

Sustainability Victoria Annual Report

2022–2023



Sustainability Victoria Annual Report 2022–23

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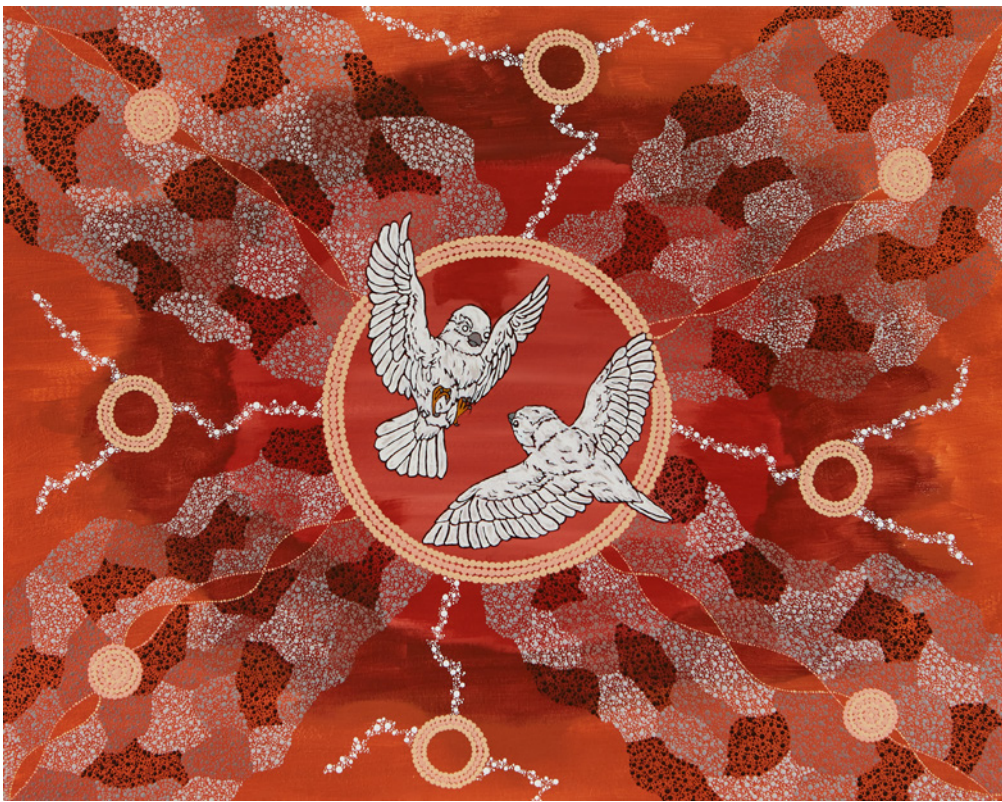
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Acknowledgement

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, and for their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We acknowledge that we live and work on the lands of the world's oldest and most sustainable culture. We acknowledge the deep connection to Earth of First Nations peoples and their invaluable contributions to our understanding of climate change and the environment.



Jaye Richardson (Gunaikurnai) 'Two Spirits' 2019, acrylic on canvas

This artwork was created through The Torch, a not-for-profit organisation, that provides art, cultural and arts industry support to Indigenous offenders and ex-offenders in Victoria.



Declaration in report of operations

Responsible Body Declaration

In accordance with the *Financial Management Act 1994*, I am pleased to present Sustainability Victoria's Annual Report for the year ending 30 June 2023.

A handwritten signature in black ink, reading 'Johan Scheffer' with a stylized flourish at the end.

Johan Scheffer
Chairperson
Sustainability Victoria

14 September 2023

Message from the Chair and CEO

In 2022–23, Sustainability Victoria (SV) continued to make significant progress towards SV2030, our ambitious and exciting agenda to deliver a decade of action towards net zero emissions, reducing waste and building climate resilient communities across Victoria.

We need to think long term to reach our state's target of net zero emissions by 2045. SV has continued to offer leadership and foresight to help Victoria understand the opportunities and risks as we work towards these goals.

This year, we invested in and strengthened relationships with Victorian industries and businesses, research institutions, schools, households, individuals, community groups and local government. These partnerships will continue our acceleration to a circular, climate resilient clean economy.

We achieved several significant milestones and celebrated successes in our three key focus areas:

Investment and innovation

Investment and innovation are at the core of SV's mission to drive the transition to a circular economy. In 2022–23, we funded 42 projects that support research institutes, industry and businesses in developing and commercialising new uses for recycled materials.

We also successfully completed all Resource Recovery Infrastructure Fund projects, resulting in the recovery of over 1.37 million tonnes of high-quality materials through collection, sorting, recycling and processing. These projects significantly increased our capacity to reprocess materials in Victoria, reducing our reliance on export markets. It's a huge achievement that shows the importance of longer term, strategic investment in resource recovery.

Many of our funding programs also attract co-investment, with our partners contributing on average four dollars for every dollar contributed by SV.

Behaviour change and education

In June 2023, more than 260 school children, teachers and volunteers joined us at the MCG for our 2023 ResourceSmart Schools Awards ceremony. The awards, now in its 14th year, recognised schools that have made outstanding contributions in sustainability. We extend our congratulations to Eastwood Primary School and Deaf Facility, who were awarded the ResourceSmart School of the Year by the Minister for Environment, Ingrid Stitt MP.

Furthermore, our statewide behaviour change campaign, Small Acts, Big Impact, reached millions of Victorians through advertising, community engagement and public relations efforts, delivering practical guidance into the hands of Victorians as they transition to Victoria's new, four-stream recycling system and adapt their behaviour to avoid and minimise waste.

We also provided over \$3.5 million to 58 councils and alpine resorts¹ to activate and implement the Small Acts, Big Impact campaign in their local areas. This funding and collaboration helps to drive Victorian Government reform, such as the goals set out in the Government's circular economy policy.

Community action

The importance of local action cannot be understated, and this year we helped Victorian councils get 11 circular economy projects off the ground, through the Circular Economy Councils Fund. This funding will support Victorian councils to implement projects that stop waste going to landfill, increase material reuse, repair, repurpose, and recycling, and promote local circular economy activities and jobs.

We continued to invest in our people and their wellbeing, creating a flexible, inclusive environment where everyone can work in a way that supports them and their productivity. It was a wonderful reflection of this work to be ranked first on the 2023 AFR Best Places to Work awards within the government, education and not-for-profit sector. It is a testament to the invaluable contributions of our dedicated and talented workforce, who are the cornerstone of SV's success.

To finish off a large year, we recently completed in-depth research into Victorian attitudes and behaviours towards sustainability. We look forward to sharing and building on our learnings in the next financial year to further educate Victoria in recycling, reusing and minimising waste.



Johan Scheffer
Johan Scheffer,
Chair



Matt Genever
Matt Genever,
Interim Chief Executive Officer

¹ Reform in October 2022 abolished the five alpine resorts and created Alpine Resorts Victoria, which now has responsibility for delivery of projects and programs.

At a glance: 2022–23 impacts

Focus area 1: Investment and innovation

\$44.9 million

Victorian government investment to build new resource recovery and zero carbon infrastructure.

\$151.9 million

additional private and Commonwealth investment secured for new circular economy and zero carbon infrastructure.

337

clean economy jobs.

126,962 tonnes

of resource recovery capacity installed (BP3).

472,430 tonnes

less waste going to landfill.

58

new 7-star homes, driving improved energy efficiency and accelerating Victoria's transition to the new minimum standard.

Focus area 2: Behaviour change and education

5

priority SV projects using behavioural insights in program design and delivery.

1.9 million

people have been reached by the household circular economy education and behaviour change program.

528

Victorian schools participating in the ResourceSmart Schools program (BP3).

8.3 million kWh

energy saved by Victorian schools participating in the ResourceSmart Schools program (BP3).

Focus area 3: Community action

58,313

volunteer hours increasing local capacity and capability within communities to deliver renewable energy and circular economy projects.

8,132 Victorians

safely disposed of their household chemicals at a Detox your Home event.

47

networks and partnerships, delivering innovative solutions for a circular, climate resilient and clean economy in Victoria.

1,200 MWh

clean energy generated by our 7 Community Power Hubs.

1.6 million tCO₂e

abatement* due to SV's input into policy support and technical advice to other agencies.

\$400 million

in annual energy bill savings to be made* through SV's policy support and provision of technical advice to other government agencies.

(*through modelling)

Refer to 'Summary of impacts achieved' in the Non-financial Performance section for an expanded table of impacts and notes.

Delivering on SV2030

Transitioning Victoria to a circular, climate resilient and clean economy.

SV2030 will see SV deliver a decade of action towards net zero emissions, reducing waste and building climate resilient communities across Victoria.

Published in 2021–22, it’s our big picture and sets our role, vision and a path forward to achieve our ambitious goals. SV plays a pivotal role in the Victorian Government, in industry and with the community. SV2030 guides us in Victoria’s transition to a circular, climate resilient clean economy and ensures we will meet our emission and waste targets.

In 2022–23, we continued to deliver results under four impact areas:

- › Victorian jobs and investments are underpinned by circular, climate resilient and clean economic principles.
- › Victorians maximise value of resources.
- › Victorian businesses, organisations and communities reduce their carbon emissions.
- › Victorian communities are climate resilient and healthy.



Jobs and return on investment



Retaining value from our resources



Reduces emissions



Resilient and healthy Victorian communities

These impact areas align with 14 targets and 16 indicators of the United Nations Sustainable Development Goals (SDGs), which are part of the 2030 agenda for sustainable development.

With activities delivered through three focus areas:

| | | |
|--|---|--|
| Investment and Innovation Incentives and insights to deliver a clean economy | Behaviour Change and Education Leading effective change | Community Action Place-based projects and programs |
|--|---|--|

To meet Victoria’s 2030 targets:

3,900
new circular economy jobs

\$300m
new investment leveraged in Victoria’s circular economy

80%
resource recovery

15%
reduction in total waste generated per capita

45–50%
reduction from 2005 emissions levels

Focus area 1:

Investment and innovation

Investment and innovation play a key role in driving our transition to a circular economy.

We need a resource recovery system that is equipped to handle our growing population – one that will keep materials circulating in the economy at their highest value without ending up in landfill. We partner with industry to offer financial and non-financial incentives, to help businesses find ways to reduce waste and emissions across the entire lifecycle of products made and activities undertaken. Our role is to provide technical expertise as businesses navigate the shift to circular models. Whether working in energy, infrastructure or resource recovery, we provide industry with incentives and valuable insights, leading to innovation and improvement.

The stories behind the numbers:

Investing in recycling infrastructure

We've invested in new, large-scale recycling infrastructure to increase the capacity and capability of Victoria's resource recovery sector. We are on track to add around 1 million tonnes of new recycling capacity by 2025.

We work across all levels of government for greater impact, sometimes partnering with the Australian Government on larger scale infrastructure projects. We have continued to work together to transform Australia's recycling sector, boosting local capacity to recycle and reuse items that would otherwise be destined for landfill.

We're also increasing recycling of hazardous or difficult-to-recycle materials such as asbestos, e-waste and contaminated spoil, and supporting projects helping to turn organic waste into renewable energy.

CASE STUDY

A circular solution for plastic bottles

Plastic recycler Martogg is transforming bottles from our recycling bins into clean, food-grade plastic that can be reused.

With support from the Victorian Circular Economy Recycling Modernisation Fund, Martogg has invested in new technology to identify and sort different bottles, grind them into plastic flakes and thoroughly wash them, resulting in recycled plastic that is 99.5% pure.

In theory, many commonly used plastic items can be recycled. But it takes cutting-edge technology to recycle plastics for reuse in food and drink packaging due to strict safety requirements.

Martogg's Heath Boucher says it's a project they've been exploring for a number of years.

"The business is already passionate about recycling in general, but it's exciting for us to be recycling Australian waste and creating products for Australia," Heath says.



Martogg's new technology can wash 2 tonnes of plastic an hour.

"Technology like this does exist in Australia, but not to this level which means we can accept a wider variety of plastic."

The technology is expected to process and sort up to 24,700 tonnes of post-consumer mixed PET plastic each year. With the capacity to hot wash 17,300 tonnes, that's the equivalent of 16 Olympic swimming pools filled with 823 million 500 ml PET bottles.

Innovating with recycled content

SV brings innovative products made from recycled materials to market, providing funding and support from the research, development and demonstration phase through to commercialisation.

In 2022–23, 22 projects received \$5 million in funding to bring new ideas to market. The Australian Government helped co-fund another 11 projects worth \$11 million to divert more organic waste from landfill and improve the quality of recovered materials.

Our work has resulted in industry, universities and government collaborating to identify new uses for recycled products and has driven demand for recycled materials across the economy. Alongside this we've worked with Victorian local governments to encourage continued and greater uptake of recycled products in infrastructure, landscaping, parks and gardens.

CASE STUDY

Recycled fencing closes the loop

New fence posts along the Twelve Apostles Trail are showcasing the value of using recycled materials in local government projects. The recycled plastic posts are durable, low maintenance and low cost when compared with traditional timber equivalents. Corangamite Shire Council were behind the project and found the fence posts easy to work with and install – and they also look great!

The Twelve Apostles Trail project was supported by SV's Sustainable Infrastructure Fund, which provided a series of grants to local governments and alpine resorts to use recycled materials in infrastructure projects.

Fencing was installed along a 20 km walking and cycling trail linking Corangamite's hinterland with the coastal township of Port Campbell and the Great Ocean Road. With an anticipated 30,000 locals and visitors anticipated to use the trail each year, it's a great opportunity to show the value of recycled products to a wider audience.

"Using recycled materials in projects is a relatively new practice for Corangamite Shire Council, positioning us as a leader in sustainable development and bringing many benefits," said Brooke Love, Director Works and Services at Corangamite Shire Council.



Recycled fence posts along the Twelve Apostles Trail.

"We will now consider other opportunities to use recycled materials and innovative products in future projects. The project will also show trail users the great things that can be done by recycling and encourage them to think about their own sustainable practices."

The trail also provides alternative access to key attractions, promoting active transport over driving and relieving traffic and car park pressures.

The installation of recycled plastic products along this trail links to the Camperdown – Timboon Rail Trail, which also uses recycled materials – providing a consistent approach in the region.

Designing out waste

Transitioning to circularity in our economy – where ‘waste’ as we know it is eliminated – will require us to change how we do business and to move away from our traditional linear model of consumption where we make, use, then throw items away.

Since 2020, SV’s Circular Economy Business Innovation Centre (CEBIC) has been driving innovation and making investments in businesses that will help Victoria transition to a circular economy.

It’s a one-stop shop for events, funding support and research to stimulate the adoption of proven circular economy business models – where waste is designed out and resources are used again and again.

We’ve funded the development and implementation of circular economy business models and practices that avoid or design out waste, save money and create new jobs, along with fostering collaboration across industries, sectors and regions.

Over the past two years, CEBIC has distributed \$7.6 million in funding to 23 circular businesses and 11 innovation projects.

WE’RE FOCUSED ON THE FUTURE

Challenging Victoria to ‘rethink and refuse’

Moving to a circular economy in Victoria will require us not just to reduce waste, but to avoid it altogether – rethinking, refusing and designing out waste.

SV’s CEBIC hosted two workshops for Melbourne Design Week to showcase how creativity and innovation can help make ‘waste’ a thing of the past.

Participants were led by an industrial designer to build their own handheld gaming device from upcycled e-waste components, highlighting the importance of rethinking our approach to design, reuse, repair and recycling.

Eliminating waste is our future ambition. We’re challenging Victorians – from businesses to communities – to think innovatively and turn waste into resources, getting the most out of the things we use every day, like repairing a bike or an item of clothing, instead of just throwing these away.

SV is investing more than \$200 million on behalf of the Victorian Government to drive innovation and investment to reshape the world around us with recycled content.

We are on track to add around 1 million tonnes of new recycling capacity by 2025.

CASE STUDY

Bee-inspired sustainability – crafting alternative textiles with bee biopolymer

With an estimated 62% of all fibres used in the fashion industry made from a synthetic material derived from fossil fuels and a predicted growth of 7.4% over the next four years, the race is on to find alternative fibres that won’t harm the earth or our health.

Research funded by SV’s CEBIC could unlock the secret to creating a new, more sustainable textile material. All thanks to the humble Australian solitary bee.

Deakin University’s Institute for Frontier Materials (IFM) is engineering a natural polymer using the protein building blocks of the nest material of the solitary bee, from New Zealand-based business Humble Bee Bio. The proteins have been found to have unique properties that could replace harmful plastic fibres.



Solitary Bee (Image credit: Tobias Smith, Bee Aware Brisbane).

Professor Joselito Razal, Director of ARC Research Hub for Future Fibres at IFM, says his team was delighted to receive the funding.

“This collaboration has the potential to uncover new and unforeseen applications for the bee biopolymer – it could be used in everything from clothing to construction, aviation, electronics and even medicine. The possibilities for the material are endless.”

Focus area 2:

Behaviour change and education

Our behaviour change and education programs are drivers for real-world change in our cities, suburbs, regions and communities.

We have a role to play in educating and driving change and help Victorians take action towards a net zero future. To do this, we leverage behavioural insights and rigorous social research to create effective and memorable campaigns that promote positive changes to attitudes and behaviours — helping Victorians to take the next step in their sustainability journey.

The stories behind the numbers:

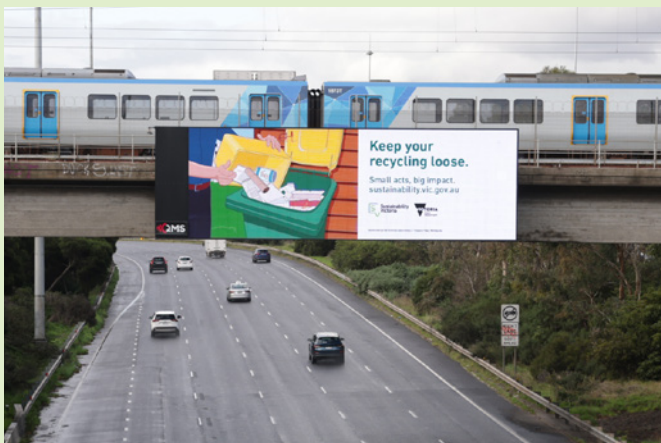
Changing household behaviour

SV strives to inspire and influence the actions of households as Victoria moves towards a circular, climate resilient economy.

Our statewide education and behaviour change campaigns support Victorians to better manage recycling and reduce their household waste. These campaigns reached millions of Victorians during the year. To maximise our reach across Victoria, SV also supported 58 councils and alpine resorts to deliver campaigns locally.

SV also provides best practice consumer advice through the SV website, social media and customer service channels. SV's update and promotion of the Household Energy Action Guide reached more than 330,000 Victorians.

SV's behaviour change campaigns, consumer advice and program design are informed by insights, social research and behaviour change principles from our specialised in-house team.



Small Acts, Big Impact outdoor advertising.

CASE STUDY

Empowering Victorians with SV's Small Acts, Big Impact campaign

SV's Small Acts, Big Impact campaign makes it easier for all Victorians to reduce waste and recycle more by making simple changes at home. The statewide campaign was delivered in an integrated manner across advertising, public relations, social media, digital, stakeholder engagement, partnerships, events, activations, and council support.

Since the launch of the statewide campaign in May 2022, we've reached millions of Victorians through advertising and public relations. Additionally, we also provided over \$3.5 million to 58 councils and alpine resorts to activate and implement the Small Acts, Big Impact campaign in their local areas to achieve further reach and locally targeted outcomes.

From May to June 2023, we launched another major advertising campaign to reach audiences across the state through a range of media including print, outdoor, radio, social media and digital channels.

SV2030 aims to ensure a just and equitable transition for all in our community. To support this, we worked on an extensive multicultural engagement campaign, translating our campaign materials into 10 languages and sharing them with multicultural stakeholders. Activities included pop-ups at community and sporting events and shopping centres, promoting campaign materials on digital community noticeboards at ethnic grocery stores and engaging two multicultural community ambassadors. For Victorians speaking a language other than English who want to engage online, we have translated our Small Acts, Big Impact web content into 10 languages.

Embedding sustainability in schools

ResourceSmart Schools is one of SV's longest running programs, designed to make sustainability the norm in Victorian schools. This free education program helps schools embed sustainability across their facilities, operations, curriculum and community, helping them reduce waste and greenhouse gas emissions and save resources and money in the process.

In 2022–23, 528 schools actively participated in ResourceSmart Schools, saving more than 8.2 million kWh of energy in 2022, over \$2 million on their annual energy bills, and avoiding more than 7,000 tonnes of greenhouse gases.

Schools engage their students in active learning – and are encouraged to include sustainability in the curriculum and demonstrate leadership by engaging their local community. SV runs online professional learning sessions and workshops to help schools take the lead on sustainability.

CASE STUDY



Celebrating the next generation of environmental leaders at the ResourceSmart School Awards

Now in its 14th year, the 2023 ResourceSmart Schools Awards celebrated Victorian schools achieving great things in sustainability. This is Victoria's largest sustainability awards for schools, shining a light on the positive work schools are doing to protect the environment. More than 260 school children, teachers, school volunteers and stakeholders attended the ceremony at the MCG on 15 June 2023.

Sustainability action comes in all sizes. From making homemade muesli bars to cutting plastic waste to participating in pollinator counts, this year's winners demonstrated remarkable sustainability leadership.

Eastwood Primary School and Deaf Facility won ResourceSmart School of the Year. They have embedded sustainability as a cross-curricular priority and dedicated a whole school team to environmental learning. Last year, their school community regenerated their campus by repairing planter boxes, renewing garden beds, reviving package-free food days and bringing back the Active Travel Weekly Tally Competition. See all finalists and winners on the SV website.

The Minister for Environment, Ingrid Stitt MP opened the awards and presented the ResourceSmart School of the Year award to Eastwood Primary School and Deaf Facility.

Readying business and industry for a clean economy

We are supporting business and industry to be prepared for a clean economy future, engaging with them to drive change and embed the knowledge and sustainability practices they will need to be 'future ready'. We promote and share the benefits of participating in the clean economy, including the new skills and job opportunities that will emerge.

In 2022-23, we worked with businesses across the building and construction supply chain to accelerate Victoria's transition to 7-star homes and increase capability to deliver energy-efficient new homes.

In the lead-up to the Victorian Government's single-use plastics ban in February 2023, SV worked with thousands of Victorian hospitality businesses to help prepare them to phase out single-use plastics. We provided grants and education aimed at helping businesses adopt reuse systems to avoid the need for single-use plastic products and navigate the changes to their business.

We talked to more than 3,400 businesses across Gippsland, Barwon South West and Metropolitan Melbourne, with a focus on reaching culturally and linguistically diverse business owners and staff. SV also hosted online masterclasses on implementing reusable systems at events and at cafes.

CASE STUDY



Ditching disposable dining at Monash University

Monash University was one of 16 hospitality businesses to receive funding to explore the feasibility of reuse systems in different hospitality under the Circular Economy Reuse Pilots Fund.

Retailers at its Clayton campus were invited to participate in the Ditch Disposables – Reusable Dining Program pilot in early 2023. Retailers received reusable melamine plates, bowls and stainless-steel cutlery and were encouraged to serve food to customers using reusable items as the default option.

During the 9-week pilot, Monash University washed over 22,000 pieces of reusable plates and cutlery. Monash has extended the program until November 2023 and is exploring other reusable options including coffee cups, takeaway containers and reusable options for smoothies and bubble teas.

SV awarded a total of \$623,000 in funding. Four of the first-round projects are already complete with their stories being shared to help other businesses.

WE'RE FOCUSED ON THE FUTURE

Upskilling Victoria's government agencies to unlock the power of foresight

Sustainability Victoria hosted a Futures Forum in 2023 to advance long-term thinking across the Victorian Government. The forum attracted more than 75 curious minds eager to expand their connections and capability in foresight from 22 government agencies and authorities.

Attendees heard from presenters representing Melbourne Water, Environment Protection Authority and more, on how they are using long-term thinking to help their organisations better plan for a clean economy future.



Attendees at the Futures Forum created objects of the future to better understand foresight.

Focus area 3:

Community action

We partner with communities providing advice and support that meets their unique local needs in transitioning to a circular, low emissions future.

We support and accelerate community action using a place-based approach that fosters trust, builds relationships and facilitates connections, in ways that are relevant to communities, their locations and individual contexts. By working directly with communities, we support innovative action while also consolidating behaviour change through local leadership and example.

The stories behind the numbers:

Building community capability

SV connects communities with the expertise, resources and tools they need to take long-term action at a local level. By supporting community sustainability initiatives with grant funding, access to expertise and capability building, we've empowered Victorian communities to design their own future.

We've partnered with organisations on the ground in towns and cities across Victoria, supporting them to design and implement their own renewable energy and circular economy projects. Sixty-two community-led circular economy projects are under way, promoting sharing, repairing and purchasing of second-hand items through repair cafes, sharing centres, community composting and more.

Community initiatives are designed to have lasting impact. A number of community energy organisations are set to draw on ongoing revolving funds, which will be continually replenished through savings from local renewable energy projects, supporting a pipeline of projects into the future.



Celebrating SV's
Collective Action
participants.

CASE STUDY



Community action through repair and reuse in Mernda

Mernda Repair Café has community action at its heart. Its focus is educational and practical, empowering locals to repair and reuse household items that would have otherwise ended up in landfill. It's supported almost completely by skilled volunteers who repair electronics, bikes, clothes and other household and personal items.

The project is run by Mernda Community House, part of Whittlesea Community Connections, a not-for-profit dedicated to supporting community in the City of Whittlesea. The Community House's repair cafe has been funded through SV's Circular Economy Communities Fund.

"So far, we've diverted more than 0.6 tonnes of waste from landfill and have delivered numerous workshops teaching people how to do their own repairs, thanks to our partnership with Whittlesea Council," says Maylei Hunt, Mernda Repair Café coordinator.

"We have mentored other aspiring community groups both within and outside our municipality to start their own repair cafes," says Maylei.

The cafe's success demonstrates the important role that local initiatives play in helping people to look at waste differently as we move towards a circular economy where we reuse, repair and recycle rather than throw valuable resources away.

"The impact of giving [the] community a choice in what they do with their belongings, buying for longevity and knowing they are doing something positive for our collective future, leaves an important, positive impact," says Maylei.

Volunteers at the Mernda Repair Café.

Driving collective impact

To achieve maximum impact in reducing waste and emissions, everyone must play a role. SV drives positive change as the connector of like-minded organisations and individuals working in communities across Victoria.

We bring together, partner with and mobilise changemakers from a range of sectors and regions to collaborate, learn from each other and scale up effective solutions.

In 2022-23, we partnered with 60 Victorian local councils and alpine resorts to support the development of local and regional circular economy projects and delivered the Detox your Home household chemical collection service in 29 communities across Victoria.

We also celebrated our state's changemakers at the 20th instalment of the [Premier's Sustainability Awards](#), partnering with the Banksia Foundation and Keep Australia Beautiful Victoria to recognise and celebrate those leading the way to a sustainable future across six award categories.

CASE STUDY

Mallacoota builds community solar farm to purify town's water

In the seaside town of Mallacoota in far eastern Victoria, a local community group has taken charge of a solar power project to purify the town's drinking water.

An SV grant supported the 22-kilowatt system, which produced more than 16.4 MWh of electricity in its first nine months, with 88% going towards purifying the town's water at the local water treatment plant. The new system also avoided 8.7 tonnes of CO₂-e being released into the atmosphere.

Tricia Hilley, local coordinator of the Mallacoota Sustainable Energy Group, moved to Mallacoota with her husband 12 years ago and is passionate about her beautiful town and the benefits of clean energy.

"A number of us got together to future-proof our homes, which for us was reducing our environmental footprint as well as reducing any ongoing costs," Tricia explains.

What started as a small group of Mallacoota residents concerned about lowering carbon emissions and increasing energy security for their remote town, snowballed into a regional powerhouse of community action across Gippsland, when two like-minded groups in the region combined forces to receive the funding from SV for the project.

East Gippsland Water provided the land for the project and are the main buyer of the clean energy produced by the solar panels under a 10-year agreement that ensures the project can continue to lower carbon emissions, providing long-term benefits for Mallacoota.



Tricia standing in front of the 22-kilowatt ground mounted solar installation at the local water treatment plant.

Tricia believes the key to success were the partnerships formed, including with SV's Community Power Hubs program, which saw seven hubs across the state supporting 127 community organisations to deliver more than 40 community energy projects.

The Mallacoota Sustainable Energy Group is already thinking about the next projects that might be possible in Mallacoota, such as an electric vehicle charger to encourage tourists to stop in the town.

Connecting sustainability to people and place

SV supports a range of place-based initiatives, embedding sustainability as part of everyday life for Victorians in their communities – from urban centres to regional towns.

These initiatives have connected sustainability to positive outcomes in health and wellbeing, social inclusion and community connectedness, while driving behaviour change to reduce waste and emissions.

We've funded projects improving the lives of Victorians by bringing sustainability to their doorstep and encouraging the

development of locally meaningful, fit-for-purpose solutions. A total of 137 community groups upgraded their facilities over the past two years with energy efficient projects like installing solar, upgrading heating or cooling systems or installing efficient lighting.

Whether it's lighting the way on a walking track with LEDs, to providing a local option to get a bike repaired instead of throwing it away, SV supports Victorians to embrace sustainability wherever they live.

CASE STUDY

A vibrant Hindu community embraces solar

The Kundrathu Kumaran Temple in Deanside is one of more than 100 community facilities upgraded by SV through our Community Climate Change and Energy Action program.

The temple is attended by many of Victoria's Indian, Sri Lankan, Fijian, Mauritian, Malaysian, Singaporean and South African Hindu communities. Temple project manager Kasi Nathan explained that the Hindu religion is based on protecting nature.

"We pray to the sun, we pray to the trees, we pray to nature. So, supporting sustainability is very important to our congregation."

The funded solar system and battery now powers the temple, small community hall, canteen, priests' residences, external lights, car park lights and security lights, reducing the temple's power consumption. Costs have reduced by 65%.

"We used to pay about \$1,300 a month, and now our bill is around \$600," Mr Nathan said.

"We're using the savings to improve our facilities and offer more programs to attract women and youth. We just started running yoga classes, for example."

The temple has a desire to showcase and promote renewable energy to the wider community. Mr Nathan said many members of their congregation are now following their lead.

"A lot of people are considering solar power and some are already in the process of installing panels and batteries in their homes," Mr Nathan said.



The solar panels installed on the rooftop of the Kundrathu Kumaran Temple.



Performers at the Kundrathu Kumaran Temple.



Members of the congregation at the Kundrathu Kumaran Temple.

WE'RE FOCUSED ON THE FUTURE

Connecting communities and sustainability through art on the journey to a net zero future



Columbian artist Katherine Gailer, aka KATIRA, stands in front of the vibrant mural in St Albans which helps to inspire multicultural communities about how their small acts make a big impact on Victoria's sustainable future.

SV is engaging with Victorian communities through street art, transcending and connecting sustainability with language and culture in new ways to reach more people, including our multicultural communities.

As part of the Small Acts, Big Impact campaign, Hong Kong born artist, Yan Yan Candy Ng, hand painted a mural in Bendigo depicting the many ways people can commit to small acts that minimise waste and encourage simple and smarter recycling habits in daily life.

Candy was excited to contribute her talents to the initiative, saying, "I'm hoping this mural will inspire the community and motivate them to form new habits and create a conversation".

The mural gave Candy an opportunity to communicate to different cultures who can recognise the message through art and feel inspired to contribute to our thriving multicultural society.

A second mural was painted by Columbian artist and muralist, Katherine Gail (KATIRA) in St Albans in Victoria's north-west (pictured here).

Katherine's design for the mural is a beautiful representation of how all kinds of people in local communities can do their part to create a sustainable future for Victoria. She stated, "I knew I wanted to create a mural that really revealed that potent beauty that exists in this fragile connection between humans and nature."



From insight to innovation with the SV Lab

The SV Lab is an internal thinktank that powers SV's planning, policy and programs. The Lab invests in deep thinking, evidence building and horizon scanning to lead in influencing policy and political decision-making through its research and insights.

This innovative team of researchers and technical experts analyse all the latest data, research and emerging trends to inform planning and strategy to get Victoria to net zero emissions and a circular, climate resilient and clean economy.

The Lab provides behavioural and social insights through research into Victorian community attitudes and sentiments towards climate action and barriers to moving towards a sustainable future. The Lab also evaluates SV's programs to build success into future program design.

Activities in 2022–23

Foresight and futures insights

The SV Lab continued to identify potential future trends through horizon scans and foresight methodologies to inform planning and strategy. They scanned sustainability trends, emerging technologies and research topics to ensure SV staff are informed, and ran future scenario planning workshops with the leadership team and Board.

In 2022–23, the Lab released part one of their Long-term Insights Brief, summarising energy and materials insights from across a range of government perspectives and experts. Engagement on part two began in 2022–23 and will look at the perspectives of industry and community on energy and materials futures.

To engage more widely across the Victorian Public Service, the Lab set up a Future and Foresight Network which has now grown to over 200 members, and hosted its first Futures Forum. Seventy-five representatives from 22 government agencies and authorities participated in the event, eager to expand their connections and grow their capability in foresight.

The SV Lab hosted futures and foresight workshops for the public as well, at the MPavilion in March (Foresight: Understanding Design Futures) as part of the City of Melbourne's Excellent City Series, and the Imagining our Future workshop on 19 May as part of Melbourne Design Week.

Technical expertise in energy and materials

In March 2023, the SV Lab published Tracking Victoria's Energy Transition 2020, which analysed key elements of Victoria's energy transition from 1989–90 to 2019–20. It also provided technical support for the development of SV's FirstRate5 whole-of-home rating tool, and calculation methodologies for greenhouse gas emissions and the whole-of-home rating tools developed under the NatHERS framework.

When early signals of energy price rises were identified in 2023, the Lab brought together energy, digital and communications experts across SV to ensure the right advice was available to Victorian households, so they could reduce their energy demands. The Household Energy Action Guide is now on the SV website and was accessed by over 300,000 Victorians in the lead-up to winter.

The SV Lab's report on Healthy Homes has continued to have a positive impact, with the groundbreaking research showcased at several speaking events, and being referenced by many organisations working in health, climate and energy.

The SV Lab is fast becoming a go-to point across government, providing technical advice on Victoria's Gas Substitution Roadmap, the residential energy efficiency provisions in the National Construction Code (NCC) 2022 and providing advice on circular economy principles to several large-scale Victorian Government infrastructure projects and agencies – including the Suburban Rail Loop Authority and Infrastructure Victoria.

Behavioural and social insights

Behavioural insights are embedded into priority SV projects, with the SV Lab delivering several social research pieces to assess pro-environmental attitudes and behaviours across Victoria. We surveyed over 2,500 Victorians in early 2023 to understand attitudes and behaviours towards living sustainably, the circular economy and climate change. Results will be shared before the end of 2023 in what will be the first of a series of reports, enabling us to track over time how Victorians are participating in a clean, resilient and circular economy and provide valuable insights and advice on how we can help increase that participation.

Evaluation and research partnerships

Our in-house evaluation function has completed its first year, evaluating five different SV programs and delivering evaluation reports for each of them. Having this team in-house enables us to retain and build on our experiences and learnings and identify ways we can be doing things better into the future.

Partnerships are a big part of how we deliver insight and intelligence. This year we worked closely with BehaviourWorks Australia and the Fight Food Waste Cooperative Research Centre, concluding two important areas of current research:

- ▶ exploring how policies and programs can support the uptake of 'responsible consumption' practices; and
- ▶ designing effective interventions to reduce household food waste.

Both these long-term partnerships are directly informing our current program delivery alongside the design of what comes next for a circular economy in Victoria.



SV Lab staff and participants at the Imagining our Future workshop at Melbourne Design Week.

Our culture

SV is a great place to work, where passion for the environment, rich knowledge and insights and positive culture come together to create a more sustainable future for Victoria. SV consciously builds its culture, aiming for a workplace that sets the highest standard as an inclusive, innovative and thriving place to work.

SV is committed to creating and strengthening an environment that empowers its staff to thrive. We want our staff to proudly bring their full and authentic self to work and have their talents recognised and applied to some of the toughest sustainability issues facing our state.

We were happy to have our values, purpose and commitment to flexible working practices recognised at the Australian Financial Review and BOSS Magazine's Best Places to Work awards. SV was awarded first place in the in the Government, Education and Not-For-Profit sector, up three positions since the previous year.

In 2022–23, SV continued to strengthen the value we provide to Victorians in the areas of program impact, data and community insights and the agility and scalability of our services. SV further enhanced its OneSV Culture focusing on developing its leaders to have impact and maximising hybrid and collaborative ways of working across technology, program design, storytelling, leadership, research and behaviour change.

Our cultural aspirations

| | |
|---|--|
| <p>We are ONE SV</p> <p>We are an inclusive community of diverse individuals, working collaboratively to achieve our shared goals.</p> | <p>We have a GROWTH mindest</p> <p>We bring our experience, skills and knowledge to everything we do; we are committed to personal and professional growth.</p> |
| <p>We are COURAGEOUS and BOLD</p> <p>We are open to new ideas, value, creativity and encourage each other to think differently, take well-informed risks and be courageous in our exploration.</p> | <p>We are IMPACTFUL</p> <p>We deliver impactful and measurable outcomes, holding each other to account, being brave in our decision making and adopting a 'can do' attitude.</p> |
| <p>We are INSIGHTFUL</p> <p>We see the big picture and think longer term, adding value through insight, leveraging our rich evidence, data and research to explore scenarios and create new opportunities.</p> | <p>We are AGILE</p> <p>We are flexible and agile and redirect resources to achive the maximum benefit for the Victorian Community. We foster a 'safe-to-fail' environment where staff are empowered to innovate and try new things.</p> |

Diversity and inclusion

SV continues its commitment to fostering a safe and inclusive workplace where every person can feel a sense of belonging supported by SV's Diversity and Inclusion Plan 2023 (D&I plan).

Our diversity and inclusion purpose is to individually and collectively transform our workforce into one that is representative of the Victorian community.

The D&I plan has six pillars with each focused on a specific diversity and inclusion area to drive our priorities and actions.

In the last 12 months, SV progressed key initiatives outlined in the Gender Equality Action Plan including launching a new menstruation and menopause wellbeing policy, revising job advertisements to encourage intersectional diversity and enhancing diversity data collection and reporting mechanisms.

SV provided leaders with racial unconscious bias and LGBTQIA+ ally training to strengthen awareness and advocacy.

We also recognised and celebrated the following days of significance with internal events to promote awareness and education across diversity and inclusion pillars.

Table 1: Celebrating days of significance in 2022–23

| Days of significance | Date |
|---|--------------|
| 2022 | |
| NAIDOC week | 3–10 July |
| Wear it Purple Day | 26 August |
| International Equal Pay Day | 18 September |
| International Day of the Girl | 11 October |
| International Day of People with Disability | 3 December |
| International Women's Day | 8 March |
| 2023 | |
| Harmony Day | 21 March |
| IDAHOBIT Day | 17 May |
| Transgender Day of Visibility | 31 March |
| Global Accessibility Awareness Day | 19 May |

Fostering a healthy and supportive work environment

In 2022–23, SV continued to prioritise staff wellbeing, health and safety. Hybrid working at SV has been normalised, additional wellbeing initiatives have been rolled out, and SV's flexible working culture has been further embedded and recognised externally.

Over 2022 and 2023, SV introduced a range of wellbeing initiatives to support staff, including:

- › mental health first aid training – including the addition of mental health first aid connectors
- › wellbeing, health and safety (WHS) month with workshops on burnout and mental health literacy
- › psychological safety regulations training
- › OHS training
- › implementing Focus Fridays and team anchor days
- › four wellbeing days
- › summer hours with 2 pm Friday finishes over summer for the second year running
- › launch of new Employee Assistance provider Acacia Connection who provide a breadth of support to staff from counselling to financial advice and nutritional support
- › implementing a workplace health and safety natural disaster policy
- › implementing a menstruation and menopause leave policy.



SV gather to celebrate their first place win in the 2023 Australian Financial Review and BOSS Magazine's Best Places to Work awards in the government, education and not-for-profit sector.

Operational excellence

SV has been working on creating impact growth and funding diversification opportunities. In 2022–23, we delivered ResourceSmart Schools' software and support services to the Australian Capital Territory Government via a commercial licence agreement. In addition, we launched SV Hub, an offering for like-minded industry and government organisations.

With light-filled work areas and access to informal collaboration areas and formal meetings rooms, it provides the ideal workspace for freelancers, entrepreneurs and start-ups in the sustainable and environmental sectors to collaborate and work privately.

The SV Hub hosts an average of 32 events per month. Our biggest client in 2022–23 was the Victorian Public Service, with DEECA making up 28% of VPS bookings.

Find out more at www.sustainability.vic.gov.au/about-us/space-hire.



The SV Hub is a popular choice for workshops that bring together VPS staff and the private sector to work on sustainability, environment and energy.

About Sustainability Victoria

Sustainability Victoria (SV) is a statutory agency established in 2005 under the *Sustainability Victoria Act 2005* (SV Act).

The objective of SV is to facilitate and promote environmental sustainability in the use of resources, in improving energy efficiency and in reducing impacts from emissions.

Our programs help all Victorians move towards a circular, climate resilient clean economy, underpinned by shared knowledge, innovation, vibrant employment opportunities and a cleaner, greener Victoria for current and future generations to enjoy.

With strong technical skills, research, data and engagement, we turn the Victorian Government's strategic commitments into practical outcomes and contribute to government targets in recycling and net zero emissions including targets in the Victorian Government's *Circular Economy Policy* (previously the *Recycling Victoria policy*) and Victoria's Climate Change Strategy.

We report to Ingrid Stitt MP, Minister for Environment and Minister for Early Childhood and Pre-Prep. We also support the energy and climate change portfolio under Lily D'Ambrosio MP, Minister for Energy and Resources, Minister for Climate Action and Minister for the State Electricity Commission. As set out in the SV Act, SV is governed by a Board whose members are appointed by the Minister.

Function and responsibilities

SV's functions are set out in the SV Act. SV is a key delivery partner for *Recycling Victoria: A New Economy*, the Victorian Government's circular economy policy to deliver a cleaner, greener Victoria with less waste and pollution, better recycling, more jobs and a stronger economy.

SV supports meeting the Victorian Government's greenhouse gas emission reduction targets set out in the *Climate Change Act 2017* and is working to support Victoria to achieve net zero emissions by 2045.

Many of SV's program names were updated in 2022–23 to reflect our role in delivering the *Circular Economy Policy*. Any programs which included the term 'Recycling Victoria' were updated to 'Circular Economy' to highlight our role in transitioning to a circular economy. The function of these programs has remained the same.

SV had legislative responsibility for statewide waste management strategy and planning until September 2022 under the *Environment Protection Act 2017*. This function moved to Recycling Victoria in September 2022, although SV retains responsibility for the statewide infrastructure plan until the Minister approves its replacement (the *Victorian Recycling Infrastructure Plan*). The new infrastructure plan is scheduled for release before 31 June 2024.

The state's waste and recycling data function also transitioned from SV to Recycling Victoria in July 2022.

Our vision

A sustainable, thriving Victoria.

Our purpose

To accelerate Victoria's transition to a circular, climate resilient clean economy.

Our challenge

A net zero emission, circular economy in Victoria.

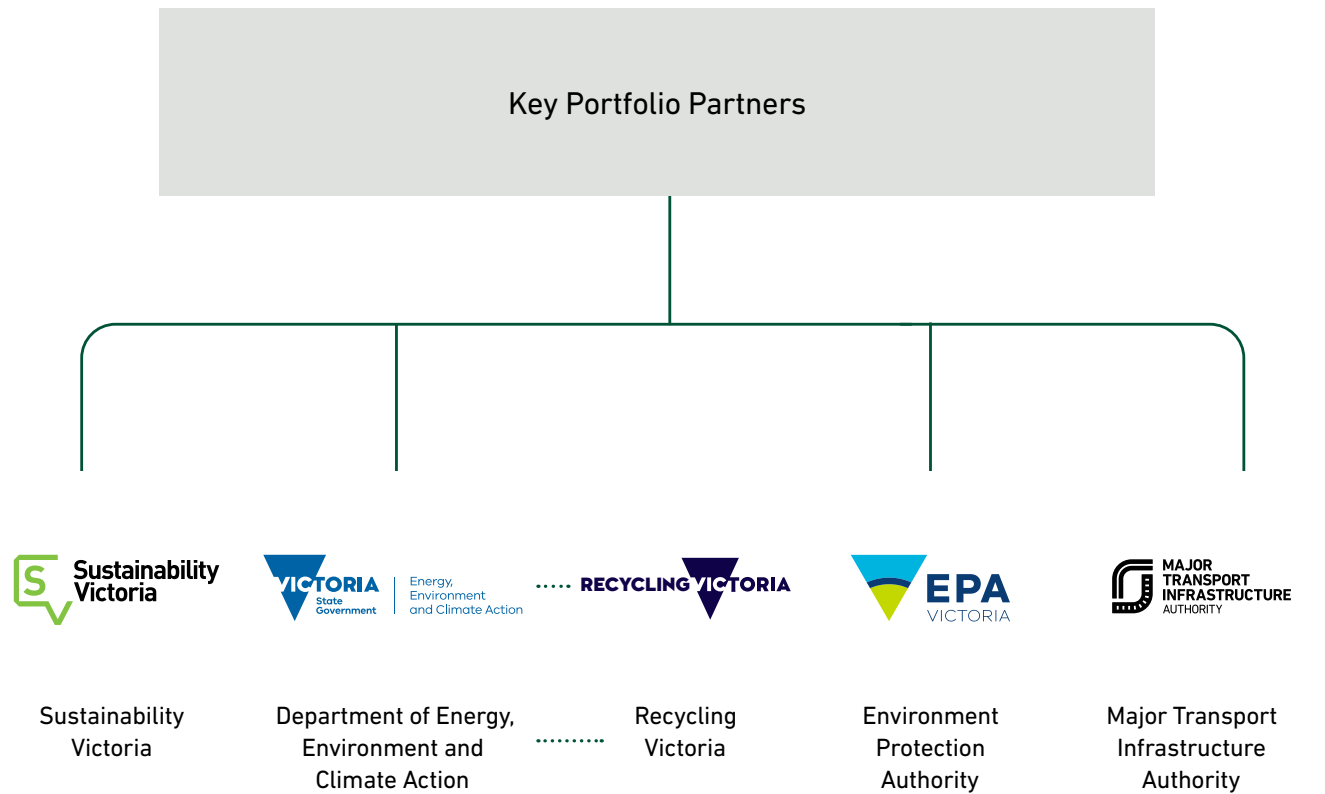
Our values

SV champions the values of the Victorian Public Service and demonstrates responsiveness, respect, integrity, human rights, leadership, impartiality and accountability in the work that we do.

Our government partners

We work with the Department of Energy, Environment and Climate Action (DEECA), the Environment Protection Authority (EPA), Recycling Victoria (RV) and the Major Transport Infrastructure Authority (MTIA) as part of the Victorian Government’s environment and climate change portfolio.

SV also works closely with other Victorian Government departments and agencies.



Note: Recycling Victoria was established as a new business unit within DEECA under the *Circular Economy (Waste Reduction and Recycling) Act 2021* on 1 July 2022.

These departments and agencies have been nominated to act as program delivery leads responsible for achieving specified program outcomes under the *Circular Economy Policy*.

SV is responsible for delivering 11 of the 26 actions under the policy and action plan worth over \$200 million (state and federal funding).





Non-financial performance





Summary of impacts achieved in 2022–23

In 2022–23, we continued to deliver results under four impact areas, meeting or exceeding 12 out of 16 targets.¹

| | |
|---|---|
|  Jobs and return on investment |  Retaining value from our resources |
|  Reduced emissions |  Resilient and healthy Victorian communities |

Table 2: Our performance by focus area in 2022–23

| SV2030 Impacts | Measure | 2022–23 result | Target met |
|---|---|----------------|------------|
| Focus area 1: Investment and innovation | | | |
|  | \$30 million in government investment into new resource recovery and zero carbon infrastructure ² | \$44.9M | Exceeded |
| | \$60 million of private investment mobilised into new circular economy and zero carbon infrastructure (including Commonwealth funding) ³ | \$151.9M | Exceeded |
| | 120 clean economy jobs ⁴ | 336.5 | Exceeded |
|  | 200,000 tonnes of resource recovery capacity funded and installed (BP3) ⁵ | 126,962 | Not met |
| | 500,000 tonnes less waste going to landfill | 472,430.7 | Target met |
|  | 70 7-star certified homes built ⁶ | 58 | Not met |
| Focus area 2: Behaviour change and education | | | |
|  | 5 priority SV projects using behavioural insights in program design and delivery | 5 | Target met |
| | 1 million people have been reached by the circular economy education and behaviour change program ⁷ | 1,969,000 | Exceeded |
| | 650 Victorian schools participating in the ResourceSmart Schools program (BP3) ⁸ | 528 | Not met |
| | 8.5M kWh energy saved by Victorian schools participating in the ResourceSmart Schools program (BP3) | 8,293,727 | Target met |






| SV2030 Impacts | Measure | 2022–23 result | Target met |
|---|--|----------------|------------|
| Focus area 3: Community action | | | |
|  | 5,000 volunteer hours increasing local capacity and capability within communities to deliver renewable energy and circular economy projects ⁹ | 58,313 | Exceeded |
|  | 7,500 Victorians safely dispose their household chemicals at a Detox your Home event ¹⁰ | 8,132 | Exceeded |
|  | 22 networks and partnerships to deliver a circular, climate resilient and clean economy in Victoria ¹¹ | 47 | Exceeded |
|  | 1,190 MWh clean energy generated | 1,200 | Target met |
| | 1.5 million t CO2e of (modelled) abatement through policy support and technical advice to other agencies ¹² | 1,600,000 | Exceeded |
| | \$400 million (modelled) in annual energy bill savings contributed through policy support and technical advice to other agencies ¹² | 400,000,000 | Target met |







Notes:








- SV employs a +/- 5% tolerance when assessing our business plan targets.
- A number of grants that were expected to be included in the 2023–24 modelling were awarded in the current financial year and have been included in SV's 2022–23 investment.
- The investment leveraged includes \$7,134,449 of Commonwealth funding as well as a co-investment of \$90 million generated by one of our grant programs.
- Clean energy jobs are temporary and permanent jobs as a direct result of SV's funding.
- Project delays caused by ongoing supply chain issues and resourcing within the construction industry mean this measure has not been met within the desired timeline. The delayed projects will go ahead and will be commissioned in 2023–24.
- The timeline for the certification of 70 7-star homes has been extended with approval from DEECA to September 2023.
- The parameters of this measure have been altered to use the reach of the CE Education and Behaviour Change program's public relations activity rather than all activity. The evaluation of the campaign is not expected to be complete until July 2024 and will include the cumulative reach through the total campaign.
- The active ResourceSmart Schools (RSS) outcome is below target due to the significant flow-on effect of COVID-19 on the education sector where illness and absenteeism in schools has led to teacher shortages and a lack of casual relief teacher support.
- The Circular Economy Supporting Local Communities program had significant uptake by volunteers and has more than exceeded the expected result.
- The household chemical collection program was extended in financial year and has had a significant reach across Victoria. The number recorded here represents vehicles attending chemical collection events. The number of individuals attending the sites would be much higher.
- In 2022–23, SV established 47 new, effective working partnerships with government agencies and businesses through CEBIC and the Circular Economy Council Fund programs.
- The E3 Program implements mandatory energy labelling and minimum energy performance standards (MEPS) for appliances and equipment in Australia. SV has provided Victoria's lead representative on this national program since 2002. The actuals reflect the estimated savings for Victorians realised through the implementation of this program, based on modelling undertaken for the program.

Activities delivered under Focus area 1: Investment and innovation

Table 3: Performance under Focus Area 1: Investment and Innovation

| Activity | Performance in 2022–23 | SV2030 impacts |
|--|--|---|
| Investing in recycling infrastructure | | |
| Circular Economy Infrastructure Fund – Circular Economy Recycling Modernisation Fund | <p>\$64.9 million has been awarded to 21 industry and council-led projects over three rounds of funding over the past two years (jointly funded by the Victorian and Australian governments). Projects funded last year are well under way, with two already complete.</p> <p>Funded projects will create almost 268 ongoing full-time jobs and will process about 315,000 tonnes of glass, plastic, paper, cardboard and tyre waste each year.</p> |  |
| Circular Economy Infrastructure Fund – Materials | Seven projects have now been funded (five in November 2021 and two in 2021–22). Victoria's total investment of \$6.3 million will create 380,000 tonnes of recycling capacity for glass, textiles and organics and create more than 46 full-time jobs. Rounds 3 and 4 were launched in 2022–23. Projects will be announced next year. |  |
| Circular Economy Infrastructure Fund – Hazardous Waste | \$4.7 million in funding was allocated to four projects in October 2022 to support industry and local councils to upgrade existing or establish new facilities to increase domestic recovery of contaminated soils and reportable priority wastes. Projects aim to create up to 26 full-time jobs and add 261,000 tonnes a year of resource recovery capacity for hazardous wastes. In June 2023, SV announced an additional \$4.5 million in grant funding to support hazardous waste infrastructure projects in Victoria. |  |
| Recycling Recovery Infrastructure Fund (RRIF) | <p>Wrapped up the last of the 69 RRIF projects, adding 1.37 million tonnes of capacity for priority materials like plastics and food and garden organics over the life of the seven-year program. Total funding was \$18.97 million. Projects created 198 jobs and recovered about 575,000 tonnes of priority materials (food and garden organics, plastics, paper and cardboard, timber), as well as 164,000 tonnes of glass and 805,000 tonnes of aggregates, masonry and soil.</p> <p>The Victorian Government's investment leveraged industry investment of \$70.64 million and local government investment of \$10.22 million. For every \$1 invested by the Victorian Government, projects co-invested around \$5.</p> |  |
| Asbestos disposal management plan | Two project sites were funded under the Asbestos Transfer Site Grant – Pilot Program to pilot the infrastructure and systems needed to safely receive, manage and dispose of small quantities of non-friable, packaged waste asbestos from trades, householders and licensed asbestos removalists. The asbestos transfer sites will temporarily store asbestos waste until it is transported to a licensed landfill for final disposal. |  |

| Activity | Performance in 2022–23 | SV2030 impacts |
|--|---|---|
| Waste to Energy Fund – Bioenergy | \$8 million was awarded to 24 projects in June 2023 to help turn organic waste into renewable energy, creating new regional jobs and industries while reducing organic waste sent to landfill and driving down emissions. Projects are forecast to boost Victoria's renewable energy capacity by an additional 6.82 MW, enough to power 3,410 homes with renewable energy. Projects will also create up to 192 short-term jobs and 29 long-term jobs – and new revenue streams for Victoria's primary producers. |  |
| Investment Facilitation Service | <p>The Investment Facilitation Service (IFS) helps businesses connect with government and access investment opportunities. It also offers grants to support small and medium enterprises that are looking to invest in infrastructure but lack capital and access to other government support. The IFS targets timeline sensitive projects in niche markets where gaps exist in traditional funding.</p> <p>In 2022–23, SV awarded \$250,000 to Australian Paper Recovery for a \$4 million demonstration project targeting advanced chemical recycling of problematic soft plastics. The project will divert 1,800 tonnes from landfill when the plant is commissioned in February 2024.</p> |  |
| E-Waste Infrastructure Support Program (Landfill Ban) | SV has been funding upgrades to the e-waste collection and building e-waste reprocessing capacity since 2018 to support the Victorian Government's e-waste to landfill ban on 1 July 2019. To date, 137 e-waste collection sites and one reprocessor have been upgraded. The final three collection upgrades (part of larger site upgrades) and four reprocessor upgrades will be completed by early 2024. |  |
| Innovating with recycled content | | |
| Circular Economy Markets Fund – Materials | 22 projects received \$5 million in funding under the business support stream. All projects must finish in 2024. |  |
| Circular Economy Markets Fund – Organics | 12 projects received \$1.63 million in funding to support end markets for recycled organic products. | |
| Circular Economy Organics Sector Transformation Fund (CEOST) | 11 projects received \$11.26 million in funding to divert more organic waste from landfill, reduce contamination and improve the quality of recovered organic material to help grow the food of tomorrow and secure Australia's agricultural future. Funding under CEOST has been matched by the Australian Government with co-leveraged funding secured under the national Food Waste for Healthy Soils Fund. |  |
| Circular Economy Research and Development (R&D) Fund | 16 projects are under way after being awarded \$1.3 million at the end of 2021–22 (five organics and 11 materials projects) to improve the quality of materials recovered for recycling and increase the ability of Victoria's resource recovery industry to respond to new bans on waste exports. All projects must finish in 2024. |  |









| Activity | Performance in 2022–23 | SV2030 impacts |
|---|---|---|
| Sustainable Infrastructure Fund (SIF) | Six SIF projects wrapped up in 2022–23, with one still in progress. This takes the total SIF projects to 38. SIF grants support local governments and alpine resorts to use recycled materials in infrastructure projects. |   |
| Designing out waste | | |
| Circular Economy Business Innovation Centre (CEBIC) | Digital hub providing access to events, funding support and research to stimulate the adoption of proven circular economy business models. CEBIC continued to host events with a focus on designing out waste. |   |
| Circular Economy Business Support Fund | Funded another eight projects via CEBIC to develop and implement circular economy business models and practices that avoid waste, save money and create new jobs. This is the third and final round of support. |   |
| Investing in energy efficient homes | | |
| 7-Star Homes | SV continued to partner with builders and land developers to support them to build energy efficient homes with a minimum 7-star NatHERS rating and whole-of-home assessment. Builders have completed 58 homes with an average NatHERS rating of 7.57 stars out of 10. 1,700+ builders and industry professionals have attended SV's 7-star homes training programs. |  |

Activities delivered under

Focus area 2: Behaviour change and education

Changing household behaviour





Table 4: Performance under Focus Area 2: Behaviour Change and Education




| Activity | Performance in 2022–23 | SV2030 impacts |
|--|--|---|
| Changing household behaviour | | |
| Statewide education and behaviour change program | Ongoing delivery of SV's statewide campaign, Small Acts, Big Impact, including advertising, public relations, social media, digital, stakeholder engagement, partnerships, events, activations and council support. This included community murals made by multicultural artists across Victoria and working with campaign ambassador and Melbourne-based cook, food writer and 'vegelante', Alice Zaslavsky. |    |
| Circular Economy Household Education Fund | 58 councils and alpine resorts benefited from almost \$3.9 million in funding (Rounds 2 and 3) to educate and help Victorians use their waste and recycling services correctly to lower contamination. Total funding sits at almost \$4.5 million with 80% of councils and all alpine resorts delivering campaigns under the fund. All projects will wrap up by June 2025. Councils and alpine resorts can also access the Small Acts, Big Impact campaign asset library, which includes translated materials. Councils can adapt the materials to best suit their local recycling services and community needs. Over 2022–23, councils made 13,300 downloads. |   |
| Embedding sustainability in schools | | |
| ResourceSmart Schools (RSS) | 528 schools actively participated in SV's RSS program, saving more than 8.2 million kWh of energy in 2022 through this program, over \$2 million on their annual energy bills, and avoiding more than 7,000 tonnes of greenhouse gases. Participation continued to be lower than targeted due to schools managing the ongoing impacts of COVID-19. An updated RSS sustainability framework was launched in July 2022, along with an improved online system, making the program easier for schools to access and simpler to progress through. SV continued to run online professional learning sessions and workshops to help schools in taking and leading sustainability actions. In 2023, the Australian Capital Territory (ACT) Government launched the Sustainable Schools Program that uses the ResourceSmart Schools framework and online system to support their schools to take action. The ACT Sustainable Schools team was supported by both SV's commercial and education branch to upskill and share learnings to ensure the success of the program. |    |

| Activity | Performance in 2022–23 | SV2030 impacts |
|--|--|---|
| Readying business and industry for a clean economy | | |
| Circular Economy Reuse Pilot program (Single-use Plastic Ban) | <p>Awarded \$623,000 in funding to 16 hospitality businesses to help them explore the feasibility of reuse systems in different hospitality settings. Four of the first-round projects are already complete with their stories being shared to help other businesses.</p> <p>SV engaged face-to-face with more than 3,400 hospitality businesses in 34 local government areas across Gippsland, Barwon South West and metropolitan Melbourne, with a focus on culturally and linguistically diverse business owners and staff. SV also hosted online masterclasses on implementing reusable systems at events and at cafes, attended by 92% of Victorian councils.</p> |   |
| FirstRate5 – NatHERS Accreditation of the WholeofHome and Thermal assessment | <p>FirstRate5 is a thermal tool developed by SV that generates energy ratings for a home by tracing over floor plans. In 2022–23, SV continued to deploy software updates to this tool and incorporated new calculation methodologies into the FirstRate5 whole-of-home pilot tool in preparation for the NatHERS Software Accreditation Protocol. In May 2023, the NatHERS Administrator announced that SV was offered conditional accreditation of the FirstRate5 thermal tool. SV's energy software team plans to submit for full accreditation of both the thermal and whole-of-home tools in 2023–24.</p> |  |
| Other | | |
| Australian Litter Measure (AusLM) | <p>Worked with New South Wales EPA to help other state and territory governments use the AusLM and conduct baseline litter counts, particularly smaller jurisdictions (based on geographic and/or population size) with budgetary constraints or differing priorities. Understanding the extent of litter and littering across Australia is important for developing policies and programs to address litter.</p> |  |

Activities delivered under Focus area 3: Community action

Table 5: Performance under Focus Area 3: Community Action

| Activity | Performance in 2022–23 | SV2030 impacts |
|--|---|--|
| Building community capacity | | |
| Circular Economy Communities Fund | Funded 39 projects with \$3 million in funding to empower not-for-profits, charities, community organisations and social to deliver circular economy projects that creatively repurpose, repair, reuse and recycle everyday items. This takes total program funding to \$5.3 million with 62 grant recipients. |  |
| Victorian Healthy Homes Program Report and Household Energy Action Guide and website | <p>Published the Victorian Healthy Homes Program Report in August 2022, based on a randomised controlled trial which ran over 3 years delivering 1,000 free home energy upgrades to Victorians who live with complex healthcare needs and have low incomes, in Melbourne's western suburbs and the Goulburn Valley. The report measures the impact of an energy efficiency and thermal comfort home upgrade on temperature, energy use, health and quality of life – the first of its kind in Australia.</p> <p>Research findings were used to update SV's Household Energy Action Guide and website to help householders find energy savings in light of cost-of-living pressures. It offers simple but cost-effective actions to help reduce energy bills and improve the comforts of home. A partnership with Bunnings has seen the energy guide being displayed in some Victorian stores as part of Bunnings' winter energy campaign. SV's media promotion of the Household Energy Action Guide reached more than 330,000 Victorians.</p> |  |
| Driving collective impact | | |
| Household Chemical Collection Program (Detox your Home) | Continued to provide Victorian householders with free, safe, accessible and environmentally responsible disposal options for both high and low toxicity household chemical products through 29 contactless, drive-through Detox your Home events. These events collected 148 tonnes of toxic household chemicals from 8,132 householders. A further 96 tonnes of targeted materials (handheld batteries, fluorescent lights, paint) were collected at 30 permanent drop-off sites. |   |

| Activity | Performance in 2022–23 | SV2030 impacts |
|--|--|---|
| Circular Economy Councils Fund | <p>Funded another 11 implementation-ready projects with \$1.67 million in funding in October 2022 to support councils to act on opportunities to transition to a circular economy and establish precinct-scale circular economy projects. To date, 67 local councils have participated or partnered on projects that have prevented around 55,000 tonnes of waste going to landfill.</p> <p>This four-year program is already funding pop-up repair events, implementing a reusable nappy program across 13 councils, and improved facilities for the shared economy such as tool borrowing initiatives.</p> <p>Held the second SV Circular Economy Masterclass online in October 2022 for Victorian councils to connect and share their circular economy achievements. A total of 183 council staff from 63 councils attended (80% of the 79 councils). This led to two more online information sessions to encourage and support applicants to apply for the third round of funding.</p> |  |
| Community Power Hubs (CPH) | <p>Victorians continued to embrace clean energy solutions through seven CPHs. By September 2022, hubs had collectively completed 42 community clean energy projects, amounting to 1.45 MW of new solar capacity. Projects will reduce carbon emissions by 1,104 tonnes a year and community energy bills by over \$200,000 a year. CPHs also supported 22 jobs in regional Victoria and a further four in metropolitan Melbourne over the life of the program. On top of these SV-funded projects, hubs have been working with community organisations to progress another 145 proposed projects and delivered feasibility studies for more than 10 significant community-driven initiatives.</p> |  |
| Connecting sustainability to people and place | | |
| Community Climate Change and Energy Action program | <p>Funded 137 community group upgrade projects over the past two years to empower community groups across the state to invest in energy-efficient and renewable technologies. 109 projects are already complete. Projects range from installing solar panels and batteries, to upgrading heating/cooling systems, installing efficient lighting and updating facilities' thermal envelope. A third round of funding closed in March 2023, with grants still to be announced. Community groups across Victoria are expected to save \$1.2 million each year in energy bills.</p> <p>In addition to building upgrades, SV funded 145 energy assessments for community organisations to identify energy saving opportunities.</p> |  |

Performance reporting (financial)

Five-year financial summary

Table 7: Five-year financial summary and current year financial review⁶ outlines our five-year financial summary and current year financial review.

Table 6: Five-year financial summary and current year financial review

| | 2023 \$'000 | 2022 \$'000 | 2021 \$'000 | 2020 \$'000 | 2019 \$'000 |
|--|----------------|----------------|----------------|----------------|----------------|
| Income from Government | 80,970 | 79,214 | 48,119 | 48,084 | 166,377 |
| Total income from transactions | 86,603 | 83,516 | 51,863 | 51,877 | 170,768 |
| Total expenses from transactions | (84,245) | (84,914) | (47,117) | (58,116) | (153,560) |
| Net result from transactions | 2,358 | (1,398) | 4,746 | (6,238) | 17,208 |
| Net result for the period | 2,545 | (997) | 4,646 | (6,223) | 16,993 |
| Net cashflow from operating activities | (19,247) | 22,816 | 28,929 | (20,779) | 38,591 |
| Total assets | 109,182 | 127,175 | 93,897 | 52,614 | 84,214 |
| Total liabilities | (83,901) | (104,439) | (70,164) | (33,527) | (35,949) |

Current year financial review

Overview

The Victorian Government considers the net result from transactions to be the appropriate measure of financial management that can be directly attributed to government policy. This measure excludes the effects of revaluations (holding gains or losses) arising from changes in market prices and other changes in the volume of assets shown under 'other economic flows' on the comprehensive operating statement, which are outside the control of the agency.

Financial performance and business review

In 2022–23, SV recorded a net result from transactions of a surplus of \$2.36 million, which is an increase of \$3.76 million compared to 2021–22. Income from transactions increased by \$3.09 million (6%) and total expenses from transactions decreased \$0.67 million (1%).

Financial position – balance sheet

Total assets decreased by \$18.00 million and total liabilities decreased by \$21.60 million compared to the prior year.

Cash flows

SV has in place a Financial Sustainability Strategy which seeks to ensure the organisation's financial sustainability and maintain an adequate financial buffer in the out years. SV generated an operating cash outflow of \$19.25 million during the year (2021–22: operating cash inflow of \$22.82 million) attributable to project activities which are funded in advance of expenditure.

SV maintains a cash reserve of \$6.0 million as contingency.

Significant changes in financial position

There are no significant changes in financial position to report.

Significant changes or factors affecting performance

There are no changes or factors affecting performance to report.

Capital projects

In 2022–23, SV did not have any capital projects with a total estimated investment of \$10.0 million or more.

Disclosure of grants and transfer payments

Please refer to Appendix 3.

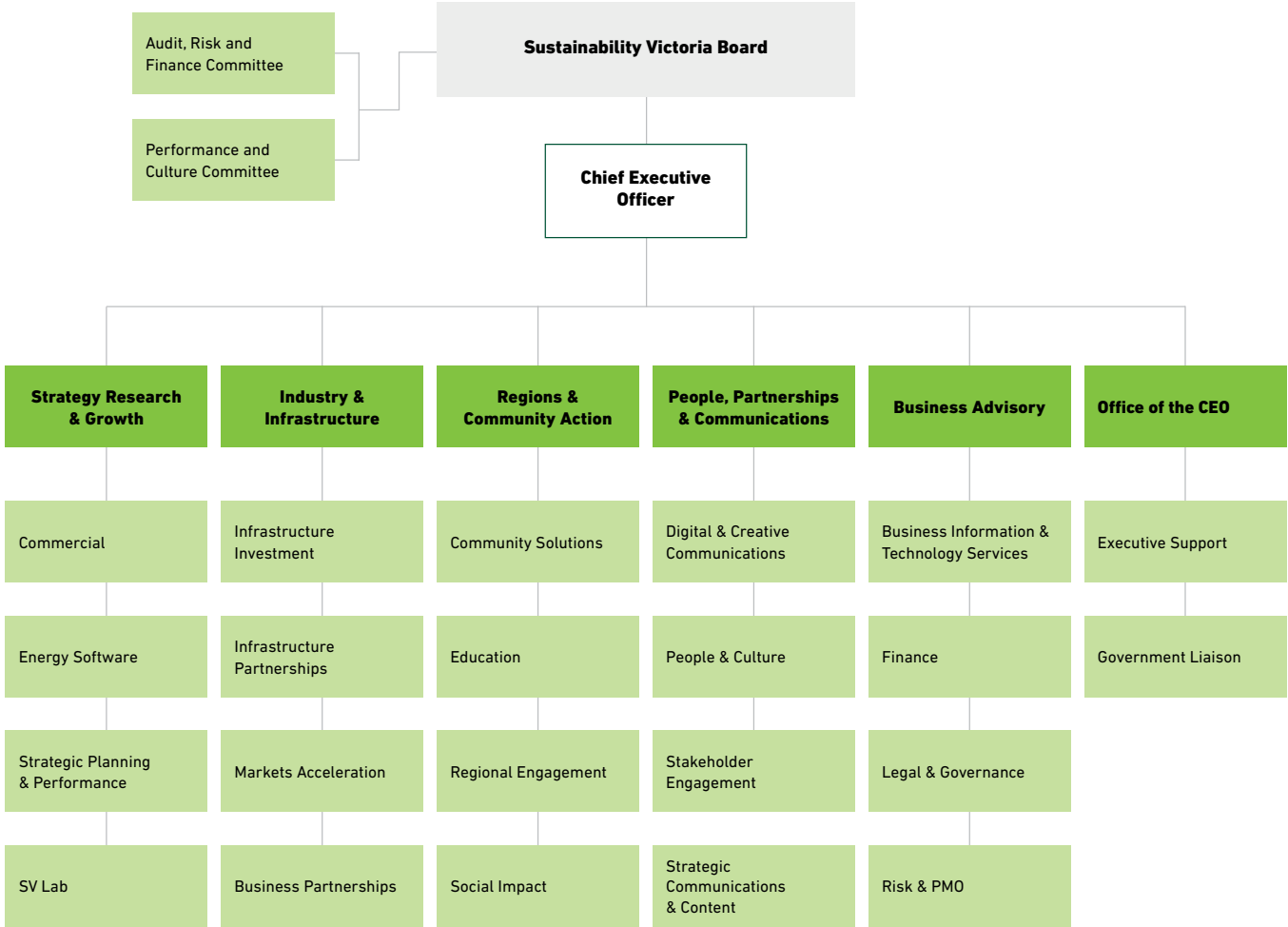
Subsequent events

SV does not have any subsequent events to report in 2022–23.

Governance and organisational structure

Organisational structure

Figure 1 shows SV's organisational structure as at 30 June 2023.



Our Board

The SV Act 2005 requires the Minister to appoint seven to nine non-executive members to the SV Board. In appointing members to oversee SV’s strategy and functions, the Minister considers their skills, experience and knowledge.

To meet its responsibility for good governance and effective leadership, the Board:

- › sets SV’s strategic direction, objectives and performance targets
 - › appoints the CEO, with the approval of the Minister
 - › monitors operational and financial performance
 - › oversees compliance with laws, regulations and other obligations
- › sets and monitors internal controls to manage risks
 - › ensures organisational good conduct and stakeholder relationships
 - › manages and monitors board and committee conduct and performance.

Board attendance

The Board met seven times during 2022–23. The attendance of individual members is set out in Table 7: Board attendance in 2022–23.

Table 7: Board attendance in 2022–23

| Member | Meetings attended | Number eligible to attend |
|---------------------------------------|-------------------|---------------------------|
| Johan Scheffer (Chairperson) | 7 | 7 |
| Judith Landsberg (Deputy Chairperson) | 5 | 7 |
| Judi Harris | 7 | 7 |
| Kerry Osborne | 6 | 7 |
| Neil Pharaoh | 5 | 7 |
| Mark Wakeham | 5 | 7 |
| Meredith Banks | 6 | 7 |
| Sarah McDowell | 7 | 7 |

Board members

Table 8: Board appointment and term review dates lists the The Board met seven times during 2022–23. The attendance of individual members is set out in Table 7.eight SV board members in order of appointment date and with their term review date.

Table 8: Board appointment and term review dates

| Member | | |
|---------------------------------------|-------------------------|-------------|
| Member | Appointed | Term review |
| Judi Harris | July 2017 (second term) | June 2024 |
| Kerry Osborne | July 2017 (second erm) | June 2024 |
| Neil Pharaoh | July 2019 | June 2024 |
| Johan Scheffer (Chairperson) | June 2021 | May 2026 |
| Judith Landsberg (Deputy Chairperson) | June 2021 | June 2025 |
| Meredith Banks | June 2021 | June 2025 |
| Sarah McDowell | June 2021 | June 2025 |



Johan Scheffer,
Chairperson
Appointed: 01/06/2021

Johan Scheffer has a long and distinguished career in education, children's services, policy development, private consultancy and as a Member of the Parliament of Victoria.

Johan brings considerable knowledge and experience in government policy, program management and public administration. Throughout his career he has made it a priority to engage directly with the communities and organisations affected by government decision-making and has actively engaged in local campaigns.

Johan's work as an MP involved legislation, advocacy and, as chair of Joint Investigatory Committees, directing research and consultation with communities and experts, across Australia and internationally.

Johan has a longstanding engagement in environment policy, and during his time as the Member for Eastern Victoria worked with communities and organisations on a broad range of environment issues, including forestry, farming, water, coasts and the uncertain future of the coal industry in the Latrobe Valley and the impact this would have on the local community and on Victoria as a whole.

Johan is an ex-officio member of the Boards' Audit, Risk and Finance Committee and People and Culture Committee.



Judith Landsberg,
Deputy Chairperson
Appointed: 15/06/2021

Judith Landsberg has founded and led educational and environmental initiatives, delivered complex climate and energy projects to industry and government, and she has an ongoing interest in innovation in the energy sector.

Judith's experience includes leading a project for the Bureau of Meteorology to provide tailored climate information to the electricity sector for climate risk analysis and leading the City of Melbourne Low Carbon Future team, including delivering the Melbourne Renewable Energy Project.

Judith ran Greenrock, a leading sustainability non-profit in Bermuda that provided environmental education and sustainability advocacy, bringing an award-winning, UN-endorsed, environmental education program to Bermuda's schools. She also has experience in education, having taught high school. She was also manager of scholarships for the General Sir John Monash Foundation.

Judith is an experienced non-profit director. She has a Bachelor of Science in Physics from ANU, a PhD in Physics from Oxford University, and a Master of Environmental Leadership from Duke University. She is a fellow of the Institute of Community Directors Australia and is a member of the Boards Performance and Culture Committee.



Judi Harris
Appointed: 01/07/2017

Judi Harris brings expertise in education and local government with a strong focus on community engagement. She is a former Mildura Rural City councillor (2008-2016) and held the council's environmental sustainability portfolio from 2012 to 2016.

Judi has held numerous board and committee memberships in arts, education and sustainability, including five years as deputy chair of the former Mildura Regional Waste Management Group. Her career in education included secondary, adult, Aboriginal and tertiary education. Judi tutored for Monash, Deakin and La Trobe Universities mostly in communication studies and professional writing. She then took up educational consulting in the United States of America for four years. Judi holds a Bachelor of Arts and a Secondary Teachers Certificate.

Judi is the Chair of the Performance and Culture Committee.



Kerry Osborne
Appointed: 01/07/2017

Kerry's strengths lie in strategic leadership, financial sustainability and positive organisational change. Kerry is the managing partner of the mentoring consultancy, The Leader's Mentor. Kerry also holds other Board positions (two as Chair), some of which are across environmentally sustainable industries. He has had significant leadership roles across both government and corporate sectors.

Prior roles include chief executive of the Courts of Victoria and managing director of CityWide Services, an environmental, engineering and recycling business, owned by the City of Melbourne. Earlier he was the founding CEO of Excell Corporation delivering environmental, facilities management and engineering services to local government, across eastern Australia.

Kerry holds a Master of Business Administration (Chicago Booth Business School), is a civil engineer and is also a Fellow of the Australian Institute of Company Directors. Kerry is the Chair of the Audit, Risk and Finance Committee.



Mark Wakeham

Appointed: 15/06/2021

Mark Wakeham has over two decades experience working on climate and sustainability policy, campaigns and communications. He is an experienced board director, CEO and changemaker.

Mark has held leadership roles in the Australian environment and union movements including as CEO of Environment Victoria and a Senior Policy Advisor on Climate and Energy for the Australian Council of Trade Unions. Mark has deep expertise on climate, energy and sustainability issues, systems and solutions. He currently works as the Australian Program Director for The Sunrise Project, a climate strategy and philanthropy organisation and is a Board Director of the Energy and Water Ombudsman of Victoria.

Mark holds a Bachelor of Arts (History) and Commerce (Economics) and a Graduate Diploma in Adult Education. He is a graduate of the Australian Institute of Company Directors and was awarded a Churchill Fellowship in 2020 to study successful energy transitions.



Meredith Banks

Appointed: 15/06/2021

Meredith brings diverse experience to the Board of SV after more than 20 years working with public and private sector organisations to champion sustainability and environment.

Meredith's expertise leading holistic Sustainability strategies, seamlessly integrated into corporate business strategy, provides her a unique perspective on delivering value through Sustainability.

Currently the Head of Sustainability for Vicinity Centres, Meredith is working to embed Sustainability into every facet of one of Australia's leading property portfolios. Meredith's delivery of business, social and environmental sustainability programs, has positioned Vicinity as one of the world's most sustainable retail Real Estate Investment Trusts.

Prior to her time at Vicinity, Meredith was the Director of Environment, Social, and Governance for Treasury Wine Estates, where she led the development and direction of Treasury Wine's global corporate responsibility program. She has also held sustainability and environmental roles with Metcash, Lion Group and Visy.

After working for industry body and public sector organisations, Australian Food & Grocery Council – Packaging Stewardship Forum and EcoRecycle Victoria, Meredith also has an acute understanding of public practice and advocacy and is a member of the Board's Audit, Risk and Finance Committee.



Neil Pharaoh

Appointed: 01/07/2019

Neil Pharaoh has more than 15 years of domestic and international experience in campaigning, advocacy and stakeholder engagement. He is an experienced senior consulting executive, advising and consulting to improve strategy, impact, outcomes and engagement across the social purpose and business sectors.

Before consulting, Neil worked in various senior fundraising, marketing, communications, campaigns and government relations roles including education and child welfare and, internationally, in geopolitical risk and international aid and development organisations.

Neil currently serves as director for a number of philanthropic, health and education organisations. Neil has a Bachelor of Commerce (Accounting and Marketing) and Bachelor of Laws from the Australian National University and is a graduate of the Australian Institute of Company Directors. Neil is a member of the Audit, Risk and Finance Committee.



Sarah McDowell

Appointed: 15/06/2021

Sarah McDowell has 15 years of experience in energy policy and regulation in Australia. Currently serving as a Commissioner at Energy Safe Victoria and as a consultant, Sarah has extensive experience in developing and implementing policies and programs focused on enabling renewable energy in our grid and driving energy-efficient outcomes in our industries and communities.

Prior to commencing her Commission appointment, Sarah led the energy division at Victoria's utility regulator, the Essential Services Commission. During this time, Sarah oversaw both a record growth in licences issued to renewable energy generators and the reform of our electricity network rules to enable more distributed energy resources across Victoria's grid.

Sarah's previous other roles include advising government on energy efficiency policies, including the Victorian Energy Upgrades program. She has also worked at the Australian Energy Regulator, advising its Board for six years on regulatory matters. Sarah holds qualifications in economics, politics and law and is a member of the Audit, Risk and Finance Committee.

Board committees

The Board has two standing committees – the Audit, Risk and Finance Committee and the Performance and Culture Committee. Both committees have governance and oversight responsibilities under legislation.

Audit, Risk and Finance Committee

The Audit, Risk and Finance Committee is established in accordance with the requirements of Standing Direction 2018 under the *Financial Management Act 1994* (Section: 3.2.1: Audit Committee). All members of the committee are independent within the definition of the guidance on the Standing Direction and are not involved in the day-to-day management of SV.

The committee has adopted terms of reference that set out its roles and responsibilities under Standing Direction 3.2.1.1. Key responsibilities of the Audit, Risk and Finance Committee are to:

- ▶ review and report independently to the Board on the annual report and all other financial information published by SV
- ▶ assist the Board in reviewing the effectiveness of SV's internal control environment covering:
 - effectiveness and efficiency of operations
 - reliability of financial reporting
 - compliance with applicable laws and regulations
- ▶ determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- ▶ oversee the effective operation of the risk management framework.

The committee farewellled independent member, Liza Maimone on 17 November 2022 and appointed independent member, David Colliver in April 2023. He will attend his first committee meeting in September 2023.

Members are appointed by the Board, usually for a three-year term, and are subject to the committee's terms of reference.

The committee met eight times in 2022–23. Attendance is listed in Table 9: Audit, Risk and Finance Committee membership and attendance in 2022–23.

Table 9: Audit, Risk and Finance Committee membership and attendance in 2022–23

| Member | Meetings attended | Eligible to attend |
|--|-------------------|--------------------|
| Kerry Osborne (Chair) | 8 | 8 |
| Liza Maimone (Independent member until 17 November 2022) | 3 | 5 |
| Neil Pharaoh | 6 | 8 |
| Meredith Banks | 6 | 8 |
| Sarah McDowell | 7 | 8 |

Performance and Culture Committee

The primary responsibility of the Performance and Culture Committee is to help the Board fulfil its corporate governance responsibilities by:

- ▶ monitoring organisational performance
- ▶ overseeing and guiding CEO performance and remuneration including setting, monitoring and evaluating the CEO Annual Performance Plan
- ▶ succession planning and annual program of professional development for the Board and the CEO
- ▶ other priority matters related to organisational performance as nominated by the Board or CEO.

The committee met four times in 2022–23. Membership and attendance are listed in Table 10: Performance and Culture Committee membership and attendance in 2022–23.

Table 10: Performance and Culture Committee membership and attendance in 2022–23

| Member | Meetings attended | Eligible to attend |
|---------------------|-------------------|--------------------|
| Judi Harris (Chair) | 4 | 4 |
| Judith Landsberg | 4 | 4 |
| Mark Wakeham | 4 | 4 |

Risk maturity

SV measures risk maturity yearly using the Victorian Managed Insurance Authority (VMIA) Risk Maturity Benchmark. As at June 2023, SV's risk maturity rating was 82% placing SV in the 'embedding' category which represents integrating risk management into agency business structures and processes. This means that SV is using risk management to make informed decisions that will drive good strategic outcomes.

SV's risk maturity rating continues to track in a positive direction, increasing from 54% in 2018–19, 67% in 2019–20, 71% in 2020–21 and 77% in 2021–22.

Workforce data

Public sector values and employment principles

SV is committed to applying merit and equity principles when appointing employees. SV's selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of key selection criteria and other accountabilities, without discrimination. Employees have been correctly classified in workforce data collections.

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability and advocate for public sector professionalism and integrity.

SV has introduced policies and practices that are consistent with the VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. SV has advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and benefits and how it deals with misconduct.

The public sector values are responsiveness, integrity, impartiality, accountability, respect, leadership and human rights.

Public entities are required to have in place employment processes to ensure that:

- › employment decisions are based on merit
- › public sector employees are treated fairly and reasonably
- › equal employment opportunity is provided
- › human rights as set out in the Charter of Human Rights and Responsibilities are upheld
- › public sector employees have a reasonable avenue of redress against unfair or unreasonable treatment.

Codes of conduct and standards issued by the VPSC include:

- › the Code of Conduct for Victorian Public Sector (VPS) employees
- › the Conflict of Interest policy framework and the Gifts Benefits and Hospitality policy framework.

Workforce inclusion policy

Tracking and analysing SV's workforce profile provides important insights into the characteristics of our workforce in a diversity and inclusion context.

Our workforce profile is reviewed on a regular basis, both as a standalone profile and by using relative comparisons such as the VPS, the Victorian labour market and the general Victorian population. SV can then identify and address any systemic issues or barriers to diversity and inclusion.

Given our relatively small workforce, SV does not set targets for employment of people from specific demographic groups. However, it is our philosophy that our workforce should generally reflect the composition of the Victorian labour market and working age population. If SV identifies variances, they will be addressed as part of our Diversity and Inclusion Action Plan as well as our Gender Equality Action Plan.

Workplace wellbeing, health and safety

Our people are fundamental to our success. SV strives to ensure all our people leave work in the same condition, if not better, than when they arrived.

SV's Board, CEO, directors and leaders are committed to modelling and promoting behaviours that prevent harm both physically and psychologically. A Wellbeing, Health and Safety (WHS) Strategic Plan was put in place during the year to understand SV's safety risks, increase the WHS capability of the leadership group and ensure they have tools and support to prevent harm to SV employees. In 2022–23, SV enhanced its WHS reporting to include WHS lag and lead indicators. WHS reports are likely to be higher in 2022–23 given the greater awareness on reporting incidents and other WHS events. With a clearer picture of SV's safety risks, SV is focusing on minimising or completely removing risks and this will lead to a decrease in lag indicators in the next financial year.

In 2022–23, SV recorded:

- › one worker's injury claim
- › one formal equal opportunity, bullying or harassment complaint
- › 26 days of lost time due to injuries sustained at work.

Table 11: Performance against WHS management measures from 2018–19 to 2022–23 lists performance against WHS management measures, including new lag and lead indicators.

Table 11: Performance against WHS management measures from 2018–19 to 2022–23

| Measure | KPI | 2022–23 | 2021–22 | 2020–21 | 2019–20 | 2018–19 |
|-----------------------|---|----------|----------|----------|----------|----------|
| Incidents | No. of incidents | 11 | 0 | 0 | 5 | 4 |
| | Rate per 100 FTE | 5.5 | 0 | 0 | 4.6 | 2.3 |
| | Average time lost per occurrence (in days) | 2.36 | 0 | 0 | 0 | 0 |
| Claims | Number of standard claims | 1 | 0 | 0 | 0 | 0 |
| | Average cost per claim | 6,591 | 0 | 0 | 0 | 0 |
| Management commitment | Evidence of OHS policy statement | Complete | Complete | Complete | Complete | Complete |
| | OHS objectives, regular reporting to senior management of OHS and OHS plans | Complete | Complete | Complete | Complete | Complete |
| Risk management | Per cent of internal audits/ inspections conducted as planned | 100% | 25%* | 33%* | 100% | 100% |
| Lead indicators (NEW) | No. # of WHS inductions | 27 | .. | .. | .. | .. |
| | Hazards reported | 5 | .. | .. | .. | .. |
| | Job Safety Analysis' completed | 7 | .. | .. | .. | .. |
| | Work from home workstation recommendations (Ergonomics) | 13 | .. | .. | .. | .. |
| | Work from home workstation assessments completed | 145 | .. | .. | .. | .. |
| | Controls added to the WHS risk register | 12 | .. | .. | .. | .. |
| | Corrective actions completed | 74 | .. | .. | .. | .. |
| | Per cent of external audit completed | 100% | .. | .. | .. | .. |
| | SV safety alerts sent | 15 | .. | .. | .. | .. |
| | EAP hours used | 65 | .. | .. | .. | .. |
| | WHS policies and procedures developed | 13 | .. | .. | .. | .. |

FTE = full-time equivalent

*Fewer workplace inspections were conducted in 2021–22 and 2020–21 given COVID-19 pandemic orders requiring employees to work from home. In 2022–23, SV conducted quarterly workplace inspections and made ongoing improvements which are reflected in the 'Corrective Actions Completed' lead indicator.

Workforce profile

As at 30 June 2023, SV employed 191 staff (177.1 full-time equivalent or FTE) compared to 207 employees (195.1 FTE) at 30 June 2022 (Table 12: Number of full-time equivalent employees from 2015 to 2023).

The proportion of women was 57.4%, which is a decrease of 13% compared to June 2022. This decrease is attributed to several projects concluding throughout the year and transition of six staff to Recycling Victoria.

The tables below show data on the workforce composition, average salaries by gender and VPS classification.

Table 12: Number of full-time equivalent employees from 2015 to 2023

| 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------|-------|-------|-------|-------|-------|-------|-------|------|
| 177.1 | 195.1 | 146.7 | 140.7 | 172.6 | 114.8 | 108.8 | 108.2 | 112 |

*The increase of 48.4 FTE from 2021 to 2022 was largely driven by recruitment for the Circular Economy programs and the increased number of schools to be engaged as part of ResourceSmart Schools.

Table 13: Details of employment levels in June 2023 and June 20223 discloses the head count and FTE employees of all active public service employees at SV, employed in the last full pay period in June of the current reporting period, and in the last full pay period in June of the previous reporting period (2022).

Table 13: Details of employment levels in June 2023 and June 2022

| June-23 | | | | | | Jun-22 | | | | | | | | |
|------------------|----------------|-------|-----------------------|-----------------------|------|-----------------------|-------|----------------|-------|-----------------------|-----------|------|-----------------------|-------|
| | All employees | | Ongoing | | | Fixed term and casual | | All employees | | Ongoing | | | Fixed term and casual | |
| | No.(headcount) | FTE | Full-time (headcount) | Part-time (headcount) | FTE | No.(headcount) | FTE | No.(headcount) | FTE | Full-time (headcount) | Part-time | FTE | No.(headcount) | FTE |
| Gender | | | | | | | | | | | | | | |
| Women | 134 | 121.8 | 31 | 12 | 40.0 | 91 | 81.8 | 147 | 136.6 | 39 | 12 | 47.7 | 96 | 88.9 |
| Men | 57 | 55.3 | 18 | 1 | 18.8 | 38 | 36.5 | 59 | 57.7 | 19 | 1 | 19.8 | 39 | 37.9 |
| Self-described | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 1 | 0.8 | 0 | 0 | 0.0 | 1 | 0.8 |
| Age | | | | | | | | | | | | | | |
| 15–24 | 1 | 0.6 | 0 | 0 | 0.0 | 1 | 0.6 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| 25–34 | 47 | 44.9 | 8 | 1 | 8.8 | 38 | 36.1 | 51 | 49.7 | 8 | 0 | 8.0 | 43 | 41.7 |
| 34–44 | 68 | 61.7 | 13 | 5 | 16.9 | 50 | 44.8 | 76 | 69.7 | 21 | 5 | 24.9 | 50 | 44.8 |
| 45–54 | 48 | 45.0 | 14 | 5 | 17.7 | 29 | 27.3 | 51 | 47.5 | 14 | 6 | 18.2 | 31 | 29.3 |
| 55–64 | 23 | 21.3 | 11 | 1 | 11.8 | 11 | 9.5 | 25 | 24.6 | 12 | 1 | 12.8 | 12 | 11.8 |
| 65+ | 4 | 3.6 | 3 | 1 | 3.6 | 0 | 0.0 | 4 | 3.6 | 3 | 1 | 3.6 | 0 | 0.0 |
| VPS 1-6 grades | | | | | | | | | | | | | | |
| VPS 1 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| VPS 2 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| VPS 3 | 4 | 3.4 | 2 | 0 | 2.0 | 2 | 1.4 | 2 | 2.0 | 2 | 0 | 2.0 | 0 | 0.0 |
| VPS 4 | 63 | 56.2 | 9 | 4 | 11.8 | 50 | 44.4 | 70 | 64.5 | 13 | 5 | 16.5 | 52 | 48.0 |
| VPS 5 | 91 | 85.8 | 25 | 8 | 31.1 | 58 | 54.7 | 102 | 96.1 | 29 | 7 | 34.1 | 66 | 62.0 |
| VPS 6 | 24 | 23.5 | 12 | 1 | 12.9 | 11 | 10.6 | 23 | 22.5 | 13 | 1 | 13.9 | 9 | 8.6 |
| Senior employees | | | | | | | | | | | | | | |
| STS | 4 | 4.0 | 1 | 0 | 1.0 | 3 | 3.0 | 3 | 3.0 | 1 | 0 | 1.0 | 2 | 2.0 |
| PS | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| SMA | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| SRA | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| Executives | 5 | 4.2 | 0 | 0 | 0.0 | 5 | 4.2 | 7 | 7.0 | 0 | 0 | 0.0 | 7 | 7.0 |
| Other | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0.0 |
| Total employees | 191 | 177.1 | 49 | 13 | 58.8 | 129 | 118.3 | 207 | 195.1 | 58 | 13 | 67.5 | 136 | 127.6 |

Yearly salary for senior employees

Table 14: Annualised total salary, by \$20,000 bands, for executives and other senior non-executive employees discloses the annualised total salary for executives and senior SV employees, categorised by classification. The salary amount is reported as the full-time annualised salary.

Table 14: Annualised total salary, by \$20,000 bands, for executives and other senior non-executive employees

| Income band (salary) | Executives | STS (VPS7) | PS | SMA | SRA | Other |
|-----------------------|------------|------------|----|-----|-----|-------|
| < \$160,000 | | | | | | |
| \$160,000 – \$179,999 | | | | | | |
| \$180,000 – \$199,999 | | 4 | | | | |
| \$200,000 – \$219,999 | 1 | | | | | |
| \$220,000 – \$239,999 | 4 | | | | | |
| \$240,000 – \$259,999 | | | | | | |
| \$260,000 – \$279,999 | | | | | | |
| \$280,000 – \$299,999 | | | | | | |
| \$300,000 – \$319,999 | | | | | | |
| \$320,000 – \$339,999 | | | | | | |
| \$340,000 – \$359,999 | | | | | | |
| \$360,000 – \$379,999 | | | | | | |
| \$380,000 – \$399,999 | | | | | | |
| \$400,000 – \$419,999 | | | | | | |
| \$420,000 – \$439,999 | | | | | | |
| \$440,000 – \$459,999 | | | | | | |
| \$460,000 – \$479,999 | | | | | | |
| \$480,000 – \$499,999 | | | | | | |
| Total | 5 | 4 | 0 | 0 | 0 | 0 |

Executive officer data

An Executive Officer is a person employed as a head or other Executive under Part 3, Division 5 of the *Public Administration Act 2004*.

SV's nine executive officers in 2022–23 were responsible for leading the business and providing oversight of strategy and operations. They all held fixed term positions. The tables below show the breakdown of executive officers by gender and reconciliation of executive numbers.

Table 15: Breakdown of executive officers by gender

| Class | Man Number | Woman Number | Self-described Number | Vacancies |
|--------------|---------------|-----------------|--------------------------|-----------|
| SES-3 (E0-1) | 0 | 0 | 0 | 0 |
| SES-2 (E0-2) | 0 | 0 | 0 | 0 |
| SES-1 (E0-3) | 2 | 3 | 0 | 0 |
| STS (VPS7) | 1 | 3 | 0 | 0 |
| Total | 3 | 6 | 0 | 0 |

Table 16: Reconciliation of executive numbers from 2020–21 to 2022–23

| | 2022–23 | 2021–22 | 2020–21 |
|------------------------------------|---------|---------|---------|
| Executives | 7 | 9 | 8 |
| Less separations | 2 | 1 | 0 |
| Leave without pay | 0 | 0 | 0 |
| Long-term acting arrangements* | 0 | 2 | 0 |
| Total executive numbers at 30 June | 5 | 8 | 8 |

*The current CEO is in an interim position

Other disclosures

Local Jobs First

The *Local Jobs First Act 2003* was strengthened in August 2018 to bring together the Victorian Industry Participation Policy (VIPPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

Departments and public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria.

MPSG applies to all construction projects valued at \$20 million or more.

The MPSG guidelines and VIPPP guidelines will continue to apply to MPSG applicable and VIPPP applicable projects respectively where contracts have been entered into before 15 August 2018.

Projects commenced – Local Jobs First Standard

In 2022–23, SV did not start any Local Jobs First Standard projects.

Projects completed – Local Jobs First Standard

In 2022–23, SV did not complete any Local Jobs First Standard projects.

Social Procurement Framework

SV is fully committed to supporting the Government's directions under the Social Procurement Framework and recognises that we play a key role in advancing social and sustainable outcomes for Victorians.

SV's Social Procurement Strategy enables a strategic, agency-wide approach to delivering social and sustainable outcomes through our procurement in accordance with the framework and beyond.

SV's Social Procurement Strategy prioritises the following policy objectives:

- › **Environmentally sustainable business practices**
Outcome sought: adoption of sustainable business practices by suppliers to the Victorian Government.
- › **Sustainable Victorian social enterprises and Aboriginal business sectors**
Outcome sought: purchasing from Victorian social enterprises and Aboriginal businesses.
- › **Women's equality and safety**
Outcome sought: gender equality within Victorian government suppliers.

These objectives were chosen based on their high degree of alignment with SV's strategic direction and values as well as being best positioned to advance our identified social procurement opportunities.

While these priority social and sustainable objectives guide our procurement delivery, SV is committed to pursuing any opportunities to advance social and sustainable outcomes for Victorians.

SV's procurement documentation mandates potential suppliers to outline:

- › their Environmental Management System (EMS) policies, practices and targets
- › gender equitable business practices
- › social procurement policy and practices (where applicable).

At a minimum, 10% of the total weighted evaluation criteria is assigned to social value and/or environmentally sustainable business practices.

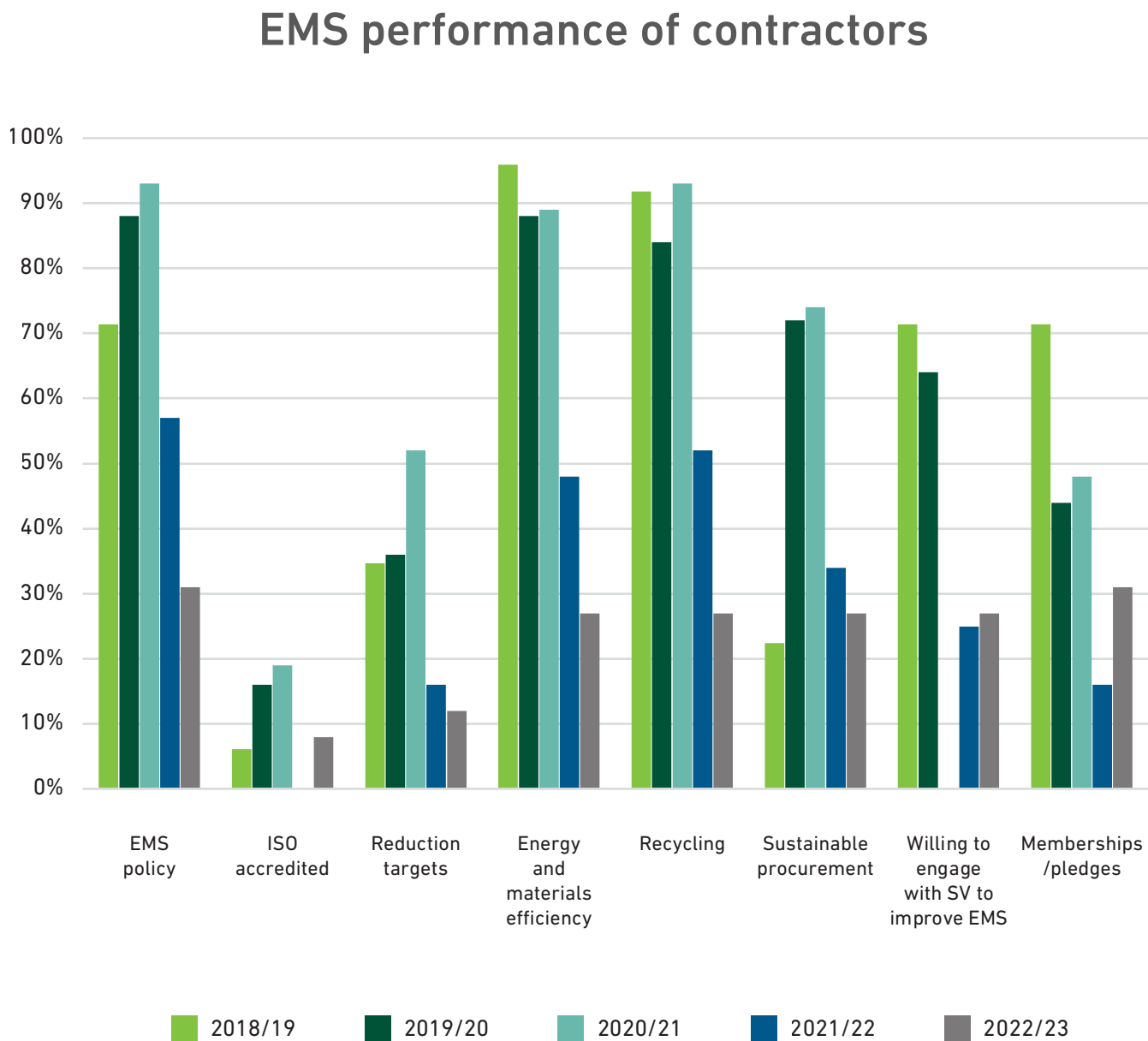
As represented in Figure 2: Environmental Management System performance of contractors from 2018–19 to 2022–23 (EMS performance of contractors), the measurement of mandatory weighted criteria has resulted in a higher engagement of contractors with well-established environmentally sustainable business practices. Additionally, over 90% of potential suppliers reported implementing recycling policies and procedures in their business in 2022–23.

Sustainable Victorian social enterprises and Aboriginal business sectors

SV tracks expenditure with Victorian social enterprises and Aboriginal business sectors and has a mandatory social procurement opportunity assessment as part of all procurement planning.

This year, SV engaged with six suppliers that were listed on either the Social Traders or Kinaway traders list, with a total spend of roughly \$331,126. SV's procurement policy mandates all catering be sourced from a social benefit supplier where possible. Venue hire, gifts and stationery are also strongly encouraged to be sourced from social benefit suppliers.

Figure 2: Environmental Management System performance of contractors from 2018–19 to 2022–23



Note: The decrease in our overall EMS performance reflects the reduced actual procurement spend in 2022–23 with a focus instead on impact via grant spend.

Reporting requirements – grants

For grants provided during 2022–23, three interaction reference numbers were required, which entailed a conversation with the Industry Capability Network (Victoria).

Government advertising expenditure

In 2022–23, SV delivered one government advertising campaign with total media spend of \$100,000 or greater (exclusive of GST).

This was the 'Small Acts Make a Big Impact' campaign which encouraged Victorians to recycle correctly, reduce food waste and reduce single-use plastics by choosing a small act that relates to the areas mentioned.

Table 17: Government advertising expenditure in 2022–23 on campaigns with a media spend of \$100,000 or greater (excl. GST)

| Campaign | Start/end date | Advertising (media) expenditure | Creative and campaign development expenditure | Research and evaluation expenditure | Print and collateral expenditure | Other campaign expenditure | Total |
|------------------------------|----------------------|---------------------------------|---|-------------------------------------|----------------------------------|----------------------------|-------------|
| Small Acts Make a Big Impact | 8 May – 30 June 2023 | \$994,983 | \$142,670 | \$45,000 | \$7,692 | \$32,979 | \$1,324,485 |

Consultancy expenditure

Details of consultancies under \$10,000

In 2022–23, three consultancies were engaged during the year, where the total fees payable to the individual consultants were less than \$10,000. The total expenditure incurred during 2022–23 in relation to these consultancies was \$14,750 (excl. GST).

Details of consultancies valued at \$10,000 or greater

In 2022–23, there were nine consultancies costing in excess of \$10,000 at a total cost of \$385,896 (excl. GST). Table 18 lists details of these individual consultancies. The details of all consultancies are made available on SV's website through the publication of our annual report. lists details of these individual consultancies. The details of all consultancies are made available on SV's website through the publication of our annual report.

Table 18: Consultancies valued at \$10,000 or greater in 2022–23

| Contract ID | Consultant | Title and description | Start date | End date | Total fees | Expenditure this year | Future commitments |
|-------------|------------|---|------------|------------|-------------|-----------------------|--------------------|
| C-12766 | ARUP | Water authorities barriers and opportunities research Develop a report to identify and analyse opportunities and barriers to incorporate more recycled content in water authority (catchment management authorities and water corporations) procurement activities, prioritisation of recycled products and tangible examples of resources that can be developed in future. | 28/10/2022 | 30/06/2023 | \$57,010.00 | \$47,560.00 | \$9,4500.00 |

| Contract ID | Consultant | Title and description | Start date | End date | Total fees | Expenditure this year | Future commitments |
|-------------|-------------------|--|------------|------------|-------------|-----------------------|--------------------|
| C-12786 | RMIT Australia | High performance glazing in Victoria Investigate the high performance glazing market in Victoria. Research to be undertaken across three work packages and presented in a final report, including an executive summary of high-level findings. | 19/12/2022 | 26/05/2023 | \$53,603.00 | \$16,080.00 | \$37,522.10 |
| C-12805 | Blue Environment | Single-use plastics consumption data – Victoria 2021–22 Collect single-use plastics (SUP) consumption data for 2021–22, using the best available data sources and methods. Give SV a quantification of the 2021–22 consumption (weight and unit number) of 21 different types of SUPs, and reusable products across both Victorian and national consumption. | 7/2/2023 | 31/5/2023 | \$17,500.00 | \$5,250.00 | \$12,250.00 |
| C-12814 | Impact Innovation | Impact Innovation IC Readiness Tool Circular Economy Material Fund – Materials grantees to be engaged by an experienced commercialisation facilitator using the IC Readiness™ tool to help understand the status of pre-revenue innovation, commercialisation and research projects, to establish a baseline data point against project outcomes. | 23/02/2023 | 17/7/2023 | \$13,040.00 | \$13,040.00 | \$31,250.00 |
| C-12815 | Blue Environment | Horizon scan – MAP Materials stream Undertake a high-level horizon scan of recent and future market or policy disruptions, domestically and internationally that will impact on the material flows and resource recovery markets in Victoria. | 27/2/2023 | 31/5/2023 | \$26,200.00 | \$26,200.00 | \$0.00 |

| Contract ID | Consultant | Title and description | Start date | End date | Total fees | Expenditure this year | Future commitments |
|-------------|------------------------|---|------------|------------|--------------|-----------------------|--------------------|
| C-12821 | Exco Partners | Project management and advisory services for human resources project Provide project advisory services to deliver SV human resource replacement project. | 8/3/2023 | 6/10/2023 | \$117,000.00 | \$46,687.50 | \$70,312.50 |
| C-12834 | Blue Environment | Recovered Spoil State of the Market Gather data and insights to produce a high-level state of the market report focusing on the current generation and use of recovered spoil in Victoria. Research and collect data including publicly and privately available data and reports and undertake quantitative and qualitative analysis to describe the state of the recovered spoils market, detailing opportunities and current barriers to increased reuse. | 4/4/2023 | 31/7/2023 | \$51,950.00 | \$31,170.00 | \$20,780.00 |
| C-12995 | Deakin University | Sustainable Living Index development Provide expert advice on the development of the Sustainable Living Index for 2023 and 2024, and advice on data visualisation. | 25/6/2023 | 14/12/2023 | \$18,343.00 | \$0.00 | \$18,343.00 |
| C-12525 | Perspicacious Research | SV Listening Tour 2023 Conduct qualitative interviews with key external stakeholders to capture current perceptions, expectations and experiences, alongside future-focused opportunities and suggestions. | 10/10/2023 | 30/6/2023 | \$31,250.00 | \$31,250.00 | \$0.00 |

ICT expenditure

For the 2022–23 reporting period, SV had an approximate ICT expenditure of \$4.7 million, as shown in Table 19: Information and communication technology expenditure.

Table 19: Information and communication technology expenditure

| All operational ICT expenditure | ICT expenditure relating to projects to create or enhance ICT capabilities | | |
|---|---|--------------------------------|-----------------------------|
| Business as Usual (BAU) ICT expenditure | Non-Business as usual (Non BAU) ICT expenditure Total = Opex and Capex expenditure | Operational (Opex) expenditure | Capital (Capex) expenditure |
| \$3,239,647 | \$1,487,993 | \$1,407,194 | \$80,799 |

ICT expenditure refers to SV's costs in providing business enabling ICT services in the current reporting period. It comprises business as usual (BAU) ICT expenditure and non-business as usual (Non-BAU) ICT expenditure.

Non-BAU ICT expenditure relates to extending or enhancing SV's current ICT capabilities.

BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

SV's IT capability was enhanced in 2022–23 through:

- › development of a new IT strategy to guide investment through to FY26
- › establishing an initiative to streamline our Human Resources and Finance platforms onto a single enterprise resource planning platform
- › improving our information management practices by implementing protective markings
- › investing in process improvements, training materials and usability enhancements relating to our Customer Relationship Management platform to better serve our stakeholders
- › strengthened integration between our financial, grants management and Customer Relationship Management platforms
- › development of a minimum viable product of a modern, enterprise data platform that will lead to better management of SV's information and deeper insights for both SV and our stakeholders
- › updates to our office environment to continuously improve our in-office hybrid working experience
- › investment in increasing our information security maturity levels in accordance with the Essential 8 framework
- › implementing recommendations from the Cyber Hygiene Improvement Program
- › modernising our ResourceSmart Schools platform by leveraging an agile, platform-based approach
- › updating our core infrastructure services to improve device management and connectivity

- › developing and piloting a time-sheets solution to optimise our resourcing allocation and improve compliance with SV cost-recovery processes.

Major contracts

A 'major contract' is a contract entered into during the reporting period valued at \$10 million or more. SV did not award any major contracts during 2022–23.

Freedom of information

The *Freedom of Information Act 1982* (the FOI Act) allows the public a right of access to documents held by SV. The purpose of the FOI Act is to extend as far as possible the right of the community to access information held by government departments, local councils, ministers and other bodies subject to the FOI Act.

An applicant has a right to apply for access to documents held by SV. This includes documents both created by SV or supplied to SV by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes.

The FOI Act allows SV to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include:

- › cabinet documents
- › some internal working documents
- › law enforcement documents
- › documents covered by legal professional privilege, such as legal advice
- › personal information about other people
- › information provided to us in confidence
- › information that is confidential under another Act.

Under the FOI Act, the allowable processing time for FOI requests is 30 days. However, when external consultation is required, the processing time is 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement, this may occur any number of times. However, obtaining an applicant's

agreement for an extension cannot occur after the expiry of the timeframe for deciding a request.

If an applicant is not satisfied with a decision made by us, under section 49A of the FOI Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

Making a request

FOI requests can be lodged online at ovic.vic.gov.au. An application fee of \$31.80 applies. Access charges may also be payable if the document pool is large and the search for material time consuming.

Access to documents can also be obtained through a written request to SV's Freedom of Information Officer, as detailed in s17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of SV should be addressed to:

Freedom of Information Officer
Sustainability Victoria
Level 12, 321 Exhibition Street
Melbourne Victoria 3000

Telephone (03) 8626 8700

Email: FOI@sustainability.vic.gov.au

FOI statistics/timeliness

During 2022–23, SV received two FOI applications by direct request. One request was from the media and the other request from the general public. For the first request, no documents were located. For the second request, one document was located and SV released the document in full.

Both decisions were made within the statutory time frame of 30 days. The average time taken to finalise requests in 2022–23 was 30 days.

One request made during 2021–22 was subject to further review by OVIC. OVIC made its decision that all documents relevant to the request should be released during 2022–23. No requests were subject to appeal to VCAT.

Further information

Further information regarding the operation and scope of FOI can be obtained from the FOI Act, regulations made under the FOI Act and ovic.vic.gov.au.

Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by SV and are available on request, subject to the provisions of the FOI Act:

- a. A statement that declarations of pecuniary interests have been duly completed by all relevant officers.
- b. Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary.
- c. Details of publications produced by SV about itself, and how these can be obtained.
- d. Details of any major reviews carried out in respect of the operation of SV.
- e. Details of major research and development activities undertaken by SV.
- f. Details of major promotional, public relations and marketing activities undertaken by SV to develop community awareness of us and our services.
- g. Details of assessments and measures undertaken to improve the occupational health and safety of employees.
- h. A general statement on industrial relations within SV and details of time lost through industrial accidents and disputes.
- i. A list of major committees sponsored by SV, the purposes of each committee and the extent to which the purposes have been achieved.
- j. Details of overseas visits undertaken.
- k. Details of changes in prices, fees, charges, rates and levies charged for our services.
- l. Details of all consultancies and contractors including consultants/contractors engaged; services provided; and expenditure committed to for each engagement.

The information is available on request from our Freedom of Information Officer (identified above).

Building Act compliance

Nil disclosure.

SV does not own or control any government buildings and consequently is exempt from notifying our compliance with the building and maintenance provisions of the *Building Act 1993*.

Competitive Neutrality Policy Victoria

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

SV complies with the Competitive Neutrality Policy in respect of its significant business activities. SV is working to ensure Victoria fulfils its requirements on competitive neutrality reporting for technological based businesses against the enhanced principles as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

Public interest disclosures compliance

The *Public Interest Disclosures Act 2012* (PID Act) encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The PID Act provides protection to people who make disclosures in accordance with the PID Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

SV does not tolerate improper employee conduct, nor taking reprisals against those who come forward to disclose such conduct. SV is committed to transparency and accountability in our administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

SV will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. SV will also afford natural justice to the person who is the subject of the disclosure to the extent to which it is legally possible.

Reporting procedures

SV is not able to receive protected disclosures. However, you can make a protected disclosure about us or our board members, officers or employees by contacting the Independent Broad-based Anti-corruption Commission (IBAC) as follows:

Independent Broad-based Anti-corruption Commission (IBAC)
Victoria
Level 1, North Tower,
459 Collins Street, Melbourne Victoria 3000

Phone: 1300 735 135

Website: www.ibac.vic.gov.au

Email: See website above for the secure email disclosure process, which also provides for anonymous disclosures.

Further information

Our Public Interest Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by us or any of our employees and/or officers, are available on our website at sustainability.vic.gov.au.

Compliance with the *Carers Recognition Act 2012*

SV is taking all practical measures to comply with its obligations under the Act, including ensuring employee awareness and understanding of the care relationship principles and considering those when reviewing our employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act.

Compliance with the *Disability Act 2006*

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

SV is taking all practical measures to comply with its obligations under the Act. This includes reducing barriers to accessibility of our publications, services and facilities, obtaining and maintaining employment, promoting inclusion and participation and achieving tangible changes in attitudes and practices that discriminate against people with a disability.

Disclosure of emergency procurement

In 2022–23, SV did not activate emergency procurement in accordance with the requirements of government policy and accompanying guidelines.

Environmental reporting

SV's office-based environmental impacts are reported in Appendix 2.

Compliance with DataVic Access Policy

Consistent with the DataVic Access Policy issued by the Victorian Government in 2012, the following information is available at data.vic.gov.au in electronic readable format:

- › Victorian Recycling Industry Annual Report 2017–18 (previously known as the Victorian Recycling Industry Annual Survey)
- › Victorian Local Government Materials Services Report Excel Workbook 2017–18
- › Victorian Recycling Industry Waste Services Workbook 2017–18
- › Victorian Recycling Industry Waste Services Report Workbook 2017–18
- › Aggregates, masonry and soils recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › Victorian Local Government Annual Survey 2013–14 (census of all 79 Victorian Local Governments)
- › Victorian Local Government Annual Waste Service Workbook 2015–16
- › Victorian Local Government Annual Waste Service Workbook 2016–17
- › Victorian Recycling Industry Waste Services Workbook 2016–17
- › Rubber recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › Plastics recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › Organics recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › LCA kerbside recycling calculator: to determine the environmental benefits of recycling
- › Glass recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › Paper and cardboard recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › Victorian Recycling Industry Annual Survey 2015–16
- › Metal recovery in Victoria 2015–16 (part of the Victorian Recycling Industry Annual Survey 2015–16)
- › 2001–02 to 2007–08 Local Government Materials and Recycling Services Survey
- › Solar Report
- › 2009 Green Light Report – Environmental Attitudes Survey
- › Byteback Drop-Off Points
- › ResourceSmart Retailers
- › Detox your Home Disposal Points

Privacy and Data Protection Act

SV collects and uses customer information according to our Privacy Statement and the *Privacy and Data Protection Act 2014*. For a copy of the Privacy Statement, visit sustainability.vic.gov.au, call (03) 8626 8700 or email privacy@sustainability.vic.gov.au.

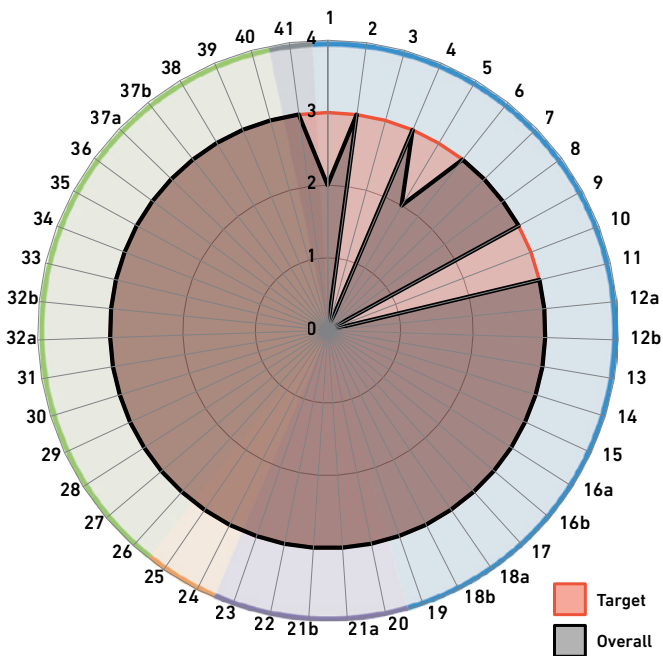
SV received no privacy enquiries in 2022–23 requesting SV to remove all or any personal information being held in respect of the individual.

Asset Management Accountability Framework maturity assessment

The following sections summarise SV’s assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the [Department of Treasury and Finance \(DTF\) website](#). The next update is scheduled for June 2024.

SV does not own or operate a substantial asset base, and none are assets for public use, being principally acquired to support our own operations.

Figure 3: AMAF maturity assessment



| LEGEND | |
|----------------|-------|
| Status | Scale |
| Not Applicable | N/A |
| Innocence | 0 |
| Awareness | 1 |
| Developing | 2 |
| Competence | 3 |
| Optimising | 4 |
| Unassessed | U/A |

SV’s target maturity rating is ‘competence’, meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

Leadership and accountability

SV has met most of its objectives in this area.

In relation to a one-off construction project, elements of the initial tender design were not compliant with the requirements of the Directions for Public Construction Procurement. A plan is in place to ensure that compliance can be assured in the rare circumstances when SV commits to public construction.

Asset planning

SV has met its objectives in this area.

Asset acquisition

SV has met its objectives in this area.

Asset operation

SV has met its objectives in this area.

Asset disposal

SV has met its objectives in this area.

Annual financial statements

For year ended 30th June 2023

Notes to the financial statements

How this report is structured

Sustainability Victoria has presented its audited general purpose financial statements for the financial year ended 30 June 2023 in the following structure to provide users with the information about Sustainability Victoria’s stewardship of resources entrusted to it:

| | |
|-----------------------------------|---|
| Financial statements | Comprehensive operating statement |
| | Balance sheet |
| | Cash flow statement |
| | Statement of changes in equity |
| Notes to the financial statements | 1. About this report |
| | The basis on which the financial statements have been prepared and compliance with reporting regulations. |
| | 2. Funding delivery of our services |
| | Income and Revenue recognised from taxes, grants, sales of goods and services and other sources |
| | 2.1 Summary of income that funds the delivery of our services |
| | 2.2 Government Grants |
| | 2.3 Income from other transactions |
| | 3. The cost of delivering services |
| | Operating expenses of Sustainability Victoria |
| | 3.1 Expenses incurred in delivery of services |
| | 3.2 Grant expenses |
| | 3.3 Other operating expenses |

4. Key assets available to support output delivery

Land, property, investment properties, biological assets, intangible assets, investments accounted for using the equity method, investments and other financial assets, and acquisition and disposal of entities

4.1 Total property, plant, and equipment

4.2 Intangible assets

4.3 Investments and other financial assets

5. Other assets and liabilities

Working capital balances, and other key assets and liabilities

5.1 Receivables

5.2 Payables and contract liabilities

5.3 Other non-financial assets

6. Financing our operations

Borrowings, cash flow information, leases and assets pledged as security

6.1 Borrowings

6.2 Leases

6.3 Cash flow information and balances

6.4 Commitments for expenditure

7. Risks, contingencies and valuation judgements

Financial risk management, contingent assets, and liabilities as well as fair value determination

7.1 Financial instruments specific disclosures

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

8. Other disclosures

8.1 Ex-gratia expenses

8.2 Responsible persons

8.3 Remuneration of senior executive service

8.4 Related parties

8.5 Remuneration of auditors

8.6 Other accounting policies

8.7 Australian Accounting Standards issued that are not yet effective

8.8 Glossary of technical terms

8.9 Style conventions

Sustainability Victoria

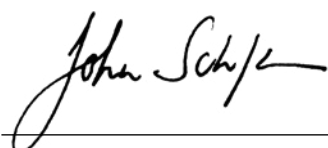
Declaration in the financial statements

The attached financial statements for Sustainability Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity and cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2023 and the financial position of Sustainability Victoria as at 30 June 2023.

At the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 14th September 2023.



Johan Scheffer
Chair of the Board
Sustainability Victoria

Melbourne
14/09/2023



Matthew Genever
Chief Executive Officer
Sustainability Victoria

Melbourne
14/09/2023



Nigel Haskins
Chief Financial Officer
Sustainability Victoria

Melbourne
14/09/2023

Sustainability Victoria

Independent Auditors Report



Independent Auditor's Report

To the Board of the Sustainability Victoria

| | |
|--|--|
| Opinion | <p>I have audited the financial report of the Sustainability Victoria (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • declaration in the financial statements. <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2023 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p> |
| Basis for Opinion | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p> |
| Other Information | <p>The Board is responsible for the "other information" included in the authority's Annual Report for the year ended 30 June 2023. The other information in the Annual Report does not include the financial report and my auditor's reports thereon. My opinion on the financial report does not cover the other information included in the Annual Report. Accordingly, I do not express any form of assurance conclusion thereon.</p> <p>In connection with my audit of the financial report, my responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a materially misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.</p> |
| Board's responsibilities for the financial report | <p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p> |

**Auditor's
responsibilities
for the audit of
the financial
report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
12 October 2023



Paul Martin
as delegate for the Auditor-General of Victoria

Sustainability Victoria

Comprehensive Operating Statement (a)

For the financial year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Income from transactions | | | |
| Municipal and Industrial Waste levy | 2.1 | 19,176 | 19,163 |
| Government grants | 2.2 | 61,539 | 59,995 |
| Other income from government | 2.3 | 255 | 56 |
| Interest | 2.1 | 2,439 | 311 |
| Other income | 2.3 | 3,991 | 3,991 |
| Total income from transactions | | 86,603 | 83,516 |
| Expenses from transactions | | | |
| Grant expenses | 3.2 | 38,505 | 35,331 |
| Contractors and consultants | 3.1 | 8,625 | 12,339 |
| Employee benefits | 3.1.1 | 25,561 | 25,360 |
| Depreciation and amortisation | 4.1.1 | 2,090 | 1,855 |
| IT & Telecommunications | 3.1 | 4,553 | 3,292 |
| Interest Expense | 6.1 | 358 | 286 |
| Other Operating Expenses | 3.3 | 4,553 | 6,451 |
| Total expenses from transactions | | 84,245 | 84,914 |
| Net result from transactions (net operating balance) | | 2,358 | (1,398) |
| Other economic flows included in net result | | | |
| Net gain / (loss) on non-financial assets | (b) | 149 | - |
| Net gain / (loss) from other economic flows | (c) | 38 | 401 |
| Total other economic flows included in net result | | 187 | 401 |
| Net result | | 2,545 | (997) |
| Comprehensive result | | 2,545 | (997) |

The accompanying notes form part of these financial statements.

Notes:

(a) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

(b) Net gain/(loss) on non-financial assets includes disposals of all physical assets

(c) Net gain/(loss) from revaluation of employee benefits - Provision for Long Service Leave

Sustainability Victoria

Balance Sheet (a)

As at 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|-----------------|------------------|
| Assets | | | |
| Financial assets | | | |
| Cash & deposits | 6.3 | 71,033 | 91,602 |
| Receivables | 5.1 | 18,318 | 13,749 |
| Investments and other financial assets | 4.3 | 399 | 400 |
| Total financial assets | | 89,750 | 105,751 |
| Non-financial assets | | | |
| Property, plant & equipment | 4.1 | 18,355 | 20,336 |
| Prepayments | 5.3 | 1,077 | 1,071 |
| Intangibles | 4.2 | - | - |
| Non-financial assets classified as held for sale | 7.3.2 | - | 17 |
| Total non-financial assets | | 19,432 | 21,424 |
| Total assets | | 109,182 | 127,175 |
| Liabilities | | | |
| Payables and Contract Liabilities | 5.2 | (61,844) | (80,955) |
| Borrowings | 6.1 | (18,785) | (20,159) |
| Employee related provisions | 3.1.2 | (3,272) | (3,325) |
| Total liabilities | | (83,901) | (104,439) |
| Net assets | | 25,281 | 22,736 |
| Equity | | | |
| Accumulated surplus / (deficit) | | (715) | (3,260) |
| Contributed capital | | 25,996 | 25,996 |
| Total equity | | 25,281 | 22,736 |

The accompanying notes form part of these financial statements.

Note:

(a) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

Sustainability Victoria

Cash Flow Statement (a)

For the financial year ended 30 June 2023

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|--------------|------------------|-----------------|
| Cash flows from operating activities | | | |
| Receipts | | | |
| Receipts from government grants | | 56,602 | 76,518 |
| Receipts from government - other | | 255 | - |
| Receipts from Municipal and Industrial Waste levy | | 19,176 | 19,160 |
| Other receipts | | 3,194 | 3,815 |
| Interest received | | 2,439 | 311 |
| Goods and Services Tax recovered from the ATO | (b) | 369 | 4,228 |
| Total Receipts | | 82,035 | 104,032 |
| Payments | | | |
| Payments to grant recipients | | (38,505) | (35,331) |
| Payments to suppliers and employees | | (62,419) | (45,599) |
| Interest and other costs of finance paid | | (358) | (286) |
| Total Payments | | (101,282) | (81,216) |
| Net cash flows from / (used in) operating activities | 6.3.1 | 19,247 | 22,816 |
| Cash flows from investing activities | | | |
| Payments for property, plant, and equipment | | (109) | (448) |
| Proceeds from disposal of property, plant, and equipment | | 149 | - |
| Net cash flows from / (used in) investing activities | | 40 | (448) |
| Cash flows from financing activities | | | |
| Repayment of borrowings and principal portion of lease liabilities | | (1,362) | (1,399) |
| Net cash flows from / (used in) financing activities | | (1,362) | (1,399) |
| Net increase / (decrease) in cash and cash equivalents | | (20,569) | 20,969 |
| Cash and cash equivalents at the beginning of the financial year | | 91,602 | 70,633 |
| Cash and cash equivalents at the end of the financial year | 6.3 | 71,033 | 91,602 |

The accompanying notes form part of these financial statements.

Notes:

(a) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

(b) GST recovered from the Australian Taxation Office is presented on a net basis

Sustainability Victoria

Statement of Changes in Equity (a)

For the financial year ended 30 June 2023

| | Accumulated Surplus/(Deficit) \$'000 | Contributed Capital \$'000 | Total \$'000 |
|-------------------------------------|--|----------------------------------|-----------------|
| Balance at 01 July 2021 | (2,263) | 25,996 | 23,733 |
| Net result for the year | (997) | - | (997) |
| Balance at 30 June 2022 | (3,260) | 25,996 | 22,736 |
| Balance at 01 July 2022 | (3,260) | 25,996 | 22,736 |
| Net Surplus/ (deficit) for the year | 2,545 | - | 2,545 |
| Balance at 30 June 2023 | (715) | 25,996 | 25,281 |

The accompanying notes form part of these financial statements.

Note:

(a) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*

1 About this Report

Sustainability Victoria is a Government Statutory Authority of the State of Victoria established under the *Sustainability Victoria Act 2005 (Vic)*.

Its principal address is:
Levels 12 & 13
321 Exhibition Street
Melbourne VIC 3000

A description of the nature of Sustainability Victoria's operations and its principal activities is included in the Report of operations, which does not form part of these financial statements.

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Sustainability Victoria.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Judgements, estimates, and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated.

These financial statements cover Sustainability Victoria as an individual reporting entity and include all the controlled activities of Sustainability Victoria.

Administration restructure

On 14 December 2021, the Circular Economy (Waste Reduction and Recycling) Act 2021 (the Act) was gazetted. This resulted in the establishment of Recycling Victoria, whose Head oversees the waste, recycling and resource recovery sector, and supports the development of a circular economy. Recycling Victoria was established as a business unit within the former Department of Environment, Land, Water and Planning (DELWP) and commenced operations on 1 July 2022. As part of the legislative change, the Infrastructure Planning function transferred from Sustainability Victoria to DELWP, Recycling Victoria, on 1 July 2022. Documentation pursuant to FRD119 Transfers through Contributed Capital under the Financial Management Act 1994 were endorsed post 30 June 2023 and as such is recognised as a payable in these statements. See note 5.2.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AASs) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2 Funding Delivery of our Services

Introduction

Sustainability Victoria's overall objectives are to facilitate and promote environmental sustainability in the use of resources. It does this by helping households, businesses and groups within the broader community adopt more sustainable practices to ensure a healthy environment, community, and economy, now and for the future.

Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Government Grants
- 2.3 Income from other transactions

Significant judgement: Grants revenue

Sustainability Victoria has made judgement on the recognition of grant revenue under AASB 1058 *Income of Not-for-Profit Entities* where they do not contain sufficiently specific performance obligations. Income from grants that are enforceable and with sufficiently specific performance obligations and are accounted for under AASB 15 *Revenue from Contracts with Customers* are recognised when Sustainability Victoria satisfies the performance obligation determined on analysis of the contract. For more detail refer to notes 2.1 and 2.2.

Note 2.1 Summary of income that funds the delivery of our services

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|-------|----------------|----------------|
| Municipal and industrial Waste levy | | 19,176 | 19,163 |
| Government grants | 2.2 | 61,539 | 59,995 |
| Interest | | 2,439 | 311 |
| Other Income from Government | 2.3 | 255 | 56 |
| Other income | 2.3 | 3,194 | 3,991 |
| Total Income from transactions | | 86,603 | 83,516 |

The Municipal and Industrial Waste levies are amounts received by Sustainability Victoria from the Department of Energy, Environment and Climate Action (DEECA) under the *Environment Protection (Distribution of Landfill Levy) Regulations 2021*. Landfill levies are recognised as income under AASB 1058 *Income of Not-for-Profit Entities* as non-contractual income arising from statutory requirements. Municipal and Industrial Waste levy revenue is recorded in the period which Sustainability Victoria becomes party to the contractual provisions of the payments; therefore, revenue is accrued in advance during the relevant quarter while cash payment is received in the following quarter.

Interest income includes interest received on financial assets held within the central banking system. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Note 2.2 Government Grants

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Sustainability Fund grants to Sustainability Victoria | | 58,802 | 47,838 |
| Government initiatives funding | | 2,737 | 12,157 |
| Total Revenue and income from transactions | | 61,539 | 59,995 |
| | | | |
| Recognised at a point in time | | 38,505 | 35,331 |
| Recognised over time | | 23,034 | 24,664 |
| Total Revenue and income from transactions | | 61,539 | 59,995 |

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, are recognised when Sustainability Victoria has an unconditional right to receive cash which usually coincides with receipt.

Income from grants received under enforceable contracts containing sufficiently specific performance obligations is accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

Grant income is overwhelmingly supplied in instalments in advance of planned expenditure and is carried as a contract liability until revenue is recognised.

Sustainability Victoria provides a range of project and professional services to its customers, primarily other Government agencies and departments. These services include, among others:

- › stakeholder engagement and consultation,
- › project design, management, and delivery,
- › grant programme design and delivery,
- › social research design, execution, and evaluation,
- › education, professional development, and campaigns for behaviour change.

Projects for which Sustainability Victoria is funded are complex with multiple, co-dependent outcomes that are not readily separable or individually valued and are consequently treated as a single performance obligation.

Underlying contracts are in all material respects of the same form and impose consistent obligations to account for and report progress, revenue and expenditure and the treatment adopted applies to the portfolio of contracts as a whole.

Sustainability Victoria has determined that contracts are 'fixed price', and that program progress is best determined using the 'input' method, measured by reference to the expenditure in the period. Revenue is recognised at a point in time in accordance with measured progress at reporting milestone dates.

Grants payable are recognised at the time of disbursement to the grantee.

Program management costs are partially funded by programs, comprise a small proportion of the total expenditure under any contract, and are not disaggregated for the purposes of revenue recognition.

Note 2.3 Income from other transactions

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|---------|----------------|----------------|
| Sales of Services incl FirstRate5 Certificates and Accreditation | (a) | 3,099 | 3,104 |
| Other income from government - Secondment fees | | 94 | 56 |
| Other income | (b) (c) | 255 | 887 |
| Total Income from other transactions | | 3,448 | 4,047 |

Notes:

(a) Revenue for FirstRate5 certificates and accreditation fees is recognised when the customer receives the right to the certificate, which is upon payment

(b) Other income included in the table above is classified as revenue from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* when sufficiently specific performance obligations are not present.

(c) Other income includes minor program contributions, sponsorship and ticket sales which are recognised upon receipt..

3 The Cost of Delivering Services

Introduction

This section provides an account of the expenses incurred by Sustainability Victoria in delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with the provision of services are recorded.

Structure

- 3.1 Expenses incurred in delivery of services
- 3.2 Grant expenses
- 3.3 Other operating expenses

Note 3.1 Expenses incurred in delivery of services

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Employee benefits expense | 3.1.1 | 25,561 | 25,360 |
| Grant expenses | 3.2 | 38,505 | 35,331 |
| Contractors & Consultants | (a) | 8,625 | 12,339 |
| IT & Telecommunications | | 4,553 | 3,292 |
| Other operating expenses | 3.3 | 4,553 | 6,451 |
| Total Expenses from transactions | | 81,797 | 82,773 |

Note:

(a) In line with Financial Reporting Direction 22 *Standard disclosures in the Report of Operations*, Consultants provide advice while Contractors are engaged to support program delivery.

Note 3.1.1 Employee benefits in the comprehensive operating statement

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Salaries and wages, annual leave and long service leave | 23,332 | 23,259 |
| Defined contribution superannuation expense | 2,229 | 2,101 |
| Total employee expenses | 25,561 | 25,360 |

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums.

The amount recognised in the comprehensive operating statement in relation to superannuation is the employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period. Sustainability Victoria does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, the Department of Treasury and Finance discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when Sustainability Victoria is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Note 3.1.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Current provisions | | |
| Annual Leave | | |
| Unconditional and expected to settle within 12 months | 866 | 934 |
| Unconditional and expected to settle after 12 months | 452 | 490 |
| Long Service Leave | | |
| Unconditional and expected to settle within 12 months | 114 | 56 |
| Unconditional and expected to settle after 12 months | 896 | 807 |
| Provisions for on-costs: | | |
| Unconditional and expected to settle within 12 months | 299 | 150 |
| Unconditional and expected to settle after 12 months | 77 | 203 |
| Total current provisions for employee benefits | 2,704 | 2,640 |
| Non-current provisions | | |
| Employee Benefits – Long Service Leave | 489 | 592 |
| On-costs | 79 | 93 |
| Total non-current provisions for employee benefits | 568 | 685 |
| Total provisions for employee benefits | 3,272 | 3,325 |

Reconciliation of movement in on-cost provision

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Opening Balance | 446 | 398 |
| Additional provisions recognised | 340 | 327 |
| Reductions arising from payments/other sacrifices of future economic benefit | (331) | (279) |
| Total on-cost provision | 455 | 446 |
| Current | 376 | 353 |
| Non-current | 79 | 93 |

Wages and salaries, annual leave, and sick leave: Liabilities for wages and salaries (including non-monetary benefits, annual leave, and on-costs) are recognised as part of the employee benefit provision as current liabilities, because Sustainability Victoria does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As Sustainability Victoria expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as Sustainability Victoria does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Unconditional LSL is disclosed as a current liability; even where Sustainability Victoria does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current LSL liability are measured at:

- ▶ undiscounted value – if Sustainability Victoria expects to wholly settle within 12 months; or
- ▶ present value – if Sustainability Victoria does not expect to wholly settle within 12 months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

Note 3.1.3 Superannuation contributions

Employees of Sustainability Victoria are entitled to receive superannuation benefits and Sustainability Victoria contributes to defined contribution plans.

| | Contributions paid in the year | | Contributions unpaid at 30 June | |
|---|--------------------------------|----------------|---------------------------------|----------------|
| | 2023 \$'000 | 2022 \$'000 | 2023 \$'000 | 2022 \$'000 |
| Defined Contribution plans | | | | |
| VicSuper | 519 | 511 | - | 2 |
| Australian Ethical Super | 308 | 267 | - | 1 |
| AustralianSuper | 276 | 238 | - | 1 |
| UniSuper | 171 | 157 | - | 1 |
| Hostplus Super | 124 | 145 | - | 1 |
| Other | 831 | 783 | - | 2 |
| Total superannuation contributions | 2,229 | 2,101 | - | 8 |

Note 3.2 Grant expenses

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--------------------------------|-------|----------------|----------------|
| Grant Expenses | | | |
| Behaviour Change and Education | | 1,325 | 5,077 |
| Community Action | | 5,976 | 6,695 |
| Investment and Innovation | | 31,204 | 23,559 |
| Total Grant Expenses | | 38,505 | 35,331 |

Grant expenses are contributions of Sustainability Victoria's resources to another party where there is no expectation that the amount will be repaid in equal value (either by money, goods or services).

Grants can either be operating or capital in nature. Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grant expenses are recognised in the reporting period in which they are paid or payable.

Grants that form part of program expenditure are recognised based on the percentage of the contract performed as at the reporting date, with the unperformed component of the contract included as part of committed expenditure.

Note 3.3 Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. An expense is recognised in the reporting period in which it is incurred.

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|-------|----------------|----------------|
| Other operating expenses | (a) | 565 | 1,123 |
| Advertising fees | | 1,026 | 1,571 |
| Royalty payments | (b) | 908 | 1,098 |
| Stakeholder engagement | | 215 | 1,093 |
| Outgoings | | 592 | 503 |
| Market research and surveys | | 239 | 209 |
| Staff training | | 302 | 188 |
| Recruitment | | 149 | 177 |
| Internal audit fees | | 110 | 163 |
| Insurance | | 194 | 132 |
| Legal fees | | 148 | 119 |
| Sponsorships paid | | 105 | 75 |
| Total other operating expenses | | 4,553 | 6,451 |

Notes:

(a) Other operating expenses includes minor incidentals such as low-cost assets, repairs and maintenance, office consumables and minor staff expenses.

(b) Royalty payments for use of intellectual property are recognised as an expense in the reporting period in which they are incurred.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

4: Key assets available to support output delivery

Introduction

Sustainability Victoria controls assets that are utilised in fulfilling its objectives and conducting activities. They represent the resources that have been entrusted to Sustainability Victoria to be utilised for delivery for these outputs.

Significant judgement: Classification of Assets

Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

Structure

- 4.1 Total property plant and equipment
- 4.2 Intangible assets
- 4.3 Investments and other financial assets

Note 4.1 Total Property, plant, and equipment

| | Gross Carrying Amount | | Accumulated Depreciation | | Net Carrying Amount | |
|--|-----------------------|----------------|--------------------------|----------------|---------------------|----------------|
| | 2023 \$'000 | 2022 \$'000 | 2023 \$'000 | 2022 \$'000 | 2023 \$'000 | 2022 \$'000 |
| Office furniture and equipment | 582 | 575 | (552) | (517) | 30 | 58 |
| Computer equipment | 1,246 | 1,253 | (1,088) | (1,076) | 158 | 177 |
| Motor vehicles (leased right-of-use asset) | - | 23 | - | (23) | - | - |
| Buildings at fair value (leased right-of-use asset) | 21,309 | 21,309 | (3,390) | (1,453) | 17,919 | 19,856 |
| Leasehold improvements | 283 | 274 | (35) | (29) | 248 | 245 |
| Total property, plant and equipment | 23,420 | 23,434 | (5,065) | (3,098) | 18,355 | 20,336 |

Initial recognition: Items of plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

Subsequent measurement: Plant and equipment are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regards to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Right-of-use asset acquired by lessees – Initial measurement

Sustainability Victoria recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- › any lease payments made at or before the commencement date less any lease incentive received; plus
- › any initial direct costs incurred; and
- › an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use asset – Subsequent measurement

Sustainability Victoria depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use assets are also subject to revaluation. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain remeasurements of the lease liability.

Note 4.1.1 Depreciation and amortisation

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Charge for the Period | | |
| Office furniture and equipment | 34 | 33 |
| Computer equipment | 92 | 100 |
| Motor vehicles (right-of-use asset) | - | 29 |
| Buildings at fair value (right-of-use asset) | 1,937 | 1,654 |
| Leasehold Improvements | 27 | 29 |
| Intangible assets (amortisation) | - | 10 |
| Total depreciation & amortisation | 2,090 | 1,855 |

Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

| | Useful Life (Years) |
|--------------------------------|---------------------|
| Office furniture and equipment | 5 to 10 years |
| Computer equipment | 3 to 4 years |
| Buildings at fair value | Over the lease term |
| Motor vehicles – Leased | 3 years |
| Intangible asset | 5 years |

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the entity obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

In the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced (unless a specific decision to the contrary has been made).

Impairment: non-financial assets, including items of plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However, this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of current replacement cost and fair value less costs to sell.

Note 4.1.2 Reconciliation of movements in carrying amount of property, plant, and equipment

| | Opening Balance \$'000 | Addition \$'000 | Disposal \$'000 | Transfer to asset held for sale \$'000 | Depreciation \$'000 | Closing Balance \$'000 |
|------------------------------|------------------------------|--------------------|--------------------|---|------------------------|------------------------------|
| 2023 | | | | | | |
| Office Furniture & Equipment | 58 | 6 | - | - | (34) | 30 |
| Computer Equipment | 177 | 73 | - | - | (92) | 158 |
| Buildings (Leased) | 19,856 | - | - | - | (1,937) | 17,919 |
| Leasehold Improvements | 245 | 30 | - | - | (27) | 248 |
| Total | 20,336 | 109 | - | - | (2,090) | 18,355 |
| 2022 | | | | | | |
| Office Furniture & Equipment | 82 | - | - | - | (33) | 58 |
| Computer Equipment | 97 | 181 | (2) | - | (99) | 177 |
| Motor Vehicles (Leased) | 46 | - | - | (17) | (29) | - |
| Buildings (Leased) | 201 | 21,309 | - | - | (1,654) | 19,856 |
| Leasehold Improvements | 22 | 274 | (22) | - | (29) | 245 |
| Total | 448 | 21,773 | (24) | (17) | (1,844) | 20,336 |

Note 4.2 Intangible assets

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|----------------|----------------|
| Gross Carrying Amount | | | |
| Opening balance | | 1,241 | 1,241 |
| Closing Balance | | 1,241 | 1,241 |
| Accumulated depreciation & amortisation | | | |
| Opening balance | | (1,241) | (1,231) |
| Amortisation expense | (a) | - | (10) |
| Closing Balance | | (1,241) | (1,241) |
| Net book value at end of financial year | | - | - |

Notes:

(a) Amortisation expense is included in the line item 'Depreciation and amortisation' in the comprehensive operating statement.

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent measurement

Intangible produced assets with finite useful lives, are depreciated as an 'expense from transactions' on a straight-line basis over their useful lives. Additions from IT development have a useful life of 5 years.

Impairment of intangible assets

Intangible assets not yet available for use are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

The policy in connection with testing for impairment is outlined in section 4.1.1

Note 4.3 Investments and other financial assets

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Non-current investments and other financial assets | | |
| Loans receivable – social enterprise projects | 399 | 400 |
| Total non-current investments and other financial assets | 399 | 400 |
| Total investments and other financial assets | 399 | 400 |

5: Other Assets and Liabilities

Introduction

This section sets out those assets and liabilities that arose from Sustainability Victoria's controlled operations.

Structure

5.1 Receivables

5.2 Payables

5.3 Other non-financial assets

Note 5.1 Receivables

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Contractual | | | |
| Trade debtors | (a) | 10,925 | 7,265 |
| Contract assets | (b) | 1,660 | 382 |
| Other receivables | | 5 | 8 |
| Total Contractual | | 12,590 | 7,655 |
| Statutory | | | |
| Amounts owing from Victorian Government | (c) | 4,794 | 4,791 |
| GST receivable | | 934 | 1,303 |
| Total Statutory | | 5,728 | 6,094 |
| Total Receivables | | 18,318 | 13,749 |
| Represented by: | | | |
| Current receivables | | 18,318 | 13,749 |

Notes:

(a) Trade debtors includes DEECA for the on passing of Commonwealth funded priority programs due to Sustainability Victoria as per the signed contract.

(b) Contract assets relate to Sustainability Victoria's right to consideration in exchange for goods transferred to customers for works completed, but not yet billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional, at this time an invoice is issued. This usually occurs when Sustainability Victoria issues an invoice to the customer. The balance of the contract assets at 30 June 2023 was impacted by timing of the works completed by contractors and is not billable at this stage. The works are expected to be recovered early next year.

(c) Amounts owing from Victorian Government includes the April – June 2023 quarter monies due for Municipal and Industrial Waste Levy, received in July 2024.

Contractual receivables are classified as financial instruments and categorised as financial assets at amortised costs. They are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement they are measured at amortised cost using the effective interest method, less any impairment. Contract assets represents revenue from contracts with customers where the funding is yet to be received.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment) but are not classified as financial instruments. Amounts recognised from the Victorian Government represent funding for all commitments incurred and are drawn from the Municipal and Industrial Waste Levy as the commitments fall due.

Details about Sustainability Victoria's impairment policies, Sustainability Victoria's exposure to credit risk, and the calculation of the loss allowance are set out in note 7.1.2

Doubtful Debts: credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery and impairment losses are classified as a transaction expense.

Subsequent recoveries of amounts previously written off are credited against the same line item.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as other economic flows in the net result.

Note 5.1.1 Ageing analysis of contractual receivables

| | 2023 \$'000 | 2022 \$'000 |
|--------------------------------------|----------------|----------------|
| Carrying Amount | 12,590 | 7,655 |
| Ageing: | | |
| Current – not yet due | 1,979 | 556 |
| Past due – by up to 30 days | 6,570 | 6,978 |
| Past due – between 31 and 60 days | 12,590- | 7,655 5 |
| Past due – between 61 and 90 days | - | - |
| Past due – more than 91 days | 4,041 | 116 |
| Not past due and not impaired | 12,590 | 7,655 |
| Total contractual receivables | 12,590 | 7,655 |

There are no material financial assets that are individually determined to be impaired. Currently Sustainability Victoria does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

Note 5.2 Payables and contract liabilities

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Contractual | | |
| Trade creditors | 2,533 | 7,945 |
| Accrued expenses | 2,017 | 2,162 |
| Contract liabilities | 56,109 | 70,692 |
| Total contractual | 60,659 | 80,799 |
| Statutory | | |
| Other creditors (a) | 1,062 | - |
| GST payable | 49 | 42 |
| Payroll Tax Payable | 85 | 89 |
| FBT payable | (11) | 25 |
| Total Statutory | 1,185 | 156 |
| Total payables and contract liabilities | 61,844 | 80,955 |
| Represented by: | | |
| Current payables | 61,844 | 80,955 |

Note:

(a) Other creditors consist of payables to DEECA for transfer of Recycling Victoria (\$1.062M)

Payables consist of:

Contractual payables: Classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to Sustainability Victoria prior to the end of the financial year that are unpaid; and

Statutory payables: Recognised and measured similarly to contractual payables, but not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Payables for supplies and services have an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the agreements and as they are not legislative payables, they are not classified as financial instruments.

Reconciliation of contract liabilities

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Contract liability at beginning of financial year | 70,692 | 63,305 |
| Add: payments received for performance obligations yet to be completed during the period | 47,708 | 67,868 |
| Less: revenue recognised in the reporting period for the completion of a performance obligation | (62,291) | (60,481) |
| Contract liability as at 30 June | 56,109 | 70,692 |
| Represented by | | |
| Current contract liabilities | 56,109 | 70,692 |
| Non current contract liabilities | - | - |

Contract liabilities represents funds received which are yet to be recognised as AASB15 Revenue from Contracts with Customers where sufficiently specific obligations remain.

Maturity analysis of Contract payables (a)

| | Carrying Amount | Nominal Amount | Past due but not impaired | | |
|------------------|--------------------|-------------------|---------------------------|-------------------------------|--------------------------------|
| | | | < 1 month \$'000 | >1 but <3 months \$'000 | >3 but <12 months \$'000 |
| 2023 | \$'000 | \$'000 | | | |
| Trade creditors | 2,533 | 2,533 | 2,533 | - | - |
| Accrued expenses | 2,017 | 2,017 | 1,691 | 297 | 29 |
| Total (b) | 4,550 | 4,550 | 4,224 | 297 | 29 |
| 2022 | | | | | |
| Trade creditors | 7,945 | 7,945 | 841 | 6,988 | 116 |
| Accrued expenses | 2,162 | 2,162 | 1,353 | 809 | - |
| Total (b) | 10,107 | 10,107 | 2,194 | 7,797 | 116 |

Notes:

(a) Maturity analysis is presented using the contractual undiscounted cash flows.

(b) The carrying amounts disclosed exclude statutory amounts (e.g., GST payables) and contract liabilities.

Note 5.3 Other non-financial assets

| | Notes | 2023 \$'000 | 2022 \$'000 |
|-----------------------------------|-------|----------------|----------------|
| Current other assets | | | |
| Prepayments | | 1,077 | 1,071 |
| Total current other assets | | 1,077 | 1,071 |

Other non-financial assets include pre-payments, which represent payments in advance of receipt of goods or services, or the payments made for services covering a term extending beyond that financial accounting period.

6: Financing our operations

Introduction

This section sets out those assets and liabilities that arose from Sustainability Victoria's controlled operations.

Structure

6.1 Borrowings

6.2 Leases

6.3 Cash flow information and balances

6.4 Commitments for expenditure

Note 6.1 Borrowings

| | 2023 \$'000 | 2022 \$'000 |
|-------------------------------------|----------------|----------------|
| Current borrowings | | |
| Lease liabilities: motor vehicles | - | 12 |
| Lease liabilities: buildings | 1,456 | 1,362 |
| Total current borrowings | 1,456 | 1,374 |
| Non-current borrowings | | |
| Lease liabilities: motor vehicles | - | - |
| Lease liabilities: buildings | 17,329 | 18,785 |
| Total non-current borrowings | 17,329 | 18,785 |
| Total borrowings | 18,785 | 20,159 |

Borrowings are all related to leases and are secured by the assets leased. Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Borrowings refer to interest bearing liabilities. Sustainability Victoria's borrowings listed above are made up of liabilities recognised in applying AASB 16 *Leases* to the office building rental and leased motor vehicles.

All interest-bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Maturity analysis of borrowings

| | Carrying Amount \$'000 | Nominal Amount \$'000 | Less than 1 month \$'000 | Maturity dates | | | |
|-------------------|------------------------------|-----------------------------|--------------------------------|---------------------------|--------------------------------|--------------------------|----------|
| | | | | 1 - 3 months \$'000 | 3 months - 1 year \$'000 | 1 - 5 years \$'000 | 5+ years |
| 2023 | | | | | | | |
| Lease Liabilities | 18,785 | 18,785 | 117 | 234 | 1,105 | 6,869 | 10,460 |
| Total | 18,785 | 18,785 | 117 | 234 | 1,105 | 6,869 | 10,460 |
| 2022 | | | | | | | |
| Lease Liabilities | 20,159 | 20,159 | 121 | 333 | 919 | 6,444 | 12,342 |
| Total | 20,159 | 20,159 | 121 | 333 | 919 | 6,444 | 12,342 |

Interest expense

| | 2023 \$'000 | 2022 \$'000 |
|-------------------------------|----------------|----------------|
| Interest on lease liabilities | 358 | 286 |
| Total interest expense | 358 | 286 |

Interest expense includes costs incurred in connection with the interest component of lease repayments.
Interest expense is recognised in the period in which it is incurred.

Note 6.2 Leases

Information about leases for which Sustainability Victoria is a lessee is presented below.

Sustainability Victoria leases an office space located at 321 Exhibition Street, Melbourne. The lease term is 7 years with an option to extend an additional 4 years.

Other leases entered into by Sustainability Victoria relate to motor vehicles through VicFleet with lease terms of 3 years. Sustainability Victoria has disposed of all motor vehicles during the past year so no longer holding any motor vehicle leases.

6.2 (a) Right-of-use Assets

Right-of-use assets are presented in note 4.1

6.2 (b) Amounts recognised in the Comprehensive Operating Statement

The following amounts are recognised in the Statement of Comprehensive Operating Statement relating to leases:

| | 2023 \$'000 | 2022 \$'000 |
|---|----------------|----------------|
| Interest on lease liabilities | 358 | 286 |
| Total amount recognised in the comprehensive operating statement | 358 | 286 |

6.2 (c) Amounts recognised in the statement of cashflows

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------------------|----------------|----------------|
| Interest expense on lease liabilities | 358 | 286 |
| Payments for lease principal | 1,362 | 1,367 |
| Total cash outflow for leases | 1,720 | 1,653 |

Cash payments for the interest portion of lease payments are recognised as operating activities consistent with the presentation of interest payments and cash payments for the principal portion of lease payments are recognised as financing activities.

For any new contracts entered into on or after 1 July 2019, Sustainability Victoria considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition Sustainability Victoria assesses whether the contract meets three key evaluations:

- › Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Sustainability Victoria and for which the supplier does not have substantive substitution rights
- › Whether Sustainability Victoria has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and Sustainability Victoria has the right to direct the use of the identified asset throughout the period of use; and
- › Whether Sustainability Victoria has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

Separation of lease and non-lease components: At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

Recognition and measurement of leases as a lessee

Lease Liability – initial measurement: The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or Sustainability Victoria's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- › fixed payments (including in-substance fixed payments) less any lease incentive receivable
- › variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- › amounts expected to be payable under a residual value guarantee
- › payments arising from purchase and termination options reasonably certain to be exercised.

Lease liability – subsequent measurement: Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

Short-term leases and leases of low-value assets: AASB 16 Leases provides a practical expedient for short-term leases and leases of low value assets. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these can be recognised as an expense in profit or loss on a straight-line basis over the lease term. Sustainability Victoria has not identified any short-term leases or leases of low value assets.

Presentation of right-of-use assets and lease liabilities: Sustainability Victoria presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

Note 6.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash with and insignificant risk of changes in value.

| | Notes | 2023 \$'000 | 2022 \$'000 |
|---|-------|----------------|----------------|
| Cash at bank | | 71,033 | 91,602 |
| Balance as per cash flow statement | | 71,033 | 91,602 |

Note 6.3.1 Reconciliation of net result for the period to cash flow from operating activities

| | Notes | 2023 \$'000 | 2022 \$'000 |
|--|-------|----------------|----------------|
| Net result for the financial year | | 2,545 | (997) |
| Non-cash movements: | | | |
| Depreciation | | 2,090 | 1,855 |
| Other costs | | 5 | - |
| Lease costs | | - | 7 |
| (Gain) / loss on disposal of assets | | (149) | - |
| Movements in assets and liabilities: | | | |
| Increase / (decrease) in employee related provisions | | (54) | 212 |
| Increase / (decrease) in payables and contract liabilities | | (19,118) | 14,158 |
| (Increase) / decrease in prepayments | | (5) | (16) |
| (Increase) / decrease in receivables | | (4,561) | 7,597 |
| Net cash flows from/ (used in) operating activities | | 19,247 | 22,816 |

Note 6.4 Commitments for expenditure

Commitments for future expenditure include operating commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

| | Less than 1 year \$'000 | 1-5 years \$'000 | More than 5 years \$'000 | Total \$'000 |
|---|-------------------------------|---------------------|--------------------------------|-----------------|
| 2023 | | | | |
| Other Commitments - contracts | | | | |
| Tied funding | 59,553 | 8,900 | - | 68,453 |
| Other funding | 11,285 | 1,715 | - | 13,000 |
| Total commitments (inclusive of GST) | 70,838 | 10,615 | - | 81,453 |
| Less GST recoverable from the Australian Tax Office | (6,440) | (965) | - | (7,405) |
| Total commitments (exclusive of GST) | 64,398 | 9,650 | - | 74,048 |
| 2022 | | | | |
| Other commitments - contracts | | | | |
| Tied funding | 56,192 | 24,903 | - | 81,095 |
| Other funding | 10,155 | 507 | - | 10,662 |
| Total commitments (inclusive of GST) | 66,347 | 25,410 | - | 91,757 |
| Less GST recoverable from the Australian Tax Office | (6,032) | (2,310) | - | (8,342) |
| Total commitments (exclusive of GST) | 60,315 | 23,100 | - | 83,415 |

7 Risk, Contingencies and Valuation Judgements

Introduction

Sustainability Victoria is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Sustainability Victoria related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

Note 7.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Sustainability Victoria's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Guarantees issued on behalf of Sustainability Victoria are financial instruments because, although authorised under statute, terms and conditions for each financial guarantee may vary and are subject to an agreement.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met, and the assets are not designated as fair value through net result:

- › the assets are held by Sustainability Victoria to collect the contractual cash flows, and
- › the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.
- › These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Sustainability Victoria recognises the following assets in this category:

- › cash and deposits
- › receivables (excluding statutory receivables)

Categories of financial assets

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated, at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Sustainability Victoria recognises the following liabilities in this category:

- › Payables (excluding statutory payables); and
- › Borrowings (including lease liabilities).

Derecognition of financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- › the rights to receive cash flows from the asset have expired
- › Sustainability Victoria retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement
- › Sustainability Victoria has transferred its rights to receive cash flows from the asset and either:
 - › - has transferred substantially all the risks and rewards of the asset
 - › - has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Where Sustainability Victoria has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Sustainability Victoria's continuing involvement in the asset.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments

Subsequent to initial recognition, reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when Sustainability Victoria's business model for managing its financial assets has changed such that its previous model would no longer apply.

Sustainability Victoria is generally unable to change its business model because it is determined by the Performance Management Framework (PMF) and all Victorian government departments are required to apply the PMF under the Standing Directions 2018 under the FMA.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and fair value is recognised in net result.

Note 7.1.1 Financial instruments: categorisation

| | Notes | Cash & Deposits \$'000 | Financial assets at amortised cost \$'000 | Financial liabilities at amortised cost \$'000 | Total \$'000 |
|--|-------|------------------------------|---|--|-----------------|
| 2023 | | | | | |
| Contractual financial assets | | | | | |
| Cash and deposits | | 71,033 | - | - | 71,033 |
| Receivables | (a) | - | 12,590 | - | 12,590 |
| Investments and other financial assets | | - | 399 | - | 399 |
| Total contractual financial assets | | 71,033 | 12,989 | - | 84,022 |
| Contractual financial liabilities | | | | | |
| Payables | (a) | - | - | 4,550 | 4,550 |
| Lease liabilities | | - | - | 18,785 | 18,785 |
| Total contractual financial liabilities | | - | - | 23,335 | 23,335 |
| 2022 | | | | | |
| Contractual financial assets | | | | | |
| Cash and deposits | | 91,602 | - | - | 91,602 |
| Receivables | (a) | - | 7,655 | - | 7,655 |
| Investments and other financial assets | | - | 400 | - | 400 |
| Total contractual financial assets | | 91,602 | 8,055 | - | 99,657 |
| Contractual financial liabilities | | | | | |
| Payables | (a) | - | - | 10,107 | 10,107 |
| Lease liabilities | | - | - | 20,159 | 20,159 |
| Total contractual financial liabilities | | - | - | 30,265 | 30,265 |

Notes:

(a) The total amounts disclosed here excludes statutory amounts (e.g., amounts owing from Victorian government and GST input tax credit recoverable).

Note 7.1.2 Financial risk management objectives and policies

As a whole, Sustainability Victoria's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

Details of the significant accounting policies and methods adopted, including the criteria for the recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability, and equity instrument above are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage Sustainability Victoria's financial risks within government policy parameters.

Sustainability Victoria's main financial risks include credit risk, liquidity risk and interest rate risk. Sustainability Victoria manages these financial risks in accordance with its financial risk management policy.

Sustainability Victoria uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Sustainability Victoria Board.

Financial Instruments: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. Sustainability Victoria's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to Sustainability Victoria. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with Sustainability Victoria's contractual financial assets is minimal because the main debtor is the Victorian Government. For debtors other than the Government, it is Sustainability Victoria's policy to only deal with entities with high credit ratings of a minimum triple B rating.

In addition, Sustainability Victoria does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. As with the policy for debtors, Sustainability Victoria's policy is to only deal with banks with high credit ratings.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that Sustainability Victoria will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 60 days overdue, and changes in debtor credit ratings.

Contract financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt written off by mutual consent is classified as a transaction expense. Bad debt written off following a unilateral decision is recognised as other economic flows in the net result.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Sustainability Victoria's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There has been no material change to Sustainability Victoria's credit risk profile in 2022-23.

Credit quality of contractual financial assets that are neither past due or impaired

| | Financial Institutions (AA rating) \$'000 | Government agencies (AA rating) \$'000 | Other (min BBB rating) \$'000 | Total \$'000 |
|---|--|---|-------------------------------------|-----------------|
| 2023 | | | | |
| Cash and deposits | 71,033 | - | - | 71,033 |
| Receivables (a) | - | 12,416 | 174 | 12,590 |
| Investments and other financial assets | 399 | - | - | 399 |
| Total contractual financial assets | 71,432 | 12,416 | 174 | 84,022 |
| 2022 | | | | |
| Cash and deposits | 91,602 | - | - | 91,602 |
| Receivables (a) | - | 7,277 | 378 | 7,655 |
| Investments and other financial assets | 400 | - | - | 400 |
| Total contractual financial assets | 92,002 | 7,277 | 378 | 99,657 |

Note:

(a) The total receivables disclosed here exclude statutory amounts (e.g., amounts owing from Victorian government and GST input tax credit recoverable).

Impairment of financial assets under AASB 9

Sustainability Victoria records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assessment include the Sustainability Victoria's contractual receivables, statutory receivables and its investments.

Equity instruments are not subject to impairment under AASB 9. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

Although not a financial asset, contract liabilities recognised applying AASB 15 (refer to Note 5.2) are also subject to impairment however it is immaterial.

Contractual receivables at amortised cost

Sustainability Victoria applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. Sustainability Victoria's historical credit losses are 0%.

Financial instruments: liquidity risk

Liquidity risk arises when Sustainability Victoria is unable to meet its financial obligations as they fall due. Sustainability Victoria operates under the government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

Sustainability Victoria is exposed to liquidity risk mainly through the financial liabilities as disclosed in the face of the balance sheet. Sustainability Victoria manages its liquidity risk by:

- ▶ maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- ▶ careful maturity planning of its financial obligations based on forecasts of future cash flows

Sustainability Victoria exposure to liquidity risk is estimated to be insignificant, based on prior period's data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available cash deposits at call.

Financial instruments: Market risk

Sustainability Victoria's exposure to market risk is primarily through interest rate risk. Objectives, policies, and processes used to manage this is disclosed below.

Sensitivity disclosure analysis and assumptions

Sustainability Victoria's sensitivity to market risk is determined based on past performance and economic forecasts of the financial markets. Sustainability Victoria believes that the following movements are "reasonably possible" over the next 12 months:

- ▶ a movement of 200 basis points up and down (2022: 100 basis points up and down) in market interest rates (AUD) from year-end rates of 4.25 per cent (2022: 2 percent)

The tables that follow show the impact on Sustainability Victoria's net result and equity for each category of financial instrument held by Sustainability Victoria at the end of the reporting period, if the above movements were to occur.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of change in market interest rates. Exposure to fair value interest rate risk is insignificant and might arise primarily through Sustainability Victoria's variable cash deposits.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Sustainability Victoria has minimal exposure to cash flow interest rate risks through cash and deposits and investments that are at a floating rate.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and Sustainability Victoria's sensitivity to interest rate risk are set out in the table that follows.

Interest rate exposure of financial instruments

| | Weighted average interest rate % | Carrying amount \$'000 | Fixed Rate \$'000 | Variable Rate \$'000 | Non-interest bearing \$'000 |
|--|---|------------------------------|----------------------|----------------------------|-----------------------------------|
| 2023 | | | | | |
| Cash and deposits | 3.08% | 71,033 | - | 71,033 | - |
| Receivables (a) | | 12,590 | - | - | 12,590 |
| Investments and other financial assets | | 399 | - | - | 399 |
| Total financial assets | | 84,022 | - | 71,033 | 12,989 |
| Payables (a) | | 4,550 | - | - | 4,550 |
| Lease liabilities | 1.84% | 18,785 | 18,785 | - | - |
| Total financial liabilities | | 23,335 | 18,785 | - | 4,550 |
| 2022 | | | | | |
| Cash and deposits | 0.32% | 91,602 | - | 91,602 | - |
| Receivables (a) | | 7,655 | - | - | 7,655 |
| Investments and other financial assets | | 400 | - | - | 400 |
| Total financial assets | | 99,657 | - | 91,602 | 8,055 |
| Payables (a) | | 10,107 | - | - | 10,107 |
| Lease liabilities | 1.84% | 20,159 | 20,159 | - | - |
| Total financial liabilities | | 30,266 | 20,159 | - | 10,107 |

The total payables disclosed here exclude statutory amounts (e.g., amounts owing to Victorian government and GST sales tax payable).

Interest rate risk sensitivity

| Interest rate risk | | | | | |
|--|------------------------------|----------------------|-------------------|----------------------|------------------|
| +200 basis points | | | -200 basis points | | |
| | Carrying amount \$'000 | Net result \$'000 | Equity \$'000 | Net result \$'000 | Equity \$'000 |
| 2023 | | | | | |
| Contractual financial assets | | | | | |
| Cash and deposits | 71,033 | (1,421) | (1,421) | 1,421 | 1,421 |
| Investments and other financial assets | 399 | (8) | (8) | 8 | 8 |
| Total impact | 71,432 | (1,429) | (1,429) | 1429 | 1429 |
| | | | | | |
| +100 basis points | | | -100 basis points | | |
| 2022 | | | | | |
| Contractual financial assets | | | | | |
| Cash and deposits | 91,602 | (916) | (916) | 916 | 916 |
| Investments and other financial assets | 400 | (4) | (4) | 4 | 4 |
| Total impact | 92,002 | (920) | (920) | 920 | 920 |

Cash and deposits include a deposit of \$71,032,829 (2022: \$91,601,941) that is exposed to floating rates movements. Sensitivities to these movements are calculated as follows: 2023 $\$71,032,829 \times 0.02 = \$1,420,657$ and 2022: $\$91,601,941 \times 0.01 = \$916,019$.

Contractual financial liabilities

Sustainability Victoria does not hold any contractual financial liabilities which are exposed to variable interest rates so no sensitivity analysis is provided.

Foreign currency risk

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction.

Sustainability Victoria is exposed to foreign currency risk mainly through its payables relating to purchases of supplies and consumables from overseas. Sustainability Victoria is not exposed to any material foreign currency risk. Risk is minimal, as Sustainability Victoria has a limited amount of transactions denominated in foreign currencies and there is a relatively short timeframe between commitment and settlement.

Based on past and current assessment of economic outlook, management does not consider that it is necessary for Sustainability Victoria to enter into any hedging arrangements to manage the risk.

7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed and if quantifiable, are measured at nominal values. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent Assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Sustainability Victoria has no contingent assets as at the reporting date (2023: \$Nil).

Contingent Liabilities

Contingent liabilities are:

- › possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- › present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations
 - the amount of the obligations cannot be measured with sufficient reliability.

Sustainability Victoria has no contingent liabilities as at the reporting date (2023: \$Nil).

7.3 Fair value determination

Significant judgement: fair value measurements of assets and liabilities

This section sets out information on how Sustainability Victoria determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- › financial assets and liabilities at fair value through profit or loss
- › financial assets at fair value through other comprehensive income plant and equipment.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

Sustainability Victoria determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

Fair Value hierarchy

In determining fair values, several inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- › **Level 1:** quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- › **Level 2:** valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- › **Level 3:** valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Sustainability Victoria determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- › carrying amount and the fair value (which would be the same for those assets measured at fair value);
- › which level of the fair value hierarchy was used to determine the fair value; and
- › in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial assets and liabilities are determined as follows:

- › **Level 1** – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- › **Level 2** – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- › **Level 3** – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

Sustainability Victoria currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full by the end of the 2023-24 reporting period..

These financial instruments include:

| Financial Assets | Financial liabilities |
|---------------------|-----------------------|
| Cash and deposits | Payables |
| Receivables: | › Trade creditors |
| › Trade debtors | › Other payables |
| › Other receivables | Borrowings: |
| | › Lease liabilities |

There is no difference in the fair value of Sustainability Victoria's financial instruments to the carrying amounts for 2023 or 2022.

7.3.2 Fair value determination of non-financial physical assets

Fair value measurement hierarchy

| Fair value measurement at 30 June using: | | | | |
|--|---|-------------------|-------------------|-------------------|
| | Carrying amount at 30 June \$'000 | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 |
| 2023 | | | | |
| Office furniture and equipment | 30 | - | - | 30 |
| Computer equipment | 158 | - | - | 158 |
| Total of non-financial assets at fair value | 188 | - | - | 188 |
| 2022 | | | | |
| Office furniture and equipment | 58 | - | - | 58 |
| Computer equipment | 177 | - | - | 177 |
| Total of non-financial assets at fair value | 235 | - | - | 235 |

Office furniture and equipment and computer equipment is held at fair value. Fair value is determined using the current replacement cost method. There were no changes in valuation techniques used throughout the period to 30 June 2023. For all assets measured at fair value, the current use is considered the highest and best use.

Motor vehicles are valued using the current replacement cost method. Sustainability Victoria acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition use and disposal in the market is managed by our facilities manager who sets relevant depreciation rates during use to reflect the lease term of the vehicle.

Reconciliation of Level 3 fair value movements

| | Office, Furniture and Equipment \$'000 | Computer Equipment \$'000 | Motor Vehicles \$'000 | Total \$'000 |
|------------------------|--|---------------------------------|--------------------------|-----------------|
| 2023 | | | | |
| Opening balance | 58 | 177 | - | 235 |
| Purchases | 6 | 73 | - | 79 |
| Disposals | - | - | - | - |
| Depreciation | (34) | (92) | - | (126) |
| Closing balance | 30 | 158 | - | 188 |
| 2022 | | | | |
| Opening balance | 82 | 97 | 46 | 225 |
| Purchases | 9 | 181 | - | 190 |
| Disposals | - | (2) | - | (2) |
| Depreciation | (33) | (99) | (29) | (161) |
| Closing balance | 58 | 177 | 17 | 252 |

Description of significant unobservable inputs to Level 3 valuationst

| 2023 and 2022 | Valuation Technique | Significant unobservable inputs |
|------------------------------|--------------------------|---------------------------------|
| Office Furniture & Equipment | Current replacement cost | Cost per unit |
| Computer Equipment | Current replacement cost | Cost per unit |
| Motor vehicles | Current replacement cost | Cost per unit |

Non-financial physical assets classified as held for sale

| | Carrying amount at 30 June \$'000 | Fair value measurement at 30 June using: | | |
|---|---|--|-------------------|-------------------|
| | | Level 1 \$'000 | Level 2 \$'000 | Level 3 \$'000 |
| 2023 | | | | |
| Motor vehicles | - | - | - | - |
| Total of non-financial assets held for sale | - | - | - | - |
| 2022 | | | | |
| Motor vehicles | 17 | - | - | 17 |
| Total of non-financial assets held for sale | 17 | - | - | 17 |

No assets were held for sale in financial year 2022-23 .

8: Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Ex-gratia expenses
- 8.2 Responsible persons
- 8.3 Remuneration of senior executive service
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Other accounting policies
- 8.7 Australian Accounting Standards issued that are not yet effective
- 8.8 Glossary of technical items
- 8.9 Style convention

Note 8.1 Ex-gratia expenses

Ex-gratia expenses are the voluntary payments of money or other non-monetary benefits (e.g., a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

Sustainability Victoria had termination payments totalling \$5,492.01 within the 2022-23 financial year (2021-22: \$44,797.16).

Note 8.2 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of ministers and accountable officers in Sustainability Victoria are as follows:

Minister of Energy, Environment, Climate Change and Solar Homes - The Hon. Lily D'Ambrosio - 1 July 2022 to 30 June 2023

Minister for Climate Action - The Hon. Lily D'Ambrosio - 5 December 2022 to 30 June 2023

Minister for Energy and Resources - The Hon. Lily D'Ambrosio - 5 December 2022 to 30 June 2023

Minister for Environment - The Hon. Ingrid Stitt - 5 December 2022 to 30 June 2023

Interim Chief Executive Officer - Matthew Genever - 1 July 2022 to 30 June 2023

Acting Chief Executive Officer - Paul Murffit - 23 December 2022 to 27 January 2023

See note 8.4 for additional listing of Responsible persons.

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of Sustainability Victoria during the reporting period was in the range: \$410,000 - \$419,999 in 2022-23 (\$430,000 - \$439,999 in 2021-22).

Note 8.3 Remuneration of senior executive service

The number of senior executive service, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits (as defined by *AASB 119 Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave, or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long service leave, other long service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

| Remuneration of senior executive service | Total remuneration | |
|--|--------------------|----------------|
| | 2023 \$'000 | 2022 \$'000 |
| Short-term employee benefits | 1,374 | 1,743 |
| Post-employment benefits | 141 | 177 |
| Other long-term benefits | 4 | 5 |
| Total remuneration | 1,519 | 1,925 |
| Total number of senior executives | 8 | 8 |
| Total annualised employee equivalents (a) | 6 | 8 |

Note:

(a) Annualised employee equivalent is based on the time fraction worked over the reporting period.

Note 8.4 Related parties

Sustainability Victoria is a wholly owned and controlled entity of the State of Victoria.

Related parties of Sustainability Victoria include:

- › all key management personnel and their close family members and personal business interests
- › all cabinet ministers and their close family members; and
- › all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

Sustainability Victoria received funding from the former Department of Environment, Water, Land and Planning of \$66.7M. \$19.2M was in relation to the Municipal and Industrial Waste levy, \$37.1M was received from the Sustainability fund for project related activities and \$10.4M as a by-pass agreement with the Commonwealth Government.

Key management personnel of Sustainability Victoria includes the Ministers, the Hon. Lily D'Ambrosio, The Hon. Ingrid Stitt and the following:

| Name | Position Title | Start Date | End Date |
|------------------|---------------------------------|------------|------------|
| Johan Scheffer | Board Chair | 1/06/2021 | 31/05/2026 |
| Judith Landsberg | Deputy Chair | 15/06/2021 | 14/06/2025 |
| Judith Harris | Board member | 1/07/2022 | 30/06/2024 |
| Kerry Osborne | Board member | 1/07/2022 | 30/06/2024 |
| Mark Wakeham | Board member | 15/06/2021 | 14/06/2025 |
| Meredith Banks | Board member | 15/06/2021 | 14/06/2025 |
| Neil Pharaoh | Board member | 1/07/2022 | 30/06/2024 |
| Sarah McDowell | Board member | 15/06/2021 | 14/06/2025 |
| Paul Murfitt | Acting Chief Executive Officer | 23/12/2022 | 27/01/2023 |
| Matthew Genever | Interim Chief Executive Officer | 28/02/2022 | 31/12/2023 |

Remuneration of Key Management Personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Ministers receive. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

| | Total remuneration | |
|------------------------------|--------------------|----------------|
| | 2023 \$'000 | 2022 \$'000 |
| Short-term employee benefits | 499 | 431 |
| Post-employment benefits | 41 | 42 |
| Other long-term benefits | 6 | 2 |
| Termination benefits | - | 92 |
| Total remuneration | 546 | 567 |

Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other members of the public e.g., stamp duty and other government fees and charges. Further employment of processes within the Victorian public sector occurs on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Procurement Board requirements.

In 2022-23, Sustainability Victoria paid or accrued \$48,336.41 to Banksia Environment Foundation (Premier Sustainability Awards), \$122,500 to Victoria University (Recycled Material Blends project & Circular Economy Markets), and \$7,800,000 to Visy Recycling (Circular Economy Recycling Modernisation). Sustainability Victoria's board member Meredith Banks is involved with the aforementioned and as such was not involved in any decision making relating to these payments.

Note 8.5 Remuneration of auditors

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Victorian Auditor-Generals Office | | |
| Audit of the financial statements | 30 | 30 |
| Total remuneration | 30 | 30 |

Note 8.6 Other accounting policies

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of Sustainability Victoria.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distributions to owners.

Note 8.7 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2022-23 reporting period. These accounting standards have not been applied to the Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which includes:

› AASB 2022-10

Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

- › AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- › specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 Non-current Assets Held for Sale and Discontinued Operations or if it is highly probable that it will be used for an alternative purpose;
- › clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services;
- › specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data; and
- › provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

› AASB 2022-8

Amendments to Australian Accounting Standards – Insurance Contracts: Consequential Amendments and AASB 2022-9 Amendments to Australian Accounting Standards – Insurance Contracts in the Public Sector

- › AASB 17 replaces AASB 4 Insurance Contracts, AASB 1023 General Insurance Contracts and AASB 1038 Life Insurance Contracts for not-for-profit public sector entities for annual reporting periods beginning on or after 1 July 2026.
- › AASB 2022-9 amends AASB 17 to make public sector-related modifications (for example, it specifies the pre-requisites, indicators and other considerations in identifying arrangements that fall within the scope of AASB 17 in a public sector context). This Standard applies for annual reporting periods beginning on or after 1 July 2026.
- › AASB 2022-8 makes consequential amendments to other Australian Accounting Standards so that public sector entities are permitted to continue to apply AASB 4 and AASB 1023 to annual periods before 1 July 2026. This Standard applies for annual reporting periods beginning on or after 1 January 2023.

› AASB 2020-1

Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

- › AASB 2020-1 amended AASB 101 Presentation of Financial Statements to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current and was applicable to annual reporting periods beginning on or after 1 January 2022.
- › AASB 2020-6 subsequently amended AASB 2020-1, deferring the mandatory effective date of AASB 2020-1 from 1 January 2022 to 1 January 2023. AASB 2022-6 was applicable for annual reporting periods beginning on or after 1 January 2022.
- › AASB 2022-6 amends and clarifies the requirements contained in AASB 2020-1. Among other things, it:
 - clarifies that only those covenants that an entity must comply with at or before the reporting date affect a liability's classification as current or non-current; and
 - requires additional disclosures for non-current liabilities that are subject to an entity complying with covenants within twelve months after the reporting date.
- › AASB 2022-6 applies to annual reporting periods beginning on or after 1 January 2023.

Sustainability Victoria is currently in the process of assessing the potential impact of these standards and amendments.

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.

Note 8.8 Glossary of technical items

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible assets. The expense is classified as another economic flow.

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, lease liabilities, service concession arrangements and other interest-bearing arrangements. Borrowings also include non interest-bearing advances from government that are acquired for policy purposes.

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources

Comprehensive result amount included in the operating statement representing total change in net worth other than transactions with owners as owners.

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transactions'.

Effective interest method is the method used to calculate the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period

Employee benefits expenses include all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g., a write off) that is not made either to acquire goods, services, or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity

Financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual or statutory right:
 - (i) to receive cash or another financial asset from another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability is any liability that is:

- (a) a contractual obligation:
 - (i) to deliver cash or another financial asset to another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instruments and is a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements a complete set of financial statements in the Annual Report comprises:

- (a) balance sheet as at the end of the period;
- (b) comprehensive operating statement for the period;
- (c) a statement of changes in equity for the period;
- (d) cash flow statement for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of *AASB 101 Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grants and other transfers transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature.

While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to taxpayers in return for their taxes.

Grants can be paid as general-purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and / or have conditions attached regarding their use.

Grants for on-passing are grants paid to one institutional sector (e.g. a State general government entity) to be passed on to another institutional sector (e.g. local government or a private non-profit institution).

Interest expense represents costs incurred in connection with borrowings. It includes interest on advances, loans, overdrafts, bonds and bills, deposits, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

Net operating balance or net result from transactions is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net worth assets less liabilities, which is an economic measure of wealth.

Non-financial assets are all assets that are not financial assets. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, cultural and heritage assets, intangibles and biological assets such as commercial forests.

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. In simple terms, other economic flows are changes arising from market remeasurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non produced) from their use or removal.

Other economic flows: other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards. They include changes in physical asset revaluation surplus; share of net movement in revaluation surplus of associates and joint ventures; and gains and losses on remeasuring available-for-sale financial assets.

Payables includes short- and long-term trade debt and accounts payable, grants, taxes, and interest payable.

Receivables includes amounts owing from government through appropriation receivable, short- and long-term trade credit and accounts receivable, accrued investment income, grants, taxes, and interest receivable.

Sales of goods and services refers to income from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under leases and on produced assets such as buildings and entertainment but excludes rent income from the use of non-produced assets such as land. User charges includes sale of goods and services income.

Supplies and services generally, represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of Sustainability Victoria.

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows in an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g., assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Note 8.9 Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

The notation used in the tables is as follows:

| | |
|---------|--------------------------|
| - | zero, or rounded to zero |
| (xxx.x) | negative numbers |
| 200x | year period |
| 200x 0x | year period |

The financial statements and notes are presented based on the 2022-23 Model Report for Victorian Government Departments.

The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of Sustainability Victoria's annual reports.

Appendix 1:

Disclosure index

SV's annual report is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of SV's compliance with statutory disclosure requirements.

| Legislation | Requirement | Page reference |
|---|---|----------------|
| Standing Directions and Financial Reporting Directions (FRD) | | |
| Report of operations | | |
| Charter and purpose | | |
| FRD 22 | Manner of establishment and the relevant Ministers | 23 |
| FRD 22 | Purpose, functions, powers and duties | 23 |
| FRD 8 | Departmental objectives, indicators and outputs | 25 |
| FRD 22 | Key initiatives and projects | 27-33 |
| FRD 22 | Nature and range of services provided | 27-33 |
| Management and structure | | |
| FRD 22 | Organisational structure | 8 |
| Financial and other information | | |
| FRD 8 | Performance against output performance measures | 25 |
| FRD 8 | Budget portfolio outcomes | 25 |
| FRD 10 | Disclosure index | 111 |
| FRD 12 | Disclosure of major contracts | 53 |
| FRD 15 | Executive disclosures | 46 |
| FRD 22 | Employment and conduct principles | 42 |
| FRD 22 | Occupational health and safety policy | 42 |
| FRD 22 | Summary of the financial results for the year | 34 |
| FRD 22 | Significant changes in financial position during the year | 35 |
| FRD 22 | Major changes or factors affecting performance | 35 |
| FRD 22 | Subsequent events | 35 |
| FRD 22 | Application and operation of <i>Freedom of Information Act 1982</i> | 53 |
| FRD 22 | Compliance with building and maintenance provisions of <i>Building Act 1993</i> | 54 |
| FRD 22 | Statement on National Competition Policy | 55 |

| Legislation | Requirement | Page reference |
|---|---|----------------|
| FRD 22 | Application and operation of the <i>Public Interest Disclosures Act 2012</i> | 55 |
| FRD 22 | Application and operation of the <i>Carers Recognition Act 2012</i> | 55 |
| FRD 22 | Details of consultancies over \$10,000 | 50-52 |
| FRD 22 | Details of consultancies under \$10,000 | 50 |
| FRD 22 | Disclosure of government advertising expenditure | 50 |
| FRD 22 | Disclosure of ICT expenditure | 53 |
| FRD 22 | Statement of availability of other information | 54 |
| FRD 22 | Asset Management Accountability Framework (AMAF) maturity assessment | 57 |
| FRD 22 | Disclosure of emergency procurement | 55 |
| FRD 24 | Environmental reporting | 55 |
| FRD 25 | Local Jobs First | 48 |
| FRD 29 | Workforce Data disclosures | 42 |
| SD 5.2 | Specific requirements under Standing Direction 5.2 | 61 |
| Compliance attestation and declaration | | |
| SD 5.4.1 | Attestation for compliance with Ministerial Standing Direction | 136 |
| SD 5.2.3 | Declaration in report of operations | 3 |
| Financial statements | | |
| Declaration | | |
| SD 5.2.2 | Declaration in financial statements | 61 |
| Other requirements under Standing Directions 5.2 | | |
| SD 5.2.1(a) | Compliance with Australian accounting standards and other authoritative pronouncements | 68 |
| SD 5.2.1(a) | Compliance with Standing Directions | 61 |
| SD 5.2.1(b) | Compliance with Model Financial Report | 61 |
| Other disclosures as required by FRDs in notes to the financial statements (a) | | |
| FRD 9 | Departmental Disclosure of Administered Assets and Liabilities by Activity | 82 |
| FRD 11 | Disclosure of Ex gratia Expenses | 103 |
| FRD 21 | Disclosures of Responsible Persons, Executive Officers and other Personnel (Contractors with Significant Management Responsibilities) in the Financial Report | 103 |
| FRD 103 | Non Financial Physical Assets | 101 |

| Legislation | Requirement | Page reference |
|-------------|---|----------------|
| FRD 110 | Cash Flow Statements | 66 |
| FRD 112 | Defined Benefit Superannuation Obligations | 72 |
| FRD 114 | Financial Instruments – general government entities and public non-financial corporations | 92 |

Note:

(a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are of the nature of disclosure.

| Legislation | |
|---|----|
| <i>Building Act 1993</i> | 54 |
| <i>Carers Recognition Act 2012</i> | 55 |
| <i>Disability Act 2006</i> | 55 |
| <i>Financial Management Act 1994</i> | 54 |
| <i>Freedom of Information Act 1982</i> | 53 |
| <i>Local Jobs Act 2003</i> | 48 |
| <i>Public Interest Disclosures Act 2012</i> | 55 |

Appendix 2:

Office-based environmental impacts

Office-based environmental performance summary

Financial Reporting Directive 24 (FRD 24) specifies the environmental performance indicators that must be reported by relevant entities across the Victorian Government in annual reports.

SV's Environmental Management System (EMS) is a structured approach to managing the organisation's environmental impacts and improving its environmental performance. SV's EMS is modelled on the national standard AS/NZS ISO 14001:2016 Environmental Management Systems. SV's EMS was last audited in 2023 with no significant findings.

The NABERS ratings for 321 Exhibition Street are:

- › Energy 6 Star
- › Water 6 Star
- › Indoor Environment 5 Star

Energy

Table 20: Office-based environmental impacts – energy¹

| Description | Unit of Measure | 2018–19 | 2019–20 | 2020–21 | 2021–22 | 2022–23 |
|---|-------------------------------|---------|---------|---------|---------|---------|
| Office tenant light and power (OTLP) use per THC ² | Megajoules per THC | 3,240 | 2,689 | 1,676 | 1,975 | 2,112 |
| OTLP use per FTE ³ [Indicator EL4] | Megajoules per FTE | 3,689 | 2,809 | 1,760 | 2,086 | 2,276 |
| Total energy use from OTLP [Indicator EL2] | Megajoules | 479,540 | 395,246 | 261,490 | 408,773 | 436,223 |
| Use per square metre of office space | Megajoules per m ² | 246 | 203 | 134 | 150 | 144 |
| Total Green Power | Percentage | 100 | 100 | 100 | 16 | 0 |
| Base building apportioned electricity use ¹ | Megajoules | 225,900 | 193,417 | 152,395 | 187,544 | 279,382 |
| Base building apportioned natural gas use ¹ | Megajoules | 157,065 | 163,000 | 137,424 | 113,325 | 314,158 |
| Total GHG emissions associated with apportioned electricity use | Tonnes of CO ₂ -e | 73 | 60 | 46 | 55 | 5 |
| Total GHG emissions associated with apportioned gas use | Tonnes of CO ₂ -e | 9 | 9 | 8 | 6 | 1 |

Waste and recycling

Table 21: Office-based environmental impacts – waste⁴

| Description | Unit of Measure | 2018–19 | 2019–20 | 2020–21 | 2021–22 | 2022–23 |
|-----------------------------------|------------------------|---------|---------|---------|---------|---------|
| Generated per THC | Kilograms per THC | 27 | 21 | 5 | 0 | 4 |
| Generated per FTE [Indicator WR1] | Kilograms per FTE | 30 | 22 | 5 | 0 | 4 |
| Organics per FTE | Kilograms per FTE | 6 | 3 | 0 | 0 | 0.35 |
| Recyclables per FTE | Kilograms per FTE | 18 | 17 | 5 | 0 | 2 |
| Landfill per FTE | Kilograms per FTE | 6 | 2 | 0 | 0 | 1 |
| Organics | Total kg to processor | 805 | 406 | 0.0 | 0.0 | 66 |
| Recyclable materials | Total kg to processors | 2,374 | 2,355 | 787 | 0 | 416 |
| Landfill | Total kg to landfill | 766 | 303 | 16 | 0 | 281 |
| Total recycled (incl organics) | Percentage | 81 | 90 | 98 | 0 | 63 |
| Waste GHG emissions | Kilograms | 1,073 | 424 | 26 | 0 | 450 |

Water

Table 22: Office-based environmental impacts – water⁵

| Description | Unit of Measure | 2018–19 | 2019–20 | 2020–21 | 2021–22 | 2022–23 |
|---|--------------------|---------|---------|---------|---------|---------|
| Total apportioned water consumption ⁶ [Indicator W1] | Kilolitres | 928 | 937 | 329 | 298 | 450 |
| Apportioned water consumption per THC | Kilolitres per THC | 6.27 | 6.37 | 2.11 | 1.44 | 2.18 |
| Apportioned water consumption per FTE [Indicator W2] | Kilolitres per FTE | 7.14 | 6.66 | 2.21 | 1.52 | 2.35 |

Transport

Table 23: Office-based environmental impacts – transport^{7,8,9,10}

| Description | Unit of Measure | 2018–19 | 2019–20 | 2020–21 | 2021–22 | 2022–23 |
|---|--------------------|---------|---------|---------|--------------|---------|
| Energy consumption per THC | Gigajoules per THC | 2.25 | 1.29 | 0.12 | 0.23 | 0.38 |
| Energy consumption per FTE | Gigajoules per FTE | 2.56 | 1.35 | 0.12 | 0.24 | 0.41 |
| Total energy consumption [Indicator T1] | Gigajoules | 333 | 190 | 18 | 48 | 79 |
| Total vehicle travel by vehicle type ⁹ Petrol/Electric, Petrol | Kilometres | 154,113 | 72,633 | 7,686 | 18,647 | 21,198 |
| Total vehicle travel by vehicle type Diesel | Kilometres | 0 | 0 | 0 | 0 | 445 |
| Total associated GHG emissions [Indicator T3] | Kilograms of CO2-e | 23,213 | 12,902 | 1,213 | 3,232 | 6,409 |
| GHG emissions/1,000 km travelled | Kilograms of CO2-e | 151 | 178 | 158 | 173 | 252 |
| Staff Travel associated with agency operations per THC | Kilometres per THC | 1041 | 494 | 49 | 90 | 103 |
| Staff Travel associated with agency operations per FTE | Kilometres per FTE | 1185 | 516 | 52 | 95 | 111 |
| Total air travel associated with agency operations [Indicator T4] | Kilometres | 275,833 | 85,957 | 2,820 | 8,407 | 79,535 |
| Percentage of employees using sustainable transport (public transport, cycling or walking) to get to and from work by locality type | Percentage | 97 | 95 | 97 | Not measured | 61 |

Notes:

- SV is not the sole tenant of the building. Base building gas and electricity apportioned consumption is calculated from net lettable area. With SV occupying one floor at 50 Lonsdale, the apportioned value is 2.9% and two floors at 321 Exhibition Street, the apportioned value is 10.12%.
- THC = Average Total Head Count for FY 2021–22 which includes contractors employed at SV. Our contractors work on-site, using many of the same resources as our employees. Temporary agency employees are not included in THC.
- FTE = Full-Time Equivalent staff averaged for the FY 2021–22. Temporary agency employees are not included in FTE.
- Waste figures from one-week measurements taken 2021 during a "normal" work week at 50 Lonsdale and 321 Exhibition Street. "New Normal" for 2020–21 is <30% workforce at office any given week, meaning a significant reduction in waste compared to 2019–20.
- Total water use figure calculated as an apportioned value (2.9%) based on Net Lettable Area at 50 Lonsdale and (10.12%) at 321 Exhibition Street occupied by SV
- SV had on-site water meters at Level 28, 50 Lonsdale Street that measure potable water use within the tenancy. For the purpose of calculating GHG emissions from water, these figures are not used in water reporting because they exclude SV's apportioned share of base building water use. There are no on-site water meters on Level 12 and 13, 321 Exhibition Street so water usage can only be calculated based on apportioned rates.
- As of June 2014, the vehicle fleet was entirely made up of Hybrid Electric Vehicle Camrys which also use unleaded fuel. Five fleet vehicles were disposed of in June 2022. The last fleet vehicle was disposed of in January 2023.
- Value incorporates staff driving personal vehicles in some instances where fleet vehicles are not accessible.
- More sustainable modes of commuting include cycling, walking and working from home.
- For FY2021–22, SV has calculated emissions on the basis that on average, emissions from home working are broadly equivalent to working in the office.

Additional notes:

- › SV exited Level 28, 50 Lonsdale (50L) on 22 October 2021 and relocated to Level 12 and 13, 321 Exhibition Street (321E) on 23 October 2021. Office-based operational emissions calculations reflect these location changes and changes in tenancy size. SV previously occupied 1951m² in 50 Lonsdale Street and relocated to 321 Exhibition Street, occupying a larger 3039m² tenancy. This materially impacts the reported GHG emissions data collected and reported for FY2022/23 and will affect comparison with prior baseline results. Given this change, SV has advised that this report for FY2022/23 will constitute a new baseline result for future SV GHG emissions reporting comparisons.
- › For FY 2021–22, no waste data and transport survey data has been included in calculating office-based environmental emissions due to lower office occupancy resulting from introduction of hybrid ways of working and lockdowns.
- › There were zero guests/clients to the office from July 2021 to 25 February 2022. On 25 February 2022, changes to pandemic orders and public health recommendations requesting staff to work from home if required in Victoria came into effect. During FY 2021–22, SV staff had on average three clients / guest visitors per month for SV meetings, similar to 2020–21, due to the COVID-19 pandemic, lockdowns and staff working from home. SV Space Hire had an average of 140 guests per month.
- › The treatment of GreenPower changed in FY 2010–11, with GreenPower purchasing no longer considered abatement for Scope 3 emissions. While SV purchased 100% GreenPower till 22 October 2021 until it relocated to its new premises with Trigen capability, scope 3 associated emissions has been offset through the purchase of an accredited carbon offset product.
- › Greenhouse estimations for years prior to FY 2010–11 have been adjusted based on updated formula. In this example the Radiative Forcing Index has been decreased from five in 2010–11 to 1.9 for the RFI factor and 1.09 for Uplift Factor this year. Previous years have been updated using the same factors as in 2011–12.
- › In EMS language 'greenhouse gas emissions' is not an Environmental Aspect but rather an Environmental Impact. For convenience it has been left in the Environmental Aspect column for easier illustration.
- › Greenhouse Gas emission factors based on October 2020 National Greenhouse Accounts factors and EPA Victoria Greenhouse Gas Inventory Management Plan. Emissions from air travel are calculated using EPA Victoria Greenhouse Inventory management Plan, which references DEFRA methodology. Other factors are calculated using Australian Tax Office, Australian Bureau of Statistics, RACV and V-Line data.
- › Emissions from publications are calculated using a methodology developed by The Gaia Partnership using the CO₂ counter technology.
- › GHG emissions from staff commute to and from work was incorporated beginning in FY 2012–13.
- › The operational aspects included in the scope of activities for purchasing carbon offsets are: apportioned base building electricity and gas, OTLP, kitchen and vehicle refrigerants, waste to landfill, air travel, public transport, taxi travel, fleet vehicles for work based activities, paper and publications consumption, water consumption and staff commuting. Office, light and power are included even though GreenPower is purchased to illustrate the organisation's total GHG emissions associated with the scope of operational activities. A 10% buffer in the purchase of carbon offsets has been incorporated to cover any inaccuracies in calculating the components included within SVs Greenhouse inventory boundary.
- › The recycled water system at 50 Lonsdale has not been in operation since July 2018 and thus zero values have been entered for recycled water for FY20–21.
- › 2020–21 travel data, including the travel surveys and vehicle use data, have also been significantly impacted by the COVID-19 pandemic, with virtually no travel due to restrictions and government requirements to work from home, and a significant change in ways of working – increase of staff working from home compared to working in the office.
- › 2020–21 data was significantly impacted by the COVID-19 pandemic and associated government mandated restrictions. Staff worked from home for much of the year. A pilot program commenced in April 2021, piloting the new desk/office space booking system that was implemented as part of the space and capacity limits for working in office spaces.
- › The equation for any other known greenhouse gas emissions associated with other activities for 2019–20 did not include the apportioned electricity. This has been corrected in 2021–22.
- › Fuel Economy of a small medium vehicle instead of hybrid fuel economy.
- › For the apportioned calculations for 2021–22 and 2022–23 electricity, water and gas data was unavailable for quarter four. As such, a daily average was calculated and extrapolated based on the previous three quarters of 2021–22 and 2022–23 respectively.
- › Methodology around calculation of vehicle emissions prior to FY 2022–23 was duplicated in the various GHG Scopes leading to an overstatement of emissions associated with vehicle usage. As a result, the overall GHG emissions reported this year suggest a decrease when compared to 2021/22 within some categories. This should be taken into consideration when comparing or benchmarking against previous years emissions, as a decrease in the GHG emissions reported might not be directly attributable to a decrease in actual GHG emissions produced.
- › Apportioned electricity and gas for base building is reflected as Scope 3 emissions.

Greenhouse gas emissions

SV reports its greenhouse gas emissions broken down into emissions 'scopes' consistent with national and international reporting standards.

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21 August 2023

Independent Verification Statement:

Greenhouse Gas Operational Inventory Emissions 2022-23

To the Board of Directors and Executive of Sustainability Victoria,

Arup Australia Pty Limited (Arup) was engaged by Sustainability Victoria to undertake an independent verification of the organisation's operational Greenhouse Gas (GHG) emissions for the period 1 July 2022 to 30 June 2023. The management systems team of Sustainability Victoria is responsible for preparing an inventory of GHG emissions for its operations and to report and present the results appropriately in the Annual Report. It is Arup's responsibility to perform the independent verification of the GHG inventory in accordance with *Australian Standard (AS) ISO 14063-4:2019 Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions*, as agreed with Sustainability Victoria.

Verification scope and objectives

The scope of the verification was in accordance with AS ISO 14064. The scope and boundary of the GHG inventory is as per the Victorian Government, Department of Treasury and Finance's *Guidance for FRD 24D Reporting of environmental data by government entities*. Sustainability Victoria has voluntarily included certain scope 3 emission sources beyond the requirements of FRD 24D, and these have also been included as part of the verification. Arup conducted the verification using procedures that included, but were not limited to the following:

- Project inception with client where organisational boundaries were discussed with SV;
- Reviewing relevant raw data inputs and supporting materials;
- Reviewing and checking that methodologies and assumptions have been appropriately applied in alignment with (AS) ISO 14064;
- Correspondence with SV staff (by videoconference and email) to understand the processes and controls applied in collecting and collating background data and undertaking calculations; and
- Sampling of data and underlying sources of information to test for completeness and accuracy.

These procedures were used as a foundation for our opinion and, where material errors were identified during the verification process, these were corrected prior to release of the Annual Report.

Verification conclusions

Arup undertook the independent verification process using a team of consultants with experience in GHG accounting and sustainability reporting. There was an observable increase this financial year in some areas of the inventory, such as waste, electricity usage, water usage and travel, compared to previous financial years. Based on our review and verification procedures undertaken, it is our opinion that the GHG inventory of operational emissions:

- Is materially correct and a fair representation of the supporting data and information;
- Was prepared in accordance with AS ISO 14064 in relation to GHG quantification, monitoring and reporting as per FRD No. 24D.

Based on the above, it is our opinion that the GHG inventory, covering scope 1, 2, and 3 emissions and associated sustainability metrics as detailed in Sustainability Victoria's Annual Report, has been prepared in accordance with AS ISO 14064 and FRD 24D.

On behalf of Arup,



Mark Lusi
Associate Principal, Melbourne

Appendix 3:

Grant allocations

Table 24: Grants allocated in 2022–23 (represented on a cash basis)

Payments marked with an asterisk (*) were made as a rebate rather than a grant.

| Organisation | Description | Payment |
|---|---|-----------|
| ABCH Pty Ltd | CE Innovation – Circular Sourcing Marketplace | \$65,100 |
| Access Australia Group Limited | Bendigo Share and Repair Shed | \$26,550 |
| Acres and Acres Co-op Ltd | Acres and Acres Food Waste Recycling | \$26,250 |
| Agpath Pty Ltd (Plant Micropath Consulting Services) | Quantifying Mineralisation and Biological Status from Organic Amendments and Soil | \$130,000 |
| Albury Wodonga Regional FoodShare | Feed More Waste Less | \$31,900 |
| Alpine Shire Council | Alpine Shire Council Kerbside FOGO Service Communications Plan | \$28,200 |
| Alpine Shire Council | Circular Economy Councils Feasibility Alpine Reuse Shop | \$20,000 |
| Anglican Diocese of Melbourne | CCCEA RD2 Energy Efficiency Upgrades – Melbourne Anglican Trust Corporation | \$17,574 |
| Anglican Trusts Corporation of the Diocese of Gippsland | CCCEA RD2 Energy Efficiency Upgrades – Anglican Trust Corporation of the Diocese of Gippsland | \$6,023 |
| Anglo Indian Australasian Association of Victoria Inc | CCCEA RD2 Energy Efficiency Upgrades – Anglo-Indian Australasian Association of Victoria Inc | \$5,764 |
| Antiochian Community Support Association Inc | ACSA Salvage - Repairing and upcycling donated uniforms and clothing. | \$13,100 |
| Apollo Bay Football Club Incorporated | Energy Assessment – Apollo Bay Football Club Inc. | \$835 |
| Ararat Rural City Council | Ararat Rural City Council – Household Education and Behaviour Change | \$34,860 |
| Arden Homes Pty Ltd | 7 Star Program | \$12,000* |
| ARRB Group Ltd (Australian Road Research Board) | ARRB – High Friction Surfacing for Road Safety Incorporating Recycled Glass | \$14,000 |
| ARRB Group Ltd (Australian Road Research Board) | Commercialisation of Reclaimed Used Paint in Road Applications | \$10,000 |
| ASQ Group Pty Ltd | ASQ Glass Washing Facility | \$322,000 |
| Association of Ukrainians Geelong Branch | CCCEA RD2 Energy Efficiency Upgrades – Association of Ukrainians in Victoria – Geelong Branch (AUV) | \$10,244 |
| Association of Ukrainians Geelong Branch | Energy Assessment – Association of Ukrainians Victoria (Geelong Branch) | \$432 |

| Organisation | Description | Payment |
|---|--|-----------|
| Astron Plastics Pty Limited | Baled Low-Value Mixed Plastics Reprocessing | \$150,000 |
| Auspro Group Pty Ltd | Small Business Energy Saver Program | 121,799* |
| Australia Light Foundation Inc. | Energy Assessment – Australia Light Foundation Inc. | \$1,485 |
| Australian Furniture Association Inc | B2B Sustainable Furniture Procurement | \$20,000 |
| Australian Toy Association Ltd | Circular Economy Action Plan and Roadmap for Toys | \$39,534 |
| Austrian Club Geelong Inc | CCCEA RD2 Energy Efficiency Upgrades – Austrian Club Geelong Inc | \$4,570 |
| Ballarat East Neighbourhood House Inc | Zero Waste Homes Ballarat – Pilot Community Education Project | \$5,700 |
| Ballarat North Bowling Club Inc | Energy Efficiency Upgrades – Ballarat North Bowling Club Incorporated | \$1,882 |
| Ballarat Renewable Energy and Zero Emissions Inc (BREAZE) | Grampians Community Power Hub | \$32,400 |
| B-Alternative Pty Ltd | Upgrade of B-Alternative's Reusable Crockery Service and Infrastructure | \$23,211 |
| Banksia Gardens Centre | Composting is Circular: Diverting organic waste and transforming it into nutrient-rich soil to be used in community spaces | \$25,000 |
| Bass Coast Shire Council | CCCEA RD2 Energy Efficiency Upgrades – Bass Coast Shire Council | \$23,274 |
| Bass Coast Shire Council | Energy Assessment – Bass Coast Shire Council | \$3,000 |
| Bass Coast Shire Council | Energy Efficiency Upgrades – Bass Coast Shire Council | \$12,105 |
| Bayside City Council | CCCEA RD2 Energy Efficiency Upgrades – Bayside City Council | \$75,739 |
| Bayside City Council | CCCEA RD2 Energy Efficiency Upgrades – Bayside City Council Beaumaris Lawn Tennis Club | \$37,490 |
| Bayside City Council | Energy Efficiency Upgrades – Bayside City Council | \$4,936 |
| Bayswater Bowls Club Inc. | Energy Efficiency Upgrades – Bayswater Bowls Club Inc. | \$5,851 |
| Bendigo Health Care Group | Bendigo Health – Reuse Pilot | \$20,614 |
| Bendigo Sustainability Group | Loddon Mallee Community Power Hub | \$133,900 |
| Beth Weizmann Jewish Community Centre Inc | CCCEA RD2 Energy Efficiency Upgrades – Beth Weizmann Community Centre Inc | \$31,233 |
| Beth Weizmann Jewish Community Centre Inc | Energy Efficiency Upgrades – Leo Baeck Centre for Progressive Judaism Inc | \$1,422 |
| Big Group Hug Ltd | The Sustainable Collective – Collecting and upcycling pre-loved items for children | \$105,972 |
| Billy Van Creamy Pty Ltd | Ice Cream Re-contained | \$6,800 |

| Organisation | Description | Payment |
|---|--|-----------|
| Bintani Australia Pty Ltd | ISGP Bintani Australia Grain Loop Project- returnable bulk grain discharge bins | \$2,851 |
| Black Rock Sports Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Black Rock Sports Club Inc | \$19,485 |
| Blampied Kooroocheang Landcare Group | Blampied Kooroocheang Land Care Group Agricultural Compost Utilisation Trial. | \$23,000 |
| Blsvy Enterprises Pty Ltd | Small Business Energy Saver Program | \$35,525* |
| Bolden Constructions Pty Ltd | 7 Star Program | \$8,000* |
| Boots for All Inc | Sport for All – Uni Hill: Sporting Goods Rebound Platform | \$53,100 |
| Boronia Bowls Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Boronia Bowls Club Incorporated | \$20,636 |
| Borough of Queenscliffe | CCCEA RD2 Energy Efficiency Upgrades – Borough of Queenscliffe | \$13,959 |
| Box Hill Tennis Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Box Hill Tennis Club Inc | \$8,241 |
| Brainwave Australia | Brainwave Bikes – LGA Bike Recycling program | \$34,000 |
| Brimbank City Council | CE Councils Feasibility Brimbank Resource Recovery Centre 2.0 | \$20,000 |
| Brimbank City Council | CCCEA RD2 Energy Efficiency Upgrades – Brimbank City Council | \$73,703 |
| Brunswick Neighbourhood House Co-op Ltd | Waste Less Recycle More: demonstrate how to grow one's own food and incorporate closed loop agricultural practices through composting and worm farming | \$26,550 |
| Buloke Shire Council | Charlton Park Recycled and Reclaimed Car Park | \$26,503 |
| Burbank Australia Pty Ltd | 7 Star Program | \$8,000* |
| Burdett Sands Pty Ltd | Compost 360 to Enhance Sports Precincts | \$200,000 |
| B. W. Community Centre Ltd | CCCEA RD2 Energy Efficiency Upgrades – B. W. Community Centre Ltd | \$12,459 |
| B. W. Community Centre Ltd | Energy Assessment – B. W. Community Centre Ltd | \$1,482 |
| Cardinia Shire Council | Energy Assessment – Cardinia Shire Council | \$1,600 |
| Carlton Neighbourhood Learning Inc | Delivering Community Circular Economy Waste Solutions: a recycling collection point for batteries, e-waste, soft plastics, lightbulbs and plastic tags | \$26,400 |
| Central Goldfields Shire Council | CE Councils Implementation Central Goldfields Energy Breakthrough Event Waste Management | \$60,000 |
| Central Goldfields Shire Council | Carisbrook Transfer Station Pavement Upgrade | \$17,500 |
| Central Ringwood Community Centre | ISGP R2 Central Ringwood Circular Solution for Plastic Pollution | \$2,500 |

| Organisation | Description | Payment |
|--|--|-----------|
| Cercle Co Pty Ltd | Cercle Melbourne Pilot: reuse system for takeaway coffee cups at two office buildings in Melbourne's central business district | \$45,000 |
| Christie Centre Inc | ISGP R2 Christie Centre Inc. Cardboard Shredder | \$14,400 |
| Circular Economy Victoria Inc. | Hume Collaborate to Thrive | \$3,562 |
| Circular Plastics Australia (PE) Pty Ltd | Post-Consumer Plastics Reprocessing Plant: An End-To-End Solution | \$600,000 |
| Cire Services Inc | Energy Assessment – Cire Services Inc | \$1,652 |
| Cire Services Inc | CCCEA RD3 Energy Efficiency Upgrades – Cire Services Inc | \$3,885 |
| Cire Services Inc | Upcycling with Cire: workshops to repurpose unusable clothing donations | \$18,100 |
| City of Ballarat | CE Councils Feasibility Circular Ballarat Materials Flow Analysis | \$10,000 |
| City of Boroondara | CE Councils Feasibility Boroondara FOGO Commercial Services | \$20,000 |
| City of Boroondara | CE Councils Feasibility Boroondara Small Business Circular Economy Capacity Building | \$45,000 |
| City of Casey | CE Councils Feasibility Casey Waffle Pods | \$20,000 |
| City of Darebin | Energy Assessments City of Darebin | \$54,250 |
| City of Glen Eira | CE Councils Implementation Glen Eira Best Practice Reusable Nappy Program | \$60,000 |
| City of Glen Eira | CCCEA RD2 Energy Efficiency Upgrades – Glen Eira City Council | \$26,176 |
| City of Glen Eira | Energy Efficiency Upgrades – Glen Eira City Council | \$6,308 |
| City of Greater Bendigo | Energy Assessment – Greater Bendigo City Council | \$1,470 |
| City of Greater Bendigo | CE Councils Feasibility Bendigo Circular Scan | \$80,000 |
| City of Greater Geelong | Geelong Stage 2 In-Vessel Composting Unit For Food Organics | \$64,250 |
| City of Greater Geelong | CE Councils – Feasibility Geelong Regional Waste, Resource Recovery and Reuse Hub | \$5,000 |
| City of Greater Geelong | CCCEA RD2 Energy Efficiency Upgrades – City of Greater Geelong | \$9,081 |
| City of Maribyrnong | Let's Go FOGO | \$302,671 |
| City of Melbourne | City of Melbourne's Staged Organics Collection Service Rollout for Low Rise Multi-use Dwellings | \$41,720 |
| City of Melbourne | CE Councils Implementation Melbourne High Rise Food Organics Collection Service | \$120,000 |

| Organisation | Description | Payment |
|--|--|-----------|
| City of Melbourne | CE Councils Feasibility City of Melbourne M9 Co-mingled Recycling and Glass Processing Development | \$80,000 |
| City of Melbourne | CE Councils Feasibility City of Melbourne M9 Organics Processing Development | \$80,000 |
| City of Melbourne | CE Councils Feasibility E-Waste Diversion Pilot | \$10,000 |
| City of Melbourne | CCCEA RD2 Energy Efficiency Upgrades – City of Melbourne | \$30,323 |
| City of Monash | CE Councils Feasibility – Monash – Best Practice Reusable Nappy Program | \$10,000 |
| City of Monash | Monash Paves the Way to Recycled Content Infrastructure | \$56,049 |
| City of Monash | Energy Efficiency Upgrades – City of Monash | \$2,890 |
| City of Monash | CCCEA RD3 Energy Efficiency Upgrades – Monash City Council | \$13,465 |
| City of Stonnington | CE Councils Feasibility Stonnington Regional MFA | \$40,000 |
| City of Stonnington | CE Councils Feasibility Stonnington Transfer Station Upgrade Business Case | \$20,000 |
| City of Stonnington | CE Councils Implementation – Darebin Best Waste Practices in Multi-use Dwellings | \$90,000 |
| City of Stonnington | Energy Assessment – Stonnington City Council | \$450 |
| City of Stonnington | Energy Efficiency Upgrades – Stonnington City Council | \$4,368 |
| City of Whittlesea | CE Councils Implementation Whittlesea Circular Resource Practices at Retail Business Precincts | \$60,000 |
| City of Whittlesea | CE Councils Feasibility Whittlesea Resource Recovery Solutions | \$20,000 |
| City of Wodonga | Cube Reusable Cup Project | \$13,785 |
| Citywide Service Solutions Pty Ltd | Citywide Commercialisation Of Dry Process Glass Crushing And Cleaning Plant | \$186,000 |
| Clarinda Tennis Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Clarinda Tennis Club Inc | \$1,150 |
| Coleraine Golf Club Inc | Energy Assessment – Coleraine Golf Club Inc | \$1,425 |
| Coleraine Golf Club Inc | CCCEA RD3 Energy Efficiency Upgrades – Coleraine Golf Club Inc. | \$2,519 |
| Commonwealth Scientific And Industrial Research Organisation (CSIRO) | CSIRO – Improved Recycling Of uPVC | \$200,000 |
| Commune and Co Pty Ltd (Cirque Du Soil) | Cirque du Soil's GrowGood Fertiliser: A Hyperlocal Food Waste Agri-Product | \$58,221 |
| ConnectOne Club Pty Ltd | AI-Powered Digital Platform to Build Sustainable Circular Economy Ecosystem | \$15,000 |

| Organisation | Description | Payment |
|---|--|-----------|
| Corangamite Shire Council | Twelve Apostles Trail – ‘Closing the Loop’: install recycled plastic infrastructure | \$48,463 |
| Corex Recycling Pty Ltd | Project Succeed: processing difficult-to-recycle plastics | \$90,000 |
| Coreo Pty Ltd | Investigating Opportunities for a Circular Mixed-Use Precinct | \$69,104 |
| Cross Laminated Offsite Solutions Pty Ltd | CE Innovation-CLOS: 50% Construction Waste Reduction through Prefab | \$110,000 |
| Cultivating Community Incorporated | Collingwood Children’s Farm Community Composting, Learning and Sustainability Hub | \$24,000 |
| Cumulo Group Pty Ltd | Returnr Marketplace | \$60,000 |
| D5 Building Group Pty Ltd | Reducing Waste in Victoria through a Circular Modular Housing System | \$70,000 |
| Dairy Australia Limited | Developing a Dairy Sector Food Waste Action Plan | \$40,000 |
| Dandenong Club | CCCEA RD2 Energy Efficiency Upgrades – Dandenong Club | \$50,000 |
| Darebin Community Health Service (Your Community Health) | Energy Efficiency Upgrades – Darebin Community Health Service | \$4,894 |
| Darebin Information Volunteer & Resource Service Incorporated | Harvest. Rescue. Share. Connect. For a Thriving Darebin. | \$40,000 |
| Darley Neighbourhood House and Learning Centre Inc | Bacchus Marsh Circular Economy Community Hub | \$18,910 |
| Deakin University | We Choose Reuse at Deakin | \$85,000 |
| Deakin University | CE Innovation-Biofibres for Sustainable Apparel Inspired by a Humble Bee | \$29,650 |
| Deakin University | Particles Derived from Textile Wastes for Sustainable Coloration of Products | \$20,000 |
| Deakin University | Transforming contaminated paint containers into value added products | \$30,000 |
| Deakin University | Deakin – Recycling Polypropylene Waste for High Value Applications | \$76,500 |
| Diamond Valley Community Support Inc | The Food Collective – facilitating access to food relief through food rescue and donation | \$56,128 |
| Dr Robert P Christopher Pty Ltd (Cathedral Cherries) | Transforming Cherry Waste into Commercially Viable, High-value Products | \$31,894 |
| East Gippsland Shire Council | CE Councils Implementation East Gippsland Organics Composting Facility | \$100,000 |
| East Gippsland Shire Council | E-waste Infrastructure Upgrade – East Gippsland Shire Council: Lakes Entrance Transfer Station | \$35,064 |
| Eastern Districts Polish Association (Melbourne) | CCCEA RD2 Energy Efficiency Upgrades – Eastern Districts Polish Association (Melbourne) | \$15,750 |

| Organisation | Description | Payment |
|--|--|-------------|
| Easy Appliances Pty Ltd | Small Business Energy Saver Program | \$2,736* |
| Echuca Workers And Services Club Ltd | CCCEA RD2 Energy Efficiency Upgrades – Echuca Workers | \$50,000 |
| Eco Guardians Pty Ltd | Eco Guardians SoilFood™ Processing Plant | \$10,000 |
| Eco Light Up Pty Ltd | Small Business Energy Saver Program | \$5,249* |
| Ecoliv Buildings | 7 Star Program | \$10,909* |
| Elmore Compost & Organics Pty Ltd | Deep Soil Amelioration Research And Demonstration Promotional Program | \$98,600 |
| Enable Social Enterprises Limited | Connecting Communities – Expanding tech recycling service | \$11,250 |
| Envirostream Australia Pty Ltd | Electrolyte Management in Rechargeable Battery Recycling | \$145,000 |
| EQ Plastics Pty Ltd | Extrusion line to produce PCR PET films | \$132,550 |
| Eveec Pty Ltd | Small Business Energy Saver Program | \$1,980* |
| Evitech Pty Ltd | Small Business Energy Saver Program | \$48,796* |
| Faithland Inc | CCCEA RD2 Energy Efficiency Upgrades – Faithland Inc | \$15,060 |
| Free To Ltd | The Round and Round Table | \$13,690 |
| Fresh Select (Aust) Pty Ltd | Zero Waste Farming: Building Melbourne's First Food Upcycling Hub | \$206,000 |
| Future Recycling Pty Ltd | Future Recycling – Hallam Transfer Station Upgrade Project | \$205,000 |
| Gaia Enviro Pty Ltd | Commercialising FOGO and other Organic Waste using Anaerobic Digestion | \$100,000 |
| Gannawarra Shire Council | Gannawarra Shire Council's New Glass Recycling Collection | \$8,560 |
| Garage Sale Trail Foundation Ltd | Multi-unit Dwelling Circular Economy Hubs | \$5,000 |
| Garden City Planters Pty Ltd | Plastics Product Manufacture Upgrade & Expansion | \$1,918,827 |
| Garfield Golf Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Garfield Golf Club Inc | \$11,620 |
| GB Environmental Trading Pty Ltd (Greenbank Environmental) | Small Business Energy Saver Program | \$21,128* |
| Geelong Sustainability Group Inc | Geelong Circular Living Challenge | \$21,325 |
| Geelong Sustainability Group Inc | Barwon South West Community Power Hub | \$18,750 |
| Geelong West Kindergarten Inc | Energy Assessment – Geelong West Kindergarten Inc | \$662 |
| Gekko Systems Pty Ltd | Commercialising FOGO and other Organic Waste using Anaerobic Digestion | \$120,000 |
| Gippsland Climate Change Network Inc (GCCN) | Gippsland Community Power Hub | \$19,750 |

| Organisation | Description | Payment |
|---|---|-------------|
| G-LUX Builders | 7 Star Program | \$8,000* |
| Greater Shepparton City Council | Energy Assessment – Greater Shepparton City Council | \$8,727 |
| Greater Shepparton City Council | Greater Shepparton City Council's New 4-Stream Kerbside Collection Service | \$37,459 |
| Greenbuild Blairgowrie | 7 Star Program | \$4,000* |
| Green Home Green Planet Pty Ltd | Small Business Energy Saver Program | \$2,000* |
| Green Solutions Australia Pty Ltd | Small Business Energy Saver Program | \$7,560* |
| G T Recycling Pty Ltd | Flexible Plastic Capacity and Technology Upgrade | \$1,740,000 |
| Hamilton Golf Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Hamilton Golf Club | \$9,147 |
| Happy Planet Toys Pty Ltd | ISGP R2 Happy Planet Toys New Bucket Project | \$9,136 |
| Harrisbuild Pty Ltd | 7 Star Program | \$8,000* |
| Heathcote Winegrowers Association Inc | Turning Green Waste into Wine | \$70,000 |
| Hepburn Shire Council | CCCEA RD2 Energy Efficiency Upgrades – Hepburn Shire Council | \$18,461 |
| Hindmarsh Shire Council | Hindmarsh Shire new Glass collection | \$22,109 |
| Hobsons Bay City Council | Hobsons Bay City Council Four Stream Recycling Service | \$59,430 |
| Holy Family Catholic Church | CCCEA RD2 Energy Efficiency Upgrades – Holy Family Catholic Church Mount Waverley | \$5,542 |
| Home Green Pty Ltd | Small Business Energy Saver Program | \$2,736* |
| Homelab Building Services | Small Business Energy Saver Program | \$36,116* |
| Horsham Golf Club | CCCEA RD2 Energy Efficiency Upgrades – Horsham Golf Club | \$25,532 |
| Horsham Rural City Council | Wimmera Riverfront Activation – a sustainable approach | \$40,000 |
| Hub Foundation Castlemaine Ltd | YIMBY – neighbourhood compost hubs | \$5,898 |
| Huskee Pty Ltd | HuskeeSwap Collaboration with CoGround Social Enterprise | \$18,000 |
| Indigo Power Ltd | Hume Community Power Hub | \$32,400 |
| Infinity Sustainable Solutions Pty Ltd (Infinity Box) | Sorrento Returnables Pilot | \$16,702 |
| Innovative Mechatronics Group Pty Ltd | Commercialisation of Retired Electric Vehicle Batteries for Energy Storage (BESS) | \$205,000 |
| Innovative Mechatronics Group Pty Ltd | Creating a Sustainable Business Model for Retired Electric Vehicle Batteries | \$65,450 |
| Innovative Plastic Solutions Pty Ltd | ISGP R2 Innovative Plastic Solution Shopping Handbasket Expansion | \$12,500 |

| Organisation | Description | Payment |
|---|---|-------------|
| Investa Asset Management Pty Ltd | Eliminate SUP @ 567 Collins | \$12,500 |
| Jesuit Social Services Ltd | Regenerative Plastics: A Community Education Project | \$30,000 |
| Jesuit Social Services Ltd | Merri-bek Organic Waste Composting Pilot Program | \$40,000 |
| J.J Richards and Sons Pty Ltd | Wangaratta and Bendigo Materials Recovery Facility Upgrades | \$216,000 |
| J. Mar Constructions Pty Ltd | 7 Star Program | \$12,000* |
| Kadampa Meditation Centre Australia | CCCEA RD2 Energy Efficiency Upgrades - Kadampa Meditation Centre Australia | \$22,417 |
| Kantfield Pty Ltd (Martogg and Company) | Martogg PET Hot Wash Flake Plant | \$2,890,000 |
| Kathmandu Pty Ltd | CE Innovation-Kathmandu Apparel Life Extension Pilot with The Renewal Workshop | \$15,000 |
| Kebet Packaging Services Pty Limited | Arts and Culture: Let's Close the Loop – commercialise use of recycled cardboard for temporary event/ installation fit outs | \$20,000 |
| Kensington Neighbourhood House Inc | Kensington Community Waste Wisdoms Program (KCWWP) | \$22,250 |
| Kerang Baptist Church | CCCEA RD2 Energy Efficiency Upgrades – Kerang Baptist Church | \$7,964 |
| Kmart Australia Limited | Designing a Circular Economy Action Plan for Australia's Clothing | \$35,000 |
| Knox City Council | CE Councils Feasibility Knox Reusable Sanitary and Incontinence Aids Program | \$70,000 |
| Kororoit Creek Neighbourhood House Incorporated | Brimbank Repair Café and Workshop Series | \$17,280 |
| La Trobe University | Wash Against Waste at La Trobe | \$64,500 |
| La Trobe University | Product Assessment of a Novel Plastic Waste Recycling Technology | \$60,000 |
| Lalor Living Learning Centre Inc | Lalor Interactive Arts, Permaculture and Waste Reduction Precinct Project | \$26,550 |
| Landcare Victoria Incorporated | Recycling Agricultural Waste Plastic throughout the South-East Mallee | \$20,934 |
| Laverton Community Integrated Services Inc | CCCEA RD2 Energy Efficiency Upgrades – Laverton Community Integrated Services Inc | \$6,595 |
| Leadership Great South Coast Inc | Loved & Shared - Repurposing, refurbishing and distributing donated children's goods | \$35,644 |
| Lifestyle Technologies (Aust) Pty Ltd | Small Business Energy Saver Program | \$40,000* |
| Living Learning Pakenham Inc | Eastern Alliance for Waste Reduction and Sustainability | \$176,711 |
| Macedon Ranges Shire Council | Macedon Ranges Shire Council – Let's Get Sorted | \$34,400 |

| Organisation | Description | Payment |
|--|--|-----------|
| Maker Community Inc | Maker Community Inc: the Complete Repair and Upcycle Centre | \$10,680 |
| Manningham City Council | Energy Assessment – Manningham City Council | \$840 |
| Mansfield Shire Council | CE Councils Feasibility Mansfield Local Options for FOGO | \$40,000 |
| Mantzaris Fisheries Pty Ltd | CE Innovation-Enzymatic Conversion Seafood Waste Into Products | \$35,000 |
| Martin Builders Pty Ltd | 7 Star Program | \$4,000* |
| Mavin Group Pty Ltd | Organics & Aquaculture Sustainable Industrial Symbiosis (OASIS) | \$20,000 |
| MCI (Vic) Pty Ltd | ISGP R2 MCI Repurpose & Reduce Cardboard and Plastic Packaging Waste | \$14,000 |
| Melton City Council | Melton City Council's FOGO Collection Service | \$62,720 |
| Melton City Council | CE Councils Feasibility Melton City Council Circular Economy Hub | \$20,000 |
| Merri-Bek City Council (formerly Moreland City Council) | Moreland's New 4-Stream Kerbside Waste Service | \$51,118 |
| Metricon Homes Pty Ltd | 7 Star Program | \$8,000* |
| Michael Limb Pty Ltd | 7 Star Program | \$4,000* |
| Midlands Golf Club Inc | Energy Efficiency Upgrades – Midlands Golf and Bowls Club | \$7,500 |
| Mildura Rural City Council | Energy Assessment – Mildura Rural City Council | \$5,924 |
| Mildura Rural City Council | Energy Efficiency Upgrades – Mildura Rural City Council | \$8,292 |
| Milparinka Adult Training Unit Inc | Contributing to Sustainability Through Community Composting | \$21,000 |
| Mitchell Shire Council | Mitchell Shire Council – Seymour RRC | \$225,000 |
| Moira Shire Council | Energy Assessment – Moira Shire Council | \$1,500 |
| Monash University | Sparking The Circular Economy in Melbourne's Manufacturing Industry | \$45,000 |
| Monash University | Monash University Ditch Disposables | \$73,800 |
| Monash University | Monash IRT – Next Generation Composite Plastic Railway Sleeper for Mainline Rail Application | \$50,000 |
| Moon Dog Brewing Pty Ltd | ISGP R2 Moon Dog Cardboard Baling Initiative | \$3,000 |
| Moonee Valley City Council | CE Councils Feasibility Moonee Valley Expanding Polystyrene Recovery | \$15,000 |
| Moonee Valley City Council | Moonee Valley City Council – Expanding FOGO Service | \$46,039 |

| Organisation | Description | Payment |
|---|---|-----------|
| Moora Moora Co-operative Community Limited | CCCEA RD2 Energy Efficiency Upgrades – Moora Moora Co-operative Community Limited | \$41,252 |
| Moorabool Shire Council | CE Councils Feasibility Moorabool Transfer Stations Resale Shop and Increased Resource Recovery | \$20,000 |
| Moreland City Council | Energy Assessment – Moreland City Council | \$10,000 |
| Mornington Peninsula Shire Council | CCCEA RD2 Energy Efficiency Upgrades – Mornington Peninsula Shire Council | \$33,951 |
| Mortar Art | Formwork for a Sustainable Future – demonstrate a sustainable alternative to existing single-use formwork | \$64,000 |
| Morwell Bowling Club Rec Centre Inc | CCCEA RD2 Energy Efficiency Upgrades – Morwell Bowling Club & Recreation Centre Inc | \$35,000 |
| Morwell Football & Netball Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Morwell Football Netball Club | \$26,961 |
| Morwell Neighbourhood House & Learning Centre | Morwell War on Waste – Local Solutions for Low Waste Living | \$25,200 |
| Mount Alexander Bioenergy Pty Ltd | Mount Alexander Bioenergy Contract 2022 | \$20,000 |
| Murrindindi Shire Council | CE Councils Feasibility Business Case for a Modern Resource Recovery Facility in Yea | \$10,000 |
| MYOM Australia | Small Business Energy Saver Program | \$278* |
| National Paper Industries Pty Ltd | Establishing Victoria's First Sustainable Edgeboard Manufacturing Line | \$14,000 |
| National Trust of Australia (Victoria) | CCCEA RD2 Energy Efficiency Upgrades – National Trust of Australia (Victoria) | \$28,350 |
| Neighbourhood Collective Australia Ltd | The Neighbourhood Op Shop and Slow Fashion Hub | \$25,000 |
| Nillumbik Shire Council | CE Councils Feasibility Nillumbik Library of Things | \$18,000 |
| Nillumbik Shire Council | CCCEA RD2 Energy Efficiency Upgrades – Nillumbik Shire Council | \$18,980 |
| No Butts About It (International) Ltd (No More Butts) | MycoCycling Community Cigarette Butt Waste to redirect from Landfill | \$39,000 |
| North South Homes Pty Ltd | 7 Star Program | \$12,000* |
| Northern Community Church of Christ | Turning Food Waste into Fertiliser | \$30,000 |
| Northern Grampians Shire Council | CE Councils Implementation Northern Grampians Public Place Recycling | \$160,000 |
| Northmore Gordon Environmental Pty Ltd | Small Business Energy Saver Program | \$1,100* |
| Omnigrip Direct Pty Ltd | Certifications for High-Friction Recycled-Glass Surfaces to Reduce Crashes | \$56,500 |
| One Good Cup Pty Ltd | Reusable Coffee Cup Pilot with Barwon Health | \$28,582 |
| Open Food Web Foundation Limited | CE Innovation-Whole Crop Purchasing | \$45,000 |

| Organisation | Description | Payment |
|---|---|-------------|
| Open Table Inc | Open Table's Food Rescue Hub | \$26,100 |
| Outer East Foodshare Inc | Who Thought it Could Taste so Good? | \$11,649 |
| Ouyen Roxy Theatre Inc | CCCEA RD2 Energy Efficiency Upgrades – Ouyen Roxy Theatre | \$8,707 |
| Ozfish Unlimited Limited | Shell Savers – Saving Shells by the Seashore | \$8,850 |
| OzHarvest Limited | OzHarvest Melbourne Food Rescue Expansion | \$118,000 |
| Pascoe Vale RSL Sub Branch Inc | CCCEA RD2 Energy Efficiency Upgrades –Pascoe Vale RSL Sub Branch Inc | \$39,947 |
| Peakstone Global Pty Ltd | CE Innovation-Converting Brewers Spent Grain Waste to Food Products | \$70,000 |
| Phillip Island Board Riders Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Phillip Island Boardriders Club | \$8,843 |
| Phillip Island Community & Learning Centre Inc | Turning a Micro-Circular-Economy into a Micro-Industry | \$8,700 |
| Phillip Island Football Netball Club Inc | Energy Efficiency Upgrades – Phillip Island Football Netball Club Inc | \$2,091 |
| Plasgain Pty Ltd | Waste Single Plastic to Corrugated Pipe Project | \$126,064 |
| Polymer Processors Pty Ltd | Plastics Reprocessing Facility Expansion –Increasing capacity to reprocess hard and soft post-consumer plastics | \$5,922,177 |
| Polymeric Powders Company Pty Ltd | Production and Commercial Evaluation of New Upcycled Car Speed Humps | \$24,174 |
| Porous Lane Pty Ltd | Waste Tyre Permeable Pavement, Commercialisation Support for a Victorian Innovation | \$20,000 |
| Portarlington Golf Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Portarlington Golf Club Inc. | \$50,000 |
| Preston Neighbourhood House Inc | ISGP R2 Darebin Paper Loop – Circular Economy Scheme | \$14,100 |
| Project Platypus Association Inc | CCCEA RD2 Energy Efficiency Upgrades – Project Platypus | \$8,800 |
| PV Industries Pty Ltd | Validating a New Commercial Pathway for Solar Panel Glass | \$40,000 |
| Ramahyuck District Aboriginal Corporation | Energy Efficiency Upgrades – Ramahyuck District Aboriginal Corporation | \$1,860 |
| RCallan Pty Ltd | On-Line Continuous Paper Strength Measurement | \$39,000 |
| Recycled Plastic Pipe Manufacturers Pty Ltd (RPM Pipes) | Improved Regional Plastics Processing | \$32,025 |
| Reground Pty Ltd | Reground Ground Coffee Collection and Community Service Expansion | \$60,000 |

| Organisation | Description | Payment |
|--|--|------------|
| Reground Pty Ltd | Remote Reground – Sustainable Coffee for all Victorians | \$100,300 |
| Reground Pty Ltd | ISGP R2 Reground Commercial Coffee Bag Project | \$8,750 |
| Rentiers Machinery Pty Ltd | Accelerating Adoption of Recycled Organics through Subsoil Amelioration in Agriculture | \$15,000 |
| Resourc Pty Ltd | Expansion of Handheld Battery Recycling Plant | \$102,000 |
| Resourc Pty Ltd | E-Waste Infrastructure Support Program (Landfill Ban) | \$360,000 |
| Responsible Cafes Pty Ltd | Reuse Program for Single-Use Coffee Cups and Containers | \$31,732 |
| Reta (WA) Pty Ltd | Small Business Energy Saver Program | \$245,839* |
| Rethink Recycling Co-op LTD | Rethink Recycling Co-op Mobile Education Trailer | \$35,400 |
| Returned & Services League of Australia (Victorian Branch) Inc | CCCEA RD2 Energy Efficiency Upgrades – Clayton RSL Sub Branch Inc | \$50,000 |
| Richmond Community Learning Centre Inc | Yarra Repair Pop Ups | \$8,500 |
| Robert Mintern | 7 Star Program | \$ 4,000* |
| Royal Melbourne Institute of Technology (RMIT) | CE Innovation-Victoria Circular Activator | \$74,615 |
| Royal Melbourne Institute of Technology (RMIT) | Manufactured Novel Concrete Products Integrating Reclaimed Waste for Commercial Applications | \$50,000 |
| Royal Melbourne Institute of Technology (RMIT) | RMIT – Novel Recycled Plastic Products for Structural Applications | \$100,000 |
| Royal Melbourne Institute of Technology (RMIT) | RMIT – Recycled Cardboard Trusses for Housing Construction | \$40,000 |
| Royal Melbourne Institute of Technology (RMIT) | RMIT – Re-qualifying Cardboard Waste to Develop Light-weight Precast Concrete Structures | \$75,000 |
| Robina Scott Kindergarten Inc | CCCEA RD2 Energy Efficiency Upgrades – Robina Scott Kindergarten Inc | \$4,136 |
| Rocket Seeder Limited | Accelerating New Circular Business Models to Reduce Food Waste in Victoria | \$20,000 |
| Sandringham Traders Association Inc | The Round and Round Table | \$19,500 |
| Sandringham Traders Association Inc | Village Zero Sandringham Plastic Free | \$9,300 |
| Sandybeach Community Co-Op Soc Ltd | CCCEA RD2 Energy Efficiency Upgrades – Sandybeach Community Cooperative Society Limited | \$25,421 |
| Say Green Pty Ltd | Small Business Energy Saver Program | \$10,493* |
| Scipher Technologies Pty Ltd | Scipher Technologies Plastics and Mixed Metal Fractions Recovery Project | \$356,000 |
| Select Harvests Limited | From Almond Waste to Nutritional Fertiliser | \$120,400 |
| Sequence Digital Pty Ltd | New Life for Resource Recovery Centre Harvested Li-Ion Batteries | \$15,000 |

| Organisation | Description | Payment |
|---|---|-----------|
| Shanghai Rebel Pty Ltd | Assembled Threads: Towards Circular High Visibility Apparel | \$10,000 |
| Shanghai Rebel Pty Ltd | Tackling the Textile Crisis in Victoria's Uniform Procurement Channels | \$50,094 |
| SJD Homes | 7 Star Program | \$16,000* |
| Soap Aid Ltd | Soaping Our Way to a Circular Economy – Establishing a soap repurposing centre in Melbourne | \$121,100 |
| Socobell OEM Pty Ltd | CLEVA POD Recycled Plastic Void Former for Concrete Foundations | \$690,000 |
| Southern Alpine Resort Management Board | Release the Puddles AND Stop that Load of Rubbish! | \$13,446 |
| Southern Cross Recycling Group Pty Ltd | HOMEcycle Smart Centre Feasibility Study | \$37,000 |
| Southern Ocean Environmental Link Inc | ISGP R2 Southern Ocean Environmental Link Recycling Initiative | \$6,869 |
| Span Community House Inc | Span Community Recycling Hub | \$20,000 |
| St Lukes Catholic Church South Blackburn | CCCEA RD2 Energy Efficiency Upgrades – St Luke the Evangelist Catholic Parish | \$11,179 |
| St Timothy's Catholic Church Forest Hill | CCCEA RD2 Energy Efficiency Upgrades – St Timothy's Catholic Church Forest Hill | \$5,743 |
| St Vincent de Paul Society Victoria | Vinnies Victoria Electrical Test & Tag Expansion Project | \$87,500 |
| Strathbogie Shire Council | Energy Assessment – Strathbogie Shire Council | \$820 |
| STREAT Ltd | CE Innovation-Open Sauce: open innovation project created to ensure all produce and by-products are 'tasted not wasted' | \$180,000 |
| Surf Coast Shire Council | Stribling Reserve Sustainable Upgrades | \$43,031 |
| Sustain: The Australian Food Network Ltd | Oakhill Food Justice Farm Resource and Composting Hub | \$26,550 |
| Sustain: The Australian Food Network Ltd | Unboxed Victoria – Providing farmers with reusable packaging | \$63,000 |
| Swan Hill Rural City Council | CE Councils Implementation – Swan Hill Compost Facility Stage 1 | \$40,000 |
| Swinburne University of Technology | Converting Used Tyres to Road Safety Roller Barrier: Technology Development | \$65,000 |
| Swinburne University of Technology | Swinburne – Injection Moulding of Reinforced Recycled Plastics for Innovative Bedding Solutions | \$100,000 |
| Syro-Malabar Eparchy of St Thomas | CCCEA RD2 Energy Efficiency Upgrades – Syro-Malabar Eparchy of St Thomas | \$44,857 |
| Tambo Waste Pty Ltd | Tambo Waste MRF Upgrade & Glass Recycling Operation | \$453,430 |
| Tamil Educational Cultural & Charitable Association Inc | Energy Efficiency Upgrades – Tamil Educational Cultural & Charitable Association Inc | \$6,863 |

| Organisation | Description | Payment |
|---|--|-----------|
| Tangaroa Blue Foundation Ltd | Let's Strain the Drains – Melbourne Round 2 | \$117,640 |
| Tangaroa Blue Foundation Ltd | Rig Recycle – Victoria: collect and repurpose recreational fishing and packaging items | \$124,800 |
| The Bicycle Recycle Shed Inc | Bicycle Landfill Diversion through Education and Empowerment Project | \$12,436 |
| The Camperdown Compost Company Pty Ltd | Camperdown Compost Facility Upgrade | \$25,000 |
| The Camperdown Compost Company Pty Ltd | Camperdown Compost Site Upgrade Stage 2 | \$10,000 |
| The Camperdown Compost Company Pty Ltd | Camperdown Compost Marketing Development | \$5,000 |
| The Corner Store Network Ltd | A Double Shot of Good - removing single-use takeaway coffee with the 'borrow, return, wash' program | \$5,000 |
| The Dirt Company Pty Ltd | ISGP R2 The Dirt Company's Refill, Return Program | \$3,021 |
| The Echuca Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Echuca Club Inc | \$9,762 |
| The Frank Wild Company Pty Ltd | Gate to Glass – Circular Wine Solutions for Events | \$6,500 |
| The Historical Society Of Mooroopna Inc | Energy Efficiency Upgrades – Historical Society of Mooroopna Inc | \$6,165 |
| The Old Colonists' Association of Victoria | Energy Assessment – Old Colonists' Association of Victoria | \$4,450 |
| The Partners of S.J Thomas & J Yap (Untwine) | ZeroTag – a Passport for Reuse Systems | \$20,455 |
| The Royal Society for the Prevention of Cruelty to Animals (Victoria) (RSPCA) | CCCEA RD2 Energy Efficiency Upgrades – The Royal Society for the Prevention of Cruelty to Animals (Victoria) | \$42,500 |
| The Salvation Army (Victoria) Property Trust | Salvos Stores Electronics Circularity Best Practice | \$72,580 |
| The Scout Association of Australia, Victorian Branch (Scouts Victoria) | Scouts Victoria – Campsite Food Waste Diversion | \$18,450 |
| The Uniting Church In Australia Property Trust (Victoria) | CCCEA RD2 Energy Efficiency Upgrades – Uniting Church in Australia Property Trust (Victoria) | \$27,369 |
| Total Viticulture Solutions Pty Ltd | TVS – Agriculture Compost Market Expansion | \$5,000 |
| TS Constructions Pty Ltd | 7 Star Program | \$16,000* |
| Trustees of Kildare Ministries | CCCEA RD2 Energy Efficiency Upgrades – Trustees of Kildare Ministries | \$2,303 |
| Tuff Group Holdings Pty Ltd | Building Australia's First Synthetic Turf Recycling Hub | \$355,000 |
| Two Flowers Pty Ltd (Resilience Farming) | Receival and Storage Bunkers – improving the access and distribution of recycled organic products | \$5,000 |
| University of Melbourne | Melbourne University – Permeable Pavements Using Recycled Aggregates | \$15,000 |
| University of Melbourne | Melbourne Uni – Recycled Plastic Noise Barrier Walls | \$45,000 |

| Organisation | Description | Payment |
|---|---|--------------|
| University of Melbourne | CE Innovation-A Novel, Extended-Use Infection Protection Gown | \$30,000 |
| University of Melbourne | Educational Institution Post-Consumer Plastic Packaging to Additive Manufacturing | \$20,000 |
| University of Melbourne | Innovative Advanced Catalytic Microwave Pyrolysis for Recycling Polystyrene Waste | \$70,000 |
| University of Melbourne | Waste Tyre Permeable Kerbs; Design, Testing and Field Monitoring | \$20,000 |
| Upper Goulburn Landcare Network | The Community Compost Project | \$2,000 |
| Upper Goulburn Landcare Network | A Home for Alexandra Soil Food | \$20,000 |
| Van Schaik's Bio Gro Pty Ltd | Bio Gro Dandenong South Organics Processing Facility Upgrade | \$103,290 |
| Van Schaik's Bio Gro Pty Ltd | Bio Gro New Regional Organics Recovery & Processing Facility | \$470,000 |
| Veolia Environmental Services Pty Ltd | TWS Brooklyn – Liquid Waste Plant Upgrade | \$230,000 |
| Victoria University | Used textile and Cardboard Fibres as Reinforcing – agents in Structural Concrete | \$40,000 |
| Victorian Aboriginal Community Controlled Health Organisation Inc | CCCEA RD2 Energy Efficiency Upgrades – Victorian Aboriginal Community Controlled Organisation Inc | \$50,000 |
| Visy Industries Australia Pty Ltd | Project Zepplin – Installing advanced drum pulping technology to recycle mixed kerbside paper | \$11,050,000 |
| Wangaratta Rural City Council | Wangaratta – expanding the processing capacity of the Wangaratta organics processing facility | \$52,555 |
| Wangaratta Rural City Council | CCCEA RD2 Energy Efficiency Upgrades – Wangaratta Rural City Council | \$9,086 |
| Wangaratta Rural City Council | Energy Efficiency Upgrades – Wangaratta Rural City Council | \$3,298 |
| Warragul Country Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Warragul Country Club Inc | \$50,000 |
| Wellington Shire Council | CCCEA RD2 Energy Efficiency Upgrades – Wellington Shire Council | \$3,400 |
| Wellington Shire Council | Energy Efficiency Upgrades – Wellington Shire Council | \$15,000 |
| West Welcome Wagon Inc | Rescue, Revive And Repurpose to Support New Australians in Need | \$76,400 |
| Western District Employment Access Inc (WDEA) | Toward a Sustainable Recycling Social Enterprise in Hamilton | \$40,800 |
| Wheelie Waste Pty Ltd | Wheelie Waste – Warrnambool Recycling Facility | \$300,000 |
| Whitehorse City Council | CCCEA RD2 Energy Efficiency Upgrades – Whitehorse City Council | \$83,075 |
| Whitehorse City Council | Energy Assessment – Whitehorse City Council | \$1,404 |

| Organisation | Description | Payment |
|--|---|-----------|
| Whittlesea Community Connections Inc | Mernda Repair Café | \$20,000 |
| Wholefoods Unwrapped Moreland Inc | Unwrapped – reducing packaging in the hospitality and food service sector by creating reusable containers for food transportation | \$11,000 |
| Wild Homes Pty Ltd | 7 Star Program | \$ 4,000* |
| Wodonga Bowling Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Wodonga Bowling Club Inc | \$13,475 |
| Wonthaggi Workmens Club Inc | CCCEA RD2 Energy Efficiency Upgrades – Wonthaggi Workmens Club Inc | \$24,533 |
| Woolamai Beach Surf Life Saving Club Inc | Energy Efficiency Upgrades – Woolamai Beach Surf Life Saving Club Inc | \$4,080 |
| Wyndham City Council | CE Councils Implementation Wyndham Park Tool Library | \$60,000 |
| Wyndham City Council | CE Councils Implementation – Wyndham Bulk Resource Recovery Centre | \$140,000 |
| Yarra City Council | CE Councils Feasibility Yarra's Circular Centre | \$20,000 |
| Yarra City Council | Utilising Waste Rubber Tyres and Recycled Glass as Permeable Pavers | \$64,035 |
| Yarra City Council | Energy Efficiency Upgrades – City of Yarra | \$54,442 |
| Yarra Energy Foundation Ltd | Greater Melbourne Metropolitan Community Power Hub | \$30,000 |
| Yarra Ranges Shire Council | Road Surface Treatment (Blacksmiths Way, Belgrave & Anderson St, Lilydale) | \$55,524 |
| Yarra Ranges Shire Council | Energy Efficiency Upgrades – Yarra Ranges Shire Council | \$11,965 |
| Yarra Ranges Shire Council | Energy Assessments Yarra Ranges | \$40,000 |
| Yarra Valley ECOSS Inc | UpCycle Hub – establishing a ReCycle Repair hub where youth can receive training on how to recycle old bicycles | \$27,000 |
| Yarriambiack Shire Council | Yarriambiack Shire Council's New Glass Drop-Off and Kerbside Collection System | \$15,480 |
| Yarriambiack Shire Council | CE Councils Implementation – Yarriambiack – Wimmera Mallee Councils Recycled Glass Processing Collaboration | \$80,000 |

Appendix 4:

Attestation for compliance with Ministerial Standing Directions

Sustainability Victoria Financial Management Compliance Attestation Statement

I, Johan Scheffer, on behalf of the Responsible Body, certify that Sustainability Victoria has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

A handwritten signature in black ink, appearing to read 'Johan Scheffer', with a stylized flourish at the end.

Johan Scheffer
Chairperson, Sustainability Victoria

21 September 2023

Appendix 5:

Ministerial Statement of Expectations

The Minister's Statement of Expectations for delivery of the Circular Economy Policy include the following deliverables for SV:

- › An industry and infrastructure development program to increase recovery and local processing of priority materials and reduce the volume and harm from waste going to landfill
- › In collaboration with DEECA, a Circular Economy Business Innovation Centre to enable collaboration among government, industry research organisations and communities
- › Business support grants to help businesses improve materials productivity and reduce waste
- › Grants to support Local Government and Alpine Resort Management Boards transition towards a circular economy. Councils will be supported to act on opportunities to reduce waste and increase recycling locally and increase economic development
- › Grants to support local community groups, social enterprises and other not-for-profit businesses to reduce waste, boost recycling and transition towards a circular economy
- › Deliver statewide education and behaviour change programs to support Circular Economy Policy objectives
- › In collaboration with DEECA, support businesses to reduce problematic and unnecessary single-use plastics as part of a statewide ban
- › A Recycling Markets Acceleration program in collaboration with DEECA and EPA to support Victorian businesses to innovate in the use of recycled materials
- › In consultation with MTIA, support local governments to increase use of recycled materials
- › Develop an asbestos disposal management plan to support adequate safe disposal points across the state and reduce illegal dumping
- › Continue to deliver the successful Detox your Home program.

Acronyms

Acronym Description

| | | | |
|----------|--|---------|---|
| AAS | Australian Accounting Standards | IFS | Investment Facilitation Service |
| AASB | Australian Accounting Standards Board | IT | Information Technology |
| ABV | As-built Verification | LSL | Long service leave |
| ACN | Australian Company Number | MEPS | Minimum energy performance standards |
| ACT | Australian Capital Territory | MPSG | Major Project Skills Guarantee |
| AMAF | Asset Management Accountability Framework | MRF | Materials Recovery Facility |
| AUD | Australian Dollars | MTIA | Major Transport Infrastructure Authority |
| AusLM | Australian Litter Measure | NABERS | National Australian Built Environment Rating System |
| BAU | Business as Usual | NatHERS | Nationwide House Energy Rating Scheme |
| Capex | Capital Expenditure | NCC | National Construction Code |
| CCCEA | Community Climate Change and Energy Action | OHS | Occupational Health and Safety |
| CEBIC | Circular Economy Business Innovation Centre | Opex | Operating Expenditure |
| CEO | Chief Executive Officer | OTLP | Office tenant light and power |
| CEOST | Circular Economy Organics Sector Transformation | OVIC | Office of the Victorian Information Commissioner |
| CPH | Community Power Hubs | PET | Polyethylene terephthalate |
| D&I plan | Diversity and Inclusion Plan 2023 | PID | Public Interest Disclosure |
| DEECA | Department of Environment, Energy and Climate Action | PMF | Performance Management Framework |
| DELWP | Department of Environment, Land, Water and Planning | PP | Polypropylene |
| DTF | Department of Treasury and Finance | PV | Photovoltaic |
| EMS | Environmental Management System | PVC | Polyvinyl Chloride |
| EPA | Environment Protection Authority Victoria | R&D | Research & Development |
| EV | Electric vehicle | RRC | Resource Recovery Centre |
| FOI | Freedom of Information | RRIF | Resource Recovery Infrastructure Fund |
| FOGO | Food and Garden Organics | RSS | ResourceSmart Schools |
| FRD | Financial Reporting Direction | RV | Recycling Victoria |
| FT | Full-time | SDG | Sustainable Development Goals |
| FTE | Full-time equivalent | SIF | Sustainable Infrastructure Fund |
| FY | Financial Year | SME | Small to Medium Enterprise |
| GHG | Greenhouse gases | SUP | Single-use plastics |
| GST | Goods and Service tax | SV | Sustainability Victoria |
| HDPE | High Density Polyethylene | THC | Total Head Count |
| IBAC | Independent Broad-based Anti-corruption Commission | VIPP | Victorian Industry Participation Policy |
| ICT | Information and Communications Technology | VMIA | Victorian Managed Insurance Authority |
| IFG | Investment Facilitation Grants | VPS | Victorian Public Sector |
| IFM | Institute for Frontier Materials | VPSC | Victoria Public Sector Commission |
| | | VRIP | Victorian Recycling Infrastructure Plan |
| | | WHS | Wellbeing, health and safety |

