



PUBLIC DISCLOSURE STATEMENT

MAXCAP GROUP

**ORGANISATION CERTIFICATION
FY2020-21 (TRUE-UP)**

Australian Government
Climate Active
Public Disclosure Statement




MaxCap
Group



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	MaxCap Group Pty Ltd
REPORTING PERIOD	1 July 2020 – 30 June 2021 [True-up]
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><i>Signature here</i></p> <p></p> <p>Name of signatory MARK HEAVEN Position of signatory CHIEF OPERATING OFFICER Date 15-FEB-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	619 tCO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	19%
TECHNICAL ASSESSMENT	n/a

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2. CARBON NEUTRAL INFORMATION

Description of certification

The emission inventory in this public disclosure statement has been developed in accordance with the Climate Active Carbon Neutral Standard for Organisations using an operational control approach. Under this certification, MaxCap Group Pty Ltd (MaxCap), ABN 58 122 131 793, is certified carbon neutral for its business operations and its following subsidiaries:

- a) MaxCap Investment Management Pty Ltd (MIM), ABN 68 169 902 005; and
- b) MaxCap Direct Investment Management Pty Ltd (MDIM), ABN 38 645 060 457.

Under MaxCap's Organisation certification and in recognition of its international emissions footprint, MaxCap has voluntarily included activity from its New Zealand office, along with Australian offices.

The reporting period of this Public Disclosure Statement (Financial year 1 July 2020 – 30 June 2021, or FY21) is the true-up year, being FY21 MaxCap's first year of certification.

“Certification demonstrates our enduring commitment to integrating sustainability principles into our business operations and investment activities.”

Organisation description

Founded in 2007, MaxCap is an Australian and New Zealand commercial real estate (CRE) Investment Manager. Committed to creating lasting value for all of our stakeholders (including asset owners, developers, investors, staff, suppliers, community and shareholders), MaxCap continues to be the trusted manager for some of Australia's largest superannuation and industry Funds, global-institutional Funds and semi-institutional Investors, including Family Offices and ultra-high net worth Investors.

We work closely with Australia and New Zealand's leading asset owners and developers and are proud to be their lender of choice. Our reputation is built on our agility and proven capability to create innovative, tailored funding and investment solutions. We have originated and managed more than \$10.0bn of Australian CRE debt across more than 450 loans, with current Funds under Management and Advice of \$4.0bn.

MaxCap Group Pty Ltd is an Australian Proprietary Company, limited by shares and operates with an Australian Credit License. It is wholly owned by MaxCap Group Holdings Pty Ltd (ABN 21 637 177 989). As mentioned above, the subsidiaries included in this certification MIM and MDIM. MIM acts as a Trustee for a number of Special Purpose Vehicle (SPV) entities and is the AFSL holder under the MaxCap Group through which it conducts its funds management activities. MDIM is 100% owned by MaxCap Group and was established to segregate the Direct Investment portfolio from the Debt portfolio. All MaxCap Group's

entities operate under the 'MaxCap Group' trading name.

MaxCap Group offices are located in Melbourne (Head Office), Sydney, Brisbane, Perth, and Auckland, employing approximately 69 full-time equivalent employees during FY21.

3.EMISSIONS BOUNDARY

Inside the emissions boundary

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

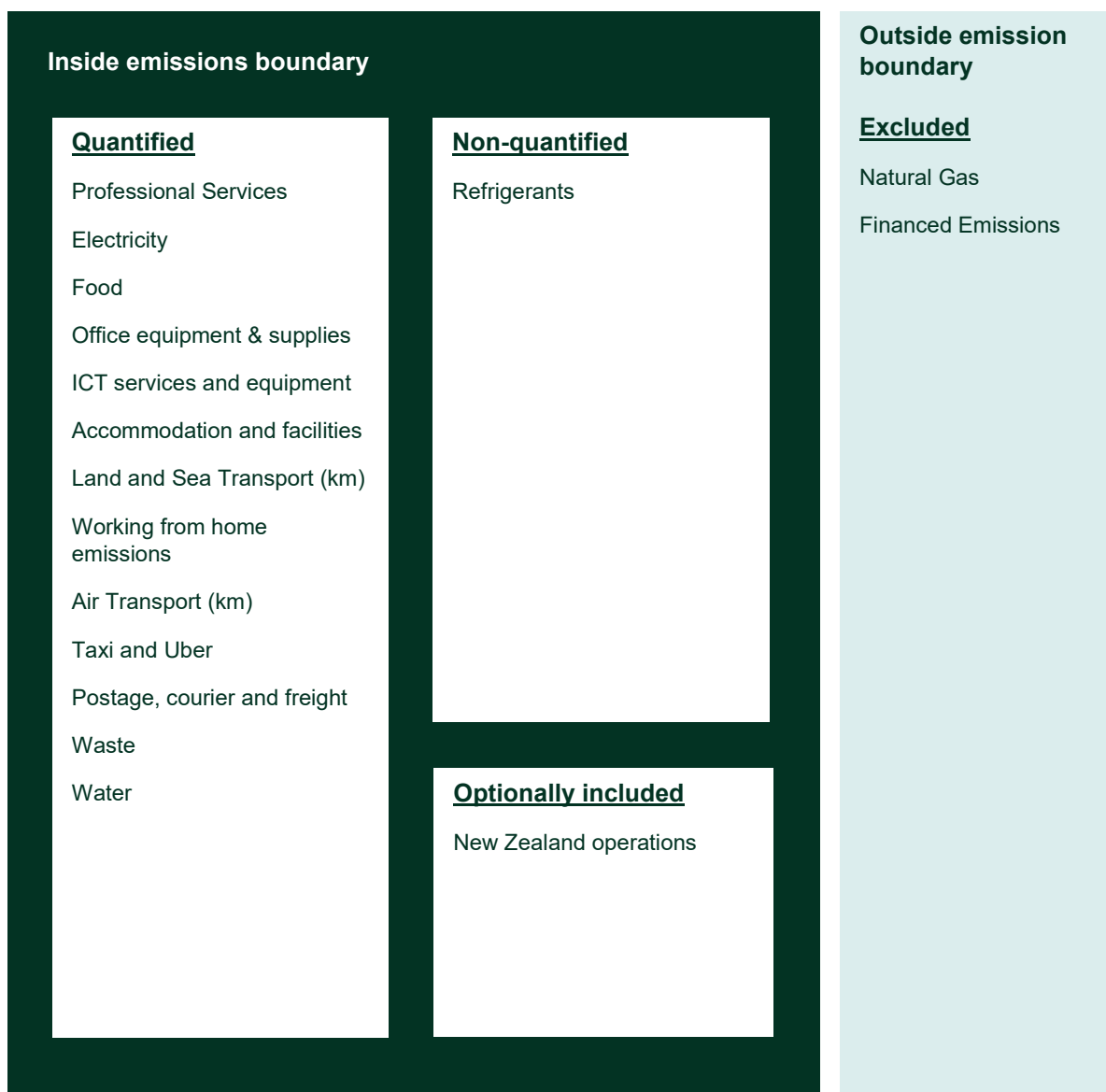
Quantified emissions have been assessed as relevant and are quantified in the carbon inventory. This may include emissions that are not identified as arising due to the operations of the certified entity, however are **optionally included**.

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.

The emission sources in the boundary diagram below are as per the emissions categories in the emission summary table.



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

MaxCap is currently developing its Climate Change Policy and associated procedures. We are well advanced in development of a climate risk governance framework. We are committed to reducing our emissions by preferencing office premises that have sustainability attributes (current premises in Melbourne and Sydney are managed by Dexus), through waste management (augmented by Dexus waste management initiatives) and travel minimisation. It is intended that MaxCap will develop an emissions reduction strategy with associated emissions targets in line with the Paris Agreement and best practice industry standards (i.e., net zero emissions by 2050 or sooner) within the next 24 months.

5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

Not applicable

Organisation emissions summary

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

The previous report was a projection report using representative data to estimate the emissions for the reporting year. This table shows the differences between the projected emissions and the actual emissions recorded.

Emission category	Projected emissions (tCO ₂ -e)	Sum of total emissions (tCO ₂ -e)
Accommodation and facilities	21.2	4.7
Air transport (km)	7.1	28.5
Electricity	131.8	110.7
Food	91.6	62.8
ICT services and equipment	38.0	43.0
Land and sea transport (km)	18.8	13.6
Office equipment & supplies	44.0	28.6
Postage, courier and freight	2.5	2.0
Professional services	252.3	271.2
Taxi and Uber	5.3	1.3
Waste	1.4	1.9
Water	0.3	0.1
Working from home	8.7	41.4
Total net emissions	623.0 tCO ₂ -e	609.5 tCO ₂ -e
Difference between projected and actual		13.51 = tCO ₂ -e

Uplift factors

An uplift factor is an upwards adjustment to the total carbon inventory to account for relevant emissions, which can't be reasonably quantified or estimated. This conservative accounting approach helps ensure the integrity of the carbon neutral claim.

Reason for uplift factor	tCO ₂ -e
New Zealand operations	8.8
<i>Total footprint to offset (uplift factors + net emissions)</i>	618.3

6. CARBON OFFSETS

Offsets strategy

Offset purchasing strategy: In arrears

1. Total offsets previously forward purchased and banked for this report	636
2. Total emissions liability to offset for this report	619 (rounded up to the nearest whole number)
3. Net offset balance for this reporting period	17
4. Total offsets to be forward purchased to offset the next reporting period	0
5. Total offsets required for this report	619

Co-benefits

EXTRAORDINARY IMPACT

OFFSET PROJECT CATEGORY OVERVIEW

Arnhem Land in the Northern Territory is prone to extreme, devastating wildfires that affect the landscape, people, plants and animals. These projects are owned exclusively by Aboriginal people with custodial responsibility for those parts of Arnhem Land under active bushfire management. Local rangers conduct controlled burns early in the dry season to reduce fuel on the ground and establish a mosaic of natural firebreaks, preventing bigger, hotter and uncontrolled wildfires later in the season.

The projects provide employment and training opportunities for local rangers while supporting Aboriginal people in returning to, remaining on and managing their country. Communities are supported in the preservation and transfer of knowledge, the maintenance of Aboriginal languages and the wellbeing of traditional custodians.

The project meets the following 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 (%)
Arnhem Land Fire Abatement (ALFA), Northern Territory, Australia	KACCU	ANREU	9 Jul 2021	3,756,820,553 - 3,756,821,188	2016-17	636	0	17	619	100%
Total offsets retired this report and used in this report									619	
Total offsets retired this report and banked for future reports								17		
Type of offset units		Quantity (used for this reporting period claim)					Percentage of total			
Australian Carbon Credit Units (ACCUs)		619					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)*	0
2. Other RECs	0

* 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
Not applicable									
Total LGCs surrendered this report and used in this report							0		

APPENDIX A: ADDITIONAL INFORMATION

MaxCap is investing both financial and human resource in its sustainability and responsible investment practices. As part of this investment it has undertaken the following:

- MaxCap Group is a signatory to the United Nations Principles of Responsible Investment since 2020.
- MaxCap Group is a member of IGCC since 2020.
- MaxCap Group is a member of the Responsible Investment Association of Australasia since 2020.
- MaxCap has introduced ESG screening for all investment originations.
- MaxCap Group has established an ESG Advisory Committee which provides advice and recommendations to MaxCap Group management on all matters relating to ESG and Sustainable Finance.

MaxCap Group is developing its first sustainable finance product which is intended to generate risk-adjusted financial returns alongside measurable environmental benefits to Australia's built environment.

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	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)	24,071	0	19%
Residual electricity	103,121	110,657	0
Total grid electricity	127,192	110,657	19%
Total electricity consumed (grid + non grid)	127,192	110,567	19%
Electricity renewables	24,071	0	
Residual electricity	103,121	110,657	
Exported on-site generated electricity	0	0	
Emission footprint (kgCO ₂ -e)		110,657	

Total renewables (grid and non-grid)	0
Mandatory	0
Voluntary	0
Behind the meter	0
Residual electricity emission footprint (tCO₂-e)	0

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	23,277	20,949
Vic	98,181	107,017
Qld	2,096	1,949
WA	3,639	2,547
Grid electricity (scope 2 and 3)	127,192	132,463
NSW	0	0
Vic	0	0
Qld	0	0
WA	0	0
Non-grid electricity (behind the meter)	0	0
Total electricity consumed	127,192	132,463
Emission footprint (tCO₂-e)	132	

Climate Active carbon neutral electricity summary

Carbon neutral electricity offset by Climate Active product	Activity data (kWh)	Emissions (kgCO ₂ -e)
n/a	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
Refrigerants	Yes	No	No	No
New Zealand Operations	No	Yes (uplift applied)	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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Natural Gas	No	No	No	Yes	No	No
Financed emissions	Yes	No	No	No	No	No

APPENDIX E

Evidence of retirement


Australian National Registry of Emissions Units

Logged in as: Andrew Grant / Industry User

- ANREU Home
- Account Holders
- Accounts
- Unit Position Summary
- Projects
- Transaction Log
- CER Notifications
- Public Reports
- My Profile

Transaction Details

Transaction details appear below.

Transaction Successfully Approved

Transaction ID	AU19047
Current Status	Completed (4)
Status Date	09/07/2021 13:22:20 (AEST) 09/07/2021 03:22:20 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Grant, Andrew William Thorold
Transaction Approver	Grant, Andrew William Thorold
Comment	Cancelled on behalf of MaxCap Group to meet its organisational carbon neutral claim against the Climate Active Carbon Neutral Standard for FY21.

Transferring Account

Account Number	AU-2734
Account Name	Tasman Environmental Markets Pty Ltd
Account Holder	Tasman Environmental Markets Pty Ltd

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	ERF Project ID	NGER Facility ID	NGER Facility Name	Safeguard	Kyoto Project #	Vintage	Expiry Date	Serial Range	Quantity
AU	KACCU	Voluntary ACCU Cancellation			ERF102943					2016-17		3,756,820,553 - 3,756,821,188	636



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