over metric in FY23 - see 2023 Annual Report for further details

<sup>(1)</sup> This provides detail on actions completed for RAP IV.

<sup>(2)</sup> Further details will be provided in NBN Co 2023 Modern Slavery Statement

# People

A safe, inclusive and engaged workplace where highly capable and motivated people live NBN Co's values and are empowered to deliver NBN Co's purpose and strategy.



Value creation outcome

## A safe, inclusive and engaged workforce

Metric	Employee engagement*	Females in management*	Gender pay gap*	Total Recordable Injury Frequency Rate (TRIFR) - employees and contractors combined <sup>(1)</sup>	Total Recordable Injury Frequency Rate (TRIFR) - employees <sup>(1)</sup>	Total Recordable Injury Frequency Rate (TRIFR) - contractors <sup>(1)</sup>	Frequency of HSE incidents with the potential to cause serious harm <sup>(2)</sup>	Serious harm HSE incidents <sup>(3)</sup> (number)	Health and safety incidents notified to Comcare (number)
FY20 Result	86%	32%	N/A	2.7	2.0	2.9	1.5	1.0	45
FY21 Result	76%	33%	<1%	2.17	2.4	2.0	0.7	0.0	13
FY22 Result	81%	32.4%	1.1%	2.34	3.2	1.8	0.6	0.0	13
FY23 Result	78%	34.3%	-0.85%	2.36	3.0	2.0	0.7	0.0	15

\* Limited assurance over metric in FY23 - see 2023 Annual Report for further details

<sup>(1)</sup> Total Recordable Injury Frequency Rate (TRIFR) is the total number of recordable injuries per million hours worked. TRIFR includes work related injuries that relate to an NBN Co workplace or NBN Co activity undertaken by an NBN Co employee, contractor or delivery partner (DP) employee or contractor that resulted in fatality, permanent disability injury/illness (PDI), work-related injury/illness resulting in lost time (LTI), restricted work injury (RWI) or medical treatment injury (MTI). It does not include any first aid injury/illness. TRIFR is a rolling annual metric and is significantly reliant upon information provided by DPs and their contractors who undertake and complete field related activities, which includes but is not limited to network construction, customer connections and network assurance and maintenance activities. NBN Co's first priority is the safety of its people and as a result requires that all incidents are reported for evaluation. To enhance the comparability of the TRIFR metric across various periods and to measure performance against other lead and lag metrics and the broader HSE control environment, an NBN Co authorised person reviews each incident and its associated specific facts, including the environmental surroundings where the incident occurred, when determining whether an incident should be classified as a reportable work related injury. As a consequence of this review, incidents such as animal bites and incidents occurring on the journey to-or- from home premises may be excluded from reportable injuries.

<sup>(2)</sup> Total number of potential serious harm incidents per million hours worked includes incidents with a potential consequence of 'severe' but excludes incidents with an actual consequence of 'severe'. Serious harm incidents are those resulting in a severe consequence such as a fatality or permanent disabling injury.

<sup>(3)</sup> Serious harm HSE incidents are those resulting in a severe consequence such as fatality or permanent disabling injury. In FY20 there was one serious harm HSE incident reported. This occurred in February 2020, when a Delivery Partner worker suffered a permanent disabling eye injury during cable hauling activities.

# Environment

A climate-resilient, resource-efficient network and business aligned with the latest climate science, which protects the natural environment and areas of cultural significance.

Value creation  
outcome

## Protected environment

Metric	Total energy consumed <sup>^</sup> (GJ) (operational control) <sup>(1)</sup>	Total scope 1 and 2 emissions (ktCO <sub>2</sub> -e) <sup>^</sup> (operational control: location based) <sup>(1)</sup>	Scope 1 GHG emissions (ktCO <sub>2</sub> -e) (operational control) <sup>(1)</sup>	Scope 2 GHG emissions (ktCO <sub>2</sub> -e) (operational control: location based) <sup>(1)</sup>	Scope 2 GHG emissions (ktCO <sub>2</sub> -e)* (financial control: market based) <sup>(1)</sup>	Total of selected scope 3 emissions (ktCO <sub>2</sub> -e)* (financial control) <sup>(1)(2)</sup>	Energy intensity (kWh/TB)* (financial control) <sup>(1)(1a)</sup>	Emissions intensity (kgCO <sub>2</sub> -e/TB)* (financial control: market based) <sup>(1)(1a)</sup>	Renewable energy purchases (% of total purchases) <sup>(3)</sup>	Contracted renewable energy (GWh)
FY20 Result	1,376,200	299	5	294	N/A	N/A	15.05	12.12	19.0%	N/A
FY21 Result	1,515,814	329	4	325	285	1,332	11.42	8.87	18.9%	80
FY22 Result	1,507,698	319	4	315	272	1,305	9.07	6.88	18.5%	80
FY23 Result	1,487,169	282	4	278	239	1,177	8.25	5.59	18.8%	239

\* Limited assurance over metric in FY23 - see 2023 Annual Report for further details.

<sup>^</sup> Reasonable external assurance is obtained over Total energy consumed and Total scope 1 and 2 (combined) greenhouse gas emissions data, which is submitted annually to the Clean Energy Regulator in compliance with Section 19 of the National Greenhouse and Energy Reporting Act 2007.

(1) For more information about our calculation methodology (see Appendix A).

(1a) FY20, FY21, FY22 figures have been adjusted to align with NBN Co's calculation methodology (see Appendix A).

(2) Scope 3 FY22 GHG emissions are adjusted in accordance with NBN Co's calculation methodology (see Appendix A). FY21 result has not been subject to limited assurance.

(3) Renewable energy purchases are estimates and include Clean Energy Regulator's renewable energy target.

(4) Waste from NBN Co operational sites, depots and select offices for which there is complete and reliable data.

# Environment (cont'd)

A climate-resilient, resource-efficient network and business aligned with the latest climate science, which protects the natural environment and areas of cultural significance.

Value creation outcome

## Protected environment

Metric	Waste diversion rate - waste recycled vs landfill - for select NBN Co facilities (%) <sup>(4)</sup>	Recycled - ULAB - used lead acid batteries (tonnes) <sup>(4)</sup>	Recycled - technical waste - e-waste, scrap metal, cable (tonnes) <sup>(4)</sup>	Recycled - cardboard/paper, secure paper (tonnes) <sup>(4)</sup>	Recycled - mixed containers - plastics, aluminium, metal, glass (tonnes) <sup>(4)</sup>	Waste recycled - total (tonnes) <sup>(4)</sup>	General waste to landfill - total (tonnes) <sup>(4)</sup>	Fines, prosecutions, penalty notice or official cautions under environmental or cultural heritage regulations
FY20 Result	49%	N/A	N/A	N/A	N/A	N/A	N/A	1
FY21 Result	52%	71.91	2.75	57.25	16.44	148.35	70.39	0
FY22 Result	62%	11.9	8.6	59.2	38.2	119.6	72.0	1
FY23 Result	65%	24.9	9.9	58.0	56.6	149.4	79.7	0

\* Limited assurance over metric in FY23 - see 2023 Annual Report for further details.

^ Reasonable external assurance is obtained over Total energy consumed and Total scope 1 and 2 (combined) greenhouse gas emissions data, which is submitted annually to the Clean Energy Regulator in compliance with Section 19 of the National Greenhouse and Energy Reporting Act 2007.

(1) For more information about our calculation methodology (see Appendix A).

(1a) FY20, FY21, FY22 figures have been adjusted to align with NBN Co's calculation methodology (see Appendix A).

(2) Scope 3 FY22 GHG emissions are adjusted in accordance with NBN Co's calculation methodology (see Appendix A). FY21 result has not been subject to limited assurance.

(3) Renewable energy purchases are estimates and include Clean Energy Regulator's renewable energy target.

(4) Waste from NBN Co operational sites, depots and select offices for which there is complete and reliable data.

# Financial resources

Long-term responsible and sustainable financial growth to enable reinvestment in the network to benefit people across Australia.

Value creation  
outcome

## Responsible business practices and sustainable financial growth

Metric

Code of Conduct completion rate - Business  
Standards training - for calendar year (%)

FY20 Result

N/A

FY21 Result

99%

FY22 Result

99%

FY23 Result

99%





# 2023 | Sustainability Data Book

## Appendix A - FY23 Calculation Methodology

The following outlines the calculation methodology for each sustainability metric that has been subject to external assurance in FY23.



## NBN Co Sustainability Metrics - Calculation Methodology

### Disclaimer

This document is provided for information purposes only. This document is subject to the information classification set out on this page. If no information classification has been included, this document must be treated as 'nbn-Confidential: Commercial' and must not be disclosed other than with the consent of NBN Co. The recipient (including third parties) must make and rely on their own inquiries as to the currency, accuracy and completeness of the information contained herein and must not use this document other than with the consent of NBN Co Limited.

Copyright © 2023 NBN Co Limited. All rights reserved.




# 1. About this document



This document details the basis on which the quantitative metrics that are subject to assurance procedures and documented in NBN Co Limited's (nbn) Annual Report, nbn Sustainability Data book and nbn Reporting Index, were developed. This document describes the calculation boundaries, methodologies, assumptions and key references used in the preparation of FY23 Sustainability metrics.

Sustainability metrics were subject to limited and reasonable assurance in FY23 as outlined in Table 1 below. FY22 scope 3 emissions were also subject to limited assurance, utilising the same calculation methodology as FY23.

**Table 1. Summary of sustainability metrics subject to assurance in FY23**

Value creation outcome	Non-financial (sustainability) metric	Unit	Assurance
 Safe, inclusive and engaged workforce	• Total Recordable Injury Frequency Rate (TRIFR)	Total rate	Limited
	• Gender Pay Gap	As a percentage	Limited
	• Females in management	As a percentage	Limited
	• Employee engagement	As a percentage	Limited
 Australia's digital backbone	• Homes and businesses connected	Number of homes and businesses connected	Limited
 Protected environment	• Total scope 1 and 2 emissions (operational control: location-based)	ktCO <sub>2</sub> -e	Reasonable
	• Total energy consumed (operational control)	GJ	Reasonable
	• Total scope 2 emissions (financial control: market-based)	ktCO <sub>2</sub> -e	Limited
	• Energy Intensity (financial control)	kWh/TB	Limited
	• Emissions Intensity (financial control: market based)	kgCO <sub>2</sub> -e/TB	Limited
	• Total selected scope 3 emissions (FY23 and FY22) (financial control)	ktCO <sub>2</sub> -e	Limited

A copy of PwC's independent assurance statement can be found in the NBN Co Limited FY23 Annual Report. For enquiries please contact Stephen Smith - General Manager Sustainability.

## 2. Environment metrics

Environmental metrics subject to assurance procedures are the Total scope 1 and 2 emissions, Total energy consumed, Total scope 2 emissions, Energy Intensity, Emissions Intensity and Total scope 3 emissions as at 30 June 2023.

The Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard<sup>(1)</sup> (The GHG Protocol) classifies corporate GHG emissions into three 'scopes'.

- Scope 1 emissions are direct GHG emissions from operations that are owned or controlled by the reporting company (e.g. for **nbn**, emissions from fuel consumed by vehicles in logistics)
- Scope 2 emissions are indirect emissions from the generation of purchased energy consumed by a company (e.g. emissions from electricity **nbn** buys from the grid)
- Scope 3 emissions are all other indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company (e.g. for **nbn**, emissions from purchased goods and services, use of sold products)

GHG emissions for **nbn** are calculated using methodologies consistent with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard<sup>(1)</sup>, with reference to the additional guidance provided in the GHG Protocol: Scope 2 Guidance (amendment to the GHG Protocol), Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3 Standard)<sup>(4)</sup> and Technical Guidance for Calculating Scope 3 Emissions (Scope 3 Guidance)<sup>(3)</sup> as appropriate.

The National Greenhouse Accounts (NGA) Factors have been set as the default source for factors, which draw on the National Greenhouse and Energy (Measurement) Determination 2008 ('the NGER (Measurement) Determination') methodologies. This ensures consistency with the GHG emissions inventory with Section 19 of the National Greenhouse and Energy Reporting Act 2007 ('the NGER Act')<sup>(2)</sup>.

Where NGA factors cannot be used for an emission source, **nbn** relies on third party emission factors that are consistent with GHG Protocol methodologies.

For reporting **nbn** has, in some instances relied upon estimations where measured or reported data was not available as of 30 June 2023.

(1) The GHG Protocol Corporate Accounting and Reporting Standard, Scope 2 Guidance, Scope 3 Standard and Scope 3 Guidance are published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), and were developed with the aim of providing a standardised approach and set of principles for companies to use in preparing GHG emissions inventories. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

(2) Section 19 of the National Greenhouse and Energy Reporting Act 2007 ('the NGER Act')

(3) Technical Guidance for Calculating Scope 3 Emissions (version 1.0) - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard [https://ghgprotocol.org/sites/default/files/standards/Scope3\\_Calculation\\_Guidance\\_0.pdf](https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf)

(4) Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard [https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard\\_041613\\_2.pdf](https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf)

## 2. Environment metrics (cont'd)

### Organisational boundary

The GHG Protocol outlines two control options available to entities in defining emissions boundaries:

- i. Financial control - A company has financial control over the operation if the former has the ability to direct the financial and operating policies of the latter with a view to gaining economic benefits from its activities. A financial control approach has been used to align **nbn**'s reporting with international frameworks including CDP, RE100, Science Based emission reduction target setting and intensity calculations for Sustainability Bond reporting.
- ii. Operational control - A company has operational control over an operation if the former or one of its subsidiaries has the full authority to introduce and implement its operating policies at the operation. **nbn** has aligned with specific interpretation on operational control as per the NGER Act and used for submission to the Clean Energy Regulator (NGER Act Reporting).

### Scope 1 emissions

---

**Description:** Total GHG emissions released to the atmosphere as a direct result of an activity, or series of activities under **nbn**'s operational control.

**Inclusions/exclusions:** All assets under **nbn**'s operational control, as defined in the NGER Act.

Fugitive emissions associated with refrigerants have not been included in line with the NGER Act as they are below reporting thresholds, equating to less than 1% of **nbn**'s combined scope 1 and scope 2 emissions.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation Methodology:** Scope 1 emissions are calculated for all relevant sources which includes emissions from:

- a) stationary diesel use and
- b) fuel consumed by vehicles in logistics (diesel and gasoline).

GHG emissions and energy are calculated in accordance with methodology under the NGER Act.

The NGA Factors have been set as the default source for factors and methodologies for consistency with the GHG emissions inventory/compliance with the NGER Act.

---

## 2. Environment metrics (cont'd)

### Scope 2 emissions: Operational control - Location based

---

**Description:** Total emissions released to the atmosphere from GHG emissions associated with the third-party generation of electricity consumed in activities under **nbn**'s operational control.

**Inclusions/exclusions:** All assets under **nbn**'s operational control, as defined in the NGER Act.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation Methodology:** Scope 2 emissions are calculated for all relevant sources which includes emissions from electricity consumed.

GHG emissions and energy are calculated in accordance with methodology under the NGER Act. The NGA factors have been set as the default source for factors and methodologies for consistency with the GHG emissions inventory/compliance with the NGER Act.

---

### Scope 2 emissions: Financial control - Market based

---

**Description:** Total emissions released to the atmosphere from GHG emissions associated with the third-party generation of electricity consumed in activities under **nbn**'s financial control.

**Inclusions/exclusions:** All assets where **nbn** directly pays for electricity, as per The Greenhouse Gas Protocol Scope 2 Guidance. Excludes electricity use for assets under operational control as defined by the NGER Act where third parties pay for electricity.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation Methodology:** Scope 2 emissions are calculated for all relevant sources which includes emissions from electricity consumed.

Scope 2 market based emissions reflect the generation fuel mix from which the reporting company contractually purchases electricity and/or is directly provided electricity via a direct line transfer. NGA factors are used to calculate scope 2 market based emissions.

---

## 2. Environment metrics (cont'd)

### Total Energy Consumed

---

**Description:** Energy consumption related to GHG emissions released directly (Scope 1) and associated with the third-party generation of electricity consumed (Scope 2) in activities under **nbn**'s operational control.

**Inclusions/exclusions:** All assets under **nbn**'s operational control, as defined in NGER Act are included.

**Units:** Gigajoules (GJ)

**Calculation Methodology:** Activity related data converted to gigajoules. NGA factors are used to convert activity data into energy consumed.

---

### Emissions intensity

---

**Description:** Measure of emissions per unit of activity, using data traffic volumes (i.e. emissions per unit of activity).

**Inclusions/exclusions:** Only scope 2 emissions have been included. Emissions calculated using market based methodology under a financial control boundary as per The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Terabyte of data downloaded used as unit of activity.

**Units:** GHG emissions per terabyte (TB) of data downloaded (kgCO<sub>2</sub>e/TB)

**Calculation Methodology:** The methodology uses the total scope 2 emissions generated by the **nbn**<sup>®</sup> network in a given reporting year under a financial control boundary and market based calculation method in kilograms of carbon dioxide equivalents divided by the total data downloaded by the **nbn**<sup>®</sup> network in terabytes in the reporting year.

---

## 2. Environment metrics (cont'd)

### Energy intensity

---

**Description:** Measure of energy per unit of activity, using data traffic volumes (i.e. energy consumed per unit of activity).

**Inclusions/exclusions:** Only scope 2 energy have been included (i.e. electricity use) under a financial control boundary as per The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. Terabyte of data downloaded used as unit of activity.

**Units:** kWh per terabyte (TB) of data downloaded

**Calculation Methodology:** The methodology uses the total electricity consumed by the **nbn**<sup>®</sup> network in a given reporting year under a financial control boundary in kilowatt hours divided by the total data downloaded by the **nbn**<sup>®</sup> network in terabytes in the reporting year.

---

### Scope 3 emissions

---

Scope 3 emissions are all indirect emissions (not included in scopes 1 or 2) that occur from a company's operations and in a company's value chain, including both upstream and downstream emissions.

- Upstream emissions are indirect GHG emissions related to purchased or acquired goods and services
- Downstream emissions are indirect GHG emissions related to sold goods and services

The Scope 3 Guidance<sup>(3)</sup> further categorises scope 3 emissions into fifteen distinct categories. **nbn** conducted a comprehensive review of its scope 3 emissions inventory to estimate emissions created across its value chain to determine relevant scope 3 categories as stipulated in the GHG Protocol<sup>(1)</sup>. Based on the categorical relevance **nbn** reports scope 3 emissions for categories 1, 2, 3, 5, 6, 7, 9, 11. Category 4 figures are included in Category 1 and 2 calculations. **nbn** emissions inventory has been developed in alignment with the scope 3 Standard<sup>(4)</sup> where applicable, supported by the scope 3 Guidance<sup>(3)</sup>. Methodology descriptions are given only for categories that are included in **nbn**'s scope 3 inventory.

---

(1) The GHG Protocol Corporate Accounting and Reporting Standard, Scope 2 Guidance, Scope 3 Standard and Scope 3 Guidance are published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), and were developed with the aim of providing a standardised approach and set of principles for companies to use in preparing GHG emissions inventories. <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

(2) Section 19 of the National Greenhouse and Energy Reporting Act 2007 (the NGER Act)

(3) Technical Guidance for Calculating Scope 3 Emissions (version 1.0) - Supplement to the Corporate Value Chain (Scope 3) Accounting & Reporting Standard [https://ghgprotocol.org/sites/default/files/standards/Scope3\\_Calculation\\_Guidance\\_0.pdf](https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf)

(4) Corporate Value Chain (Scope 3) Accounting and Reporting Standard - Supplement to the GHG Protocol Corporate Accounting and Reporting Standard [https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard\\_041613\\_2.pdf](https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf)



## 2. Environment metrics (cont'd)

### Scope 3 standard emissions categories

---

**Description:** Scope 3 category 1: Purchased goods and services – Spend based method.

**Inclusions/Exclusions:** This category includes extraction, production, and transportation of goods and services purchased or acquired in the reporting year, not otherwise included in the upstream portion of the scope 3 inventory or scope 1 and 2 inventories.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** A 'supplier spend based approach' as permitted in scope 3 Standard has been adopted by **nbn** for calculating emissions from this scope 3 category. The supplier spend based method uses a national accounts input-output (NA I/O) approach. Annual spend data is extracted from internal financial systems and mapped to suppliers and their country of operation and summarised against relevant spend categories. Applicable emission factors are then sourced from Exiobase via SimaPro. For each Exiobase category, **nbn** manually mapped a NA I/O table product group. Based on this mapping, a ratio of basic price to purchaser price was applied to adjust invoice amounts. Emissions were estimated at the level of 'Sector' based on the basic expenditure amount multiplied by the inflation-adjusted emission factor for the Exiobase category the 'Sector' has been mapped to.

For FY22 and FY23 Exiobase v3.3.16b factors using SimaPro software v9.5.0.0 were applied. These factors were extracted during May – June 2023. These factors were then adjusted to convert from million Euros (MEUR 2011) to million AUDs (MAUD 2011), and to reflect inflation from 2011 to 2023 (based on the Reserve Bank of Australia Inflation Calculator).

---

**Description:** Scope 3 category 2: Capital goods – Spend based method.

**Inclusions/Exclusions:** Extraction, production, and transportation of capital goods purchased or acquired in the reporting year.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** A 'supplier spend based approach' as permitted in scope 3 Standard has been adopted by **nbn** for calculating emissions from this scope 3 category. The supplier spend based method uses a national accounts input-output (NA I/O) approach. Annual spend data is extracted from internal financial systems and mapped to suppliers and their country of operation and summarised against relevant spend categories. Applicable emission factors are then sourced from Exiobase via SimaPro. For each Exiobase category, **nbn** manually mapped a NA I/O table product group. Based on this mapping, a ratio of basic price to purchaser price was applied to adjust invoice amounts. Emissions were estimated at the level of 'Sector' based on the basic expenditure amount multiplied by the inflation-adjusted emission factor for the Exiobase category the 'Sector' has been mapped to.

## 2. Environment metrics (cont'd)

For FY22 and FY23 Exiobase v3.3.16b factors using SimaPro software v9.5.0.0 were applied. These factors were extracted during May – June 2023. These factors were then adjusted to convert from million Euros (MEUR 2011) to millions AUDs (MAUD 2011), and to reflect inflation from 2011 to 2023 (based on the Reserve Bank of Australia Inflation Calculator).

---

**Description:** Scope 3 category 3: Fuel and energy related activities - Average data method.

**Inclusions/Exclusions:** Includes scope 3 emissions related to electricity and energy use, not already captured in scope 1 and 2 under a financial control approach. Excludes scope 3 related energy use such as Category 11 Use of Sold products.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** This category includes scope 3 emissions accruing from the use of electricity and fuels, not already captured in scope 1 and 2. State level emission factors were used, based on the NGA factors.

---

**Description:** Scope 3 category 4: Upstream transportation and distribution – Spend based method.

**Inclusions/Exclusions:** This category includes transportation and distribution of products purchased by **nbn** in the reporting year between **nbn**'s tier 1 suppliers and its own operations (in vehicles and facilities not owned or controlled by **nbn**).

**Unit:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Upstream transportation is included in spend based data captured under categories 1 and 2. **nbn** does not directly contract with logistics companies for upstream transportation of purchased products.

---

**Description:** Scope 3 category 5: Waste generated in operation - Waste-type-specific method.

**Inclusions/Exclusions:** This category includes emissions from third party disposal and treatment of waste generated in **nbn**'s operations in the reporting year. This metric includes waste collected from **nbn** operational sites as well as secure paper and coffee cups collected from **nbn** corporate offices. It excludes landlord managed waste collected from **nbn** corporate offices or waste managed directly by Delivery Partners.

## 2. Environment metrics (cont'd)

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Waste generated in operation is based on volumes produced by waste stream and disposal method at **nbn**'s operational sites and corporate offices and comprises all waste streams. Emissions associated with the waste generated is calculated using the relevant emission factor for various waste streams as per NGA factors.

---

**Description:** Scope 3 category 6: Business Travel - Distance-based method.

**Inclusions/Exclusions:** This category covers emissions from all domestic and international flights undertaken by employees for business travel purposes, identified from annual spend data.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Business travel emissions are calculated based on emissions reporting supplied directly from travel providers. Reporting utilises emissions factors for the relevant period, based on government or international sources, to determine the equivalent indirect emissions associated with air travel based on kilometres travelled and class of ticket. Flight distances and greenhouse gas emissions are supplied directly from travel providers utilising United States Environment Protection Agency (US EPA) and Department of Environment, Food and Rural Affairs (DEFRA) emission factors.

---

**Description:** Scope 3 category 7: Employee commuting and working from home - Distance-based method.

**Inclusions/Exclusions:** Emissions from the transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by **nbn**). Also includes emissions associated with powering equipment needed to allow **nbn** employees to work from home.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Scope 3 emissions associated with employee commute have been assessed based on staff numbers and location. Assumptions are applied to staff numbers including average distance travelled, commuter mode and energy used while working from home. Calculated using the GHG Protocol Distance-based method and the Australian Bureau of Statistics commuting data and emissions intensity data from the Australian National Transport Commission.

---

## 2. Environment metrics (cont'd)

**Description:** Scope 3 category 8: Upstream leased assets.

**Inclusions/Exclusions:** This category includes emissions from all material leased assets, relating to network equipment and offices.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Emissions for all material leased assets, relating to network equipment and offices are included in scope 1 and scope 2 inventory.

---

**Description:** Scope 3 category 9: Downstream transportation and distribution – Spend based method.

**Inclusions/Exclusions:** This category includes transportation and distribution of devices or equipment used by **nbn** in the reporting year serviced out of **nbn**'s operations, including storage (in facilities not owned or controlled by **nbn**).

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** A 'supplier spend based approach' as permitted in scope 3 Standard has been adopted by **nbn** for calculating emissions from this scope 3 category. The supplier spend based method uses a national accounts input-output (NA I/O) approach. Annual spend data is extracted from internal financial systems and mapped to suppliers and their country of operation and summarised against relevant spend categories. Applicable emission factors are then sourced from Exiobase via SimaPro. For each Exiobase category, **nbn** manually mapped a NA I/O table product group. Based on this mapping, a ratio of basic price to purchaser price was applied to adjust invoice amounts. Emissions were estimated at the level of 'Sector' based on the basic expenditure amount multiplied by the inflation-adjusted emission factor for the Exiobase category the 'Sector' has been mapped to.

For FY22 and FY23 Exiobase v3.3.16b factors using SimaPro software v9.5.0.0 were applied. These factors were extracted during May – June 2023. These factors were then adjusted to convert from million Euros (MEUR 2011) to million AUDs (MAUD 2011), and to reflect inflation from 2011 to 2023 (based on the Reserve Bank of Australia Inflation Calculator).

---

## 2. Environment metrics (cont'd)

**Description:** Scope 3 category 11: Use of sold products - direct use phase emissions.

**Inclusions/Exclusions:** Category 11 emissions are linked with associated electricity consumed by **nbn** devices installed in premises or powered by end users (i.e., Customer Premise Equipment). It excludes energy use from Wi-Fi gateways provided by RSPs or customers.

**Units:** Kilotonnes of CO<sub>2</sub> equivalent (ktCO<sub>2</sub>e)

**Calculation methodology:** Direct use phase emissions based on the number of devices deployed across all technologies and their measured or reported power draw, devices are powered 24 hours per day 7 days per week.

---

# 3. Network metrics



Network metrics subject to assurance procedures are the total number of activations as at 30 June 2023.

---

**Description:** Homes and businesses connected.

**Units:** Number of Activations

**Calculation methodology:** The number of homes and businesses connected to a plan over the **nbn**<sup>®</sup> access network through a phone and internet provider (rounded to the nearest 100,000) as at 30 June 2023.

---

## 4. People metrics



People metrics subject to assurance procedures are Employee engagement, Females in management, Gender pay gap and Total Recordable Injury Frequency Rate (TRIFR) as at 30 June 2023.

---

**Description:** Employee engagement.

**Units:** Percentage of favourable responses

**Calculation methodology:** Employee engagement is measured as the percentage of favourable responses, being a rating of 'agree' or 'strongly agree', to the following questions in NBN Co's annual CultureAmp survey:

- Given the opportunity I can see myself working here in the future
  - I would recommend **nbn** as a place to great place to work
  - I am proud to work here
  - **nbn** motivates me to go beyond what I would in a similar role elsewhere
- 

**Description:** Females in management.

**Inclusions/Exclusions:**

- Includes: All female employees (permanent and fixed term) in management positions
- Excludes: Employees who have not elected to identify as either male or female

**Units:** Percentage of females in management

**Calculation methodology:** Females in management is the number of females in management positions expressed as a percentage of total management positions at the period end.

Management is defined as those employees in a Senior Manager grade or above, including Executive Manager, General Manager, Executive General Manager, and CEO/Executive Committee.

---

## 4. People metrics (cont'd)



**Description:** Gender pay gap.

**Inclusions/Exclusions:**

- Includes: All employees (permanent and fixed term)
- Excludes: Employees who have not elected to identify as either male or female

**Units:** Percentage of gender pay gap

**Calculation methodology<sup>(1)</sup>:** Gender pay gap is calculated as the difference between the average male annualised total fixed remuneration (TFR) and the average female annualised TFR divided by the average male annualised TFR as at period end.

Total fixed remuneration includes base salary and superannuation but excludes bonuses or other discretionary remuneration. Proportional full-time equivalent of TFR is annualised in the calculation.

$(\text{Average Male Annualised TFR} - \text{Average Female Annualised TFR}) / \text{Average Male Annualised TFR}$ .

---

<sup>(1)</sup> The calculation methodology used by NBN Co for the gender pay gap metric is currently calculated using an internal calculation methodology as described here. This differs to the Workplace Gender Equality Agency (WGEA) methodology, which NBN Co is participating in for the first time and will report against in the first half of FY24.



## 4. People metrics (cont'd)



**Description:** Total Recordable Injury Frequency Rate (TRIFR).

**Inclusions/Exclusions:** Incidents such as animal bites and incidents occurring on the journey to-or-from home premises may be excluded from reportable injuries.

**Units:** Total number of recordable injuries per million hours worked

**Calculation methodology:** Total TRIFR is the total number of recordable injuries per million hours worked. TRIFR includes work related injuries that relate to an **nbn** workplace or **nbn** activity undertaken by an **nbn** employee, contractor or delivery partner (DP) employee or contractor that resulted in: fatality, permanent disability injury/illness (PDI), work-related injury/illness resulting in lost time (LTI), restricted work injury (RWI) or medical treatment injury (MTI). It does not include any first aid injury/illness.

TRIFR is a rolling annual metric and is significantly reliant upon information provided by DPs and their contractors who undertake and complete field related activities, which includes but is not limited to network construction, customer connections and network assurance and maintenance activities. **nbn**'s first priority is the safety of its people and as a result requires that all incidents are reported for evaluation. To enhance the comparability of the TRIFR metric across various periods and to measure performance against other lead and lag metrics and the broader HSE control environment, a **nbn** authorised person reviews each incident and its associated specific facts, including the environmental surroundings where the incident occurred, when determining whether an incident should be classified as a reportable work-related injury. As a consequence of this review, incidents such as animal bites and incidents occurring on the journey to-or-from home premises may be excluded from reportable injuries.

---