

Sustainability Report 2024



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Acknowledgement of Country

Warakirri acknowledges the Wurundjeri Woi-wurrung and Bunurong Boon Wurrung peoples of the Eastern Kulin as the Traditional Custodians of the lands where our head office is situated. We also acknowledge the Traditional Custodians of the lands where our people work across the country. We pay our respect to their Elders – past, present, and emerging – and honour the unbroken spiritual, cultural and political connection they have maintained to these unique places for more than 2000 generations.

Foreword from Managing Director

We are pleased to present Warakirri Asset Management’s (Warakirri’s) first Sustainability Report. This report builds on our long history of ethical investing and sustainable business practices.

During the last financial year, Warakirri continued to grow as a firm through the ongoing support of many of our long-standing clients committing further capital to our strategies as well as welcoming many new investors.

We appreciate the trust placed in us by our existing and new clients. Our Board, Executive Leadership Team and senior management remain focused on delivering on the investment mandate of each of our investment strategies. Importantly, we seek to maintain and build on a culture that provides the opportunity for our employees to be at their best, to have a healthy work life balance and continue to generate positive financial outcomes alongside contributing to a more sustainable and equitable future.

Warakirri recognises that environmental, social and governance (ESG) issues can affect the performance of investments. Considering ESG factors, including climate-related risks and opportunities, alongside traditional financial metrics is critical to enhancing long-term risk-adjusted returns.

Globally, there is unprecedented focus on transparency and accountability, with increasing regulation targeting climate risk and management disclosures and greenwashing. We have seen a consolidation in investor led sustainability reporting

frameworks culminating in the International Sustainability Standards Board (ISSB’s) IFRS S1 and S2, released in June 2023.

In September 2023, the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) was released. It is anticipated that nature-related financial disclosures will soon become the subject of regulatory expectation.

The Australian Government is following this global movement, releasing a Sustainable Finance Strategy consultation paper in November 2023. The strategy builds on work completed internationally, including establishing a framework for sustainability-related financial disclosures and an interoperable Australian Taxonomy Development Project focused on priority sectors, including the Agriculture, Forestry and Other Land Use (AFOLU) sector. The aim being to direct financial flows towards a greener economy.

The Australian Workplace Gender Equality Agency published the gender pay gaps for private sector employers with 100 or more employees for the first time this year under the Workplace Gender Equality Act 2012; and recommended Modern Slavery Act 2018 reforms may see expanded mandatory reporting requirements introduced over the coming year.

With this backdrop, Warakirri began aligning climate disclosures with the ISSB’s IFRS S1 and S2 in preparation for the commencement of mandatory Australian reporting requirements. Given our current growth trajectory, there is likely to be additional pressures on our greenhouse gas emissions. In this context, we have committed to becoming more efficient and reducing greenhouse gas (GHG) emissions by 15% on a Full Time Employee (FTE) basis by 2030 compared to our 2021 base year. Again, this year we have been certified as a carbon neutral organisation and we remain committed

to offsetting our GHG emissions by acquiring carbon credits as part of our overall sustainability strategy.

Our recently appointed Head of Sustainability will sit on the Taxonomy Advisory Group for the AFOLU sector over the coming year, being a key member as the climate mitigation screening criteria for the sector is established.

We also reviewed our public disclosure documents to ensure sustainability related claims are compliant with relevant standards and in line with stakeholder expectations.

Warakirri takes a proactive approach to providing an environment that supports and positively impacts employee’s mental health, physical health and social wellbeing. It continues to be a non-negotiable for us, and for our investors.

We appreciate your interest in our Sustainability Report, which outlines our management approach and performance across priority topic areas deemed material for our business.

We welcome your feedback.



Jim McKay

Jim McKay
Managing Director

OUR HISTORY

 **1993**

Launched our first investment fund with an ethical overlay

 **1996**

Launched our first agricultural investment strategy with a holistic approach to sustainability

 **2016**

Launched our ethical Global Equities Fund

 **2020**

Became a signatory to the United Nations Principles for Responsible Investment

 **2021**

Certified our business operations carbon neutral under the Australian Government Climate Active scheme

 **2023**

Became one of the first Australian asset managers to be certified under the Leading Harvest Farmland Management Standard for our Diversified Agriculture and Warakirri Cropping platforms

About this report

This is Warakirri Asset Management's first Sustainability Report. The report covers the period 1 July 2023 to 30 June 2024 and was published in November 2024.

The reporting period is consistent with financial reporting undertaken by the organisation.

Unless otherwise stated, references to Warakirri Asset Management (Warakirri) covers all activities undertaken by Warakirri, including Flinders Investment Partners of which Warakirri holds an equity stake.

This report has been prepared with consideration of disclosures in the Global Reporting Initiative 2021 and the Sustainability Accounting Standards Board (SASB) Standards for Asset Management and Custody Activities and Professional and Commercial Services. Progress has also been made towards meeting the disclosures outlined in the International Sustainability Standards Board (ISSB) IFRS S1 and S2 and emerging Australian

Accounting Standards Board (AASB) S1 and S2. We will continue to review our disclosures as the international and Australian reporting landscape evolves, and work towards external assurance as required.

The Executive Leadership Team and senior management have reviewed the content of this report and deemed it to be an accurate and fair representation of Warakirri's sustainability performance.

Greenhouse gas emissions were compiled by a third party.

This report has been reviewed and approved by Warakirri's [Board of Directors \(Board\)](#).



For more information about our company activities and financial performance, visit <https://warakirri.com.au> or contact contact@warakirri.com.au



Company profile

At Warakirri, our mission is to grow and protect the wealth of our investors, by always; putting their interests first, investing and operating ethically and sustainably, and seeking a better way to deliver outcomes.

Warakirri is an Australian Aboriginal word meaning 'to grow'. As the name suggests, Warakirri Asset Management Ltd (Warakirri) was established for that very purpose – to grow the wealth of our investors. With a history dating back to 1993, Warakirri is a multi-boutique asset manager and one of Australia's most diverse specialist agriculture asset managers, wholly owned by its employees.

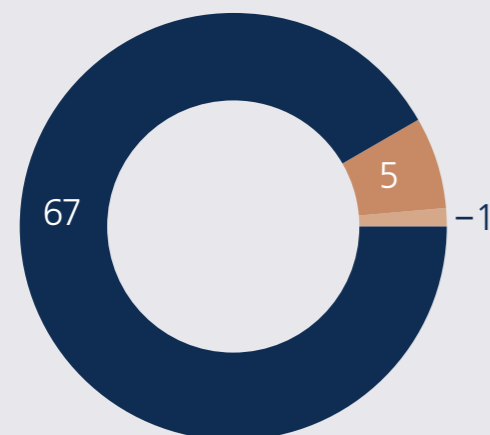


Warakirri provides specialist investment vehicles to meet the needs of charities, endowments, family offices, superannuation and pension funds, as well as individual investors. Warakirri is an unlisted company that is an Australian Financial Services License holder (AFSL 246782) registered with the Australian Securities and Investments Commission (ASIC).

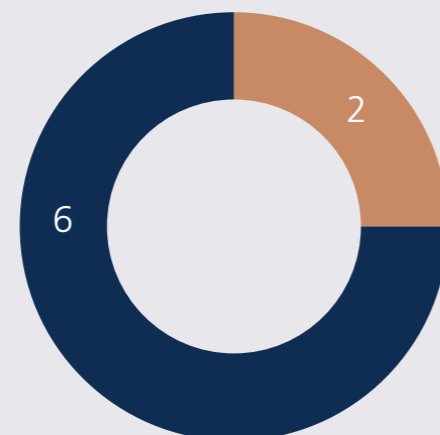
EMPLOYEE PROFILE

Warakirri has over 80 staff predominantly located in Warakirri's head office in Melbourne, with a second office in Sydney.*

Melbourne Head Office



Other Offices



■ Permanent full-time ■ Temporary
■ Permanent part-time ■ Contract

*head count, 30 June 2024



OUR VALUES

Core Values



INTEGRITY

Doing what is right and what we say we will do



TRUST

Being open and transparent with our clients and with each other



COLLABORATION

We value and prioritise working together and sharing ideas

Guiding Values



ACTING AS OWNERS

We prioritise our fiduciary role and think and act as owners of the capital we invest and the business we run



EXCELLENCE

We seek to find a better way to achieve best in class sustainable results



DIVERSITY

We value and encourage diversity and a broad range of perspectives

OUR BUSINESS MODEL AND VALUE CHAIN

Warakirri strives to optimise value and returns to clients by taking a long-term view of value creation



Products

AGRICULTURE PLATFORM

Warakirri has been a specialist Australian agricultural asset manager for institutional and wholesale investors for close to 30 years. Across four strategies, we manage a diverse portfolio of assets covering row crop, dairy, open land horticulture, permanent crops and Agriculture infrastructure located in both Australia and New Zealand.

DIVERSIFIED AGRICULTURE



Warakirri acts as trustee and investment manager of the Warakirri Farmland Land Trust and the Warakirri Farmland Trading Trust (together, the Farmland Fund) and the Warakirri Farmland Feeder Fund (the Feeder Fund); and the Warakirri Diversified Agriculture Land Trust and Warakirri Diversified Agriculture Trading Trust (together, Diversified Agriculture Fund). Collectively the two funds are referred to as Diversified Agriculture Funds.

Warakirri's diversified agriculture funds have been established to offer institutional and wholesale investors unique access to investment grade agricultural properties with an attractive and stable income profile. The Funds acquire, develop and own a diversified portfolio of investment grade Australian agricultural assets and lease these to high quality agricultural businesses (tenant partners).

WARAKIRRI CROPPING

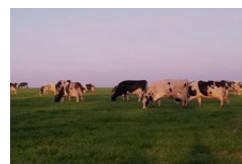


Warakirri acts as investment manager of the Warakirri Agricultural Land Trust II and Warakirri Agricultural Farm Trust II, together known as Warakirri Cropping Trusts (Warakirri Cropping). Warakirri Cropping owns and operates large scale cropping aggregations across Australia to generate long-term financial outcomes on behalf of one of Australia's largest superannuation funds.

Warakirri, in its capacity as the investment manager of Warakirri Cropping, provides investment and asset management services, property management services and strategic advice.

Visit Warakirri Cropping for more information: [Home - Warakirri Cropping](#)

AURORA DAIRIES



Warakirri is the investment manager of Aurora Dairies Holdings Pty Ltd, its subsidiaries and trusts, collectively referred to as Aurora Dairies. Aurora Dairies owns and operates a large-scale portfolio of dairy farms in Australia and New Zealand to generate long-term financial outcomes on behalf of one of the World's largest pension funds.

Warakirri, in its capacity as the investment manager of Aurora Dairies, provides investment and asset management services, trustee services, property and dairy management services and strategic advice.

Visit Aurora Dairies for more information: [Home - Aurora Dairies](#)

MANAGED FUNDS PLATFORM

Warakirri acts as the trustee / responsible entity of a range of investment vehicles, selecting specialist partners as the underlying investment managers for these vehicles, as well as partnering with other investment managers to provide distribution and marketing services for their strategies.

EQUITY FUNDS



Warakirri offers investors access to a range of Australian and global equity funds, including ethical options. The underlying investment manager for these funds is Northcape Capital (Northcape). Northcape is a boutique investment manager specialising in Australian and International equities. Northcape was established in 2004 and is fully owned by its staff.

Northcape is a UN PRI Signatory.

[Investment Specialists in Australian & International Equities | Northcape Capital](#)

EMERGING COMPANIES FUND



Flinders Investment Partners (Flinders) specialises in listed Australian small and emerging companies. Flinders became a joint venture between Warakirri and the Flinders investment team in 2020.

[Flinders Investment Partners – Investment Management](#)

US REAL ESTATE



Warakirri offers institutional investors access to US Multifamily Property investments through Mesirow Financial Institutional Real Estate (MFIRE), based in Chicago, United States. MFIRE has a dedicated focus on multi-family assets and student housing in select major metropolitan markets across the United States of America. Warakirri is MFIRE's exclusive representative for Multifamily Real Estate in Australia.

Mesirow is a UN PRI Signatory.

[Mesirow | We Invest In What Matters](#)

CASH DEPOSITS



Warakirri offers wholesale investors access to professionally managed term deposit exposures via a pooled investment vehicle, investing only in term deposits with Australia's leading four banks and their divisions.

Services

AFTER-TAX BENCHMARKING AND ANALYTICS



Warakirri is a leading provider of after-tax benchmarking, reporting and performance analytics.

Warakirri's tailored reporting and analysis helps superannuation funds and fund managers improve the after-tax returns that are ultimately paid to superannuation fund members and other investors. Warakirri has been benchmarking Australian equities portfolios on an after-tax basis since 2007. Warakirri's proprietary after-tax benchmarking methodology measures all tax elements that apply to Australian equities investment. The methodology has been developed by Warakirri and industry leading finance and investment experts.

CURRENCY MANAGEMENT

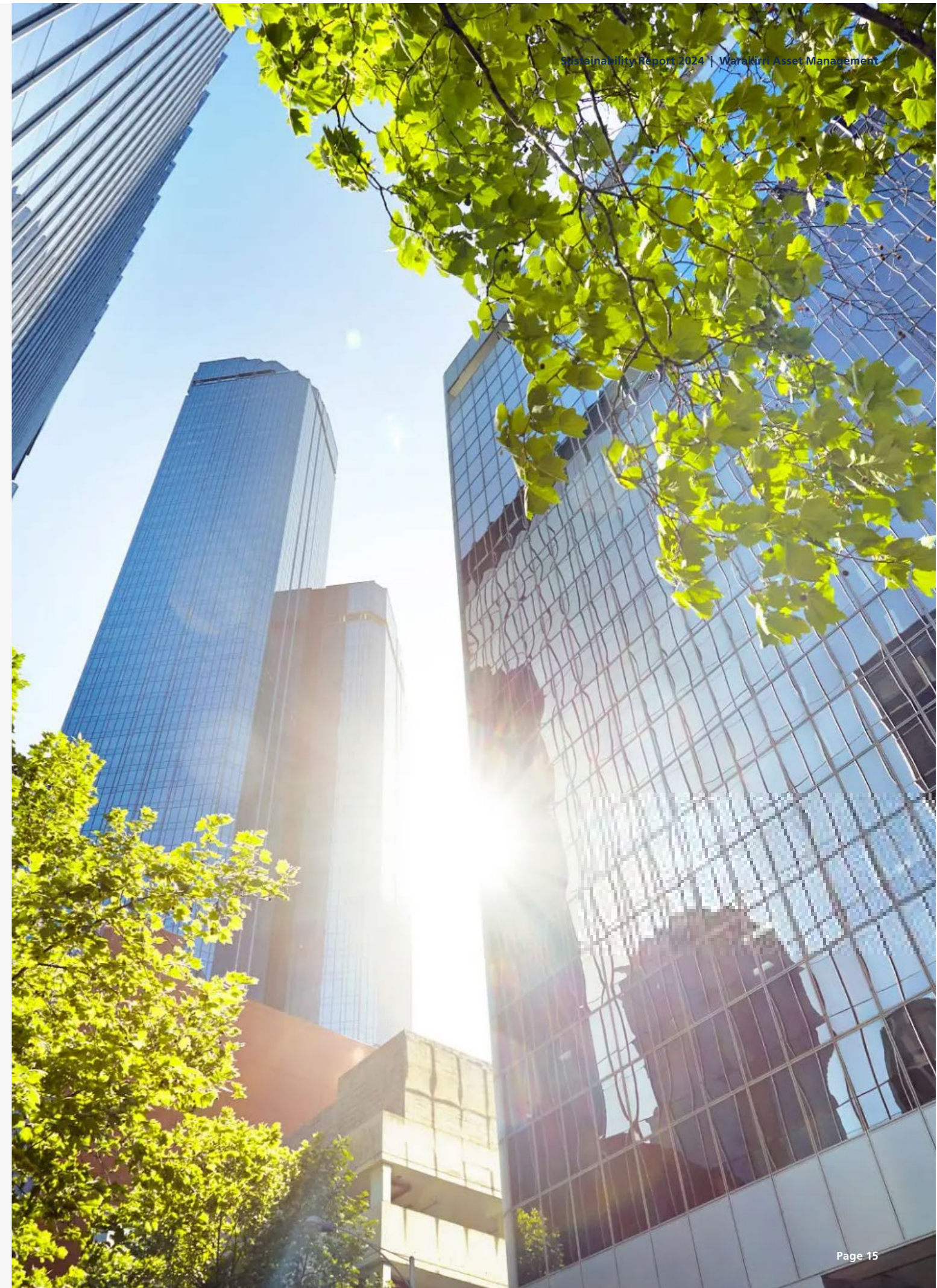


Warakirri offers Australian superannuation funds and institutional investors with a range of tailored solutions ranging from passive to active currency risk management through Mesirow Financial Currency Management (MFCM).

MFCM is a thought-leading currency management specialist delivering innovative, customised solutions to institutions globally. Warakirri is the exclusive representative of MFCM in Australia.

Mesirow is a UN PRI Signatory.

[Mesirow | We Invest In What Matters](#)



Sustainability strategy

Warakirri is committed to the continual improvement of its sustainability performance through a sustainability strategy and action plan.

This year, Warakirri developed a new Sustainability Strategy with three key pillars: Prosperity, People, and Planet. The Strategy addresses material impacts, risks and opportunities for the business, identified through a materiality assessment. The Strategy was reviewed through annual strategic planning activities and approved by the Board in June 2024.

The priority action areas under each sustainability pillar serve as the foundation for incorporating sustainability considerations into investment decision-making processes across all Warakirri investment platforms.

This report provides an overview of our key pillars and priority action areas, with associated impacts, risks and opportunities, management approach and performance.

MATERIALITY ASSESSMENT

Warakirri's materiality assessment process considered regulatory trends, reporting developments, the responsible investment landscape, client materiality assessment and expectations, peer reviews, employee insights and the organisation's risk register.

Warakirri defines sustainability impacts as both the direct impacts it has on the environment, people and the economy and the indirect impacts that occur through the financial products and services it offers, and partnerships it forms with suppliers and service providers.

STAKEHOLDER ENGAGEMENT

Warakirri's business activities and decisions impact a wide variety of stakeholders, both directly and indirectly. Warakirri proactively engages with stakeholders throughout the year to understand what is important to them and responds accordingly. Key stakeholders include our clients, suppliers, business partners, industry stakeholders, our employees and government. Critical concerns identified through stakeholder engagement activities are communicated to the Board via monthly reporting processes.

VISION FOR SUSTAINABILITY

To be a leader in sustainable business practices and responsible investment across diversified assets

STRATEGY PILLARS

PRIORITY ACTION AREAS

 <p>PROSPERITY We are committed to growing and protecting the wealth of our investors, responsible investment practices, strong governance and transparency.</p>	<ul style="list-style-type: none"> • Governance • Compliance and risk • Responsible Investment • Transparent product related information • Privacy and data security • Partnerships
 <p>PEOPLE We are committed to providing a safe workplace, a culture of inclusivity, wellbeing and development, and positively impacting our community.</p>	<ul style="list-style-type: none"> • Health, safety and wellbeing • Employment practices and human rights • Diversity and inclusion • Learning and development • Community impact
 <p>PLANET We are committed to building climate change resilience, using resources efficiently and operating in harmony with our natural environment.</p>	<ul style="list-style-type: none"> • Climate • Nature



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

PRIORITY ACTION AREAS

RELEVANT SUSTAINABLE DEVELOPMENT GOALS

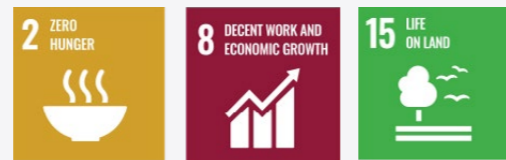
Governance



Compliance and risk



Responsible Investment



Transparent product related information



Privacy and data security



Partnerships



Health, safety and wellbeing



PRIORITY ACTION AREAS

RELEVANT SUSTAINABLE DEVELOPMENT GOALS

Employment practices and human rights



Diversity and inclusion



Learning and development



Community impact



Climate



Nature



Warakirri recognises the United Nations Sustainable Development Goals (SDGs) and the role they play at a global level to improve health, education, reduce inequality and spur economic growth. The SDG framework has been considered in the development of our Sustainability Strategy, as we strive to holistically contribute to sustainable development.

Prosperity

We are committed to growing and protecting the wealth of our investors, responsible investment practices, strong governance and transparency.

GOVERNANCE

The Warakirri [Board](#) is comprised of a majority of independent directors and is responsible for ensuring Warakirri has an appropriate corporate governance structure in place to oversee client and organisational responsibilities, creating and protecting shareholder value and governance of the Warakirri Sustainability Policy. Warakirri's Board and management are committed to the highest standards of legal, ethical, and moral behaviour.

The Board has established an Audit, Risk and Compliance Committee (ARCC) responsible for the governance of Warakirri's risk management program, policy framework and ensuring compliance with relevant legislations. The ARCC is also responsible for the integrity of Warakirri's internal control framework, systems and processes.

The Head of Sustainability works in conjunction with the Executive Team, to ensure Warakirri's Sustainability Policy, investment platform

sustainability standards, strategy and action plan controls are active and consistently upheld across Warakirri's platforms. The Head of Sustainability reports quarterly to the Executive Team and annually to the Board on sustainability-related matters.

Each investment platform is responsible for observing Warakirri's Sustainability Policy and incorporating the applicable investment platform sustainability standards into business activities. For own and operate agricultural platforms, Warakirri provides strategic advice informing platform specific policy and strategy. Implementation is overseen by the applicable entities' Chief Executive Officer, who is responsible to the entities' Board of Directors.

Further information about the Board can be found on our [website](#), including their experience, length of tenure and membership associations.

In 2024, Warakirri updated its Environmental, Social and Governance (ESG) Policy. The policy was renamed 'Sustainability Policy' to encompass broader sustainability considerations for Warakirri and revised in preparation for emerging Australian Accounting Standards Board (AASB) sustainability reporting standards.

Warakirri outlines sustainability commitments and undertakings in a separate Sustainability Standard for each investment platform, recognising different client needs, levels of control and influence.



Policies and practices

Warakirri is committed to best practice in corporate governance, compliance and ethical behaviour and does not tolerate improper conduct by its employees, contractors or agents.

Warakirri has a range of policies to guide business activities which are all reviewed by the ARCC and approved by the Board. Each policy relates to, or is required by, Warakirri’s Australian Financial Services Licence or is otherwise regarded as significant to the business operations. All new employees are required to read and understand our policies during their induction period and applicable training is provided. Policies are then communicated to employees at least every two years or when changes are made. All policies are available on our intranet.

Relevant policies and guidelines

- Board Charter
- Code of Ethics and Conduct
- Complaints Handling Policy
- Compliance Reporting Policy
- Conflicts of Interest Policy
- Diversity and Inclusion Statement and Guideline
- Fraud Control Policy
- Group information security policy
- Group information technology acceptable use policy
- Human Resources Policy
- Performance Management and Development Guideline
- Privacy Policy
- Product Design and Distribution Governance Policy
- Remuneration Guideline
- Sustainability Policy and Standards
- Whistleblower Policy
- Workplace Health and Safety Policy

Warakirri does not make political donations.

Whistleblower Policy

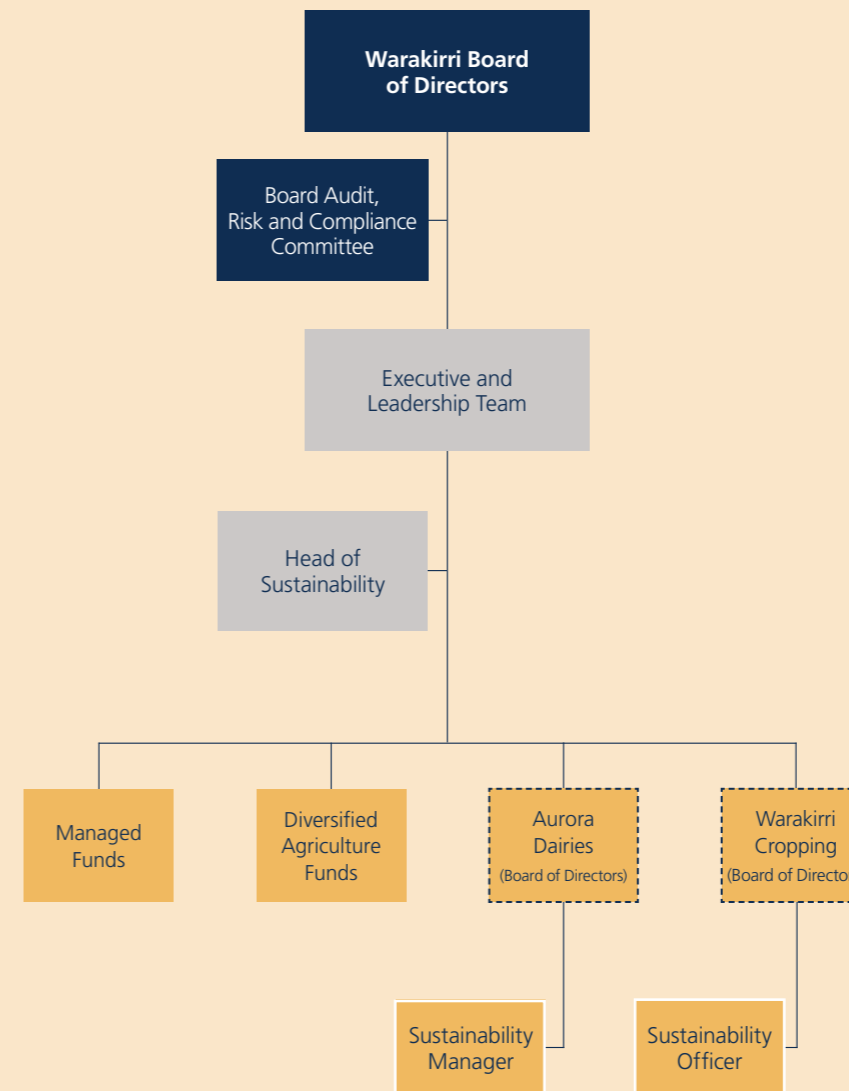
Warakirri’s Whistleblower Policy documents our commitment to maintaining a working environment in which employees, contractors and agents can report instances of unethical, unlawful or other improper conduct in a safe and secure manner, without fear of reprisal or intimidation.



PERFORMANCE INDICATORS
GOVERNANCE

<p>Zero non-compliance with laws and regulations</p>	<p>Zero monetary losses due to legal proceedings</p>
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WARAKIRRI ASSET MANAGEMENT SUSTAINABILITY GOVERNANCE



Overall responsibility for implementation and maintenance of Warakirri’s sustainability policy and strategy

Responsible for overseeing Warakirri’s sustainability policy, risk management, compliance, internal controls, reporting and assurance

Responsible for executing Warakirri’s sustainability strategy and action plan, embedding sustainability into business strategy and monitoring performance

Responsible for providing guidance on sustainability related matters pertinent to Warakirri and its stakeholders, setting sustainability strategy for the group, implementing and reporting

Responsible for incorporating Warakirri sustainability standards into business activities, executing and reporting

Responsible for incorporating Warakirri sustainability standards into own and operate sustainability policy and strategy, implementing, monitoring, and reporting via own and operate platform governance mechanisms

Responsible for providing guidance on platform specific sustainability matters, incorporating Warakirri sustainability standards into business activities, executing, monitoring and reporting performance

RISK MANAGEMENT

Risk management is integral to Warakirri’s business operations and strategy development. Our risk management approach aims to proactively identify and control threats and vulnerabilities

Warakirri’s Risk Management Strategy and Framework documents our measures and procedures to identify, set tolerance levels, monitor and manage material risks that arise in relation to our activities, including climate and other sustainability-related risks. Warakirri is also responsible for ensuring appropriate risk management strategies are in place for the operating businesses for which it acts as trustee and investment manager.

Oversight and responsibility of risk management is undertaken formally by the Board, via the ARCC, and is championed by management to involve all employees.

Warakirri assesses each risk’s potential consequences or impact and likelihood of occurrence. Warakirri’s risk register documents the identified material risks to its

operations, and where required, records proposed risk treatment plans to bring the residual risk rating within the risk tolerance set by the Board. The Board considers its risk appetite and tolerance during annual business planning processes, when risks are reviewed, and emerging risks identified.

The organisation’s risk register was considered a key document during the materiality assessment process to inform priority actions in our new Sustainability Strategy.

Warakirri has adopted the definition of risk contained in AS/NZS ISO 31000:2018 Risk Management – Principles and Guidelines.



RESPONSIBLE INVESTMENT

Fiduciary responsibility requires Warakirri to act in the best long-term interests of its clients.

Warakirri recognises that environmental, social and governance (ESG) issues can affect the performance of investments. Considering ESG factors, including climate-related risks and opportunities, alongside traditional financial metrics is critical to enhancing long-term risk-adjusted returns.

Warakirri became a signatory to the United Nations Principles for Responsible Investment in 2020 and is committed to incorporating ESG considerations into investment management activities.

Warakirri’s Sustainability Policy outlines the consideration of sustainability impacts, risks and opportunities for itself as a corporate and the funds/trusts for which it acts as trustee and manager. Specific sustainability commitments and undertakings are documented in a separate underlying Sustainability Standard for each investment platform, recognising different needs, levels of control and influence.

Warakirri actively engages with its operating investment platforms (Diversified Agriculture Funds, Aurora Dairies and Warakirri Cropping) on sustainability related matters. In September 2023, Warakirri became one of the first Australian agriculture asset managers to achieve certification to the Leading Harvest Australia Farmland Management Standard (Leading Harvest Standard) to provide credible, third-party validation of sustainable land management practices.

Where Warakirri partners with specialist investment managers through the Managed Funds platform, there is an expectation they will exercise proxy voting and other investor rights on material sustainability issues, where possible; and engage with investee entities on sustainability issues, where material sustainability risks are identified.

Consideration of sustainability factors are integrated into investment analysis, and ongoing monitoring processes to enhance the resilience and long-term performance of investment portfolios managed on behalf of clients.

Leading Harvest Farmland Management Standard certification

At Warakirri, sustainable agricultural practices have always been considered fundamental in our role to maximise long-term value and generate market leading returns.

Certification to the Leading Harvest Standard provides credible, third-party validation of sustainable land management practices. Additionally, it drives operational excellence and continuous improvement across our agricultural portfolios, aligning practices with global sustainability standards.

The Leading Harvest Standard covers thirteen principles for sustainable agriculture:

1. Sustainable agriculture
2. Soil health and conservation
3. Protection and water resources
4. Protection of crops
5. Energy use, air quality and climate change
6. Waste and material management
7. Conservation of biodiversity
8. Protection of special sites
9. Local communities
10. Employees and farm labour
11. Legal and regulatory compliance
12. Management and continual improvement
13. Leased operations

Our adherence to the Leading Harvest Standard was rigorously audited by an independent third party across 33 performance measures and 73 indicators.

At the time of certification, the Leading Harvest Standard did not cover pasture and livestock operations. Aurora Dairies participated in a pilot during the year to assist Leading Harvest develop a Pasture and Livestock Standard, which brings a fourteenth principle focused on animal wellbeing. The Leading Harvest Standard was released in late 2023 and Aurora Dairies will work towards certification next year.

For more information about Leading Harvest and to read our 2024 Audit Report, visit: [Home Page - Leading Harvest](#)



TRADITIONAL

Delivers competitive financial returns

TRADITIONAL: assets seek financial returns without consideration of sustainability factors.

Traditional assets under Warakirri’s management include term deposits. Our term deposits are a simple cash offering for investors seeking to reduce the administrative burden of managing a book of term deposits. The offering only invests in term deposits with Australia’s leading four banks and their divisions.

ESG INTEGRATION

Avoids harm
Manages ESG risks

ESG INTEGRATION: assets are subject to ongoing consideration of environmental, social and governance factors within investment analysis and decision-making processes, with the aim to improve risk adjusted returns.

Integration of ESG includes our Flinders Emerging Companies Fund, Warakirri US Real Estate Value Fund (managed by Mesirow) and Northcape managed funds (Warakirri Concentrated Australian Equities Fund and Warakirri Global Emerging Markets Fund). Each of our specialist investment managers have their own distinct philosophy and approach to responsible investment.

Flinders’ investment approach is to undertake consistent, rigorous proprietary company research and financial analysis to identify the most attractive opportunities. This includes assessment of ESG matters as part of prudent risk management and to maximise gains and limit losses. For more information, visit:

[Investment Approach - Flinders Investment Partners](#)

Mesirow is committed to fully integrating ESG objectives across its Institutional Direct Real Estate portfolios and ongoing investment process. Mesirow’s Institutional Direct Real estate ESG Policy and Objectives guide their approach to embedding the Principles for Responsible Investment.

For more information, visit:

[Responsibility | Mesirow](#)

Northcape’s investment approach is designed to integrate consideration of Environmental, Social and Governance (ESG) related matters into their investment analysis and decision-making processes. ESG factors are used to assess if a company is suitable for inclusion on Northcape’s approved list of companies for investment.

For more information, visit:

[Investment Approach | Northcape Capital](#)

ESG SCREENING

Contributes to solutions
Pursues opportunities and creates real economy outcomes

ESG SCREENING: assets are subject to rules of inclusion and exclusion based on our negative and positive overlay.

In addition to Northcape’s ESG integration process, Warakirri applies a proprietary ethical screen for the Warakirri Ethical Australian Equities and Ethical Global Equities funds.

The screening process has both positive and negative components.

Positive Overlay

The positive overlay component incorporates a focus on investment in sustainable businesses that exhibit sound environmental, social and governance practices.

Negative Overlay

The negative overlay excludes investment in companies that Warakirri considers have significant businesses, that is, revenue of greater than 5% from the audited financial statements of a company, involved in the:

- provision of gaming products and/or services
- manufacture of tobacco products
- manufacture of alcoholic beverages
- manufacture of products for military applications
- manufacture of products that could contribute to increased levels of obesity
- extraction of thermal coal and/or coal seam gas

Warakirri is ultimately responsible for the application and implementation of the Warakirri Ethical Overlay in consultation with the fund’s underlying investment manager Northcape Capital.

SUSTAINABILITY THEMED

SUSTAINABILITY THEMED: assets focussed on sustainable agriculture.

Food security, biodiversity loss and climate change are a growing global concern. Given the interrelated nature of these issues, sustainable farming practices have become more important than ever before. The agriculture sector has a fundamental role to play in meeting the growing demand for nutritious, affordable and safe to eat food – produced in harmony with the natural environment, and with safe and decent working conditions for people.

Sustainability themed agriculture includes our Diversified Agriculture Funds (Warakirri Farmland Fund and Warakirri Diversified Agriculture Fund), Warakirri Cropping Fund and Aurora Dairies Fund.

Acquire, develop and operate (own and operate)

For the agricultural assets we acquire, develop and operate via Warakirri Cropping and Aurora Dairies, we integrate sustainability considerations into property acquisition, and the ongoing development and operation of our assets. Our ongoing commitment to sustainability is underpinned by three pillars:

- long-term needs of our people and communities,
- sustainable and profitable farming practices, and
- safeguarding our climate and the environment.

Operating within a mature governance framework, each pillar entails specific goals and targets that are measured on an annual basis and guide our everyday operations.

Acquire, develop and lease (own and lease)

For the agricultural assets we acquire, develop and lease via our Diversified Agriculture Funds, we integrate sustainability considerations into property acquisition, ongoing development of our assets, tenant due diligence, lease agreements and monitoring.

Warakirri’s certification to the Leading Harvest Standard covers up to 200,000 hectares of properties held by the [Warakirri Diversified Agriculture Fund](#), [Warakirri Farmland Fund](#) and [Warakirri Cropping](#).

PERFORMANCE INDICATORS

TOTAL ASSETS UNDER MANAGEMENT (AUM) \$AUD MILLION

\$67m

Traditional

\$300m

ESG Integration[^]

\$281m

ESG Screening^{*^}

\$2,570m

Sustainability themed^{*^}

Categories and definitions are aligned with the PRI Reporting Framework Glossary of Terms, 2024 and Responsible Investment Association Australasia’s (RIAA’s) responsible investment spectrum.

* This category is also subject to the integration of ESG issues in investment analysis and decision-making.

[^] This category is also subject to stewardship practices.

TRANSPARENT PRODUCT RELATED INFORMATION

Warakirri has legal, regulatory and fiduciary obligations related to record keeping, the operation and marketing of products and services, and the prevention of fraudulent activity.

Warakirri has established a Product Design and Distribution Governance Policy which outlines the product governance arrangements across the life cycle of its financial products. The Policy specifically addresses Warakirri's obligations as an issuer and distributor of its financial products to ensure accurate information and improved outcomes for consumers of financial products. A Target Market Determination (TMD) is developed for each retail financial product, overseen by an Investment Committee with established review triggers and procedures to ensure compliance.

The Product and Marketing team is responsible for the development of marketing and promotional activities for financial products and in doing so must ensure that promotional and advertising material has regard to the target market and includes a reference to the financial products' respective Public Disclosure Statement (PDS) and the target market.

Where Warakirri becomes aware of a significant dealing in the financial product that is not consistent with the TMD, it must notify the Australian Securities and Investments Commission (ASIC), in writing, as soon as practicable and no later than 10 business days.

Any complaints received in relation to financial products must also be reported to Warakirri's compliance team and managed in accordance with Warakirri's Complaints Handling Policy and, where deemed significant reported to ASIC. Warakirri's complaints Handling Policy outlines how to respond to and resolve any product related complaints in a timely manner.

Warakirri is also cognisant of misrepresenting sustainability-related risks, business credentials, strategies or information about its products and services. The Australian Securities and Investments Commission (ASIC) has identified sustainability-related product greenwashing as an enforcement priority. Similarly, the Australian Competition and Consumer Commission (ACCC) has identified environmental and sustainability claims as a key priority area. In 2024, Warakirri reviewed its PDS's and sustainability related claims to ensure compliance with ASIC guidance on sustainability-related product greenwashing (sheet 271).



PERFORMANCE INDICATORS

Zero
employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings

Zero
monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information

PRIVACY AND DATA SECURITY

Warakirri is entrusted with both employee and client sensitive personal data. The exposure of sensitive information through cybersecurity breaches, other malicious activities or employee negligence may result in significant risks such as identity fraud and theft. Data breaches may compromise client perception of the effectiveness of Warakirri's security measures, resulting in reputational damage and adversely impact our ability to attract and retain clients. A data breach would inevitably lead to business disruption and financial costs to the business.

Warakirri is committed to maintaining the confidentiality and integrity of private and sensitive information that it collects and uses in conducting its business activities. We have established a Privacy Policy to govern how we handle personal, sensitive, and confidential information within our company. It sets out how we collect, use and retain customer data. Warakirri complies with applicable privacy laws in Australia and New Zealand.

All officers, employees, contractors and third parties of Warakirri, who have access to, or handle, Warakirri's information, are obligated to perform their duties in accordance with our Privacy Policy.

Warakirri also has a Group Information Security Policy to ensure the security of information assets against unauthorised access, use, modification, disclosure and / or destruction, and theft. The policy also applies to Aurora Dairies and Warakirri Cropping, who have an obligation to ensure the security of its information assets and the information assets of third parties that are stored in their systems.

Warakirri's Group Information Security Policy stipulates the implementation of an Information Security Management System (ISMS) to protect IT resources. Warakirri's ISMS is based on principles which are consistent with the objectives of the International Standard ISO27001 Information Security Management Standard and the National Institute of Standards and Technology (NIST) framework.

During the reporting period employees were provided with Social Engineering and Phishing Awareness training.



PERFORMANCE INDICATORS

Zero
notifiable data breaches

People

We are committed to providing a safe workplace, a culture of inclusivity, wellbeing and development, and positively impacting our community.

HEALTH, SAFETY AND WELLBEING

Warakirri recognises failure to uphold health and safety standards could result in regulatory penalties, costs for corrective actions, and significant reputational harm. Strong performance in managing employee health, safety and wellbeing can help build brand image and promote worker morale. This may result in increased productivity, reduced worker turnover and enhanced community relations.

Warakirri takes a proactive and holistic approach to providing an environment that supports and positively impacts employee’s mental health, physical health and social wellbeing. It is a non-negotiable for us, and for our investors. Our focus is to provide support and wellbeing opportunities that align with our employee needs within the environment and community they operate in. This approach is embedded in the overall direction given to our own and operate investment platforms and is a key component of our People and Culture Strategy.

Warakirri has a Workplace Health and Safety Policy for its own employees and for own and operate agriculture employees. The policy provides an overview of Warakirri’s workplace health and safety management system which deals with the management of relevant risks associated with a corporate knowledge business, including (but not limited to) the following:

- Business travel, including farm visits
- Office hazards (e.g. spills leading to slips & falls and build-up of archive boxes)
- Office and at home ergonomics

- Office hygiene including procedures necessary to respond to and manage the risk of infectious disease spread amongst its employees and wider community
- Building maintenance

As the investment manager for own and operate agriculture platforms, Warakirri provides direction and support via a Health, Safety and Environment Committee. The Committee ensures that as far as reasonably practicable, work environments are safe and measures are in place to prevent accidents, protect workers from injury, and promote the safety and welfare of employees.

Warakirri is committed to ensuring all employees (within our corporate offices and own and operate agriculture platforms), contractors and visitors experience a healthy and safe work environment, enabling them to return safely home each day. At the same time, we acknowledge that it is everyone’s responsibility to maintain a focus on overall well-being and safety.

Warakirri complies with the laws and regulations of each State or Territory, where applicable.

During the reporting period, Warakirri held a four-week Physical Health Challenge for employees. The challenge included weekly physical activity targets to complete. Various prizes were up for grabs to incentivise our people to get active through the winter period. Warakirri also promoted RUOK Day, conducted ergonomic assessments and provided setup support for in office and at home workstations.



DIVERSITY AND INCLUSION

Warakirri views diversity and inclusion as a broad range of skills, views and experiences. Warakirri believes that a diverse and inclusive workforce is fundamental to its success, helping to attract and develop the best talent. We realise that diversity and inclusion is enhanced through workforce representation across a vast spectrum of backgrounds throughout the whole organisation.

We recognise that we are in a competitive labour market, now more than ever. To support our growth objectives, it is vital that we can attract and develop a diverse, respected, supported, and high performing workforce. Our people are the primary source of revenue generation – contributing knowledge, talent, advice and various technical skills. Employee engagement, fair treatment and equitable levels of pay and advancement opportunities are likely to contribute to increased productivity and performance, and reduced hiring costs.

Warakirri has a Diversity and Inclusion Statement and Guideline, which sets out Warakirri’s approach to diversity and inclusion in the workplace. Our practices, approach and initiatives aim to promote diversity and inclusion, remove unconscious bias and retain our commitment to ensuring the best person is recruited, promoted and/or rewarded as well as providing an engaging work environment fostering a sense of belonging. This approach is embedded in our People and Culture Strategy which is executed across both Warakirri and the operating entities.

Warakirri celebrated International Women’s Day with a registered psychologist and Paralympian invited to discuss the theme ‘Embrace Equity’ as a guest speaker.

Warakirri also sponsored the National Farmers Federation – Diversity in Leadership Program.

Warakirri submitted Workplace Gender and Equality Agency (WGEA) reporting for Aurora Dairies and Warakirri Cropping as required under the Workplace Gender Equality Act 2012. Warakirri itself did not meet the regulated thresholds for reporting.

WOMEN DEVELOPMENT – IMPACT PROGRAM

Warakirri continued its Women Development – Impact Program, which began in 2023 to support the development of up to twelve women across the business each year. This year there were 12 women selected with four Warakirri employees, four Warakirri Cropping employees and four Aurora Dairies employees.

The program aligns with one of our guiding values, Diversity, and is designed to provide a professional and personal transformational learning experience to elevate participant’s impact.

The program includes five specifically designed workshops, Clarity 4D profiling, 1:1 coaching, group mentoring, an accountability partner for the duration of the program and an action-based project.

The 12-month program commences on International Woman’s Day each year and provides development in the following areas:

- EmpowerHER Impact
- Elevate Leadership
- Building Network for Impact
- From Setbacks to Comebacks
- Presenting with Impact



Photo: 2023 participants graduation, November 2023

“The 2023 Warakirri Impact Program was designed for women leaders to elevate our impact inside and outside of the organisation. The program provided an excellent professional and personal transformational learning experience to build practical leadership skills such as presenting with impact, building a network, managing adversity, and building a personal brand.”

Olivia Ogilvie, 2023 participant.

LEARNING AND DEVELOPMENT

While we maintain a focus on attracting and retaining the right talent, we will continue to identify the current and future capabilities and skills required of our workforce to support our strategic objectives and growth strategies. The continued development of our people is essential for the long-term success of our business. The way we manage talent is also critical to ensuring our people can continue to grow and develop their careers with Warakirri.

We want to inspire and develop our people by creating a learning culture that places a priority on our people’s learning and development and career aspirations, in alignment with their role and the organisation’s strategic objectives. This is about identifying the right development opportunities and making these accessible.

Warakirri’s Performance Management and Development Guideline outlines the performance management philosophy, standards and guidance for supporting the professional development of our employees as an investment in their careers and the organisation’s future. Training and development offerings range from individual formal development, group workshops and internal development and coaching. Warakirri coordinates lunch and learn sessions, external expert workshops, formal development and opportunities for experience and exposure. Warakirri provides financial support through two professional development streams:

- Professional development full financial support is available to Warakirri employees wishing to undertake further study for qualifications, certifications, or accreditations or to attend conferences that are; directly related to their current role tasks; and support career development.
- Professional development co-contribution is available to provide financial support to Warakirri employees wishing to undertake further study for qualifications, certifications, or accreditations or to attend conferences that are; not directly related to their current role tasks; focused on career development.

PERFORMANCE INDICATORS

GENDER PARTICIPATION as a % of all employees*

	2024	2023	% change
MALES	59%	61%	-3%
FEMALES	41%	39%	5%

*Excludes directors and contract employees

EMPLOYMENT PRACTICES AND HUMAN RIGHTS

Warakirri's People and Culture Strategy and company Policies and Guidelines document our approach to creating an employee experience that not only upholds employment standards but creates a psychologically safe workplace.

We strive to continually develop and maintain a collaborative and engaging culture where our people are treated fairly, feel safe, proud and where they feel they can grow and develop as the organisation does. We also aim to reward our people fairly, including equal pay, and maintain competitiveness with the market and in alignment with our strategy.

Warakirri has established a Human Resources Policy and framework for human resource arrangements for employees of Warakirri and those entities for which Warakirri acts as the trustee / manager and investment manager. Warakirri is committed to complying with labour rights standards, legislation and statutory requirements, as well as training and educating our employees to actively uphold those standards through their own conduct or being able to call out or report conduct through whistleblower avenues.

In addition to meeting legislative standards, we strive to uphold an above industry average employee engagement score. On a quarterly basis, we measure employee engagement across 14 drivers and utilise a global industry benchmark to anchor our data to real-world expectations.

In 2024 our quarterly employee engagement surveys consistently ranked Warakirri in the top 25% of Financial Industry firms globally¹.

Employee engagement is an outcome of the relationship between an organization and its employees. Different factors contribute to employee engagement, including

- work culture,
- environment,
- relationships, and
- development opportunities.

The engagement score is the overall score given in response to a set of questions that measure engagement, including the main engagement question: How likely is it you would recommend Warakirri Asset Management as a place to work?

Modern slavery

At the heart of our company values we believe in equity, fairness and respect for all individuals including the rights of our people, customers, suppliers and contractors to be free from practices of modern slavery.

Warakirri provides direction for Warakirri Cropping and Aurora Dairies to comply with the Modern Slavery Act 2018. Both investment platforms provide a publicly available Modern Slavery Statement that describes the actions taken to address modern slavery risk in their operations and supply chain. Warakirri itself did not meet the regulated thresholds for reporting.

PERFORMANCE INDICATORS



9%

Employee turnover (% of all employees)*

*Excludes directors and contract employees



COMMUNITY IMPACT

Warakirri is committed to supporting, partnering and connecting with the community. We believe that supporting our local communities, where appropriate, will not only build capacity and skills within the community, but more importantly connect our people and business within the communities we operate in.

This support may take several different forms, including financial donations, sponsorship or through in-kind contributions, such as employee time sharing skills, knowledge and talent. The Warakirri Community Engagement Program has the following components:

- **Warakirri volunteer day** – nominations are put forward by the social committee and voted on by staff to select one charity annually. Staff are provided up to one fully paid day to contribute to the organisation as a team.
- **Co-contribution donations** – donations are matched dollar for dollar up to \$500 per annum by any one individual to an Australian registered Deductible Gift Recipient organisation.

- **Team event sponsorship** – sponsorship of a team up to a maximum of \$500 per one event, with suitable corporate attire for teams to wear during events, where practical.

In 2024, Warakirri provided \$14,700 in donations and co-contributions.

| Planet

Warakirri is committed to identifying and responding to climate related risks and opportunities, using resources efficiently and operating in harmony with our natural environment.

CLIMATE

Warakirri acknowledges the risks, challenges and opportunities that climate change may bring to the business.

We recognise we are both a contributor to and affected by the physical and transitional effects of climate change. This year we began aligning our climate disclosures with the International Sustainability Standards Board (ISSB's) [IFRS S1 and S2](#) released in June 2023, which incorporates the [Taskforce on Climate-related Financial Disclosures \(TCFD\)](#). This will prepare us for emerging mandatory [Australian Accounting Standards Board \(AASB\) S2](#), focused on the disclosure of climate-related financial information.

Warakirri has been certified a carbon neutral organisation in accordance with the Climate Active Carbon Neutral Standard since 2021. Our Climate Active certification for 2024 is currently being finalised. Our 2023 Climate Active Public Disclosure Document is available here: [Guidance - Organisations - Public Disclosure Statement \(climateactive.org.au\)](#)

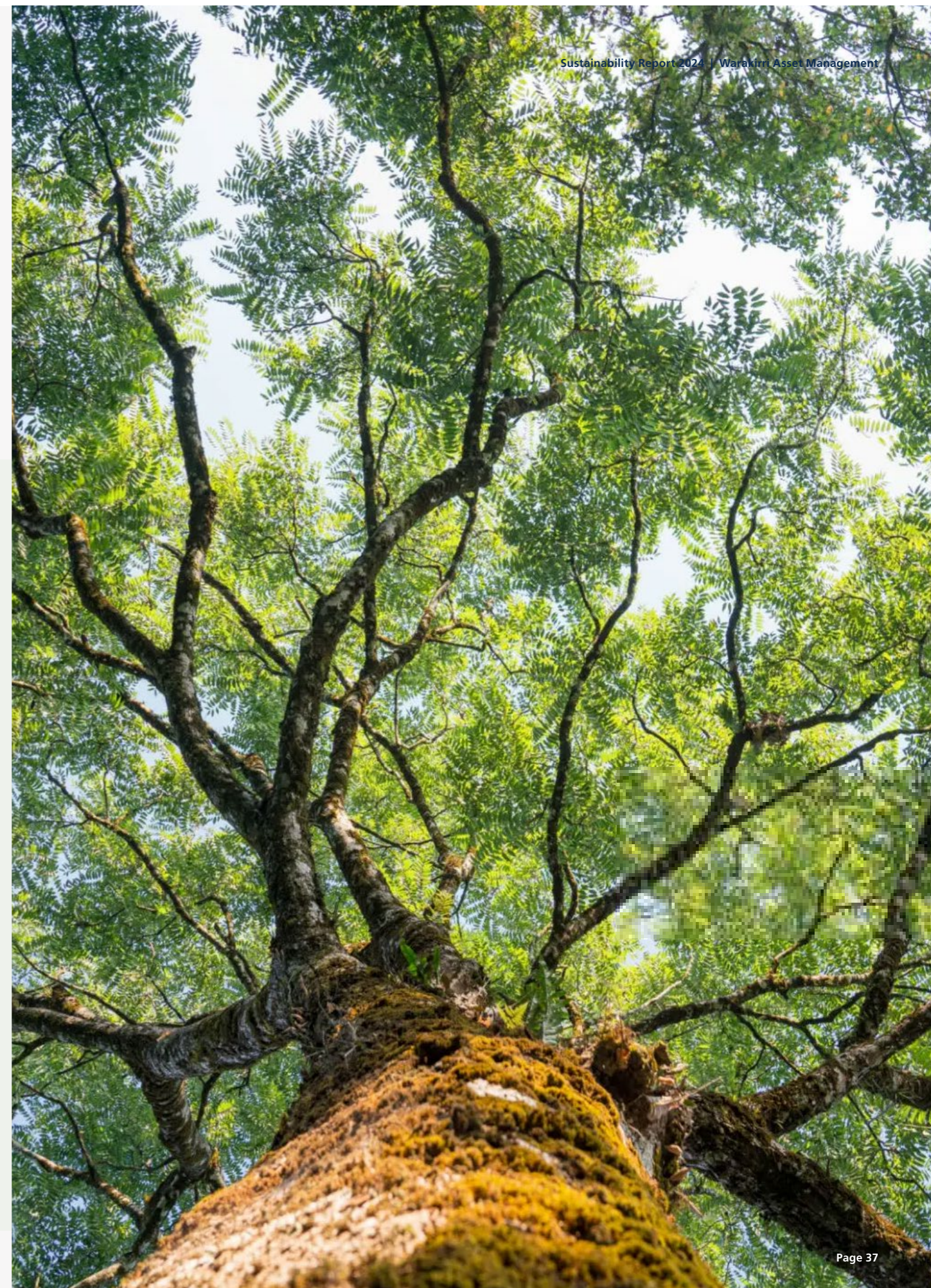
Warakirri is currently in a growth phase as it seeks to expand its diversity of clients and assets under management and given this growth trajectory, is likely to place additional pressures on our total emissions. In this context, we commit to becoming more efficient and reducing total emissions by 15% on a Full Time Employee (FTE) basis by 2030 compared to a 2021 base year.

Since 2021, we have seen a 7% decrease in greenhouse gas emissions per FTE. We have achieved this despite our baseline year coinciding with the COVID 19 pandemic, when normal business activities were restricted.

Over the past year we have seen an overall reduction in emissions from 1094.93 to 905.50 tonnes CO2-e. The reduction can mainly be attributed to improved air travel data and a focus on reducing unnecessary employee travel. At the same time our FTE numbers have continued to increase.

The bulk of our 2024 greenhouse gas emissions fall in scope 3, with the largest emission sources being professional services (500.03 tonnes CO2-e) and air transport (187.14 tonnes CO2-e).

Since 2023, electricity at our Melbourne head office has been matched with 100% renewable electricity through the purchase of Large-scale Generation Certificates (LGCs). LGCs are procured by the building manager for our Melbourne office, located at 140 William Street, Melbourne, VIC 3000, on behalf of all clients.



EMISSIONS SUMMARY (TONNES CO₂-E)

	2023-24	2022-23	2021-22	2020-21	% change
Scope 1	17.14	15.09	6.44	4.89	
Scope 2	0.00	0.00	81.51	61.82	
Scope 3	888.36	1079.84	789.55	570.49	
Total	905.50	1094.93	877.50	637.20	42%
FTE	84.4	77.9	68.6	55.0	
TOTAL per FTE	10.73	14.06	12.79	11.59	-7%

Emission sources:

- Scope 1 emissions include stationary energy (natural gas) and transport (company vehicles).
- Scope 2 emissions include electricity purchased from the grid.

Scope 3 emissions include:

- Purchased goods and services: Office equipment and supplies, Professional services, Food, Telecommunications, ICT services and equipment, Construction materials and services, water usage
- Fuel and energy-related activities: Electricity network distribution, upstream emissions of purchased fuels (natural gas, company vehicles)
- Upstream transport and distribution: postage, courier, freight
- Waste generated in operations: general waste, organics and recycled
- Business travel: air travel, taxis, rental cars, ride share, trains and accommodation
- Employee commuting: Employee commuting, Working from home
- Upstream leased assets

Scope 3 financed emissions have been excluded from our Climate Active certification. However, we recognise that climate risks and opportunities for asset management companies also stem from assets under management. We face the increasing likelihood

Warrakirri may be impacted financially by climate-related risks and seek to maximise the opportunities climate change presents.

NATURE

Warakirri recognises there are a range of nature-related issues that may impact its business, including climate change, biodiversity loss, land degradation, water scarcity and pollution.

In September 2023, the Recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) were released. Warakirri will review the framework over the coming year to understand how it might identify, report and act on current and emerging nature-related dependencies, impacts, risks, and opportunities.



LOOKING AHEAD

We recognise the need to continually improve our sustainability performance and reporting, particularly in the face of increasing regulation and stakeholder expectations.

Over the coming twelve months, we will work towards meeting emerging mandatory climate-related financial disclosures, increase our understanding of nature related impacts, risks and opportunities and continue to remain focussed on ensuring we live up to our sustainability related claims.

We will also continue to deliver on our people related commitments, recognising our people are critical for the long-term success of our business.

Most of all, we will remain steadfast in our mission to grow and protect the wealth of our investors by always putting their interests first, investing and operating ethically and sustainably, and seeking a better way to deliver outcomes.

Through ongoing and diligent assessment of material sustainability impacts, risks, and opportunities Warakirri aims to maintain industry leadership, deliver value to clients, help ensure longevity and reduce costs.

Next year we will build on this report as we improve the way we monitor our performance and increase our transparency over time.

We look forward to reporting progress again next year.