

National Carbon Offset Standard
Carbon Neutral Program
Public Disclosure Summary



THIS DOCUMENT WILL BE MADE PUBLICALLY AVAILABLE

COMPANY NAME: REAL UTILITIES PTY LIMITED (ABN 97 150 290 814) - Subsidiary of Frasers Property Australia
REPORTING PERIOD: N/A (Calculations based on modelled data).
CERTIFICATION PERIOD: 1 JULY 2017 – 30 JUNE 2018

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

Paolo Bevilacqua
General Manager, Sustainability

19 September 2017

Carbon neutral certification category	Product
Date of most recent external verification/audit	N/A – first PDS



Australian Government
Department of the Environment and Energy

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Carbon neutral information

Introduction

Frasers Property Australia are implementing embedded networks in some developments with all electricity provided to be certified carbon neutral under the National Carbon Offset Standard. The developments will typically be strata-owned residential, retail or mixed use however may also include business parks and industrial estates. The first development, Tailor's Walk, comprises 49 apartments with the first stage due for completion in September 2017.

The product is electricity, which will be offered by Real Utilities, a wholly owned subsidiary of Frasers Property, in selected new Frasers Property residential and retail developments. These developments may be located in New South Wales, Victoria, Queensland or Western Australia. It includes the Scope 2 and Scope 3 emissions from electricity provided to premises both for consumer end use and powering of air-conditioning. Other utility products such as natural gas, water and refrigerants are excluded from the the carbon neutral certification.

The functional unit is a Megawatt Hour (MWh) of electricity usage, with emissions expressed in terms of tonnes of CO₂-e per MWh.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- National Carbon Offset Standard v3.0
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

The calculation methodologies and emission factors used in the inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆).

Emission sources within certification boundary

Tailor's Walk, the only development in Financial Year 2017 – 2018, will offer electricity as a product (not gas).

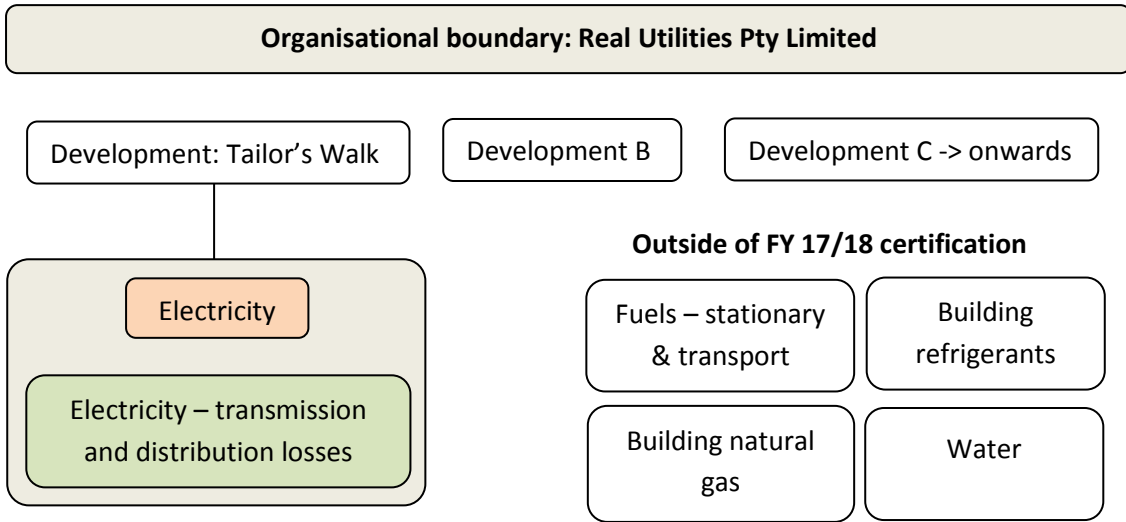
Quantified sources

- Scope 2 Electricity
- Scope 3 Electricity transmission and distribution losses

Non-quantified sources

- All other emissions sources

Diagram of the certification boundary



KEY

- Scope 1
- Scope 2
- Scope 3
- Not quantified

Emissions reduction measures

Emissions over time

Not applicable.

Emissions reduction strategy

Real Utilities is focused on promoting sustainability and is aligned with its parent entity Frasers Property Australia in this regard. The main value propositions of Real Utilities are cheaper, greener, simpler. These are further documented at www.realutilities.com.au

In addition to the NCOS certification, Real Utilities is committed to initiatives that will reduce emissions in the properties it operates in.

In the design phase, Real Utilities will work with the Frasers Property Australia development team to identify initiatives to improve energy efficiency and incorporate renewable energy. These include:

- Reviewing the selection of building services plant such as hot water plant and air conditioning
- Undertaking analysis of solar PV on all projects with the aim of including solar PV as an on site energy source for future projects
- Other energy and carbon innovations such as geothermal, and sewer heat recovery which are currently being investigated on some projects.

Once the properties are operational, Real Utilities will continue to explore initiatives to reduce carbon and improve customer benefits in line with the value propositions – cheaper, greener, simpler. Particular focus will continue to be on energy efficiency and renewable energy.

Real Utilities will also contribute to Frasers Property Australia's sustainability commitments as documented in their sustainability strategy, A Different Way. For more information on Frasers Property's approach to sustainability, please refer www.frasersproperty.com.au/Sustainability.

Emissions reduction actions

Not applicable.

Emissions summary: Tailor's Walk

Estimated annual emissions associated with the Tailor's Walk development are provided in Table 2. Tailor's Walk comprises 49 apartments with the first stage due for completion in September 2017.

As further developments offering the Real Utilities electricity product come on line, estimated emissions will be calculated using the same methodology, and emissions offset prior to their generation, with a "true up" of estimated emissions versus actual emissions for all developments to occur at year end.

Table 2. Emissions Summary		
Scope	Emission source	t CO ₂ -e
2	Purchased Electricity - NSW	275.3
3	Electricity – transmission and distribution losses	39.3
Total Gross Emissions		314.6
GreenPower or retired LGCs		0
Total Net Emissions		314.6

Carbon offsets

Offsets summary

Table 3. Offsets Summary			
Offset type and registry	Year retired	Quantity	Serial numbers
Huoshui Grouped Small Hydro (VCS - Social Carbon), VCSR710	2017	630	5136-214073138-214073767-VCU-028-APX-CN-1-438-26062013-31122013-0
Total offset units retired			630
Net emissions after offsetting			0
Total offsets held in surplus for future years:			315.4

Offsets purchasing and retirement strategy

In 2017 NCOS Disclosure Year, Real Utilities retired offsets totalling 630tCO₂e of VCS - Social Carbon type offsets. For this same Disclosure Year, Real Utilities required offsets totalling 314.6 tCO₂e. The remaining

offsets retired will be used in future years. The table above presents a detailed overview on offset type, project title and offset quantity.

Offset co-benefits

Real Utilities seeks to buy offsets from projects that align with A Different Way, particularly the target to 'make clean energy accessible for all'. In addition, projects are selected that support the countries that Frasers Centrepoint Limited, Frasers Property's parent company, operate in.

Huoshui Grouped Small Hydro, China

The Huoshui Grouped Small Hydro project consists of 95 small scale hydro-power plants that provide clean energy to some of the poorest regions of China. The projects utilise run-of-river design and vary from 0.1 – 10 MW in capacity.

This project has a number of co-benefits, including:

- Improved community infrastructure
- Jobs and job training
- Agricultural education program
- Disaster relief fund
- Education programs for children
- The supply of composting toilets
- Provides stable electricity supply to poor communities

Use of trade mark

Table 4. Trade mark register	
Where used	Logo type
Not yet used	NA