

# PUBLIC DISCLOSURE STATEMENT

HONE BUILT PTY LTD

ORGANISATION CERTIFICATION FY2023–24

Australian Government

## Climate Active Public Disclosure Statement





Australian Government

Department of Climate Change, Energy, the Environment and Water

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Version 9.

## 1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	95 tCO <sub>2</sub> -e
CARBON OFFSETS USED	100% VCUs
RENEWABLE ELECTRICITY	87%
CARBON ACCOUNT	Prepared by: Hone Built Pty Ltd

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## 2.CERTIFICATION INFORMATION

## **Description of organisation certification**

This organisation certification is for the business operations of Hone Built Pty Ltd. It does not include the emissions from Hone Built Pty Ltd's construction activities.

This Public Disclosure Statement includes information for the FY2023-24 reporting period.

## **Organisation description**

Hone Built Pty Ltd (ABN 61 635 685 200) is a family-owned residential construction company, specialising in architectural Passive House homes throughout Melbourne, Victoria. It is run by brothers Michael and Steve and employs a range of qualified and apprentice carpenters as well as office-based staff, from their Cremorne warehouse. It also works with a range of sub-contractors (electricians, plumbers, plasterers etc), who it co-ordinates throughout its projects.

Hone Built Pty Ltd does not have any subsidiaries and does not operate under any other names. The emissions boundary has been defined based on emissions over which Hone Built Pty Ltd has operational control. Embodied emissions of construction materials and services are not included in this certification due to the influence and control of this emission source currently sitting with the architect and client.

## **3. EMISSIONS BOUNDARY**

This is a small organisation certification, which uses the standard Climate Active small organisation 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.



## **4.EMISSIONS REDUCTIONS**

## **Emissions reduction strategy**

Hone Built Pty Ltd is committed to continually reducing its operational emissions, regardless of company growth.

#### Scope 1

Eliminate Scope 1 emissions by 2030 via the electrification of our vehicles. This is to be achieved via the direct purchases of electric vehicles charged by 100% GreenPower.

Additionally, office workers will continue to be incentivised to commute via active/public transport.

#### Scope 2

Scope 2 emissions will be 0% in the next reporting period (2024-25) and beyond via the continued purchasing of 100% GreenPower for all operational electricity requirements.

#### Scope 3

Scope 3 emissions are to be reduced by 60% by 2028 compared to our FY2023 base year via:

- Alignment with Climate Active certified service providers/products. Wherever possible, a certified service provider/product is to be given priority. As the number of certified providers/products increases, it is anticipated that this goal will be achievable, and potentially exceeded, in the coming years.
- 2. Increased re-use and recycling of resources. Continuing to find ways to re-use materials and work with stakeholders to find solutions to hard-to-recycle products.
  - For example, the purchase of equipment to process reclaimed hardwood timbers, partnering with Recycle All, and increasing dedicated staff hours to research evolving options.
- Continued monitoring of the EV market to update our fleet and incentivise/assist employees to utilise such vehicles charged by private solar PV systems &/or 100% GreenPower.
  - a. Noting that this is not currently feasible due to the state of the Australian EV trade vehicle market. However, it is anticipated that due to market maturity, this will be much more feasible within the next 3-5 years.

#### Overall

Via the methods outlined above, Hone Built Pty Ltd is committed to reducing its combined operational emissions by 90% by 2030 compared to its FY2023 base year.

## **Emissions reduction actions**

Hone Built Pty Ltd has taken the following actions in this reporting period to reduce its emissions:

- Switched to 100% GreenPower in September 2023 (88% decrease).
- Purchased an EV vehicle.
- Continued its focus on reduction, reuse and recycling of resources.

## 5. EMISSIONS SUMMARY

## **Emissions over time**

Emissions since base year				
		<b>Total tCO<sub>2</sub>-e</b> (with uplift)		
Base year:	2022/23	26 tCO2-e	26 tCO2-e	
Year 1:	2023/24	90.33 tCO2-e	95tCO2-e	

## Significant changes in emissions

Overall emissions have increased by 269%. This can be explained by the purchase of a new vehicle (100%), purchase of a new truck (57%) and overall increase in business operations (95% revenue increase).

Significant changes in emissions						
Emission source	Previous year emissions (t CO <sub>2</sub> -e)	Current year emissions (t CO <sub>2</sub> -e)	Reason for change			
1133 Motor vehicle	0	26.15	Purchase of new vehicle			
1064 Trucks	0	14.99	Purchase new truck			
2305 Construction and demolition waste	5.582	10.63	Increase in projects (95% increase in revenue), plus an inability to recycle as much waste this year.			

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

N/A

## **Emissions summary**

The electricity summary is available in Appendix B. Electricity emissions were calculated using a marketbased approach.

	Sum of Scope 1 emissions (tCO2-e)	Sum of Scope 2 emissions (tCO2-e)	Sum of Scope 3 emissions (tCO2-e)	Sum of Total emissions (t CO2-e)
Accommodation and facilities	0.00	0.00	0.00	0.00
Cleaning and chemicals	0.00	0.00	0.00	0.00
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Construction materials and services	0.00	0.00	0.00	0.00
Electricity	0.00	0.11	0.01	0.12
Food	0.00	0.00	0.00	0.00
Horticulture and agriculture	0.00	0.00	0.00	0.00
ICT services and equipment	0.00	0.00	0.35	0.35
Machinery and vehicles	0.00	0.00	48.82	48.82
Office equipment and supplies	0.00	0.00	0.98	0.98
Postage, courier and freight	0.00	0.00	0.04	0.04
Products	0.00	0.00	0.02	0.02
Professional services	0.00	0.00	15.27	15.27
Refrigerants	0.00	0.00	0.00	0.00
Roads and landscape	0.00	0.00	0.00	0.00
Stationary energy (gaseous fuels)	0.00	0.00	0.00	0.00
Stationary energy (liquid fuels)	0.00	0.00	0.00	0.00
Stationary energy (solid fuels)	0.00	0.00	0.00	0.00
Transport (air)	0.00	0.00	0.00	0.00
Transport (land and sea)	4.71	0.00	8.77	13.48
Waste	0.00	0.00	10.87	10.87
Water	0.00	0.00	0.01	0.01
Working from home	0.00	0.00	0.36	0.36
Grand Total	4.71	0.11	85.51	90.33

## **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 <sub>2</sub> -e
Mandatory 5% uplift for small organisations	4.51
Total of all uplift factors (tCO <sub>2</sub> -e)	4.51
Total emissions footprint to offset (tCO <sub>2</sub> -e) (total emissions from summary table + total of all uplift factors)	94.85

OFFICIAL

## 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
Verified Carbon Units (VCUs)	95	100.00%

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
Florestal Santa Maria Project (FSM-REDD Project)	VCU	Verra Registry	18/07/2023	11418-326879816- 326879915-VCS- VCU-261-VER-BR- 14-875-01012018- 31122018-1	2018	100	26	0	74	77.89%
5MW Biomass Based Cogeneration Project at Sainsons	VCU	Verra Registry	18/07/2023	13647-519831170- 519831356-VCS- VCU-842-VER-IN- 1-1547-01012021- 31122021-0	2021	187	0	167	20	21.05%
5MW Biomass Based Cogeneration Project at Sainsons	VCU	Verra Registry	18/07/2023	13647-519829151- 519829151-VCS- VCU-842-VER-IN- 1-1547-01012021- 31122021-0	2021	1	0	0	1	1.05%

## **Co-benefits**

#### Florestal Santa Maria Project (FSM-REDD Project)

#### Social and economic benefits

Peace and social development will only be possible by means of creation of formal employment and the legal benefits related to them. This is exactly one of the purposes of Florestal Santa Maria S/A's Sustainable Forest Management Plan, certified by FSC. Creating consistency of the wood supply through all its productive chain (total chain), from census/extraction until the final processing in the plant, this already in the city.

The whole family will have opportunities: the father employed by one position in the productive chain, the mother in non-wood forest products, and the young in professional education courses, which aims at meeting the Market requirements with their certifications. So, the project has the potential to provide its participants with new sources of income, besides stimulating the generation of jobs linked to the forest management, generating a new demand for products originated within the boundaries of the project, and expanding the conditions for improved education and health services to the neighbouring community, with greater access to other development centres thanks to a more adequate transportation structure.

The project will involve several inclusion actions for the neighbouring communities – by means of a partnership to be established with the Colniza Municipal Administration, in order to implement technical education programs, communication media (telephone, internet etc.).

Technical qualification, training in forest management, community development in the form of participative workshops may increase the collective understanding of climate change and the importance of the forest. This understanding is essential for each individual in the process of a collective transformation of cultural relations and of the lifestyle of the local community. The FSM REDD Project is committed to conduct social-environmental activities linked to the preservation of the forest stewardship and maintaining the integrity of the Santa Maria property.

Among the proposed activities is the organization of courses focusing on forestry which intend to train youngsters to apply the knowledge obtained in any sustainable forestry stewardship plan. Furthermore, fire brigade teams will be trained, a biomass inventory will be set up, and new income opportunities will be created in the Municipality of Colniza (both in terms of forest stewardship and in terms of the sustainable exploitation of non-wood products, e.g. fruits and essences). The model proposed by this project includes its replication in areas with a potential to receive REDD projects. The central idea is to multiply preserved areas in the surrounding region adopting sustainable practices, converting the region into a model for sustainable development and with the benefits of the income arising from the reduction in emissions.

#### 5MW Biomass Based Cogeneration Project for Sainsons

#### 1. Social well-being:

The main source for this cogeneration plant will be locally available agriculture waste i.e. renewable biomass. The economy of the local people will be improved by selling biomass to the power plant. Since the project is located in a village it will assist in alleviation of poverty to certain extent by generating both direct and indirect employment in the area of skilled/unskilled jobs for regular operation and maintenance of the power plant.

#### 2. Economic well-being:

The biomass-based cogeneration is an alternative to fossil fuel-based cogeneration plants and the decentralized power generation will reduce the transmission and distribution losses. The project shall create new rural income resulting from the sales of biomass fuel like agriculture waste. Increased income levels shall contribute to the economic safety and empowerment of the most vulnerable sections of local society.

#### 3. Environmental well-being:

The project is using biomass for heat/power generation. There is no net GHG emission from this project activity. Combustion of biomass in the proposed project does not result in net increase in GHG emissions of CO2. In the absence of the project activity the biomass would have been decayed in the land and would emit CH4. Hence, the project activity is also reducing CH4 emission in the atmosphere. Thus, the project causes no negative impact on the surrounding environment contributing to environmental well-being.

#### 4. Technological well-being:

The project makes use of efficient environmentally safe technology for heat/power generation with no Green House Gas (GHG) emission. In view of the above, the PP has considered that the project activity profoundly contributes to the sustainable development.

## Renewable Energy Certificate (REC) summary

N/A

## APPENDIX A: ADDITIONAL INFORMATION

VE	RRA
Verified Carbon Standard	
Certificate of Verified Carbon Unit (VCU) Retirement Verra, in its capacity as administrator of the Verra Registry, does hereby certify that on 18 Jul 2023, 1 Verified Carbon Units (VCUs) were retired on behalf of:	
Hone Built Pty Ltd	
Project Name 5MW Biomass Based Cogeneration Project at Sainsons	
VCU Serial Number 13647-519829151-519829151-VCS-VCU-842-VER-IN-1-1547-01012021-31122021-0	
Additional Certifications	
	Sele
Powered by APX	

	VER
	Verified Carbon Standard
	Cate of Verified Carbon Unit (VCU) Retirement rra, in its capacity as administrator of the Verra Registry, does hereby certify that on 18 Jul 023, 187 Verified Carbon Units (VCUs) were retired on behalf of:
	Hone Built Pty Ltd
Project Name 5MW Biomass	Based Cogeneration Project at Sainsons
VCU Serial Nur 13647-519831	1 <b>ber</b> 170-519831356-VCS-VCU-842-VER-IN-1-1547-01012021-31122021-0
Additional Cert	ifications
	Powered by APX

	ERRA
Verified Carbon Standard	
Certificate of Verified Carbon Unit (VCU) Retirement Vera, in its capacity as administrator of the Verra Registry, does hereby certify that on 18 Jul 2023, 100 Verified Carbon Units (VCUs) were retired on behalf of:	
Hone Built Pty Ltd	
Project Name FLORESTAL SANTA MARIA PROJECT	
VCU Serial Number 11418-326879816-326879915-VCS-VCU-261-VER-BR-14-875-01012018-31122018-1	
Additional Certifications Social Carbon	
Powered by ▲PX	

## 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	Activity Data (kWh)	Emissi ons (kg CO <sub>2</sub> -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	680	0	68%
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)	187	0	19%
Residual electricity	132	120	0%
Total renewable electricity (grid + non grid)	868	0	87%
Total grid electricity	1,000	120	87%
Total electricity (grid + non grid)	1,000	120	87%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	132	120	
Scope 2	118	107	
Scope 3 (includes T&D emissions from consumption under operational control)	15	13	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	86.77%
Mandatory	18.72%
Voluntary	68.05%
Behind the meter	0.00%
Residual scope 2 emissions (t CO <sub>2</sub> -e)	0.11
Residual scope 3 emissions (t CO <sub>2</sub> -e)	0.01
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO <sub>2</sub> -e)	0.11
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)	0.01
Total emissions liability (t CO <sub>2</sub> -e)	0.12
Figures may not sum due to rounding. Renewable percentage can be above 100%	

Location Based Approach Summary							
Location Based Approach	Ac	tivity Data total	(kWh)	Un	der operationa control	I	Not under operational control
Percentage of grid electricity consumption under operational control	100%	(kWh)	Sco Emis (kg C	pe 2 sions O2-e)	Scope 3 Emissions (kg CO2-e)	(kW	h) Scope 3 Emissions (kg CO2-e)
ACT	0	0	(	)	0	0	0
NSW	0	0	(	)	0	0	0
SA	0	0	(	)	0	0	0
VIC	1,000	1,000	79	90	70	0	0
QLD	0	0	(	)	0	0	0
NT	0	0	(	)	0	0	0
WA	0	0	(	)	0	0	0
TAS	0	0	(	)	0	0	0
Grid electricity (scope 2 and 3)	1,000	1,000	79	90	70	0	0
ACT	0	0	(	)	0		
NSW	0	0	(	)	0		
SA	0	0	(	)	0		
VIC	0	0	(	)	0		
QLD	0	0	(	)	0		
NT	0	0	(	)	0		
WA	0	0	(	)	0		
TAS	0	0	(	)	0		
Non-grid electricity (behind the meter)	0	0	(	0	0		
Total electricity (grid + non grid)	1,000						

Residual scope 2 emissions (t CO <sub>2</sub> -e)	0.79
Residual scope 3 emissions (t CO <sub>2</sub> -e)	0.07
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO2-e)	0.79
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t $CO_2$ -e)	0.07
Total emissions liability (t CO <sub>2</sub> -e)	0.86

## 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. Immaterial <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		
NA	NA		

## 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. <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.
- <u>Risk</u> The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
- 4. **<u>Stakeholders</u>** Key stakeholders deem the emissions from a particular source are relevant.
- <u>Outsourcing</u> 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
Construction materials & services	Y	N	Ν	N	N	<ul> <li>Size: It is likely the size of these emissions will be significant compared with Hone Built Pty Ltd's scope 1 and scope 2 emissions within the Organisational boundary.</li> <li>Influence: Whilst Hone Built Pty Ltd strives to work with architects and clients who want to reduce embodied emissions, construction materials and services are largely outside of the company's influence or control. Those that are within Hone Bult Pty Ltd's control are considered for their embodied emissions and reduced wherever possible.</li> <li>Risk: Deemed as low risk from a regulatory and reputational perspective due to the level of influence/control of Hone Built Pty Ltd, the size of the business, and the architects and clients worked with.</li> <li>Stakeholders: Hone Built Pty Ltd is of the view that this emission source is primarily the responsibility of the architect and client, due to the degree of influence/control they have over this prior to our involvement.</li> <li>Outsourcing: Does not meet this criteria.</li> </ul>





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