

A passion for sustainability

Energetics' Sustainability Report

Year Ending March 2012

energetics

In the business of climate change

Exploring the wild and beautiful coastline, often dangling 80m above the furious sea." Michael Fuller, Perth

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AFSL: 329935



In the true Energetics spirit, our 2012 ZooX Ambassadors Bethany Thompson, Phuong Tang and Caroline Beshay, ran an internal competition to capture images showing “what’s beautiful in my world”. These photos have been used throughout the report to showcase our people’s passion and none of the remaining photos were sourced from photo libraries.

Executive Summary

HIGHLIGHTS

26% reduction
in electricity
consumption
from 2011

Maintaining our carbon
neutrality using high
quality offsets

Sustainability principles
applied in the
refurbishment of our
offices (YEM12 – Sydney,
Perth and Canberra)

Focus on learning
and development
opportunities for
our people

Comprehensive
business strategy in
place spanning
2011–2016

A culture of sustainability

Sustainability has been a part of the culture of Energetics from the time we opened our doors for business nearly 30 years ago. Our people are passionate about reducing industry's greenhouse emissions, achieving improvements in energy efficiency and helping Australian businesses make the transition to a low carbon economy. In the field of carbon and energy management, the expertise of our people is unparalleled in Australia and our influence is considerable. We work with the majority of the ASX200 companies, and some of Australia's largest emitters. Our clients' emissions made up more than 40% of the National Greenhouse and Energy Reporting Scheme scope 1 inventory in the July 2010 to June 2011 reporting year.

Our Year Ending March 2012 (YEM12) Energetics' Sustainability Report describes our activities and achievements over the reporting year across the three principal aspects of sustainability as defined under the Global Reporting Initiative (GRI): economic, environmental and social sustainability.

Throughout this report we've been mindful of the need to provide a balanced view of our business' progress in sustainability. There are achievements that we're proud to highlight, and we can point to our business strategy which includes sustainability initiatives that align with the three GRI-defined aspects of sustainability. One of the four theme areas of our business strategy, "People and Culture" has a number of projects relating to Energetics' employees, community and our environmental responsibilities, and is led by our CEO, Tony Cooper.

We need to acknowledge however, that while the pursuit of sustainability is a clear characteristic of our culture, our environmental performance within our own business operations, specifically the absence of environmental targets, is an area we need to improve. Our report documents a series of targets and planned projects to focus our organisation's efforts and ensure that the formal management of sustainability matches the enthusiasm, energy and passion displayed by our people.



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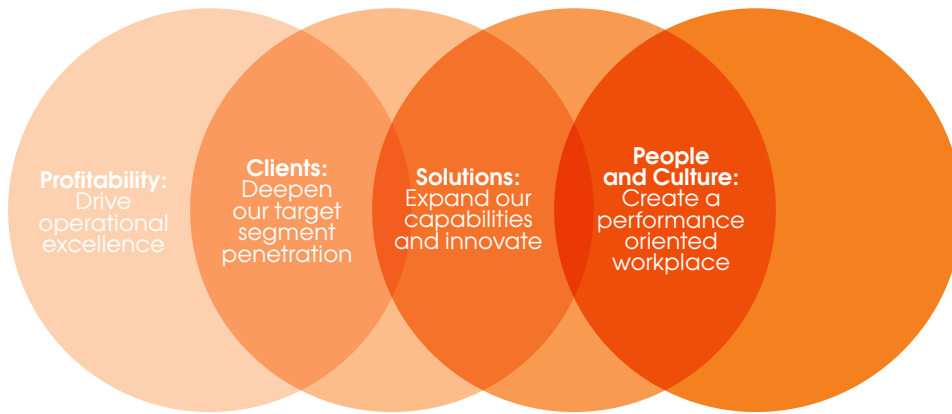
The expertise of our people is unparalleled in Australia and our influence is considerable.

”

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A message from our CEO



Energetics' Strategic Map

Sustainability at Energetics

As a consultancy advising Australia's largest energy users and emitters of greenhouse gases on ways to reduce their climate change impact, Energetics has a responsibility to pursue sustainability: we need to "practise what we preach".

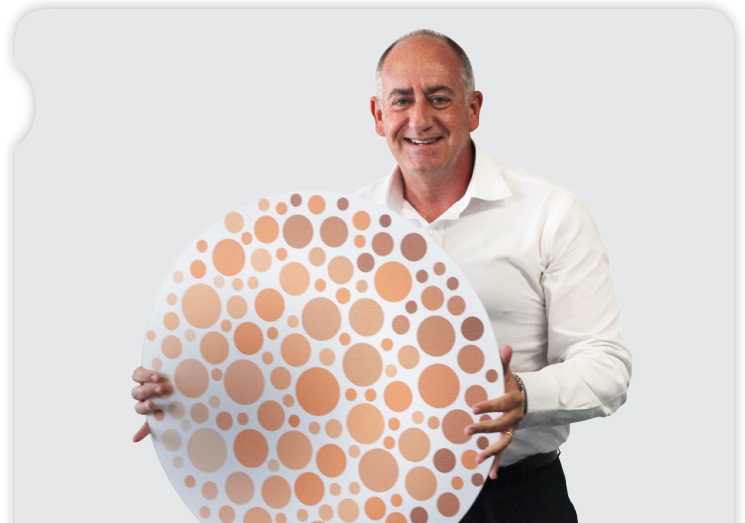
The work we undertake attracts like-minded industry experts motivated to address the challenges presented by climate change. Growing our business, supporting our people, delivering great results for our clients and demonstrating care for the environment, are all aspects of sustainability featured in our business strategy.

Energetics' last Sustainability Report was developed in 2007, and while our 2012 report is clearly delayed, I am pleased to say that we have taken steps to progress sustainability throughout our sphere of influence.

Our progress

While they will be elaborated on in this report, highlights from 2012 demonstrating our progress include:

- A **strategic plan** (refer to diagram above) in which "People and Culture" is established as one of the four priority themes under which business objectives and initiatives fall. "People and Culture" incorporates a range of environmental and social responsibilities. As CEO I lead the work in this theme area.
- In 2011 we won the BRW Client Choice Award for **Best Value Firm** and were finalists for Exceptional Service, Most Innovative, Outstanding Client Care and Best Consulting Engineering Firm with revenue under \$50 Million.
- We have undertaken employee opinion surveys over YEM12 and, very recently, YEM13. The results from each survey have directed a range of initiatives; a high profile example being our renewed **focus on training and development** opportunities.
- Since 2009 we report annually under the **Equal Opportunity for Women in the Workplace Act 1999 (EOWA)**¹.



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We steadfastly pursued the idea that we must practise what we preach when talking to our clients about the benefits of reducing greenhouse emissions.

Tony Cooper,
Energetics Chief Executive Officer

”

¹ The Equal Opportunity for Women in the Workplace Act 1999 has now been replaced by the Workplace Gender Equality Act 2012.

A message from our CEO

- Our employees are often considered to be among the best in Australia in their areas of expertise. Energetics provides our people with ample opportunities to influence (inter)national greenhouse gas and energy policies, which has often been noted as having a strong motivational effect. Energetics makes submissions to federal and state governments and participates in the development of programs such as the National Carbon Offset Standard (NCOS), Victorian Energy Efficiency Target (VEET), demand management in Queensland, National Greenhouse and Energy Reporting (NGER) Scheme, Emissions-Intensive Trade-Exposed (EITE) assistance program and many others. Our contribution to government policy and program development is further evidence of our influence in promoting environmentally responsible business practices.
- Energetics has **been carbon neutral since YEM08**. We measure our carbon footprint annually, and aim to reduce emissions where possible while offsetting the emissions we can't avoid.
- In applying for carbon neutral status we elected to overestimate our footprint, rather than spend time and resources to address the uncertainty of our report and reduce the emissions' estimate for our business. The costs that would have been incurred producing the footprint report have instead been directed to **purchasing additional and high quality carbon offsets**. They are:
 - **LifeStraw/Safe Water Provision project in Kenya**. A registered Gold Standard (GS) Voluntary Emission Reduction (VER) project. We chose the project because of the significant socio-economic benefits it includes over and above reducing carbon emissions. This project offsets the use of biomass burning to purify water by making a purification system available free of charge. The health impacts of this project are significant.
 - **Run of river hydro project in India**, registered under the Voluntary Carbon Standard (VCS). While the LifeStraw project is very exciting, the offsets are relatively expensive. In order to meet our budget we needed to balance our purchase with some cheaper offsets. We chose a run of river hydro scheme as this uses little or no damming of the river to produce power. I am proud to say that this outcome results in a win-win situation for our company and the environment.
- We continuously seek new ways to reduce emissions from our largest sources. We implement energy saving practices in our offices and have used a video conferencing system (to reduce the need for business flights) in every office since 2010.

In YEM12, largely as a result of office moves and refurbishments, **we realised a 26% decrease in electricity related emissions compared to YEM11**.

- Energetics' offices have been fitted out according to sustainability guidelines. In YEM12 Canberra, Perth and our two Sydney office floors, underwent either a refit or move. Features included energy efficient lighting, furniture choice according to Good Environmental Choice Australia (GECA) standards, and design elements using recycled materials.
- In 2010 and 2011 we also won CitySwitch Awards for energy efficiency achievements in our offices in Melbourne and Brisbane respectively.

Energetics is a major partner of the Great Barrier Reef Foundation (GBRF), educating participating businesses on the role they can play in climate change mitigation and adaptation. Each year, Energetics' employees have the opportunity to go to the Reef to learn about its ecosystem, the threats posed by climate change and the work of scientists to help the Reef adapt to rising ocean temperatures. Two or three employees are chosen based on their knowledge of the Reef and the merits of a proposed sustainability project. Upon return, those employees implement their sustainability projects within the business.

Our business strategy supports our sustainability efforts

Energetics' business strategy spans 2011 to 2016. Sustainability is managed through a number of objectives, initiatives and agreed measures. Sustainability-related initiatives across our business strategy include:

- The work of our "eTeam", a group of employees representing different parts of Energetics, motivated to improve our environmental performance
- Support for the Great Barrier Reef Foundation
- Outreach education to provide school-age students with information about the science of climate change and the principles of energy efficiency
- Promotion of gender equality at all levels of the business
- Learning and development opportunities for all employees
- Staff wellness through a series of initiatives
- Innovation and thought leadership which strengthens our influence as consultants in the field of energy and carbon management and sustainability more generally.

“

The company's people strategy is well integrated with the overarching business strategy and the CEO, with board support, plays the key role in ensuring that the strategy is implemented.

”

Adele Brady,
Director,
cp3consulting

A message from our CEO

Developing our 2012 Sustainability Report: the challenges and improvements needed

2012 was not without its challenges. The most significant of which was the persistence of subdued business activity throughout the national economy. This led many clients to reduce their need for consultants and narrow their focus to projects relating to compliance programs, rather than taking voluntary steps to improve their sustainability. In 2012 there was also widespread negativity, particularly amongst conservative political leaders, both in the lead up and immediately following, the introduction of the carbon price. Political brawling over carbon and broader climate change-related policy measures led to uncertainty for our clients and for some a reluctance to develop carbon reduction strategies beyond the next expected Federal Government election.

Energetics' brand and business tagline is "In the business of climate change".

Against the often negative political commentary and arguably broad community antipathy, we steadfastly pursued the idea that we must "practice what we preach" when talking to our clients about the benefits of reducing greenhouse emissions. **I am pleased to say that companies which worked to lower their energy and carbon intensity, incorporate sustainability measures into business improvement programs, and develop an energy and carbon strategy as part of their approach to risk management, were better placed when electricity price shocks were felt and the carbon price came into effect.** Our client case studies for [Woolworths](#) and [Simplot](#) show the longterm benefits that can be achieved.

Internally, Energetics felt the impact of the economic downturn and in February 2012 we had to make the difficult decision to make four of our people redundant.

Reflecting on our own efforts to maintain a focus on sustainability through the tougher economic conditions, many initiatives continued and, in fact, broadened. We made a significant investment in meeting the learning and development needs of our people and introduced new document and financial management systems during the course of YEM12. However, the economic pressure necessitated a strong focus on business development activity, which led to the postponement of the production of a second sustainability report. In addition, our internal sustainability team, known as the "eTeam", also reduced its levels of activity during this time.

So while much of Energetics' work to improve sustainability continued through a range of initiatives, our environmental performance did not show substantial improvement. According to our own One2Five® diagnostic, Energetics achieved two stars in our 2012 assessment – as we did back in 2007. This result indicates that we are a company practicing basic sustainability management. In short, we pursued a large number of activities that maintained or enhanced sustainability, but did not set environmental targets.

Opportunities: Energetics' sphere of influence

Energetics has been a long time advocate for improved energy efficiency across Australian business, the introduction of a price on carbon and the range of complementary programs which fall under the Commonwealth Government's "Clean Energy Future" package of emissions-reduction initiatives. As we work with more than 100 of Australia's Energy Efficiency Opportunities (EEO) program participants and companies accounting for more than 40% of the National Greenhouse and Energy Reporting Scheme (NGERS) scope 1 emissions, our sphere of influence is considerable. Of course, the extent to which we can actually influence a company's decisions as to how aggressively they pursue emissions reductions and broader sustainability measures is hard to measure.

Our sphere of influence will further extend as Energetics grows as a consulting practice and as we continue to raise our profile as thought leaders and experts delivering innovative solutions in carbon and energy management. Furthermore, we know that our sustainability risks and impacts are closely tied to our activities up and down the supply chain. Working with both clients and suppliers we can increase our control over our sustainability objectives.

Our plan to improve our practices for our next sustainability report is outlined in our conclusion. As CEO, I fully support efforts to enhance the profile of sustainability across our business strategy and in particular establish, communicate and ensure accountability for the targets we set.

Looking to our next reporting period, we will challenge ourselves to pursue initiatives that increase the profile of sustainability at Energetics and throughout our sphere of influence. It matters to me; it matters to our people, and to our clients, partners and industry associates.

Finally, I would like to thank all our stakeholders, especially our employees whose passion makes sustainability at Energetics a feature of our culture.

Tony Cooper
CEO

About this report



“

We work with more than 100 of Australia's Energy Efficiency Opportunities (EEO) program participants and companies accounting for more than 40% of the National Greenhouse and Energy Reporting Scheme (NGERS) scope 1 emissions.

”

Clear and transparent reporting

This report covers the year 1 April 2011 to 31 March 2012 (“Year Ending March 2012” or YEM12²) which aligns to our financial reporting year. Throughout this report is complete information for YEM12 however we also include information we believe to be relevant for the period between our first report and this 2012 report.

Our first public sustainability report was published in YEM07 which indicated that we would report annually. However, as a result of changes to our brand, reporting systems and structure, we have not publicly disclosed our sustainability performance for five years. This did not stop us from “walking the talk”, which is evidenced by our achievements since our first report.

The Energetics 2012 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) 3.1 guidelines and we believe we have achieved a GRI application level C report.

Energetics commits to publicly disclose our sustainability performance on a biennial basis. The GRI application level is an indication of the extent to which the G3.1 guidelines have been used to develop the content of our report.

Our report reflects that we are a small to medium sized consultancy that does not own any operational assets.

Not every GRI indicator is relevant to our business and as a result not all indicators have been addressed in our report. In most instances we explain our reasoning where we have chosen not to report on indicators.

During each phase of the sustainability report's development, employees and other stakeholders were invited to provide their input. We would like to thank our employees, clients, board, alliance partners, associations and suppliers for their contributions.

To reduce the environmental impact of printing, we have chosen not to publish hard copies of this report.

Any comments or queries regarding our sustainability practices or any aspect of this report can be directed to:

info@energetics.com.au

Content, boundary and scope

We finalised the content of our sustainability report by applying the GRI principles to our business context, while incorporating stakeholder inputs and undertaking a materiality assessment. The flow diagram in Figure 1 outlines the process in detail.

In our YEM07 sustainability report, we included 52 performance indicators. This has been reduced to 21 for our YEM12 report. Examples of indicators left out of our current report include:

- Freedom of association and collective bargaining
- Child labour
- Forced and compulsory labour
- Water withdrawal by primary source
- Significant business impacts on biodiversity.

These indicators are not applicable to our business. Though we have reported on fewer performance indicators in our YEM12 report, it is not indicative of incomplete reporting but rather provides an accurate picture and context of our boundary.

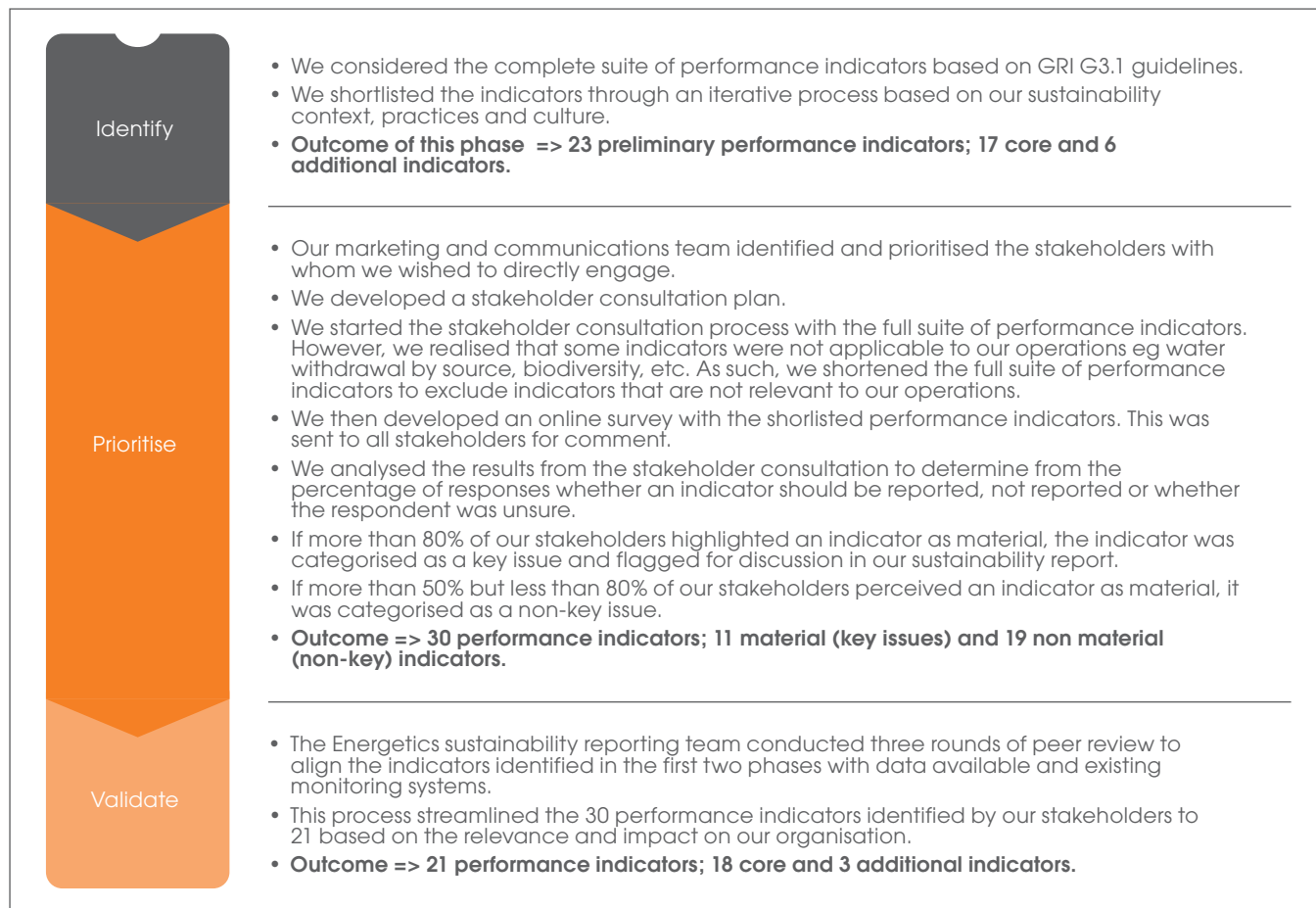
Unlike our previous report, we have taken our stakeholders' views into account when selecting the performance indicators disclosed in this report. However, due to the nature and size of our business, the boundary of this report extends only to operations under our direct control. We have limited influence over the financial, environmental and operating policies of our suppliers and contractors. As such, they are not included in the boundary of our report. Finally, we are not involved in any joint venture partnerships nor do we have any subsidiaries.

As the nature of our business is to promote sustainability, we have a broad sphere of influence particularly as our clients operate within resource-intensive sectors. The services we deliver help our clients to significantly reduce their environmental impact. However, we are unable to accurately quantify the complete extent of this reduction. A number of our clients have achieved sustainability leadership status in their respective sectors, including Wesfarmers, Stockland, Westpac, Xstrata and Woolworths.

² Our financial year is the Year Ending March or YEM, in this instance the Year Ending March 2012 is the year 1 April 2011 to 31 March 2012. We operate on a YEM basis as this means that our financial year end does not clash with major client deadlines which are typically aligned with financial or calendar years.

About this report

Figure 1: Our report consultation and development process



Determining the materiality of performance indicators

The development of Energetics' 2012 Sustainability Report included a stakeholder consultation plan to ensure that the selection of GRI performance indicators was founded on a range of opinions.

As outlined in Figure 1, we have reported on all the indicators identified by our stakeholders as material.

Issues that were highlighted as being of interest to a few stakeholders only, have not necessarily been addressed. This allowed us to prioritise indicators that are most relevant to a wide range of stakeholders. Examples of performance indicators not included in our report:

- Water withdrawal
- Percentage of materials with recycled input materials
- Financial implications, risks and opportunities due to climate change
- Indirect economic impacts
- Public policy lobbying and development
- Education, training and counselling for to assist workforce families and community to deal with serious diseases. This issue is not relevant to our offices in Australian capital cities.

Water use is not a key issue for our business as we only use water in our leased offices. Over many years we have tried to measure our water use but have not managed this to any degree of accuracy. Quantities are unknown but expected to be in line with, or lower than, normal office use given our sustainability-minded culture.

As a service provider, the only physical materials we provide to clients are our reports, brochures and other paper based documents. The recycled content of our paper is discussed further in this report.

Finally, we have not addressed the rest of the performance indicators listed above as they are not relevant to Energetics' operations.

Restatements and comparability

Due to the change in Energetics' workforce, structure, brand and systems since YEM07, restating any of the performance indicators provided in our first report is not possible. For future reports however, we will use our YEM12 values as the baseline to establish KPIs, targets and to monitor and assess our performance.

However, where applicable and/or possible in the section detailing our sustainability performance, we have compared our current performance (based on FTE or m²) against our YEM07 results.

About this report

Energetics' team of experts have helped clients achieve recognition for their energy and carbon management strategies and outcomes.

- **Wesfarmers** was named the Australian Sustainability Award 2011 Company of the Year.
- **Stockland, Westpac and Xstrata** were recognised by SAM (internationally-renowned pioneers in sustainability investment) as 2011-2012 Sustainability Leaders. They demonstrated commitment to corporate sustainability through the creation of shareholder value by embracing the opportunities and managing the risks associated with environmental, economic and social developments.
- The Dow Jones Sustainability Index also added **Woolworths** to its world index, which represents the top 10% of the largest 2,500 companies in the Dow Jones global total stock market, based on economic, environmental and social criteria.

Data assumptions and methodology

Data measurement techniques and underlying assumptions pertaining to specific indicators are outlined in the respective sections detailing our sustainability performance. These have not changed from our YEM07 report for the economic and environmental indicators. We started reporting to the EOWA program in the period since the last report which provides greater rigour.

Table of standard disclosure

This table contains the GRI content index based on the G3.1 guidelines published by the GRI (refer to Appendix B). This index lists all disclosures reported and reason for non-disclosures for an Application Level C report.

The index also corresponds with the respective Application Level declaration, which in our case is Level C. For an Application Level C report, GRI prescribes that reporting entities should address the profile disclosures, and at the minimum 10 performance indicators, core or additional. These performance indicators should include at least one from each indicator dimension of economic, environmental, and social.

Assurance

We have not undertaken an external assurance of this report. However, our quantitative performance indicators are based on the following reporting principles:

- audited financial figures for our **economic indicators**
- Greenhouse Gas Protocol (GHGP) where applicable for quantitative **environmental indicators**
- reporting to the Equal Opportunities for Women in the Workplace Agency (EOWA) for many of our **social indicators**.

Acknowledgements

In the production of this report, we would like to thank Energetics' stakeholders for their input: our Board, employees, clients, alliance partners, suppliers and industry associations with which we have enjoyed many years of collaboration.

We would particularly like to acknowledge the specific input in reviewing this document that came from a group of Energetics' employees whose interest and passion for sustainability led them to volunteer their time.



“

The beauty of a blue sky is easy to take for granted.

Caroline Beshay, Sydney

”

Our evolving business



“

The cycle of nature for a lotus flower, without the need for time-lapse photography!

Michael Fuller, Perth

”

What's changed

Energetics has changed significantly in the period since our first report in YEM07.

Our people

Our workforce has grown by approximately 43%, from 88 in YEM07 to 106 people in YEM12.

Our structure

Previously we reported through state offices which were under the leadership of state-based managers. Individual service offerings were supported by a team of consultants guided by Principal Consultants in their respective areas of expertise.

One of the most significant changes in Energetics was an overhaul of this state and service-focussed structure, to teams aligned to the clients and business sectors we serve.

Our brand



In 2009 we refreshed our brand to:

- build a clearer, broader identity
- position Energetics as the clear market leader
- improve our people's understanding of our brand and what we offer our clients.

The decision to undertake the brand refresh also aligned with our understanding that delivering sustainable energy and greenhouse gas solutions required a shift in the way we present ourselves: away from branding suggesting technical and operational-level outcomes, to strategic advice and an innovative approach to management and systems. This refresh resulted in the "ball of energy", a core element of our logo, which signifies the energy and dynamism of our people bringing their knowledge and insights to the business of climate change.

Our offices

Other major changes included refurbishment of our Sydney offices, while our Melbourne (December 2010, outside the scope of this report), Perth and Canberra offices moved locations to accommodate the expansion of our workforce. The new office fit-outs met sustainability criteria including:

- All furniture and decor used in the refurbishment are Good Environmental Choice Australia (GECA) approved
- All appliances in our offices have 5 Star water and energy efficiency ratings
- In Sydney, highly energy-efficient T5 lights were installed and office lighting is zoned and operated with motion sensors.



Our systems

We implemented new project-based business management software, Deltek Vision® ("Vision") in November 2011. Vision helped us overcome problems experienced with our previous software. It has set us up to manage our business more effectively and efficiently, through improved financial, project, client and resource management.

We also implemented a state of the art document management system, WorkSite® in October 2011. Prior to WorkSite, Energetics did not have a formal document management system; instead documents were stored on individual office servers. WorkSite synchronises all Energetics' documents onto one, central database and provides inbuilt version control, document audit trails and email filing integration.

Awards

In 2011 Energetics won the **BRW Client Choice Award for Best Value Firm** and we were finalists for Exceptional Service, Most Innovative, Outstanding Client Care and Best Consulting Engineering Firm with revenue under \$50 Million.

We were also the **2011 Winner of the Queensland CitySwitch Green Office Award** for achievements in reducing office energy use.

Governance, commitments, and engagement



“

I believe our achievements in 2011 were testimony to our approach to client service and our ongoing focus on delivering service excellence.

Julia Davenport,
 General Manager
 Clients and Strategy

”

About us

Founded in 1983, Energetics has grown from a technical consulting business offering energy audits, to a consultancy tackling broader energy and carbon management challenges and offering advice to business as they respond to government policies intended to address climate change.

We bring technical rigour as a specialist management consultancy, uniquely combined with experience working across all major sectors of the Australian economy.

We develop innovative strategies that manage risk, optimise energy use, reduce carbon emissions and build resilience to escalating energy costs and other sources of uncertainty.

Ownership

Energetics Pty Ltd, a proprietary limited company is privately owned entirely by Energetics Group Holdings Pty Ltd. The majority (70%) of Energetics Group Holdings is owned by a private equity company Accretion Investment Management, with the balance being owned by Energetics management and past and present employees. Our registered head office is in Sydney, NSW.

Our structure

Our parent company, Energetics Group Holdings Pty Ltd with business operational control, is registered in Sydney and managed by a board of directors. Energetics is currently not part of any other subsidiaries or joint venture partnerships.

The board of directors comprises of a chairman, a non-executive director, an executive director and the CEO.

Energetics' Executive Team

Tony Cooper, CEO and Board Member

Jonathan Jutsen, Executive Director, Business Development and Board Member

Robert Thomson, GGM Commercial & Infrastructure

Brian Innes, GGM Resources & Industrial

Mary Stewart, GGM Resources & Industrial

Gilles Walgenwitz, GGM Government & Utilities

Chris McLean, GM Technology, Knowledge & Legal

Julia Davenport, GM Clients & Strategy

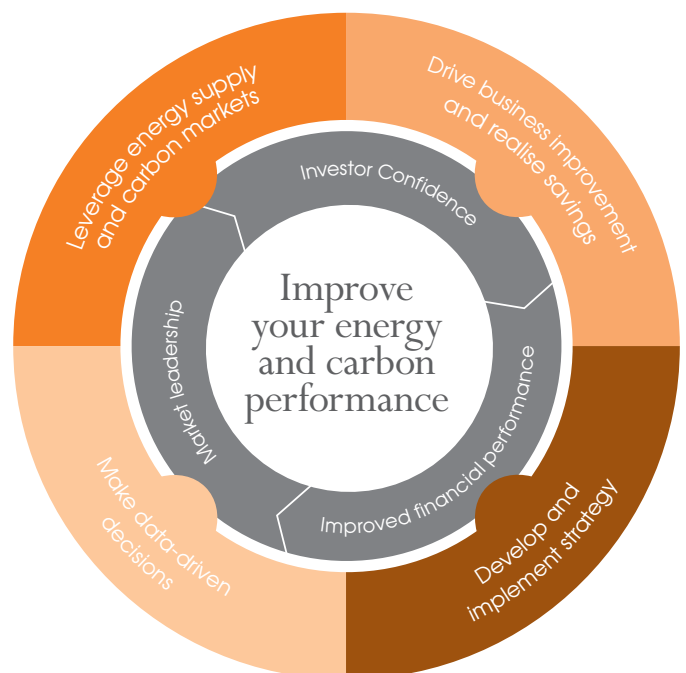
Paul Thomas, GM Finance, Planning & Analysis

Our service offerings

- Strategic advice
- Policy and program development
- Carbon and energy project development and management
- Energy and carbon markets advice
- Energy and carbon assessment, measurement and optimisation/reduction
- Energy and carbon reporting, assurance and audit
- Capacity building within our client organisations
- Compliance advice for the major energy, carbon and greenhouse regulations in Australia

We have two proprietary groups of software tools

- CarbonScope™ energy and carbon data management
- One2Five® management diagnostic tools



Governance, commitments, and engagement

Our operations

Structurally our company is based on sectoral business units that reflect those areas of the Australian economy in which energy use and greenhouse emissions are high.

Our business units led by Group General Managers are:

- Commercial and Infrastructure (C&I)
- Government and Utilities (G&U)
- Resources and Industrials (R&I)

We also have an information and data management arm (CarbonScope™) and a number of internal support teams.

Who do we work with?

We work with blue chip clients (including 38 of the top 50 ASX listed companies) across diverse industry sectors including:

- Mining and metals
- Oil and gas
- Diversified industrials
- Commercial and infrastructure
- Banking and finance industry
- Government
- Utilities (eg electric, gas and water)
- Retail

The majority of our work is delivered in Australia, though we do follow our clients internationally at their request as depicted in Figure 2.



“

I am absolutely confident in Energetics. You are not an 'us and them' outfit.

Executive level Face 2 Face survey respondent, 2011

”

Figure 2: Indication of our global reach



Governance, commitments, and engagement

Over the year covered by this report, YEM12, Energetics employed an average of 106 people.

Our net sales for the reporting year were \$17.7 million. The majority of this revenue was derived from the private sector with approximately 23% percent attributed to consulting to different tiers of government and government-owned corporations.

Our history

Begun in 1983, with a reputation for expertise in energy management and energy efficiency, Energetics grew our capabilities and technical knowledge in the range of greenhouse emissions management areas: understanding emissions profiles, reduction strategies and reporting requirements especially under mandatory schemes. Over our nearly 30 years of operation, our experts have worked across sectors as diverse as mining, water supply, banking, food processing, government departments, retail and commercial buildings. Energetics today offers an understanding of sector-specific market conditions and the role that carbon and energy management plays in helping achieve a competitive advantage.

Governance and shareholders

Energetics Pty Ltd (EPL) is a wholly owned subsidiary of our parent company, Energetics Group Holdings Pty Ltd. Our parent company was formed to acquire the shares of EPL as a result of a management buy-out in 2006. The buy-out team comprised a consortium of senior managers from EPL, including our CEO, Tony Cooper and Jonathan Jutsen, together with Accretion IV Fund, a private equity fund managed by Accretion Investment Management Pty Ltd. Accretion Investment Management is a manager of private equity portfolios for institutional investors.

Shareholders also include past and present employees. Where at work, they have access to Board members and are able to influence strategy through memberships on various committees and involvement in the objectives and initiatives under our company strategy.

We have a unitary board structure which reflects our flat management structure. Two are external non executive members and the remaining are executive members who are also office holders of Energetics. Our board members are:

- Peter Chapman
- Anthony Duncan
- Tony Cooper
- Jonathan Jutsen

Peter Chapman, an external member and shareholder, is the chairman of our board which is the highest governance body in our company. Tony Cooper, also a board member and our CEO has overall responsibility for sustainability policy and performance at Energetics.

All General Managers and Group General Managers contribute to a monthly board report. The board reports are discussed at monthly board meetings. The General Managers and Group General Managers present updates on their operational areas and progress in terms of our business strategy as required. During these updates to the Board, the focus is on short term business impacts. Issues relating to our performance over longer term horizons are addressed during Energetics' budget period (January to March).

Our employees know that both executive directors, Tony Cooper and Jonathan Jutsen are accessible and open to discussions about the business. Tony Cooper conducts company road shows across all state offices from time to time, to provide Energetics' employees with business updates. Non-executive board members also attend Tony Cooper's road show business briefings as well as client and staff events.

Employees have an annual formal opportunity to provide feedback and raise issues through the Employee Opinion Surveys, which were held in 2011 and 2012. They also meet regularly with their team leaders where they have the opportunity to raise issues as needed.

Our association with not-for-profits

Energetics is often selected by peak bodies to provide Australia-wide specialist training. Examples are listed below.

- We regularly partner with the **Energy Users Association of Australia (EUAA)** to deliver both "Electricity Market Fundamentals" and "Gas Market Fundamentals" training programs.
- Energetics partnered with the (international) **Association of Energy Engineers (AEE)** to host Australia's inaugural 3.5 day Certified Energy Manager (**CEM**[®]) training program. Energetics was selected for our ability to deliver to highest levels of industry best practice.
- We are members of many industry organisations and a number of greenhouse programs offering practical avenues for demonstrating our skills and passion for the environment.

Accreditations

We support the continuous development of all employees. The diversity of our workplace means that we have a number of accreditations and certifications from a range of professional industries. Examples include:

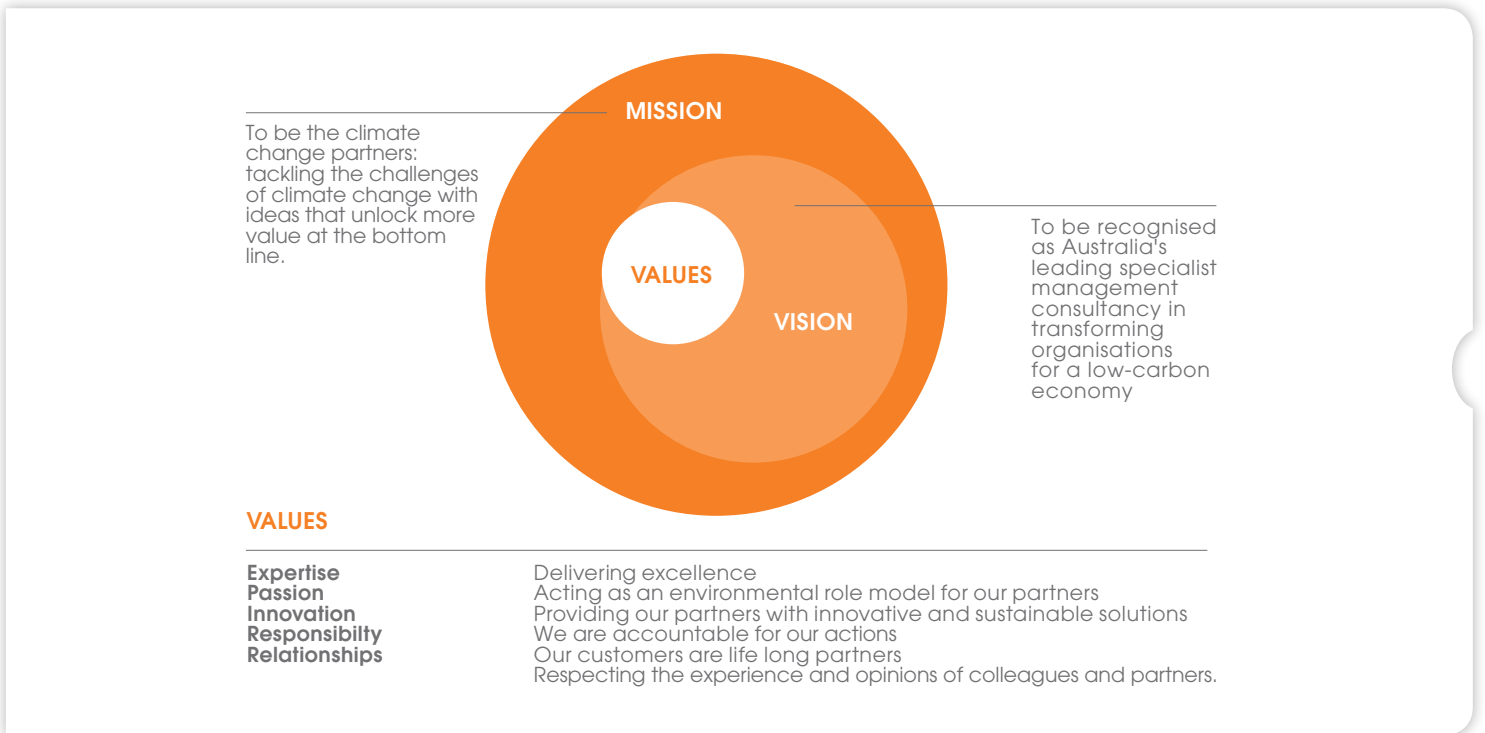
- Asia-Pacific Professional Services Marketing Association
- Association of Energy Engineers, Atlanta, Georgia
- Australian Human Resources Institute
- Australian Life Cycle Assessment Society
- CPA Australia
- Engineers Australia
- Green Star
- NABERS
- The Institute of Chartered Accountants in Australia
- The Law Society of New South Wales
- The Minerals Institute (AusIMM)
- The Southern African Institute of Mining and Metallurgy (SAIMM)

Energetics has extensive experience in many **energy, carbon and renewable funding schemes** both as developers of applications on behalf of our clients and as **accredited reviewers**.

Our memberships

Our full list of [memberships](#) is available on our website.

Strategy and vision



Aligning our Vision and Mission to our Values

Our strategy

During 2010, Energetics conducted a review of our company strategy. The majority of our people were involved in strategic review focus group workshops, which sought feedback on the initial thinking around our Mission, Vision and some of the main ideas that were being considered for our strategy.

From the input received, we further tested ideas with various stakeholders across the business and then engaged Palladium, leading global thinkers on strategy development, execution, supporting behaviours and measurement to guide us in our strategy development.

With Palladium's help the Executive Team developed a strategy map and identified four major themes and objectives:

- Profitability – to drive operational excellence
- Clients – to deepen our segment penetration
- Solutions – to expand our capabilities and innovation
- People and culture – to create a performance orientated workplace deserving of 'Employer of Choice' status.

The execution of our Strategic Plan is overseen by the Executive Team. Each strategic theme is managed by a member of the Executive (Theme Leaders), with support from other members of the Executive Team.

There are three clear aspects of our strategy which drive its execution:

- Themes: The building blocks of our strategy providing governance, reporting, accountability and allocation of resources. Theme Leaders oversee the clarification and prioritisation of Objectives and Initiatives required to execute the strategy.

- Objectives: Within each Theme is a cluster of related, value-creating Objectives managed by Objective Champions.
- Initiatives: Approved strategic projects are referred to as Initiatives, which are grouped under the Objectives. Initiatives are managed by Initiative Owners.

Our Mission, Vision and Values

Our tagline is "In the business of climate change" as this succinctly encapsulates our reason for being. "Our Vision" is to be recognised as Australia's leading specialist management consultancy in transforming organisations for a low-carbon economy'.

Our progress towards becoming a "leading specialist management consultancy" lies in the strength of our reputation and recognition of our people as thought leaders. Drawn from different professional backgrounds, our consultants use their expertise to work with large energy users to reduce greenhouse emissions, manage energy more efficiently and challenge sometimes entrenched views on the value sustainability can deliver to business performance and longevity.

Our Vision also recognises the emerging economic and political realities of operating in Australia, which now features a price on carbon and the increasing price pressure on the production and distribution of fossil fuels through the energy supply chain. Many of our clients have been preparing for this, but many more will need to take the steps to adapt to a low carbon economy. We wanted our Vision to reflect this reality very clearly.

Engaging our stakeholders



“

I love eNews. If you don't read eNews, you don't know what's going on.

Andrew Tipping, Sydney

”

How we communicate

External

Client relationship management

Energetics' efforts to exceed our clients' expectations were rewarded in 2011 with the BRW Client Choice Award for Best Value Firm. We were also finalists for Exceptional Service, Most Innovative, Outstanding Client Care and Best Consulting Engineering Firm with revenue under \$50 Million.

As outlined in different sections of this report, according to research provided by Beaton Consulting during the reporting period, Energetics succeeds in the following areas of client satisfaction.

- We have a formal Client Insight Program.
- We use a range of client "listening" tools (Online surveys, Face to Face (F2F) surveys, Beaton Research, informal feedback).
- Top down endorsement and involvement.

The same research identified areas for improvement which include:

- Greater accountability for actions identified to address issues raised through client feedback
- Greater sharing of feedback to enhance learning
- Clients seek better communication
- Using client feedback to inform Energetics' strategy and to identify trends and issues.

However, looking across our competitors, Energetics significantly outperforms competitors on 12 of the 15 performance attributes (Beaton Benchmarks 2011 data).

Client survey

Client feedback is very important to Energetics. We survey our clients during projects to ensure we are meeting their needs. We run a face to face survey program for our largest clients, the responsibility for which falls to our Chief Executive Officer and General Manager, Clients and Strategy.

The feedback received from our clients is reported broadly and helps us assess the quality of our services and identify areas for improvement.

Our client surveys are delivered online. To encourage participation, Energetics donates \$50 to the Great Barrier Reef Foundation for every client who completes our survey.

Client newsletter

We have nearly 3,000 subscribers to our client newsletter. The newsletter is distributed in response to emerging policy and market issues that impact of carbon, energy and sustainability management. Energetics' industry experts provide insights and advice through this free service. Newsletters are delivered online only.

Internal

Employee communications

Our previous management structure didn't always focus on ensuring that communications to staff were effective and consistent. When Energetics experienced rapid growth, this became more of a problem which was recognised by senior management. The decision was made to free up resources and proactively manage internal communications. Everyone in our organisation now receives a weekly bulletin called "eNews". Through one email our people are kept up-to-date on company news. It also provides a channel for employees to broadcast Energetics' events or activities that they believe are relevant to others. eNews achieves consistently high readership rates with between 55-60%.

TV content

As part of our national office refurbishments, television screens were installed in the common areas across all our offices. These have been a positive avenue to communicate upcoming events and key announcements to staff.

Employee Opinion Survey

Energetics conducts an **Employee Opinion Survey** providing an opportunity for employees to contribute their comments and ideas about the direction of the business. Our most recent survey in August 2011 achieved a participation rate of 78%.

Adele Brady who managed the survey process for Energetics commented on the results: "Participants generally selected more positive answers with few respondents selecting the "disagree or somewhat disagree" response options. This is a pattern not generally seen in other engagement surveys of similar workforces and in itself indicates a positive workforce."

The business of climate change



“

When the trains weren't working last week, I had to walk over the bridge to get to work ... which wasn't too bad at all :).

Rose Firmin, Sydney

”

Profitability: Driving operational excellence

In our 2011-2016 strategy, Energetics' financial performance under our strategic theme of profitability has two main objectives.

- Achieve sustainable EBITDA growth
- Manage revenue growth.

Both these objectives are led by our General Manager of Finance, Planning and Analysis with the support of his team. Under the theme of "profitability", we implemented a new document management system, WorkSite and project-based business management software, Deltek Vision, in October and November 2011 respectively.

Vision provides new functionality that was not available through our previous software. New functionality includes:

- the ability to manage project and resource requirements
- track and manage Customer Relationship Management (CRM) data
- capture information about projects to contribute to best practice
- foster knowledge sharing.

In short, Vision has enabled us to more effectively and efficiently manage our business in the areas of financial, project, client and resource management and will continue to support our growth.

The implementation of WorkSite has lifted the standard of document and email management and record keeping across Energetics. Employees are now able to quickly find and reference both historical and current project data using WorkSite's advanced search capabilities. Version control and document history tracking has led to greater transparency on client deliverables and project documents, leading to better quality control and higher deliverable standards across the business.

It is not possible to compare our economic performance in YEM12 with that previously reported for YEM07 as:

- the basis of values reported for YEM07 is not transparent
- our new systems and processes (as described in section 2) are not directly aligned
- our business has changed its structure significantly.

With the continuation of the global economic downturn in YEM12, Energetics experienced the same difficult economic conditions felt by many companies. As a result our generated revenue decreased by 6% compared to the previous year (YEM11) whilst our costs remained virtually the same. Despite the difficult trading conditions, we made a modest profit.

Table 1 outlines the revenue, costs and profits based on our audited financial figures for YEM12.

Table 1: Direct economic value generated and distributed in YEM12

	AU\$ million
Economic value generated	
Total revenue	\$17.74
Economic value distributed	
Employee benefits	\$11.39
Donations and community investments	\$0.02
Payment to capital providers and government *	\$0.67
Operating cost **	\$4.91
Economic value retained***	
Retained earnings	\$0.74

* include payroll tax, FBT and interest on borrowings

** includes depreciation and amortisation

*** difference between economic value generated and distributed

The business of climate change

Assistance from Government

In YEM12, we received assistance from the Commonwealth Government through a competitive grant program to the value of \$21,500, for the implementation of our new accounting and management software, Deltak Vision.

Our community investments and donations

In YEM12, we spent approximately 3% (\$21,500) of our retained earnings on community investments and donations.

The significant portion of this investment (\$8,285) was donated to the Great Barrier Reef Foundation (GBRF).

For every client that completes our formal client survey following each project undertaken, Energetics makes a \$50 donation to the GBRF.

Other fundraising initiatives (\$13,200) include Movember, UNICEF East Africa Appeal, NSW Cancer Council's 'Biggest Morning Tea', Australian Climate Change Youth Coalition and Fitted for Work.

Energetics typically matches any donations made by our employees on a \$1:1 basis.

Our commitment to the Great Barrier Reef Foundation

Our commitment to environmental issues is demonstrated by the active role we play in not-for-profit organisations in the environmental and greenhouse related community.

The most prominent of these is the **pro bono support** we provide to the Great Barrier Reef Foundation (GBRF). Energetics' experts assist to develop and deliver guidance for business participants in the ZooX™ Ambassador program on how they can take practical steps to address climate change.

In addition to monetary investments, we contributed 222 hours which equates to approximately 8% of Energetics' retained earnings. These hours are provided as pro bono support to the GBRF.

Our employee benefits

In April 2011, we reviewed our employee benefits under the Strategic Theme: People and Culture. We improved the benefit design of the Energetics' Superannuation and Insurance Plan by adding a fully maintained, comprehensive Group Salary Continuance (GSC) plan.

By implementing a GSC Plan, we provided improved benefits to the company and employees at a reasonable cost and minimal administrative burden. This met our goal of providing a superior overall benefits package and demonstrating a higher level of commitment and care to our staff.

GSC insurance provides a replacement income of 75% of salary (plus super) in the event of major sickness or accident where the employee is unable to work for greater than the selected waiting period (generally 90 days). This benefit is paid for as long as the member is off work or to age 65 if the employee is permanently disabled.

A number of other benefits are offered to attract, motivate and reward employees:

- the issuing of **iPhones and high quality laptops**
- **80 hours of learning and development** each year which may include **16 hours of community service**
- professional membership and magazine subscription **reimbursement**
- financial study **support**
- flexible work options
- sabbatical and paid parental leave
- corporate-sponsored sporting teams and events including corporate clothing.

The **'best place to develop and succeed' Initiative** within our business strategy focuses on improving our rewards to ensure that Energetics is a **workplace of choice**.



“

Sustainability is about understanding where our food comes from.

Phuong Tang, Melbourne

”

Our responsibility to the environment



“

The ZooX™ Ambassadors Program field trip was successful across all fronts. Energetics Ambassadors proved to be natural and willing role models. That they also took on the role of mentors attests to the spirit and enthusiasm in which they shared their knowledge and expertise.

Judy Stewart, Managing Director, GBRF

”

Energetics is a carbon neutral business

Our eTeam

The eTeam is Energetics' environmental and sustainability committee, responsible for driving us to realise our Value of 'Acting as an Environmental Role Model'.

eteam

Between YEM10 and YEM12, there was limited eTeam activity partly because of our response to the global financial crisis. The pressure felt throughout this period resulted in a focus on core business activities. A number of redundancies, including the eTeam leader at the time, compounded the loss of focus.

On a positive note, as a result of previous eTeam-led efforts and our culture, a general awareness remained about the importance of showing leadership in energy efficiency across our organisation.

Our YEM13 and YEM14 business plans have a strong focus on reinvigorating the eTeam and harnessing the passion of all Energetics' employees to be environmental role models. The eTeam will aim to implement newly identified opportunities to improve our sustainability practices, building on Initiatives as outlined in the Strategy, as well as instigating new projects.

Our policies

We have two overarching policies that govern our sustainability practice within our operations.

- **Eco efficiency policy:** To "practice what we preach" and work towards eco-efficiency best practice within our operations.
- **Sustainability Policy:** To ensure that sustainability considerations are included in all aspects of our business planning and operations, consistent with sound business management practices and our responsibilities as a corporate citizen.

Our sustainability management performance

According to our own diagnostic tool, we achieved two (out of a possible five) stars in our 2007 One2Five® Sustainability assessment. When we conducted a further diagnostic session in 2012, our score had not changed and we remain a two star company.

The two stars are indicative of a company that practices basic sustainability management. While our internal practices are

adequate and we have a culture of practicing sustainability inherently, we do not have appropriate procedures and processes in place. Key action items from our One2Five® Sustainability assessment include:

- Metering and monitoring our performance
- Establishing targets, performance indicators (KPIs) and using these as motivation
- Ensuring operating and capital budgets make explicit allowance for sustainability activities
- Reporting feedback and control systems for targets and KPIs
- Tracking our progress

We have included a number of the activities in the Conclusion of this report that are aimed at addressing this situation.

The Energetics culture of sustainability supports accountability for our consumption and reduction initiatives.

Achieving carbon neutrality

In June 2008, Energetics became one of Australia's first consulting firms to achieve carbon neutrality through the Australian Government's Greenhouse Friendly Program. We have continued to offset 100% of the greenhouse gas emissions associated with the complete life cycle of our services.

We were certified carbon neutral according to the Greenhouse Friendly program for the 2008 to 2010 financial years. The Greenhouse Friendly Program ended in June 2010 and was replaced by the National Carbon Offset Standard (NCOS). We elected not to transition to the NCOS. Instead, we have retained information gathering and calculation processes which would align with the Greenhouse Friendly Program. We continue to have our footprint verified by a qualified external auditor and to buy accredited offsets.

We have completed our carbon neutral assessment and offset procurement for the 2011 and 2012 financial years.

Carbon offsets

For our carbon neutral certification, we purchased a total of 2285 carbon units to offset our emissions for the period July 2010 to June 2012. Note, we conduct a full review of our life cycle emissions and purchase offsets every 24 months. This aligns with due process in carbon neutral claims under the National Carbon Offset Scheme (NCOS). For this reason our carbon footprint report, total emissions and offsets all refer to a 24 month period. The offsets originate from the following projects:

Our responsibility to the environment

- **LifeStraw/Safe Water Provision project in Kenya** that is registered as a Gold Standard (GS) Voluntary Emission Reduction (VER) project. We chose this project because of the significant socio-economic benefits it includes which are over and above reducing carbon emissions. This project offsets the use of biomass burning to purify water by making a purification system available free of charge. The health impacts of this project are significant.
- **Run of river hydro project** registered under the Voluntary Carbon Standard (VCS). While the LifeStraw project is very exciting, the offsets are relatively expensive. In order to meet our budget we needed to balance our purchase with some cheaper offsets. We chose a run of river hydro scheme as this uses little or no damming of the river to produce power.

All offsets have been retired into a registry. Details of this can be found in our Life Cycle Assessment report and our Emissions Monitoring Plan (EMP).

Our carbon emissions in YEM12

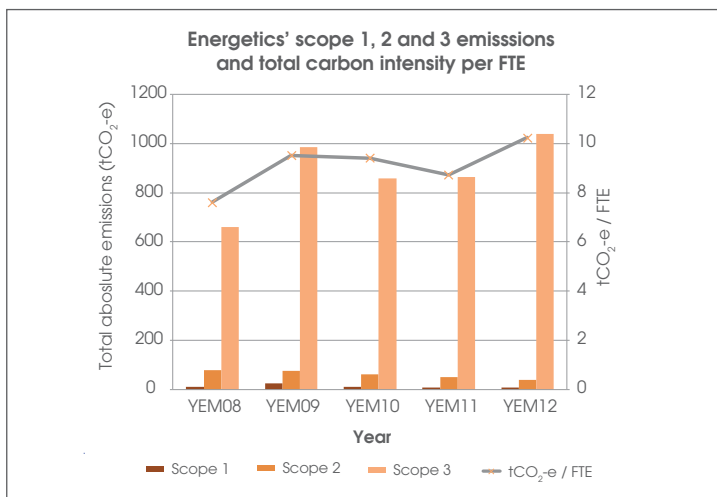
Our reported direct and indirect greenhouse gas emissions (carbon footprint) amount to **1,086** tonnes of carbon dioxide equivalents (tCO₂-e) in YEM12.

We developed our YEM12 carbon footprint in accordance with the guidelines from the (now terminated) Greenhouse Friendly™ Program and Life Cycle Assessment (LCA) principles. Our footprint includes emissions relating to:

- Energy used at our offices, including an estimate of base building emissions
- Work related travel (flights, taxis and public transport), accommodation and meals
- Embodied emissions related to purchases of:
 - Office furniture and fit-out
 - IT equipment and data hosting
 - Paper and general office supplies
 - Contracted (consultant/legal/recruitment) third party services
 - Food and drinks consumed within our offices and during business trips.
- Incidental emissions associated with:
 - Fuel use by private cars and hire cars for work purposes
 - Base building refrigerant usage
 - Office waste sent to landfill
 - Events hosted by Energetics

This represents a complete carbon footprint including scope 1, scope 2 and all material scope 3 emissions associated with our business and operations (refer to Figure 3). Where data is not available we apply a conservative estimate. In other words, we know our actual footprint is smaller than reported.

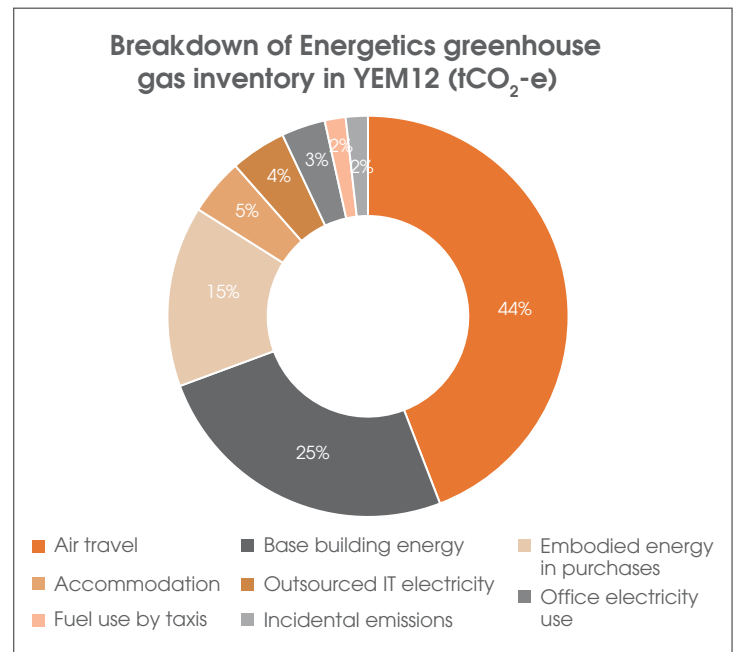
Figure 3: Our emissions profile over the last five years



Energetics opts to purchase carbon offsets for our footprint, rather than spend resources addressing the uncertainty of our report in order to reduce the emissions estimate. We believe this is a valid strategy for our company, given the size of our overall footprint and the relatively small absolute exaggeration due to these conservative estimations. This results in a win-win situation for our company and the environment. We reduce the effort required to produce the footprint report whereas at the same time spending some of the savings to purchase additional carbon offsets.

The three largest contributors to our footprint (air travel with 44%, base building energy use with 25% and embodied emissions from purchases with 15%) account for the vast majority of our total emissions (**1,086 tCO₂-e**). A detailed breakdown is provided in Figure 4.

Figure 4: Life Cycle Inventory breakdown for YEM12



A trained eye might notice the discrepancy between emissions from our offices' electricity use and the base buildings. Emissions from electricity used in our offices are lower than for a typical office due to the purchase of accredited GreenPower, which has near zero emissions. Our base building emissions are artificially high because of our conservative approach where a building's energy efficiency (NABERS) rating was not available. This information gap exists for nearly all our office buildings, and as a result we had to assume a worst-case scenario (1 star NABERS rating) for unrated buildings. We will continue to ask our property managers and landlords for information about the energy performance of the buildings where we are tenants.

The reduction in our scope 2 emissions is very satisfying and is discussed further in the following section.

The increase in scope 3 emissions resulted mostly from a 76% increase in our air travel emissions from YEM11.

Our embodied emissions associated with the consumption of food and drinks in our offices and externally at client and employee events decreased by more than 66% from YEM11.

Our responsibility to the environment

In comparison with YEM11, our total emissions increased by approximately 17% (161 tCO₂-e) resulting in the main from:

- an increase in scope 1 emissions by 18%
- a decrease in scope 2 emissions by 26%
- an increase in scope 3 emissions by 20%

The bar charts on Figure 5 and Figure 6 show our scope 1, 2 and 3 emissions profiles over the last five years. The line graph on Figure 5 shows our carbon intensity expressed per FTE. Normalising with respect to the number of people in the business provides us with the best basis of comparison between reporting years.

Figure 5: Our scope 1 and 2 emissions profile over the last five years.

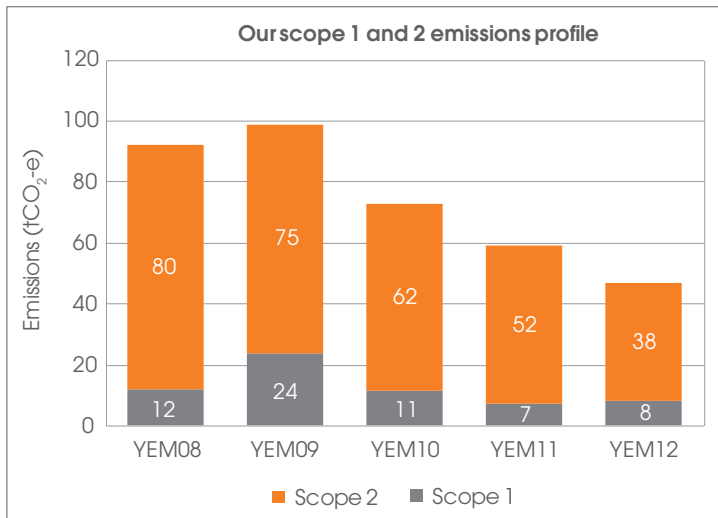
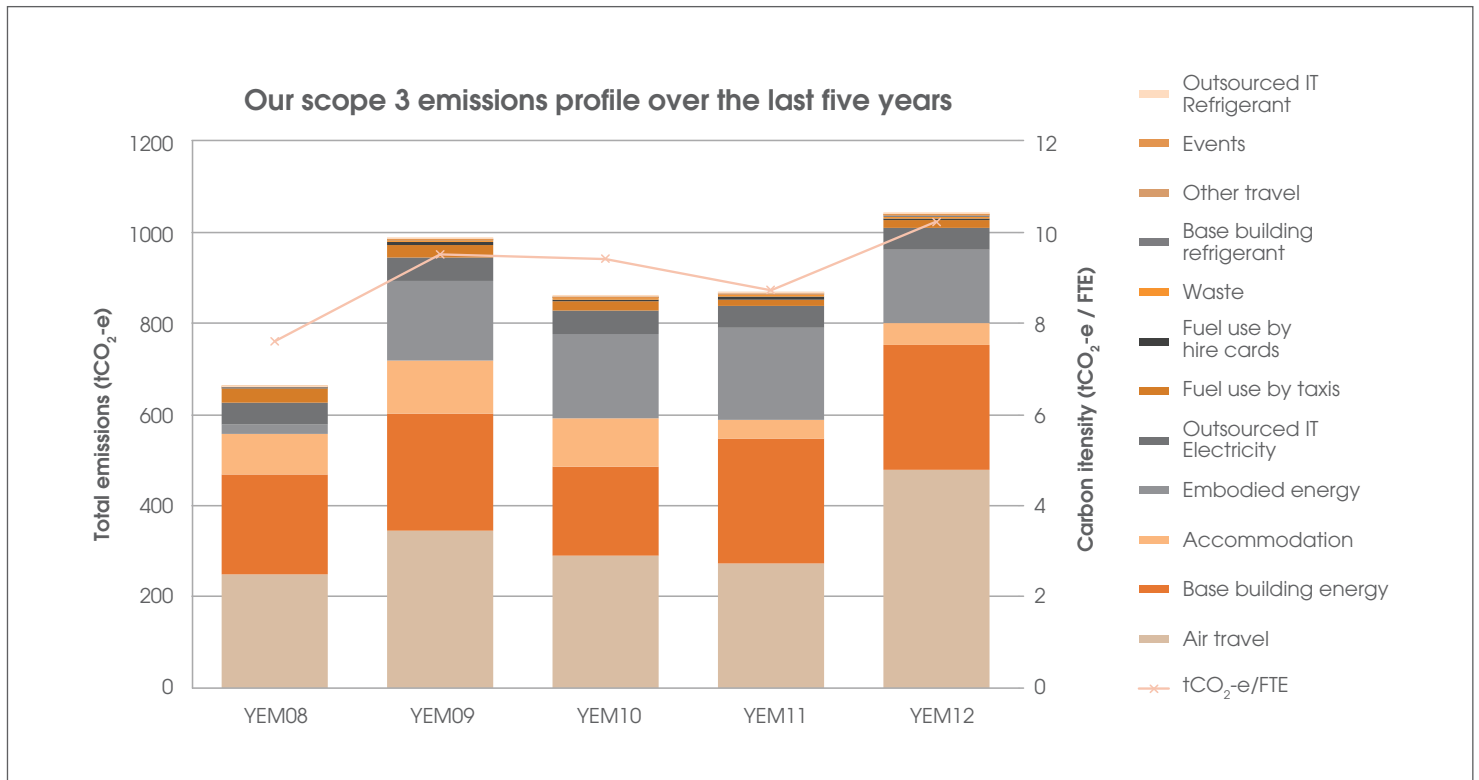


Figure 6: Our scope 3 emissions profile over the last five years.



More than 95% of our total emissions resulted from our scope 3 emissions, of which a significant portion (approximately 46%) is attributed to our air travel due largely to work on behalf of clients. In YEM12, our emissions per FTE increased by approximately 17% from YEM11. As we indicated in "About this report", due to significant structural changes we have not been able to restate our indicators. Direct comparison as a result becomes extremely complex. We have, and continue to try, to link this performance to policies and processes, and with an increased focus on KPIs and targets we hope to be better placed to explain changes in our performance in the future.

Our scope 1 emissions arise from fuel consumed in privately owned vehicles used for work purposes. This is equivalent to 3 kL (approximately 111GJ) of petrol.

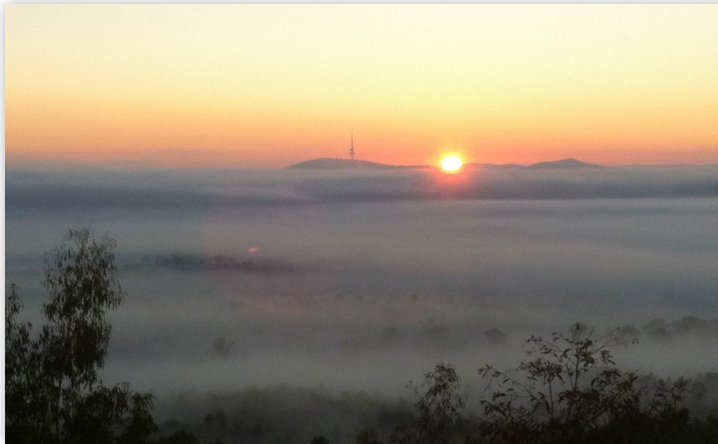
Electricity is the only contributor to our scope 2 emissions. The balance of our carbon footprint comprises emissions from 16 different sources. Our complete carbon inventory is included later in this section.

In addition to the electricity consumption of our offices, the electricity and gas used to provide base building services such as heating, cooling, ventilation, shared space lighting and lifts was conservatively estimated at 25% of our inventory.

Our carbon emissions in YEM12 attributed to travel

The major contributor by 52% (559 tCO₂-e) to our YEM12 emissions was associated with our travel emissions. Figure 7 provides a breakdown of these emissions.

Our responsibility to the environment



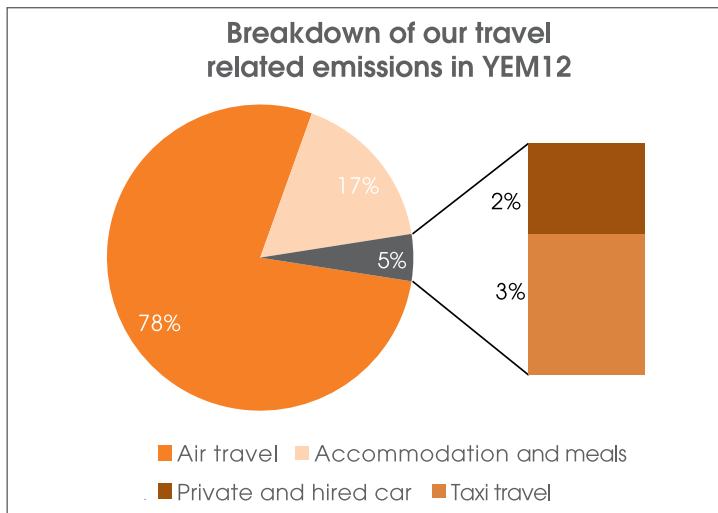
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Sustainability for me is a fun mountain bike commute to work; reducing my carbon footprint, saving money and getting healthy all at the same time!

Bethany Thompson, Canberra

”

Figure 7: Breakdown of our emissions associated with our work travel in YEM12



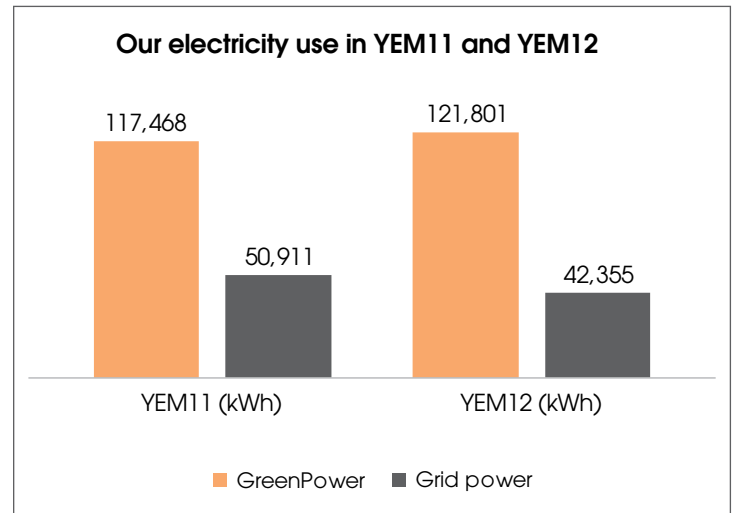
We have installed video conferencing facilities in all our offices and upgraded our data networks to support their use. We use these facilities extensively for internal and external meetings and have displaced a lot of travel as a result. However our air travel emissions have increased by approximately 78% from YEM11. The major reasons for the increase in air travel per full time employee was the increased work on behalf of clients following the economic downturn and the redeployment of a number of expert staff to undertake client work in other state offices. However, we will now look to further utilising videoconferencing with our clients and stakeholders. The details of our YEM12 Life Cycle Inventory are outlined in Table 2.

Data assumptions and methodology

Australian greenhouse emission factors have been used in all cases within our LCA. Where measured data is not available, highly conservative estimates and assumptions have been used with the intent of ensuring that the total emissions estimated, with a high degree of probability, exceed actual emissions. An example of one such assumption is the base building assumption discussed above.

Please note that emissions associated with Energetics' employees commuting to work are not included in our footprint. A number of transport surveys have been conducted within Energetics and our workforce actively uses public transport, bicycles, etc. Less than 10% of Energetics' staff routinely drive to work.

Figure 8: Our grid and GreenPower consumption in YEM12



While not part of our footprint which is offset, we encourage, for example, bike riding to work. Bike racks and showers are available for riders in our state offices, and we promote participation in events such as National Ride to Work Day.

Our emissions reduction initiatives

We are committed to continuous improvement and minimising the environmental impacts resulting from our work activities. See Figure 8 for a comparison of electricity consumption between YEM11 and YEM12, showing the relative amounts of green and grid power used. In YEM12, we procured GreenPower for our Melbourne, Brisbane and Level 7 of our Sydney offices. Therefore no emissions have been reported as arising from electricity consumption for these offices.

Although we did not procure GreenPower for our Perth, Canberra and Level 11 of our Sydney office, due to difficulties with incorporating GreenPower into tenancy contracts, we have offset any resulting emissions under our carbon neutral program.

Our workforce has increased by 45% since YEM07. At the same time our electricity consumption across our offices increased by approximately 3% per FTE. Our total (green and grid power) electricity consumption per m² office space increased by 16% but we still consume only 93 kWh / m² per annum (refer to Table 3). Part of this change is as a result of our moving to new premises as indicated previously. We have a much larger area under our operational control.

Our responsibility to the environment

Table 2: Our Life Cycle Inventory for YEM12.

Activity	Description	Emissions source	Measurable parameters	tCO ₂ -e	% of the total inventory
Scope 1/3 (Full Fuel Cycle)					
Fuel use by private cars for work purposes	Private car travel for work purposes	Petrol	Distance travelled	8	0.8%
Scope 2/3 (Full Fuel Cycle)					
Office electricity use	Electricity consumption for computers, lighting, office equipment etc	Electricity	kWh	43	4%
Scope 3					
Fuel use by taxis	Travel by taxis for work purposes	LPG	Taxi expenditure	18	2%
Fuel use by hire cars	Travel by hire cars for work purposes	Petrol	Hire car expenditure	4	0.3%
Air travel (including ground services)	Business use (and emissions associated with all ground level airline operations)	Aviation turbine and electricity, waste generation, petrol, LPG	Flights km and no. flights	479	44%
Other travel	Travel for work purposes by means of public transport	Petrol, LPG, and electricity	Dollar spend	1	0.1%
Base building energy (electricity and gas)	Energy consumption for building operation such as air-conditioning, hot water, ventilation etc.	Electricity and gas	kWh and GJ	274	25%
Base building refrigerant	Release of refrigerant	Refrigerant	Refrigerant capacity	2	0.2%
Waste	Co-mingled waste from offices to landfill	Landfill emissions	Volume waste	3	0.3%
Outsourced IT electricity	IT servers and equipment are housed off-site	Electricity	kWh	49	4%
Accommodation	Business use	Hotel electricity	No of hotel nights	50	5%
Events	Emissions from electricity consumed at events held by Energetics	Electricity	No. of attendees	1	0.1%
Embodied energy	General office supplies (including paper)	Energy used in production	Dollar spend	21	2%
	IT equipment	Energy used in production	Dollar spend	93	9%
	Furniture and fit out	Energy used in production	Dollar spend	7	0.7%
	Consultant / Legal / Recruitment Services	Energy used in production	Dollar spend	6	0.6%
	Food and drink consumed by Energetics and clients, both in the offices and externally	Energy used in production	Dollar spend	31	3%
TOTAL				1,086	100%

NA = not available

Our responsibility to the environment



“

One of our beautiful beaches – a playground for the young, and the young at heart.

Caroline Beshay, Sydney

”

Table 3: Our electricity use per FTE and m²

	YEM07	YEM12	% change
FTE	73	106	45%
Office space (m ²)	1,414	1,774	25%
Total electricity use (kWh)	113,120	164,156	
Total kWh/FTE/annum	1,510	1,549	3%
Total kWh/m ² /annum	80	93	16%

Efficient technologies

During our Sydney, Melbourne and Perth office refurbishments, we installed various energy efficient technologies.

- **Lighting retrofit:** our Sydney offices have been fitted with microwave detectors and sensors. The device detects movement using a highly sensitive microwave detector, which works by emitting low power microwave signals and measuring the reflections as the signals bounce off moving objects. When an area is not occupied, the lights will switch off after an adjustable time-out period. The areas close to the windows have been fitted with microwave detectors. These detectors have motion sensors which also measure the overall light level, allowing us to save energy when the outside sunlight is sufficient.
- 36W lighting fittings were replaced with 28W T5 fittings, 35W IRC fittings were replaced with 9W LED fittings and motion detectors were installed allowing an area no longer occupied to have its load switch off after a time out period.
- With the exception of Perth, all our meeting rooms have separate switches installed to allow their loads to be switched off when not in use.
- Appliances upgrade: Zip Hydro tap are air cooled, not water cooled, to conserve water. A “sleep-when-inactive” feature can be pre-set to power-down after 2 or 4 hours of non-use, maintaining stored “boiling” water. New Power-Pulse™ energy-saving technology cuts energy consumption, using full power (to heat boiling water) only during periods of heavy use.
- **New appliances:** new refrigerators hold a Premium Energy Efficiency - Energy star rating. All new dishwashers have an Energy Star Rating of 4.

Waste management

Construction and demolition waste

In keeping with Energetics' requirement to demonstrate environmental responsibility during the refurbishment of offices, our builders Intermain, oversaw the disposal of construction and demolition waste via recycling programs for glass, cardboard, steel, aluminium, redundant lighting fittings, plasterboard and general waste. Recycling and/or considered disposal of these

materials increases efficiencies in the production process, as savings are realised in the prevention of raw materials having to be sourced, extracted and often transported. We also made all redundant office fittings available to staff before disposal.

Our office waste recycling

Though we recycle our waste, there is always room for improvement. Previously, our Sydney and Perth offices had individual dustbins at each desk that were emptied by cleaners each night. There was limited control over what the cleaners did with the waste from these bins. For this reason the individual bins were taken away and replaced with a basket for paper recycling. Both offices have a few rubbish stations with a comingled and general waste bin. This allows us to have better control of both our recyclable and non-recyclable waste as it is more apparent to the cleaners exactly which bins they should be emptying.

In November 2011, as part of our One2Five® evaluation for Energetics, the eTeam monitored our waste levels and recyclables in the Sydney office as part of our sustainability management practices. The data obtained from the waste audit was used to estimate our total waste disposal data by type.

The total disposed waste was calculated based on a 50 week work year, accounting for our two week annual shutdown during the Christmas and New Year period.



“

Queenslanders are getting webbed feet!

Peter Sherman, Brisbane

”

Our responsibility to the environment

Table 4: Waste disposed from our offices in YEM12.

	Waste kg/ FTE/week	Canberra	Sydney	Brisbane	Melbourne	Perth	Total
FTE	N/A*	6	69	1	17	12	105
Comingled (recycled) (kg)	0.141	N/A*	485	N/A*	119	84	689
Paper (recycled) (kg)	0.285	85	983	14	242	171	1,496
Paper (security shredding) (kg)	0.158	47	546	8	134	95	830
Waste to landfill (kg)	0.334	100	1,153	17	284	201	1,755
Total waste		233	3,167	39	780	551	4,770

*N/A = not available

Comingled recycling

We do not undertake comingled recycling in our Canberra and Brisbane offices as we can't find waste disposal service providers for the small volumes produced. We are looking into solutions for both these offices in conjunction with the building owners.

Mobile phone and battery recycling

We use Aldi's disposal services through Planet Ark for the disposal and recycling of batteries and toner cartridges. Mobile phone disposal is undertaken by Mobile Muster. In FY10/11 we collected 6kg of mobile phones, batteries and accessories for recycling.

Resource management

For significant environmental aspects of our direct business activities (energy usage, travel, paper usage and waste), we have put in place several mechanisms to minimise our use of finite resources and use recycled products as far as it is cost effective. We also procure recycled and locally produced goods where feasible as outlined below:

- Our paper products (excluding copier paper) contain between 70% and 100% recycled content.
- Our copier paper contains 50% recycled content to meet the requirements of the copy machines.
- Other stationery such as pens and folders that we procure, is eco-efficient. Where viable in terms of cost, we try to procure stationery with a minimum recycled content of 70%.
- We procure locally produced fruits, groceries and kitchen products for our offices. Our Melbourne office takes a weekly delivery of organic fruits grown at CERES, a non-profit organisation with strong sustainability credentials.

CitySwitch and NABERS ratings

Energetics won the 2011 CitySwitch Green Office state award for our Brisbane office in the 2,000 m² category, becoming the first Brisbane CitySwitch tenancy to achieve a 6 star NABERS energy rating.

In 2010, our Melbourne office won the Victorian CitySwitch Green Office Award for achievements in reducing office energy use.

During the reporting period, our Sydney office was rated as a 4 star NABERS energy rating for our base building and tenancy. After considering the GreenPower supplied to level 7 our office tenancy rating shot up to 6 stars. We do however, need to address the fact that GreenPower has not been procured for our half-floor tenancy on level 11 of our Sydney office.

We have not been able to obtain NABERS base building ratings for our offices outside Sydney.



“

Catch of the day!

Elizabeth Mathew, Sydney

”

Passionate about our people



“

Offering skills development opportunities and supporting the professional aspirations of our people is the key to delivering excellent client service and attracting and retaining the very best people.

Tony Cooper, CEO

”

People and culture

Under our People and Culture theme of our business strategy, our key objectives and initiatives are listed below.

Objective: “Best place to develop and succeed”: improving our rewards and benefits to ensure that Energetics remains a workplace of choice. Initiatives for action:

- Increase the promotion of learning and development opportunities within Energetics
- Strive to continue to increase the number of actual training hours delivered
- Continue to work towards becoming an Employer of Choice
- Look for ways to extend our rewards and benefits for our people

Objective: “We collaborate and work well together”. Initiatives for action:

- Review and streamline organisational policies and procedures

Objective: “Grow leadership capabilities”. Initiatives for action:

- Continue to track and encourage senior vacancies to be filled by internal people
- Improve our brand and reputation by showcasing the expertise and thought leadership of our people

Objective: “We improve and support our family and community”. Initiatives for action:

- Continuing to strengthen and drive the Energetics' Wellness Program

This business theme, led by Tony Cooper, our CEO, in considering how to further enhance our culture and the skills, experience and job satisfaction of our people, is the key governance structure for the delivery of the social aspects of sustainability at Energetics.

All data used to quantify our social indicators is extracted from our timesheets captured in our project management system.

Our policies

Our key HR policies include:

- Anti-Discrimination, Harassment and Workplace Bullying
- Health, Wellness and Safety
- Affirmative Action
- Equal Employment Opportunities
- Grievances
- Social Media
- Quality

Our people

In YEM12 Energetics employed an average of 105 multi-disciplinary professionals over the year with a closing headcount of 106. At the end of the year we had:

- Across our staff of 105³, we had 61 men (58% of total staff) and 44 women (42% of total staff).
- Two women executives in a team of nine (22%). Nine Principal Consultants/ Team Leaders in a group of 27 (33%), and seven women who are Senior Consultants in a team of 20 (35%).
- 24% of employees with flexible working arrangements over the reporting period, which consisted of 17 (16%) females and 8 (8%) males. This only includes staff working less than a standard 40 hour week. Additionally Energetics has been able to improve the experience of working from home with improvements in technology and IT systems.
- 56% of our workforce originates from Australia while the rest of the 44% are born overseas. We have one employee with Aboriginal / Torres Island background.
- The breakdown of our employees by employment contracts, region and age group is shown in Figures 9 and 10 respectively.
- Our board of directors is 100% male and we have never had a woman or an independent director on our board.
- Approximately 66% of our staff is made up of Consultants and Senior Consultants. 25% are Principal Consultants and 9% of the total workforce comprises of the executive team.

3 Figures include full time and part time employees and excludes casuals

Passionate about our people

Figure 9: Energetics' workforce in YEM12

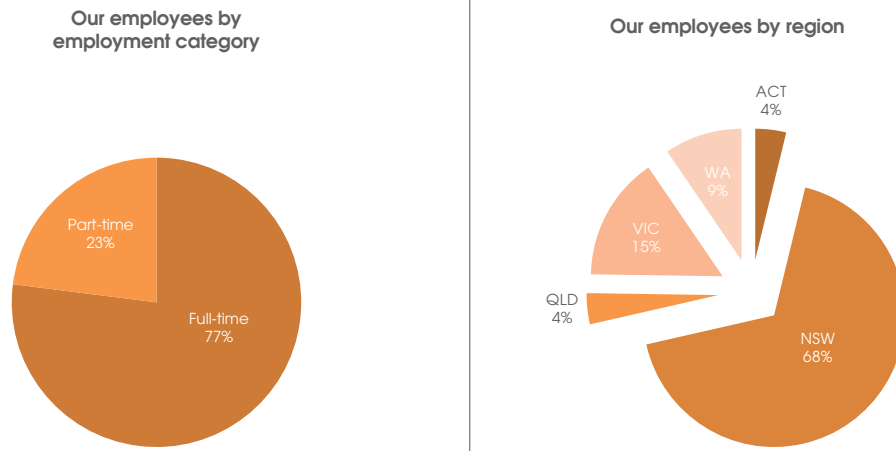
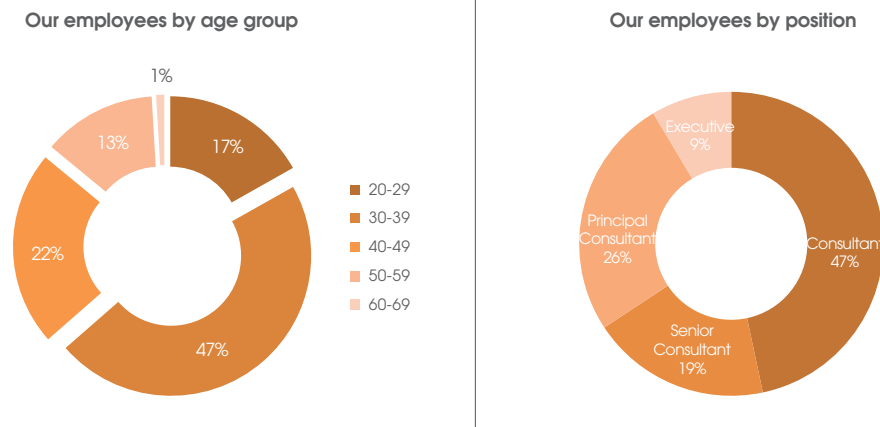


Figure 10: Our employees by age group and position



Staff retention at Energetics

The economic conditions we faced in YEM12 offered new opportunities for some of our clients, while others were severely impacted.

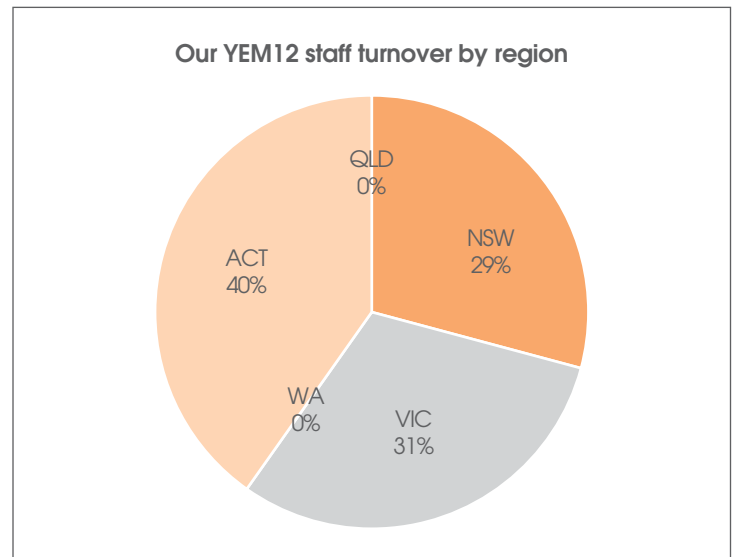
At Energetics, this translated into projects being scaled back or deferred and clients' decision making becoming more complex. In the face of this challenging business environment, we had to make the difficult decision to make four roles redundant in February 2012.

We also encouraged people with the right skills to move to the parts of the business in greatest demand, which was skewed towards the resources sector. Two transfers to Brisbane (one each from Sydney and Melbourne) were undertaken to support the growth in our Queensland office.

Overall, 19 of our permanent employees left us in YEM12 resulting in an average staff turnover rate of 18%. 63% (12) of the employees that left our workforce were male and 37% (7) were female. No staff left us from our Brisbane or Perth offices during the reporting period.

Our staff turnover breakdown is shown in the chart.

Figure 11: YEM12 staff turnover by region



Passionate about our people

Training and development

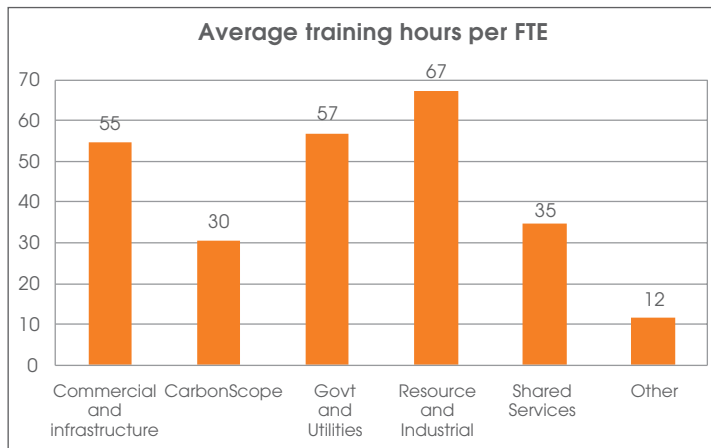
The total number of hours provided for Learning and Development opportunities has increased significantly.

80 hours per person per year is available for our people to use for training. We make allowance for two types of learning and development opportunities.

- Professional development: 40 hours of self-directed individual time to attend to personal research, or participate in Professional Development sessions.
- Career development training: 40 hours to develop skills in areas such as Project Management/ Quality Assurance training, technical training, software training, report writing and facilitation skills. This time is directed by Energetics.

In Year Ending March 2012, a total of 5,029 hours were dedicated to training. Of these, 2,983 hours were of a non-technical nature and 2,047 hours were technical. This is approximately 2.4% of our total working hours of 214,571. The spread across the Business Units is outlined in Figure 12.

Figure 12: Average training hours per FTE in YEM12



Comments on Figure 12 include:

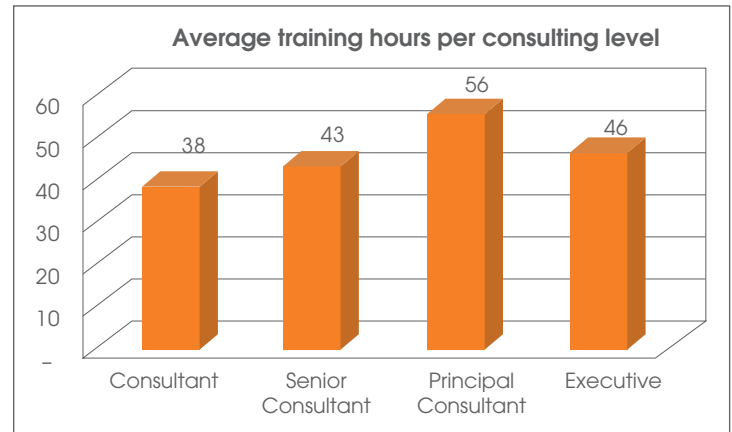
- The average training hours on a Full Time Employee (FTE) basis across the company for the reporting period was 49 hours. This is 31 hours less than the allocated 80 training hours per FTE. Delivering 80 hours of training per person remains a goal, and is receiving additional focus. One change we have made is allowing people to use this development time for volunteering and other activities.
- The Resources and Industrial business unit clocked the highest number of training hours at 67 hours per FTE, followed by the Government and Utilities and then the Commercial and Infrastructure team.
- On average, employees in the CarbonScope™ and Shared Services business units participated in less than a week's training per FTE in the year.
- Interns employed by our CarbonScope™ team also took up training opportunities, and this was classified in "Other". On average we provided 12 hours of training per intern during this reporting period.

Figure 13 shows the average training per FTE relative to an employee's position.

- Principal Consultants completed the most training at an average of 56 hours per FTE, followed by the executive team at just over a week of training.
- Senior Consultants and Consultants completed 43 and 38 hours of training per FTE respectively.

These figures relate to formal training time. However, many of our Consultants and Senior Consultants receive on the job training. This is the most prevalent mode of training delivered at Energetics.

Figure 13: Average training hours per employee category



The breakdown of the total training hours is shown in Table 7 below. Employees at Energetics dedicated 40% (2,047 hours) of the total training hours (5,029 hours) to develop their technical skills and the remaining 60% (2,983 hours) were spent to improve their non-technical skills. Details of the non-technical training courses are outlined in the section below.

Our employees were able to participate in the following programs.

- **Induction held over four days**, in which our CEO plays a key facilitation role, together with a number of other Energetics thought leaders, General Managers and Principal Consultants.
- **Professional Development** sessions facilitated by internal and external thought leaders to encourage knowledge sharing. These sessions are filmed and loaded onto our intranet so that those who can't attend can participate in learning exercises in their own time.
- **Technical training:**
 - **International Performance Measurement and Verification Protocol (IPMVP) training.** Energetics has the largest number of IPMVP accredited professionals in Australia.
 - **Certified Energy Manager (CEM) training.** Energetics has the largest number of CEM accredited professionals in Australia.
- **Non technical training:**
 - **Learning to Lead.** Beaton Consulting facilitates this three-day program which covers a number of leadership issues including team leading, managing client relationships and strategic management. Ten employees participated in an in-house program over the reporting period.
 - **Negotiation training.** Strategic Action facilitated an in-house course which was tailored to the needs of the 23 participants. The course focused on negotiation techniques and communicating value. Participants were Key Account Managers, Team Leaders and senior business development employees.
 - Business writing, presentation skills, problem solving workshops.

We commenced a project which maps the skills and sector experience of our people to understand their development needs and accurately match skills to client projects.

We focus on understanding future needs and bridge any gaps through the development of our people with either on-the-job and/or formal training.

Passionate about our people



Our employees' health and wellbeing

Work life balance

Energetics supports work life balance and flexibility. Energetics has a **"How to work from home"** guide on the intranet which considers occupational health and safety, access to technology and systems and communications with team leaders/ managers.

The company actively **promotes staff participating in health and fitness** and supports a number of initiatives such as Sydney's City2Surf, BRW Corporate Triathlon Series and the Corporate Games. An example of this philosophy commences with our induction program where all new employees participate in a morning walk with the CEO.

Wellness Program

The design of Energetics' Wellness Program resulted from comments and ideas provided in a wellness survey in 2011. Its aim is to raise awareness, share information and offer support so that our employees and their families can achieve optimal health and fitness. The program is designed to be fun and engaging with on-going wellness challenges for teams and individuals and is supported by "Wellness Ambassadors" in each state office.

Wellness initiatives include:

- Breakfast "green" smoothie sampling
- Provision of fresh fruit and herbal teas in offices
- Weekly health tips
- Monthly sessions on health and wellness
- Walking competition
- Inter-office Wellness Challenge
- Offering of bio-metric health assessment
- Morning walk with the CEO during induction
- Flu vaccinations



“

The Energetics Wellness Program aims to raise awareness, provide information and education to encourage employees and their families to adopt healthier lifestyles.

”

Passionate about our people

Occupational Health and Safety

We aim to create an environment conducive to safe working practices as reflected in our **Workplace Health and Safety Manual**. This document covers safety equipment, safety in the office, on the road and on site as well as the accident/incident reporting process. We have an internal occupational health and safety (**OH&S**) committee who meet monthly to discuss risk mitigation strategies and ensure that we comply with occupational and safety regulations.

Project managers are required to complete **safe work method statements** for all projects which involve a client site visit. These statements are audited by the OH&S committee.

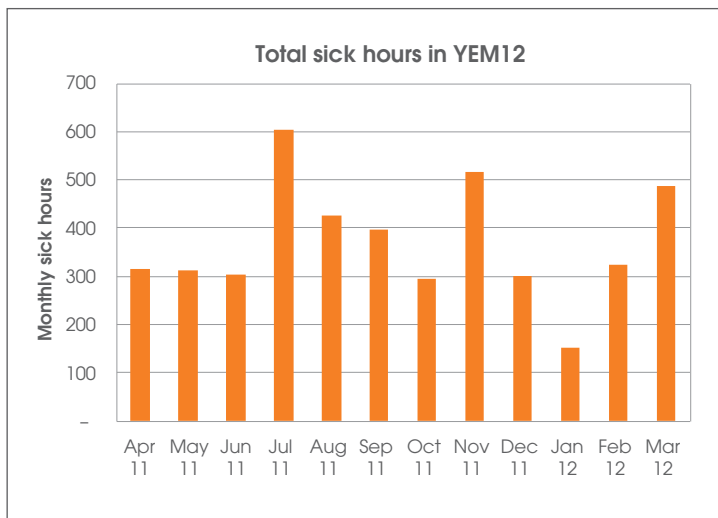
All consultants complete white card training during induction so they are prepared for site visits. This is evidenced in the Sydney Water 'Power from Poo' news item featured on Seven News (<http://vimeo.com/37215934>).

In line with our company policy, we have a trained Fire Warden and First Aid Certified employee in each office. Our policies that govern our health and safety practices at work, available on our intranet are:

- **First aid policy**
- **Health, wellness and safety policy**
- **Occupational Health and Safety Injury/Incident Reporting Policy.**

During this reporting period our employees demonstrated the hazards of an active lifestyle. Our robust safety reporting system meant that all injuries and near misses were recorded even those resulting from commuting to work or company related sporting activities. While there were no incidents reported as a result of staff undertaking work related assignments in our offices or on client sites, a total of ten incidents were due to bicycle commuting by staff in Sydney (one requiring medical attention), Perth and Canberra. Another incident requiring medical treatment occurred during a warm-up session at a corporate soccer match after work.

Figure 14: Our sick leave profile for YEM12



The total sick leave per FTE for YEM12 was extracted from our timesheets and calculated as 42 hours per FTE per year.

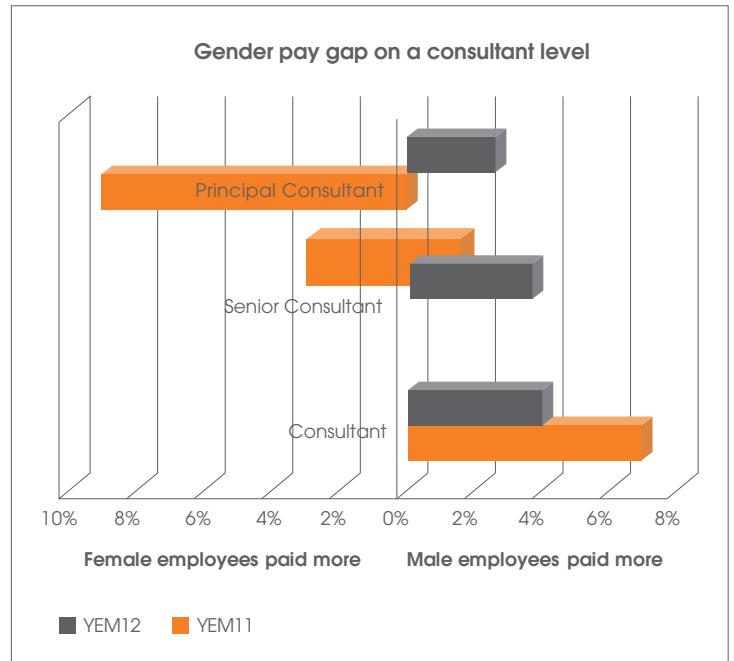
Equal opportunity

Energetics is an equal opportunity employer and provides equality in employment for all people employed or seeking employment. We were assessed for the period 1 April 2011 to 31 March 2012 and are compliant with the Equal Opportunity for Women in the Workplace Act (EOWA) 1999.

Energetics conducted a **gender pay analysis** during the reporting period using the standardised EOWA audit tool. We compared the position of women in YEM11 against YEM12 and their salaries across grades.

In YEM11, male Consultants and Senior Consultants were paid between 3.4 and 7% more than their female colleagues. Interestingly, female Principal Consultants were paid approximately 9% more than their male counterparts.

Figure 15: Gender pay gap analysis



In our current reporting period, male Principal Consultants, Senior Consultants and Consultants were paid on average 2.6%, 3.5% and 4.0% more than their female colleagues. It was pleasing to see the closing of the salary gaps between our male and female Consultants from YEM11 to YEM12. The significant change in pay gap for Principal Consultants between YEM11 and YEM12 is mainly a function of a large number of people being promoted to Principal Consultant level under our new structure. This changed the composition of the Principal Consultants' group significantly.

The trend is certainly in the right direction and we will continue to conduct analyses, change our behaviours and publish our results.

Passionate about our people

Sex-based harassment

No complaints of sex-based harassment were made over the reporting period.

Energetics recognises it is the right of every employee to attend work without being subjected to any form of harassment. We are fully committed to our obligations to prevent harassment whether it occurs in the workplace or in our dealings with our clients. Our commitment is reflected by the roll-out of an online learning management system which required all employees to complete equal opportunity training. Employees will be required to complete this training every two years.

During the reporting period Energetics also reviewed **the Anti-Discrimination, Harassment and Workplace Bullying policy**.

The policy outlines the appointment of Equal Opportunity Contact Officers in each of Energetics offices. The contact officer role is designed to provide employees with a contact, in addition to their manager, who is open and capable of handling difficult issues in a sensitive and confidential manner. Contact officers, and the management team attended half-day training sessions to ensure that they understand their responsibilities. Our contact officers are listed on our intranet.

Compliance statement

Energetics believes that our people deserve to be safe at work. Measures we undertake include the following:

- Compliance with the Workplace Relations Act 1996, the Fair Work Australia Act 2009 and related legislation.
- Compliance with all state based legislation and best practice rules and procedures.
- Ensuring that managers understand that they are responsible for the health and safety of our workplace.
- Ensuring we have policies and procedures to deal with all OH&S enquiries.
- Ensuring our people are trained and have the skills and knowledge to perform their jobs safely and effectively.
- A documented risk management process for effectively dealing with internal OH&S issues.
- Ensuring that all subcontractors utilised in delivering services also comply with OH&S legislation and best practice.



“

Energetics is an employer who is genuinely committed to providing equal opportunities to all of its employees and to adopting progressive practices in relation to career development and recognition.

Adele Brady,
Director cp3consulting

”

Sustainability scorecard and targets

Despite the absence of targets, our list of activities and achievements point to an organisational culture in which sustainability is clearly a feature. We are proud of the passion and enthusiasm for sustainability displayed by our people, and confident that the areas for improvement will receive the necessary focus over the upcoming reporting period.

Progressing sustainability

Table 8 shows the action items Energetics will pursue ahead of our next sustainability report in two years. We have adopted a traffic light signal approach with the green light indicating achievement and the red light showing where an action has not been achieved. Amber indicates that a start has been made.

As you will see in the table, some indicators have moved from green to amber between the two reporting periods. As explained elsewhere in the report, the restructuring of our business and the impact of a business downturn led to some aspects of sustainability at Energetics receiving less attention.

We are committed to making improvements over the period to YEM14.



“

Loving the colour at my local organic market on a Saturday morning.

Julia Davenport, Sydney.

”

Sustainability scorecard and targets

Table 8: Our status, progress and actions to manage sustainability

Action item	Status YEM07	Status YEM12	Target YEM14	Comments
Monitor and track emissions associated with our air travel.				We will assess ways to reduce air travel.
GreenPower will be procured for all offices.				Currently we have procured GreenPower for all offices except Brisbane, Canberra and one of our tenancies in Sydney.
Set KPIs and targets.	N/A			We will develop and monitor energy and emissions KPIs and targets relative to YEM12 baseline.
Maintain our carbon neutral certification.				We will continue with our self managed carbon neutrality program.
Re-invigorate our eTeam, which received less focus during the global financial crisis.				We will review initiatives and assign responsibilities to improve and formalise our sustainability management practices.
Develop a communication strategy to support a renewed eTeam.				We will implement internal communication strategies to encourage reductions in our resource consumption.
Maintain and enhance our NABERS and CitySwitch initiatives.				We will maintain our NABERS and CitySwitch initiatives and ensure that all Energetics offices participate.
Monitor and track printing.				We will monitor and track our printing across all our offices.
Implement co-mingled recycling across all offices.				We will address the lack of co-mingled recycling in our Brisbane and Canberra offices.
Develop a procurement policy and guidelines.				We will assess our procurement policies.
Assess the sustainability practices of our contractors.				We will incorporate an assessment of the sustainability practices of our contractors into our preferred contractor application forms.
Review our supply chain.				We will review our supply chain impact.

Appendix A: Explanatory evidence

Aspects resulting from the materiality assessment and stakeholder consultation

Category	Aspect	Performance indicators	Key / Non key issue	Alignment with stakeholder consultation
Economic	Economic performance	EC8 EC1,EC2	Key Non key	Yes
Environmental	Energy Emissions Waste	EN3, EN5, EN7 EN16, EN18 EN4,EN22, EN6, EN29	Key Key Non key	Yes
Social	Occupational health and safety Training and education Product Responsibility Employment Diversity and equal opportunity Non discrimination	LA7,LA10, LA1,LA2, LA13 PR5,PR9 HR4	Key Non key Non key Non key	Yes

Appendix B: GRI table of standard disclosure

Application Level C	Self-declared
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STANDARD DISCLOSURES PART I: Profile Disclosures

1. Strategy and Analysis					
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	Reason for omission	Explanation
1.1	Statement from the most senior decision-maker of the organization.	Fully	A message from our CEO		
2. Organizational Profile					
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	Reason for omission	Explanation
2.1	Name of the organization.	Fully	About Energetics		
2.2	Primary brands, products, and/or services.	Fully	Our service offerings		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	How do we operate?		
2.4	Location of organization's headquarters.	Fully	Energetics' registered head office is in Sydney, Australia.		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	Who do we work with?		
2.6	Nature of ownership and legal form.	Fully	Our ownership		
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	Who do we work with?		
2.8	Scale of the reporting organization.	Fully	Clear and transparent reporting		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	What's changed		
2.10	Awards received in the reporting period.	Fully	Awards		
3. Report Parameters					
Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	Reason for omission	Explanation
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	Clear and transparent reporting		
3.2	Date of most recent previous report (if any).	Fully	Clear and transparent reporting		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Clear and transparent reporting		
3.4	Contact point for questions regarding the report or its contents.	Fully	Clear and transparent reporting		
3.5	Process for defining report content.	Fully	Content, boundary and scope		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Fully	Content, boundary and scope		

Appendix B: GRI table of standard disclosure

3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	Content, boundary and scope		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	We are not participants of joint ventures.		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Not	We have not made any restatements of information provided in our previous report.	None	Due to the change in workforce, structure, brand and systems since YEM07, restating any of the performance indicators provided in our first report is not possible
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	Clear and transparent reporting		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	Table of standard disclosure		

4. Governance, Commitments, and Engagement

Profile Disclosure	Description	Reported	Cross-reference/ Direct answer	Reason for omission	Explanation
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	Our structure Energetics' Executive Team How do we operate? Our strategy		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	For the reporting period, the Chair of our Board of Directors was a Non-Executive officer		
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	We had four male members on our Board of Directors, which is our highest governance body. Two are non-executive members, while the other two are executive directors and office holders at Energetics.		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Governance and shareholders		
4.14	List of stakeholder groups engaged by the organization.	Fully	Governance and shareholders		
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	Our history Governance and shareholders Our association with not-for-profits Accreditations Our memberships		

Appendix B: GRI table of standard disclosure

STANDARD DISCLOSURES PART III: Performance Indicators

Economic			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Economic performance			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	Table 1: Direct economic value generated and distributed in YEM12 Our community investments and donations Our commitment to the Great Barrier Reef Foundation Our employee benefits
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Not reported	Not material
EC3	Coverage of the organization's defined benefit plan obligations.	Not reported	Not material
EC4	Significant financial assistance received from government.	Fully	Assistance from Government
Market presence			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Not reported	Not material
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not reported	Not material
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Not reported	Not material
Indirect economic impacts			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Not reported	Not material
Environmental			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Materials			
EN1	Materials used by weight or volume.	Not reported	Not material
EN2	Percentage of materials used that are recycled input materials.	Not reported	Not material
Energy			
EN3	Direct energy consumption by primary energy source.	Fully	The direct energy consumption by primary energy source is associated with gasoline consumption of employee's car travel for work purposes approximately 100 GJ.

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EN4	Indirect energy consumption by primary source.	Partially	We have quantified this as emissions equivalent but not energy consumed by primary source. 77% of our total carbon inventory is attributed to fuel consumed for air travel (<200 kL and approximately 6,000 GJ), electricity consumed at our offices and for our outsourced IT equipment (approximately 90 MWh), and electricity and gas consumption associated with the base building of our offices. Due to the various primary sources and lack of data for the respective primary sources, we have not quantified this in primary energy consumption.
EN5	Energy saved due to conservation and efficiency improvements.	Partially	Our emissions reduction initiatives
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Not reported	Not material
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	Achieving carbon neutrality Our carbon emissions in YEM12 Our responsibility to the environment
Water			
EN8	Total water withdrawal by source.	Not reported	Not material
EN9	Water sources significantly affected by withdrawal of water.	Not reported	Not material
EN10	Percentage and total volume of water recycled and reused.	Not reported	Not material
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not reported	Not material
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not reported	Not material
EN13	Habitats protected or restored.	Not reported	Not material
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Not reported	Not material
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Not reported	Not material
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	Our carbon emissions in YEM12
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	Our carbon emissions in YEM12
EN16	Total direct and indirect greenhouse gas emissions by weight.	Not reported	Not material
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not reported	Not material

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EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	Our emissions reduction initiatives
EN19	Emissions of ozone-depleting substances by weight.	Not reported	Not material
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not reported	Not material
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not reported	Not material
EN21	Total water discharge by quality and destination.	Not reported	Not material
EN22	Total weight of waste by type and disposal method.	Fully	Waste management
EN23	Total number and volume of significant spills.	Not reported	Not material
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not reported	Not material
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Not reported	Not material
Products and services			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	Our emissions reduction initiatives Resource management CitySwitch and NABERS ratings
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not reported	Not material
Compliance			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	We did not receive any fines or non-monetary sanctions for non-compliance with laws and regulations. Refer to section 5.4 for our compliance statement.
Transport			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	Our carbon emissions in YEM12
Overall			
EN30	Total environmental protection expenditures and investments by type.	Not reported	Not material
Social: Labor Practices and Decent Work			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Employment			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Partially	Our people

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LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Partially	Staff retention at Energetics
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Not reported	Not material
LA15	Return to work and retention rates after parental leave, by gender.	Not reported	Not material
Labor/management relations			
LA4	Percentage of employees covered by collective bargaining agreements.	Not reported	Not material
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not reported	Not material
Occupational health and safety			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Not reported	Not material
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Fully	Occupational Health and Safety
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Not reported	Not material
LA9	Health and safety topics covered in formal agreements with trade unions.	Not reported	Not material
Training and education			
LA10	Average hours of training per year per employee by gender, and by employee category.	Fully	Training and development
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Not reported	Not material
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Fully	100% of our employees receive regular performance and career development reviews.
Diversity and equal opportunity			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Not reported	Not material

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Equal remuneration for women and men			
LA14	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	Fully	Equal opportunity
Social: Human rights			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Investment and procurement practices			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Not reported	Not material
HR2	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	Not reported	Not material
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not reported	Not material
Non-discrimination			
HR4	Total number of incidents of discrimination and actions taken.	Fully	There were no incidents of discriminations and accordingly no actions were required.
Freedom of association and collective bargaining			
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Not reported	Not material
Child labour			
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Not reported	Not material
Forced and compulsory labor			
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Not reported	Not material
Security practices			
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not reported	Not material

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Indigenous rights			
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not reported	Not material
Assessment			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Not reported	Not material
Remediation			
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Not reported	Not material
Social: Society			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Local communities			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Not reported	Not material
SO9	Operations with significant potential or actual negative impacts on local communities.	Not reported	Not material
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Not reported	Not material
Corruption			
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Not reported	Not material
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Not reported	Not material
SO4	Actions taken in response to incidents of corruption.	Not reported	Not material
Public policy			
SO5	Public policy positions and participation in public policy development and lobbying.	Not reported	Not material
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Not reported	Not material
Anti-competitive behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Not reported	Not material
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Not reported	Not material

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Social: Product Responsibility			
Performance Indicator	Description	Reported	Cross-reference/Direct answer
Customer health and safety			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Not reported	Not material
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Not reported	Not material
Product and service labelling			
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not reported	Not material
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Not reported	Not material
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	Client relationship management Client survey
Marketing communications			
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Not reported	Not material
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not reported	Not material
Customer privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not reported	Not material
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	See Compliance statement We did not receive any fines or non-monetary sanctions for non-compliance with laws and regulations concerning the provision and use of our products and services.



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