



PUBLIC DISCLOSURE STATEMENT

CROMWELL OPERATIONS PTY LTD

**ORGANISATION
FY2020**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY: Cromwell Operations Pty Ltd

REPORTING PERIOD: 1 July 2019 – 30 June 2020

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.

Executed by Cromwell Operations Pty Ltd ACN 107 377 677 in accordance with Section 127 of the Corporations Act 2001 (Cth):

Signature

A handwritten signature in black ink, appearing to read "Harminder Singh Binning".

Name of Signatory

Harminder Singh Binning

Position of Signatory **DIRECTOR**

Date **2 March 2021**

Signature

A handwritten signature in black ink, appearing to read "Philip John Cowling".

Name of Signatory

Philip John Cowling

Position of Signatory **DIRECTOR**

Date **2 March 2021**



Australian Government
Department of Industry, Science,
Energy and Resources

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1. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers the Australian operations of Cromwell Operations Pty Ltd the wholly owned subsidiary of Cromwell Corporation Limited (trading as Cromwell Property Group). Any reference in this statement to 'Cromwell' is a reference to the certified entity. International activities and emissions associated with Cromwell's built asset portfolio are excluded.

Organisation description

Cromwell is an internally managed Australian Real Estate Investment Trust, listed on the Australian Securities Exchange (ASX code: CMW), and is a stapled enterprise consisting of Cromwell Corporation Limited ABN 44 001 056 980 ("the Company") and Cromwell Diversified Property Trust ARSN 102 982 598 ("the Trust").

Cromwell's strength lies in local expertise drawn from teams of experienced, property professionals operating on-the-ground across our local operations. Investors benefit from the depth of experience, local knowledge and a global platform offering a diverse product range across key property sectors.

Cromwell is a trusted capital partner and fund manager to a range of global and local investors, capital providers and banking partners and has a strong track record of creating value and delivering superior risk weighted returns throughout the real estate investment cycle.

Cromwell is committed to acting responsibly and proactively to continuously improve our sustainability performance and to support a responsible and balanced pathway to sustained business success.

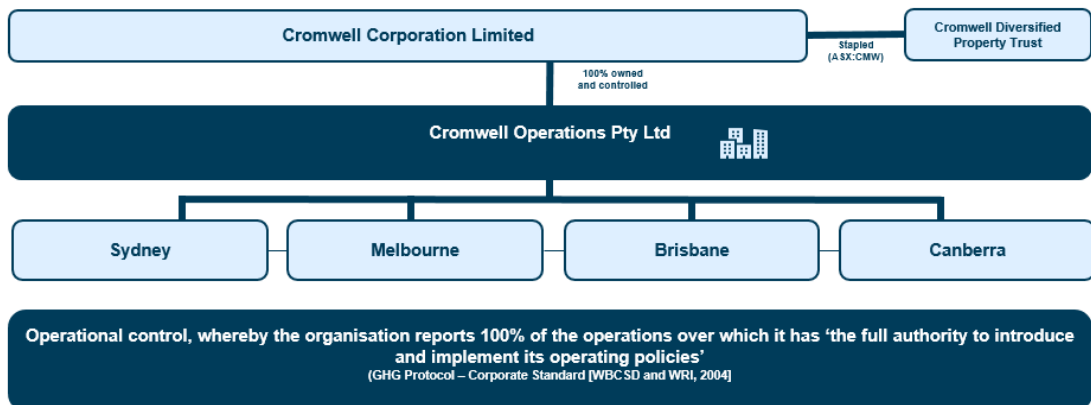
"Cromwell recognises the need to protect the environment so that we can meet the needs of current and future generations. We are dedicated to a process of continuous improvement across our business and Climate Active certification provides us with the forum to independently verify we are maintaining that commitment."

ASX Code: CMW

Certified Entity

Office Locations

Control Approach



2. EMISSION BOUNDARY

Diagram of the certification boundary

<u>Quantified</u>	<u>Non-quantified</u>	<u>Excluded</u>
<i>Cleaning services</i>	<i>Refrigerants</i>	<i>n/a</i>
<i>Food & catering</i>	<i>Recycling</i>	
<i>Computer equipment</i>		
<i>Telecommunications</i>		
<i>Office furniture</i>		
<i>Printing & stationery</i>		
<i>Postal services</i>		
<i>Advertising</i>		
<i>Water</i>		
<i>Business accommodation</i>		
<i>Waste</i>		
<i>Staff commute to work</i>		
<i>Business flights</i>		
<i>Paper</i>		
<i>Natural gas</i>		
<i>Electricity</i>		
<i>Taxis</i>		
<i>Working from home</i>		
<i>Merchandising</i>		

Non-quantified sources

Refrigerants and recycling emissions were not quantified as they were considered immaterial.

Data management plan

n/a

Excluded sources (outside of certification boundary)

n/a

“Cromwell is committed to reducing the negative impacts of its activities whilst maximising those that create positive change.”

3. EMISSIONS SUMMARY

Emissions reduction strategy

Cromwell is committed to the formal development of a corporate emissions reduction strategy by the end of FY2022. Our current priority is to establish a culture and framework which supports the reduction of emissions in our corporate operations in line with our values. This framework will assess initiatives based on the carbon management hierarchy of avoid, reduce, replace and offset. Cromwell will continue to seek external advice on the development of this strategy and participate in benchmarking activities as appropriate to validate our performance.

Strategic Objectives:

- Develop policies and procedures which encourage the reduction of emissions across business activities, including corporate travel, waste and procurement
- Develop and maintain systems and reporting that promotes data integrity, transparent communication & continuous improvement
- Foster an organisational culture that promotes the active management of emissions
- Provide learning and development to key personnel to upskill
- Allocate key performance indicators to key personnel to manage the corporate emissions reduction
- Assess opportunities to reduce scope 3 emissions by replacing existing vendors with carbon conscious operators
- Set targets for emissions reduction and publicly report on year on year consumption
- Engage with external consultants as required to facilitate the reduction strategy

Emissions over time

As the emissions associated with FY2020 are not representative of a typical year due to the implications of COVID-19, this section is not expanded in detail.

Emissions associated with office furniture and IT equipment decreased as no corporate fit-outs were undertaken during the course of FY2020. Due to extensive investor relations campaigns, printing expenditure increased. Over the course of FY2021 we will be investigating carbon neutral operators for any outsourced printing, as part of our revised Group Procurement Policy.

Table 1

Emissions since base year		
	Base year: 2018-19	Current year Year 1: 2019-20
<i>Total tCO2e</i>	3,086.952	2,525.352

Emissions reduction actions

Electricity emissions were reduced through efficiency initiatives, including improved monitoring of consumption with Buildings Alive and Envizi software. This resulted in fine tuning the delivery of base building services, reducing electricity use through initiatives such as restricting after hours air-conditioning.

Other reductions, such as reduced air travel, were due to the impacts of the COVID-19 pandemic and were not the direct result of emissions reductions initiatives.

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Accommodation and facilities	43.231
Air Transport (km)	1,349.812
Cleaning and Chemicals	23.006
Electricity	359.604
Food	92.961
ICT services and equipment	76.665
Land and Sea Transport (km)	62.336
Office equipment & supplies	410.440
Postage, courier and freight	11.680
Professional Services	30.624
Stationary Energy	1.559
Taxi and Uber	6.914
Waste	32.413
Water	2.377
Working from home	19.069
Products	2.662
<i>Total Net Emissions</i>	2,525.352

Uplift factors

Table 3

Reason for uplift factor	tonnes CO ₂ -e
n/a	n/a

Total footprint to offset (uplift factors + net emissions)

2,525.352

Carbon neutral products

Cromwell used Australian carbon neutral paper.

Electricity summary

Electricity was calculated using a Location-based approach.

The Climate Active team are consulting on the use of a market vs location-based approach for electricity accounting with a view to finalising a policy decision for the carbon neutral certification by July 2020. Given a decision is still pending on the accounting way forward, a summary of emissions using both measures has been provided for full disclosure and to ensure year on year comparisons can be made.

Market-based approach electricity summary

Table 4

Electricity inventory items	kWh	Emissions (tonnes CO ₂ e)
Electricity Renewables	71,848	0.000
Electricity Carbon Neutral Power	0	0.000
Electricity Remaining	314,433	339.933
Renewable electricity percentage	19%	
<i>Net emissions (Market based approach)</i>		339.933

Location-based summary

Table 5

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO ₂ e)
ACT/NSW	Electricity Renewables	-	-0.90	0.000
ACT/NSW	Electricity Carbon Neutral Power	-	-0.90	0.000
ACT/NSW	Netted off (exported on-site generation)	-	-0.81	0.000
ACT/NSW	Electricity Total	98,912	0.90	89.020
Vic	Electricity Renewables	-	-1.12	0.000
Vic	Electricity Carbon Neutral Power	-	-1.12	0.000
Vic	Netted off (exported on-site generation)	-	-1.02	0.000
Vic	Electricity Total	17,524	1.12	19.627
Qld	Electricity Renewables	-	-0.93	0.000
Qld	Electricity Carbon Neutral Power	-	-0.93	0.000
Qld	Netted off (exported on-site generation)	-	-0.81	0.000
Qld	Electricity Total	269,846	0.93	250.957

Total net electricity emissions	0.00	359.604
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4. CARBON OFFSETS

Offset purchasing strategy: in arrears

Offsets summary

Table 6

1. Total offsets required for this report				2,526					
2. Offsets retired in previous reports and used in this report				0					
3. Net offsets required for this report				2,526					
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Quantity (tonnes CO ₂ -e)	Quantity used in previous report	Quantity banked for future years	Quantity used in this report
150 MW grid connected Wind Power based electricity generation project in Gujarat, India.	VCUs	Verra	22 Dec 2020	9088-67168194-67170719-VCS-VCU-1491-VER-IN-1-292-18062016-31122016-0	2016	2,526	0	0	2,526
Total offsets retired this report and used in this report							2,526		
Total offsets retired this report and banked for future reports							0		

5. USE OF TRADE MARK

Table 7

Description where trademark used	Logo type
2020 Sustainability Report	Climate Active Logo
CMW AU Website	Certified Organisation

6. ADDITIONAL INFORMATION

For further information about Cromwell's approach to Sustainability, please visit

www.cromwellpropertygroup.com/sustainability

Cromwell has also purchased an additional 2,526 tonnes of biodiversity offsets through Greenfleet. Greenfleet is a leading Australian not-for-profit environmental organisation on a mission to protect our climate by restoring forests. Greenfleet forests address critical deforestation, restore habitat for wildlife including many endangered species, capture carbon emissions to protect our climate, reduce soil erosion, improve water quality, and economically support local and indigenous communities.

APPENDIX 1

Excluded emissions

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Table 8

Relevance test					
Excluded emission sources	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
n/a	n/a	n/a	n/a	n/a	n/a

APPENDIX 2

Non-quantified emissions for organisations

Table 9

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Refrigerants	Yes	No	No	No
Recycling	Yes	No	No	No