

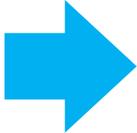
Why are we needed?



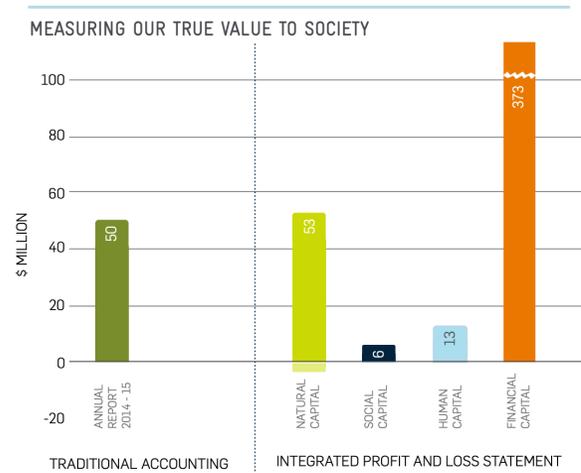
"Yes, the planet got destroyed. But for a beautiful moment in time we created a lot of value for shareholders."

“Capitals Thinking” Led to New Insights & Methods for Better Business Decisions at Yarra Valley Water...

“IP&L” : Changed How YVW Measures Value..



Impact Evaluations: Changed how YVW Plans to Improve Social Value



Source: Yarra Valley Water (2016) Integrated Profit and Loss Report (IP&L). GIST Advisory and Trucost



Sustainability Strategy...

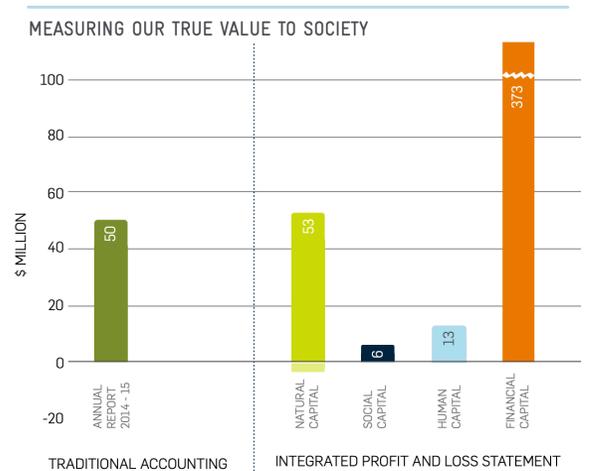
Program	Sub-Program	FY 15-16			Total NPV up to 2020 (@3% Discount Rate)		
		SCX	Cost	SROI	SCX	Cost	SROI
Program 1: WaterCare	URGS	\$ 0.56	\$ 0.02	2800%	\$1.52	\$0.07	2080%
	Arrange & Save	\$ 1.41	\$ 2.11	67%	\$4.42	\$6.57	67%
	Water Audits	\$ 0.25	\$ 0.02	1044%	\$1.74	\$0.07	2447%
	Concessions	\$ 2.44	\$ 0.18	1328%	\$6.88	\$0.56	1224%
	Hardship Grants (Other)*	\$ 3.41	\$ 3.24	105%	\$10.35	\$9.86	105%
Choose Tap Program*		\$ 1.87	\$ 0.51	367%	\$5.68	\$1.56	364%
Program 2: Customer Contribution	Right to Reject (Rounding-up to next 50 Cents)	N.A.	N.A.	N.A.	\$3.36	\$0.07	4724%
Program 3: Education Sessions for New Arrivals		N.A.	N.A.	N.A.	\$7.60	\$1.30	583%
Program 4: Early Learning Kits		N.A.	N.A.	N.A.	\$1.74	\$0.15	1198%
Program 6: Inform & Educate Public on Water Efficiency	SWEP	N.A.	N.A.	N.A.	\$4.18	\$0.12	3389%
Program 9: Corporate Volunteering		N.A.	N.A.	N.A.	\$0.09	\$0.08	103%
TOTAL		\$ 9.94	\$ 6.28	158%	\$ 47.56	\$ 20.41	233%

Source: GIST ADVISORY, Yarra Valley Water (2017) Thriving Communities Program. Social Capital Externalities (SCX™) Evaluation

- ✓ Energy Neutrality by 2025
- ✓ **Doubling Social Value Creation by 2020**
- ✓ **Using multi-Capitals-based Business Decision Making Framework**

Mapping YVW's Capitals Impacts in terms of SDG Impacts

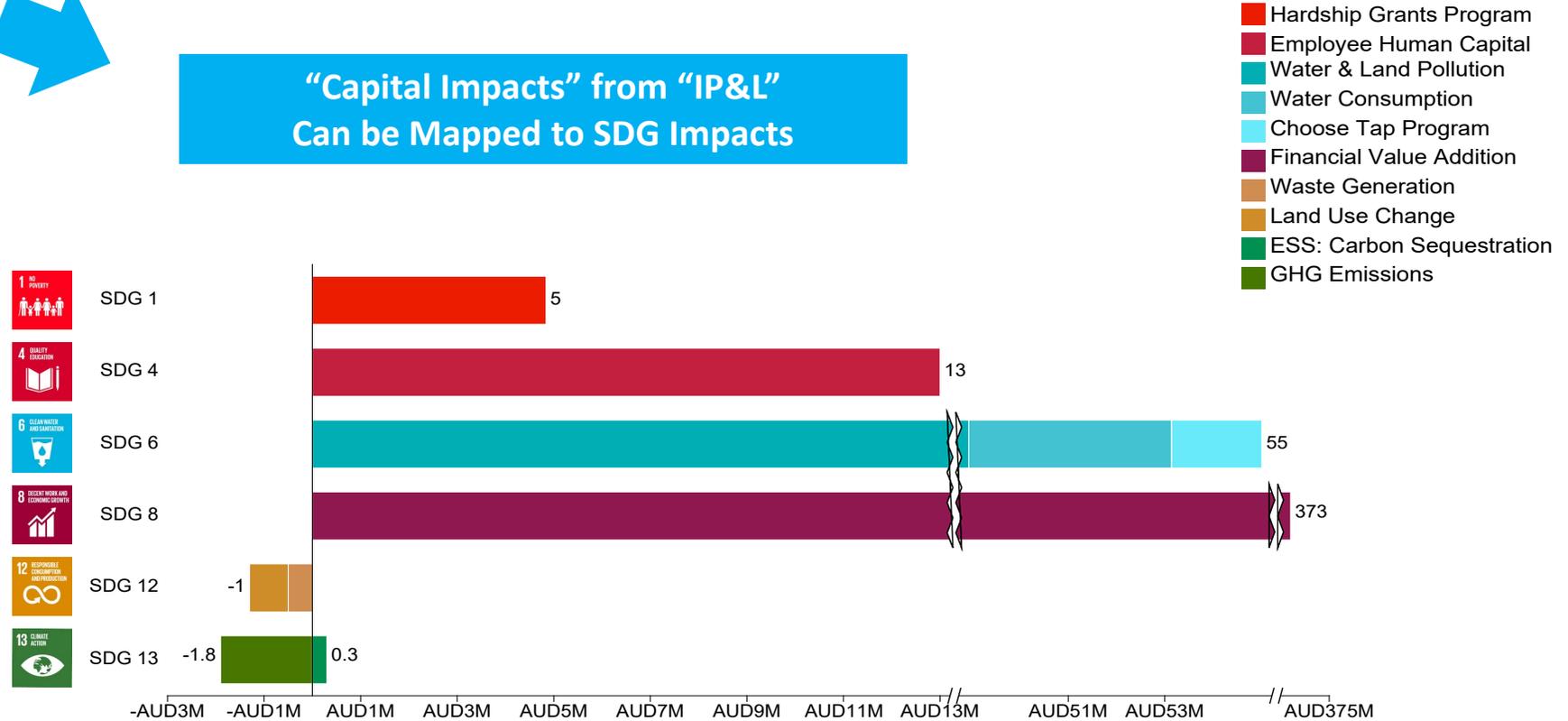
"IP&L" : Changed How YVW Measures Value..



Source: Yarra Valley Water (2016) Integrated Profit and Loss Report (IP&L). GIST Advisory and Trucost



"Capital Impacts" from "IP&L" Can be Mapped to SDG Impacts



Why are we needed?

“Capital Impacts” measure Corporate Sustainability: Its Impacts on Produced, Natural, Human & Social Capital:-

Ownership Category	Capital Class	Produced Capital	Human Capital	Natural Capital	
Private Ownership:		<ul style="list-style-type: none"> Factories, Buildings Cash, Securities, Investments Patents, Software, Licences 	<ul style="list-style-type: none"> Health Education Job Skills 	<ul style="list-style-type: none"> Mines Fields, Water bodies Private Forests 	
		<ul style="list-style-type: none"> Market design, regulations, rules, etiquette Exchange & OTC rules for delivery and settlement 			Social Capital
Community Ownership: (“Club Goods”)		<ul style="list-style-type: none"> Community Centres & Schools Shared infrastructure for village or neighbourhood 	<ul style="list-style-type: none"> Traditional Community Knowledge Community health 	<ul style="list-style-type: none"> Community Forests Grazing Commons Community water bodies 	
		<ul style="list-style-type: none"> Community rules, norms, customs, culture, quality of living Institutions to secure and optimize shared resources 			Social Capital
Public Ownership: (“Public Goods”)		<ul style="list-style-type: none"> Roads Bridges Public Hospitals 	<ul style="list-style-type: none"> Public Databases Non-patent Knowledge 	<ul style="list-style-type: none"> High Seas Fisheries National Parks & Forests 	
		<ul style="list-style-type: none"> Constitutions; Judiciary; Law & order systems; Taxation & public investment systems Social equity; Communal harmony; Cultural diversity 			Social Capital

NOTE: The ‘four capitals’ model of <IP&L™>, covers and maps across **all** the six capital of the IIRC’s Integrated Reporting <IR> framework, and it is wholly consistent with the “**Inclusive Wealth**” (IW) Reporting capitals framework of the United Nations.