PUBLIC DISCLOSURE STATEMENT

QUINTESSENTIAL ASSET SERVICES PTY LTD

ORGANISATION

FY 2019 - 2020

Australian Government

Climate Active
Public Disclosure Statement

An Australian Government Initiative

NAME OF CERTIFIED ENTITY: Quintessential Asset Services 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.

Signature  Date 15/3/2021

Name of Signatory Justin Murray

Position of Signatory Design and Construction Manager

Australian Government
Department of Industry, Science, Energy and Resources

1. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2019 to 30 June 2020 and covers the Australian operations of Quintessential Asset Services.

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following locations and facilities:

- Level 2, 30 Collins Street, Melbourne 3000 VIC

This inventory does not include emissions related to the investment portfolio of Quintessential Asset Services.

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

- Climate Active Standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this 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) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF6) and nitrogen trifluoride (NF3). These have been expressed as carbon dioxide equivalents (CO2-e) using relative global warming potentials (GWPs).

"QAS actively seeks to leave things better than we found them. Sustainability is at our very core where we regenerate and create exemplar green office buildings for our tenants and the community. This approach future proofs our investments, providing a strong return for our investors. Therefore, it was important to apply this same philosophy to our operating business by becoming carbon neutral."

Organisation description

Quintessential Asset Services (QAS) is a privately-owned diversified property group providing investors; both high-net-worth investors and fund management companies, with unique, syndicated commercial property opportunities.

QAS delivers exceptional risk-adjusted returns to investors on carefully selected properties whether newly constructed, regenerated or existing, providing secure long-term income. Through strict purchasing criteria with a focus on commercial real estate and development, the company has acquired over $450 million of property nationally since its inception in 2010 and has approximately $300 million of property under management.

QAS has in-house expertise and is proud to also work alongside a team of nimble, committed, hands-on professionals, each passionate about property and highly experienced in their respective fields.

At the core of Quintessential Asset Services are two things. Firstly, the ability to deliver long-term stable income achieved by identifying the right assets, as well as providing stand-out comfort conditions to our tenants, who we regard as our clients and with whom we build close relationships. Secondly, we are service driven and committed to outperforming on clients' and investors' expectations.

The two together are what we believe sets us apart.

Our consistent delivery of above industry average rates of return is a result of our collective knowledge and expertise in property, engineering and finance supported by our network of outstanding partners. This is coupled with our strong work ethic and our commitment to excellence and delivering exceptional experiences.

We are driven by results and act with integrity in all we do.

The QAS core values that we term the "QE Way" are:

- Enjoy what you do and who you do it with
- Don't walk past something that is broken
- Strive to learn from mistakes
- Integrity is the essence of everything successful
- Always remember life is a long road
- Work with people who align with the QAS way

At QAS, we recognise that we can make a difference by reducing our environmental footprint. We are committed to improving the environmental performance of the buildings we are involved in, by adopting an efficient and holistic approach in construction, operation and maintenance.

Many tenants have company policies demanding energy efficient office buildings and sustainable outcomes. The long-term value and marketability of an asset is impacted by its ability to meet mandatory environmental ratings.

When constructing or regenerating buildings, we target a minimum of 4.5 Star NABERS base building

energy rating. Existing office buildings in our portfolio are under constant assessment for improvement opportunities. Our internal engineering expertise has allowed us to increase and retain these ratings in our buildings all across Australia.

Quintessential Asset Services continues to deliver future-proof assets with sustainable practices.

2. EMISSION BOUNDARY

Diagram of the certification boundary

Quantified

Electricity

Electricity (Base Building)

Telecommunications

Water

Paper

Employee Commute

Working from Home

Business Flights

Cleaning Services

Couriers

Printing & Stationery

Domestic Hotel Accommodation

Taxi & Ridesharing

Food & Beverage

Waste-landfill & Recycling

Non-quantified

Refrigerants

Excluded

N/A

Non-quantified sources

- Refrigerants have been non-quantified as the associated emissions are immaterial.

Data management plan

N/A

Excluded sources (outside of certification boundary)

N/A

"Climate Active helps us to create awareness and change in our personal and corporate behaviour to help reduce greenhouse gas emissions."

3. EMISSIONS SUMMARY

Emissions reduction strategy

During the FY2020, the main focus of QAS's emissions reduction strategy was to upgrade their IT platform which will allow for the following:

- Reduction in printing & paper usage
- Less paper waste
- Less inter and intra-state travel and more reliance on tele-conference meetings resulting in reduced flights, taxis/Ubers and public transport

Another focus in the emissions reduction strategy is the possibility for increasing flexible and remote working which will reduce the daily commute of staff to and from office.

The current assessment also identifies electricity as a significant emission source which could offer the greatest reduction. A pathway to reducing the emissions and procuring a more sustainable or carbon neutral option will be developed over the next two years.

Emissions over time

In comparison to the base year (FY2018-19) the emissions have increased by 7.2%. This is due to an increase in business travel during FY2019-20, prior to the COVID-19 travel restrictions. During FY2019-20 QAS has acquired properties in Perth and an additional property in Adelaide which led to an increase in business travel to these cities. As well as this, there was an additional trip to LA as the business owner of QAS had to return to Harvard to complete his business course.

All other emissions reduced over the period, mainly due to the impacts of COVID-19.

Table 1

Emissions since base year		
	Base year: 2018-19	Current year Year 2: 2019-20
Total tCO2e	207.7	222.7

Emissions reduction actions

The key change we made in FY19/20 was the investment into our IT platform and bringing our systems, filing, meeting facilities etc into a more online and integrated platform. The other component is obviously the limited travel undertaken by the organisation since March 2020 due to the COVID-19 travel restrictions.

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO_2-e
Accommodation and facilities	10.284
Business Flights	58.159
Cleaning and Chemicals	0.920
Electricity	112.825
Employee Commute	8.548
Food	5.111
ICT services and equipment	5.074
Office equipment & supplies	7.437
Postage, courier and freight	0.335
Taxis & Ridesharing	2.032
Waste	3.630
Water	0.230
Working from home	8.100
Total Net Emissions	***222.683***

Uplift factors

Table 3

Reason for uplift factor	tonnes CO_2-e
N/A	N/A
Total footprint to offset (uplift factors + net emissions)	***222.683***

Carbon neutral products

N/A

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 CO2e)
Electricity Renewables	18,737	0.00
Electricity Carbon Neutral Power	0	0.00
Electricity Remaining	81,999	88.649
Renewable electricity percentage	19%	
Net emissions (Market based approach)		***88.649***

Location-based summary

Table 5

State/ Territory	Electricity Inventory items	kWh	Full Emission factor (Scope 2 +3)	Emissions (tonnes CO2e)
VIC	Electricity Renewables	-	-1.12	0.00
VIC	Electricity Carbon Neutral Power	-	-1.12	0.00
VIC	Netted off (exported on-site generation)	-	-1.02	0.00
VIC	Electricity Total	100,736	1.12	112.825
	Total net electricity emissions (Location based)		*0.00*	***112.825***

4. CARBON OFFSETS

Offset purchasing strategy: in arrears

Offsets summary

Table 6

1. Total offsets required for this report	223
2. Offsets retired in previous reports and used in this report	0
3. Net offsets required for this report	223

Project description	**Eligible offset units type**	**Registry unit retired in**	**Date retired**	**Serial number (including hyperlink to registry transaction record)**	**Vintage**	**Quantity (tonnes CO2-e)**	**Quantity used for previous report**	**Quantity to be banked for future years**	**Quantity to be used this report**
Cai Be Rice Husk Thermal Energy Generation Project	VCUs	Verra	21 Dec 2020	4034-172728003-172728225-VCU-008-APX-VN-1-589-01042012-31052014-0 https://registry.verra.org/myModule/rpt/myrpt.asp?r=206&h=120969	2014	223	0	0	223
						Total offsets retired this report and used in this report			***223***
						Total offsets retired this report and banked for future reports			***0***

Co-benefits

Cai Be District turns an environmental problem into a clean energy solution. Processing rice for bran oil typically resulted in the disposal of husks into waterways. Decaying husks then released methane into the atmosphere, a greenhouse gas 21 times worse than carbon. Instead, Cai Be captures rice husk methane to produce electricity.

Biomass based thermal energy generation technology requires specialized expertise and good knowledge of the operational procedures. Implementation of such boiler technology comes with the need for trained manpower to operate and maintain the system. Thus, the locals in the area, which is a developing region, are employed by the project and will benefit from training and increased job opportunity.

5. USE OF TRADE MARK

Table 7

Description where trademark used	Logo type
Reports / Annual Report	Certified organisation
Media releases	Certified organisation
e-mail signatures	Certified organisation
Websites	Certified organisation
Newsletters	Certified organisation
Presentations	Certified organisation

6. ADDITIONAL INFORMATION

N/A

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	*The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions*	*The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.*	*Key stakeholders deem the emissions from a particular source are relevant.*	*The responsible entity has the potential to influence the reduction of emissions from a particular source.*	*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.*
N/A					

APPENDIX 2

Non-quantified emissions for organisations

Please advise which of the reasons applies to each of your non-quantified emissions. You may add rows if required.

Table 9

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