

PUBLIC DISCLOSURE STATEMENT

BATES SMART ARCHITECTS PTY LTD TRADING AS BATES SMART

ORGANISATION CERTIFICATION FY2022–23

Climate Active Public Disclosure Statement

BATESSMART.





NAME OF CERTIFIED ENTITY	Bates Smart Architects Pty Ltd t/a Bates Smart
REPORTING PERIOD	1 July 2022 – 30 June 2023 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 November 2023



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Version August 2023.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,352.32 tCO ₂ -e
OFFSETS USED	26% ACCUs, 74% VERs, <1% CERs
RENEWABLE ELECTRICITY	87.15 %
CARBON ACCOUNT	Prepared by: Green Moves (Aust) Pty Ltd
TECHNICAL ASSESSMENT	28 November 2023 Organisation: Green Moves (Aust) Pty Ltd Next technical assessment due: FY2025-26

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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, trading as 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 2022 to 30 June 2023. FY2022-23 is our third 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.

Organisation description

Bates Smart was established in Melbourne in 1853. We are a multidisciplinary design firm delivering architecture, interior design, urban design, sustainability and strategic services across Australia. Our work reflects an enduring timeline of Australian development, having designed historic landmarks and modern, contemporary buildings for 170 years. With a team of over 300 professionals across our Melbourne, Sydney and Brisbane studios, we bring projects and ideas to life through a rigorous, astute and highly collaborative design approach.

We understand the social, cultural, sustainability and economic forces currently shaping communities and their impact on the built environment. Our approach is not simply about making big gestures. We nurture and develop every size of project and all its elements, until the details complement and enhance the whole.



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

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



4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Bates Smart is committed to reducing its carbon footprint by at least 30% against our FY2019-20 base year, a target we reached in FY2020-21 (51.35% reduction), FY2021-22 (48.75% reduction) and again in FY2022-23 (40.43% reduction). The initiatives undertaken to reduce our ongoing carbon emissions include our investment in green energy, the implementation of virtual meeting platforms into our business practices which reduced travel, and flexible work practices.

Bates Smart has met and exceeded its original target of 30% reduction against its base year of 2019, and this period even with business growth, has achieved a 40% reduction on the base year emissions. As a stretch target we commit to maintain a 35% reduction against our base year to 2028.

Our FY2023-24 Action Plan is to:

- Maintain our investment in current renewable electricity (grid and non-grid) of 87.15% and over the next 2-3 years seek to encourage our landlords to purchase renewable energy for the base building.
- Investigate the use of Uber Green for sustainable rides in electric cars, including hybrid electric vehicles, plug-in hybrids and 100% battery electric vehicles to reduce carbon emissions.
- Reuse and recycle office equipment and only purchase these when required. Where purchase is
 required, continue to reduce energy usage by installing low energy, better star rating and sensorcontrolled products and appliance.
- 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.
- Continue developing a Sustainability Action Plan, led by Senior Leadership in alignment with the 10 objectives of Australian Architects Declare, and propose to publish this during FY24.

Emissions reduction actions

- During FY2022-23 the Melbourne office was renovated and during this time the business took the
 opportunity to introduce initiatives to further reduce its ongoing carbon emissions and to improve
 its sustainable practices. These initiatives included the:
 - Installation of sensor-controlled lights to reduce energy usage.
 - Replacement of fluorescent lighting sources with LED low energy lighting.
 - Installation of motorised blinds, making the use of sun control systems easier for all staff,
 thereby increasing their use, and reducing solar gain.



- Re-use of most furniture, fittings and equipment and workstations, reducing landfill waste.
- Where required, the replacement of old, energy inefficient appliances with appliances with better star ratings, thus reducing energy usage.
- Installation of a coffee machine and purchase of reusable cups for all staff, reducing the number of take-away coffee cups which are sent to landfill.
- Installation of sensor zip taps in kitchens and bathrooms making water use more efficient, achieving water savings.
- We transitioned to digital business cards, reducing paper consumption.
- In 2020, we transitioned to 100% renewable electricity for two of three locations where electricity is billed independently to our rent agreement. Over 95% of our staff are situated at these locations. Our investment in renewables and implemented energy efficiency measures have reduced our electricity associated emissions from 600.71tCO₂-e during our base year (FY20219-20) to 50.47tCO₂-e in FY23, i.e., by 91.6%.
- 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. Over 1,000 Architects have signed a declaration that recognises the climate and biodiversity emergency that architects have a leading role to play in tackling it through our influence over the design of buildings, infrastructure, urban spaces and cities. We are active participants in this organization working to develop tools and undertake advocacy for climate change at an industry wide level.
- 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 Action Plan 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. As well as encouraging and supporting our clients to pursue formal environmental certifications for projects.
- 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 (without uplift) Total tCO ₂ -e (with up						
Base year:	2019-20	2,270.15	N/A			
Year 1:	2020-21	1,104.48	N/A			
Year 2:	2021-22	1,163.51	N/A			
Year 3:	2022-23	1,352.32	N/A			

Significant changes in emissions

The FY2022-23 +- 10% changes by emission source category, where the emission category accounts for more than 10% of our total carbon footprint, are:

Emission source name	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Computer and technical	216.50	252.61	Additional computer and
services			technical services were
			required during
			temporary office
			relocations while our
			offices were being
			renovated.

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

Certified brand name	Product/Service/Building/Precinct used
Opal Australian Paper	605 kg Reflex office paper



Emissions summary

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

Emission category	Sum of scope 1 (tCO ₂ -e)	Sum of scope 2 (tCO ₂ -e)	Sum of scope 3 (tCO ₂ -e)	Sum of total emissions (t CO ₂ -e)
Accommodation and facilities	0.00	0.00	44.31	44.31
Cleaning and Chemicals	0.00	0.00	10.15	10.15
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Construction Materials and Services	0.00	0.00	13.92	13.92
Electricity	0.00	44.57	5.90	50.47
Food	0.00	0.00	18.42	18.42
ICT services and equipment	0.00	0.00	459.39	459.39
Machinery and vehicles	0.00	0.00	0.22	0.22
Office equipment & supplies	0.00	0.00	34.44	34.44
Postage, courier and freight	0.00	0.00	20.25	20.25
Professional Services	0.00	0.00	343.93	343.93
Stationary Energy (gaseous fuels)	24.25	0.00	1.88	26.13
Transport (Air)	0.00	0.00	136.97	136.97
Transport (Land and Sea)	0.16	0.00	105.26	105.42
Waste	0.00	0.00	55.76	55.76
Water	0.00	0.00	4.52	4.52
Working from home	0.00	0.00	28.01	28.01
Total emissions	24.41	44.57	1,283.34	1,352.32

Uplift factors

Not applicable.

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

Reason for uplift factor	t CO₂-e
Not applicable	
Total of all uplift factors	0.00
Total emissions footprint to offset (total emissions from summary table + total of all uplift factors)	1,352.32



6.CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 1,352.32 t CO-2-e. The total number of eligible offsets used in this report is 1,353. Of the total eligible offsets used, 2 were previously banked and 1,400 were newly purchased and retired. 49 are remaining and have been banked for future use.

Co-benefits

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

Project: Jawoyn Fire Project

Traditional Owners of Jawoyn land in the Northern Territory use Indigenous traditional techniques of early dry season burning, together with the latest in modern technology to plan and strategically manage savanna back burning in the early dry season to reduce the intensity of late season fires, resulting in a reduction in greenhouse gas emissions released into the atmosphere. This abatement is measured and carbon credits generated. This project also delivers broader environmental and social outcomes through the protection of significant fire sensitive ecosystems and the many threatened species in the region. All revenue earned is reinvested in managing country, creating job opportunities and training for land owners and custodians, and connecting people back to country.

Project: Expanding access to LPG in Haiti through microfinance services.

In Haiti more than 90% of the population cooks on traditional charcoal-based stoves. Not only has this contributed to the country's acute deforestation and soil erosion problems, but it releases large amounts of planet-warming emissions. This project tackles these issues by increasing access to cleaner, more modern and cheaper sources of energy. This is realised through a social micro-franchise model allowing people without the necessary means to own more efficient charcoal cookstoves, LPG cookstoves and solar lanterns. In addition to reducing greenhouse gas emissions and helping fighting deforestation and soil erosion, this project also reduces the emissions of toxic gas inside the home, promoting better health for families.

A cook stove project addresses the following United Nations' Sustainable Development Goals:





Eligible offsets retirement summary

Offsets retired for Climate	Offsets retired 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 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 (%)
Improved Cook Stove Project 1, Nkhata Bay District, Malawi	CERs	CDM	7 Apr 2021	<u>MW-5-165303-2-2-0-9933</u> – <u>MW-5-166573-2-2-0-9933</u>	CP2	-	1,271	1,269	0	2	<1%
Jawoyn Fire Project	ACCUs	ANREU	27 November 2023	8,330,566,016 – 8,330,566,415 (Please see retirement notice on page 14)	2021-22	-	400	0	49	351	26%
Expanding access to LPG in Haiti through microfinance services (GS2564)	VERs	Gold Standard	21 November 2023	GS1-1-HT-GS2564-16-2020- 23288-25399-26398	2020	-	1,000	0	0	1,000	74%
						Total	eligible offset	s retired and use	ed for this report	1,353	
				Total eligible offsets ret	ired this rep	ort and ban	ked for use ir	future reports	49		

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	351	26%
Certified Emissions Reductions (CERs)	2	<1%
Verified Emissions Reductions (VERs)	1000	74%



7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

Not applicable.

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

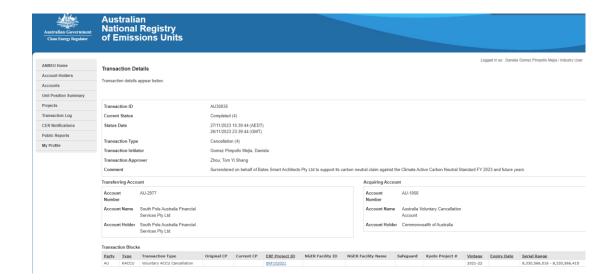
1. Large-scale Generation certificates (LGCs)*

^{*} 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	Project location	Eligible unit type	Registry	Surrender date	Accreditation code	Certificate serial number	Quantity (MWh)
Total LGCs surrendered	d this report	and used in	this report				0



APPENDIX A: ADDITIONAL INFORMATION





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)	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)	0	0	0%
GreenPower	281,185	0	68%
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)	77,338	0	19%
Residual Electricity	52,849	50,471	0%
Total renewable electricity (grid + non grid)	358,522	0	87%
Total grid electricity	411,371	50,471	87%
Total electricity (grid + non grid)	411,371	50,471	87%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	52,849	50,471	
Scope 2	46,672	44,571	
Scope 3 (includes T&D emissions from consumption under operational control)	6,177	5,899	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	87.15%
Mandatory	18.80%
Voluntary	68.35%
Behind the meter	0.00%
Residual scope 2 emissions (t CO ₂ -e)	44.57
Residual scope 3 emissions (t CO ₂ -e)	5.90
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	44.57
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	5.90
Total emissions liability (t CO ₂ -e)	50.47
Figures may not sum due to rounding. Renewable percentage can be above 100%	



Location-based approach	Activity Data (kWh) total	Under operational control				Not under operational control	
Percentage of grid electricity consumption under operational control	100%	(kWh)	Scope 2 Emissions (kgCO ₂ -e)	Scope 3 Emissions (kgCO ₂ -e)	(kWh)	Scope 3 Emissions (kgCO ₂ -e)	
NSW	231,917	231,917	169,299	13,915	0	0	
VIC	179,454	179,454	152,536	12,562	0	0	
Grid electricity (scope 2 and 3)	411,371	411,371	321,835	26,477	0	0	
NSW	0	0	0	0			
VIC	0	0	0	0			
Non-grid electricity (behind the meter)	0	0	0	0			
Total electricity (grid + non grid)	411,371						

Residual scope 2 emissions (t CO ₂ -e)	321.84
Residual scope 3 emissions (t CO²-e)	26.48
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	321.84
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	26.48
Total emissions liability	348.31

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 CO ₂ -e)
Not applicable	0	0
Climate Active carbon neutral electricity is not renewable electricity. Active member through their building or precinct certification. This electrication is a location-based summary tables. Any electricity that has been source market-based method is outlined as such in the market-based summary.	lectricity consumption is also included in ed as renewable electricity by the buildin	the market-based and

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)
Not applicable	0	0
Climate Active carbon neutral electricity is not renewable electricity.		

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

Non-quantified emission sources

The following emissions sources 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. <u>Immaterial</u> <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.

Relevant non-quantified emission sources	Justification reason
Refrigerants	Deemed immaterial
Water and sewage (1 location only)	Deemed immaterial

Data management plan for non-quantified sources

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



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. <u>Risk</u> 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.



Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Not applicable						





