

PUBLIC DISCLOSURE STATEMENT

ESSENCE PROJECT MANAGEMENT

ORGANISATION CERTIFICATION FY2022-23 (TRUE-UP)

Australian Government

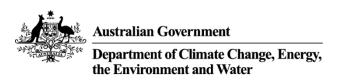
Climate Active Public Disclosure Statement







| NAME OF CERTIFIED ENTITY | Essence Project Management |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| REPORTING PERIOD | Financial year 1 July 2022 – 30 June 2023 True up (in-arrears) |
| 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. Name: David Radford Title: Director Date 29/11/2023 |



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Version August 2023.



1.CERTIFICATION SUMMARY

| TOTAL EMISSIONS OFFSET | 197 tCO ₂ -e |
|------------------------|------------------------------------------------------------------------------------------------------------------------------|
| OFFSETS USED | 80% VCUs, 20% CERs |
| RENEWABLE ELECTRICITY | Total renewables 10.08% |
| CARBON ACCOUNT | Prepared by: Cundall |
| TECHNICAL ASSESSMENT | Date: 05/10/2022 Name: Madlen Jannaschk Organisation: Cundall Johnston & Partners Next technical assessment due: NA |

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2. CARBON NEUTRAL INFORMATION

Description of certification

The Australian business operations of Essence Project Management, ABN 51 612 294 827, are certified as a Climate Active Carbon Neutral Organisation.

Organisation description

Formed in 2016, Essence Project Management (ABN 51 612 294 827) has 60 employees in their offices in Sydney, Melbourne, and Brisbane. Essence have led many iconic landmark developments in Sydney providing tailored bespoke services responding to their customer's needs. This includes a range of management and advisory services across the inception, approvals, design procurement, construction and handover phases. All investments are excluded from the certification boundary.

Essence has a sustainability strategy that includes reducing their carbon footprint and obtaining a certification as a Climate Active Carbon Neutral Organisation.

An operational control approach was taken to define Essence' boundary. Essence has no other trading names or subsidiaries.



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.



Inside emissions boundary

Quantified

Accommodation and facilities

Air Transport

Cleaning and Chemicals

Climate Active carbon neutral products and services

Electricity

Food

ICT services and equipment

Land and Sea Transport

Office equipment & supplies

Postage, courier and freight

Professional Services

Stationary Energy

Waste

Water

Working from home

Non-quantified

Optionally included

Outside emission boundary

Excluded

Investments



4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Since initial certification in 2020, Essence has been developing a detailed emission reduction strategy.

Reduction targets are: 20% reduction over 5 years, 30% reduction over ten years, both compared to Essence's 2020 benchmark.

Possible actions to achieve the target above that are being explored are:

- Purchase more carbon neutral products and services
- Encourage a paperless office by discouraging printing unless absolutely necessary
- Undertake a waste audit and monitoring waste streams to understand their extend and impact.
- Reduce the electricity use within rented space by adopting some of the following measures
 - o Installing motion sensors to ensure that lights only remain on when space is in use
 - o Installing efficient LED lighting
 - Using low energy computer equipment
 - Ensuring staff to switch off of computers overnight (e.g. installing power saving applications on staff computers)
- Conduct a travel survey for staff members to monitor commuting emissions
- Allowing staff to work from home to reduce emissions associated with commuting
- Conducting more meetings online to reduce emissions associated with commuting
- Encouraging the use of public transport or bike use for commutes and for site visits.
- Removing personal waste, paper bins and encouraging staff to individually reduce their waste impact.
- Aim to make purchasing decisions based on carbon footprint of supplier. Encouraging current suppliers to explore carbon neutrality.
- Choose green appliances when purchasing new office items
- Encourage the use of keep cuts and avoid single-use coffee cups, glasses, silverware, and plates
- Educate staff on correct recycling habits
- Align our procurement policy with our ESD Goals



Emissions reduction actions

The following emissions reduction actions were undertaken in the previous reporting period:

- Procurement of Carbon Neutral Power in the Melbourne office
- Updated and implemented green travel plan for all employee travel
- Increase staff communications regarding
 - o Recycling
 - o electricity use (turning off lights when finished in meeting rooms don't wait for sensor)
 - o ride share when going to site
- Purchased 'Essence' keep cups for all staff members



5.EMISSIONS SUMMARY

Emissions over time

| Emissions since base year | | | | | | |
|---------------------------|-----------|--------------------------------------------|-----------------------------------------|--|--|--|
| | | Total tCO ₂ -e (without uplift) | Total tCO ₂ -e (with uplift) | | | |
| Base year: | 2019-2020 | 95.9 | 104.1 | | | |
| Year 1: | 2020-2021 | 113.1 | 118.8 | | | |
| Year 2: | 2021-2022 | 116.5 | 122.3 | | | |
| Year 3 | 2022-2023 | 195.73 | 195.73 | | | |
| | | | | | | |

Significant changes in emissions

| Emission source name | Previous year emissions (t CO ₂ -e) | Current year emissions (t CO ₂ -e) | Detailed reason for change |
|----------------------|------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Transport Air | 11.13 | 52.6 | Post-Covid recovery, increase in flights for projects and interstate for the purposes of business development. |

Use of Climate Active carbon neutral products, services, buildings or precincts

| Certified brand name | Product/Service/Building/Precinct used |
|----------------------|----------------------------------------|
| Powershop | Carbon Neutral electricity |
| | |



Emissions summary

The previous report was a projection report using representative data to estimate the emissions for the reporting year. This table shows the differences between the projected emissions and the actual emissions recorded.

| Emission category | Projected emissions (tCO ₂ -e) | Sum of total emissions (t CO ₂ -e) |
|-----------------------------------------------------|-------------------------------------------|-----------------------------------------------|
| Accommodation and facilities | 1.7 | 6.35 |
| Bespoke | 0.00 | 0.00 |
| Cleaning and Chemicals | 1.1 | 2.29 |
| Climate Active carbon neutral products and services | 0.0 | 0.00 |
| Construction Materials and Services | 0.00 | 0.33 |
| Electricity | 14.7 | 14.87 |
| Food | 1.1 | 0.72 |
| Horticulture and Agriculture | 0.00 | 0.00 |
| ICT services and equipment | 28.8 | 23.43 |
| Machinery and vehicles | 0.00 | 0.00 |
| Office equipment & supplies | 9.7 | 4.76 |
| Postage, courier and freight | 0.6 | 0.19 |
| Products | 0.00 | 0.00 |
| Professional Services | 16.4 | 37.09 |
| Refrigerants | 0.00 | 0.00 |
| Roads and landscape | 0.00 | 0.00 |
| Stationary Energy (gaseous fuels) | 1.00 | 1.00 |
| Stationary Energy (liquid fuels) | 0.00 | 0.00 |
| Stationary Energy (solid fuels) | 0.00 | 0.00 |
| Transport (Air) | 11.3 | 61.74 |
| Transport (Land and Sea) | 14.2 | 15.17 |
| Waste | 9.3 | 13.78 |
| Water | 0.3 | 0.24 |
| Working from home | 6.3 | 13.78 |
| Total emissions | 116.5 | 195.7 |
| Difference between projected and actual emissions | 79.2 t (| CO ₂ -e |



Uplift factors

N/A



6.CARBON OFFSETS

Offsets retirement approach

This certification has taken an in arrears offsetting approach. The total emission to offset is 196 t CO₂-e. The total number of eligible offsets used in this report is 197. Of the total eligible offsets used, 107 were previously banked and 88 were newly purchased and retired. 1 unit is remaining and has been banked for future use.



Eligible offsets retirement summary

| Offsets retired for | or Clima | ite Active o | carbon ne | utral certification | | | | | | | |
|--------------------------------------------------------|-------------------------------|------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------|----------------------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------|
| Project description | Type of offset units | Registry | Date retired | Serial number (and hyperlink to registry transaction record) | Vintage | Stapled quantity | Eligible quantity retired (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 (%) |
| Gangwon Wind Park Project | CER | UN Carbon Offset Platform | 16/11/21 | Start serial number: KR-5-122265008-2-2-0-222 End serial number: KR-5-122265154-2-2-0-222 https://offset.climateneutralnow.org/vchistory/details?orderId=21286 | CP2 | | 147 | 107 | - | 40 | 20% |
| 5 MW Solar Power Project by Baba Group | CER | CDM | 27 Oct 2022 | IN-5-255854625-2-2-0-10360 — IN-5-255854693-2-2-0-10360 (Refer to screenshot in Appendix A for registry transaction record) | 2013 | | 69 | - | - | 69 | 35% |
| Katingan Peatland Restoration and Conservation Project | VCU | VERRA | 26 Nov 2023 | 11720-353180863-353180950-VCS-VCU-263-VER-ID-14-1477-01012019-31122019-1 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=171698 | 2019 | | 88 | | 1 | 87 | 45% |
| | | | | | Tota | l eligible of | fsets retired | d and used f | or this report | 196 | |
| | | | | Total eligible offsets retired this | report and | d banked fo | r use in fut | ure reports | 1 | | |

| Type of offset units | Eligible quantity (used for this reporting period) | Percentage of total |
|---------------------------------------|----------------------------------------------------|---------------------|
| Certified Emissions Reductions (CERs) | 40 | 20% |
| Verified Carbon Units (VCUs) | 156 | 80% |



7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A



APPENDIX A: ADDITIONAL INFORMATION87

Offset certificate Solar Power Project by Baba Group

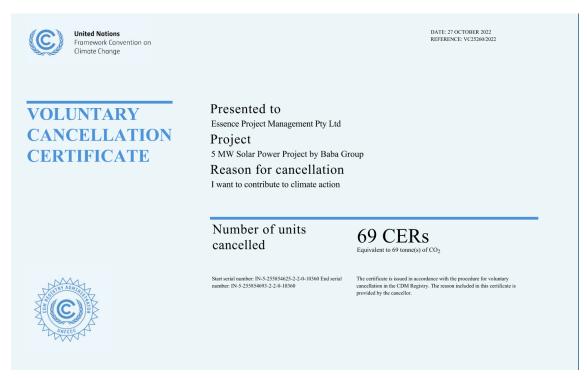


Figure 1: 5 MW Solar Power Project by Baba Group - evidence of offset retirement



APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the market-based approach



| Market Based Approach Summary | | | |
|-----------------------------------------------------------------------------|------------------------|--------------------------------|----------------------------------|
| Market Based Approach | Activity Data (kWh) | Emissi ons (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) | 0 | 0 | 0% |
| GreenPower | 0 | 0 | 0% |
| Climate Active precinct/building (voluntary renewables) | 0 | 0 | 0% |
| Precinct/Building (LRET) | 0 | 0 | 0% |
| Precinct/Building jurisdictional renewables (LGCs surrendered) | 0 | 0 | 0% |
| Electricity products (voluntary renewables) | 0 | 0 | 0% |
| Electricity products (LRET) | 0 | 0 | 0% |
| Electricity products jurisdictional renewables (LGCs surrendered) | 0 | 0 | 0% |
| Jurisdictional renewables (LGCs surrendered) | 0 | 0 | 0% |
| Jurisdictional renewables (LRET) (applied to ACT grid electricity) | 0 | 0 | 0% |
| Large Scale Renewable Energy Target (applied to grid electricity only) | 3,606 | 0 | 10% |
| Residual Electricity | 32,147 | 30,701 | 0% |
| Total renewable electricity (grid + non grid) | 3,606 | 0 | 10% |
| Total grid electricity | 35,753 | 30,701 | 10% |
| Total electricity (grid + non grid) | 35,753 | 30,701 | 10% |
| Percentage of residual electricity consumption under operational control | 100% | | |
| Residual electricity consumption under operational control | 32,147 | 30,701 | |
| Scope 2 | 28,390 | 27,112 | |
| Scope 3 (includes T&D emissions from consumption under operational control) | 3,757 | 3,588 | |
| Residual electricity consumption not under operational control | 0 | 0 | |
| Scope 3 | 0 | 0 | |

| Total renewables (grid and non-grid) | 10.08% |
|------------------------------------------------------------------------------------------------|--------|
| Mandatory | 10.08% |
| Voluntary | 0.00% |
| Behind the meter | 0.00% |
| Residual scope 2 emissions (t CO2-e) | 27.11 |
| Residual scope 3 emissions (t CO2-e) | 3.59 |
| Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 13.13 |
| Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 1.74 |
| Total emissions liability (t CO2-e) | 14.87 |
| Figures may not sum due to rounding. Renewable percentage can be above 100% | |



| Location Based Approach | Activity Data (kWh) total | Un | der operationa | Not under operational control | | |
|----------------------------------------------------------------------|------------------------------------|--------|----------------------------------------|------------------------------------|-------|------------------------------------|
| Percentage of grid electricity consumption under operational control | 100% | (kWh) | Scope 2 Emission s (kg CO2-e) | Scope 3 Emissions (kg CO2-e) | (kWh) | Scope 3 Emissions (kg CO2-e) |
| ACT | 0 | 0 | 0 | 0 | 0 | 0 |
| NSW | 22,139 | 22,139 | 16,161 | 1,328 | 0 | 0 |
| SA | 0 | 0 | 0 | 0 | 0 | 0 |
| VIC | 9,502 | 9,502 | 8,077 | 665 | 0 | 0 |
| QLD | 4,112 | 4,112 | 3,002 | 617 | 0 | 0 |
| NT | 0 | 0 | 0 | 0 | 0 | 0 |
| WA | 0 | 0 | 0 | 0 | 0 | 0 |
| TAS | 0 | 0 | 0 | 0 | 0 | 0 |
| Grid electricity (scope 2 and 3) | 35,753 | 35,753 | 27,240 | 2,610 | 0 | 0 |
| ACT | 0 | 0 | 0 | 0 | | |
| NSW | 0 | 0 | 0 | 0 | | |
| SA | 0 | 0 | 0 | 0 | | |
| VIC | 0 | 0 | 0 | 0 | | |
| QLD | 0 | 0 | 0 | 0 | | |
| NT | 0 | 0 | 0 | 0 | | |
| WA | 0 | 0 | 0 | 0 | | |
| TAS | 0 | 0 | 0 | 0 | | |
| Non-grid electricity (behind the meter) | 0 | 0 | 0 | 0 | | |

| Residual scope 2 emissions (t CO2-e) | 27.24 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Residual scope 3 emissions (t CO2-e) | 2.61 |
| Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e) | 14.34 1.55 |
| Total emissions liability (t CO2-e) | 15.89 |



Operations in Climate Active buildings and precincts

| Operations in Climate Active buildings and precincts | Electricity consumed in Climate Active certified building/precinct (kWh) | Emissions (kg CO₂-e) |
|------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------|
| N/A | | |
| | | |

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market based method is outlined as such in the market based summary table.



Climate Active carbon neutral electricity products

| Climate Active carbon neutral product used | Electricity claimed from Climate Active electricity products (kWh) | Emissions (kg CO ₂ -e) |
|--------------------------------------------|--------------------------------------------------------------------------|--------------------------------------|
| Powershop (Sydney office) | 9,910 | 0 |
| Powershop (Melbourne office) | 6,664 | 0 |

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market based summary table.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

N/A



APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this 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 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.



Excluded emissions sources summary

| Emission sources tested for relevance | Size | Influence | Risk | Stakeholders | Outsourcing | Justification |
|---------------------------------------|------|-----------|------|--------------|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investments | N | Y | N | N | N | Size: The business doesn't make major investments and the emissions are therefore considered to be small Influence: We do have influence over our investments. Risk: Because emissions are small, the risk is also relatively small. Stakeholders: Because Essence's core business is not investments, we don't expect stakeholders to expect the inclusion of this emission source in our boundary. Outsourcing: Not applicable. |





