



PUBLIC DISCLOSURE STATEMENT

ADAMANTEM CAPITAL

**ORGANISATION CERTIFICATION
FY2020-21**

Australian Government
Climate Active
Public Disclosure Statement



An Australian Government Initiative



NAME OF CERTIFIED ENTITY: Adamantem Capital

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.

Signature

Date

8 December 2021

Name of Signatory Rob Koczkar

Position of Signatory Managing Director



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 Adamantem Capital Services Pty Ltd (ABN: 29 616 283 115) as the Trustee for Adamantem Capital Services Trust (ABN: 93 429 395 925) at the following location:

- Level 27 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 Adamantem Capital private equity business which is controlled by the Adamantem Capital Services Trust and associated entities. Melior Investment Management was originally included in the FY2018/19 certification however since FY2019/20 it is a separate certification.

This inventory does not include emissions related to the investment portfolio of Adamantem Capital.

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).

“We believe that our involvement with Climate Active is an important part of our contribution to the transition to more sustainable economic activity.”

Organisation description

Adamantem Capital is a private equity firm specialising in the Australia and New Zealand mid- market. We apply creative insights to identify high-quality investments and disciplined strategies to drive returns for investors. Adamantem invests with conviction behind clear, well-articulated and meticulously researched value creation opportunities. With an exclusive focus on the mid- market, we tap into a strong flow of quality opportunities to invest in companies located in a strong, established economy with the upside potential of Asia.

We are resolute in our support of businesses and their stakeholders, but flexible in the way in which we approach each unique business partnership.

When we invest in a company, we partner with management teams on a strategic path to sustainable change, profitable growth and a better future beyond our stewardship. While investor returns are a key driver of our approach, we seek to deliver positive outcomes for all stakeholders, including the environment and broader community.

Great investment returns come from businesses which contribute to their communities. Investing responsibly is what we do, and evaluating Environmental, Social & Governance issues is a part of our risk assessment and mitigation framework for every investment opportunity.

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.

“Adamantem 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, Adamantem is committed to taking positive action to reduce its impact on the environment.

Adamantem 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

Adamantem 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.

Adamantem 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.

Also they will implement portfolio company operating procedures to reduce Adamantem staff travel for portfolio company Board meetings.

Responsible procurement

Adamantem 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.

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

Internal engagement

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

External engagement

Adamantem will engage with the Australian Investment Council to explore opportunities to influence General Partners and Limited Partners to reduce their organisational carbon footprints and the carbon footprints of their portfolio companies.

Emissions over time

The decrease in emissions between 2019-2020 and 2020-2021 is largely caused by a reduction in business flights due to the COVID-19 pandemic and reduction in stationery and printing due to staff working from home. However, compared to the previous year there was an increase in emissions for food & catering due higher spend on catered events and IT equipment due to additional laptops purchased for new staff and equipment needed for working from home.

Table 1

| Emissions since base year | | |
|-------------------------------|-----------------------|---------------------------------|
| | Base year: 2019-20 | Current year Year 2: 2020-21 |
| <i>Total tCO₂e</i> | 428.9 | 153.7 |

Emissions reduction actions

During the past 12 months Adamantem 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
- Reviewed office lighting to maximise energy efficiency
- Investigated computer and power supply units for energy efficiency
- Changed paper source to fully certified carbon neutral offset paper
- 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 | 1.305 |
| Air Transport (km) | 53.365 |
| Cleaning and Chemicals | 2.048 |
| Electricity | 18.289 |
| Food | 30.387 |
| ICT services and equipment | 25.333 |
| Land and Sea Transport (\$) | 1.557 |
| Land and Sea Transport (km) | 2.127 |
| Office equipment & supplies | 8.356 |
| Postage, courier and freight | 0.541 |
| Professional Services | 0.715 |
| Waste | 4.641 |
| Water | 0.470 |
| Working from home | 4.587 |
| <i>Total Net Emissions</i> | 153.723 |

Uplift factors

Table 3

| Reason for uplift factor | tonnes CO ₂ -e |
|---|---------------------------|
| N/A | |
| <i>Total footprint to offset (uplift factors + net emissions)</i> | 153.723 |

Carbon neutral products

Adamantem uses Reflex carbon neutral office paper.

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 market-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 | 19,397 | 0 | 43% |
| 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) | 8,506 | 0 | 19% |
| Residual Electricity | 17,044 | 18,289 | 0% |
| Total grid electricity | 44,947 | 18,289 | 62% |
| Total Electricity Consumed (grid + non grid) | 44,947 | 18,289 | 62% |
| Electricity renewables | 27,903 | 0 | |
| Residual Electricity | 17,044 | 18,289 | |
| Exported on-site generated electricity | 0 | 0 | |
| Emission Footprint (kgCO ₂ -e) | | 18,289 | |

| | |
|--|--------------|
| Total renewables (grid and non-grid) | 62.1% |
| Mandatory | 18.9% |
| Voluntary | 43.2% |
| Behind the meter | 0.0% |
| Residual Electricity Emission Footprint (tCO₂-e) | 18 |

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 | 44,947 | 40,452 |
| Grid electricity (scope 2 and 3) | 44,947 | 40,452 |
| NSW | 0 | 0 |
| Non-grid electricity (Behind the meter) | 0 | 0 |
| Total Electricity Consumed | 44,947 | 40,452 |

| | |
|---|-----------|
| Emission Footprint (tCO₂-e) | 40 |
|---|-----------|

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 | 154 |
| 3. Net offset balance for this reporting period | 154 |
| 4. Total offsets to be forward purchased to offset the next reporting period | 0 |
| 5. Total offsets required for this report | 154 |

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 | 8,333,201,770 – 8,333,201,923 | 2021-22 | 154 | 0 | 0 | 154 | 100% |
| Total offsets retired this report and used in this report | | | | | | | | | 154 | |
| 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) | 154 | 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 |
| Website https://www.adamantem.com.au | Certified Organisation |
| Promotional Material – including presentations | Certified Organisation |

6. ADDITIONAL INFORMATION

N/A

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 | AU19932 |
| Current Status | Completed (4) |
| Status Date | 08/10/2021 16:59:05 (AEDT) |
| Transaction Type | Cancellation (4) |
| Transaction Initiator | Noss, Freia Wendy |
| Transaction Approver | Miller, Nigel Robert |
| Comment | Retired on behalf of Adamantem Capital's Climate Active emissions for FY2020/21 |

Transferring Account

| | |
|----------------|--|
| Account Number | AU-2980 |
| 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 | ERF Project ID | NGER Facility ID | NGER Facility Name | Safeguard # | Kyoto Project # | Vintage | Expiry Date | Serial Range | Quantity |
|-------|-------|-----------------------------|-------------|------------|----------------|------------------|--------------------|-------------|-----------------|---------|-------------|-------------------------------|----------|
| AU | KACCU | Voluntary ACCU Cancellation | | | ERE101634 | | | | | 2021-22 | | 8,333,201,770 - 8,333,201,923 | 154 |

Transaction Status History

| Status Date | Status Code |
|----------------------------|---------------------------------------|
| 08/10/2021 16:59:05 (AEDT) | Completed (4) |
| 08/10/2021 05:59:05 (GMT) | |
| 08/10/2021 16:59:05 (AEDT) | Proposed (1) |
| 08/10/2021 05:59:05 (GMT) | |
| 08/10/2021 16:59:05 (AEDT) | Account Holder Approved (97) |
| 08/10/2021 05:59:05 (GMT) | |
| 06/10/2021 14:49:58 (AEDT) | Awaiting Account Holder Approval (95) |
| 06/10/2021 03:49:58 (GMT) | |

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