



SUSTAINABILITY REPORT 2022

KOSCIUSZKO THREDBO PTY LTD



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Thredbo sits on the traditional land of the Monero-Ngarigo people who have looked after this land, water and community for over 70,000 years. We thank them for all they have done and continue to do to look after their country, a special place which we all love and respect

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Message from Thredbo's General Manager and Environmental Services Manager:

Thredbo Resort is committed to preserving, protecting, and prioritising our unique alpine environment. We take pride in our long list of environmental initiatives and embrace the opportunity to lead our industry and our community through our shared passion of the mountains towards a more sustainable future, today.

Welcome

Kosciuszko Thredbo Pty Ltd (KT) is responsible for operating the Thredbo resort that is wholly located in the Kosciuszko National Park in Australia's south-east. Our area of New South Wales is 957 hectares of montane, sub-alpine, and alpine ecosystems and our goal is to do our best to protect not only our own backyard, but to protect the wider environment as a whole. Our dedication to become a leader in sustainable alpine resort management directs our work in the present and into the future.

Sustainability can be seen as an abstract “buzz-word”, but really it is a concept that has actual impacts that are seen in the real world. It is important that we understand all aspects of sustainability to truly grasp why it is important, and how we can affect it.

Sustainability itself comes in many forms, be it environmental, cultural, social, or economic, and it is our goal to positively affect every aspect to ensure that we do the right thing by our people and our planet.



In April 2022, our Senior Leadership Team came together for a workshop to understand sustainability and to work on how we can improve KT's performance. Check out what sustainability means to our departmental leaders!

What Does Sustainability Mean To Thredbo?

"Making better choices with the environment in mind"

"Continuation into the future"

"Creating positive culture"

"Meeting the needs of today and protecting the future"

"Business continuation"

"Environmental protection"

Why is Sustainability Important to Thredbo as an Organisation?

"Our location within Kosciuszko National Park"

"Economic position - environment is our currency" "Social responsibility - ESG"

"Risks associated with climate change"

"Governance as a lease holder"

"Reputation with the public"

These reasons are why we want to positively impact our sustainability, but how are we going about it?

Since 2014, we have been working with EarthCheck to measure our performance each year. EarthCheck's internationally recognised standard is a science-based approach to measuring the sustainability of the travel and tourism industry.

This involves collecting data on metrics such as energy consumption, hydrocarbon use, waste generation, and water consumption, among many more. We undergo an independent audit, organised through EarthCheck, to ensure that KT holds a high standard with our reporting and compliance requirements. Through EarthCheck we are provided detailed information on our sustainability performance, which allows us to make decisions on how to improve into the future.

In both 2021 and 2022, KT has been awarded Gold certification by EarthCheck – something we’re really proud about! The information within this report details some of the methods that have helped achieve this milestone. Thredbo is the only alpine resort in the southern hemisphere to be awarded EarthCheck Gold and we join a group of Gold-certified travel and tourism businesses across the globe.



Our Sustainability Targets

In 2018, KT made three ambitious 5-year Sustainability Targets focused on reducing our impacts to the environment.

1. Divert 50% of our waste away from landfill by 2023.
2. Offset 100% of the greenhouse gas emissions caused by the generation of electricity used in the resort operations, by using an officially certified carbon abatement scheme, by 2023.
3. Reduce water use by 25% over 2011-2012 levels (excluding snowmaking) by 2023.

2023 is approaching next year, so the next few sections are dedicated to assessing our progress towards these targets.



Waste Sustainability Target

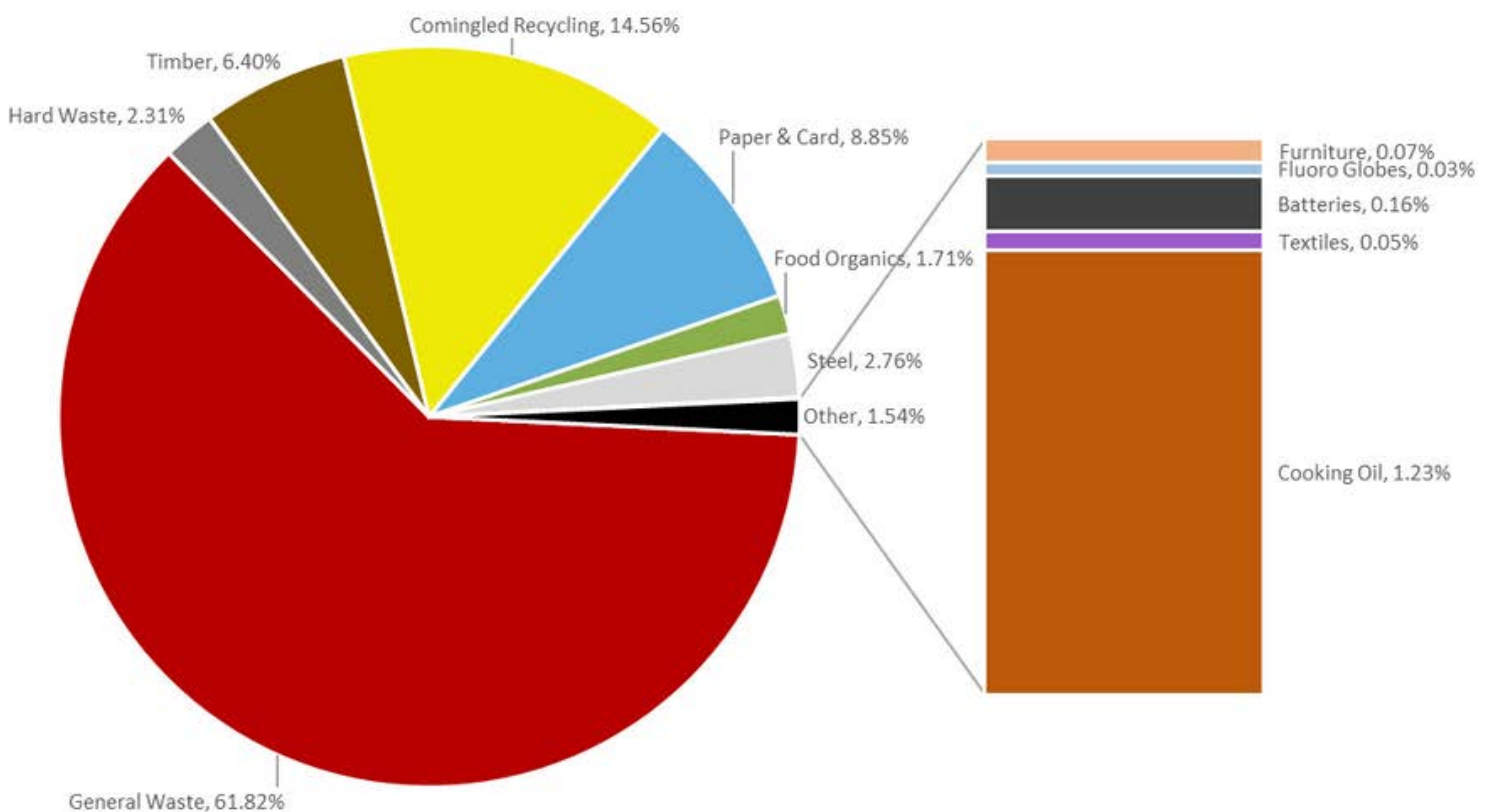
Target: Divert 50% of waste away from landfill by 2023.

Progress in 2021/22: 35.8% of waste diverted from landfill.

As a village, Thredbo generated just over 730 tonnes of waste during 2021/22. This figure includes waste from all KT-owned venues and assets, alongside private businesses, lodges and dwellings.

We collect as much data as possible from our recycling partners and from within resort at our Waste Transfer Station. However, when estimates must be made, we ensure that we underestimate the figures to be as honest as possible with our numbers. This helps us drive towards our goal harder and faster.

The chart below shows a full breakdown of all Thredbo's waste types.



With 'General Waste' and 'Hard Waste' totalling a combined 64.13%, we're still a distance from reaching our 2023 target of 50% diverted from landfill.

In order to achieve our target we are continually assessing waste streams in order to re-direct resources to recycling and re-use schemes. Examples of this include recent efforts to reduce the amount of old or damaged uniforms heading to landfill - in June 2022 just over 1.5 tonnes were sent to a textile recycling business to be made into new products.

Avoidance of waste is the first step in the 3 R's – Reduce, Reuse, Recycle – and the more we can avoid producing waste in the first instance, the better off our planet and local area will be in the long run. Waste is being avoided where possible within our business through education and encouragement to adapt methods or change the products we use.

The scope for reuse of many resources in Thredbo is limited, when items have reached the end of their life-span they generally need to be replaced.

Recycling a big ally in avoiding waste-to-landfill, with ongoing research into new opportunities a constant part of Thredbo's waste strategy.

Recommendations to hit our 2023 target:

- Continue to find new markets for the recyclable materials captured in Thredbo.
- Improve ease of access to recycling facilities for all guests, staff and residents – the easier the process the more will be undertaken.
 - Improve signage for recycling areas.
 - Support public area recycling enclosure upgrades around Thredbo village.
 - Ensure all data collection is recorded to assess waste resource generation.
 - Enhance education for our recycling initiatives.



Energy Sustainability Target

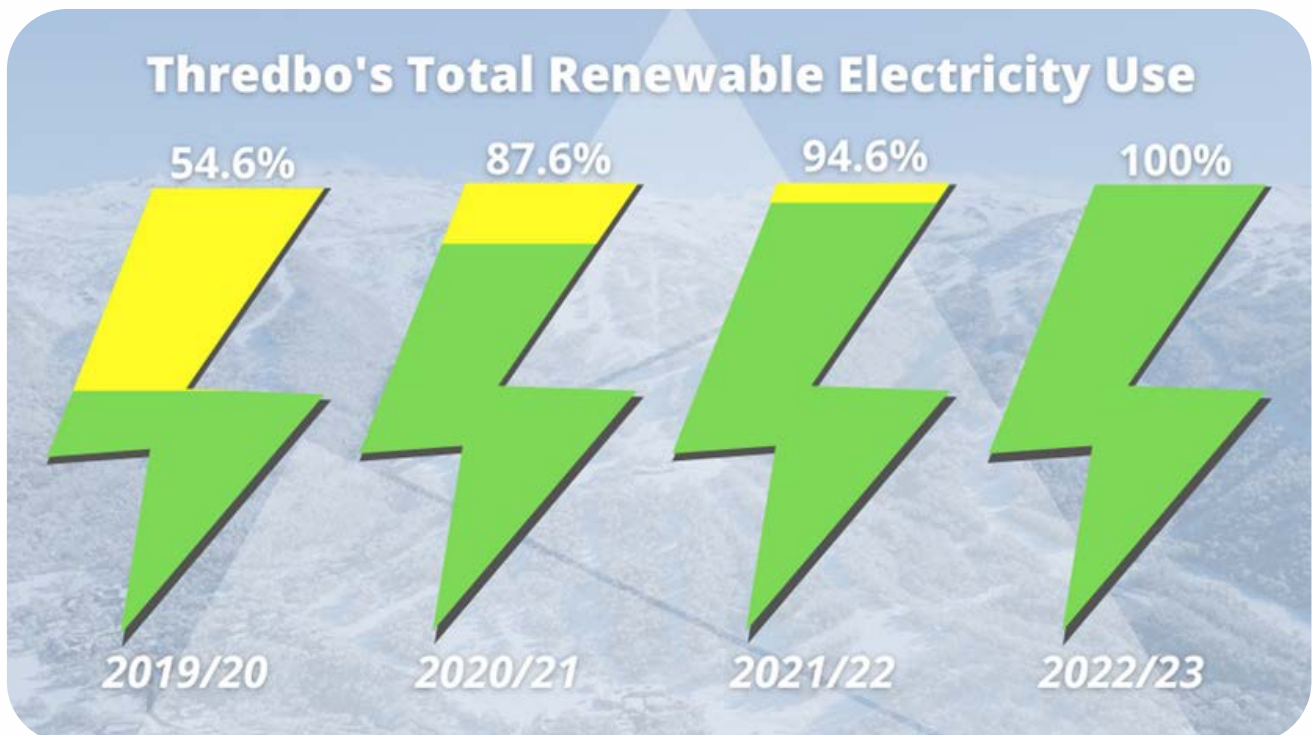
Target: Offset 100% of the Greenhouse Gas Emissions caused by the generation of electricity used in the resort operations by using an officially recognised and certified carbon abatement scheme by 2023.

Progress: As of 1st July 2019, all of Thredbo's major resort operations were powered by 100% renewable energy supplied by Snowy Hydro/Red Energy. As of 1st July 2022, all small sites have been incorporated into this agreement.

This means that right now, 100% of the electricity used by Thredbo at any of its sites is now renewable electricity. Due to this power purchase agreement, no carbon offset is required, and the emissions relating to Thredbo's use of electricity are effectively zero.

This sustainability target is understood to now be achieved successfully, albeit by alternate means.

The graphic below indicates the percentage of renewable electricity used in Thredbo over the last few years.



Water Sustainability Target

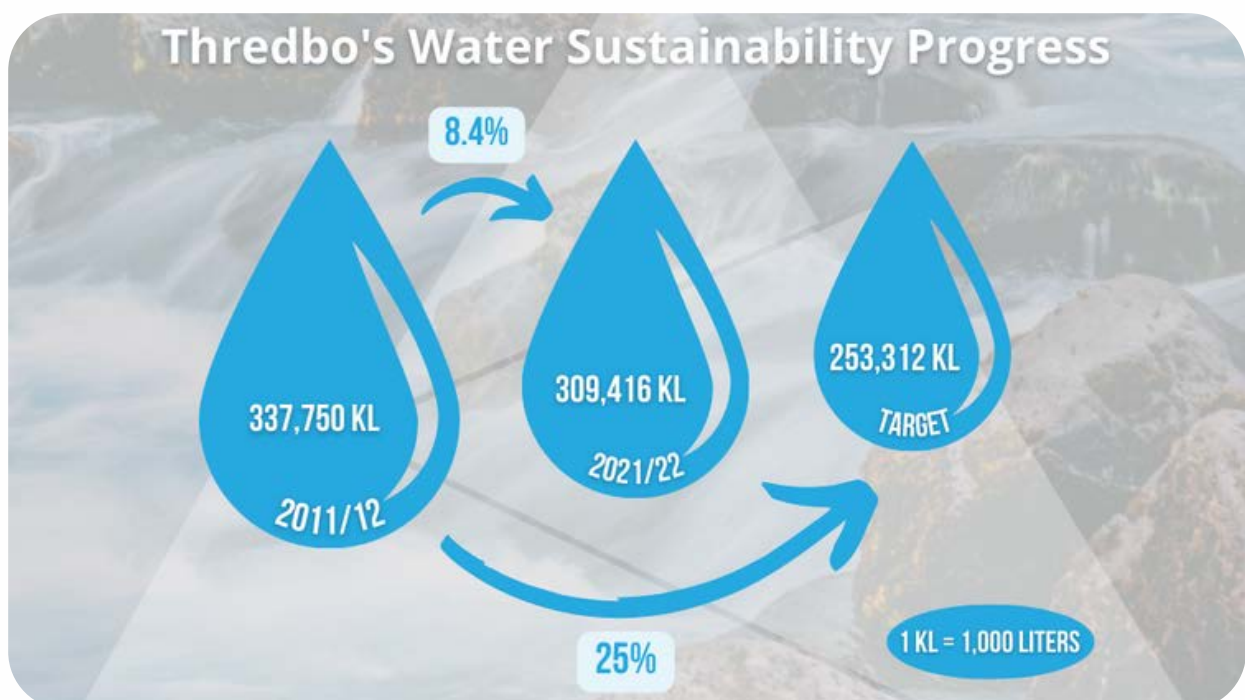
Target: Reduce water consumption by 25% over 2011-2012 levels (excluding snowmaking), by 2023.

Progress: 8.4% reduction in the 2021-2022 reporting period, as compared to 2011-2012 usage.

Thredbo is licensed to extract from surface water resources, and being located at the upper end of the Thredbo River catchment, we have a responsibility to ensure the wise use of water.

During the period since the sustainability target was implemented, we have reduced water consumption by 26.5%. However, we are a way off from reaching the target of 25% reduction from 2011/12 levels. Increases in both winter and summer guest visitation have made achieving the target difficult, however steps have successfully been made in a number of areas.

Over the last few decades low-flow taps and showers have been installed in KT-owned properties, along with dual flush toilets and waterless urinals. Adaptations into water usage processes in the Thredbo Leisure Centre have allowed water savings too. Private lodges and businesses are encouraged to undertake the same methods of water savings.



Further research and investment into improved water measurement throughout Thredbo Village, will improve the accuracy of our reporting and ensure we can determine where continued usage reductions can be made.

Recommendations to hit our 2023 target:

- Ensure that all low-flow and dual flush devices are properly operational.
- Continue to encourage private lodges to install and maintain water-saving devices.
- Educate staff on water-wise practices.
- Improve water-saving signage in hospitality venues.
- Assess if improved metering in the Thredbo village water supply and the Thredbo Leisure Centre can identify water saving opportunities.



Our GHG Emissions Trends

As we all know, Green-House Gases (GHGs) are a major component in causing and accelerating climate change. Measuring (with the aim of reducing) the emission of these gases often forms the heart of environmental sustainability efforts.

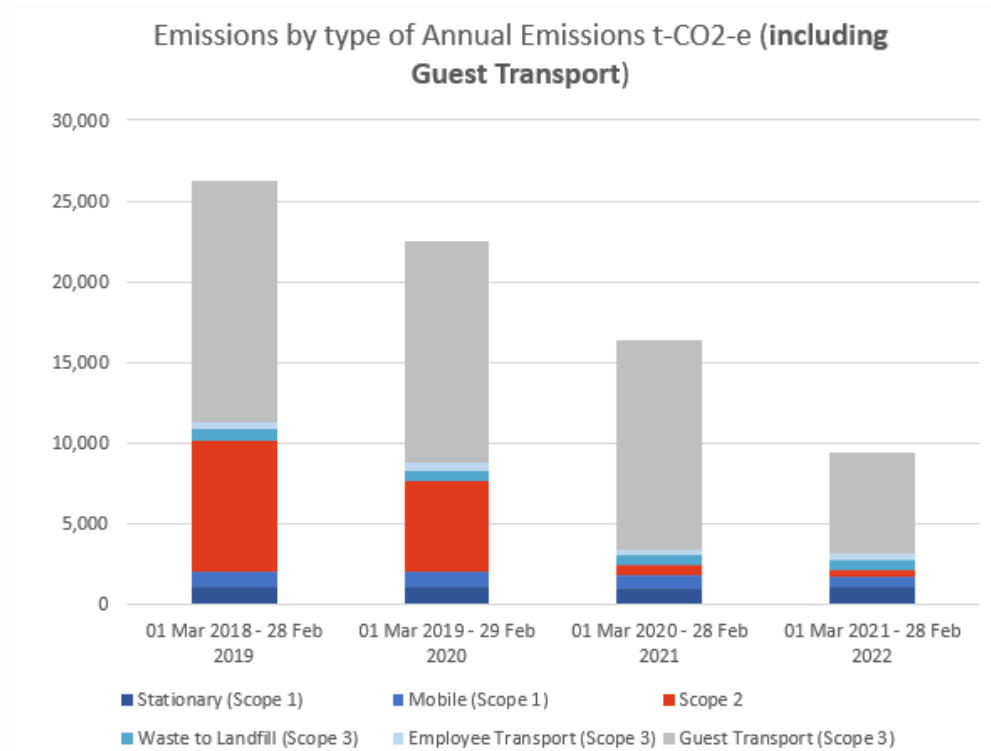
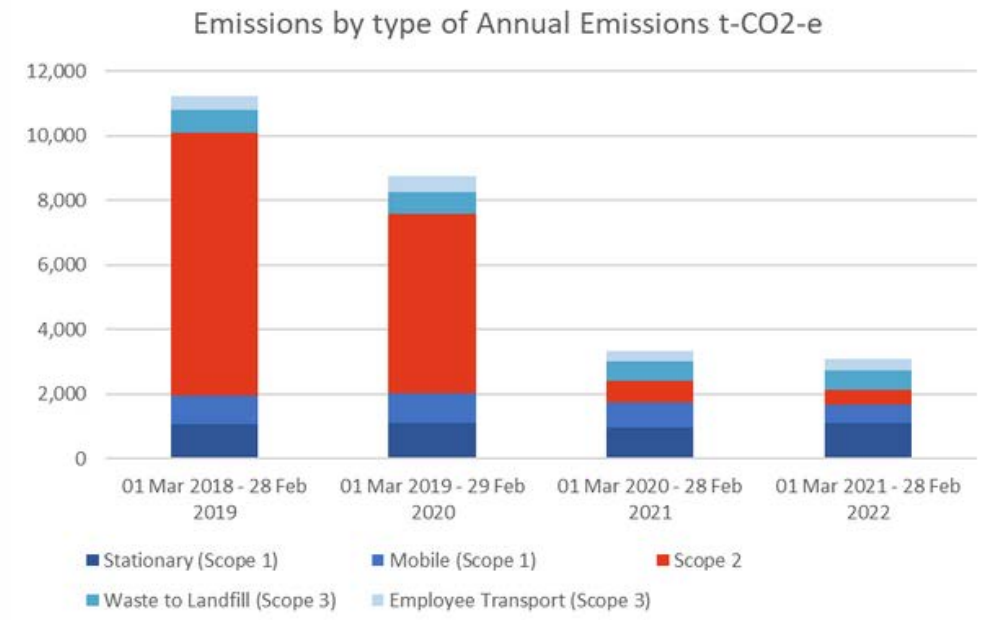
We are aiming to reduce all sources of GHG emissions wherever possible, to keep climate change to a minimum and to protect the snow during our winter season.

EarthCheck's scientific assessment program summarises all GHGs (such as carbon dioxide, methane, nitrous oxide, and ozone) into Carbon Dioxide Equivalent – CO₂-e – to more easily measure and display the emissions. Emissions are divided into three types depending on when or how they are produced.

- Scope 1: Emissions of GHGs that are a direct result of burning fuel for operations i.e. diesel/petrol for transport, LPG for heating.
- Scope 2: GHGs caused by the generation of electricity (think power stations burning coal and gas).
- Scope 3: All other emissions associated with operations, such as upstream/downstream transport, purchased goods, employee commute, emissions from waste disposal and guest travel

On the next page are two graphs showing our GHG emissions in tonnes of Carbon Dioxide Equivalent – t-CO₂-e. The information provided is calculated by EarthCheck based on the data sets that Thredbo supply for performance benchmarking.





These two graphs show that GHG emissions from Thredbo’s operations have significantly reduced over the last few years. A major part of this change is the implementation of a renewable electricity purchase agreement in 2019, reducing our scope 2 emissions.

With both the 2020 and 2021 winter seasons being affected by COVID-19, Thredbo has seen a reduction in the use of mobile fuels and production of waste destined for landfill. The grey coloured area, representing emissions from guest transport to Thredbo, is also lowered artificially during the 2021-2022 period due to COVID-19 restrictions limiting the number of visitors to the resort during the busy winter months. It is expected that this number may increase for the next reporting period in 2022-2023.

Ecosystem Conservation and Restoration

With the unique Kosciuszko National Park being our home, the conservation of nature and ecosystems is a topic very close to our hearts. Within our lease area we ensure that all developments comply with environmental planning regulations, and that any grasses, shrubs and trees that we use to restore land are native and local to this area.

Through 2021-22, nearly 10,000 plants have been used in Thredbo to help restore land. Some of the projects involving habitat restoration include:

- Merritts Gondola
- Easy Rider T-bar redevelopment
- New carpark at Friday Flat
- Replacement snowmaking pipeline work
- Mountain biking trails

KT has partnered with Greenfleet since 2009 to offset our GHG emissions generated through the use of diesel and petrol. In the 2021-22 period, 608.41 tonnes of CO₂-e were offset by the planting of approximately 2,270 trees. Over the duration of this partnership KT has offset over 13,200 tonnes of CO₂-e through the funding of over 49,300 trees at projects across Australia.

With the Snowy Mountains holding such special meaning for us, KT has been undertaking staff volunteer tree planting days with local non-profit Keep It Cool. In March 2022 we added 750 new native trees and shrubs to the local ecosystem, to help rehabilitate previously-cleared pastoral land in our local area.

During specific times of the year we undertake targeted weed and pest control work, such as against blackberries and rabbits, to do our bit to help keep Kosciuszko National Park wild and to protect the native flora and fauna from invasive species.



Cultural Sustainability

The Monero-Ngarigo people have called the Snowy Mountains home for millennia. KT is an incredibly new addition to the story of this land and we aim to respect its history, learn more about its cultures, and continue to educate ourselves and our guests about the area that we now call Thredbo.

People from lands surrounding the modern-day Kosciuszko National Park used the seasonal variations of the alpine environment to travel the area. Primarily, the draw of the migratory Bogong Moth brought communities together while the moths were in the mountains. The bounty of nutrition that the moth provided allowed feasts, ceremonies, and gatherings of traditional owners from across what is now New South Wales, Victoria, and Canberra.

As the start of our efforts to learn about and respect this history, a Reconciliation Action Plan group has been established. This body includes KT's People and Culture Manager, other key members of staff, National Parks and Wildlife Service, and involves communication with local Monero-Ngarigo elders and individuals.

It is so important to KT that we don't rush headlong into this and that we take the time to learn, understand, and respect the culture, stories, and ideas from the Monero-Ngarigo traditional owners and create real and lasting relationships.

A key element in the education of staff and guests has come in the form of information provided by our Guided Hikes and Backcountry Tours team. The value of being with a knowledgeable person, whilst surrounded by the wild expanse of Kosciuszko National Park, and learning about the Monero-Ngarigo culture is instrumental to starting the wider reconciliation process. Our ability to share this information with our guests from across Australia while they experience and connect with the land is unique, and is an important factor we hope will encourage further learning about traditional owners around Australia.

KT worked with local indigenous elders to update our acknowledgment of country which has been included on the Thredbo website, at more meetings and events and our email signature. These are small steps, but ones that have already started a shift in cultural understanding in Thredbo, and beyond.

Social Sustainability

As another pillar of our key sustainability efforts, supporting social sustainability is important to us.

KT takes part in the EVT-group Stretch program, enabling employees to donate a few dollars from each weekly pay-check to local and national charities. In the 2021-22 financial year, KT employees donated almost \$22,000 to 26 different charities including those supporting children's hospitals, disability access, and animal welfare.

This year the Thredbo Foundation has been established to enhance the community in which we live, the Country where we operate, and the outdoor recreation industries we love. It will sit within the EVT Stretch program, but will focus on giving to causes in Thredbo's local area, such as Disabled Winter Sports Australia, Looking After Our Kosciuszko Orphans, Thredbo Early Childhood Centre, and local young athlete support. To date, the Thredbo Foundation has undergone a 'soft' launch to internal staff members, but will be launched to the public in 2023.

We continue our relationship with Heat The Homeless, a program run by clothing brand XTM, to help vulnerable individuals access quality warm clothes in the winter. Each year we collect good-condition second-hand jackets to send to local charities that can get the jackets to those who need them most during the colder months.

Locally, we recognise that access to housing has become social issue for both permanent and casual Thredbo employees. Exacerbated by the COVID-19 pandemic, many staff members have been struggling to access consistent and affordable homes in the Jindabyne/Thredbo area. Work is underway to explore solutions to the housing issues, whilst our own Staff Accommodation team continue to search for suitable rentals for employees year-round.



Environment Week 2022

With guest visits high after two Covid-impacted winter seasons, Environment Week was back with a bang in 2022!

Held in the last week of July, we shared the message of Sustainability with guests and staff through events, education, and action.

Adventurer and environmentalist, Huw Kingston, helped us launch Environment Week, at an evening event in the Kosciuszko Room. Huw shared details of his Winter 2022 adventure, the Alpine Odyssey, where he travelled the full length of the Australian snow country via ski, foot and bike to raise money for Our Yarning, an indigenous story-telling charity.

André Russ from EarthCheck also attended to discuss EarthCheck's global reach and importance; he presented Thredbo with their Gold EarthCheck achievement plaque.

The Backcountry Guides took us on a Tour to the Top – a group of environmentalists using human power to ski-tour and splitboard to the top of Australia's highest mountain – Mt Kosciuszko - whilst discussing and learning about environmental themes and ideas.



All week we ran a drive for guests and staff to donate their pre-loved, but good condition, jackets to XTM's Heat the Homeless campaign.

Additionally, we shared information about our tree-planting partners Greenfleet and Keep It Cool. They undertake projects both locally and nationally to sequester carbon and develop new forests and ecosystems.

Our Thursday night Kids Carnival and Flare-Run took on an environmental theme, with National Parks and Wildlife Service, and LAOKO (Looking After Our Kosciuszko Orphans) making an appearance to help the kids learn about our local nature and wildlife.

Finally, we rounded out the week with a morning of free coffee in partnership with our friends at Green Caffein. Their work to create a nationwide network of cafés using swap-and-go coffee cups is highly relevant to preventing waste-to-landfill, and we are supporting the scheme through both Friday Flat Bistro and The Village Bakery.



So How Are We Doing?

We believe that through our efforts in Thredbo we're on a positive path to a sustainable business.

Over the last 15 years, we have set goals, actioned initiatives, and explored ideas to support the sustainability of Thredbo Resort, and these efforts have increased in impact year on year.

Across the business, employees are knowledgeable as to what needs to be done to tackle climate change and wasteful practices. No longer is climate change a taboo subject, but rather a reality that is to be addressed.

We are aware that we don't operate in isolation, and we can have positive impacts upon our guests and our suppliers, which is why education and communication are key aspects of our sustainability plans. We liaise with the local community as well as stakeholders in the wider region to support sustainable practices.

We recognise that we are not perfect and that we have scope to improve our energy usage, waste generation, and support for indigenous cultures. The important element to us is that we're trying and constantly evolving to understand where we might have shortfalls.

This honesty and openness in attitude is important to us and are attributes we hope to share with the industry as we lead the way in sustainable resort management.

Through winter skiing and snowboarding, to summer mountain biking and hiking, we are striving to protect our home mountains for future generations to enjoy.



What Does The Future Hold?

There's lots going on in Thredbo to help us run KT more sustainably. We are continuing with our EarthCheck certification into 2022-23 and beyond, with the goal of improving our practices each year.

We have bought our first electric All-Terrain Vehicle, which we will be trialling across the mountain during summer to understand the feasibility of phasing our petrol fleet into electric in the coming years.

In late 2022, we will install public Electric Vehicle (EV) chargers within Thredbo Village, for use by day-trippers and overnight guests. This is in addition to the Tesla charger we have had since 2016, and is part of our wider strategy to help reduce transport-generated emissions from guest trips to Thredbo.

We continue to research new streams for recycling waste items generated by resort operations and guests, such as opportunities to recycle broken skis and snowboards, and accessing soft plastic recycling for packaging and pallet-wrap. Through partnerships with government and private businesses we are striving to continue to increase the proportion of resources sent to be recycled. To compliment this, improved methods of education for both staff and guests are being trialled in order to help everyone understand their role within the system.

In the background of our resort operations, we have been working on preliminary Net-Zero commitments and setting in place plans to enable the business to reach carbon neutrality. Part of this work is understanding where improvements in energy efficiency can be made for KT-owned properties.

Significant investment will be required to improve energy efficiency of existing buildings, but we will continue to work on this throughout 2022 and 2023, to ensure we are practicing what we preach with regard to sustainability.

