PUBLIC DISCLOSURE STATEMENT

YARRA CAPITAL MANAGEMENT LIMITED

ORGANISATION CERTIFICATION
CY2023

Australian Government

Climate Active
Public Disclosure Statement

YARRA CAPITAL MANAGEMENT

An Australian Government Initiative

Climate Active

NAME OF CERTIFIED ENTITY	Yarra Capital Management Limited
REPORTING PERIOD	Calendar Year 1 January 2023 – 31 December 2023 Arrears report
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.*  Dr Erin Kuo Chief Sustainability Officer 24 May 2024

Australian Government
Department of Climate Change, Energy, the Environment and Water

Version August 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	2,030 tCO_2-e
CARBON OFFSETS USED	9.85% ACCUs, 90.15% VCUs,
RENEWABLE ELECTRICITY	N/A
CARBON ACCOUNT	Prepared by: Pathzero
TECHNICAL ASSESSMENT	12/12/2023 Pathzero Pty Ltd Next technical assessment due CY2026

Contents

2. CERTIFICATION INFORMATION

Description of organisation 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, Yarra Capital Management Limited (ABN: 99 003 376 252) including its subsidiaries listed below, is certified carbon neutral for its business operations.

The reporting period of this Public Disclosure Statement is the calendar year 1 January 2023 – 31 December 2023.

For this organisation certification, Yarra Capital has excluded its product, service and financed emissions. However, Yarra Capital has, as of 13 May 2024, become a signatory to Partners for Carbon Accounting Financials (PCAF) and have made a commitment to measure and disclose financed emissions.

Organisation description

The organisation being certified is Yarra Capital Management Limited (ABN: 99 003 376 252) and its financially and operationally controlled entities, together the Yarra Capital Management Limited Group. The organisation boundary includes all companies in the Group.

Yarra Capital Management is a leading active and independent Australian fund manager with a strong heritage in the local market. The Group offers its clients access to a range of actively managed fundamental equity, fixed income and multi-asset capabilities and has an established track record of delivering strong long-term performance. The principal activity of the Group is the provision of financial services in Australia, including fund management services for managed fund products and mandates on behalf of institutional investors. The Group holds two Australian Financial Services ("AFS") licenses under the *Corporations Regulations 2001.*

The Group operates two main offices located in Melbourne and Sydney, with approximately 38 and 43 employees in each office respectively.

The following subsidiaries are also included within this certification:

Legal entity name	ABN	ACN
Yarra Capital Management Holdings Pty Ltd	52 614 782 795	
Yarra Funds Management Limited	63 005 885 567	
Yarra Investment Management Limited	34 002 542 038	
Tyndall Equities Australia Pty Limited	23 149 370 301	
Yarra Capital Management Services Pty Ltd	68 615 149 338	

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 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

Quantified

Accommodation and facilities

Cleaning and chemicals

Climate Active carbon neutral products and services

Construction Material and services

Electricity

Food

ICT services and equipment

Postage, courier and freight

Professional services

Transport (Air)

Transport (land and sea)

Waste

Office equipment and supplies

Base buildings

Public transportation

Staff commuting

Stationary Combustion

Working from home

Non-quantified

N/A

Optionally included

N/A

Outside emission boundary

Excluded

Financed emissions

4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Yarra Capital Management (Yarra) has developed the following emissions reduction strategy with the objective of reducing its total net carbon emissions per FTE by 20% by 2032, from the base year of CY2022. In 2022 this was 23.48 tCO_2e/FTE.

ICT services and equipment

Yarra's largest area of emissions is ICT services and equipment (40% of total), with Computer and technical services and SAAS being the largest sub-categories. These services are provided by third party vendors and emissions are calculated using a spend model. In most cases there are only one or two vendors able to provide the service. Therefore, the primary methods for reducing future emissions from this source will be:

- engagement with vendors to encourage them to use renewable energy sources and to become Climate Active, or similarly, certified.
- implementation of an updated procurement policy so that when two vendors are comparable on price and quality of service, a decision may be reached based on their emissions commitments. Sustainability information will be obtained from existing and prospective vendors. This data collection will help build a more detailed and nuanced understanding of emissions sources.

Yarra targets that 20% of its IT service vendors will be Climate Active or net-zero certified by 2032.

The second largest sub-category is IT equipment. The IT team will:

- ensure that, where possible, new IT equipment is only purchased when required or existing equipment is at the end of its life.
- ensure equipment will also continue to be serviced and cleaned regularly to prolong useful life.

Yarra aims to reduce emissions from this source by 10% by 2032, from the base year of 2022.

Professional Services

Professional services is the second largest category of emissions (29%). As with IT services, these emissions arise from using third party vendors. The primary strategies for reducing these emissions are:

- vendor engagement.
- the implementation of an updated procurement policy.

Yarra targets that 20% of its professional service vendors will either be Climate Active certified or have made similar commitments by 2032.

Air Travel

Air travel (12%) is the third largest category. The following strategies will be employed by Yarra:

- continued use of video conferencing and other virtual solutions for meetings to reduce the number of in-person meetings – and hence flights – required.
- explore options in relation to purchasing carbon neutral flights at the point of purchase.

The business aims to reduce emissions from this source by 10% by 2032, from the base year of 2022.

Staff commuting

Staff commuting (5%) is the next largest category. Employees use a variety of methods to travel to work including by car, train, tram, ferry, bike and by foot. Yarra's strategies to reduce emissions include:

- continue working from home (WFH) policy of 4 days in the office and 1 day WFH.
- encouraging staff to commute to work by foot / bike and utilise end-of-trip and bicycle facilities.
- use of competitions to reward staff who commute in a more climate friendly way.

Yarra aims to reduce emissions from this source by 10% by 2032, from the base year of 2022.

Base Buildings

The final emissions area to be noted is Base buildings (3%). The business has two main office premises, in Sydney and Melbourne. The NABERS Energy ratings of these office buildings are 5.5 and 4.5 respectively. Yarra will:

- instal sensor lighting in both offices to reduce electricity usage.
- seek to engage with building management about implementing strategies to reduce overall building energy use.
- Review property requirements and energy ratings of buildings aligned to end of existing leases – Level 19 101 Collins lease expiry 31/3/2029 and Level 11 167 Macquarie St 31/10/2029

Yarra aims to reduce emissions from this source by 10% by 2032, from the base year of 2022.

Waste

In addition to the primary emissions categories, Yarra will aim to reduce waste and recycling by:

- continuing to educate staff on sustainable practices in the office such as recycling initiatives. One example includes Treadlightly – a national recycling initiative that takes unwanted footwear and responsibly recycles it.
- continuing to publicize building initiatives around waste and recycling to maintain high NABERS ratings across both offices.

Emissions reduction actions

In 2023 Yarra continued to reduce its emissions in the following areas:

ICT services

In 2023 there was a decrease in emissions in computer and technical services due to some services not being required due to projects concluding, less reliance on external counterparts and a renegotiation in contracts resulted in less vendor reliance.

Staff Commuting

In 2023 Yarra actively encouraged staff to utilise the buildings end of trip facilities including for bike use. This provides staff with alternative transport options that would aim to reduce our overall carbon emissions. Building management also provided a bike service on offer which in turn encourages employees to improve their commuting journey.

Yarra also provided an educational session on the benefits of driving Electrical vehicles to employees via a leasing provider which encouraged employees to consider changing personal motor of vehicle to electric.

Yarra continued to offer flexible working arrangements where possible reducing their travel to work and overall emissions.

In 2023 we saw a noticeable decrease in emissions with staff commuting by 51.18%

Professional Services

In 2023 Professional Services emissions decreased 18.2%.

Professional Services required during 2023, decreased vs 2022 due to the completion of transasction integration activity and new product launches that occcureed in 2022. During 2023 we further streamlined our corporate group and financial services licenses, which has reduced our "BAU spend" on professional services. Professional Services costs may continue to vary due to product, project and corporate activities.

Base buildings

In 2023 our base building emissions decreased by 28.5% across both our Melbourne and Sydney offices. Our Melbourne office is located in 101 Collins Street, with the whole 101 Collins Street Building becoming climate active neutral and actively participating in the Climate Active program leading to certification during 2023. Our Sydney office at 167 Macquarie St benefitted from the 167 Macquarie St building introducing better tuning of the mechanical plant resulting in around 28% reduction in Gas usage for the year. 167 Macquaire Street Building Management has introduced Organic waste repositories.

5. EMISSIONS SUMMARY

Emissions over time

Emissions since base year			
		Total tCO_2-e (without uplift)	**Total tCO_2-e** (with uplift)
Base year / Year 1:	2022	1,927.50	1,927.51
Year 2:	2023	2,029.90	N/A

Significant changes in emissions

Total emissions in 2023 reached 2029.90 an increase of 5.31% vs 2022. This increase was driven by organic growth in business operations and size, and an increase in international travel for client meetings and investment research. Organic growth of the business, also led to additional staff joining and IT hardware. In addition there was an upgrade of IT hardware that was over 6 years old therefore increasing our computer/hardware emissions.

Significant changes in emissions			
Emission source	**Previous year emissions** ($t CO_2$-e)	**Current year emissions** ($t CO_2$-e)	**Reason for change**
Air travel	222.98	451.79	A business need for an increase in International travel was required in 2023 to continue to grow our business and service our clients. An extensive travel itinerary was needed for one section of the business in 2023.
Computer and electrical components, hardware and accessories	209.05	241.47	1. Increased head count in the firm requiring purchase of new computers. 2. Replacement of computers that were nearly 6 years old.
Computer and technical services	550.47	443.71	1. Less IT projects compared to 2022. In 2022 there was an office expansion that required significant IT services. Also, there was a migration of middle office services to a new provider in 2022 which required significant IT services. 2. Some market data services were cancelled, and others were renegotiated to reduce fees.

Use of Climate Active carbon neutral products, services, buildings or precincts

Certified brand name	Product/Service/Building/Precinct used
AGL	Electricty Product
101 Collins Street	Building

Emissions summary

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

Emission category	Scope 1 emissions (tCO_2-e)	Scope 2 emissions (tCO_2-e)	Scope 3 emissions (tCO_2-e)	Total emissions (t CO_2-e)
Accommodation and facilities	0.00	0.00	21.76	21.76
Cleaning and Chemicals	0.00	0.00	14.45	14.45
Climate Active carbon neutral products and services	0.00	0.00	0.00	0.00
Construction Materials and Services	0.00	0.00	0.70	0.70
Electricity	0.00	43.60	3.86	47.47
Food	0.00	0.00	24.53	24.53
ICT services and equipment	0.00	0.00	708.91	708.91
Postage, courier and freight	0.00	0.00	7.80	7.80
Professional Services	0.00	0.00	620.96	620.96
Transport (Air)	0.00	0.00	451.79	451.79
Transport (Land and Sea)	0.00	0.00	10.74	10.74
Waste	0.00	0.00	40.30	40.30
Office equipment & supplies	0.00	0.00	8.65	8.65
Base buildings	0.00	0.00	5.59	5.59
Public transportation	0.00	0.00	14.85	14.85
Staff commuting	0.00	0.00	48.13	48.13
Stationary Combustion	0.00	0.00	0.01	0.01
Working from home	0.00	0.00	3.25	3.25
Total emissions (tCO_2-e)	**0.00**	**43.60**	**1986.30**	**2029.90**

Uplift factors

N/A

6. CARBON OFFSETS

Eligible offsets retirement summary

Offsets retired for Climate Active certification

Type of offset units	Eligible quantity (used for this reporting period)	Percentage of total
Australian Carbon Credit Units (ACCUs)	200	9.85%
Verified Carbon Units (VCUs)	1,830	90.15%

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (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 (%)
Katingan Peatland Restoration and Conservation Proejct	VCU	Verra	21 May 2024	6358-303004167-303004486-VCU-016-APX-ID-14-1477-01112015-31122016-1	2015 - 2016	-	320	0	0	320	15.76%
Oeste de Caucaia Landfill Project Activity – CER Conversion	VCU	Verra	21 May 2024	11215-302212167-302212646-VCS-VCU-842-VER-BR-13-2600-22122017-23092020-0	2017 – 2020	-	480	0	0	480	23.65%
Western Top End Savannah Fire Management, Australia	KACCU	ANREU	28 May 2024	8,356,881,060 – 8,356,881,259	2022 - 2023	-	200	0	0	200	9.85%
Rimba Raya Biodiversity Reserve Project, Central	VCU	Verra	30 May 2024	7828-431414474-431415503-VCU-016-MER-	2014	-	1,030	0	0	1,030	50.74%

Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (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 (%)
Kalimantanmm, Indonesia				ID-14-674-01072014-31122014-1							
Total eligible offsets retired and used for this report										**2,030**	
Total eligible offsets retired this report and banked for use in future reports									0		

Co-benefits

Western Top End Savannah Fire Management Project

The Western Top End Savannah Fire Management (WTESFM) project is located within the Thamarrurr region of the Northern Territory; an area prone to extreme, devastating wildfires that affect the landscape, people, plants and animals.

The Thamarrurr Rangers, use the same techniques as their ancestors – burning areas in the early dry season to reduce wildfires and refresh country – as well as the latest technology to plan and strategically manage fire. This includes conducting aerial and on-ground burning to prevent late season wildfires and reduce overall carbon emissions. They use satellite technology to track their progress and observe important changes from space.

In addition to reducing harmful emissions, the project also delivers significant social, cultural and economic benefits for Indigenous Australians, for example the employment of local rangers; connecting people back to country and protecting important cultural sites.

The projects meet the following Sustainable Development Goals

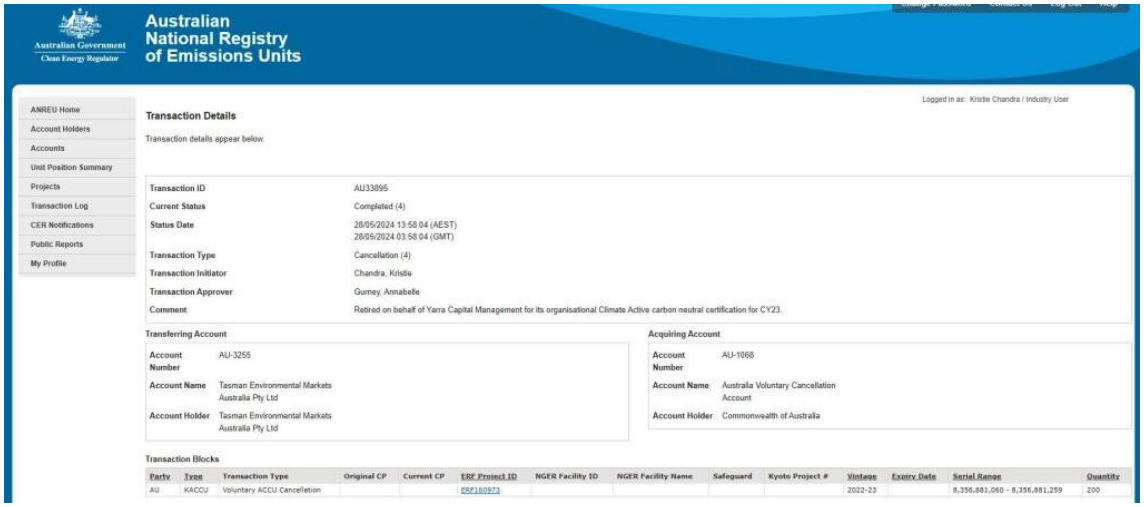
7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

Retirement details from ANREU for the Western Top End Savannah Fire Project



Australian Government
Clean Energy Regulator

Australian National Registry of Emissions Units

Logged in as: Kristie Chandra / 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 ID	AU33895
Current Status	Completed (4)
Status Date	28/05/2024 13:58:04 (AEST) 28/05/2024 03:58:04 (GMT)
Transaction Type	Cancellation (4)
Transaction Initiator	Chandra, Kristie
Transaction Approver	Gurney, Annabelle
Comment	Retired on behalf of Yarra Capital Management for its organisational Climate Active carbon neutral certification for CY23.

Transferring Account

Account Number	AU-3255
Account Name	Tasman Environmental Markets Australia Pty Ltd
Account Holder	Tasman Environmental Markets Australia 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			ERF160973					2022-23		8,356,881,060 - 8,356,881,259	200

APPENDIX B: ELECTRICITY SUMMARY

There are two international best-practice methods for calculating electricity emissions – the location-based method and the market-based method. Reporting electricity emissions under both methods is called dual reporting.

Dual reporting of electricity emissions is useful, as it provides different perspectives of the emissions associated with a business's electricity usage.

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.

For this certification, electricity emissions have been set by using the **location-based approach**.

Market-based approach summary

Market-based approach	Activity Data (kWh)	Emissions (kg CO_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)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCS surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	10,464	0	8%
Residual Electricity	118,672	107,991	0%
Total renewable electricity (grid + non grid)	**10,464**	**0**	**8%**
Total grid electricity	**129,136**	**107,991**	**8%**
Total electricity (grid + non grid)	**129,136**	**107,991**	**8%**
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	**118,672**	**107,991**	
Scope 2	105,631	96,124	
Scope 3 (includes T&D emissions from consumption under operational control)	13,041	11,867	
Residual electricity consumption not under operational control	**0**	**0**	
Scope 3	0	0	.

Total renewables (grid and non-grid)	**8.10%**
Mandatory	**8.10%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual scope 2 emissions (t CO_2-e)	**96.12**
Residual scope 3 emissions (t CO_2-e)	**11.87**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**36.23**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**4.47**
Total emissions liability (t CO_2-e)	**40.70**

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

Location-based approach summary

Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	**100%**	**(kWh)**	**Scope 2 Emissions ($kgCO_2$-e)**	**Scope 3 Emissions ($kgCO_2$-e)**	**(kWh)**	**Scope 3 Emissions ($kgCO_2$-e)**
ACT	0	0	0	0	0	0
NSW	59,456	59,456	40,430	2,973	0	0
SA	0	0	0	0	0	0
VIC	69,680	69,680	55,047	4,878	0	0
QLD	0	0	0	0	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	**129,136**	**129,136**	**95,477**	**7,850**	**0**	**0**
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	**0**	**0**	**0**	**0**		
Total electricity (grid + non grid)	**129,136**					

Residual scope 2 emissions (t CO_2-e)	**95.48**
Residual scope 3 emissions (t CO_2-e)	**7.85**
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**43.60**
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO_2-e)	**3.86**
Total emissions liability	**47.47**

Operations in Climate Active buildings and precincts

Operations in Climate Active buildings and precincts	Electricity consumed in Climate Active certified building/precinct (kWh)	Emissions (kg CO_2-e)
101 Collins Street, Melbourne	**83,319**	**0**

Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their building or precinct certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the building/precinct under the market-based method is outlined as such in the market-based summary table.

Climate Active carbon neutral electricity products

Climate Active carbon neutral electricity product used	Electricity claimed from Climate Active electricity products (kWh)	Emissions (kg CO_2-e)
AGL - opt-in Electricity	**59,456**	**0**
AGL - opt-in Electricity	**14,487**	**0**
Climate Active carbon neutral electricity is not renewable electricity. These electricity emissions have been offset by another Climate Active member through their electricity product certification. This electricity consumption is also included in the market based and location-based summary tables. Any electricity that has been sourced as renewable electricity by the electricity product under the market-based method is outlined as such in the market-based summary table.		

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

N/A

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to this organisation'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.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Financed emissions	Y	N	N	N	N	**Size:** Emissions from companies in which Yarra's funds are invested are significant. However, mechanisms are not currently in place to track these emissions. Measuring financed emissions is voluntary in Australia and comparable organisations do not typically include this activity within their boundary. **Influence:** Yarra does not have ultimate influence on investees' operational emissions. **Risk:** There are no relevant laws or regulations that apply to limit emissions specifically from this source and the source does not create supply chain risks. **Stakeholders:** Key stakeholders, including the public, are unlikely to expect Yarra to include this source as relevant in its emissions boundary. **Outsourcing:** Comparable organisations do not typically undertake this activity within their boundary.

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