



PUBLIC DISCLOSURE STATEMENT


QUALITAS LIMITED

ORGANISATION CERTIFICATION

FY2020–21

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	Qualitas Limited
REPORTING PERIOD	1 July 2020 – 30 June 2021 Arrear's report
DECLARATION	<p><i>To the best of my knowledge, the information provided in this public disclosure statement is true and correct and meets the requirements of the Climate Active Carbon Neutral Standard.</i></p>  <p>Philip Dowman Chief Financial Officer 25 May 2022</p>



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

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Version September 2021. To be used for FY20/21 reporting onwards.



1. CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	141.92 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	54.82%
TECHNICAL ASSESSMENT	14 April 2022 James Weaver Ark Resources Next technical assessment due: FY2022-23 report
THIRD PARTY VALIDATION	Type 1 27 April 2022 Benjamin Jenkins GPP Audit Pty Ltd

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2. CARBON NEUTRAL INFORMATION

Description of certification

The certification is for the Australian business operations of Qualitas Limited (ACN: 655 057 588, ABN: 46 655 057 588) and its subsidiaries; Peer Estate Administrators Pty Ltd (ACN: 612 188 799, ABN: 55 612 188 799) and Arch Finance Pty Ltd (ACN: 137 960 046, ABN: 28 661 081 046).

The certification and base year are the same (FY2020-21).

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.

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

- 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) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). These have been expressed as carbon dioxide equivalents (CO₂-e) using relative global warming potentials (GWPs).

“Qualitas is a company that considers its impact in every context. Achieving carbon neutrality through the Climate Active certification process demonstrates our genuine commitment to reducing our environmental footprint and combatting climate change.”

Organisation description

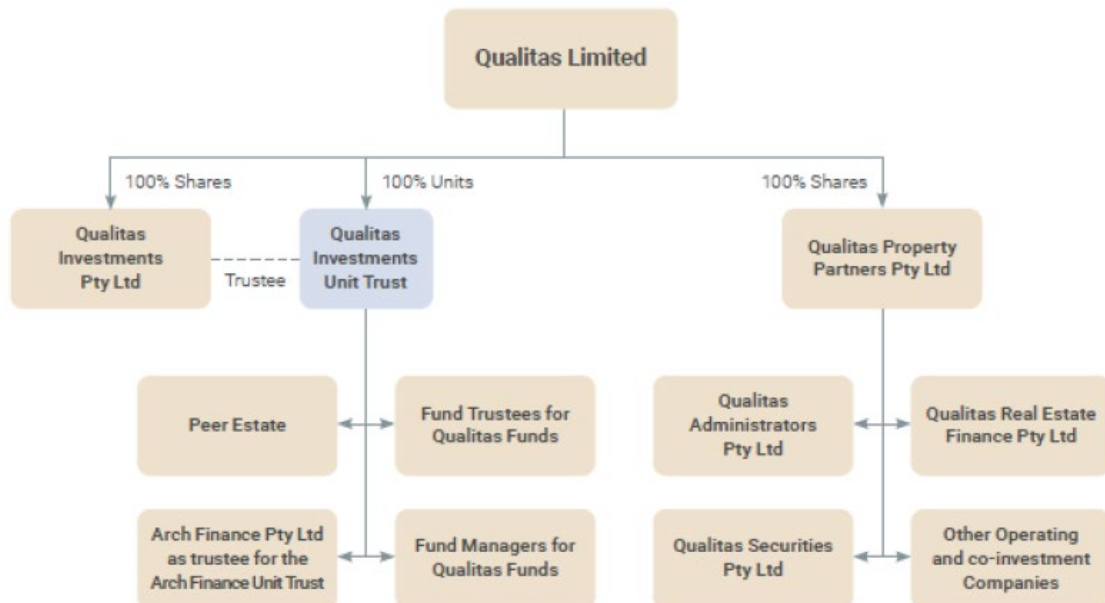
Qualitas Limited (Qualitas) is an ASX-listed Australian alternative real estate investment manager, with committed funds under management of \$4.22 billion across debt and equity fund mandates, specialising in real estate private credit and real estate private equity sectors.

Founded in 2008, the firm has since inception invested in or financed assets valued at over A\$15 billion. The firm invests in real estate private credit, opportunistic real estate private equity, income producing commercial real estate and build-to-rent residential. Qualitas manages discretionary funds on behalf of institutional, wholesale and retail clients in Australia, Asia, and Europe.

Qualitas' objective is to provide Shareholders with attractive risk-adjusted returns through a combination of regular and growing dividend income and capital growth. Qualitas has over 65 investment and fiduciary professionals, with a strong focus on risk mitigation and management through its robust risk management and governance frameworks, and its operating structure and procedures.

Qualitas' offices are located at L38 120 Collins Street, Melbourne and L27 1 Farrer Place, Sydney. Our subsidiaries are located in offices at L4 120 Collins Street, Melbourne and L1 10 Bridge Street, Sydney.

See our organizational chart below:



3.EMISSIONS BOUNDARY

Inside the emissions boundary

All emission sources listed in the emissions boundary are part of the carbon neutral claim.

Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.

Inside emissions boundary		Outside emission boundary
<p><u>Quantified</u></p> <ul style="list-style-type: none"> Accommodation and facilities Air transport (km) Cleaning and chemicals Electricity Food ICT services and equipment Land and sea transport (km) Waste Working from home Carbon neutral products & services Refrigerants 	<p><u>Non-quantified</u></p> <ul style="list-style-type: none"> Water 	<p><u>Excluded</u></p> <ul style="list-style-type: none"> Stationary energy Professional services Employee commuting Postage, courier and freight Investments

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

The following emissions reduction strategy will be implemented across the business to reduce our carbon footprint in the coming years:

Electricity

The following actions will be taken to reduce emissions associated electricity:

- Staff will be reminded via signage (or other appropriate measures) to turn off lights, computers, etc. when they leave the office in order to conserve energy. This will occur on an ongoing basis.
- When appliances are due to be replaced, priority will be given to products that are more energy efficient.
- Within the next 3-6 months we will look to purchase 100% Greenpower on our electricity bills.

Transportation (Air & Land)

The following actions will be taken to reduce emissions associated with transportation:

- With COVID restrictions now easing, we will maintain a policy of conducting meetings remotely wherever possible.
- Within the next 6-12 months we will introduce a policy to limit staff flights to economy class only.
- Within the next 6-12 months, we will introduce a policy to offset flights at point of purchase.
- Within the next 6-12 months we will explore the potential to purchase e-bikes/scooters for staff use as an alternative for travel to local meetings.

Waste

The following actions will be taken to reduce emissions associated with waste:

- We will follow the “avoid, reduce, reuse, recycle” process on an ongoing basis.
- Within the next 6-12 months we will put up signage near the bins so that staff are more aware of what can and cannot be recycled.

Other

The following other actions will be explored / encouraged / implemented to reduce our footprint for future reporting:

- Prioritise the purchase of carbon neutral products/services wherever possible.

5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

The majority of office paper purchased in FY2020-21 was carbon neutral certified (Reflex).

Organisation emissions summary

The electricity summary is available in the Appendix B. Electricity emissions were calculated using a market-based approach.

Emission category	Sum of Scope 1 (tCO ₂ -e)	Sum of Scope 2 (tCO ₂ -e)	Sum of Scope 3 (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	0.00	0.00	1.12	1.12
Air transport (km)	0.00	0.00	10.80	10.80
Carbon neutral products and services	0.00	0.00	0.00	0.00
Cleaning and chemicals	0.00	0.00	0.34	0.34
Electricity	0.00	24.76	0.00	24.76
Food	0.00	0.00	0.66	0.66
ICT services and equipment	0.00	0.00	13.12	13.12
Land and sea transport (km)	0.00	0.00	1.33	1.33
Office equipment & supplies	0.00	0.00	9.03	9.03
Refrigerants	0.00	0.00	0.00	0.00
Waste	0.00	0.00	38.23	38.23
Working from home	0.00	0.00	42.54	42.54
Total	0.00	24.76	117.17	141.92

6. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	0
2. Total emissions liability to offset for this report	141.92
3. Net offset balance for this reporting period	142
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	142

Co-benefits

The Paroo River North Environmental Project provides (but is not limited to) the following co-benefits:

- Protection of 18km of riparian zone along the Paroo River.
- Regeneration of 38,000 hectares of native forest and shrubland.
- Increased availability of bush tucker engagement with the Budjiti Aboriginal people.

In addition the project contributes to the following United Nations Sustainable Development Goals:



Offsets summary

Proof of cancellation of offset units

Offsets cancelled for Climate Active Carbon Neutral Certification										
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Eligible quantity (tCO ₂ -e)	Quantity used for previous reporting periods	Quantity banked for future reporting periods	Quantity used for this reporting period claim	Percentage of total (%)
Paroo River North Environmental Project	ACCUs	ANREU	24 May 2022	8,325,716,214 – 8,325,716,355	2020-21	142	0	0	142	100%
Total offsets retired this report and used in this report									142	
Total offsets retired this report and banked for future reports								0		
Type of offset units				Quantity (used for this reporting period claim)			Percentage of total			
Australian Carbon Credit Units (ACCUs)				142			100%			

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

1. Large-scale Generation certificates (LGCs)*	N/A
2. Other RECs	N/A

* LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
-	-	-	-	-	-	-	-	-	-
<i>Total LGCs surrendered this report and used in this report</i>							-	-	-

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a market-based approach.

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market-based approach summary

Market-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)	Renewable % of total
Behind the meter consumption of electricity generated	0	0	0%
Total non-grid electricity	0	0	0%
LGC purchased and retired (kWh) (including PPAs & Precinct LGCs)	0	0	0%
GreenPower	18,334	0	0%
Jurisdictional renewables (LGCs retired)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	9,665	0	19%
Residual electricity	23,072	24,758	0%
Total grid electricity	51,071	24,758	19%
Total electricity consumed (grid + non grid)	51,071	24,758	19%
Electricity renewables	27,999	0	
Residual electricity	23,072	24,758	
Exported on-site generated electricity	0	0	
Emission footprint (kgCO ₂ -e)		24,758	

Total renewables (grid and non-grid)	54.82%
Mandatory	18.93%
Voluntary	35.90%
Behind the meter	0.00%
Residual electricity emission footprint (tCO₂-e)	24.76

Figures may not sum due to rounding. Renewable percentage can be above 100%

Location-based approach summary

Location-based approach	Activity data (kWh)	Emissions (kgCO ₂ -e)
NSW	24,142	21,728
VIC	26,929	29,353
Grid electricity (scope 2 and 3)	51,071	51,080
NSW	0	0
VIC	0	0
Non-grid electricity (behind the meter)	0	0
Total electricity consumed	51,071	51,080
Emission footprint (tCO₂-e)	51.08	

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO ₂ -e)
<i>Not applicable</i>	0	0

Climate Active carbon neutral electricity is not considered renewable electricity. The emissions have been offset by another Climate Active carbon neutral product certification.

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. These emissions are accounted for through an uplift factor. They have been non-quantified due to one of the following reasons:

1. **Immaterial** <1% for individual items and no more than 5% collectively
2. **Cost effective** Quantification is not cost effective relative to the size of the emission but uplift applied.
3. **Data unavailable** Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
4. **Maintenance** Initial emissions non-quantified but repairs and replacements quantified.

Relevant-non-quantified emission sources	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Water	Yes	No	No	No

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

Emissions arising from stationary energy have been excluded as we do not use it and as such it has not been included in the PDS or inventory.

Emissions arising from employee commuting, professional services, investments and postage, courier & freight have been excluded as they have been assessed as not relevant according to the relevance test below.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Professional services	No	No	No	No	No	No
Employee commuting	No	No	No	No	No	No
Postage, courier & freight	No	No	No	No	No	No
Investments	No	No	No	Yes	No	No



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