




PUBLIC DISCLOSURE STATEMENT

QUALITAS LIMITED

**ORGANISATION CERTIFICATION
FY2021–22**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY	Qualitas Limited
REPORTING PERIOD	1 July 2021 – 1 June 2022 Arrears 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>DocuSigned by:  <small>241AB98FAEC9404...</small></p> <hr/> <p>Philip Dowman Chief Financial Officer 2 November 2022</p>



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

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Version March 2022. To be used for FY20/21/CY2021 reporting onwards.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	166.13 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	64.75%
TECHNICAL ASSESSMENT	14 April 2022 James Weaver Ark Resources Next technical assessment due: FY2022-23 report

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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, as trustee for the Arch Finance Unit Trust, ABN: 28 661 081 046).

The first year of certification and base year are the same (FY2020-21). This is the second year of certification.

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

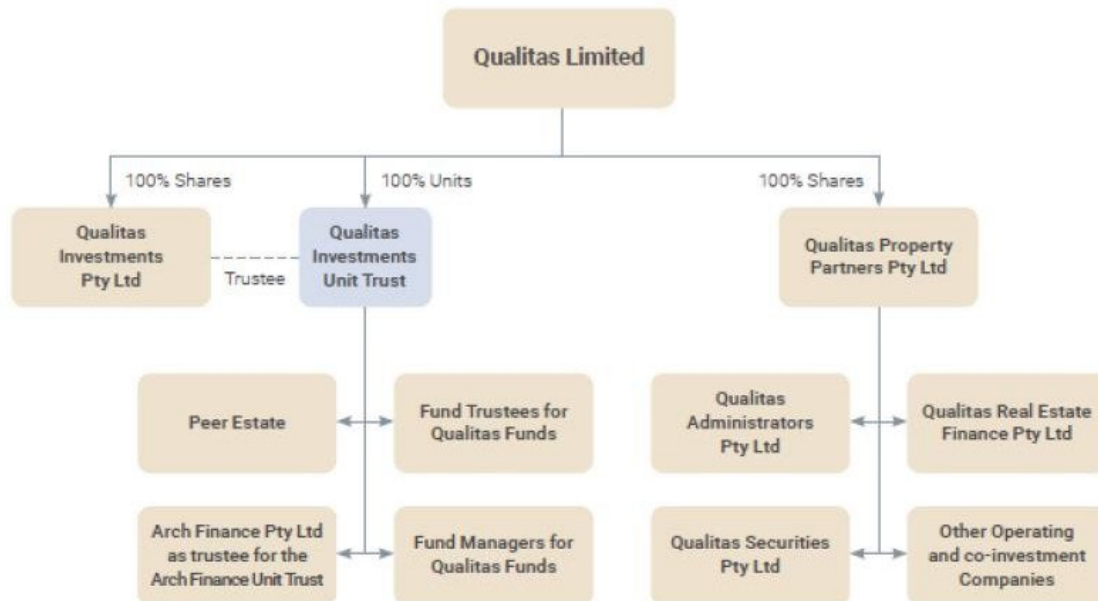
Qualitas Limited (Qualitas) is an ASX-listed Australian alternative real estate investment manager, with committed funds under management of \$5.3 billion across debt and equity fund mandates, specialising in real estate private credit and real estate private equity sectors.

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 70 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 organisational structure 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 & facilities Cleaning & chemicals Climate Active Carbon Neutral Products & Services Electricity Food ICT services & equipment Office equipment & supplies Refrigerants Transport (Air) Transport (Land & Sea) Waste Working From Home 	<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 & 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 has been implemented across the business in an effort to reduce our carbon footprint in the coming years:

Electricity

The following actions are being taken to reduce emissions associated with electricity:

- Staff reminded via signage to turn off lights, computers, etc. when they leave the office to conserve energy.
- Continue to purchase 100% Greenpower on our electricity bills.
- When appliances are due to be replaced, we will prioritise products that are more energy efficient.

As a result of the above actions, we reduced our emissions from electricity by approximately 23% compared to our FY2020-21 base year.

Transport (Air & Land)

The following actions are being taken to reduce emissions associated with electricity:

- With COVID restrictions now eased, we will continue to conduct meetings remotely wherever possible.
- We have implemented a policy to offset flights at point of purchase.
- We have implemented a policy that ensures the majority of staff flights are economy.
- We will continue to explore the potential to purchase e-bikes/scooters for staff use as an alternative option for travel to local meetings.

Waste

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

- Continue to follow the “avoid, reduce, re-use, recycle” principle.
- We have put up signage near bins so that staff are more aware of what can and can't be recycled.

Other

The following will continue to be encouraged / implemented:

- Prioritise the purchase of carbon neutral products/services where available.

Through a combination of the above measures we will aim to reduce our emissions by a minimum of 20% compared to our FY2020-21 base year by the end of 2025, and will continue to assess and set new targets moving forward.

Emissions reduction actions

For initial applications, please delete this section.

We have implemented the following initiatives to reduce our emissions moving forward:

- Effective from mid-April 2022, we purchased 100% Greenpower on our electricity bills. This reduced our emissions from electricity by approximately 23% compared to our FY2020-21 base year.
- We have implemented a policy to offset our business flights at point of purchase. In FY2021-22, approximately 15% of our business flights were offset at point of purchase.
- We are continuing to conduct meetings remotely wherever possible to reduce travel.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year		Total tCO ₂ -e
Base Year/Year 1:	2020–21	141.92
Year 2:	2021–22	166.13

Significant changes in emissions

Emission source name	Current year (tCO ₂ -e and/ or activity data)	Previous year (tCO ₂ -e and/ or activity data)	Detailed reason for change
Accommodation & facilities	4.31	1.12	Increased travel post-COVID
Cleaning & chemicals	0.03	0.34	Reduced costs
Electricity	19.13	24.76	Purchase of Greenpower
Food	0.20	0.66	Reduced costs
ICT services & equipment	10.82	13.12	Reduced costs
Office equipment & supplies	2.80	9.03	Reduced costs
Transport (Air)	56.52	10.80	Increased travel post-COVID
Transport (Land & Sea)	3.11	1.33	Increased travel post-COVID
Waste	42.77	38.23	Staff returning to office post-COVID
Working From Home	26.45	42.54	Staff returning to office post-COVID

Use of Climate Active carbon neutral products and services

We purchase carbon neutral certified Reflex paper in the 2021-22 financial year and offset some of our flights at point of purchase with Qantas and Virgin.

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	4.31	4.31
Carbon neutral products and services	0.00	0.00	0.00	0.00
Cleaning and chemicals	0.00	0.00	0.03	0.03
Electricity	0.00	19.13	0.00	19.13
Food	0.00	0.00	0.20	0.20
ICT services and equipment	0.00	0.00	10.82	10.82
Transport (Air)	0.00	0.00	56.52	56.52
Transport (Land & Sea)	0.00	0.00	3.11	3.11
Office Equipment & Supplies	0.00	0.00	2.80	2.80
Refrigerants	0.00	0.00	0.00	0.00
Waste	0.00	0.00	42.77	42.77
Working From Home	0.00	0.00	26.45	26.45
Total	0.00	19.13	146.99	166.13

Uplift factors

Not applicable.

6. CARBON OFFSETS

Offsets retirement approach

In arrears

1. Total number of eligible offsets banked from last year's report	0
2. Total emissions footprint to offset for this report	166.13
3. Total eligible offsets required for this report	167
4. Total eligible offsets purchased and retired for this report	167
5. Total eligible offsets banked to use toward next year's report	0

Co-benefits

The Karantijpa North Savanna Burning project, provides a number of co-benefits including (but not limited to) the following:

- Employment opportunities for local Aboriginal communities.
- Recovery and protection of biodiversity (with a focus on native flora and fauna).
- Reducing the environmental impact of tourism in the region.
- Ensuring retention of traditional knowledge through education of younger generations by Elders.
- Increasing the opportunities for women through participation in the project.

Eligible offsets retirement summary

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	Stapled quantity	Eligible quantity (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
The Karlantjpa North Savanna Burning project	ACCUs	ANREU	31 Oct 2022	8,333,298,468 – 8,333,298,634	2021-22	0	167	0	0	167	100%
Total offsets retired this report and used in this report										167	
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)		167				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
-	-	-	-	-	-	-	-	-	-
Total LGCs surrendered this report and used in this report							-	-	-

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 Percentage 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	25,180	0	46%
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)	10,140	0	19%
Residual Electricity	19,227	19,130	0%
Total grid electricity	54,548	19,130	65%
Total Electricity Consumed (grid + non grid)	54,548	19,130	65%
Electricity renewables	35,321	0	
Residual Electricity	19,227	19,130	
Exported on-site generated electricity	0	0	
Emissions (kgCO ₂ e)		19,130	
Total renewables (grid and non-grid)	64.75%		
Mandatory	18.59%		
Voluntary	46.16%		
Behind the meter	0.00%		
Residual Electricity Emission Footprint (TCO₂e)	19.13		

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

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO ₂ e)	Scope 3 Emissions (kgCO ₂ e)
NSW	22,555	17,593	1,579
VIC	31,993	29,114	3,199
Grid electricity (scope 2 and 3)	54,548	46,706	4,778
NSW	0	0	0
VIC	0	0	0
Non-grid electricity (Behind the meter)	0	0	0
Total Electricity Consumed	54,548	46,706	4,778

Emission Footprint (TCO₂e)	51.48
<i>Scope 2 Emissions (TCO₂e)</i>	46.71
<i>Scope 3 Emissions (TCO₂e)</i>	4.78

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO ₂ e)
N/A	-	-

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their 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.

The below potential emissions sources have been excluded for the following reasons:

- Emission arising from stationary energy have been excluded as we do not use it and as such 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	No	No	No



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