



PUBLIC DISCLOSURE STATEMENT

MAXCAP GROUP (TRADING AS MAXCAP)


ORGANISATION CERTIFICATION

FY2023-24

Australian Government

Climate Active Public Disclosure Statement



NAME OF CERTIFIED ENTITY	MaxCap Group Pty Ltd (MaxCap)
REPORTING PERIOD	Financial year 1 July 2023 – 30 June 2024
DECLARATION	<p><i>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.</i></p>  <p>Philip Hope Acting Chief Operating Officer Date 13 March 2025</p>



Australian Government
**Department of Climate Change, Energy,
the Environment and Water**

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Version 9.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	1,037 tCO ₂ -e
CARBON OFFSETS USED	100% ACCU's
RENEWABLE ELECTRICITY	23.24%
CARBON ACCOUNT	Prepared by: Anthesis Australia
TECHNICAL ASSESSMENT	Date: 10/10/2023 (for FY2022-23) Organisation: Anthesis Australia Next technical assessment due: FY2025-26

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2. CERTIFICATION INFORMATION

Description of organisation certification

The emission inventory in this public disclosure statement has been developed in accordance with the Climate Active Carbon Neutral Standard for Organisations using an operational control approach.

Under this certification, MaxCap Group Pty Ltd (MaxCap), ABN 58 122 131 793, is certified carbon neutral for its business operations and its following subsidiaries:

- a) MaxCap Investment Management Pty Ltd (MIM), ABN 68 169 902 005; and
- b) MaxCap Direct Investment Management Pty Ltd (MDIM), ABN 38 645 060 457.

Under MaxCap's Organisation certification and in recognition of its international emissions footprint, MaxCap has voluntarily included activity from MaxCap New Zealand Limited operating in the New Zealand office, along with Australian offices. Financed emissions are not included in the organisational boundary. The reporting period of this Public Disclosure Statement (Financial year 1 July 2023 – 30 June 2024, FY24).

Organisation description

Founded in 2007, MaxCap is an Australian and New Zealand commercial real estate (CRE) Investment Manager. Committed to creating lasting value for all of our stakeholders (including asset owners, developers, investors, staff, suppliers, community and shareholders), MaxCap continues to be the trusted manager for some of Australia's largest superannuation and industry Funds, global-institutional Funds and semi-institutional Investors, including Family Offices and ultra-high net worth Investors.

As a long-standing private credit originator and investment manager focused on the Australasian Commercial Real Estate (CRE) market, MaxCap Group has delivered strong and reliable risk-adjusted returns to its investors across market cycles since its inception. Over this period, MaxCap has accumulated one of the largest non-bank CRE debt portfolios under management in Australasia, and has built a reputation as the independent lender of choice to the region's leading property asset owners and developers. During its 17-year history, MaxCap has invested in over 680 loans totalling over \$18bn. This strong track record was further validated in 2021 when MaxCap became an affiliate of Apollo Global Management, Inc. (NYSE: APO), one of the world's leading asset managers. Apollo's global platform and capability reinforce MaxCap's commitment to providing its investors with the highest quality investment management services. This is further supported by MaxCap's robust governance structure, including independent, specialist funds management advisors. With five offices across Australia and New Zealand, MaxCap's leading on-the-ground origination capability facilitates access to high-quality CRE investment opportunities spanning every stage of the asset lifecycle and all parts of the capital stack.

MaxCap Group Pty Ltd is an Australian Proprietary Company, limited by shares and operates with an Australian Credit License. It is wholly owned by MaxCap Group Holdings Pty Ltd (ABN 21 637 177 989). As mentioned above, the subsidiaries included in this certification are MIM and MDIM. MIM acts as a Trustee for a number of Special Purpose Vehicle (SPV) entities and is the AFSL holder under the MaxCap Group through which it conducts its funds management activities. MDIM is 100% owned by MaxCap Group and was established to segregate the Direct Investment portfolio from the Debt portfolio. The New

Zealand business is operated by MaxCap New Zealand Limited, a New Zealand proprietary company, that is 50% owned by MaxCap Group Pty Ltd (via a wholly owned subsidiary) and 50% owned by a joint venture partner.

All MaxCap Group's entities operate under the 'MaxCap Group' trading name.

The following subsidiaries are also included within this certification:

Legal entity name	ABN	NZBN
MaxCap Investment Management Pty Ltd (MIM)	68 169 902 005	-
MaxCap Direct Investment Management Pty Ltd (MDIM)	38 645 060 457	-
MaxCap New Zealand Limited	-	94 290 467 422 16

MaxCap Group tenancies in operation for the FY24 were located in Melbourne (Head Office), Sydney, Brisbane, Perth, and Auckland, employing approximately 100 full-time equivalent employees.

State	Facility	FTE	Comments
VIC	Level 24, 376-390 Collins Street, Queen & Collins Tower VIC 3000	68	Site closed in FY24
VIC	Level 34, 376-390 Collins Street, Queens & Collins Tower VIC 3000		In operation
NSW	Level 27, Governor Phillip Tower, 1 Farrer PL, Syd, NSW 2000	21	In operation
QLD	Central Plaza One, Level 22, 345 Queen St, Brisbane QLD 4000	4	In operation
WA	Suite 2820, Level 28, AMP Tower, 140 St Georges Terrace, Perth WA 6000	4	Site closed in FY24
WA	Part Level 19, Exchange Tower, 2 The Esplanade, Perth, WA		In operation
AUK	Level 1, 30 Gaunt Street, Wynyard Quarter	3	In operation entire FY24. Moved to a new office in FY25

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
Electricity
Food
ICT services and equipment
Machinery and vehicles
Office equipment & supplies
Postage, courier and freight
Professional services
Stationary energy
Transport Air
Transport Land and Sea
Waste
Water
Working from Home

Non-quantified

Refrigerants
New Zealand operations
(other sources - electricity,
water, waste, business travel)

Optionally included

New Zealand operations
(Goods and services,
employee commute, and
working from home)

Outside emission boundary

Excluded

Natural Gas (tenancy)
Financed emissions
Cleaning

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

In 2022 MaxCap developed its Climate Change Risk Governance Policy ("Policy"). The purpose of this Policy is to set out MaxCap's climate change risk governance objectives and commitments and to provide guiding principles for the integration of climate change risk governance practices into MaxCap's operations and investment activities.

MaxCap supports the objectives of the Paris Agreement, under which governments have committed to reducing economic emissions to a level consistent with limiting global warming to well below 2°C above preindustrial averages, and to pursue efforts to limit warming to 1.5°C. We understand that this commitment, in turn, will require the global economy to transform to a 'net zero emissions' norm before 2050, and to halve its emissions footprint by 2030.

MaxCap has set a Board-approved net zero GHG emissions target for 2050 across MaxCap's business operations and investment portfolio. The Board has requested Management to develop interim emission reduction targets for MaxCap's corporate and portfolio emissions. MaxCap intends to work towards setting an enterprise-level operational emissions reduction target by June 2025 (and interim emissions reduction targets), compared to a 2020–21 base year, with milestones and a credible roadmap that underwrites MaxCap's climate change risk governance framework and strategy, with the aim to having such targets in place during FY25.

MaxCap acknowledges that we did not meet our FY24 goal of establishing a credible roadmap that would set in place an enterprise-level operational emissions reduction target. However, this delay is due to our plans formed during FY24 to expand the scope of this project to include financed emissions, and the detailed work required to align the strategy with evolving regulatory, investor and market expectations, including the AASB S2 Climate-related Disclosures. The delay and subsequent implementation of a more expansive plan was also impacted by organisational changes, including the appointment of the following key senior executives at MaxCap: CFO and CRO. Further, it was impacted by the launch of our Enterprise Uplift Program, affecting all areas of the business, which is now underway and staff changes within the ESG function, including the appointment of a Head of ESG, who is responsible for driving the target-setting initiative.

In August 2023, the Board approved a policy amendment reaffirming MaxCap's commitment to the Paris Agreement and a net zero GHG emissions target for 2050 across business operations and the investment portfolio. The Board also directed Management to develop interim targets over the next 24 months. To support this, we have received one proposal for setting interim targets across operational and financed emissions, and currently have an open RFP to receive additional proposals as part of a competitive process. MaxCap remains focused on improving our climate-related governance, strategy, and practices to address climate-related risks.

This Policy is supported by MaxCap's Responsible Investment and ESG Policy and MaxCap's ESG Roadmap, which sets out an ongoing program of short to medium-term undertakings.

It is also MaxCap's objective to capture ESG investment opportunities and to take action to meet growing investor and regulatory expectation for MaxCap to reduce greenhouse gas emissions across its value chain in a manner consistent with the Paris Agreement.

MaxCap Group grew their FTE by 41% since 2021, and monitors its emissions intensity on a per Full-Time Equivalent (FTE) basis to assess and track the carbon impact relative to employee headcount. MaxCap emissions intensity per FTE for the FY24 was 10.4 tCO₂e/FTE. As part of our commitment to reducing emissions and enhancing operational efficiency, we intend to reduce emissions intensity per FTE by 20% by 2040 from a 2024 base year, considering trends in operational growth.

Our annual carbon emissions reporting helps us to identify ways to do things differently and reduce our carbon footprint in the proceeding years. Our hot spots emissions categories in FY24 were travel and purchased goods and services (e.g., food, ICT services and equipment, legal professional services). The emission reduction strategy for the business operations may include the following actions:

Scope 2 emissions:

- Investigate alternative electricity supply arrangements, including options such as GreenPower or other certified renewable energy programs, in our leased office premises by FY25. MaxCap Group did not investigate electricity supply arrangements to purchase renewable energy by Q4 FY24 as the planned consulting project referred to above will provide a more comprehensive view of our emissions across Scope 1, 2 and 3, including financed emissions. This will enable us to determine the most effective course of action to reduce emissions in line with the interim targets set, as well as long-term targets. This broader analysis will guide decisions on renewable energy procurement as part of a comprehensive emissions reduction strategy that will be determined once the inventory and targets have been completed. We expect the inventory, interim targets and identification of near term priority measures for reducing emissions, to be completed by the end of Q2 FY26.
- Promote the efficient use of energy in our premises and equipment (in place and ongoing).

Scope 3:

- Goods and Services: Implement policies to procure items that are less carbon-intensive, suppliers using renewables, providing carbon data for the services delivered or with emissions reduction targets.
- Goods and Services: MaxCap may favour suppliers with recognised environmental certifications such as the use of carbon-neutral products certified by Climate Active (when available). In addition, as the business grows our reliance on external professional services firms is expected to decrease as internalisation of key business services will be implemented. By bringing these services in-house, MaxCap can minimize the emissions generated through external consultants, travel, and other indirect professional service activities.
- Business travel and accommodation: increase regard for alternative solutions to travel such as the use of virtual conferencing for meetings; enabling employees to make conscious travel

decisions through training and resources; choosing business travel options with a lower emissions intensity (e.g., prefer economy class flights and hotel rating decrease) or prefer suppliers with a certified carbon neutral service (when available).

- Air travel: Review and consider the Business Travel policy including stricter approval processes for international travel, requiring justification based on necessity and emissions impact, implementing good practices such as flying direct, flying economy and premium (the more passengers on a flight, the smaller the emissions per person), seeking alternatives for short journeys such as travelling by train rather than car as they're much more carbon-efficient, travelling light (the heavier the aircraft, the more fuel is burned to move it), preferencing airlines with sustainable strategies and emissions reductions targets, and using EVs or hybrid vehicles for land business travel when possible. Noting the introduction of a new business travel policy which requires premium economy for international travel as the default option. Leased assets: Prefer office premises that have sustainability attributes through energy and **waste** management and travel minimisation (in place and ongoing).
- Waste: MaxCap is located in NABERS efficient buildings with recycling programs, and the GHG inventory uses the waste intensities (when available). MaxCap will promote the use of the building's bin system and reduce takeaway cups and single-use plastics.
- Staff training and awareness: Given the dynamic and evolving nature of climate change-related expectations, we are committed to providing ongoing capacity-building sessions for our board and staff periodically (in place and ongoing).

For more information: <https://maxcapgroup.com.au/our-impact/>

Over the coming years, we intend to monitor the use of resources to improve our data collection processes. Whilst developing this plan to reduce our organisational emissions, we are proactively offsetting our impacts through the purchase of Australian Carbon Credit Units.

Emissions reduction actions

MaxCap Group has been certified carbon neutral for its business operations since 2020.

MaxCap tenancies in operation for the financial year 1 July 2023 – 30 June 2024 were located in efficient buildings designed and built in line with best practices, including passive design considerations to reduce heating and cooling requirements, and alignment with frameworks such as NABERS. The buildings' sustainable features include energy-efficient lighting and sensor lighting, as well as a recycling program and new end-of-trip facilities.

State	Facility	Energy NABERS rating	Water NABERS rating	Waste NABERS rating
VIC	Level 24, 376-390 Collins Street, Queen & Collins Tower VIC 3000	3.5		3
VIC	Level 34, 376-390 Collins Street, Queens & Collins Tower VIC 3000	3.5		3
NSW	Level 27, Governor Phillip Tower, 1 Farrer PL, Syd, NSW 2000	5	4	3.5
QLD	Central Plaza One, Level 22, 345 Queen St, Brisbane QLD 4000	4.5	4	3
WA	Suite 2820, Level 28, AMP Tower, 140 St Georges Terrace, Perth WA 6000	4.5	4	-
WA	Part Level 19, Exchange Tower, 2 The Esplanade, Perth, WA	5.5	4	-

Also, MaxCap locations are all set within close proximity to public transport, encouraging employees to use lower emissions transport options

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year/ Yea 1:	2020 / 21	609.5	618.3
Year 2:	2021 / 22	613.3	620.8
Year 3:	2022 / 23	970.95	981.09
Year 4:	2023 / 24	1,024.90	1,036.13

Significant changes in emissions

Significant changes in emissions			
Emission source	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Reason for change
Legal services	132.34	106.76	Legal services expenditures decreased by 16% between FY23 and FY24, resulting in a decrease in emissions. Additionally, the EF changed from 0.13 in FY23 to 0.12 in FY24, resulting in a further decrease in emissions.

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

Certified brand name	Product/Service/Building/Precinct used
Anthesis Australia (formerly Ndevr Environmental)	Advisory Services
376-390 Collins Street, Melbourne, VIC	Melbourne Office

Emissions summary

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

Emission category	Scope 1 emissions (tCO ₂ -e)	Scope 2 emissions (tCO ₂ -e)	Scope 3 emissions (tCO ₂ -e)	Total emissions (t CO ₂ -e)
Accommodation and facilities	0.00	0.00	21.73	21.73
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Electricity	0.00	25.92	65.14	91.06
Food	0.00	0.00	90.68	90.68
ICT services and equipment	0.00	0.00	92.58	92.58
Office equipment & supplies	0.00	0.00	20.21	20.21
Professional Services	0.00	0.00	391.25	391.25
Stationary Energy (gaseous fuels)	0.00	0.00	0.50	0.50
Transport (Air)	0.00	0.00	271.46	271.46
Transport (Land and Sea)	0.00	0.00	29.99	29.99
Waste	0.00	0.00	6.13	6.13
Water	0.00	0.00	1.29	1.29
Working from home	0.00	0.00	8.02	8.02
Total emissions (tCO₂-e)	0.00	25.92	998.99	1,024.90

Uplift factors

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	tCO ₂ -e
New Zealand Operations	6.11
Refrigerants (non-quantified; 0.5% of the total emissions)	5.12
Total of all uplift factors (tCO ₂ -e)	11.23
Total emissions footprint to offset (tCO₂-e) <i>(total emissions from summary table + total of all uplift factors)</i>	1,036.13

6. CARBON OFFSETS

Eligible offsets retirement summary

Offsets retired for Climate Active certification

Type of offset unit		Quantity used for this reporting period				Percentage of total units used				
Australian Carbon Credit Units (ACCU)		1,037				100%				
Project name	Type of offset unit	Registry	Date retired	Serial number	Vintage	Total quantity retired	Quantity used in previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period	Percentage of total used this reporting period
Native Forest Regeneration – Southwest QLD, Australia	ACCU	ANREU	27/10/2023	8,998,401,460 - 8,998,402,440	2023-24	981	964	0	17	1.64%
Newleaf Carbon Project, Tasmania, Australia	ACCU	ANREU	31/10/2024	8,999,218,584 - 8,999,219,093	2021-22	510	0	0	510	49.18%
Central Arnhem Land Fire Abatement (CALFA)	ACCU	ANREU	31/10/2024	8,343,749,194 - 8,343,749,703	2023-24	510	0	0	510	49.18%

Co-benefits

Indigenous Cool Fire Management (CALFA), Arnhem Land, Australia

Arnhem Land in the Northern Territory is prone to extreme, devastating wildfires that affect the landscape, people, plants and animals. These projects are owned exclusively by Aboriginal people with custodial responsibility for those parts of Arnhem Land under active bushfire management. Local rangers conduct controlled burns early in the dry season to reduce fuel on the ground and establish a mosaic of natural firebreaks, preventing bigger, hotter and uncontrolled wildfires later in the season.

The projects provide employment and training opportunities for local rangers while supporting Aboriginal people in returning to, remaining on and managing their country. Communities are supported in the preservation and transfer of knowledge, the maintenance of Aboriginal languages and the well-being of traditional custodians.

New Leaf Carbon Project, Tasmania, Australia

The New Leaf Carbon Project is a pioneering initiative by the not-for-profit Tasmanian Land Conservancy, dedicated to conserving landscapes sustainably and into perpetuity through the establishment of perpetual conservation covenants. Covering 12,000 hectares in Tasmania, this project focuses on ecological restoration and biodiversity enhancement. This land had previously been approved for timber harvesting, prior to its registration as a carbon project, with carbon financing supporting its conservation ambitions.

Stopping logging in these areas safeguards critical habitats, enhances biodiversity, and preserves carbon sequestration processes. The project not only maintains intact ecosystems, but also plays a crucial role in conserving Tasmania's iconic and irreplaceable landscapes. It supports the protection of numerous threatened species, including the endangered Tasmanian devil and the wedge-tailed eagle.

The project will sequester approximately 380,875 tonnes of carbon dioxide over the 25 years of the project's life and is protected via legally binding and government monitored Conservation Covenants. Income generated from the project continues to be reinvested back into conservation efforts managed by the Tasmania Land Conservancy, an independent non-for-profit.

More information [here](#).

Native Forest Regeneration – Southwest QLD, Australia

Located in the Mulga lands bioregion of southwest Queensland, this project involves the regeneration of native vegetation through changes in land management practices. This includes ending vegetation clearing, sustainably managing grazing and controlling pest animals. By removing these pressures and changing land management practices, carbon sequestration across the project area is maximised (Source: TEM).

More information [here](#).

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

MaxCap is investing both financial and human resources in its sustainability and responsible investment practices. As part of this investment, it has undertaken the following:

- MaxCap Group is a signatory to the United Nations Principles of Responsible Investment since 2020.
- MaxCap Group is a member of IGCC since 2020.
- MaxCap Group is a member of the Responsible Investment Association of Australasia since 2020.
- MaxCap Group has established an ESG Advisory Committee, which provides advice and recommendations to MaxCap Group management on matters related to ESG and Sustainable Finance.
- MaxCap Group developed a Climate Change Risk Governance Policy in 2022 to outline its climate change risk governance, objectives, and commitments and formalize guiding principles for the integration of climate change risk governance practices into MaxCap's risk management framework, operations, and investment activities.
- MaxCap has introduced ESG due diligence for all investment originations. During the fiscal year, MaxCap launched an enhanced ESG Due Diligence & Risk Assessment Framework for its debt investments.

MaxCap Group has developed and launched its first sustainable finance product, which is intended to generate risk-adjusted financial returns alongside measurable environmental benefits to Australia's built environment

Native Forest Regeneration – Southwest QLD, Australia

Australian National Registry of Emissions Units

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[Unit Position Summary](#)
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Transaction Details

Transaction details appear below:

Transaction ID: AU30399

Current Status: Completed (4)

Status Date: 27/10/2023 15:15:45 (AEDT)
27/10/2023 05:15:45 (GMT)

Transaction Type: Cancellation (4)

Transaction Initiator: Chandra, Kristie

Transaction Approver: Gurney, Annabelle

Comment: Retired on behalf of MaxCap Group Pty Ltd for its organisational Climate Active carbon neutral certification for FY2022-23.

Transferring Account

Account Number: AU-3255

Account Name: Tasman Environmental Markets Australia Pty Ltd

Account Holder: Tasman Environmental Markets Australia Pty Ltd

Acquiring Account

Account Number: AU-1868

Account Name: Australia Voluntary Cancellation Account

Account Holder: Commonwealth of Australia

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF173228					2022-24		6,996,401,460 - 6,996,402,446	961

Indigenous Cool Fire Management (CALFA), Arnhem Land, Australia

New Leaf Carbon Project, Tasmania, Australia

Australian National Registry of Emissions Units

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Transaction Details

Transaction details appear below:

Transaction ID: AU36879

Current Status: Completed (4)

Status Date: 31/10/2024 14:38:09 (AEDT)
31/10/2024 03:38:09 (GMT)

Transaction Type: Cancellation (4)

Transaction Initiator: Chandra, Kristie

Transaction Approver: Gurney, Annabelle

Comment: Retired on behalf of MaxCap Group Pty Ltd for its organisational Climate Active carbon neutral certification for FY2023-24.

Transferring Account

Account Number: AU-3255

Account Name: Tasman Environmental Markets Australia Pty Ltd

Account Holder: Tasman Environmental Markets Australia Pty Ltd

Acquiring Account

Account Number: AU-1068

Account Name: Australia Voluntary Cancellation Account

Account Holder: Commonwealth of Australia

Party	Type	Transaction Type	Original CP	Current CP	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF100957					2021-22		8,343,749,194 - 8,343,749,703	510
AU	KACCU	Voluntary ACCU Cancellation			ERF101164					2023-24		8,999,218,584 - 8,999,219,093	510

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 CO ₂ -e)	Renewable Percentage of total
Behind the meter consumption of electricity generated	30,882	0	13%
Total non-grid electricity	30,882	0	13%
LGC purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active certified - Precinct/Building (voluntary renewables)	0	0	0%
Climate Active certified - Precinct/Building (LRET)	0	0	0%
Climate Active certified - Precinct/Building jurisdictional renewables (LGCs surrendered)	0	0	0%
Climate Active certified - Electricity products (voluntary renewables)	0	0	0%
Climate Active certified - Electricity products (LRET)	0	0	0%
Climate Active certified - 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)	23,046	0	10%
Residual electricity	178,130	162,098	0%
Total renewable electricity (grid + non grid)	53,927	0	23%
Total grid electricity	201,175	162,098	10%
Total electricity (grid + non grid)	232,057	162,098	23%
Percentage of residual electricity consumption under operational control	32%		
Residual electricity consumption under operational control	56,966	51,839	
Scope 2	50,706	46,142	
Scope 3 (includes T&D emissions from consumption under operational control)	6,260	5,697	
Residual electricity consumption not under operational control	121,164	110,259	
Scope 3	121,164	110,259	

Total renewables (grid and non-grid)	23.24%
Mandatory	9.93%
Voluntary	0.00%
Behind the meter	13.31%
Residual scope 2 emissions (t CO₂-e)	46.14
Residual scope 3 emissions (t CO₂-e)	115.96
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	25.92
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	65.14
Total emissions liability (t CO₂-e)	91.06

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location-based approach summary						
Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	32%	(kWh)	Scope 2 Emissions (kgCO ₂ -e)	Scope 3 Emissions (kgCO ₂ -e)	(kWh)	Scope 3 Emissions (kgCO ₂ -e)
ACT	0	0	0	0	0	0
NSW	41,794	13,366	9,089	668	28,428	20,753
SA	0	0	0	0	0	0
VIC	135,882	43,455	34,329	3,042	92,427	79,487
QLD	10,478	3,351	2,446	503	7,127	6,272
NT	0	0	0	0	0	0
WA	13,021	4,164	2,207	167	8,857	5,049
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	201,175	64,336	48,071	4,379	136,839	111,560
ACT	0	0	0	0		
NSW	27,718	27,718	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	1,393	1,393	0	0		
NT	0	0	0	0		
WA	1,771	1,771	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	30,882	30,882	0	0		
Total electricity (grid + non grid)	232,057					

Residual scope 2 emissions (t CO₂-e)	48.07
Residual scope 3 emissions (t CO₂-e)	115.94
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	28.35
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	68.52
Total emissions liability	96.87

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)
Level 24 & 34, 376-390 Collins Street, Queen & Collins Tower VIC 3000	78,069	0
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 electricity product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO ₂ -e)
N/A		
<i>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.</i>		

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 one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** 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	Immaterial. An uplift factor was added.
New Zealand Operations	Goods and Services, employee commute and working from home: quantified. Other sources are Cost-effective. An uplift factor was added.

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 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:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions.
2. **Influence** 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 greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **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
Natural gas (tenancy)	N	N	N	Y	N	<p>Size: Unknown</p> <p>Influence: There is no natural gas usage in our tenancies</p> <p>Risk: The source does not create supply chain risks</p> <p>Stakeholders: Key stakeholders, including the public, would consider this a relevant source of emissions for a business.</p> <p>Outsourcing: We have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.</p>
Financed Emissions	Y	N	N	N	N	<p>Size: Unknown and data unavailable. Measuring financed emissions is voluntary in Australia.</p> <p>Influence: Comparable organisational inventories do not typically undertake this activity within their operational boundary. MaxCap does not influence investees' operational emissions.</p> <p>Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source, the source does not create supply chain risks, and it is unlikely to be of significant public interest.</p> <p>Stakeholders: Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our operational emissions. Reporting on financed emissions is voluntary in Australia.</p> <p>Outsourcing: We have not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary</p>
Cleaning Services	N	N	N	N	N	<p>Size: Immaterial. Less than 1% of the total emissions</p> <p>Influence: MaxCap does not influence cleaning suppliers' decision-making.</p> <p>Risk: The source does not create supply chain risks, and it is unlikely to be of significant public interest.</p> <p>Stakeholders: Key stakeholders, including the public, are unlikely to consider this a relevant source of emissions for our operational emissions.</p> <p>Outsourcing: We have not previously undertaken this activity within our emissions boundary</p>



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