



*Strategic sustainability for the professional practice.
Future proofing the capital in your firm.*

Practice Capital

People Performance Planet

Prospectus 2024



Contents



“Taking action presents enormous opportunity to enhance resilience, safeguard value, and pursue win-win opportunities for both organisations and communities.” ~ Climate Leaders Coalition

| | |
|----------------------------------|----|
| Sustainability Strategy | 03 |
| Net Zero Strategy | 05 |
| Science Based Targets Initiative | 06 |
| Climate Active Certification | 07 |
| ISO14068 Certification | 08 |
| GHG Inventory | 09 |
| Carbon Management Planning | 10 |
| Offset Strategy | 11 |
| Net Positive Program | 12 |
| Net Positive Culture | 14 |
| Net Positive Marketing | 15 |
| ESG Reporting | 17 |
| IFRS S1 & S2 Disclosure | 18 |
| Materiality Assessments | 19 |
| Stakholder Analysis & Engagement | 20 |
| Founder Profile | 21 |

It starts with strategy...



In a 2023 report the Australian Institute of Company Directors noted Australian company directors 'need to understand climate and sustainability risks, not just to oversee the preparation of corporate reports, but more fundamentally as responsible stewards of the long term health and sustainability of their business'.

Strategic Sustainability Management

All too often SMEs approach sustainability in an ad hoc or piece meal way, calculating their carbon emissions or installing solar PV etc as a project. This misses an appreciation of the the inherent climate and sustainability risks involved and realisable opportunities that can be had in embedding sustainability as a business strategy.

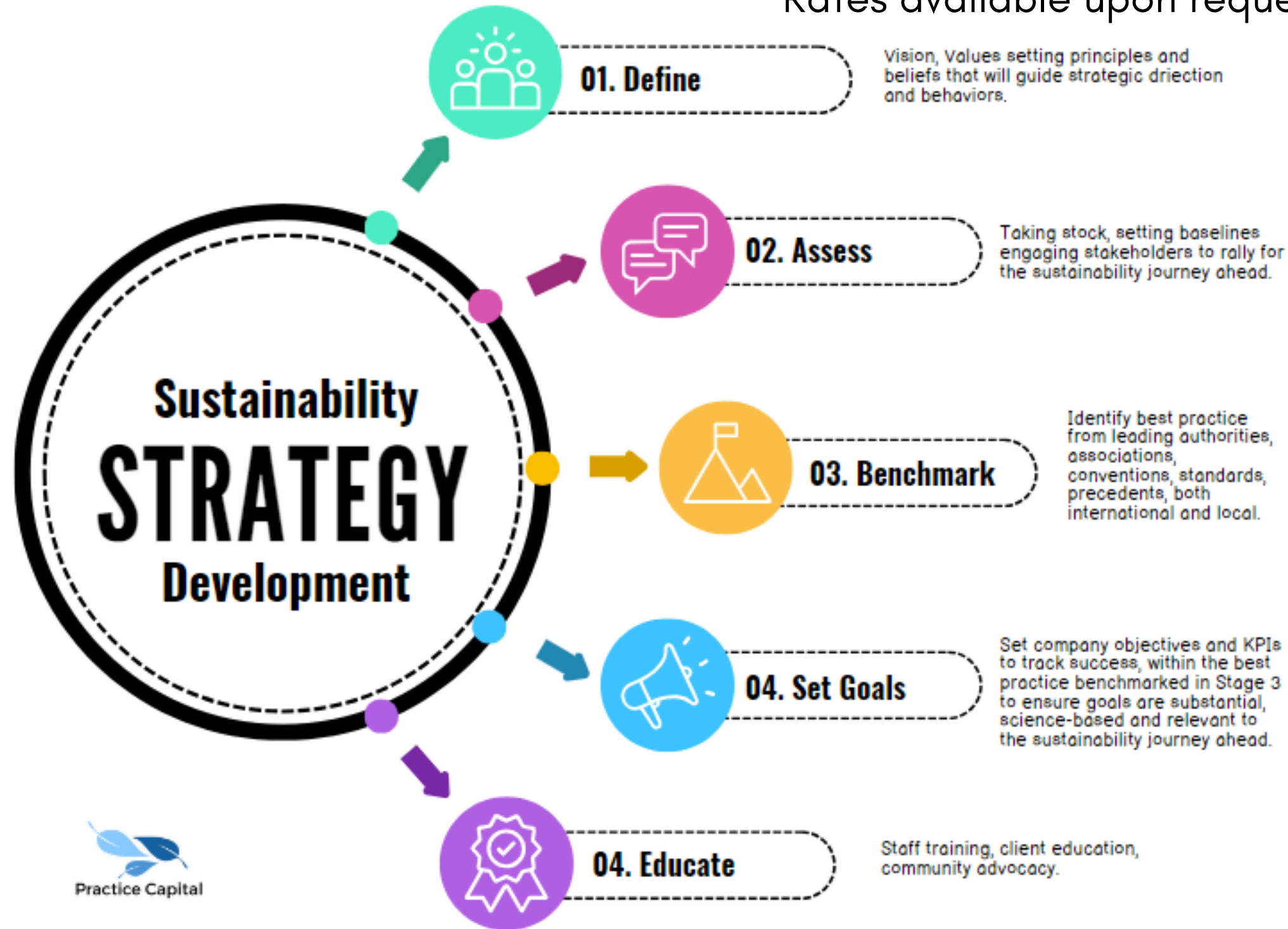
A well-defined, company-wide strategy impacting across operations and services (/project work) provides direction, prioritises actions, and allocates resources effectively.

It ensures that sustainability efforts are integrated into the core business operations, enhancing overall efficiency and competitiveness.

Please review the kinds of sustainability strategy and implementation services Practice Capital provides as contained within this prospectus and contact us directly for rates.

Sustainability Strategy

*Rates available upon request.



Sustainability Strategy

We employ a 5-stage process to define, frame and benchmark best practice using international conventions (eg. SDGs), methodologies (eg. AIA, RIBA) and standards (eg. ISO14068) to assist the development of objectives within that best-practice framework.

KPI driven sustainability implementation

Having a dashboard of KPIs takes the guess-work out of sustainability implementation. The success of your strategy plays out in the numbers, in the qualitative determinants that allow you to make assessments as to milestones and fill gaps as needed.

Net Zero Strategy

*Rates available upon request.

Net Zero strategy development allows an SME to set a clear, ambitious goal that aligns with global climate initiatives, fostering a sense of purpose and urgency.

This strategy provides a structured pathway to reduce emissions, improve efficiency, and innovate sustainably. It also enhances competitiveness by aligning with increasing regulatory and market demands for environmental responsibility.

Setting a credible Net Zero strategy can be accomplished in a number of ways, the three principle methods being:

- The Science based Targets Initiative (SBTi)
- Climate Active certification
- ISO14068 Climate Change Management



Science Based Targets Initiative (SBTi)

*Rates available upon request.



The Science Based Targets initiative (SBTi) helps companies set greenhouse gas emission reduction targets in line with climate science. It provides a clear framework for businesses to align their strategies with the goals of the Paris Agreement, aiming to limit global warming to well below 2°C, preferably to 1.5°C.

Companies commit to reducing their emissions through science-based methods, which are independently validated by SBTi. This approach not only mitigates climate change impacts but also enhances business resilience and competitiveness by promoting sustainable growth and innovation.

Climate Active Certification

*Rates available upon request.

Climate Active certification is an Australian government program recognising businesses and organisations that have credibly reached net zero emissions. To achieve certification, entities must measure their carbon footprint, reduce emissions where possible, and offset remaining emissions through verified carbon credits.

This rigorous process involves self-certification using section 2 of the Climate Active Carbon Neutral Standard for Organisations or Climate Active certification using section 3. Both involve transparent reporting and annual re-certification. Climate Active certification demonstrates a commitment to sustainability, enhancing an organisation's reputation and providing a competitive edge in a market increasingly valuing environmental responsibility.



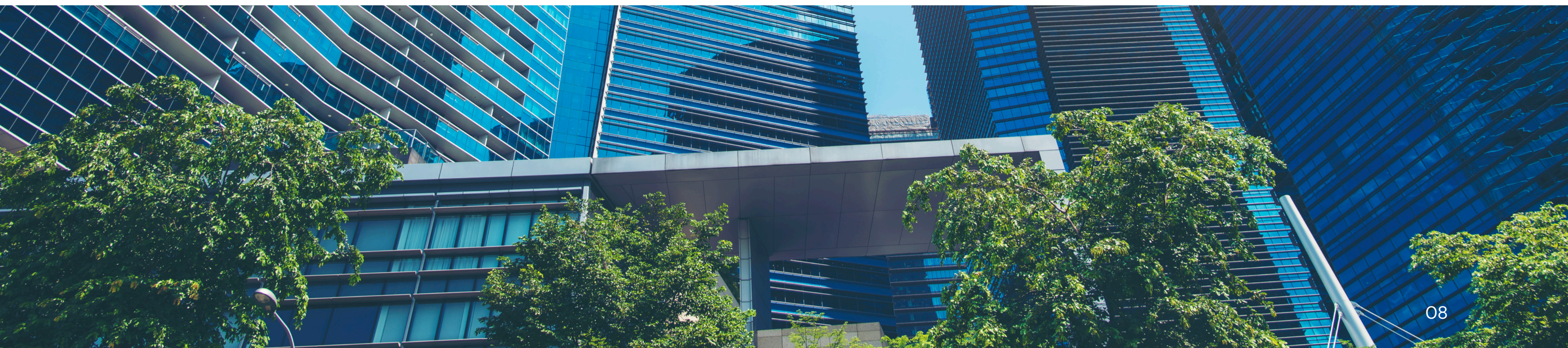
ISO14068 certification

*Rates available upon request.

ISO 14068 was released in 2023 and is an international standard for verifying carbon neutrality.

This certification provides a structured framework for organizations to demonstrate they have achieved net zero emissions. It involves comprehensive accounting of greenhouse gas emissions, implementation of reduction strategies, and neutralizing remaining emissions through credible offsetting measures. The certification process ensures transparency, accuracy, and accountability in an organisation's carbon management practices.

Achieving ISO 14068 certification showcases a commitment to environmental sustainability, bolstering trust and credibility with stakeholders.



GHG inventory

*Rates available upon request.

A GHG inventory is a comprehensive account of all greenhouse gas emissions a company or organisation produces directly and indirectly. To determine a company GHG inventory, we follow these steps:

1. Define Boundaries: Establish organisational and operational boundaries (Scope 1, 2, and 3 emissions).
2. Collect Data: Gather activity data related to energy use, transportation, waste, and other relevant processes.
3. Apply Emission Factors: Convert activity data into GHG emissions using appropriate emission factors from reliable sources.
4. Calculate Emissions: Sum emissions across all sources to produce a total GHG inventory.
5. Report and Verify: Document the findings and, where necessary, seek third-party verification/validation.

Carbon Management Planning

*Rates available upon request.

Decarbonisation is on everyone's agenda but can only be effectively achieved via carbon management planning which outlines strategies to reduce an organisation's carbon footprint. Key steps include:

1. Baseline Assessment: Conduct a GHG inventory to determine current emissions.
2. Set Targets: Establish clear, measurable carbon reduction goals, such as achieving net zero by 2030.
3. Identify Reduction Opportunities: Implement energy efficiency measures, switch to renewable energy, and optimise resource use.
4. Engage Stakeholders: Involve employees, suppliers, and customers in sustainability initiatives.
5. Monitor and Report: Regularly track progress, adjust strategies as needed, and transparently report outcomes.
6. Offset Remaining Emissions: Invest in credible carbon offset projects to neutralize unavoidable emissions.



Offset Strategy

We use a values-based offset strategy which focuses on selecting carbon offset projects that align with an organisation's core values and deliver additional social and environmental benefits. Key steps include:

1. Identify Core Values: Clarify organisational values, such as biodiversity conservation, community development, or renewable energy.
2. Research Offset Projects: Look for offset projects that not only reduce emissions but also offer co-benefits, like protecting wildlife habitats, supporting local economies, or improving air quality.
3. Evaluate Credibility: Ensure projects are verified by reputable standards (e.g., Gold Standard, Verified Carbon Standard, ACCUs).
4. Select and Invest: Choose projects that resonate with your values and transparently report the positive impacts.

*Rates available upon request.

There is some due diligence associated in selecting reputable offsets and ensure the retirement of offsets which involves permanently removing carbon credits from circulation after they've been used to offset emissions. This ensures the credits cannot be reused, confirming their environmental impact. Retirement is documented in public registries, maintaining transparency and accountability in achieving net zero or carbon neutrality goals.

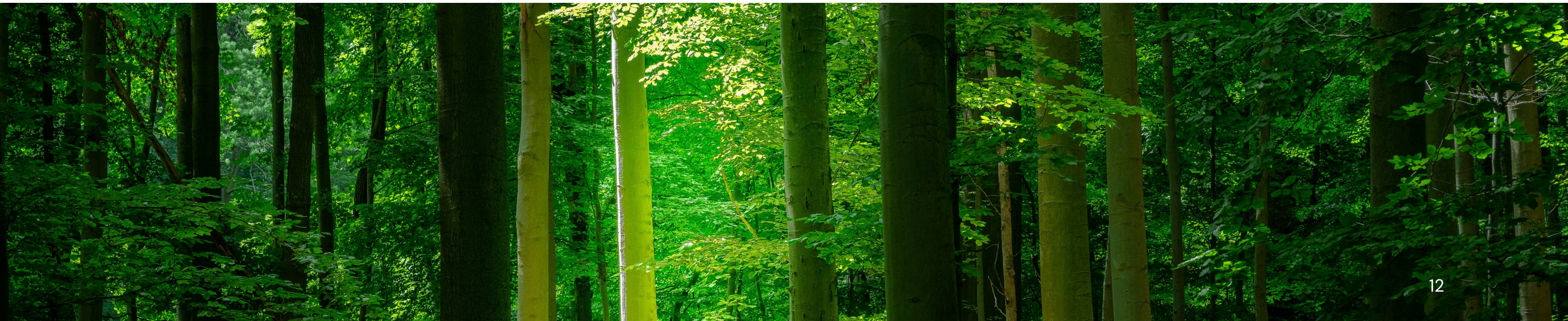


Net Positive Program

Net Positive businesses, over time – save money, reduce risk, innovate more, build vast valuable corporate reputations and brands, attract and retain talent and have higher employee engagement ~ Paul Polman, Ex-CEO Unilever

Net positive occurs when an entity has an impact that is more positive than negative overall, generally in a specific domain.

Net Positive is a new way of doing business which puts back more into society, the environment and the global economy than it takes out.



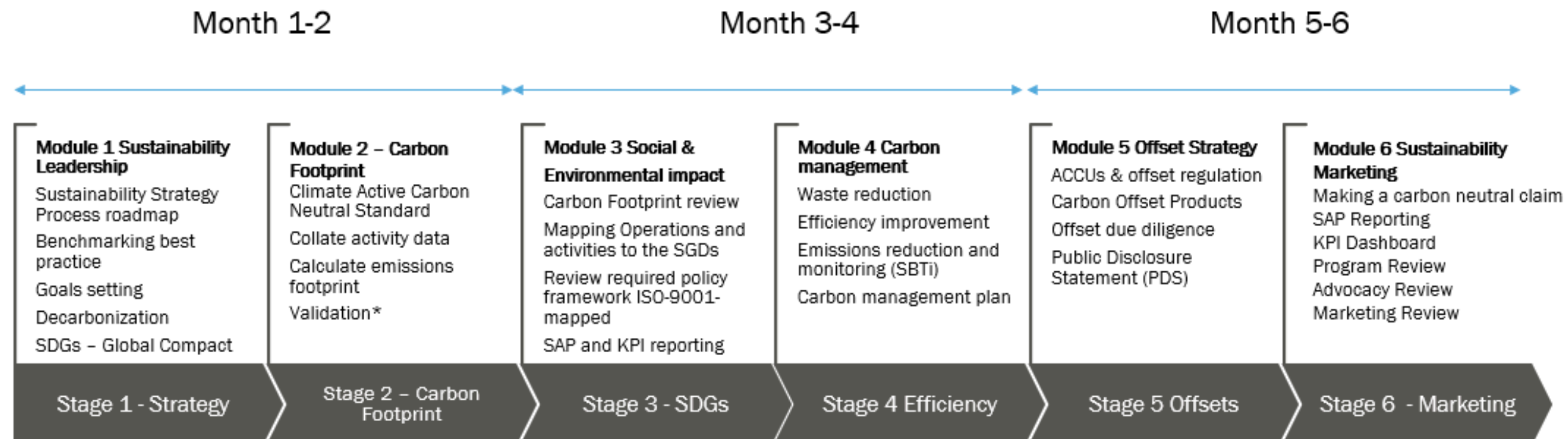
Net Positive Program

*Rates available upon request.

The Net Positive Program is a robust sustainability program designed for Australian SMEs and professional services providers to initiate sustainability that packages some of the services we offer using industry best practice and international standards to set up a quality sustainability management system in your business to turn sustainability into a process of incremental improvement – a business improvement process.

The Net Positive Program initiates operational sustainability in 3-6 months depending on the firms resources.

THE NET POSITIVE PROGRAM



Net Positive Culture

*Rates available upon request.



Many businesses miss the opportunity to bring their culture with them as they implement sustainable practices and embed sustainability strategy. We can assist with all or any of the following:

1. Work with your leaders to strategise awareness and commitment.
2. Review the staff values and awareness levels through a survey at start and end of program, encouraging commitment through input.
3. Ascertain strategies to address gaps and train for solutions using of the ADKAR model throughout the change program to advance positive outcomes.
4. We can develop bespoke change programs or indeed conduct staff sustainability feedback surveys to provide cultural data for leaders to reference during sustainability implementation.

Net Positive Marketing

*Rates available upon request.

Sustainability marketing has two objectives (1) to market those elements of your business that are sustainable, and (2) to advocate for sustainability – so that your stakeholders, other businesses, your staff, clients, in fact your entire sphere of influence, can follow in the pathway you forge as a sustainability leader.

Both agendas are highly engaging for your audiences, in this day and age. It is worth pointing out that 92% of consumers are now revising their buying decisions towards sustainable products or services, all things being equal. In fact, the Federal Government's Sustainable Procurement Policy, the Environmentally Sustainable Procurement Policy (ESPP), comes into effect July 1, 2024.

Greenwashing is also a concern for many including regulators now penalising those who cannot substantiate their claims. So, it's worth using a professional service to scrutinise the impact of your brand and its sustainability messaging on new burgeoning green markets.



Client Testimonial

“The Team at Practice Capital assisted us to embed sustainability practices and accredit us as carbon neutral for 2021, making us one of the first IT SMEs in Australia to achieve a carbon neutral status. We are really proud of this achievement and sustainability is now in our DNA, our culture is solutions-focused and the benefit of all our hard work is now beginning to pay off. In 2024 we've just taken on 2 new local councils as clients and being a sustainable business is now beginning to open doors to the corporate world that otherwise would have been closed. As a small business competing against an array of corporate heavy-weights we cannot over-state the significance of embedding sustainability as a business strategy to our long-term success.”

- Dino Sheref, Director, PepNet Technologies Pty Ltd

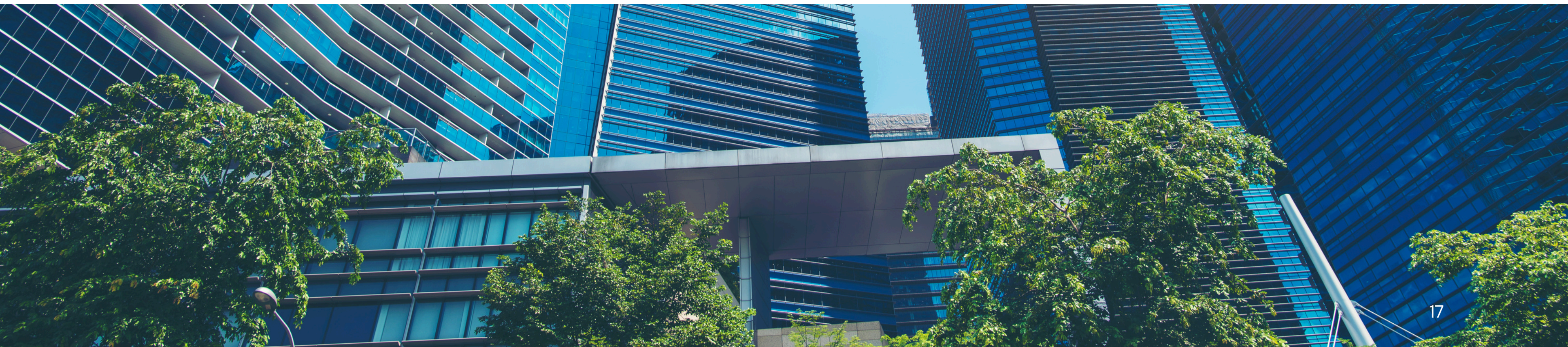


ESG REPORTING

*Rates available upon request.

Our ESG Service is fast, intuitive and affordable. Our ESG platform is ISO Certified, Blockchain enabled and official partner of GRI, SASB, World Economic Forum and signatory of PRI.

We embed all your data on one platform, which does the work to simultaneously provide ESG reporting from across your organisation, so that you can focus on what matters – running, growing your business.



Risk Management and IFRS S1 & S2 Compliance

*Rates available
upon request.

Australian mandatory IFRS S1 and S2 (sustainability and climate disclosure) reporting commences in 2025 across Australia.

Businesses can be either directly impacted or vicariously impacted as suppliers to those companies that have been impacted. In this case they will also need to address their sustainability risk profile as the new regulations demand supply chain risk management.

Sustainability risk management involves identifying, assessing, and mitigating environmental, social, and governance (ESG) risks that can impact an organisation's long-term success. It ensures businesses operate responsibly, maintain regulatory compliance, and address stakeholder concerns about sustainability.

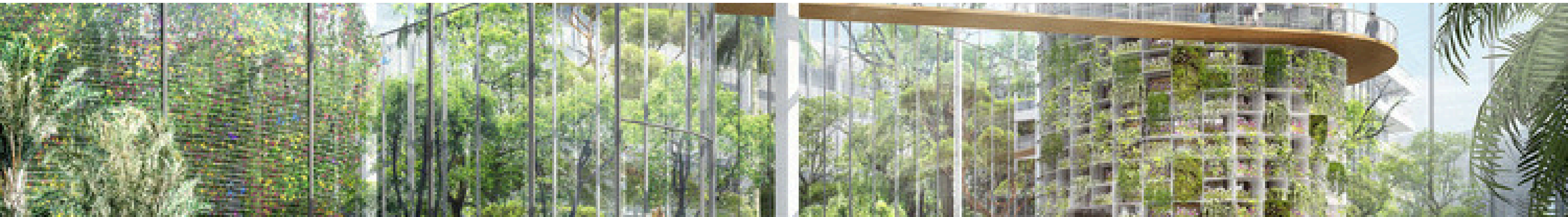
IFRS S1 and S2 are standards by the International Financial Reporting Standards (IFRS) and adopted by the Australian Accounting Standards Board (AASB). IFRS S1 requires companies to disclose significant sustainability-related risks and opportunities. IFRS S2 focuses on climate-related disclosures, mandating information on governance, strategy, risk management, and metrics and targets. Both aim to enhance transparency and comparability of sustainability information for investors and stakeholders.

Our services cater to sustainability risk management as your company needs dictate. We use the first globally accredited blockchain-enabled digital reporting platform to drive an IFRS S1 & S2 reporting system across your operations capturing data as and when required by all relevant stakeholders.

Materiality Assessment

*Rates available upon request.

A materiality assessment identifies and prioritizes the environmental, social, and governance (ESG) issues most relevant to an organization and its stakeholders. It guides strategic decision-making by highlighting the most impactful areas for sustainability efforts. By focusing on material issues, companies can better manage risks, enhance stakeholder trust, and allocate resources effectively. This process ensures transparency and accountability, aligning business practices with stakeholder expectations and long-term sustainability goals.

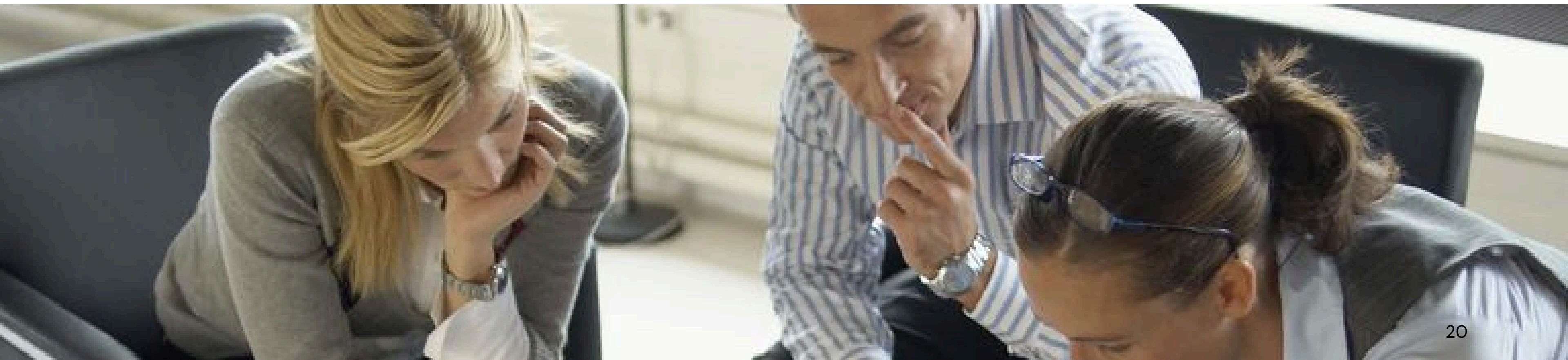


Stakeholder Analysis

*Rates available upon request.

A stakeholder analysis identifies and evaluates the interests, influence, and concerns of those affected by or capable of impacting an organization's sustainability initiatives. It ensures diverse perspectives are considered, fostering inclusive decision-making and enhancing the relevance and acceptance of sustainability strategies.

By engaging stakeholders, companies can identify critical issues, build strong relationships, and create more effective, targeted sustainability initiatives. This proactive engagement helps in mitigating risks, improving transparency, and strengthening the organization's reputation and accountability.





**LUKE FERNANDEZ, PRINCIPAL,
PRACTICE CAPITAL**



Luke Fernandez LLB MBA Founder

We are witnessing monumental, intergenerational change taking place across our industries, our economy, in society at large and the environment. We now know that embedding sustainability, the solution to the challenges we face in these turbulent times, is no longer just an external cost. Business sustainability management is now proving crucial, within the backdrop of intergenerational change upon us, to reinvigorate your core business model, increase customer volumes and employer appeal, bolster your profitability and improve your culture, while reducing risk and responding to market demand.

Experience and Skills

A former lawyer and management consultant Luke founded Practice Capital to address strategic sustainability needs of the professional services sector. He has a professional certificate in Business Sustainability Management from the University of Cambridge Institute For Sustainability Leadership and a MBA and LLB from UWA. Practice Capital works with a broad range of clientele from the health to the legal sector, government, IT and building sector (primarily architects from across Australia) in strategic sustainability management.