



PUBLIC DISCLOSURE STATEMENT

MELIOR INVESTMENT MANAGEMENT

**ORGANISATION CERTIFICATION
FY2020-21**

Australian Government
Climate Active
Public Disclosure Statement



NAME OF CERTIFIED ENTITY: Melior Investment Management

REPORTING PERIOD: Financial year 1 July 2020 – 30 June 2021

Declaration

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.

A handwritten signature in black ink, appearing to read "Lucy Steed".

Signature

8th December 2021

Date

Lucy Steed

Name of Signatory

CEO

Position of Signatory



Australian Government

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

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Version number February 2021

1. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2020 to 30 June 2021 and covers the Australian operations of the Melior Investment Management business (ABN: 16 629 013 896) which is controlled by the Melior Investment Management Fund Services Trust (ABN: 40 660 840 848) at the following location:

- Level 29 Chifley Tower, 2 Chifley Square, Sydney NSW 2000

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 comprises the operations of the Melior Investment Management business which is controlled by the Melior Investment Management Fund Services Trust and associated entities.

This inventory does not include emissions related to the investment portfolio of Melior Investment Management.

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).

“Australia will not fulfil its commitment to achieving the Sustainable Development Goals, including Climate Action, without a major concerted change from business as usual. is important to the Organisation.”

Organisation description

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.

2. EMISSION BOUNDARY

Diagram of the certification boundary



Non-quantified sources

Refrigerants are a non-quantified source based on immateriality.

Data management plan

A data management plan is not required at time of submission.

Excluded sources (outside of certification boundary)

Other professional services including Accounting, Consulting, Education & Training, Legal and Recruiting have been excluded as they do not meet the relevance test.

“Melior is committed to taking positive action to reduce its impact on the environment and views its involvement with Climate Active as a key step in fulfilling this commitment.”

3. EMISSIONS SUMMARY

Emissions reduction strategy

In accordance with our Responsible Investing Policy, Melior is committed to taking positive action to reduce its impact on the environment.

Melior will seek to maintain its ongoing carbon neutrality and implement the following emissions reduction steps mentioned below and will continue to find other ways to reduce our overall emissions.

Flights

Melior is targeting a 10% reduction in the emissions from business flights relative to the FY19 base year in the first full financial year in which Australia's international borders are fully open for travel following the lifting of COVID-19 travel restrictions.

Melior will conduct an annual review of flights based on a coding system in the accounting and travel systems to understand the allocation of emissions and assist with the emissions reduction planning.

Responsible procurement

Melior will consider the energy efficiency rating as a relevant consideration in the purchase of any energy consuming device – all equipment should carry the ENERGY STAR rating developed by the Environment Protection Authority.

NABERS rating will be considered a part of the decision-making process on any new leased office premises.

Melior will maintain a responsible procurement policy which includes environmental considerations as part of the responsible criteria.

Internal engagement

Melior will discuss sustainability performance at an annual staff offsite and encourage staff to suggest sustainability initiatives.

External engagement

Melior will continue to actively engage listed companies on their disclosure of emissions including scope 3 and their emissions reduction plans and track engagement and progress in its proprietary advocacy tool. Melior will also continue to seek opportunities to publicly advocate for better emissions disclosure and emissions reduction in Corporate Australia and support climate change public submissions.

Emissions over time

The decrease in emissions between 2019-2020 is largely caused by reduced expenditure on office furniture, and reduced business flights, courier expenditure and employee commute due to the impact of the COVID-19 pandemic. However, compared to the previous year there was an increase in emissions for electricity due to a conservative estimate being used to calculate the usage, working from home due to an increase in staff working from home during FY2021, and telecommunications and IT equipment due to additional laptops purchased and mobile expenses for new staff.

Table 1

Emissions since base year		
	Base year: 2019-20	Current year Year 2: 2020-21
<i>Total tCO₂-e</i>	32.6	20.3

Emissions reduction actions

During the past 12 months Melior undertook the following actions designed to reduce our emissions:

- Updated travel policy to include a process to require consideration of whether a video conference would be an appropriate alternative to travel
- Investigated computer and power supply units for energy efficiency
- Discussed tenancy energy efficiency initiatives with landlord
- Investigated carbon neutral telecommunications options
- Approved a sustainable procurement policy

Emissions summary (inventory)

Table 2

Emission source category	tonnes CO ₂ -e
Accommodation and facilities	0.146
Air Transport (km)	0.718
Cleaning and Chemicals	1.051
Electricity	5.792
Food	3.302
ICT services and equipment	5.505
Land and Sea Transport (\$)	0.152
Land and Sea Transport (km)	0.437
Office equipment & supplies	0.924
Postage, courier and freight	0.003
Professional Services	0.189
Waste	1.071
Water	0.036
Working from home	1.013
<i>Total Net Emissions</i>	20.342

Uplift factors

Table 3

Reason for uplift factor	tonnes CO ₂ -e
N/A	
<i>Total footprint to offset (uplift factors + net emissions)</i>	20.342

Carbon neutral products

This assessment and Climate Active submission was prepared with the assistance of [Pangolin Associates](#) and these services are also carbon neutral.

Electricity summary

Electricity was calculated using a location-based approach.

Market-based approach summary

Market-based approach	Activity Data (kWh)	Emissions (kgCO ₂ -e)	Renewable %
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	0	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)	1,218	0	19%
Residual Electricity	5,218	5,599	0%
Total grid electricity	6,436	5,599	19%
Total Electricity Consumed (grid + non grid)	6,436	5,599	19%
Electricity renewables	1,218	0	
Residual Electricity	5,218	5,599	
Exported on-site generated electricity	0	0	
Emission Footprint (kgCO ₂ -e)		5,599	

Total renewables (grid and non-grid)	18.93%
Mandatory	18.93%
Voluntary	0.00%
Behind the meter	0.00%
Residual Electricity Emission Footprint (tCO₂-e)	6

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	6,436	5,792
Grid electricity (scope 2 and 3)	6,436	5,792
NSW	0	0
Non-grid electricity (Behind the meter)	0	0
Total Electricity Consumed	6,436	5,792
Emission Footprint (tCO₂-e)	6	

4. 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	21
3. Net offset balance for this reporting period	21
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	21

Co-benefits

Wongalee Mervyndale and Rundalua Forest Regeneration Project

Regeneration carbon farming projects involve managing land in a way that enables native vegetation to regenerate naturally into forest. This is done by changing, reducing or removing factors that would otherwise suppress regeneration (e.g. grazing pressure, feral animals and non-native plants and clearing or thinning practices).

The regenerating forest captures and stores carbon in the landscape, producing carbon credits which can be traded. Over time, the project implementation area will transition to 'forest cover'. In Australia, forest cover means an area of land that has trees two or more metres tall and a canopy that covers at least 20% of the total area. Forest cover should be achieved within 15 years of when the trees germinated.

A regeneration project is implemented on land in Australia for either 25 or 100 years. Projects take place on land where native vegetation has been suppressed by previous agricultural activities such as clearing, unsustainable grazing levels or high numbers of feral animals. The regeneration project involves natural germination of trees, rather than seeding or planting activities, which are covered under different project methods.

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 (%)
Wongalee Mervyndale and Rundalua Forest Regeneration Project	ACCUs	ANREU	8 Oct 2021	8,333,201,924 – 8,333,201,944	2021-22	21	0	0	21	100%
Total offsets retired this report and used in this report									21	
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)	21	100%

5. USE OF TRADE MARK

Table 8

Description where trademark used	Logo type
Investor reporting	Certified Organisation
General Marketing	Certified Organisation
Fundraising	Certified Organisation
Promotional Material – including presentations	Certified Organisation
Website - https://meliorim.com.au	Certified Organisation

6. ADDITIONAL INFORMATION

Melior is a TCFD supporter.

APPENDIX 1

Excluded emissions

To be deemed relevant an emission must meet two of the five relevance criteria. Excluded emissions are detailed below against each of the five criteria.

Table 9

Relevance test					
Excluded emission sources	<i>The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions</i>	<i>The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.</i>	<i>Key stakeholders deem the emissions from a particular source are relevant.</i>	<i>The responsible entity has the potential to influence the reduction of emissions from a particular source.</i>	<i>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.</i>
Other Professional Services	Yes	No	No	No	No

APPENDIX 2


Non-quantified emissions for organisations

Table 10

Non-quantification test				
Relevant-non-quantified emission sources	<i>Immaterial <1% for individual items and no more than 5% collectively</i>	<i>Quantification is not cost effective relative to the size of the emission but uplift applied.</i>	<i>Data unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.</i>	<i>Initial emissions non-quantified but repairs and replacements quantified</i>
Refrigerants	Yes	No	No	No

APPENDIX 3

Proof of retirements



Australian National Registry of Emissions Units

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Transaction Details

Transaction details appear below.

Transaction ID: AU19945

Current Status: Completed (4)

Status Date: 08/10/2021 16:54:35 (AEDT)

08/10/2021 05:54:35 (GMT)

Transaction Type: Cancellation (4)

Transaction Initiator: Noss, Freia Wendy

Transaction Approver: Miller, Nigel Robert

Comment: Retired on behalf of Melior Investment Management's Climate Active emissions for FY2020/21

Transferring Account

Account Number: AU-2380

Account Name: Climate Friendly Financial Solutions Pty Limited

Account Holder: Climate Friendly Financial Solutions Pty Limited

Acquiring Account

Account Number: AU-1068

Account Name: Australia Voluntary Cancellation Account

Account Holder: Commonwealth of Australia

Transaction Blocks

Party	Type	Transaction Type	Original CP	Current CP	ERE Project ID	NGER Facility ID	NGER Facility Name	Safeguard #	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF101634					2021-22		8,333,201,924 - 8,333,201,944	21

Transaction Status History

Status Date	Status Code
08/10/2021 16:54:35 (AEDT)	Completed (4)
08/10/2021 05:54:35 (GMT)	
08/10/2021 16:54:35 (AEDT)	Proposed (1)
08/10/2021 05:54:35 (GMT)	
08/10/2021 16:54:35 (AEDT)	Account Holder Approved (97)
08/10/2021 05:54:35 (GMT)	
07/10/2021 11:46:01 (AEDT)	Awaiting Account Holder Approval (95)
07/10/2021 00:46:01 (GMT)	

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