

PUBLIC DISCLOSURE STATEMENT

THE APP GROUP

ORGANISATION CERTIFICATION CY2021

Australian Government

Climate Active Public Disclosure Statement

The APP C	An Australian Government Initiative
NAME OF CERTIFIED ENTITY	APP Corporation Pty Limited (trading as The APP Group)
REPORTING PERIOD	1 January 2021 – 31 December 2021
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.
	Andrew Gorey Director 23/12/2022



Australian Government

Department of Climate Change, Energy, the Environment and Water

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Version March 2022.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	2,616.34 t CO ₂ -e
OFFSETS BOUGHT	5.7% ACCUs, 94.3% VCUs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	Date: 06 December 2022 Name: Alexander Stathakis Organisation: Conversio Pty Ltd Next technical assessment due: FY2026-27
THIRD PARTY VALIDATION	Type 1 Date: 15 December 2022 Name: Katherine Simmons Organisation: KREA Consulting Pty Ltd

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2. CARBON NEUTRAL INFORMATION

Description of certification

This carbon neutral certification is for the Australian business operations of APP Corporation Pty Limited (trading as The APP Group), ABN 29 003 764 770.

Organisation description

The certification is for the Australian business operations of APP Corporation Pty Ltd (business name The APP Group), ABN 29 003 764 770. The APP Group is one of Australia's most respected property and infrastructure consultancies, with over 30 years experience.

Operating an integrated service offering, The APP Group supports clients across the full asset capital investment lifecycle and multiple market sectors. Its consultancy advisory services cover the following:

- Project Management
- Property Advisory
- Asset and Portfolio Solutions
- Infrastructure Advisory
- Risk Management and Auditing
- Recruitment Advisory
- Transactions and Real Estate Services

The following subsidiaries are also included in this certification.

Legal entity name	ACN
Australian Quality Assurance and Superintendence Pty Ltd	050 539 010
Appoint Consulting Pty Ltd	003 999 031
CI Australia Pty Ltd	003 053 183
Infrastructure Nation Pty Ltd	612 655 642
St. George Project Services	122 493 798
Valorem Advisory	125 899 121

"The APP Group aspire to have a positive impact on the communities in which we connect. By partnering with Climate Active, we acknowledge the impact we have on our local communities and strive to make a bigger difference for how people will live, work, play, and connect in the future."

The APP Group operates in several locations across Australia, including Sydney, Melbourne, Adelaide, Brisbane, Canberra, Newcastle, Perth, Wollongong, Hobart and Kirwan.



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**.

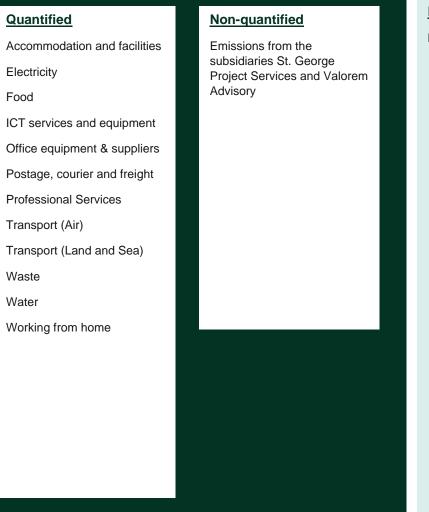
Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available in Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organization's or precinct'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.



Inside emissions boundary



Outside emission boundary

Excluded

N/A

Data management plan for non-quantified sources

The data management plan below outlines how more rigorous quantification can be achieved for material (greater than 1%) non-quantified emission sources.

Since the subsidiaries St. George Project Services and Valorem Advisory were acquired in September 2022, emissions from the subsidiaries for the certification year CY2021 were not under operational control of The APP Group. Due to the timing of the acquisition and onboarding processes, the data for the subsidiaries will not be available until February 2023. As such, the estimated emissions from the subsidiaries are accounted for in CY2021 by applying an uplift factor to the carbon account. The uplift factor for emissions from the subsidiaries was determined using an approximation through extrapolation method using the number of full-time equivalent employees. The activity data for all emission sources will be aligned with The APP Group in CY2022.



4.EMISSIONS REDUCTIONS

Emissions reduction strategy

The APP Group plans to reduce its organisational emissions by 15% by 2027 against the calendar year 2021 baseline.

To achieve this, we will take the following steps:

- Scope 1: Transition the Group fleet to more fuel-efficient vehicles (Hybrid, where vehicles require mine-specification add-ons, or Electric as suitable), pending feasibility analysis. This has the potential to reduce our organisation's emissions by up to 2%.
- Scope 2: Invest in renewable energy projects equivalent to our electricity consumption for all office spaces. This has the potential to reduce our organisation's emissions by 15%.
- Scope 3: Relocation of office spaces to buildings with a minimum 4.5-star NABERS Energy rating. Where feasible, this strategy will be expanded to consider whole building NABERS ratings. This has the potential to reduce our organisation's emissions by at least 3%.

Progress will be tracked during our annual carbon footprint assessment and progressively throughout the year as changes are implemented. This Emission Reduction Strategy will also form part of our Sustainability Action Plan and be reported on annually.



5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

N/A.

Organisation emissions summary

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

Emission category	Sum of Total Emissions (t CO ₂ -e)
Accommodation and facilities	46.26
Base building energy	502.38
Electricity	276.33
Food	31.46
ICT services and equipment	204.35
Office equipment & supplies	112.33
Postage, courier and freight	5.12
Professional Services	469.74
Transport (Air)	61.21
Transport (Land and Sea)	365.34
Waste	34.36
Water	5.26
Working from home	96.86
Grand Total	2,211.38

Uplift factors

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	t CO ₂ -e
Uplift to account for non-quantified sources where data was unavailable for the reporting period	404.96
Total of all uplift factors	404.96
Total footprint to offset (total net emissions from summary table + total uplifts)	2,617



6.CARBON OFFSETS

Offsets retirement approach

ln a	arrears	
1.	Total emissions footprint to offset for this report	2,616.34 t CO ₂ -e
2.	Total eligible offsets purchased and retired for this report	2617
3.	Total eligible offsets banked to use toward next year's report	0

Co-benefits

The APP Group has invested in three separate carbon offset projects to neutralise its emissions from the calendar year, 2021.

The Moombidary Forest Regeneration Project is located in far Southwest Queensland. Traditional Custodians have formed a unique collaboration with the property owner to partner on a native forest regeneration carbon farming project on Moombidary Station. The project is reducing the impact of agricultural practices on regenerating trees, including by investing in new infrastructure and establishing rotational grazing practices. The project supports Indigenous use of the land.

The Hydroelectric Project in Kinnaur District in Himachal Pradesh forms a part of an overall plan of development of the Sutlej River basin hydropower potential. The project is a 1000 MW run-of-river hydro power plant harnessing the potential of Sutlej River. It reduces greenhouse gas emissions by replacing an equivalent amount of energy generated from fossil fuel intensive thermal power plants to meet local energy requirements in India.

The Ghani Solar Renewable Power project in Andhra Pradesh, India, contributes to social well-being by promoting decent work opportunities during construction and operation phases, including roads and infrastructure. The project utilises best in class technology and drives further economic benefits to the region. In addition to reducing greenhouse gas emissions, the project effectively avoids sulphur dioxide, oxides of nitrogen and particulate pollution to benefit the health of local people.



These three projects contribute to the achievement of United Nations Sustainable Development Goals as follows:

Emission category	Moombidary Forest Regeneration Project	Hydroelectric Project in Kinnaur	Ghani Solar Renewable Power
SDG 3: Good health and well-being	\checkmark	\checkmark	\checkmark
SDG 4: Quality education	\checkmark		\checkmark
SDG 7: Affordable and clean energy		\checkmark	\checkmark
SDG 8: Decent work and economic growth		\checkmark	\checkmark
SDG 9: Industry, Innovation and Infrastructure		\checkmark	
SDG 13: Climate action	\checkmark	\checkmark	\checkmark
SDG 15: Life on land	\checkmark		



Eligible offsets retirement summary

Offsets cancelle	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 reportin g periods	Eligible quantity used for this reporting period	Percentag e of total (%)
Moombidary Forest Regeneration Project	ACCU	Australia Voluntary Cancellatio n Account	22-Dec-22	Project: ERF101548. Serial 8,343,060,843 - 8,343,060,992 The Retirement Certificate from the Clean Energy Regulator is enclosed within this submission. Refer to document: VC202223-00095 – BETACARBON PTY LTD – AUS25553 – 22.12.2022	2021-22	0	150	150	0	150	5.7%
Hydroelectric Project in Kinnaur District in Himachal Pradesh	VCU	Verra	22-Dec-22	9375-88404436-88404755-VCS-VCU-997-VER- IN-1-1742-01012019-31122019-0 <u>https://registry.verra.org/myModule/rpt/myrpt.asp?</u> <u>r=206&h=187115</u>	2019	0	320	320	0	320	12.2%
Hydroelectric Project in Kinnaur District in Himachal Pradesh	VCU	Verra	22-Dec-22	9375-88408431-88409105-VCS-VCU-997-VER- IN-1-1742-01012019-31122019-0 <u>https://registry.verra.org/myModule/rpt/myrpt.asp?</u> <u>r=206&h=175685</u>	2019	0	675	675	0	675	25.8%
Hydroelectric Project in	VCU	Verra	22-Dec-22	9375-88404431-88404435-VCS-VCU-997-VER-	2019	0	5	5	0	5	0.2%



Kinnaur District in Himachal Pradesh				IN-1-1742-01012019-31122019-0 https://registry.verra.org/myModule/rpt/myrpt.asp? r=206&h=175675							
Hydroelectric Project in Kinnaur District in Himachal Pradesh	VCU	Verra	22-Dec-22	"9375-88408431-88409105-VCS-VCU-997-VER- IN-1-1742-01012019-31122019-0 https://registry.verra.org/myModule/rpt/myrpt.asp? r=206&h=175684	2019	0	1000	1000	0	1000	38.2%
Ghani Solar Renewable Power Project by Greenko Group	VCU	Verra	22-Dec-22	10385-209658050-209658316-VCS-VCU-997- VER-IN-1-1792-01012020-31122020-0 https://registry.verra.org/myModule/rpt/myrpt.asp? r=206&h=140239	2020	0	267	267	0	267	10.2%
Ghani Solar Renewable Power Project by Greenko Group	VCU	Verra	22-Dec-22	10385-209699030-209699229-VCS-VCU-997- VER-IN-1-1792-01012020-31122020-0 <u>https://registry.verra.org/myModule/rpt/myrpt.asp?</u> <u>r=206&h=138675</u>	2020	0	200	200	0	200	7.6%
Total offsets retired this report and used in this report						2,617					
	Total offsets retired this report and banked for future reports 0										

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Australian Carbon Credit Units (ACCUs)	150	5.7%
Verified Carbon Units (VCUs)	2467	94.3%



7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A



APPENDIX A: ADDITIONAL INFORMATION

N/A.



APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location-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 (kg CO₂-e)	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	0	0	0%
Jurisdictional renewables (LGCs retired)	538	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	123	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	60,548	0	19%
Residual Electricity	266,034	264,532	0%
Total grid electricity	327,244	264,532	19%
Total Electricity Consumed (grid + non grid)	327,244	264,532	19%
Electricity renewables	61,209	0	
Residual Electricity	266,034	264,532	
Exported on-site generated electricity	0	0	
Emissions (kgCO2e)		264,532	

Total renewables (grid and non-grid)	18.70%
Mandatory	18.70%
Voluntary	0.00%
Behind the meter	0.00%



Residual Electricity Emission Footprint (TCO2e)	265
Figures may not sum due to rounding. Renewable percentage can be above 100%	
Voluntary includes LGCs retired by the ACT (MWh)	0

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kg CO ₂ -e)	ns Scope 3 Emissions (kg CO ₂ -e)	
ACT	661	516	46	
NSW	230,645	179,903	16,145	
SA	5,392		377	
Vic	42,461	38,640	4,246	
Qld	8,932	7,146	1,072	
WA Grid electricity (scope 2 and 3)	<u>39,153</u> 327,244	26,233 254,054	392 22,278	
ACT	0	0	0	
NSW	0	0	0	
SA	0	0	0	
Vic	0	0	0	
Qld	0	0	0	
WA	0	0	0	
Non-grid electricity (Behind the meter)	0	0	0	
Total Electricity Consumed	327,244	254,054	22,278	

Emission Footprint (TCO2e)	276
Scope 2 Emissions (TCO2e)	254
Scope 3 Emissions (TCO2e)	22

Climate Active Carbon Neutral Electricity

summary						
Carbon Neutral electricity offset by Climate Active	Activity Data (kWh)	Emissions				
Product		(kg CO ₂ -e)				
N/A	0	0				
Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another						

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emission sources have been assessed as relevant and 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. <u>Cost-effective</u> 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.

Since the subsidiaries St. George Project Services and Valorem Advisory were acquired in September 2022, emissions from the subsidiaries for the certification year CY2021 were not within the operational control of The APP Group. The acquisition process took 120 days to align with The APP Group systems, and the data for the subsidiaries will not available until February 2023. As such, the estimated emissions from the subsidiaries are accounted in CY2021 by applying an uplift factor to the carbon account.

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
Emissions from St. George Project Services and Valorem Advisory	No	No	Yes	No



APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct'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:

- 1. <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
- Influence The responsible entity has the potential to influence the reduction of emissions from a particular source.
- <u>Risk</u> The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
- 4. **<u>Stakeholders</u>** Key stakeholders deem the emissions from a particular source are relevant.
- <u>Outsourcing</u> 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	N/A	N/A	NA	N/A	N/A	N/A





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