

PUBLIC DISCLOSURE STATEMENT

BATES SMART ARCHITECTS PTY LTD

ORGANISATION CERTIFICATION FY2021-22

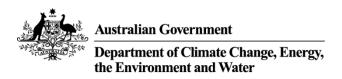
Climate Active Public Disclosure Statement

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NAME OF CERTIFIED ENTITY	Bates Smart Architects Pty Ltd
REPORTING PERIOD	1 July 2021 – 30 June 2022 Arrears report
DECLARATION	To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.
	Philip Vivian Managing Director 28 October 2022



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Version March 2022.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,163.51 tCO ₂ -e
OFFSETS BOUGHT	42.96% ACCUs, 57.04% CERs
RENEWABLE ELECTRICITY	93.61%
TECHNICAL ASSESSMENT	11/03/2021 Katherine Simmons KREA Consulting Pty Ltd Next technical assessment due: 2022-23

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2. CARBON NEUTRAL INFORMATION

Description of certification

The Climate Active Carbon Neutral certification covers the Australian business operations of Bates Smart Architects Pty Ltd ("Bates Smart"), ABN 68 094 740 986. The operational boundary of the carbon account has been defined based on the operational control approach.

This Public Disclosure Statement represents the reporting period 1 July 2021 to 30 June 2022. FY2021-22 is our second year as a Climate Active carbon neutral certified organisation.

The carbon account has been prepared in accordance with the Climate Active Carbon Neutral Standard for Organisations. This entails using recognised emission factors and methods for carbon accounting published in Australia, such as the National Greenhouse Accounts (NGA) Factors, and the work of the international corporate accounting and reporting standard The Greenhouse Gas Protocol.

The greenhouse gasses included in the carbon account are the seven gasses reported under the Kyoto Protocol: carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These gasses are expressed in carbon dioxide equivalents (CO₂-e), providing the ability to present greenhouse gas emissions as one unit.

"Bates Smart are committed to limiting the long-term effects of human-induced climate change.

This Climate Active
Certification is a
transparent
demonstration of our
commitment to
Carbon Neutrality."

Organisation description

Bates Smart was established in Melbourne in 1853. We are a multidisciplinary design firm delivering architecture, interior design, urban design and strategic services across Australia, with a staff of over 250 in studios in Melbourne and Sydney. Our award-winning projects transform the city fabric and the way people use and inhabit urban spaces and built environments.

For more than 169 years we have promoted socially responsible architecture and design. We understand the social and economic forces currently shaping communities and their impact on built environments of the future. Our founders were the innovators of their time, and we are leaders in the debate on how and where we work, meet, live, learn and heal.



3.EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.



Bates Smart

Level G, 6 and 7, 1 Nicholson St East Melbourne, VIC Level G and 1, 43-51 Brisbane St Surry Hills, NSW Level 5, 79 Commonwealth St Surry Hills, NSW

Inside emissions boundary

Quantified

Gas

Fuel

Electricity

Working From Home electricity

Air travel

Domestic and international

accommodation

Food and catering

Cleaning services

Maintenance and repair

Computer hardware and

accessories

ICT applications

ICT services

Telephone and internet

Website

Printing and stationary

Education and training

Entertainment

Rates and taxes

Subscriptions and periodicals

Courier services

Postal services

Business services

Accounting and bookkeeping

services

Banking and investment

Legal services

Insurance and retirement

services

Photographic services

Public administration and finance

services

Security and personal safety

Parking and tolls

Staff commute to and from work

Taxi and Uber and staff travel in own cars

own cars

Resources sent to landfill and

recycling

Water and Sewage

Office paper

Non-quantified

Refrigerants

Water and Sewage (1 location

only)

Outside emission boundary

Excluded

No exclusions

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.



4. EMISSIONS REDUCTIONS

Bates Smart is committed to reducing its carbon footprint by at least 30% against our FY2019-20 base year, a target we reached in both FY2020-21 and again in FY2021-22.

Emissions reduction strategy

Bates Smart became Climate Active carbon neutral certified for the first time for our FY2020-21 reporting period. Our FY2019-20 actual data was used to calculate our base year carbon inventory to project our carbon footprint for FY2020-21.

In FY2021-22 we reduced our actual emissions by 48.75% compared to our base year while in FY2020-21 we had a reduction of 51.35% against our base year. Initiatives taken to reduce our emissions, in particular those relating to electricity, travel and office costs, resulted in significant reductions in our FY2020-21 carbon footprint which continued into FY2021-22. We have committed to green energy, implemented the use of virtual meeting platforms into our business practices which reduced travel, supported flexible work practices with working from home which have all helped us to reduce our ongoing carbon emissions.

Our FY2022-23 Action Plan comprises:

- Commission a qualified energy assessor to identify opportunities for reduced energy use and to commence implementing the recommendations from these initiatives by end of FY23 to reduce kWh usage.
- We have changed the way we work by reducing our paper usage in the office. We will work on transitioning the remaining non-certified office paper to Climate Active carbon neutral certified office paper and where possible to use Climate Active carbon neutral certified office paper made from 100% recycled Australian paper pulp. This would have an ability to save an annual 0.40tCO₂-e based on our FY22 reporting period.
- We will transition to digital business cards in FY23, to reduce paper consumption.
- Carbon offset all flights flown with a distance greater than 3,700km at the time of purchase. This
 would have an ability to save an annual 3.96tCO₂-e based on our FY22 reporting period.
- We will continue to engage and participate with our colleagues, governments at all levels, clients
 and supply chain in the conversation to make meaningful change in Climate Action including
 active participation in Architects Declare Industry Body Working Groups.
- We are actively developing a Sustainability Action Plan, led by Senior Leadership in alignment with the 10 objectives of Australian Architects Declare, and propose to publish this within FY23.



Emissions reduction actions

Initiatives already in place:

- In 2020, we transitioned to 100% renewable electricity from our utility providers for two of three locations where electricity is billed independently to our rent agreement. Over 95% of our staff are situated at these locations. As a co-benefit, this qualifies us to use the market-based approach when calculating our electricity associated emissions, which shows our investments in renewables from the grid produce a saving to the environment of 581tCO2-e across FY2020-21 and 518tCO2-e across FY2021-22 compared to our base year.
- We support Climate Active carbon neutral certified suppliers of office paper.
- We are using electronic storage of information and have implemented 'Follow-Me' printing and double-sided printing defaults to reduce paper consumption.
- We continue to transition to energy efficient laptops from desktop computers and reviewing our IT parameters to put computers into sleep/hibernate mode.
- We are founding signatories to the 'Australian Architects Declare Climate & Biodiversity
 Emergency' movement that seeks to raise awareness of the climate and biodiversity emergencies
 and the need for action.
- Australia's buildings generate 23% of the nation's carbon emissions. The building sector can
 deliver up to 28% of Australia's 2030 emissions reduction target. As architects, we recognise that
 we play a leading role in instilling real and significant change. Bates Smart will continue to
 advocate for positive climate change within the building industry.
- Our Sustainability Committee meets regularly and is empowered to identify opportunities and implement initiatives to reduce our carbon footprint.
- We are actively increasing education in sustainability including the impact of carbon emissions, through supporting key staff to become Greenstar and WELL Building Certified.
- We are committed to upholding our status as a Climate Active carbon neutral certified organisation.



5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year				
		Total tCO ₂ -e		
Base year:	2019-20	2,270.15		
Year 1:	2020–21	1,104.48		
Year 2:	2021-22	1,163.51		

Significant changes in emissions

The FY2021-22 +- 5% changes by emission source category, where the emission category accounts for more than 5% of our total carbon footprint, are:

Emission source name	Current year (tCO ₂ -e and/ or activity data)	Previous year (tCO ₂ -e and/ or activity data)	Detailed reason for change
Food	124.99	83.414	We welcomed staff back to the office during FY2021-22, and increased staff catering and events.
ICT services and equipment	417.10	470.626	A reduction in costs arising from renegotiated ICT services agreements.
Working from Home	86.19	94.68	A reduction in the cost of our staff working from home due to less days worked from home during FY2021-22.

Use of Climate Active carbon neutral products and services

Certified brand name	Product or Service used
Winc (Opal: Reflex)	247 reams of office paper



Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	7.47
Air transport (km)	23.95
Carbon neutral products and services	0
Cleaning and chemicals	10.86
Construction materials and services	18.48
Electricity	37.50
Food	124.99
ICT services and equipment	417.10
Land and sea transport (km)	66.49
Office equipment & supplies	30.42
Postage, courier and freight	21.78
Professional services	228.32
Stationary energy	28.40
Waste	48.35
Water	13.21
Working from home	86.19
Total	1,163.51

Uplift factors

Not applicable.

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor		tCO₂-e
Not applicable		
	Total of all uplift factors	0.00
(to	Total footprint to offset tal net emissions from summary table + total uplifts)	1,163.51



6.CARBON OFFSETS

Offsets retirement approach

Bates Smart became Climate Active carbon neutral certified for the first time during FY2020-21. Our FY2019-20 actual data was used to calculate our base year carbon inventory which was then used to project our carbon footprint for FY2020-21. We did not carbon offset our base year. The entire carbon footprint in FY2020-21 was considered unavoidable and we purchased 2,271 tonnes of carbon credits towards our projected carbon neutral claim for FY2020-21 through a forward purchasing strategy. From FY2020-21 we have chosen a purchasing strategy in arrears.

In a	arrears	
1.	Total number of eligible offsets banked from last year's report	1,166
2.	Total emissions footprint to offset for this report	1,164
3.	Total eligible offsets required for this report	1,164
4.	Total eligible offsets purchased and retired for this report	0
5.	Total eligible offsets banked to use toward next year's report	2

Co-benefits

Bates Smart purchases offsets from projects that align with the company's values and offers additional environmental and social benefits.

Wunambal Gaambera Uunguu Fire Project - ERF 100641

Kimberley Traditional Owners including Wunambal Gaambera, have to date registered five fire management projects under the ERF, using Indigenous traditional knowledge of early dry season burning and modern scientific practices to reduce the amount of greenhouse gas emissions released into the atmosphere from unmanaged and potentially dangerous late-season wildfires.

As a result of these fire management techniques, there is a reduction in greenhouse gas emissions released into the atmosphere. This abatement is measured and carbon credits generated.

Savanna fire carbon projects also deliver broader environmental and social outcomes through improved biodiversity and landscape health, reinvigorating social and cultural traditions, transferring knowledge,



strengthening climate change adaptability, reversing socioeconomic disadvantage and increasing employment opportunities.

Improved Cook Stove Project 1, Nkhata Bay District, Malawi

The project is run by RIPPLE Africa (a charity from the UK) and involves the installation of low cost, high efficiency wood fired cook stoves specially designed for local conditions. RIPPLE has so far replaced about 40,000 traditional three-stone cooking fires with fuel efficient cook stoves and the project therefore benefits approximately 200,000 people. The project has lots of benefits because traditional three-stone fires:

- Consume a huge amount of wood resulting in major deforestation. It also takes a lot of time to collect all this wood. This time can be spent on education and other activities.
- Produce lots of smoke and so cause health problems such as lung cancer and child pneumonia.
 This mostly affects women and children.
- Are unsafe for children.

RIPPLE Africa has made this fuel efficient cook stove a way of life and has significantly reduced Malawi's greenhouse gas emissions and can be seen in RIPPLE's video.

RIPPLE Africa will use the funds from the sale of the credits to expand the project and support other RIPPLE Africa activities such as fish conservation, tree planting, forest conservation, education and health care services. RIPPLE Africa wants to expand the project so that 500,000 people will benefit from this fuel efficient cook stove. All RIPPLE's activities address various Sustainable Development Goals.

The cook stove project alone addresses the following SDGs:



















16 April 2021

To whom it may concern,

Voluntary cancellation of units in ANREU

This letter is confirmation of the voluntary cancellation of units in the Australian National Registry of Emissions Units (ANREU) by ANREU account holder, The Sigma Global Company Pty Limited (account number AU-2617).

The details of the cancellation are as follows:

Date of transaction	16 April 2021
Transaction ID	AU18076
Type of units	KACCU
Number of units	1,000
Serial number range	3,799,913,005 - 3,799,914,004
Associated ERF Project Name and ID	Wunambal Gaambera Uunguu Fire Project - ERF100641
Transaction comment	Cancelled on behalf of Bates Smart Architects Pty Ltd to support its carbon neutral claim against the Climate Active Carbon Neutral Standard FY21

Details of all voluntary cancellations in the ANREU are published on the Clean Energy Regulator's website, http://www.cleanenergyregulator.gov.au/OSR/ANREU/Data-and-information.

If you require additional information about the above transactions, please email $\underline{\text{registry-contact}} \\ @ \text{cleanenergy} \\ \text{regulator.gov.au}$

Yours sincerely,

David O'Toole

ANREU Operations and International Engagement

NGER and Safeguard Branch

Scheme Operations Division

Clean Energy Regulator

registry-contact@cleanenergyregulator.gov.au

www.cleanenergvregulator.gov.au

GPO Box 621 Canberra ACT 2601 1300 553 542 resistry-contact@cleanenerevreeulator.gov.au www.cleanenergyregulator.gov.au 1



Eligible offsets retirement summary

Offsets cancelled for Climate Active Carbon Neutral Certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Wunambal Gaambera Uunguu Fire Project – ERF 100641	ACCUs	ANREU	16 Apr 2021	3,799,913,005 – 3,799,914,004 See letter above	2019-20		1,000	500	0	500	42.96%
Improved Cook Stove Project 1, Nkhata Bay District, Malawi	CERs	CDM	7 Apr 2021	MW51653032209933 – MW51665732209933 Voluntary Cancellation Certificate	CP2		1,271	605	2	664	57.04%
	Total offsets retired this report and					this report and u	sed in this report	1,164			
Total offsets retired this report and banked for future reports					2						

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total	
Australian Carbon Credit Units (ACCUs)	56	00	42.96%
Certified Emissions Reductions (CERs)	6	64	57.04%



7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A.

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1.	Large-scale Generation certificates (LGCs)*	0
2.	Other RECs	0

^{*} LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
	Total LGCs surrendered this report and used in this report				0				



APPENDIX A: ADDITIONAL INFORMATION

We recognise that successful design outcomes and emissions reductions are not competing priorities. We will challenge ourselves and our clients to create environmentally sustainable and innovative solutions to built environments.

We have established a "Sustainability Action Plan Committee" to implement the initiatives of Australian Architects Declare within our business, with a focus on regenerative design and other climate positive outcomes.

We are founding signatories to Architects Declare Australia. Over 1,000 Architects have signed a declaration that recognises the climate and biodiversity emergency and that architects have a leading role to play in tackling it through our influence over the design of buildings, infrastructure, urban spaces and cities.



APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach Summary			
Market Based Approach	Activity Data (kWh)	Emissions (kgCO2e)	Renewable Percentage of total
Behind the meter consumption of electricity			
generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	442,526	0	75%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	109,657	0	19%
Residual Electricity	37,687	37,497	0%
Total grid electricity	589,870	37,497	94%
Total Electricity Consumed (grid + non grid)	589,870	37,497	94%
Electricity renewables	552,183	0	
Residual Electricity	37,687	37,497	
Exported on-site generated electricity	0	0	
Emissions (kgCO2e)		3,497	

Total renewables (grid and non-grid)	93.61%
Mandatory	18.59%
Voluntary	75.02%
Behind the meter	0.00%
Residual Electricity Emission Footprint (TCO2e)	37
Figures may not sum due to rounding. Renewable percent	tage can be above 100%



Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO2e)	Scope 3 Emissions (kgCO2e)
NSW	256,018	199,694	17,921
Vic	333,853	303,806	33,385
Grid electricity (scope 2 and 3)	589,870	503,500	51,307
NSW	0	0	0
Vic	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	589,870	503,500	51,307

Emission Footprint (TCO2e)	555
Scope 2 Emissions (TCO2e)	503
Scope 3 Emissions (TCO2e)	51

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
Not applicable	0	0
Climate Active carbon neutral electricity is not renew		ve been offset by another

Climate Active member through their Product certification.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to <u>one</u> of the following reasons:

- 1. Immaterial <1% for individual items and no more than 5% collectively
- 2. Cost effective Quantification is not cost effective relative to the size of the emission but uplift applied.
- 3. <u>Data unavailable</u> Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
- 4. Maintenance Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non- quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Refrigerants	Yes	No	No	No
Water and sewage (1 location only)	Yes	No	No	No



APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

- <u>Size</u> The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
- 2. <u>Influence</u> The responsible entity has the potential to influence the reduction of emissions from a particular source.
- 3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
- 4. Stakeholders Key stakeholders deem the emissions from a particular source are relevant.
- Outsourcing The emissions are from outsourced activities previously undertaken within the
 organisation's boundary, or from outsourced activities typically undertaken within the boundary for
 comparable organisations.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
N/A						





