Sustainability

Compassion Australia sees environmental and social sustainability as vitally important to the organisation. It is divided into the following two areas: program related activities, and fundraising and administration activities.

Program Related Activities

Our program activities are administered through local churches in the developing countries where Compassion works. The aim of these activities is to produce sustainable outcomes with the children, mothers, students, and communities with whom we work by providing such things as:

- · Nutritional support
- · Health interventions
- Formal and non-formal education
- · Parent education initiatives
- · Vocational training

This is outlined fully in the individual pages on these programs found earlier in the annual report.

As referred to on page 30, new, independent research confirms that Compassion's Child Sponsorship Program is highly effective as a long-term solution to help release children from poverty. The results of the study show that children who participated in Compassion's holistic Child Sponsorship Program stayed in school longer, were more likely to have salaried employment and were more likely to be leaders in their communities and churches than their peers who did not participate in Compassion's program.

Fundraising and Administration Activities

Compassion Australia has continued to focus on growing partnerships with individual supporters and supporting churches. It is important that Compassion's relationships with our individual supporters and supporting churches are not only beneficial for the children we serve in our programs, but also for the individual supporter and the long-term development of the supporting church.

Having the opportunity to contribute to a meaningful cause has been found to have a positive impact on the lives of supporters and churches alike as it enriches their vision for mission, giving them an opportunity to live out God's mission for those in poverty. According to the Wall Street Journal, new scientific research shows that giving is extremely beneficial for a donor, and that when people decide to donate to what they felt was a worthy organisation, parts of their midbrain lit up—the same region that became active when the subjects added money to their personal reward accounts*.

Over the past few years, Compassion Australia has been gradually implementing new environmentally sustainable activities. These include:

Electricity

- In June 2012 Compassion installed the first stage in a new energy
 efficient lighting system in our head office at Newcastle. It is
 estimated that this has saved approximately 45,000 kilowatt hours
 of energy per annum. This equates to an estimated saving of 31.7
 tonnes of carbon dioxide at the local power station per year.
- The second stage of this lighting system was installed in June 2013.
 It is estimated that this will save a further 15,000 kilowatt hours of energy per annum. This equates to an estimated saving of 10.6 tonnes of carbon dioxide at the local power station per year.
- For the last two years Compassion has implemented targeted power management in order to reduce energy usage. It is estimated that this has saved approximately 29,000 kilowatt hours of energy per annum. This equates to an estimated saving of 20.5 tonnes of carbon dioxide at the local power station per year.

Vehicles fleet

- Throughout the year Compassion conducted the process of changing over the fleet to consist of mainly smaller vehicles and, where possible, vehicles using diesel rather than petrol as these are considered to be more efficient on fuel consumption and CO2 emissions. As unleaded vehicles are retired, they will be replaced with vehicles using diesel, until a better alternative becomes available.
- The majority of vehicles in Compassion's fleet are Hyundai i30
 Wagons. Changing over unleaded Hyundai i30wagons to diesel
 vehicles has an estimated saving of eight grams of CO2 emissions
 per kilometre driven.

Throughout the year, Compassion Australia has also continued with the following environmental sustainability activities:

- · Recycling of all recyclable waste
- Producing a portion of our printed material on recycled paper.

Compassion Australia will continue to look for new and innovative ways to promote sustainability within the organisation during financial year 2013/2014.

*Wall Street Journal, "Hard-Wired for Giving", August 2013