



Australian Government

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AUSTRAC

# EMISSIONS REDUCTION PLAN

Australian Transaction Reports and Analysis Centre

2024

# Acknowledgement of Country

The Australian Transaction Reports and Analysis Centre acknowledges the Traditional Custodians of Country throughout Australia and their continuing connection to land, sea, and community. We pay respects to them, their cultures and to their Elders, past, present, and emerging.



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## DECLARATION AND SIGN OFF

### Introduction

Climate change will continue to have significant effects on the environment, society, and economy, with impacts felt across the Government's operations. The Australian Transaction Reports and Analysis Centre acknowledges that human behaviours, pollution, and consumption patterns have both immediate and future impacts on the climate and environment, and that as a Commonwealth entity it is part of our role to mitigate and manage these impacts on our communities.

This declaration establishes our position and commitment to reduce emissions.

The Australian Transaction Reports and Analysis Centre supports the environmental, social, and economic benefits of addressing climate change immediately. We see an opportunity to demonstrate leadership in emissions reduction.

### Commitment to Achieving Net Zero

The Australian Transaction Reports and Analysis Centre is committed to achieving net zero emissions by 2030.

The Australian Transaction Reports and Analysis Centre recognises that climate change is occurring, and that climate change will continue to have a significant effect on the Australian environment, society, and economy.

We acknowledge the central role of Government in driving a successful climate response. Hence, we declare that we are committed to reducing operational emissions, through the implementation of mitigation and adaptation strategies.

Our overall objectives align with the Net Zero in Government Operations Strategy to reduce our operational emissions.

As the accountable authority for AUSTRAC I am pleased to present the AUSTRAC Emissions Reduction Plan.

**Brendan Thomas**  
**Chief Executive Officer**  
AUSTRAC



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Document control

### Document approval

Rev	Custodian	Position/Job title	Approver	Position/Job title	Date
1	Yvette Whittaker	National Manager Finance, Property and Procurement (Chief Financial Officer)	Brendan Thomas	Chief Executive Officer	1 August 2024

### Document review

Rev	Document reviewed by	Position / Job title	Date of review	Comments / changes made

## DEFINITIONS & ABBREVIATIONS

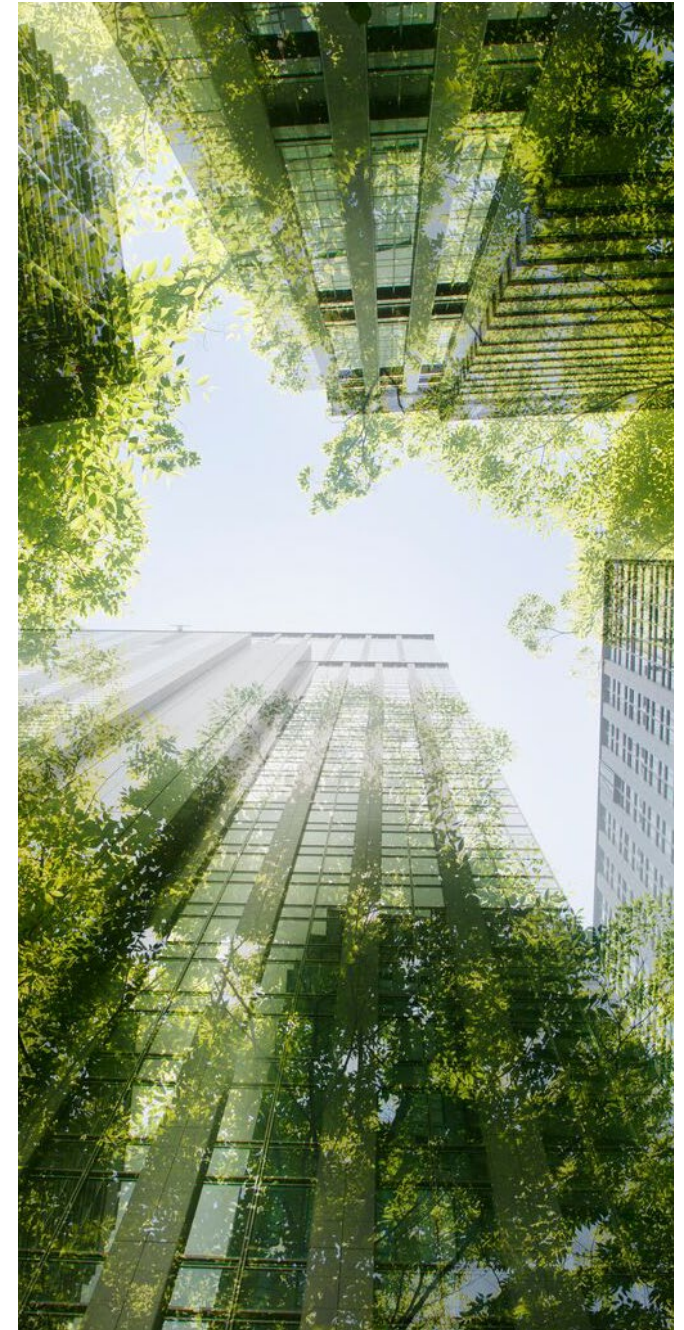
Abbreviation	
ACCU	Australian Carbon Credit Units
AGS	Australian Government Solicitor
AUSTRAC	Australian Transaction Reports and Analysis Centre
BMS	Building Management Systems
CAiGO	Climate Action in Government Operations
DESNZ	Department for Energy Security and Net Zero
EEGO	Energy Efficiency in Government Operations Policy
EV	Electric Vehicle
FTE	Full Time Equivalent
GHG	Greenhouse Gas
HVAC	Heating, Ventilation and Air Conditioning
HVACaaS	Heating, Ventilation and Air Conditioning as a Service
LaaS	Lighting as a Service
LEV	Light Emission Vehicles
MJ	Mega Joule
NA	Not Applicable
NABERS	National Australian Built Environment Rating Scheme
NDC	Australia's Nationally Determined Contribution
NGA	National Greenhouse Accounts
NLA	Net Lettable Area
Plan	This Emissions Reduction Plan
PSP	Property Service Provider
SDG	Sustainable Development Goals
Strategy	Net Zero in Government Operations Strategy
t CO <sub>2</sub> -e	Tonnes Carbon Dioxide Emissions
WoAG	Whole of Australian Government

Definition	Description
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Metro sites	Metro is defined as located on or east of the dividing range in NSW, including Canberra and Queanbeyan, Melbourne, Brisbane, Adelaide, or Perth.
Regional sites	Regional (non-metro) are other locations outside the metro site locations.
Allocated parking	Parking that is allocated to a facility's lease agreement and available for staff use.

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## EXECUTIVE SUMMARY

In response to the Net Zero in Government Operations Strategy, the Australian Transaction Reports and Analysis Centre (AUSTRAC) has developed a comprehensive Emissions Reduction Plan aimed at mitigating environmental impact, whilst fostering sustainable practices within its operations.

This Plan, in alignment with the Net Zero in Government Operations Strategy, encompasses electricity consumption and air travel across AUSTRAC's operations, establishing financial year 2022-23 as the baseline by which to reduce carbon emissions. This plan takes a multifaceted approach, addressing key areas of emissions reduction, energy efficiency, and sustainability.

The baseline carbon emissions for AUSTRAC is 602t CO<sub>2</sub>-e, with 386t CO<sub>2</sub>-e from electricity consumption, 215t CO<sub>2</sub>-e from domestic air travel, and 1t CO<sub>2</sub>-e from fleet fuel. Through collaboration with stakeholders, applying both traditional methodologies, and technological advancements, AUSTRAC aims to achieve significant reductions in its carbon baseline while maintaining operational efficiency and effectiveness.

Key components of the Plan include:

- Energy efficiency initiatives: participate in the whole-of-Australian-Government electricity arrangement that ensures all power supplied is from renewable sources, coupled with landlord negotiations to transition base building to renewable sources
- Transportation strategies: reviewing current air travel requirements, implementing strategies to reduce unnecessary air travel and support the procurement of green travel offsets
- Carbon offsetting and sequestration: where carbon emissions cannot be avoided these may be offset through the purchase of Australian Carbon Credit Units in 2030
- Employee engagement and education: develop and implement education and communication programs that enables employees to support AUSTRAC's net zero journey
- Monitoring and reporting: participate in the Government's annual reporting requirements, measuring and celebrating successes

By implementing these initiatives and working collaboratively with all stakeholders, AUSTRAC predicts that it will reduce its current baseline carbon emissions by 64% by 2030, with offsets being required to achieve true net zero emissions. Noting that these projections are based on current operations and does not consider future, unknown, expansions to operations or FTE base.

# 1 AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

Australian Transaction Reports and Analysis Centre (AUSTRAC) builds resilience in Australia's financial system, functioning as both an anti-money launderer and counter-terrorism financing regulator, as well as a financial intelligence unit within the Australian Government. AUSTRAC monitors financial transactions, disrupting money laundering, financing of terrorist activities, and serious crime.

In their financial intelligence capacity, AUSTRAC collects and analyses financial reports and information to generate financial intelligence, contributing to both law enforcement and national security investigations.

AUSTRAC's core functions are achieved through the four key pillars, identified in its Corporate Plan 2023-27:

- Identify criminal risks to Australia's financial system
- Develop and share a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system
- Ensure criminal risks within Australia's financial system are identified, mitigated, and managed effectively
- Collaborate with partners to disrupt criminal exploitation of Australia's financial system



## 1.1 Operating Context

AUSTRAC is responsible for detecting, deterring, and disrupting criminal abuse of the financial system to protect the community from serious and organised crime.

Its work is critical to the economic, sustainability, and social well-being of the nation, as it seeks to:

- Support domestic and international efforts to combat money laundering and terrorism financing and other serious crimes
- Advise and assist persons and agencies authorised to access AUSTRAC information
- Facilitate gaining access to the financial, administrative, and law enforcement information to properly undertake financial intelligence functions
- Promote and monitor compliance with relevant Acts and regulations
- Assist in the development of government policy or academic research

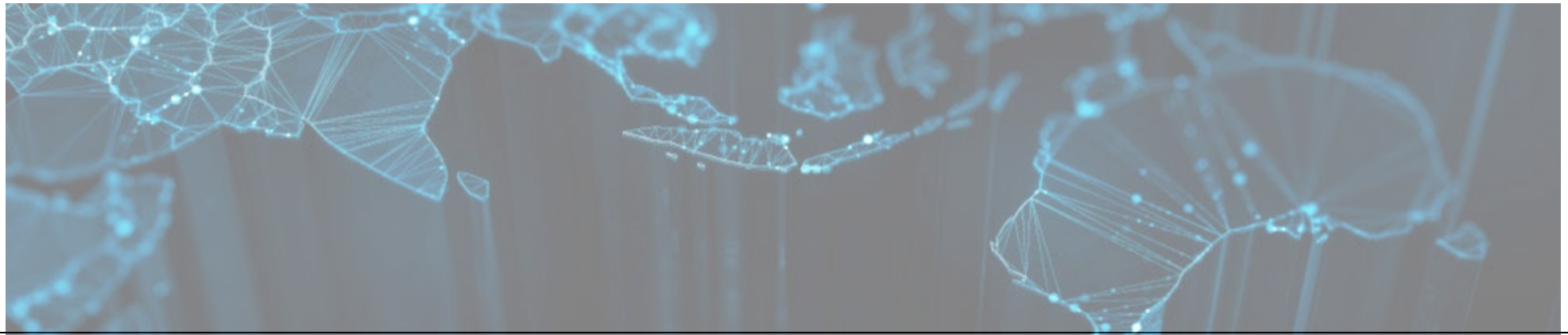
To support the AUSTRAC operational context and delivery of its core purpose and outcomes it is crucial to understand the impacts of climate change and mitigation methodologies that can be applied to ensure continuity of services across its broad portfolio. AUSTRAC will endeavour to reduce its carbon emissions outlined in this Plan, however as a national intelligence and security agency, AUSTRAC is exempt from emissions reduction where operational or capability requirements may be impacted.

## 1.2 Net Zero in Government Operations Strategy

The AUSTRAC portfolio plays a role in the Federal Government's greenhouse gas emissions reduction targets of 43% by 2030 and net zero by 2050. Additionally, it must also meet the requirements of the Net Zero in Government Operations Strategy with a target date of 2030 to which this Plan will be directed.

The Net Zero in Government Operations Strategy describes the approach for implementing the Australian Government's commitment to achieve net zero in government operations by 2030 as agreed under the Paris Agreement, and supersedes the Energy Efficiency in Government Operations Policy, 2007.

AUSTRAC has already implemented a range of measures to reduce its impact on the environment. These have been detailed in section 4 of this Plan.





## 2 CLIMATE CHANGE & GUIDING PRINCIPLES

International scientific consensus is that climate change is occurring and that it is driven by anthropogenic causes, with human activities having a profound impact on the concentration of greenhouse gas emissions since the start of the industrial revolution. Ultimately these activities, such as the burning of fossil fuels, land clearing and agriculture, have increased greenhouse gas concentrations in the atmosphere, leading to changes in the climate system.

In June 2022 the Federal Government formally updated Australia’s commitment under the Paris Agreement to reduce greenhouse gas emissions by 43% below 2005 levels by 2030, putting Australia on track to achieve net zero emissions by 2050.

AUSTRAC recognise that extreme fluctuation in weather in Australia and around the world will continue to affect Australian communities and the Australian economy. Increasing unpredictable weather events and extreme weather events leading to environmental damage and disruption to communities will affect supply chains and a wide range of industries and individual wellbeing.

Lowering greenhouse gas emissions is key to limiting the impact of future climate change, harnessing rapidly evolving green technologies that support Australia’s economic recovery and embed climate resilience.

Drawing on AUSTRAC’s remit and operational scope, it is predicted climate and environment may impact AUSTRAC’s financial monitoring systems due to disruptions in financial systems resulting from climate change impacts, potential increase in monetary fraud associated with climate and environment or increased cyber incidents with criminals targeting community vulnerabilities when impacted by climate change.

## 2.1 Global Goals to Mitigate Climate Change

### Climate Change Protocols

The Kyoto Protocol operationalises the United Nations Framework Convention on Climate Change by committing industrialised countries and economies in transition to limit and reduce GHG emissions in accordance with agreed individual targets. Australia is part of the Kyoto Protocol and released its National Greenhouse Response Strategy in November 1998, providing the framework for advancing Australia's domestic greenhouse response into the next century.

To strengthen the global response to the threat of climate change by keeping a global temperature rise under a certain level, the Paris Agreement was introduced in 2016.

The Paris Agreement is a legally binding international treaty on climate change. Its goal is to limit global warming to well below 2°C, preferably to 1.5°C, which is a critical threshold for preventing the worst impacts of climate change. This Agreement was adopted by 196 Countries and came into force on 4 November 2016.

Australia is an important party to the Paris Agreement and committed to reduce greenhouse emissions through the Climate Change Act (No. 37, 2022).

The Australian Government's landmark Climate Change Act was published and commenced on the Federal Register of Legislation on 14 September 2022, enshrining into law an emissions reduction target of 43 per cent from 2005 levels by 2030 and Net Zero emissions by 2050.

There is now a core responsibility for all levels of Australian Government to lead by example, proactively working towards this achievable target and strive for greater outcomes.

### United Nations Sustainability Development Goals

In 2015, the United Nations General Assembly defined 17 Sustainable Development Goals (SDG's). The SDG's, outlined below, aim to address the world's most pressing global challenges, including poverty, inequality, and climate change. They provide a blueprint for governments, businesses, communities, and the general public to work together to build a better and more sustainable future for all.



FIGURE 1: UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

### Net Zero in Government Operations Strategy

Net Zero 2030 is the target set by the Australian Government to achieve net zero greenhouse gas emissions from government operations by the year 2030. Net zero is achieved when consumption of resources, such as electricity, is reduced as far as possible, and energy is supplied from renewable sources. Where unavoidable greenhouse gas emissions remain, they are balanced through carbon offsetting.

## 3 NET ZERO EMISSIONS REDUCTION PLAN

### 3.1 Purpose

AUSTRAC plays an essential role in the management and implementation of emissions reduction initiatives, as outlined in the Australian Government's Net Zero in Government Operations Strategy (the Strategy), developed by the Department of Finance. The Strategy in its current iteration sets out the first steps for the Australian Government's approach to achieving net zero greenhouse gas emissions in government operations, coupled with annual reporting requirements.

This Plan sets out the steps that AUSTRAC will take to achieve net zero emissions by 2030. This Plan encompasses new and existing initiatives to reduce emissions, contributing to the Net Zero 2030 target.

### 3.2 Net Zero Greenhouse Gas Emissions

Net zero emissions refers to the balance between the amount of greenhouse gases produced, through resource consumption, and the amount removed from the atmosphere. Achieving net zero emissions means that the total emissions released into the atmosphere from AUSTRAC's operations are offset through various means that remove or sequester an equivalent amount of carbon dioxide, this includes, but is not limited to, the implementation of emissions reduction initiatives, carbon capture, and carbon offsetting.

### 3.3 Scope

#### Inclusions

Emissions reduction activities outlined in the Plan will align with the Strategy, with an initial focus on carbon emissions resulting from the consumption of fuels, electricity, and air travel. Future reviews of the Strategy will consider additional inclusions to align with the Australian Government commitment to net zero and organisational activities, aligning to carbon emission reporting requirements.

Facilities listed in scope that have expired leases will for the purposes of this Plan be excluded from future emissions forecasting and initiative identification.

The following properties in AUSTRAC's portfolio are included in the scope of this Plan:

#### ACT

- Canberra, 4 National Cct
  - NLA: 1,282m<sup>2</sup>
  - Lease expiry: August 2027

#### NSW

- Sydney, 323 Castlereagh St
  - NLA: 3,062m<sup>2</sup>
  - Lease expiry: June 2032
- Sydney, 821-843 Pacific Hwy (Terminated, but included in the emissions baseline for FY 22-23)

#### QLD

- Brisbane, Adelaide St
  - NLA: 378m<sup>2</sup>
  - Lease expiry: October 2031

#### VIC

- Melbourne, 727 Collins St
  - NLA: 2,119m<sup>2</sup>
  - Lease expiry: April 2029

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In alignment with the Strategy, released in late 2023, this Plan primarily considers emissions related to:

- Scope 1 emissions
  - Fleet fuel and natural gas
- Scope 2 emissions
  - Electricity
- Scope 3 emissions
  - Domestic travel

As further expansions of the Net Zero Reporting requirement are released this Plan will be updated with these inclusions.

### Exclusions

In alignment with the Strategy, this Plan does not consider the following emissions related activities:

- Activities that take place outside of Australia or its territories, including international air and marine travel as these are not included in Australia's Nationally Determined Contribution (NCD). The Strategy recommends Entities that undertake these activities will act as appropriate to reduce their emissions in the relevant local context as an aspirational goal for the Australian Government to demonstrate leadership and advance Australia's climate diplomacy objectives.
- Activities undertaken by AUSTRAC outside of its office-based operations.
- Activities undertaken by AUSTRAC outside of those noted in inclusions.

## 3.4 Governance

This Plan will be updated annually.

AUSTRAC will, as required under the Strategy, report annually:

- progress against actions identified in the Plan in its annual report,
- a summary of amendments to the Plan, and
- annual emissions reporting, noting further potential expansions to current reporting requirements.

As part of the Net Zero in Government Operations Annual Progress Report, the Department of Finance will aggregate these measures to provide the Whole of Australian Government an aggregated list of emissions reductions activities.

Future iterations of this Plan will align with the Offset Strategy and Commonwealth Climate Disclosure requirements that are currently under-development by the Climate Action in Government Operations within Department of Finance.

AUSTRAC has implemented a range of measures to reduce its impact on the environment. This Plan builds on these key achievements and provides a more holistic approach to achieve sustainability and net zero carbon emissions across all areas and functions of AUSTRAC including facilities and operations.

#### Highlights

- Reducing water consumption and energy use at their facilities
- Reducing use of consumables and creation of waste
- Increase recycling opportunities
- Reduce purchase and use of non-recyclable and non-reusable products where possible
- Incorporate sustainable initiatives into business decision making processes.





## 5 BASELINE EMISSIONS

Baseline emissions are a record of greenhouse gas emissions that have been produced at a set point in time. For the purposes of this Plan the financial year 2022-23 has been established as AUSTRAC's baseline and will be a reference point against which emissions reductions can be measured.

In financial year 2022-23, CAiGO required entities to report their emissions pertaining to the following data sources to establish an emissions baseline from which to develop a long-term emissions reduction strategy.

- Electricity
- Fuel
- Domestic business flights

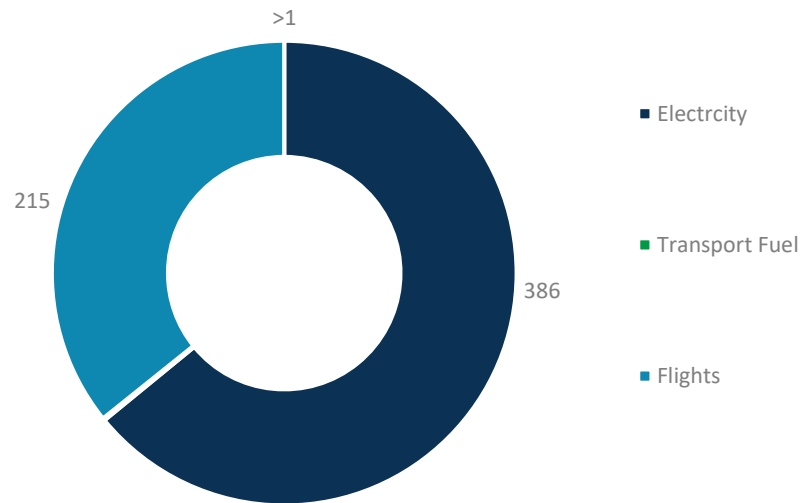


FIGURE 2: BASELINE EMISSIONS TCO2-E, 2022-23

AUSTRAC's baseline emissions are displayed in Figure 2 and Figure 3, with a total 601.7t CO2-e generated in FY 22-23. Scope 1 emissions are a result of transport fuel, Scope 2 emissions relate to electricity consumption and Scope 3 emissions primarily relate to AUSTRAC's air travel.

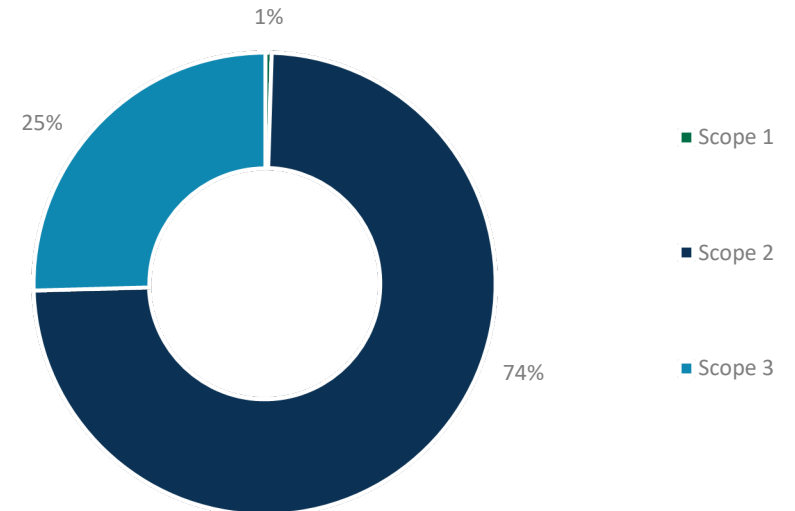
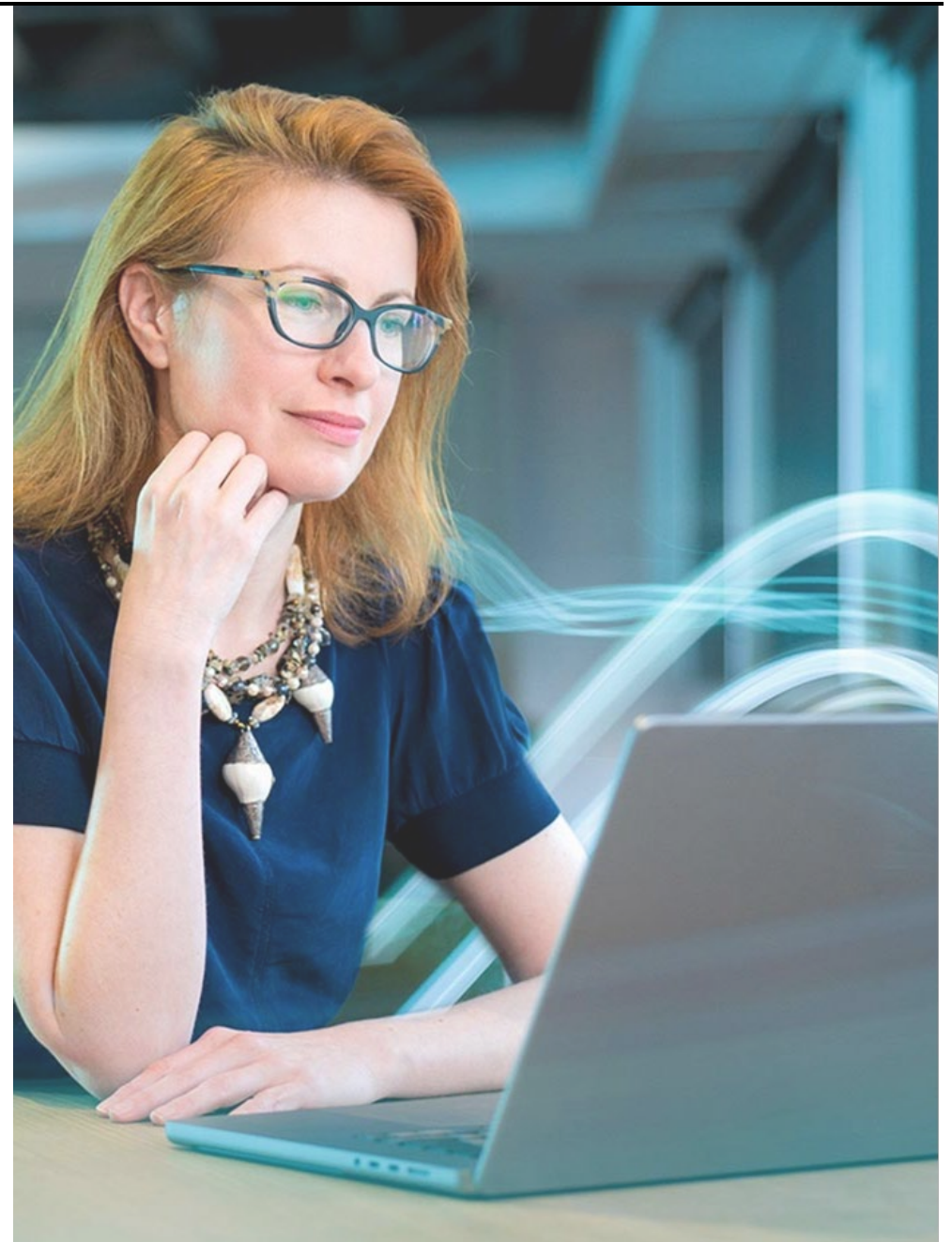


FIGURE 3: PERCENTAGE TCO2-E, 2022-23

In the development of this Plan, Emissions Factors have been sourced from the National Greenhouse Accounts (NGA) 2023 and Department for Energy Security and Net Zero (DESNZ) UK 2023.

Time series data is a crucial tool for tracking emissions trends and evaluating the effectiveness of emission reduction strategies. To ensure accuracy and consistency, AUSTRAC will endeavour to use the same methodologies and data sources for calculating these trends over time. AUSTRAC recognize that improvements in emissions measurement, data collection, and reporting requirements will continue to evolve, and is committed to adapting its strategies accordingly.

To maintain transparency and ensure confidence in the consistency of AUSTRAC's time series data, AUSTRAC will thoroughly document its approach to emission estimation, including methodologies and data sources, in the Net Zero in Government Operations Annual Progress Report.



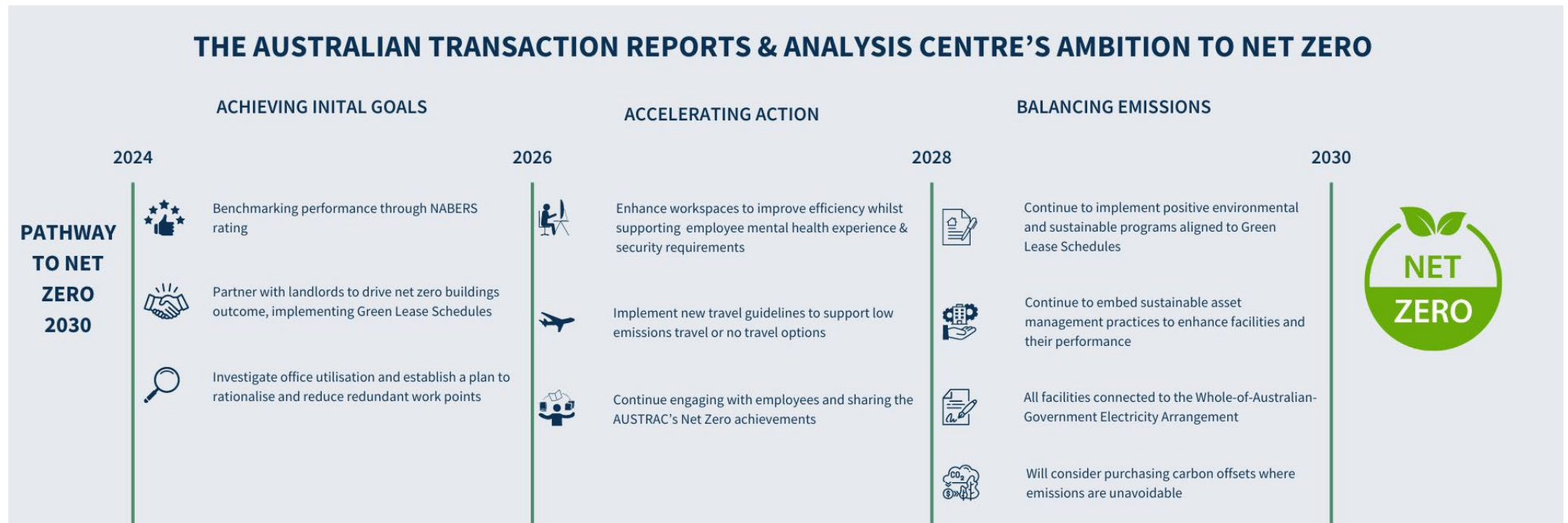
To achieve net zero by 2030, AUSTRAC have adopted the following carbon reduction targets.

We project that carbon emissions will decrease over the next six years from 602 to 215t CO<sub>2</sub>-e by 2030. This is a reduction of 64%.

This Emissions Reduction Plan has been completed in accordance with the Net Zero in Government Operations Strategy, associated guidance, reporting standards for annual emissions reporting.

AUSTRAC's emissions targets have been developed using the following considerations:

- Emissions data for financial year 2022-23 as per the Net Zero Expansion One reporting requirement
- Estimations based on expected emissions reductions through the implementation of programs of works
- Estimation based on the whole portfolio sourcing electricity from the Whole-Of-Australian-Government electricity arrangement, managed by the Department of Finance
- This projection has been based on baseline carbon emissions data (FY 22-23), and does not take into consideration potential future growth in operations or expansion of leased spaces, as these cannot be quantified at this time and can be highly variable



## 7 AUSTRAC OPERATIONS & PERFORMANCE

Currently AUSTRAC operates across ACT, VIC, NSW, and QLD. AUSTRAC's built facilities, managed by Ventia (excluding those terminated) include 4 total facilities across Australia.

AUSTRAC has staff located across ACT, NSW, VIC, QLD, WA and overseas, with a total workforce of 686 personnel and an average occupancy rate of 142% across all facilities.

AUSTRAC is a small agency but due to nature of operations, has a high amount of both international and domestic flight travel, in most cases, this can't be replaced with alternatives due to classified/sensitive work.

AUSTRAC is preparing for expansion at three facilities (Melbourne, Sydney & Brisbane). It is anticipated that Canberra will move into a larger facility. AUSTRAC currently have no office consolidation plans.

AUSTRAC has one fleet vehicle on lease to October 2024. The lease for this vehicle will be terminated due to the low cost-effectiveness of the lease, and no base building infrastructure to support a transition to a full electric vehicle.

To assist the development of the Plan, AUSTRAC's operational performance has been analysed in the following sections:

- Buildings
- Energy
- Fleet
- Travel



## 7.1 AUSTRAC Buildings

Figure 4 represents AUSTRAC’s total work points against FTE. The majority of AUSTRAC’s facilities are predominantly occupied, with all four facilities maintaining an occupancy rate above 100%. AUSTRAC has an average occupancy of 142% which is approaching best practice occupancy ratio of 1 work point to 1.5 FTE. Whilst this is the best practice, due to operational requirements AUSTRAC may not be able to meet or sustain this occupancy ratio if security or other operational requirements preclude the option to work from home.

To assist in reducing emissions, AUSTRAC may consider further office consolidations, aiming for a 1:1.5 work point to FTE ratio.

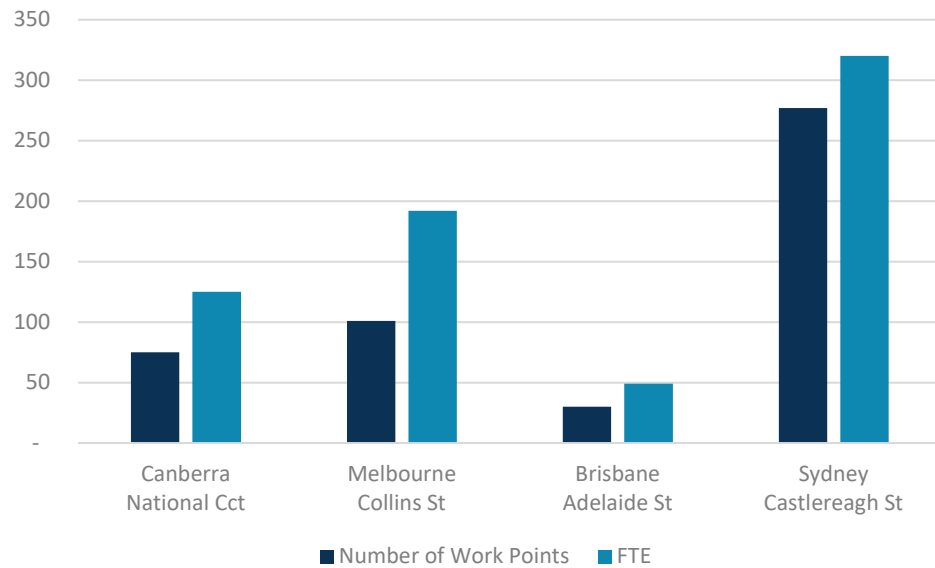


FIGURE 4: WORK POINT AND FTE, BY FACILITY

## Energy Intensity – FTE

Whilst the Strategy supersedes the Energy Efficiency in Government Operations Policy (EEGO), it has been referred to determine AUSTRAC’s energy intensity calculations.

Across the AUSTRAC’s whole portfolio, it has an energy intensity of 2,306MJ/FTE. This is 31% of the energy intensity target of  $\leq 7,500$  MJ/FTE/annum, effectively demonstrating an energy efficiency well below the EEGO target. This has been broken down by facility in Figure 5.

The above equates to 0.53t CO<sub>2</sub>-e/FTE/annum and sets the baseline target for the AUSTRAC to measure change. A full breakdown of these values can be referenced in Appendix 1.

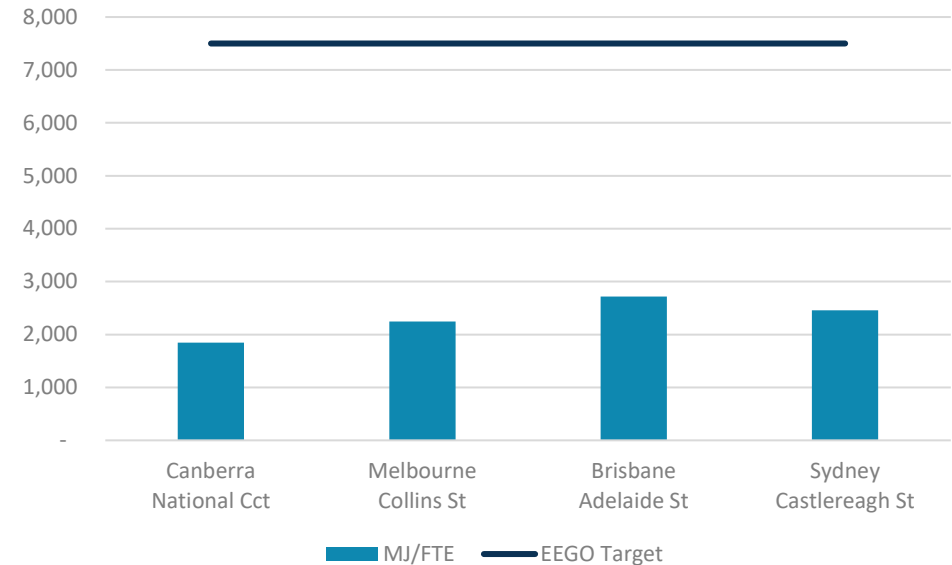


FIGURE 5: MEGAJOULE PER FTE BY FACILITY, FY 22-23

## 7.2 AUSTRAC Electricity

A Type-2 Energy audit was conducted for AUSTRAC at Sydney, Castlereagh St in 2024 and will be used to assist in the identification of energy efficiency programs of work that will assist AUSTRAC reduce emissions associated with electricity consumption.

Figure 6 demonstrates, on a logarithmic scale, tonnes CO<sub>2</sub>-e at each of AUSTRAC's facilities within the scope of this Plan, inclusive of facilities terminated between 2022 and 2024. Sydney, Castlereagh St has the highest carbon emissions (173t CO<sub>2</sub>-e), followed by Melbourne, Collins St (110t CO<sub>2</sub>-e) and Canberra, National Cct (51t CO<sub>2</sub>-e).

CRAC rooms, UPS units play a role in impacting electricity consumption, however, form a critical piece of infrastructure for AUSTRAC's operations. Sydney, Castlereagh St has known issues in the HVAC system combined with circulation issues that further add to the facilities electrical load.

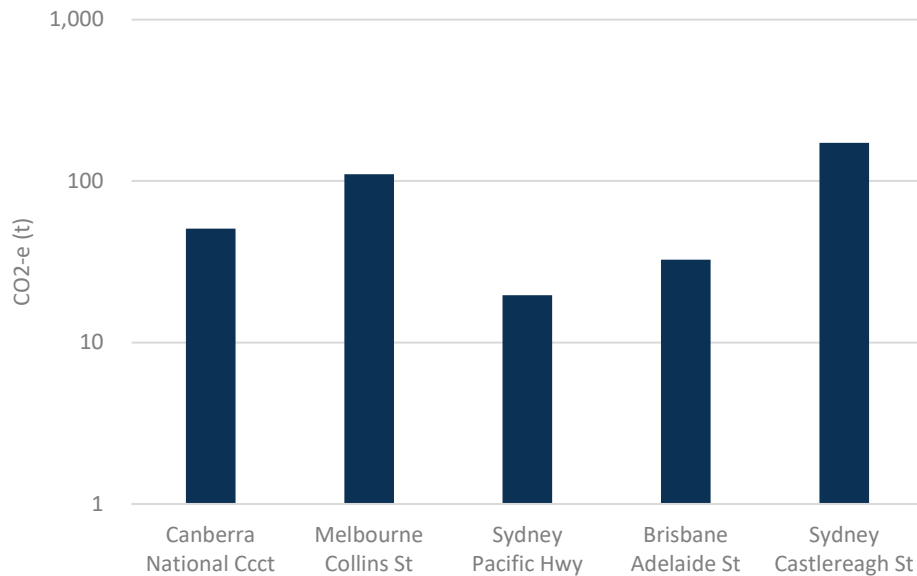


FIGURE 6: TONNES CO<sub>2</sub>-E BY FACILITY, FY 22-23

### Energy Intensity – Facilities

Below, Figure 7 shows the energy intensity of the current occupied facilities within the AUSTRAC portfolio, this is a measure of energy consumption for the FY 22-23 against the NLA. Brisbane, Adelaide St is the most energy intensive facility and should form a key area of investigation to reduce emissions.

Each facilities' energy intensity value sets a baseline target for AUSTRAC to measure change. A full breakdown of these values can be referenced in Appendix 2.

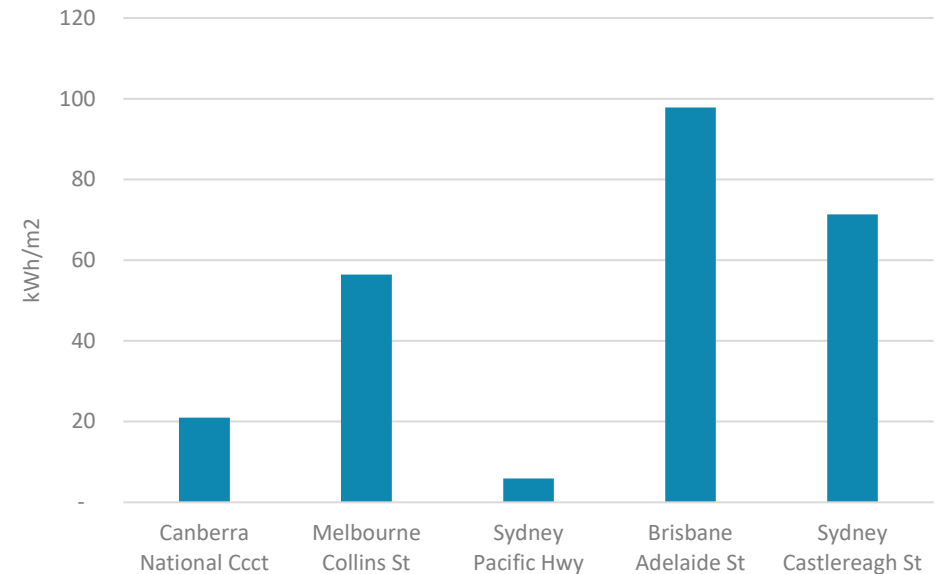


FIGURE 7: ENERGY INTENSITY PER M<sup>2</sup>, ACTIVE FACILITIES ONLY, FY 22-23

Figure 8 shows the percentage breakdown of carbon emissions by state. The total emissions per states is:

- VIC – 110t CO2-e
- NSW – 192t CO2-e
- QLD – 33t CO2-e
- ACT – 51t CO2-e

The total emissions emitted across the AUSTRAC portfolio from electricity consumption in FY 22-23 is 386t CO2-e.

The lease no longer occupied by the AUSTRAC, Sydney, Pacific Hwy contributed a total 5% (20t CO2-e) of emissions for FY 22-23.

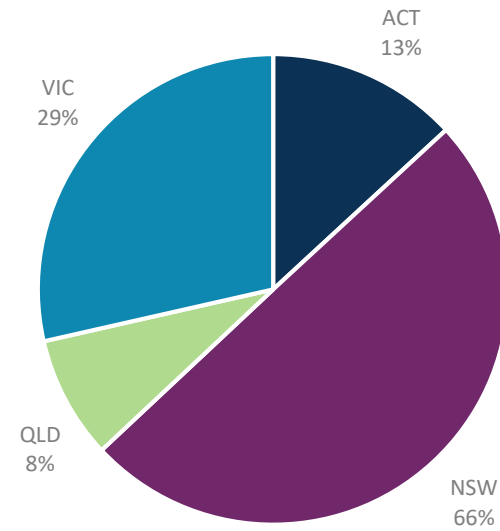


FIGURE 8: PERCENTAGE EMISSIONS BY STATE, FY 22-23

### 7.3 AUSTRAC Fleet

Figure 9 demonstrates total kilolitres of transport fuel across AUSTRAC’s fleet and the total carbon emissions related to each fuel type. AUSTRAC has one fleet-based petrol vehicle which uses a combination of petrol and E10 fuels. This vehicle is on lease to October 2024 at which time the lease will be terminated, meaning that AUSTRAC will no longer have fleet within its operational scope.

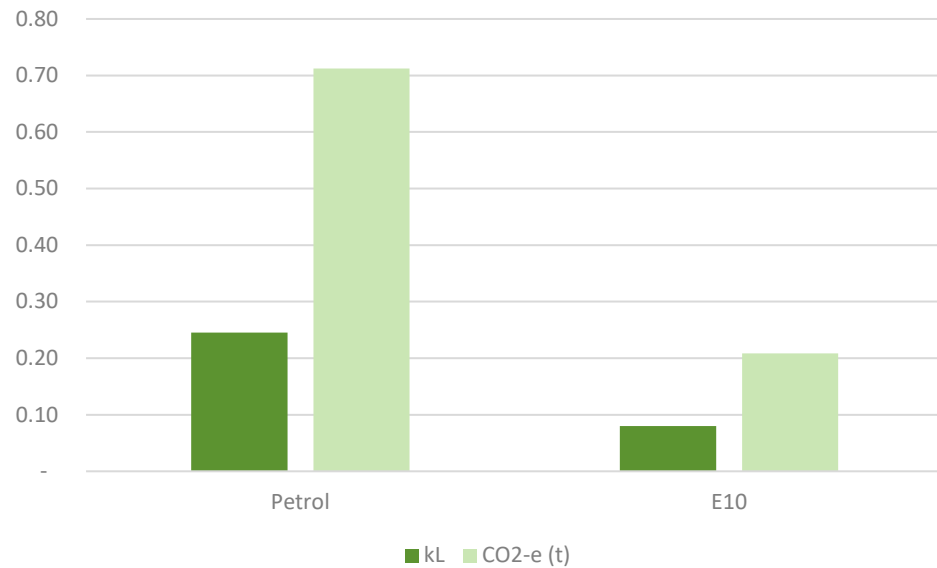


FIGURE 9: FUEL CONSUMPTION (KL) & EMISSIONS (T CO2-E), FY 22-23

In Figure 10, petrol was the highest consumed fuel, with 77% contributing to the total CO2-e for Fleet Vehicles. E10 fuel contributed the remaining 23% of total emissions.

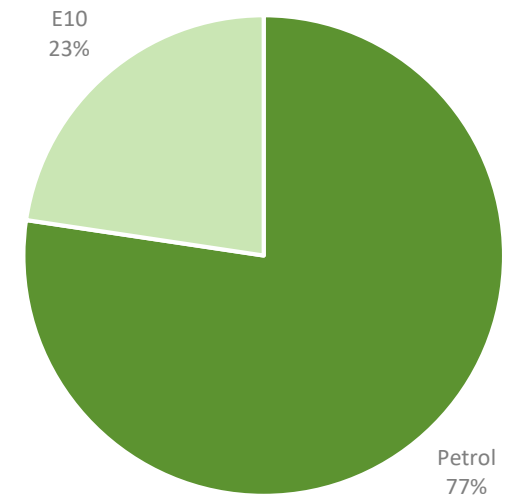


FIGURE 10: EMISSIONS BY FUEL TYPE (%), FY 22-23



## Emissions Intensity - Fuel

Figure 11 demonstrates the emissions intensity for each of the fuel types, with the below values setting a baseline for the AUSTRAC to measure change:

- Petrol – 2.90t CO<sub>2</sub>-e/kL
- E10 – 2.61t CO<sub>2</sub>-e/kL

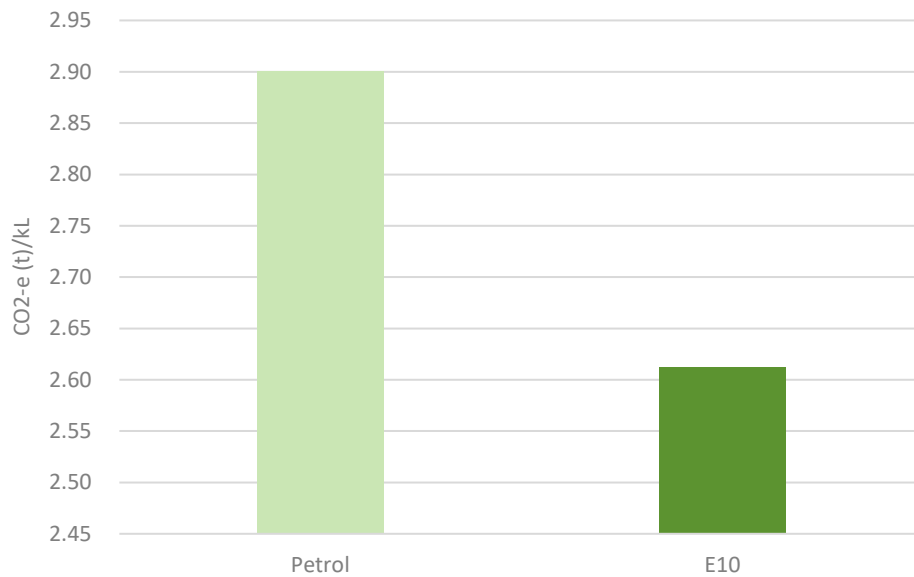


FIGURE 11: EMISSIONS INTENSITY BY FUEL TYPE, FY 22-23

The AUSTRAC's fleet contributed a total 0.92t CO<sub>2</sub>-e in FY 22-23, with 0.33 kilolitres of fuel consumed.

In Figure 12, petrol was the highest consumed fuel, with 0.25 kilo litres consumed contributing 0.71t CO<sub>2</sub>-e. A further .08 kilo litres of E10 fuel was consumed and contributed 0.21t CO<sub>2</sub>-e.

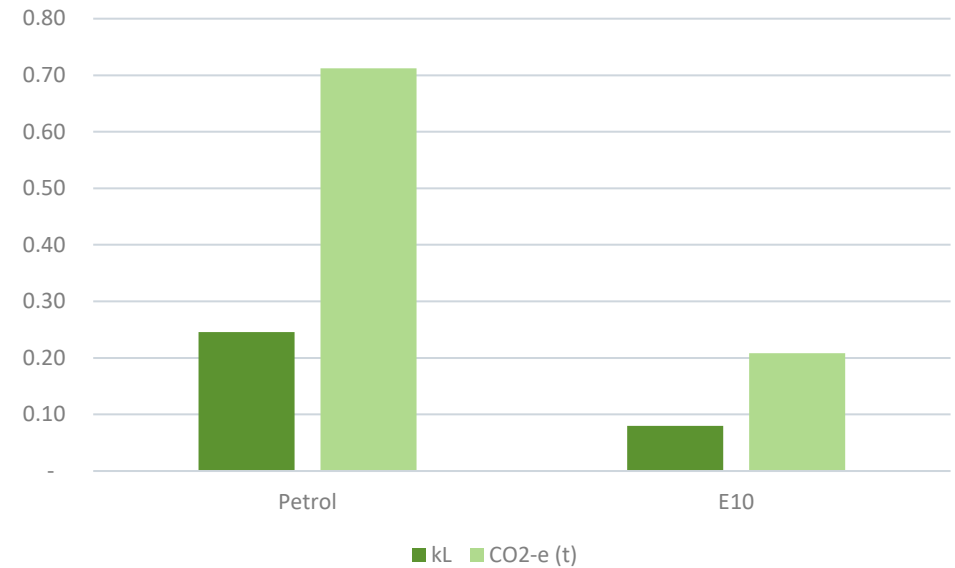


FIGURE 12: FUEL CONSUMPTION (KL) & EMISSIONS (T CO<sub>2</sub>-E), FY 22-23

## 7.4 AUSTRAC Travel

International air travel does not form a part of the emissions profile for AUSTRAC; however, it has been analysed in this section to provide a holistic view of activities undertaken by the entity that contribute to carbon emissions.

Given the nature of the work that the AUSTRAC perform for both the Australian Government agencies (typically Canberra based), industry partners, and regulated industries considerable air travel is required and cannot be replaced with alternative meeting forms due to security requirements.

Figure 13 demonstrates the number of flights taken in FY 22-23 and the associated t CO<sub>2</sub>-e for domestic and international air travel. The total number of flights taken within the AUSTRAC portfolio in FY 22-23 was 2,840, with 2,417 being domestic and 423 being international.

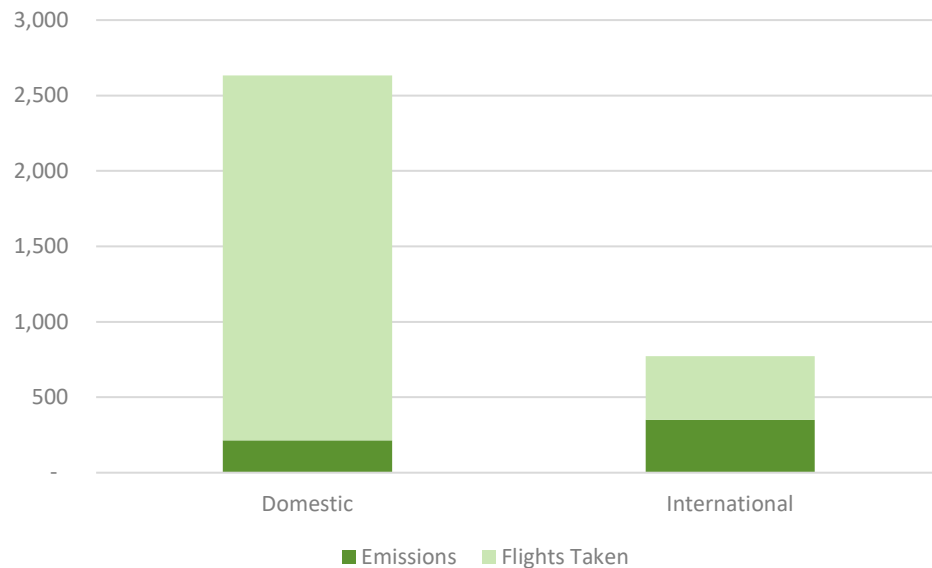


FIGURE 13: EMISSIONS (T CO<sub>2</sub>-E) AND NUMBER FLIGHTS TAKEN, FY 22-23

Figure 14 shows international air travel contributed to 62% (350t CO<sub>2</sub>-e) of total air travel-based emissions despite only being 15% of total flights booked in FY 22-23. Domestic air travel contributed to 38% (215t CO<sub>2</sub>-e) of total air-based travel emissions and equated to 85% of total flights booked. The total kilometres travelled by air was 3,125,397 producing a total 565t CO<sub>2</sub>-e in FY-22-23.

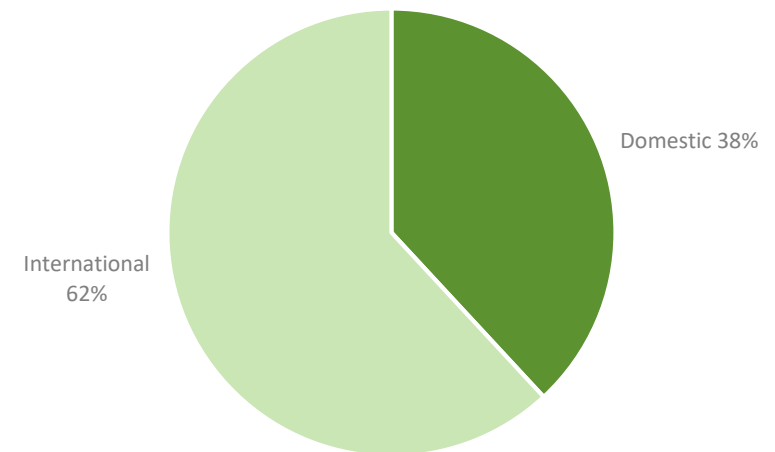


FIGURE 14: PERCENTAGE FLIGHT TYPE (T CO<sub>2</sub>-E) FY 22-23

In Figure 15, analysis of AUSTRAC's international and domestic air travel indicates 96% of all flights booked utilised economy class seating, 4% business class and less than 1% premium economy.

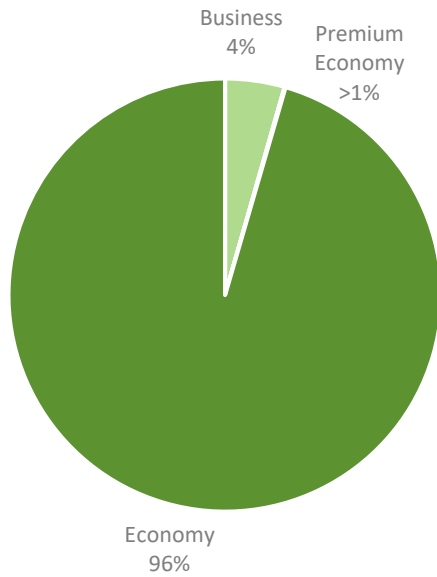


FIGURE 15: CABIN CLASS BOOKED (%), FY 22-23

Figure 16 represents the carbon emissions per kilo meter travelled by cabin class in FY 22-23. Business flights were the most intensive flights, producing 0.39kg CO<sub>2</sub>-e per kilo meter travelled. Premium Economy produced 0.23kg CO<sub>2</sub>-e per kilo meter travelled, with Economy being the least intensive at 0.14kg CO<sub>2</sub>-e per kilo meter travelled.

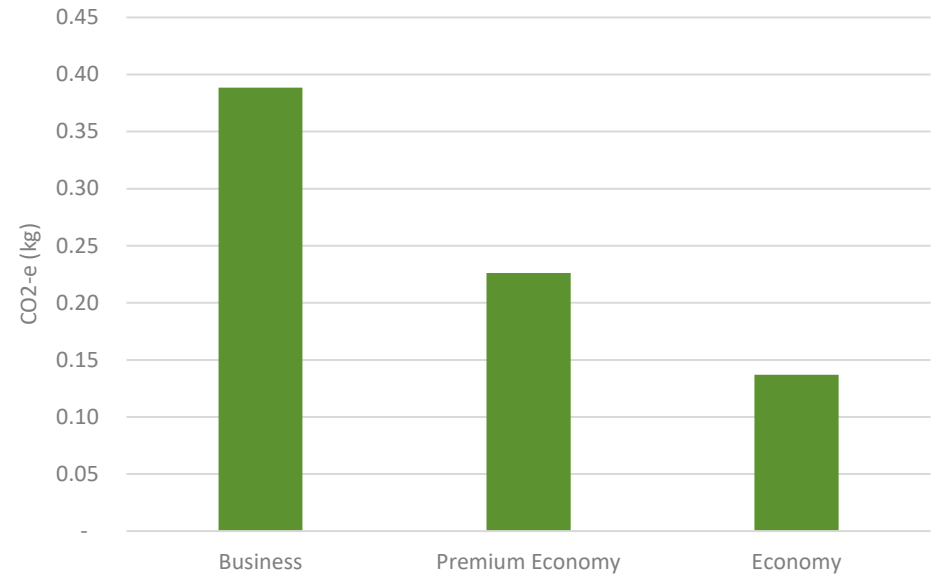


FIGURE 16: KGCO<sub>2</sub>-E PER KM TRAVELLED BY CABIN CLASS, FY 22-23

## Emissions Intensity – Domestic Air Travel

The emissions intensity of domestic air travel by cabin class is detailed in Figure 17 and provides AUSTRAC a baseline to measure future impact:

- Business class – 0.20kg CO<sub>2</sub>-e/km
- Economy class – 0.14kg CO<sub>2</sub>-e/km

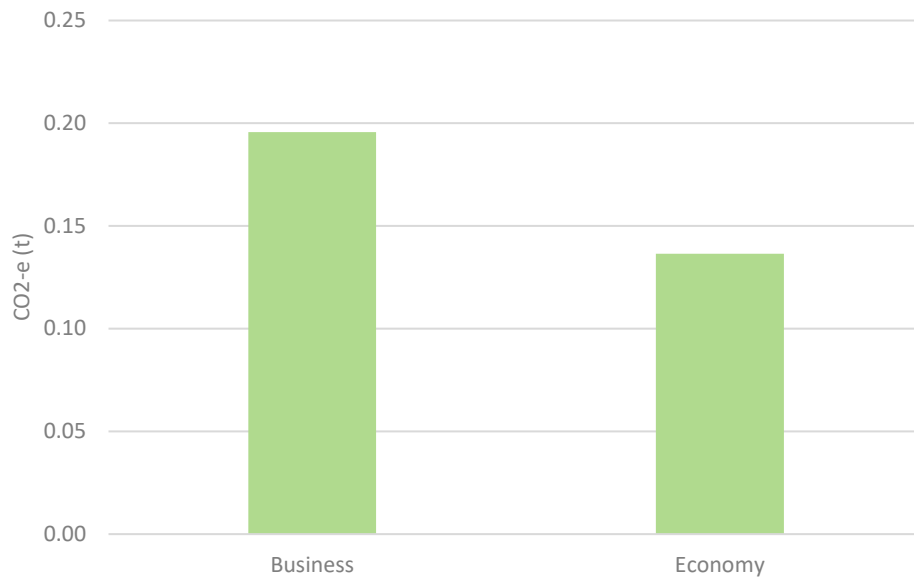


FIGURE 17: CARBON INTENSITY BY CABIN CLASS, FY 22-23

AUSTRAC’s domestic air travel, which is included in the total carbon emissions baseline, saw 2,417 flights taken, equating to 1,570,744km travelled in FY 22-23. Of this, 99% of flights were economy class (Figure 18), contributing to 213t CO<sub>2</sub>-e, and the remainder 1% were business class, contributing to 2t CO<sub>2</sub>-e of AUSTRAC’s total domestic carbon emissions.

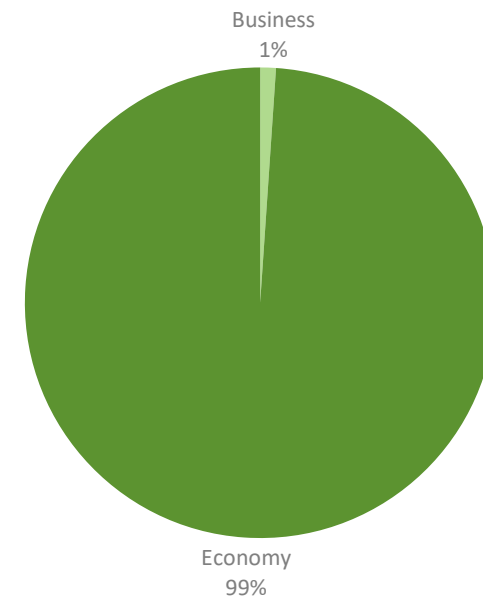


FIGURE 18: DOMESTIC FLIGHT BREAKDOWN BY CABIN CLASS, FY 22-23

## 7.5 Measuring Success

To assist in driving outcomes AUSTRAC's current operations were measured against each of the targets outlined in the Strategy and will assist to drive priorities and actions that reduce emissions as well as providing an understanding of AUSTRAC's current position.

### 7.5.1 Net Zero Buildings

TARGET	TARGET DATE	MEASURE	BASELINE 2023-24	NOTE
Office space leased for greater than four years, with an NLA >1000m2 achieve 5.5-star NABERS Energy rating (metro only) or 4.5-star rating in all other areas	1 Jul 2025	Percentage leased office space that meets this target	0%	Three of four AUSTRAC facilities are above 1,000m2 and will be required to participate in annual NABERS ratings
Refurbished office space with an NLA over 1000m2 achieves a 5.5-star NABERS Energy rating	1 Jul 2026	Percentage of leased office space that meets the target	NA	AUSTRAC have no planned works, however, will integrate this requirement into future refurbishments as required
Office space for purchase or construction, with a contract value of over \$15M will achieve a 4-star Green Star certification and maintain a 6-star NABERS Energy rating	1 Jul 2026	Percentage of applicable office space that meets the target	NA	AUSTRAC will maintain a leasing approach to all property and will not be undertaking major purchases or construction within its property portfolio
All new leases should prefer fully electric buildings, and where buildings have gas should have a long-term asset replacement program to electrify this excludes back-up generation	1 Jul 2024	Percentage of office space that meets the target	100%	All facilities are fully electric and compliant with the Strategy
Office space leased for greater than four years, with an NLA of >1000m2 contain a Green Lease Schedule	1 Jul 2025	Percentage of office space that meets the target	67%	Melbourne, Collins St and Sydney, Castlereagh St have GLS's in place  Canberra, National Circuit will require a GLS be developed
New office space >1000m2, purchased, leased, constructed, or refurbished to be separately metered (where practical), or install separate digital revenue metering where the Commonwealth occupies over 50% of the total building	1 Jul 2025	Percentage of office space that meets the target	75%	Three out of four facilities are individually metered and managed through the PSP, one is managed through the landlord with electricity apportioned as per the lease agreement

TARGET	TARGET DATE	MEASURE	BASELINE 2023-24	NOTE
Develop an Electric Vehicle Plan for all offices that have allocated parking or fleet	1 Jul 2024	Electric Vehicle Plan developed	NA	AUSTRAC has one fleet vehicle on lease to October 2024, at which time the lease will not be renewed due to cost effectiveness.
All office space with allocated parking or fleet have EV charging facilities	1 Jul 2025	Percentage of office space that meets the target	NA	AUSTRAC will not hold a fleet from October 2024 and is exempt from this requirement

## 7.5.2 Net Zero Energy

TARGET	TARGET DATE	MEASURE	BASELINE 2023-24	NOTE
80% of electricity procured by AUSTRAC, that is generated offsite, from renewable sources (where available)	1 Jul 2028	Percentage of electricity purchased from renewable sources	0%,	The current WoAG electricity contract does not offer green power purchase options.
100% of electricity procured by AUSTRAC, that is generated offsite, from renewable sources (where available)	1 Jul 2030	Percentage of electricity purchased from renewable sources	NA until target date	
AUSTRAC will participate in the Whole-of-Australian-Government electricity agreement as it becomes available	As per agreement rollout	Percentage of office space that is participating in the agreement	NA until arrangement is released	
AUSTRAC may consider behind the meter energy solutions, including solar installations or Power Purchase Agreements with solar contractors	NA	Percentage of sites with behind the meter energy solutions	25%, one facility	One facility has solar PV arrays, noting this is a multi-tenancy facility
AUSTRAC to develop a long-term asset replacement program for all non-essential gas or LPG assets	NA	Percentage of gas or LPG assets with a long-term asset replacement program in place	NA	All AUSTRAC facilities are fully electric and compliant with the Strategy

### 7.5.3 Net Zero Fleet and Travel

TARGET	TARGET DATE	MEASURE	BASELINE 2023-24	NOTE
50% of new passenger fleet orders to be low emissions vehicles (LEVs)	1 Jul 2024	Percentage of new passenger vehicles that are LEVs	NA	AUSTRAC will not hold a fleet post October 2024 and is exempt from this requirement
75% of new passenger fleet orders to be LEVs	1 Jul 2025	Percentage of new passenger vehicles that are LEVs	NA	AUSTRAC will not hold a fleet post October 2024 and is exempt from this requirement
Increase uptake and usage of the NABERS Energy tool within accommodation provider	NA	Number of providers within the travel booking system that disclose a NABERS Energy rating	Nil data available	

## 8 PRIORITIES AND ACTIONS

AUSTRAC's current sustainability measures are not sufficient to achieve net zero by 2030. To achieve net zero, targeted action on existing measures and the introduction of further or new measures is required.

To support a pathway to net zero the Plan has divided emissions related activities into the following three categories:

- Net Zero Buildings
- Net Zero Energy
- Net Zero Travel

Emissions reduction activities related to each of these categories and in alignment with the Net Zero Government in Operations Strategy will be identified in the following sections, with further detail in Sections 9 and 10 and Appendix.





## 8.1 Net Zero Buildings

The highest source of carbon emissions identified in the baseline of AUSTRAC's operations is associated with building electricity consumption. Reducing these emissions by improving energy efficiency and electrification represents the most achievable and cost-effective approach for AUSTRAC.

To assist this approach, the Net Zero in Government Operations Strategy identifies rating systems as an effective means to understand and reduce property-related emissions. To support this, entities are required to rate their properties over 1,000m<sup>2</sup> using the National Australian Built Environment Rating Scheme (NABERS) achieving set target rating based on either metropolitan or regional locations.

To further support ongoing reporting and emissions reduction targets AUSTRAC will ensure all projects and programs of works support a transition to low emissions assets and infrastructure and all new building or leases over 1,000m<sup>2</sup> are separately metered.

### Actions over the next five years:

1. Undertake all required NABERS ratings for buildings over 1,000m<sup>2</sup> as a means of benchmarking and improving energy performance.
2. Drive improved energy efficiency across the asset portfolio through improved data gathering and building analytics in line with the Net Zero in Government Operations Strategy.
3. Encourage emissions reductions actions in AUSTRAC's facilities by providing information and education to guide the behaviour of staff and contractors.
4. Drive sustainable, low emissions projects and programs of works across AUSTRAC's portfolio, reducing or eliminating associated operational emissions.

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## 8.2 Net Zero Energy

Reducing energy consumption through energy management strategies and improving energy efficiency is recognised as the most effective way for AUSTRAC to reduce its emissions.

The Net Zero in Government Operations Strategy has set a renewable electricity target of 80% of electricity procured is from renewable sources (where available) by 2028 and 100% by 2030. To achieve this target, the Department of Finance will establish a whole-of-Australian-Government arrangement for electricity procurement for use by entities. AUSTRAC commits to participate in this arrangement as it is rolled out nationally.

AUSTRAC's property portfolio is fully electric, with all future leases or builds needing to meet this requirement.

### Actions over the next five years:

1. Participate in the Whole-of-Australian-Government electricity supply arrangement as it becomes available across the various states of Australia.
2. Utilise NABERS ratings and data to pursue energy efficiency projects.

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### 8.3 Net Zero Fleet & Travel

The Australian Government has committed to reducing emissions by setting a target of 75% of new passenger vehicle purchases and leases to be low emissions vehicles by 2025. AUSTRAC is committed to supporting this target and will develop an EV charging plan and install EV charging, if necessary, as required by the strategy.

Transport fuels for AUSTRAC's corporate fleet contribute less than 1% of total emissions, with the current fleet consisting of one petrol vehicle. AUSTRAC proactively considered its current need for ongoing fleet vehicle requirements and has committed to terminating its fleet vehicle lease at the end of its current contract, 30 September 2024.

Air travel undertaken by AUSTRAC makes up approximately one quarter of baseline emissions and represents the second highest source of emissions for AUSTRAC based on FY 22-23, presenting some opportunities for reduced Scope 3 emissions.

#### Actions over the next five years:

1. Increase utilisation of NABERS Energy rating disclosed by accommodation providers, where overnight travel accommodation is required.
2. Further embed air travel rationalisation across the business.

## 8.4 Implementation Plan

The following section identifies 25 actions and delivery timeframe for the Emissions Reduction Plan to 2030. The implementation of the Emissions Reduction Plan will be subject to future annual budget and service priorities.

This is the inaugural Emissions Reduction Plan for AUSTRAC and will focus on actions with the highest emissions reduction impact to assist in meeting the 2030 target date.

In the implementation plan, each action has been categorised as to whether it directly reduces AUSTRAC's carbon emissions, influences other action, or innovates by enabling the integration of new or emerging technologies.

### IMPACT



An actions that directly results in reduction of AUSTRAC's carbon emissions.



### INFLUENCE




An action that seeks to influence or encourage emissions reduction of contractors, suppliers, staff or subsidiary business.











### INNOVATE

An action that enables the use or implementation of technologies that drive net zero outcomes.

### 8.4.1 Priority Area 1: Net Zero Buildings







ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029	
1.1	<p>Appoint a Chief Sustainability Officer within AUSTRAC to lead and embed sustainable outcomes across AUSTRAC's operations and in accordance with the Strategy.</p> <p>Commencement year and ongoing: 2024 (or upon appointment)</p> <p>Refer Section 10.1 for further information</p>	<p>Influence</p> 	AUSTRAC	→	→					
1.2	<p>Establish a Net Zero Working Group with AUSTRAC key stakeholders, leased property managers and leased property owners to establish strategies and boundaries for initiatives that can be undertaken by AUSTRAC and garner support from landlords to support and implement net zero initiatives that improve a facilities emissions performance.</p> <p>Commencement year and ongoing: 2024</p> <p>Working group schedule: Biannually at a minimum</p>	<p>Influence</p> 	<p>AUSTRAC Property</p> <p>PSP Leasing Services team</p> <p>Landlord(s)</p>	→	→					
1.3	<p>Implement Green Lease Schedules (GLS) for all leased properties with an NLA of &gt;1000m<sup>2</sup> and minimum 4-year lease term.</p> <p>Facilities that require a GLS include:</p> <ul style="list-style-type: none"> <li>Barton, National Cct</li> </ul> <p>The GLS will create a legal and management framework under which both parties, lessor, and lessee, are required to achieve and maintain the building environmental performance throughout the term of the lease. A mutually agreed GLS will assist AUSTRAC overcome barriers more effectively by allocating incentives and responsibilities for improved emissions reduction management across its leased portfolio.</p> <p>Commencement year and ongoing: 1 July 2025 and ongoing</p> <p>Refer Section 10.2 for further information</p>	<p>Influence</p> 	<p>AUSTRAC Property</p> <p>PSP Leasing Services team</p> <p>Landlord(s)</p>		→	→				

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
1.4	<p>Review existing GLS's to ensure they align to the Strategy and net zero 2030 target.</p> <p>Facilities that have existing GLS's in place include:</p> <ul style="list-style-type: none"> <li>Melbourne, Collins St</li> <li>Sydney, Castlereagh St</li> </ul> <p>Commencement year and ongoing: 2024</p> <p>Refer Section 10.2 for further information.</p>	<p>Influence</p> 	<p>AUSTRAC Property</p> <p>PSP Leasing Services team</p> <p>Landlord(s)</p>	→	→				
1.5	<p>Maintain an all-electric building portfolio, where a lease is entered into for office space, preference should be given to all-electric buildings, particularly if the Commonwealth is directly responsible for base building services costs.</p> <p>Commencement year and ongoing: 1 July 2024</p>	<p>Impact</p> 	<p>AUSTRAC Property</p> <p>PSP Leasing Services team</p>	→	→				
1.6	<p>Ensure all office refurbishments with an office space of &gt;1,000m<sup>2</sup> and leased for a minimum of four years will achieve 5.5-star NABERS Energy rating.</p> <p>As of 2024 there are no planned office refurbishments.</p> <p>This requirement will be factored into new refurbishment programs as they arise.</p> <p>Commencement year and ongoing: 1 July 2026</p> <p>Refer Section 10.3 for further information</p>	<p>Impact</p> 	<p>AUSTRAC Property</p> <p>PSP Sustainability team</p> <p>PSP Project Management team</p>			→			






ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
1.7	<p>Undertake annual NABERS Energy ratings for leased properties with an NLA of &gt;1,000m<sup>2</sup>, achieving a minimum 5.5-star rating for metropolitan facilities and 4.5-star rating for regional facilities.</p> <p>These facilities include:</p> <ul style="list-style-type: none"> <li>Barton, 4 National Cct</li> <li>Melbourne, Collins St</li> <li>Sydney, Castlereagh St</li> </ul> <p>Commencement year and ongoing annually: 2025</p> <p>Predicted emissions reduction: 0.69t CO<sub>2</sub>-e p.a.</p> <p>Predicted energy reduction: 877 kWh p.a. by meeting a 5.5-star NABERS Energy rating</p> <p>Ventia Sustainability will continue to manage AUSTRAC's NABERS ratings on an ongoing annual basis.</p> <p>Refer Section 10.4 for further information.</p>	<p>Impact</p> 	<p>AUSTRAC Property PSP Sustainability team</p>						
1.8	<p>Undertake Type-2 Energy Audits at facilities that are identified as having high energy intensity, with the audits used to identify energy efficiency solutions for implementation.</p> <p>Facilities that have a high energy intensity include:</p> <ul style="list-style-type: none"> <li>Brisbane, Adelaide St</li> </ul> <p>Estimated investment: up to \$5,000 per facility<sup>1</sup>, plus project implementation costs</p> <p>Predicted ongoing emissions reduction (at 10% total reduction<sup>2</sup>): 44t CO<sub>2</sub>-e p.a.</p> <p>Predicted energy reduction: 53,226kWh p.a.</p> <p>Refer Section 10.5 for further information.</p>	<p>Influence</p> 	<p>AUSTRAC Property PSP Sustainability team</p>						

<sup>1</sup> Cost is dependent on location (travel requirements), size, and facility complexity.






<sup>2</sup> This is a conservative value. Energy audits typically identify energy reduction opportunities that reduce overall consumption by up to 20%.

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
1.9	<p>Utilise timer functions on boiled/chilled water units</p> <p>This action is a recommendation from the Type-2 Energy audit conducted in 2024 at:</p> <ul style="list-style-type: none"> <li>Sydney, Castlereagh St</li> </ul> <p>Estimated investment: \$2,550</p> <p>ROI: 1.8 years</p> <p>Estimated savings: \$1,421 p.a.</p> <p>Ongoing emissions reduction: 4.6t CO<sub>2</sub>-e p.a.</p> <p>Ongoing energy reduction: 6,342kWh p.a.</p> <p>Refer to Section 9 for detail resulting from the Type-2 Energy audit</p> <p>Refer Section 10.6 for potential rebates available to AUSTRAC to support this program of works</p>	Impact 	AUSTRAC Property PSP Sustainability team PSP Project Management team						
1.10	<p>Investigate optimisation of thermostat setpoints in ICT room</p> <p>This action is a recommendation from the Type-2 Energy audit conducted in 2024 at:</p> <ul style="list-style-type: none"> <li>Sydney, Castlereagh St</li> </ul> <p>Estimated investment: \$1,013</p> <p>ROI: 1.9 years</p> <p>Estimated savings: \$529 p.a.</p> <p>Ongoing emissions reduction: 1.7t CO<sub>2</sub>-e p.a.</p> <p>Ongoing energy reduction: 2,359kWh p.a.</p> <p>Refer to Section 9 for detail resulting from the Type-2 Energy audit</p> <p>Refer Section 10.6 for potential rebates available to AUSTRAC to support this program of works</p>	Impact 	AUSTRAC Property PSP Sustainability team PSP Project Management team						
1.11	<p>Investigate optimisation of lighting controls through a feasibility assessment to increase daylight harvesting to offset artificial lighting.</p> <p>This action is a recommendation from the Type-2 Energy audit conducted in 2024 at:</p> <ul style="list-style-type: none"> <li>Sydney, Castlereagh St</li> </ul> <p>Refer to Section 9 for detail resulting from the Type-2 Energy audit</p>	Impact 	AUSTRAC Property PSP Sustainability team PSP Project Management team						




ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
1.12	<p>Investigate, where appropriate Lighting as a Service or HVAC as a Service options to reduce capital expenditure.</p> <p>See Section 9 for further details</p> <p>Commencement year: as required by AUSTRAC</p> <p>Refer to Section 10.7 and 10.8 for further information.</p>	<p>Innovate</p> 	AUSTRAC Property		→				
1.13	<p>Replace low efficiency kitchen appliances with high efficiency appliances, supporting reuse, recycling, and donation schemes to keep items from being sent to landfill.</p> <p>Commencement year: as required and in accordance with asset replacement policy</p> <p>Refer to Section 9 for detail resulting from the Type-2 Energy audit</p> <p>Refer to Section 10.6 for potential funding opportunities that can be used to support these works.</p>	<p>Impact</p> 	AUSTRAC Property	→					
1.14	<p>Maintain current hot desk practices where operational and security requirements will not be impacted.</p> <p>Commencement year: 2025</p> <p>Refer Section 10.9 for further information</p>	<p>Influence</p> 	AUSTRAC Property AUSTRAC ICT		→				
1.15	<p>Retire old ICT equipment and replace with new high efficiency systems at end of life.</p> <p>Investigate the option to transition dual monitors to single curved monitors with an ultra-wide aspect ratio to reduce energy consumption.</p> <p>Investigations undertaken by DCCEEW<sup>3</sup> indicate on average ICT equipment (monitors and computers combined) attribute approximately 35% of total energy consumption, with monitors forming 25% of this total value.</p> <p>Commencement year: as required and in accordance with ICT policy</p>	<p>Impact</p> 	AUSTRAC Property AUSTRAC ICT	→					
1.16	<p>Where applicable, transition to cloud-based servers to reduce energy consumption associated with server rooms.</p> <p>Commencement year: as required and in accordance with ICT and privacy policies</p>	<p>Impact</p> 	AUSTRAC Property AUSTRAC ICT	→					



<sup>3</sup> <https://www.dcceew.gov.au/sites/default/files/documents/determining-office-tenancies-energy-end-use.pdf> (P. 35 & P. 38)

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
1.17	<p>Support the use of existing end of journey facilities for employees and investigate opportunities to improve low/no emissions staff commute.</p> <p>Note: Employee guidelines should be implemented in accordance with building lease requirements to mitigate any fire risks associated with E-bikes or E-scooters.</p> <p>Commencement year and ongoing: 2024</p>	Influence 	AUSTRAC Property PSP WoAG FM team	→	→				
1.18	<p>Integrate sustainability education programs for all AUSTRAC employees through a range of mediums including:</p> <ul style="list-style-type: none"> <li>• Induction training</li> <li>• Internal newsletters</li> <li>• Good news stories</li> <li>• Accessing related awareness/training resourcing available via the APS Academy</li> </ul> <p>Embedding sustainability KPIs into performance plans will also be investigated to further support the achievement of net zero for AUSTRAC.</p> <p>Commencement year and ongoing: 2025</p> <p>Refer to Section 9 for detail resulting from the Type-2 Energy audit</p> <p>Refer Section 10.10 for further information.</p>	Influence 	AUSTRAC People and Culture		→	→			
1.19	<p>Participate in Earth Hour to show AUSTRAC's support for net zero and climate action with consideration to operational requirements at sites which may limit the extent of implementation</p> <p>Commencement year and ongoing: 2025 (March) and ongoing</p>	Influence 	AUSTRAC Property PSP WoAG FM team		→	→			
1.20	<p>Investigate new and emerging technologies that support AUSTRAC's transition to net zero buildings, as they become available and viable.</p> <p>Commencement year and ongoing: 2024</p>	Innovate 	AUSTRAC Property PSP Projects team PSP Sustainability team		→	→			
1.21	<p>Support net zero programs of works across AUSTRAC's property portfolio when made available through the Department of Finance.</p> <p>Commencement year: as released by the Department of Finance</p>	Influence 	AUSTRAC Property Department of Finance						

### 8.4.2 Priority Area 2: Net Zero Energy

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
2.1	<p>Participate on the Whole-of-Australian-Government electricity agreement as available based on the below timeframe:</p> <ul style="list-style-type: none"> <li>1 July 2025 – New South Wales, Australian Capital Territory, &amp; Victoria</li> <li>1 Jan 2029 – Queensland</li> </ul> <p>All AUSTRAC properties will participate in this Green Power purchase scheme to ensure all electricity consumed is from renewable sources (where applicable and available).</p> <p>Projected emissions reduction: 366t CO<sub>2</sub>-e p.a. by 2030</p> <p>Commencement year: as detailed above and released by the Department of Finance</p> <p>Refer to Section 10.11 further information.</p>	<p>Impact</p> 	<p>AUSTRAC Property</p> <p>PSP Sustainability team</p>		→				→



### 8.4.3 Priority Area 3: Net Zero Travel

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2024	2025	2026	2027	2028	2029
3.1	<p>Develop a Sustainable Travel Policy that prioritises sustainable travel and low emissions travel. Sustainable travel and low emissions travel may include rail, shared ride services, electing low emissions travel options and purchase of carbon offsets.</p> <p>Commencement year: 2025 for ongoing implementation</p>	<p>Influence</p> 	AUSTRAC Travel		→	→			
3.2	<p>Air travel rationalisation and guidelines to support reduced travel needs, utilising online meeting platforms where security is not at risk. Influence interagency meeting scheduling to batch face-to-face meetings where feasible.</p> <p>Commencement year: by consideration</p> <p>Refer Section 10.12 for further information</p>	<p>Impact</p> 	<p>AUSTRAC Travel</p> <p>AUSTRAC employees</p>		→	→			

#### 8.4.4 Net Zero Carbon Abatements

AUSTRAC recognise that some business operation activities are unavoidable and cannot be reduced through means identified in the previous three tables. As such abatements will need to be purchased on an ongoing annual basis. As these costs apply annually, this highlights the importance the focus on reducing emissions across all of AUSTRAC’s operations and property portfolio.

The abatements are managed through the Australian Carbon Credit Unit (ACCU), operating on a market spot price, which was positioned at \$35.85 on 21 Mar 2024 and used to calculate the below estimated abatement costs. Further detail can be referenced in Section 10.13 of this Plan.

ACTION #	ACTION DETAIL	ACTION TYPE	INVOLVED PARTICIPANTS	2030
4.1	<p>Abatements for Net Zero buildings will apply to all data sources that are reported in the Net Zero Carbon Reporting Tool and will only apply after from 2030. Potential future expansion of sites and personnel within the AUSTRAC portfolio has not been included in the abated carbon emissions.</p> <p>Commencement year and ongoing: 2030</p> <p>Estimated total emissions abatement: 215t CO2-e</p> <p>Estimated total abatement cost: \$7,707p.a.</p>	<p>Impact</p> 	<p>AUSTRAC Property</p> <p>AUSTRAC Finance</p>	

EMISSIONS SOURCE	CURRENT EMISSIONS (t CO2-e)	ESTIMATED EMISSIONS 2030 (t CO2-e)	COST (\$)	NOTE
Electricity	386	0	\$0	<p>Electricity, when connected to the whole-of-Australian-Government electricity agreement will be from GreenPower, abating all carbon emissions.</p> <p>The Type-2 Energy audit identified 6.4t CO2-e reduction initiatives.</p> <p>If all relevant facilities were to achieve a 5.5-Star Energy NABERS rating it would reduce its total emissions by 0.69t CO2-e.</p>
Transport Fuel	1	0	\$0	AUSTRAC will not be maintaining its current fleet
Flights (domestic only)	215	215	\$7,707	Figure based on FY 22-23 domestic flight data

## 9 TYPE-2 ENERGY AUDIT

A Type-2 Energy Audit was completed for AUSTRAC in May 2024 for the purposes of identifying energy efficiency programs of works that AUSTRAC could undertake to support the implementation of the Plan and achievement of net zero, whilst also realising savings through the reduction of energy consumption.

The Type-2 Energy Audit is done in compliance with AS/NZS 3598:2014. As a part of the Audit Ventia Sustainability undertook the following activities:

- **Data Collation and Desktop Review**
  - Analysis of historical energy data trends at the facility (inc. utility invoices)
  - Liaison with facility management to gain insight into the facility's operations (i.e. management, equipment, and environmental use/management).
- **Facility Assessment**
  - Conducted a facility inspection on 10th May 2024, to investigate the facility's operations and energy performance down to an asset level.
  - Verified findings from desktop review, identified areas for improvement, and resultant energy saving initiatives.
- **Analysis and Identification of Opportunities**
  - Findings from the facility assessment and desktop review used to establish a baseline in energy performance for which improvements can be measured.
  - Energy saving potential analysis conducted and used to identify energy efficiency opportunities, including cost of implementation and payback periods.
- **Energy Audit Report**
  - Includes a detailed range of energy saving recommendations (inc. estimated investment costs, savings, and return on investment)
  - The identification and development of capital investment or maintenance initiatives that consider the facility structure, materials, and operations.
  - The identification and recommendation of energy management opportunities which could be supported through staff or supplier engagement programs.

### 9.1 Energy Saving Opportunities

This section covers energy saving opportunities aimed at reducing energy consumption, emissions, and/or expenditure by offering operational improvements and/or capital works. The main emissions saving opportunities identified at AUSTRAC 323 Castlereagh Street, Haymarket, Sydney are geared towards operational improvements as summarised below.

ENERGY OPPORTUNITY	ENERGY SAVINGS (KWH PA)	GHG SAVINGS (TCO <sub>2</sub> -E PA)	SAVINGS (\$ PA)	COST (\$)	PAYBACK (YEARS)
Utilise Timer Modes on Boiling Chilled Water Units	6,342	4.6	\$1,421	\$2,550	1.8
Optimise Thermostat Setpoints in ICT Room	2,359	1.7	\$529	\$1,013	1.9
<b>Total</b>	<b>8,701</b>	<b>6.4</b>	<b>\$1,950</b>	<b>\$3,563</b>	<b>1.8</b>

Implementing the recommended measures outlined in the report will reduce the greenhouse gas (GHG) emissions by 6.4t CO<sub>2</sub>-e, which equates to over 4.2% reduction in the overall GHG emissions for the facility. It is evident that optimising the controls for the hot water appliances and thermostat setpoints will have the largest emissions reduction impact at the facility over the coming years.

The cost savings account for both energy and maintenance cost savings that will be realised through reduced replacement costs, energy efficiency, and labour. Energy savings estimates are based on the average delivered electricity in 2023 (obtained from consumption data provided by AUSTRAC): 0.22 \$/kWh for electricity.

The greenhouse gas emissions (GHG) savings is based on scope 2 and 3 GHG factors from the Australian National Greenhouse Accounts Factors - August 2023 respectively. In New South Wales (NSW), this is 0.73kg CO<sub>2</sub>-e/kWh for electricity<sup>4</sup>.

Implementation cost estimates associated with the recommendations allow for the provision of contractor services including the purchase, supply, installation, and commissioning of equipment (excluding GST). Cost estimates do not include associated

<sup>4</sup> <https://www.dceew.gov.au/climate-change/publications/national-greenhouse-accounts-factors-2023>

building works, electrical upgrades, consulting, and project management fees, where applicable.

Whilst every effort has been made to provide accurate budget cost estimates, Ventia has no control over the cost of labour, materials, equipment, or contractor’s methods for determining prices. As actual project costs will depend on the method of procurement and market conditions at the time of implementation, Ventia cannot and does not guarantee that proposals, bids, or actual construction costs will not vary from its cost estimates.

### 9.1.1 Integrate Timer Function on Boiling, Chilled Water Units

ENERGY OPPORTUNITY	ENERGY SAVINGS (KWH PA)	GHG SAVINGS (TCO <sub>2</sub> -E PA)	SAVINGS (\$ PA)	COST (\$)	PAYBACK (YEARS)
Utilize timer modes on Boiling Chilled Water units (~3 units)	6,342	4.6	\$1,421	\$2,550*	1.8
<b>Subtotal</b>	<b>6,342</b>	<b>4.6</b>	<b>\$1,421</b>	<b>\$2,550</b>	<b>1.8</b>

\* Includes allowance for additional inspections to be carried out quarterly throughout the year.

A low-cost opportunity was identified with the existing Billi boiling, chilled water units (see Figure 19). Utilising the inbuilt energy saving features within the Billi units will help reduce heating loads when the facility is unoccupied, each unit has a self-learning timer (EcoIntelligence) and a standby mode. This timer learns the user’s behaviour over a period of time (up to one month) and pre-empts the need for water throughout each 24-hour period over a week. When the self-learning timer is enabled, the unit will enter standby if no water is expected to be used for a 3 hour or more period. The unit will shut down completely if no water is expected to be used for a 6 hour or more period<sup>5</sup>.

An estimated 1.2% reduction on annual electrical consumption for the facility is expected if a timer mode is implemented on the hot water appliances (assuming no timer modes are currently in place). It is recommended that a competent technician is tasked with setting up the appropriate timer modes on all BCWU’s throughout the office, and scheduled to revisit after a period of time to confirm the timer function is working effectively.



FIGURE 19: UNDER SINK BILLI BOILING, CHILLED WATER UNITS

<sup>5</sup> <https://www.billi.com.au/product/billi-quadra-compact-with-xl-levered-dispenser/>

### 9.1.2 Optimisation of ICT Thermostat Setpoints

ENERGY OPPORTUNITY	ENERGY SAVINGS (KWH PA)	GHG SAVINGS (TCO <sub>2</sub> -E PA)	SAVINGS (\$ PA)	COST (\$)	PAYBACK (YEARS)
Optimise Thermostat Setpoints in ICT Room (~2 units)	2,359	1.7	\$529	\$1,013*	1.9
<b>Subtotal</b>	<b>2,359</b>	<b>1.7</b>	<b>\$529</b>	<b>\$1,013</b>	<b>1.9</b>

\* Includes allowance for additional inspections to be carried out quarterly throughout the year.

The thermostat setpoint range in office buildings impacts both occupant thermal comfort and energy consumption. With a specific focus on the ICT server rooms, the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) guidelines recommend that server room temperatures can be safely set between 18-27 degrees Celsius (°C), with allowable temperatures at the air inlet of up to 32°C under certain conditions<sup>6</sup>. Adjusting the thermostat setpoints in comms/server rooms is a highly effective energy saving initiative that can significantly reduce the overall energy usage within an office space. The temperature setpoints on the computer room air conditioning (CRAC) units noted during the facility visit at 21.9°C, see Figure 19.

By incrementally raising the server intake temperature to 25°C, while adhering to ASHRAE guidelines which will allow up to 27°C, the cooling load will be substantially reduced which will reduce the power consumption of the cooling system. It is advised a technician is employed to adjust the temperature setpoints and an allowance made for a review quarterly throughout the year.

#### Benefits of higher temperature set points:

- Reduce the cooling load and lead to significant energy savings as the cooling system will consume less electricity, lowering energy usage and costs.
- Operating the ICT equipment within the recommended temperature range will enhance the operational efficiency of IT equipment and help prevent any overheating.

<sup>6</sup> [https://www.ashrae.org//File%20Library/Technical%20Resources/Bookstore/ASHRAE\\_TC0909\\_Power\\_White\\_Paper\\_22\\_June\\_2016\\_REVISIED.pdf](https://www.ashrae.org//File%20Library/Technical%20Resources/Bookstore/ASHRAE_TC0909_Power_White_Paper_22_June_2016_REVISIED.pdf)

- Reducing the energy usage of the cooling system will contribute to reducing the facilities emissions, supporting sustainability and decarbonization goals.

It is important to note that Relative Humidity (RH) levels are maintained within the recommended 40- 60% range. The RH was noted as 64.7%, as shown on Figure 20, indicating that this condition setting needs to be updated. Maintaining the RH within the recommended range will avoid any excessive cooling, but also prevent any of the IT equipment experiencing corrosion.



FIGURE 20: DISPLAY ON CRAC UNITS 1 AND 2 INDICATING TEMPERATURE AND RELATIVE HUMIDITY SETPOINTS.

### 9.1.3 Optimising Lighting Controls

All of the lighting systems at the tenancy during the facility visit was noted as different variations of LED lighting systems. These included (~78) tube LED light fitting, (~345) LED downlights and (~100m) of LED strip lighting, see Figure 21. As a result, no upgrades are needed to the lighting systems, but optimising the lighting controls can increase the efficiency of the lighting throughout the office.



FIGURE 21: LED DOWNLIGHTS (LEFT) AND LED STRIP LIGHT FITTING (RIGHT)

As offices are becoming more intermittently occupied with the rise of employees working remotely, utilising occupancy-driven lighting controls can be a cost-effective solution to combat increasing energy costs.

Timer controls automate lighting based on preset schedules, it is recommended to optimising the timer controls with the existing occupancy sensors to ensure lights are turned off within 20-30 minutes of the area becoming unoccupied, which will reduce energy consumption.

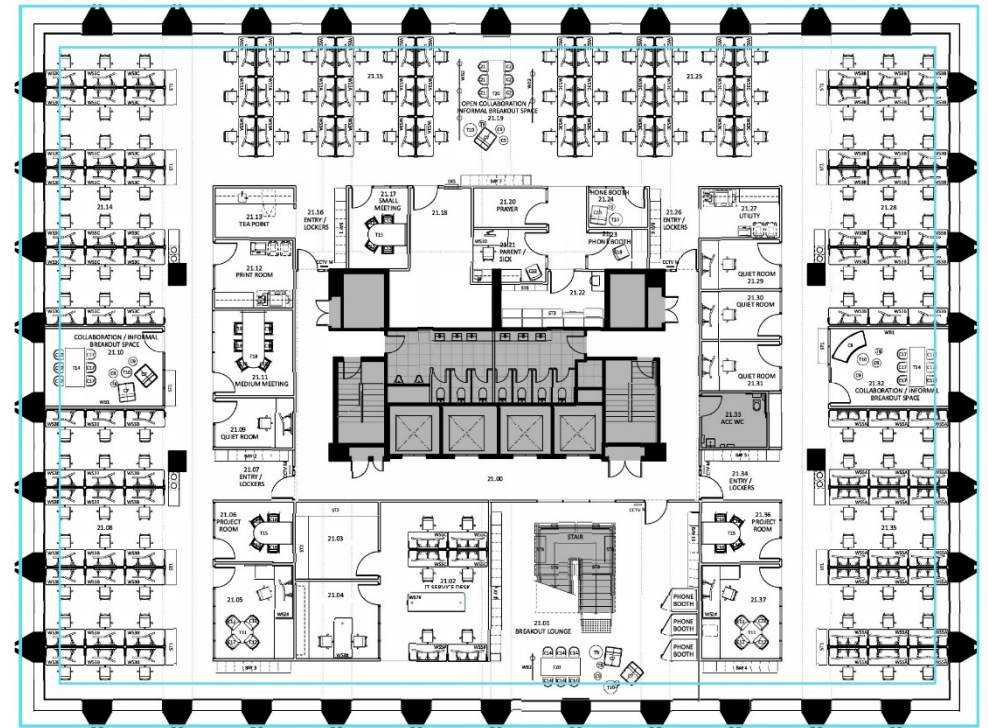


FIGURE 22: FLOOR PLAN FOR LEVEL 21 WHICH SHOWS THE EXTENSIVE WINDOW AREA (HIGHLIGHTED IN BLUE) AROUND THE OFFICE SPACE



Given the office's extensive window area (see Figure 22 above), daylight-responsive controls can significantly reduce the need for artificial lighting specifically for workstations or corridors located near the window area. As per Figure 23, which shows the number of LED downlights (artificial lights) adjacent to the windows along a corridor in the office. Photoelectric (PE) sensors monitor ambient light and adjust indoor light accordingly by dimming or switching off lights when sufficient daylight is available in the area. This measure will reduce energy consumption but also enhance employee well-being. Natural light presents a more pleasant working environment compared to artificial light. Maintaining a comfortable indoor environment is critical for employee wellbeing, it is recommended that once the issue regarding the indoor temperatures is resolved, that a feasibility assessment is undertaken by a qualified engineer to determine this lighting control for the AUSTRAC office.

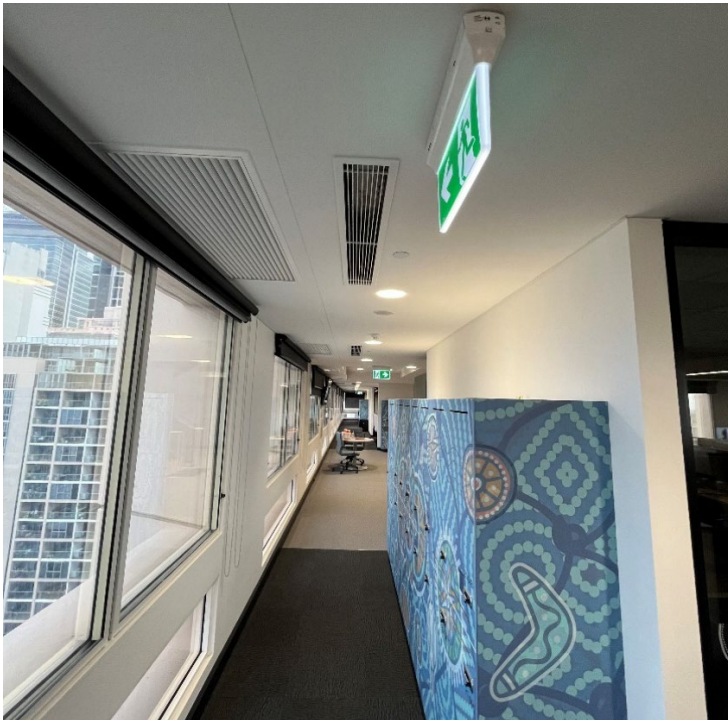


FIGURE 23: PHOTOELECTRIC SENSOR OPPORTUNITY WITH DOWNLIGHTS ADJACENT TO WINDOWS ALONG CORRIDOR

#### 9.1.4 Staff Awareness & Behavioural Changes

Increasing the awareness of energy management and sustainability practices to staff throughout the office can make a significant impact on reducing operational energy costs. This can be achieved by:

- Hosting seminars, workshops, or presentations to educate employees about energy saving practices such as turning off lights and equipment when not in use, adjusting thermostats responsibly, and using energy efficiency equipment.
- Assigning an energy officer to take responsibility for implementing signage and reminders throughout the office space to encourage energy-saving behaviours will ensure that measures are rolled out onsite.
- Developing an energy policy that outlines the office/company's commitment to reduction in energy & emissions and sets out specific goals for improvement. This can be a useful tool to motivate employees with implementing measures and achieving reduction targets.

### 9.1.5 Improving Equipment Efficiency

Plug loads, computer monitors, printers, and laptops etc, account for a significant amount of energy consumption within office tenancies. Implementing some of the following low-cost measures can help reduce this demand:

- Configure computers and office equipment (e.g. printers) to enter sleep or low-power modes when not used for a period of time.
- To prevent standby power consumption, encourage employees to unplug unused equipment. Use power strips for office equipment, which can be easily turned off at the end of the day.
- Establish a procurement policy that prioritises energy efficient equipment and products towards the end of asset life, e.g. replacement 6 star rated dishwasher. During the site visit, a 3.5-star rated fridge was noted at a tea point, see Figure 24.



FIGURE 24: 3.5-STAR ENERGY RATED FRIDGE LOCATED AT A TEA POINT.

### 9.1.6 Considered but Not Recommended

The following initiatives were identified, investigated, and considered through the energy audit process but are not yet recommended for implementation:

- **Solar photovoltaic (PV) system** implementation is not currently recommended at the site as installing a solar PV system on a leased office space requires extensive coordination with the building landlord. This involves negotiating for roof space, conducting structural and electrical assessments to ensure the roof can support the weight and installation of solar panels. A qualified engineer would need to conduct a feasibility study for solar PV, to ensure the tenancy duration aligns with the return on investment. As such, it is not a viable solution for the tenancy.



FIGURE 25: ROOFSpace AVAILABILITY FOR SOLAR PV AT 323 CASTLEREAGH STREET, HAYMARKET, SYDNEY.

- **LED lighting** is already installed throughout the tenancy. As such, no further lighting upgrades are recommended at this time, however optimising the existing lighting controls is noted in section 9.1.3. While the current LED lighting is already energy efficient, it is important to note that advancements in LED technology continue to emerge. Future technological improvements in LED design and development will likely offer additional energy savings in the years to come.
- Following the completion of a tenancy retrofit project in 2022, the **building thermal efficiency** at the AUSTRAC Sydney building was noted as being of a high standard and any additional upgrades are deemed unnecessary.

## 10 FURTHER INFORMATION

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## 10.1 Implementation of Plan and FTE requirements

The Plan steps out a range of actions that AUSTRAC should consider, assisting it in the achievement of Net Zero. Whilst this Plan has set out a range of measures to 2030, as a security agency, AUSTRAC is not required to meet Net Zero until 2050.

As identified in the action plan, point 1.1, AUSTRAC will appoint a Chief Sustainability Officer who will be responsible for leadership in embedding sustainability across business operations. They will be required to prioritise identified actions within this Plan and operationalise these with the identified stakeholders. In the first instance, it is not anticipated that this will extend beyond 1 FTE to manage the outcomes of this Plan, however as the operational remit of AUSTRAC is set to expand, so too will the requirements of this position and subsequent assistance for delivery, with FTE allocation equivalent to the proposed changes.

Further to this the PSP will support AUSTRAC's transition to net zero by the following means, alleviating workload from AUSTRAC:

- PSP Sustainability teams, as per the additional services clause within the WoAG Deed can undertake many of the investigations and feasibility assessments identified within this Plan, providing detailed recommendations and next steps to AUSTRAC, inclusive of projects and programs of works.
- Where projects and programs of works are recommended and approved by AUSTRAC, the PSP Project Delivery team will support AUSTRAC in ensuring the requirements of the Strategy are embedded in all documented scopes and approaches to market. Consideration will be given to long-term sustainable outcomes, and these will form a part of the contractor/supplier recommendations for consideration prior to contract award.
- PSP Facilities Management Services will support the outcomes of the Strategy by ensuring facilities are operating at optimal levels, making recommendations where identified and appropriate to improve operational efficiencies.
- PSP Leasing Services will support the outcomes of the Strategy by ensuring all new leasing recommendations are in accordance with the Strategy.

To ensure adequate FTE is allocated to the requirements of the Plan and Strategy, AUSTRAC may support the option for a third-party review to determine actual FTE requirements and associated costs.

## 10.2 Green Lease Schedules

Green Lease Schedules (GLS) were introduced by the Energy Efficiency in Government Operations (EEGO) policy as a means of establishing mutual obligations for tenants and owners to achieve efficiency targets.

Each GLS will vary according to the size and nature of the lease, with more comprehensive requirements for larger tenancies due to the emissions value associated with these facilities.

The GLS should establish a mechanism that is functional and capable of delivering positive environmental outcomes. To assist these outcomes the following five elements should be included:

- Targeted environmental performance standards
- Metering and data reporting requirements
- Sustainable management plan
- Building management committee
- Remedial action/ dispute resolution regime

Further information is available here:

<https://www.energy.gov.au/sites/default/files/tenants-guide-to-green-leases-2012.pdf>

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### 10.3 Office Refurbishments

To achieve 5.5-star NABERS Energy ratings upon completion of an office refurbishment, it is imperative that sustainable outcomes are integrated into the design through the engagement of suitably qualified architects.

AUSTRAC notes that it will endeavour to embed sustainable energy efficient design into its projects, however where it has no operational control of energy intense infrastructure, this must be considered in the NABERS Energy rating process.

Where practicable the following will be embedded:

- LED lighting
- Lighting controls including daylight and occupancy sensors
- Window furnishing to reduce heat loss/gain
- BMS upgrades/optimisation to improve office energy consumption
- Airconditioning lock out controls to system from operating outside of optimal range
- Install energy efficient IT equipment
- Where feasible, implement hot desk systems with a minimum ratio of 1.5:1 employee: desk, coupled with a desk booking system
- Implement best waste management systems in kitchens and print areas
- Zero waste fit out, requiring the fit out to reuse and recycle equipment within the fit out, donate where items are in good condition, and recycle all other waste materials

Further to reducing energy, AUSTRAC will implement best practice waste management infrastructure and minimum 5-Star WELS rated water fixtures within the refurbishment.

Where AUSTRAC is a tenant within a facility, it will work with the landlord to further improve the facilities energy efficiency through upgrades of base building equipment, including chillers, boilers, and air handling units.

### 10.4 NABERS Energy Star Ratings

NABERS Energy ratings are a requirement under the Net Zero in Government Operations Strategy and apply to all buildings with an NLA of 1,000m<sup>2</sup> or greater. These ratings are one of the most efficient means for entities to benchmark and reduce property related emissions. The ratings create a consistent and transparent building performance standard to compare outcomes and provide a structured framework for improving energy efficiency and transition toward net zero buildings.

The National Australian Built Environment Rating Scheme (NABERS) is an accepted industry standard which will be used to compare an entities property portfolio and identify opportunities to improve energy efficiency and performance.

The NABERS Energy measures the efficiency of an office building, comparing the energy consumption of a facility against a set of benchmarks that have been developed using actual data.

Various AUSTRAC facilities currently meet the new NABERS threshold for facilities over 1,000m<sup>2</sup> as highlighted by the APS Net Zero in Government Operations Strategy, AUSTRAC will prioritise this NABERS assessment in accordance with the Strategy

To further drive savings, Ventia are able to conduct NABERS Water ratings alongside the energy rating. Similarly, to the energy rating, these identify high level water efficiency opportunities.

#### **Cost**

The cost of the NABERS assessment can be provided to AUSTRAC for consideration.

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## 10.5 Type-2 Energy Audits

A Type-2 Energy audit is a comprehensive assessment of a building's energy use and potential areas for improvement, conducted by a certified energy auditor and are a recommended first step to improving a facilities energy efficiency, particularly where a building fails to meet the 5.5-Star NABERS Energy rating requirement.

Type-2 Energy audits include:

- Data analysis of facility energy bills and consumption data over a three-year period.
- Investigation of building envelope, including walls, windows, doors, and insulation.
- Examination of HVAC systems, lighting, and other energy consuming equipment to assess efficiency and condition.
- Complete energy modelling to evaluate potential energy saving measure and their impact on energy consumption.
- Identification of energy efficiency measures, inclusive of the estimation of cost and ROI.

Once completed a detailed report is provided to AUSTRAC outlining the findings, recommendations, and ROI for all energy initiatives.

Type-2 Energy audits can assist in developing strategic asset replacement programs for large plant and equipment, allowing sufficient time to investigate emerging low energy/low emissions technologies.

Examples of recommendations can include (but not limited to):

- **HVAC system optimisation** – HVAC systems typically account for a significant portion of energy use in office buildings. The audit may recommend a full or partial upgrade to energy- efficient HVAC systems or optimisation of heating and cooling controls and operating parameters.
- **Lighting upgrade** – replace all inefficient lighting fixtures with energy efficient LEDs. Implement occupancy sensors, daylight harvesting controls, and timers to reduce unnecessary energy consumption.
- **Building envelope improvements** – improvement of the building envelope by sealing air leaks, adding insulation, upgrade windows to reduce heating and cooling loads.
- **Building Management Systems (BMS)** –optimisation of BMS controls to reduce overall building energy consumption.
- **Solar power integration** – where appropriate, solar may be recommended for integration to offset energy consumption.

## 10.6 Grants and Funding

Research was completed to identify funding options which would assist in the capital investment of the proposed initiatives in this Plan. The table below explores the various funding mechanisms available to Commonwealth entities to support emissions reduction initiatives in Australia. By strategically leveraging grants, subsidies, rebates, and partnerships, Government entities can drive innovation, incentivise sustainable practices, and propel meaningful progress.

STATE	FUNDING PROGRAM	OVERVIEW	FURTHER INFORMATION
NATIONAL	<b>Advancing Renewables Program</b>	Financed by the Australian Renewable Energy Agency, this program aims to facilitate the progress of transition to renewable energy. The available funding covers advanced renewable energy projects and relevant desktop studies/analysis.	<a href="https://arena.gov.au/funding/advancing-renewables-program/">https://arena.gov.au/funding/advancing-renewables-program/</a>
VICTORIA	<b>Energy Services Agreement</b>	An Energy Services Agreement (ESA) entails an arrangement where an energy services company (ESCO) oversees the deployment of energy-efficient equipment for a business. In certain instances, the ESCO can pledge savings resulting from the implemented equipment.	<a href="https://www.sustainability.vic.gov.au/energy-efficiency-and-reducing-emissions/in-a-business/finance-energy-upgrades-in-you-business/energy-services-agreement-for-business">https://www.sustainability.vic.gov.au/energy-efficiency-and-reducing-emissions/in-a-business/finance-energy-upgrades-in-you-business/energy-services-agreement-for-business</a>
VICTORIA	<b>Victorian Energy Upgrades</b>	Victorian Energy Upgrades represents a government-led initiative focused on enhancing energy efficiency. Through this program, households and businesses are eligible for rebates or discounts on energy-saving products, fostering reductions in electricity expenses and greenhouse gas emissions.	<a href="https://www.energy.vic.gov.au/households/victorian-energy-upgrades-for-households/about-the-veu-program#:~:text=Every%20upgrade%20allows%20businesses%20under,these%20certificates%20to%20energy%20retailers.">https://www.energy.vic.gov.au/households/victorian-energy-upgrades-for-households/about-the-veu-program#:~:text=Every%20upgrade%20allows%20businesses%20under,these%20certificates%20to%20energy%20retailers.</a>
QUEENSLAND	<b>Energex &amp; PeakSmart Air Conditioning Rewards Program</b>	The PeakSmart program is a solution designed by Energex, to help manage peak demand on the electricity network. Cashback can be claimed when installing a PeakSmart air conditioner or converting an existing air conditioner to a PeakSmart.	<a href="https://www.energex.com.au/manage-your-energy/cashback-rewards-program/peaksmart-air-conditioning">https://www.energex.com.au/manage-your-energy/cashback-rewards-program/peaksmart-air-conditioning</a>
SOUTH AUSTRALIA	<b>REPS - Retailer Energy Productivity Scheme</b>	The REPS, a scheme initiated by the South Australian Government, aims to enhance energy productivity by offering incentives to households and businesses in South Australia for energy conservation efforts. The administration of the REPS is mandated by the Electricity (General) Regulations 2012 and the Gas Regulations 2012, designating the Essential Services Commission (the Commission) as its administrator.	<a href="https://www.escosa.sa.gov.au/industry/reps/faqs/reps-faqs">https://www.escosa.sa.gov.au/industry/reps/faqs/reps-faqs</a>
NEW SOUTH WALES	<b>Net Zero Manufacturing Fund</b>	Renewable Manufacturing Fund (NSW only). Administered by the Department of Environment and Heritage NSW, this fund focuses on developing components for the renewable energy and electric vehicle sectors. Projects eligible for this fund include components for renewable energy (i.e. wind towers, solar, batteries), electrification equipment to support switching from fossil fuels to electricity, electric vehicle components and assembly as well as hydrogen electrolyzers.	<a href="https://www.energy.nsw.gov.au/business-and-industry/programs-grants-and-schemes/net-zero-manufacturing">https://www.energy.nsw.gov.au/business-and-industry/programs-grants-and-schemes/net-zero-manufacturing</a>

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## 10.7 Lighting as a Service

To reduce the initial cost of retrofitting LED lighting in offices and commercial spaces, Lighting as a Service (LaaS) is an emerging industry in Australia. Lighting is installed by a third-party provider who also provides ongoing maintenance, with payments made in regular instalments that are typically offset by savings in electricity consumption. This results in immediate improvements in energy efficiency at the facility, with effectively zero capital expenditure. At the end of the agreement there is typically an option to purchase the lighting from the LaaS provider, or to renew the agreement with either existing or upgraded lighting. Providers of this service, as well as additional information is readily available online.

## 10.8 HVAC as a Service

HVAC systems account for close to 40% of energy usage in most commercial buildings and offices. As such upgrading HVAC systems to more energy efficient systems can have dramatic improvements to the sustainability of the building. However, HVAC often requires significant expenditure to maintain and upgrade.

HVAC as a Service (HVACaaS) providers lease out their HVAC equipment to customers and provide preventative maintenance and servicing as part of the agreement. As the customer only pays for the use of the equipment, there is no upfront purchase or installation cost, and customers can use more energy efficient equipment that may otherwise be too expensive to purchase outright, reducing their energy consumption while still meeting operational needs.

More information on this service model, along with service providers can be obtained online.

## 10.9 Hot Desk and Office Optimisation

A hot desk is a flexible workspace concept where desks or workstations are not assigned to specific individuals. In a hot desking environment employees can choose any available desk, typically supported through online booking systems, which AUSTRAC has in place.

Hot desking is fast becoming the new normal in office-based environments with employers support a high level of mobility or remote work arrangements. This allows entities to optimise the use of their office space by accommodating a larger number of employees with fewer desks. AUSTRAC will continue to consider hot desking subject to security, operational requirements and maintenance of positive staff engagement and welfare.

A hot desk should include essential items such as power outlets, internet connectivity, docking station, monitor, keyboard, mouse, and disinfection wipes. To maintain connectivity of teams, zones or ecosystems can be allocated to specific teams within the organisation. Adequate lockers should also be made available to all employees for the storage of personal items.

The benefit to hot desking includes increased flexibility for employees and reduced real estate costs for employers.

## 10.10 Education and Training

Designing a net zero training package for employees involves creating a comprehensive program that educates and empowers participants to understand, support, and implement sustainable practices within their respective roles. Below is an outline of what such a training package could include:

- Introduction to net zero concepts
- Government's role in achieving net zero
- Overview of the Strategy and findings from the two reporting periods
- Energy conservation measures undertaken by AUSTRAC and practical tips for reducing energy waste and optimising office environments
- Travel optimisation and practical tips on choosing green alternatives
- Waste reduction and recycling and strategies to reduce waste generation, promoting recycling within the office environment
- Strategies that foster a culture of sustainability and environmental stewardship, including events that AUSTRAC may participate such as Earth Hour or Clean Up Australia Day as an example
- Establish forums, workshops, and online platforms for sharing best practices, successes and lessons learned

## 10.11 Whole of Australian Government Electricity Agreement

In accordance with the Federal Government commitment to Net Zero by 2030 the Department of Finance, Procurement division have agreed to enter a competitive tender process for the Whole of Australian Government Electricity Agreement. This Agreement is an expansion of the current contract for the Department of Defence, mandating that all non-corporate Commonwealth entities are signed to the Agreement. Corporate Commonwealth entities, Government business enterprise and the High Court may choose to elect to participate in the Agreement.

This Agreement will source electricity from renewable energy sources, including, but not exclusively, solar, wind, hydropower. This approach provides entities with contract consistency, it reduces entity procurement and contract management requirements, achieves best value for money, and is the single most significant action to assist entities to reduce their greenhouse gas emissions.

The approach the Department of Finance is proposing is to:

- Go to market in each state.

- Each state procurement (with the exception of TAS, NT, and WA) will have both a small market and large market contract.
- Large market contracts will initially purchase and surrender large-scale generation certificates (LGCs), this ensures energy procured is from renewable sources.

Provides entities assurance that all power purchased and consumed is from renewable sources or offset using LGCs.

The proposed timeline for each states electricity contracts to be in place are as follows:

- Northern Territory 1 September 2024
- Western Australia 1 December 2024
- Tasmania 1 January 2025
- NSW, VIC, ACT 1 July 2025
- South Australia 1 October 2026
- Queensland 1 January 2029

Note this Agreement does not extend to properties where the Federal Government is not responsible for electricity (i.e. leased facilities).

### Cost

There is the cost of energy consumption and other utility provider pass through costs associated with the Whole of Australian Government Electricity Arrangement, however it is expected that due to significant buying power the Department of Finance will deliver highly competitive rates.

### Emissions reduction by 2030

By signing up to the Whole of Australian Government Electricity Agreement, AUSTRAC is assured that all electricity supplied will be via renewable sources such as wind, solar and hydro power, offsetting all electricity related emissions.



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## 10.12 Air Travel Rationalisation

Domestic air travel forms approximately a quarter of AUSTRAC's total emissions profile.

AUSTRAC can reduce these emissions through a rationalisation of needs to travel and review of the travel policy. To create a holistic approach to sustainable travel AUSTRAC should consider the following:

- **Limit travel** – support essential trips that are days long.
- **Travel less** – provide guidance on how to replace short trips with virtual meetings.
- **Travel better** – include 'stay or go' guidelines/ decision tree for sustainable options in the decision-making process.
- **Use sustainable suppliers** – integrate sustainability messaging in your employee communication strategy.

## 10.13 Australian Carbon Credit Unit

The Australian Carbon Credit Unit (ACCU) scheme was established in 2011 as an effort to incentivise projects that remove carbon from the atmosphere. The current ACCU spot price reflects the ongoing efforts of Australian organisations to mitigate carbon emissions and transition towards a more sustainable future. As of 21 March 2024, the ACCU spot price stands at \$35.85 per tonne of carbon sequestered, influenced by factors such as market demand, government policy, and global environmental trends.

Historically, the ACCU spot price has seen steady overall growth with the largest market fluctuation occurring in 2022 after the Australian Clean Energy Regulator changed requirements for holders of ERF contracts. This change introduced many ACCUs into the market, increasing supply and reducing the spot price. Despite this change as more businesses and industries have begun to prioritise sustainability, demand for ACCUs continues to rise. This upward trend underscores the growing recognition of the importance of carbon offsetting in combating climate change.

Looking ahead, as Australian organisations intensify their efforts to achieve net zero emissions by 2030 the ACCU spot price is likely to continue its upward momentum. As of April 2023, the Safeguard Mechanism Amendment Act is requiring Australia's largest emitting facilities to reduce their emissions. This act is just one of many that the Australian government has set in place to achieve their ambitious targets for carbon neutrality, incentivising carbon offset projects and driving up the demand for ACCUs.

Q1 of 2023 saw a new record of ACCU trading, up 61% compared to the same period of the year prior. On top of government policy, an increased awareness of climate-related risks and the growing influence of environmental, social, and governance (ESG) factors in investment decisions will likely drive demand for ACCUs in the coming years.

Appendix 1: tonnes of CO<sub>2</sub>-e/FTE/annum per facility

Address	FTE	tCO <sub>2</sub> -e	tCO <sub>2</sub> -e/FTE
Brisbane, Adelaide St	125	51	0.41
Canberra, National Cct	192	110	0.57
Melbourne, Collins St	49	33	0.66
Sydney, Castlereagh St	320	173	0.54

Appendix 2: Energy intensity (kWh/m<sup>2</sup>) per site

Address	NLA	kWh	kWh/m <sup>2</sup>
Brisbane, Adelaide St	378	36,987	98
Canberra, National Cct	1,282	64,143	50
Melbourne, Collins St	2,119	119,640	56
Sydney, Pacific Hwy	4,232	24,889	6
Sydney, Castlereagh St	3,062	218,557	71