

Australian Government
Climate Active Initiative
Public Disclosure Statement




NAME OF CERTIFIED ENTITY:

Adamantem Capital and Melior Investment Management (affiliate)

REPORTING PERIOD: FY 1819

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.

Signature 	Date 20 January 2020
Name of Signatory Rob Koczkar	
Position of Signatory Managing Director	

Carbon neutral certification category	Organisation
Date of most recent external verification/audit	12 Decmeber 2020
Auditor	Ben Jenkins
Auditor assurance statement link	

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Australian Government
**Department of Industry, Science,
Energy and Resources**

1. Carbon neutral information

1A. Introduction

Adamantem Capital

Adamantem Capital is a private equity firm specialising in the Australia and New Zealand mid-market. We apply creative insights to identify high-quality investments and disciplined strategies to drive returns for investors. Adamantem invests with conviction behind clear, well-articulated and meticulously researched value creation opportunities. With an exclusive focus on the mid-market, we tap into a strong flow of quality opportunities to invest in companies located in a strong, established economy with the upside potential of Asia.

We are resolute in our support of businesses and their stakeholders, but flexible in the way in which we approach each unique business partnership.

When we invest in a company, we partner with management teams on a strategic path to sustainable change, profitable growth and a better future beyond our stewardship. While investor returns are a key driver of our approach, we seek to deliver positive outcomes for all stakeholders, including the environment and broader community.

Great investment returns come from businesses which contribute to their communities. Investing responsibly is what we do, and evaluating Environmental, Social & Governance issues is a part of our risk assessment and mitigation framework for every investment opportunity.

Melior Investment Management

Melior Investment Management was established in 2018 by Lucy Steed and Tim King with backing from the founders of Adamantem Capital, Rob Koczkar and Anthony Kerwick. After scanning the market, they saw a gap for an Australian equities impact investment manager. They have formed a team of experienced investment professionals who share a common goal – to be part of the change they want to see in the world. With their skills and experience in investment management they seek to leverage the power of capital and corporations to bring about change. The Melior Australian Impact Fund realises their vision of taking impact investing mainstream.

Melior believes that to have a genuinely positive impact and deliver sustainable performance, a company must focus on “what” it offers as well as “how” it operates. That’s why our investment approach involves deep assessment of a company’s impact along with its ESG practices. This is a key differentiator from traditional ESG investing, where ESG screens are often high level and applied without a deep understanding of the company. Companies must also pass our rigorous financial assessment and portfolio construction principles to be considered for investment.

Adamantem Capital Services Pty Limited, Adamantem Capital Management Pty Limited, Melior Fund Investment Services Pty Limited and Melior Investment Management Pty Limited are all wholly owned subsidiaries of Adamantem Capital Holdings Pty Limited.

The Adamantem Capital private equity business and the Melior Investment Management business are each operated by entities which are all wholly owned subsidiaries of Adamantem Capital Holdings Pty Limited.

From FY 19/20 Adamantem Capital Services and Melior Investment Management will report as separate entities.

1B. Carbon Neutral

~~This inventory has~~ been prepared for the financial year from July 1 2018 to 30 June 2019.

The operational boundary has been defined based on an operational control test, in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes all operations which are controlled by Adamantem Capital and Melior Investment Management.

The methods used for collating data, performing calculations and presenting the carbon account are in accordance with the following standards:

- National Carbon Offset Standard (NCOS) / Climate Active standards
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
- National Greenhouse and Energy Reporting (Measurement) Determination 2008

Where possible, the calculation methodologies and emission factors used in this inventory are derived from the National Greenhouse Accounts (NGA) Factors in accordance with "Method 1" from the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O). No synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆), were detected within the operational boundary. These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs).

1C. Emission sources within certification boundary

Quantified sources

Quantified sources include:

Electricity

Electricity base building

Telecommunications

Water

IT Equipment

Paper

Stationery

Employee Commute

Business Flights

Couriers

Printing

Domestic Accommodation

International Accommodation

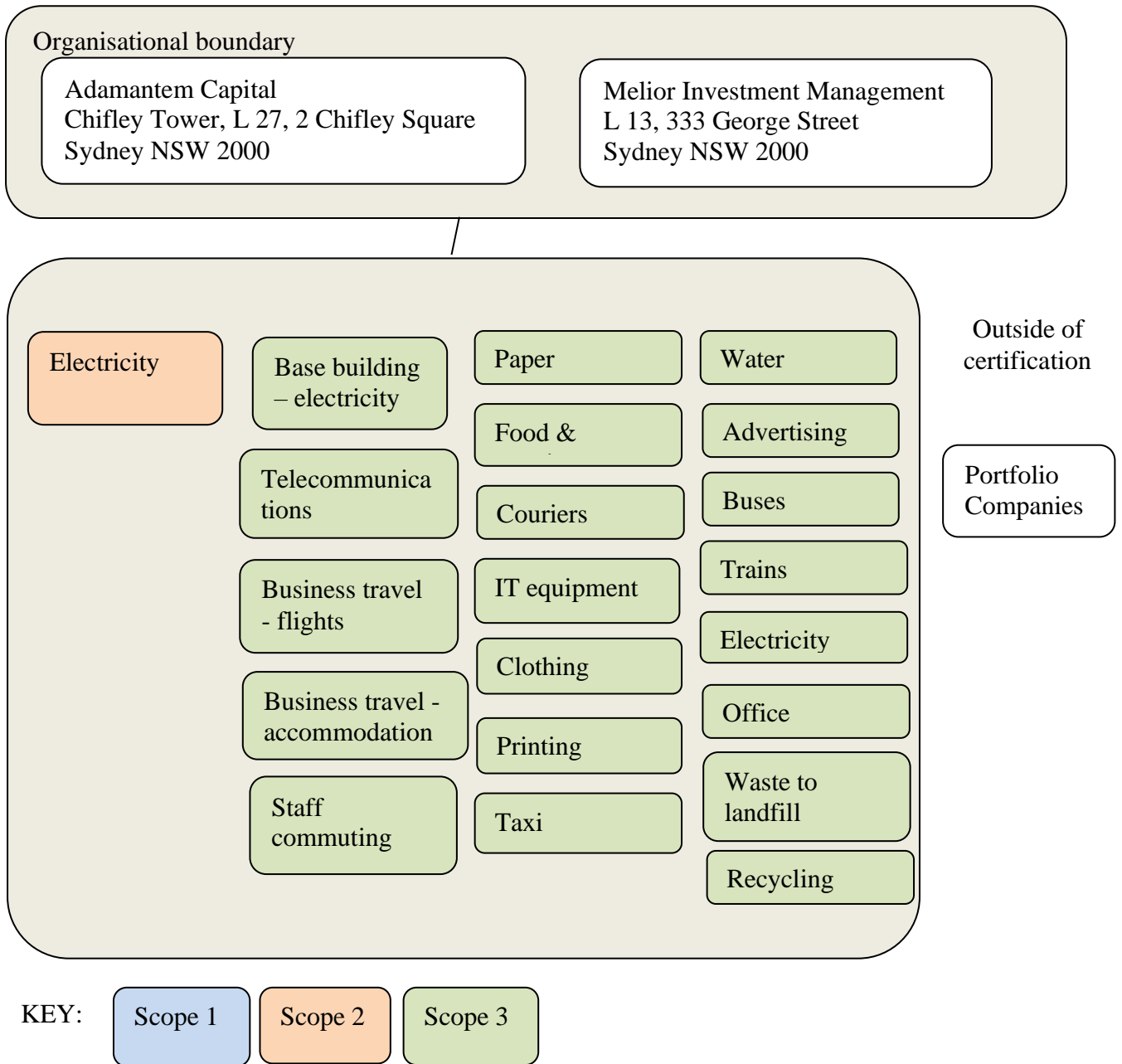
Advertising

Taxis
Food and Beverage
Waste Landfill
Recycling

Excluded sources
Portfolio companies of Adamantem Capital and Melior Investment Management

1D. Diagram of the certification boundary

Portfolio companies have been excluded based upon operational control as well as the portfolios sitting as independent entities outside of Adamantem and Melior’s Australian Company Numbers and Australian Business Numbers of Adamantem and Melior therefore are not required to be included under this certification.



2. Emissions reduction measures

2A. Emissions over time

NA initial application

2B. Emissions reduction strategy

As part of Adamantem Capital's approach to responsible investment, Adamantem Capital is committed to taking positive action to reduce its impact on the environment.

To date, Adamantem Capital has taken a number of steps towards this:

- We have carried out a staff training seminar on carbon neutrality so that staff at all levels of the business understand the process of becoming carbon neutral
- We have made a number of changes within our business practices to make our operations more sustainable:
 - Adamantem Capital now obtains 100% of our electricity from a green energy provider in relation to the premises it occupies on Level 27 of Chifley Tower
 - We have implemented a waste recycling program
 - We have invested in state-of-the-art video technology to encourage more video conferences to reduce the need for airline travel
 - We actively encourage staff to adopt more sustainable approaches, for example through the provision of keep cups for takeaway beverages.
- We are also engaging with all our portfolio companies to measure their carbon footprint and determine what steps could be taken to reduce their impact on the environment.

Adamantem Capital demonstrates its commitment to responsible investing through being a signatory to, and reporting under, the United Nations Principles of Responsible Investing as well as its membership of the Responsible Investment Association Australasia.

2C. Emissions reduction actions

Adamantem Capital's carbon inventory base year is FY 2018-2019, therefore any reductions will be actualised in the FY 2019-2020 reporting period.

3. Emissions summary

Table 2. Emissions Summary		
Scope	Emission source	t CO ₂ -e
2 & 3	Electricity	18.5
3	Electricity - Base Building	25.0
3	Telecommunications	4.6
3	Water	0.2
3	IT Equipment	7.7
3	Paper	0.4
3	Stationery	2.9
3	Business Flights	360.5
3	Staff Commuting	9.1
3	Couriers	3.2
3	Printing	2.2
3	Domestic Accommodation	3.8
3	International Accommodation	4.2
3	Advertising	1.6
3	Taxis	7.0
3	Food and Beverage	22.3
3	Waste	3.8
3	Recycling	1.0
Total Gross Emissions		478
GreenPower or retired LGCs		10.4
Total Net Emissions		467.6

Table 3. Emissions Summary by Facility			
	Adamantem and Melior	Adamantem	Melior
Utilities	11.3	35.4	1.7
Equipment	10.8	2.9	0.1
Employee Commute		7.6	1.5
Flights	360.5*		
Third party Services	14.7	6.8	0.4
Food and Beverage		21.1	1.1
Waste	2.4	2.3	0.1
Total Gross Emissions	399.6	73.4	5.0
GreenPower		-10.4	
Total Net Emissions	399.2	63	5.0

*Some data did not have a facility associated therefore was allocated to a single facility.

4. Carbon offsets

4A. Offsets summary

Table 4. Offsets Summary						
Projects supported by offset purchase	Eligible offset units	Registry	Cancellation date	Serial numbers (including hyperlink to registry transaction record)	Vintage	Quantity
Gold Standard - Australian Native Reforestation Yarra Yarra Biodiversity Corridor (GS3039)	VER	Gold Standard	6 th December 2019	GS1-1-AU-GS3039-21-2017-4982-4301-4396 https://registry.goldstandard.org/credit-blocks/details/68824	2017	96
Savana Burning – Aboriginal Carbon Fund	Voluntary ACCU	EOP100772	6 th December 2019	3,782,817,129 – 3,782,817,224	2018-2019	96
Gold Standard - Australian Native Reforestation Yarra Yarra Biodiversity Corridor (GS3039)	VER	Gold Standard	9 th January 2020	GS1-1-AU-GS3039-21-2017-4982-4497-4634 https://registry.goldstandard.org/credit-blocks/details/77765	2017	138
Savana Burning – Aboriginal Carbon Fund	Voluntary ACCU	EOP100772	14 th January 2020	3,782,818,875 – 3,782,819,012	2018-2019	138
Total offsets cancelled						468
Total offsets banked for use future years: (if any) [include serial numbers]						0.00

4B. Offsets purchasing and retirement strategy

Carbon offsets will be purchased in arrears at the end of each reporting period.

In line with Adamantem Capital's broader commitment to responsible investing we have sought to incorporate the generation of co-benefits beyond reducing carbon in our offset purchasing strategy. The credits we have purchased directly support Australian-based projects which align with the creation of additional benefits for indigenous populations, forest regeneration, biodiversity creation and eco system support. Further details of these projects are highlighted in section 4c (Offset projects).

4C. Offset projects (Co-benefits)

The Yarra Yarra Corridor

The Yarra Yarra Corridor is a biodiversity reforestation project in Southwest Australia. The project was established on semi-arid agricultural land where 50 native tree and shrub species were re-introduced. The planting attempts to restore the land to its natural state of vegetation, creating a habitable environment for living creatures and organisms free from predators, creating healthy soils, establishing water retention in the land and mitigating erosion. In addition, the project hires Local First Peoples to promote Aboriginal inclusion and participation.

The Sustainable Development Goals met by this Gold Standard project are SDG 8 Decent Work and Economic Growth, SDG 13 Climate Action and SDG 15 Life on Land.

For more information about this project please see the linked project brief.

<https://carbonneutral.com.au/wp-content/uploads/2017/09/Australian-Native-Reforestation-Gold-Standard-VER-FACT-SHEETe-i.pdf>

Savana Burning

The Savana Burning project was established in the Northern Territory in 2012, and undertakes controlled burning in early dry season to reduce emissions. The project is compliant with the current Kyoto Protocol 2013 -2020.

Savana burning has many co benefits, including the protection of property (by managing the fires there is less risk of fires in the hot, dry season which can become out of control and threaten properties). The burning inhibits the growth of noxious weeds which can grow out of control or create an environment which hinders the growth of native species. The project and the associated organisation (the Aboriginal Carbon Fund) also support the aboriginal communities in Northern Territory through maintenance of ecological knowledge, increased retention of language and identity, increased opportunities as well as education through training and leadership opportunities.

For more information about the co benefits please refer to the linked website below.

<https://www.abcfoundation.org.au/carbon-farming/core-benefits>

5. Use of trademark

Table 5. Trademark register	
Where used	Logo type
Website: https://www.adamantem.com.au	Certified organisation
Website: https://meliorim.com.au/	Certified organisation
Investor reporting	Certified organisation
General marketing	Certified organisation
Fundraising	Certified organisation
Promotional material – including presentations	Certified organisation

6. Have you done more?

Adamantem engaged Pangolin Associates to hold a workshop for all Adamantem Capital and Melior Investment Management staff to explain the carbon neutral process, discuss the ways emissions can be reduced, and develop a better understanding of Scope 1, Scope 2 and Scope 3 emissions and how they relate to Adamantem Capital’s portfolio companies. Adamantem Capital and Melior Investment Management wish to educate all staff on the matter of GHG emissions and the process for carbon neutrality to ensure full staff engagement in the actions we take as a business. Further to this Adamantem Capital and Melior Investment Management hope such education will inspire staff to take actions in their personal lives to reduce their emissions.