

PUBLIC DISCLOSURE STATEMENT

MUNRO INVESTMENT HOLDINGS PTY LTD

ORGANISATION CERTIFICATION FY2021-22 (TRUE-UP)

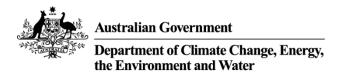
MUNRO

Climate Active Public Disclosure Statement





NAME OF CERTIFIED ENTITY	Munro Partners
REPORTING PERIOD	Financial year 01 July 2021 – 30 June 2022 True-up 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. Lechelle Hopper
	Lechelle Hooper Compliance Manager 18 May 2023



Public Disclosure Statement documents are prepared by the submitting organisation. The material in the Public Disclosure Statement document represents the views of the organisation and do not necessarily reflect the views of the Commonwealth. The Commonwealth does not guarantee the accuracy of the contents of the Public Disclosure Statement document and disclaims liability for any loss arising from the use of the document for any purpose.

Version March 2022.



1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	375.35 t CO ₂ -e
OFFSETS BOUGHT	100% ACCUs
RENEWABLE ELECTRICITY	N/A
TECHNICAL ASSESSMENT	Date: 18 February 2022 Name: Matias Sellanes Organisation: Ndevr Environmental Next technical assessment due: 2024-25
THIRD PARTY VALIDATION	Type 1 Date: 17 March 2022 Name: Alexander Stathakis Organisation: Conversio Pty Ltd

Contents

1.	Certification summary	3
2.	Carbon neutral information	4
3.	Emissions boundary	5
4.	Emissions reductions	7
5.	Emissions summary	9
6.	Carbon offsets	11
7. R	enewable Energy Certificate (REC) Summary	16
App	endix A: Additional Information	17
App	endix B: Electricity summary	19
App	endix C: Inside emissions boundary	21
App	endix D: Outside emissions boundary	21



2. CARBON NEUTRAL INFORMATION

Description of certification

This certification covers the Australian business operations of Munro Partners, ABN 58 295 538 057.

Organisation description

Munro Partners (ABN 58 295 538 057) is a privately owned company that operates as an investment manager with a core focus on global growth equities.

Munro Partners currently have 22 employees, 20 of which are located within their Melbourne office, and 2 remote workers based in Canada.

Munro Partners is the operating entity for Munro Group with the following subsidiaries:

- Munro Asset Management Limited (ABN 28 163 522 254)
- Munro Investment Holdings Pty Ltd (ABN 68 163 521 677)

The organisational boundary includes the grouping of activities and facilities in which Munro Partners exercises operational control.

Operational control is determined in accordance with the National Greenhouse and Energy Reporting Act 2007 and supporting legislation and documentation.

The reporting boundary includes all direct GHG emissions reported from within the organisational boundary, as well as those indirect GHG emissions that are a consequence of Munro Partners'

operations and activities and are deemed relevant by the Climate Active initiative administrator.

This GHG statement considers and quantifies carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O) emissions, measured in tonnes of CO2 -e. We are not aware of any significant hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF6), or nitrogen trifluoride (NF3) emission sources within the reporting boundary.

"As an Investment
Manager, we believe
that we cannot endorse
appropriate
environmental,
social and governance
issues to the companies
we invest in without first
incorporating standards
internally.

While Munro holds an Australian Financial Services licence (AFSL), we believe that incorporating ESG considerations into our business practices is our licence to operate into the future."



Munro Partners 4 Climate Activ

3.EMISSIONS BOUNDARY

Inside the emissions boundary

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

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

Non-quantified emissions have been assessed as relevant and are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. All material emissions are accounted for through an uplift factor. Further detail is available at Appendix C.

Outside the emissions boundary

Excluded emissions are those that have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary or are outside of the scope of the certification. These emissions are not part of the carbon neutral claim. Further detail is available at Appendix D.



Outside emission Inside emissions boundary boundary **Excluded Quantified** Non-quantified Food Not applicable Accommodation Postage, courier, and Base building emissions freight Carbon neutral services Refrigerants Electricity ICT services and equipment Office equipment and supplies Professional services Transport (air) Transport (land) Waste Water & wastewater Working from home **Optionally included** Toronto employees

Data management plan for non-quantified sources

There are no non-quantified sources in the emission boundary that require a data management plan.



4. EMISSIONS REDUCTIONS

Emissions reduction strategy

Munro has the following emission reduction target:

Reduce our business operating emissions 30% by 2030

The following table details Munro's plan to reduce our business operating carbon emissions.

This FY2022 assessment is our baseline and we will use this to measure our targets against. Our measures and reporting will consider growth in the business as measured by the number of FTE and any material changes to our business operations.

Our emissions have increased since the FY22 projected PDS due to the world opening up after the Covid-19 pandemic, for Munro this meant the resumption of global travel. Travel is a critical component of Munro's operations and is unavoidable as it is a core part of our investment process. We have a travel policy in place, whereby carbon emissions are a key consideration in travel planning.

We acknowledge that our approach to emission reduction will continue to evolve, as such we commit to reviewing our emission reduction strategy and plan annually.

Emissions reduction actions

Initiative	Description	Status
Energy		
Procure 100% green power or certified carbon neutral power from our energy retailer	Our Melbourne office premises has a 4 star NABERS Energy rating and 5 star NABERS Water rating. In May 2022 we switched our office electricity provider to Diamond Energy. Diamond Energy deliver more electricity sourced from renewables to the grid than their customers use, and are voted 5 stars (the highest rating) through the 2022 Greenpeace Green Electricity Rating.	Compliance achieved FY22. While Diamond Energy cannot confirm the energy Munro is utilising via the grid is from renewable sources, we consider we are meeting this initiative as Diamond Energy's delivery of energy to the grid is net positive, however we will continue to report on our office energy emissions as we cannot provide evidence of using renewable energy.
Waste		
Reduce head office landfill by 50% and add to our existing recycling program by redirecting food scraps and soft plastic away from landfill	In March 2022, we introduced organic waste recycling and soft plastic recycling to the office with the intention of lowering the waste our office is sending to landfill.	In progress, target completion date June 2025.
Implement a 'zero waste to landfill' program	Training team on recycling practices.	In progress, target completion date June 2030.
Operations		



Transition all outgoing postage services to 100% carbon neutral	In May 2022 we committed to utilising Australia Post for postal and courier services. Australia Post have committed to carbon neutral parcel delivery, and are a Climate Active Network Member.	Compliance achieved FY22.
Reduce paper usage and printing	Training team on reducing paper usage.	In progress, target completion date June 2024.
Reduce single use plastic and takeaway coffee cup usage	Training team on reducing single use plastic and using a reusable coffee cup.	In progress, target completion date June 2024.
Commute		
Switch to more sustainable transport for office commute	Discourage driving, encourage walking, cycling and public transport.	Training in progress, target completion date June 2027 target.
	We enable staff to work from home 2 days a week, this reduces the travel associated with commuting.	Completed FY 2022
Business Travel		
Avoid unnecessary travel	We encourage staff to combine multiple interstate and overseas trips to the one area to reduce air travel.	Policy implemented in FY22.
	We encourage video conferencing rather than travel when appropriate to minimise avoidable emissions.	
Travel carbon neutral	Select carbon neutral flights and accommodation when available. We are seeking a travel booking service that permits this, and recommends accommodation with a sustainability focus.	June 2024 target
Professional services		
Appoint providers of goods and services who have set their own climate change targets with evidence of implementation and working	We prioritise the procurement of carbon neutral services and products where available and advocate for our product and services providers to act sustainably.	June 2025 target
towards net zero emissions by 2050.	In our product and service selection process and periodic review process, we include a climate and sustainability focus.	
Portfolio companies		
Engage with our portfolio companies on climate issues and report on these engagements publicly.	Munro regularly engages directly with companies on climate issues, this can lead to positive changes made by these companies.	September 2023 target
engagementa publicity.	Engagement has a positive impact on the company, since it can prompt changes to practices that reduce climate risk and have a positive environmental impact.	
	Where we have material climate or sustainability concerns, we will either divest or engage with the company depending on the individual circumstances. We may also vote against resolutions at company meetings.	

Further information on Munro's approach to climate change and the decarbonisation of the planet is available on the ESG page of our <u>website</u>.



5.EMISSIONS SUMMARY

Use of Climate Active carbon neutral products and services

Qantas carbon neutral flights.

Organisation emissions summary

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

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

Emission category	Projected emissions (t CO ₂ -e)	Sum of total emissions (t CO ₂ -e)
Accommodation and facilities	0.89	0.78
Base building emissions*	0.00	43.91
Climate Active Carbon Neutral Products and Services	0.00	0.00
Electricity	54.53	20.23
Food	0.05	0.00
ICT services and equipment	16.92	25.23
Office equipment & supplies	6.70	4.03
Postage, courier, and freight	1.16	0.00
Professional Services	68.92	108.83
Stationary energy	2.25	0.00
Transport (Air)	0.82	144.78
Transport (Land and Sea)	0.91	4.67
Waste	1.25	1.38
Water	1.83	0.28
Working from home	12.12	5.22
Total net emissions	168.36	359.35
Difference between projected and actual		-190.99

*In the true-up account, base building emissions have been estimated using the publicly available NABERS rating and combine electricity and stationary energy into one line item. The projected report used the estimates from the Climate Active calculator which separates electricity, natural gas, and diesel consumption.



Uplift factors

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

Reason for uplift factor		t CO ₂ -e
Toronto employees		16.00
	Total of all uplift factors	16.00
	Total footprint to offset (total net emissions from summary table + total uplifts)	375.35



6.CARBON OFFSETS

Offsets retirement approach

In a	arrears (true-up)	
1.	Total emissions footprint to offset for this report	375.35 t CO ₂ -e
2.	Total eligible offsets purchased and retired for this report	376
3.	Total eligible offsets banked to use toward next year's report	Nil



Co-benefits



Merciless wildfires wreaking havoc across Australian landscapes and scorching native wildlife, such as koalas and kangaroos, have received increasing media attention in recent years. Straddling an unusual place when it comes to natural disasters, wildfires are both driven by climate change and contribute to it. As this vicious cycle of destruction continues the need for human intervention has never been more evident and is key in saving Australia's terrestrial ecosystems.

Savanna fire is a major source of global greenhouse gas (GHG) emissions in Australia, contributing to around 3% of the country's annual GHGs. By strategically planned burning of savanna areas, the Mount Mulgrave project, located in North Queensland, aims to significantly reduce the risk of rampant wildfires spreading across the region in dry season.

Ran for seven years by a family local to the area, the project involves multiple fire management activities including the initiation of controlled fires to reduce flammable vegetation as well as firefighting. Through these preventative measures the project not only reduces global GHGs each year but equally preserves Northern Australia's unique landscape and protects the country's endemic wildlife. Moreover, as a market-based mechanism for climate protection, the initiative provides financial incentive to landowners to continue in climate-friendly fire management practices.

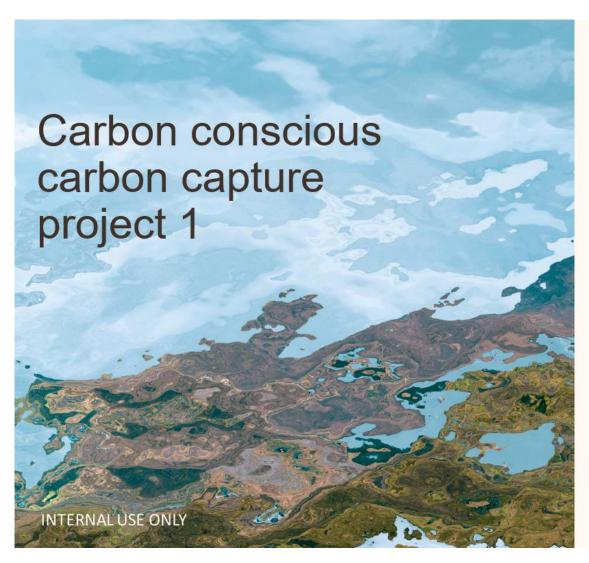
Sustainable Development Goals











This project establishes permanent plantings of mallee eucalypt tree species on land that was predominantly used for agricultural purposes for at least five years prior to project commencement.

The 5,700ha of reforestation is, contained on 14 properties within the Central and Northern Agricultural Regions of Western Australia. The regions that contain the project areas are recognised as significantly over-cleared, and the reforestation is:

- providing protective habitat for native flora and fauna;
- · reducing wind and water erosion;
- in some cases reducing soil salinity; and
- in some cases providing a useful environment for sheep and honey bees.

From 2009 to 2010 over 6,000,000 native species mallee trees were planted on land previously cleared for dryland cropping and grazing.

Registration as a Carbon Farming Initiative Project included commitment to maintain the project forest for a minimum 100 years.

Sustainable Development Goals









This project involves strategic and planned burning of savanna areas in the high rainfall zone during the early dry season to reduce the risk of late dry season wildfires.

Early dry-season burning on the Kalpowar Aboriginal Land in eastern Cape York is delivering a 25 year income stream to the Alka Bawar (Kalpowar) Aboriginal Corporation. This land was returned to Traditional Owners in 2005, encompassing Aboriginal Freehold Land, national parks and nature refuge. The area features spectacular Chenier ridges and coastal wetlands with adjacent patches of rainforest, woodlands and grasslands.

Management of fire in these traditional homelands not only avoids emissions from late season wildfires but works to protect cultural sites and provides culturally important employment on country.

Sustainable Development Goals











Eligible offsets retirement summary

Drainat description	Type of	Pogiotr:	Date retired	Sorial number (and	Vintage	Stopled	Eligible	Eligible	Eligible	Eligible	Doroontogo of
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity (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 (%)
Northern Savanna Project- Alka Bawar (Kalpowar), Australia	ACCU	ANREU	07 April 2022	3801420392-3801420392	2019-20		1	0	0	1	<1
Northern Savanna Project- Alka Bawar (Kalpowar), Australia	ACCU	ANREU	07 April 2022	3801420393-3801420394	2019-20		2	0	0	2	<1
Carbon Conscious Carbon Capture Project 1, Australia	ACCU	ANREU	07 April 2022	3752025328-3752025539	2016-17		212	0		212	56
Mount Mulgrave Savanna Fire Management	ACCU	ANREU	13 December 2022	8347895795-8347895953	2022-23		161	0	0	161	43
Total offsets retired this report and used in this repo								sed in this report	376		
				Total offsets retired this report and banked for future reports							
Type of offset units				Quantity (used for this reporting period claim) Percentage of total							
Australian Carbon Cre	edit Units (A	CCUs)		376 100%							



7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

Not applicable.

The following RECs have been surrendered to reduce electricity emissions under the market-based reporting method.

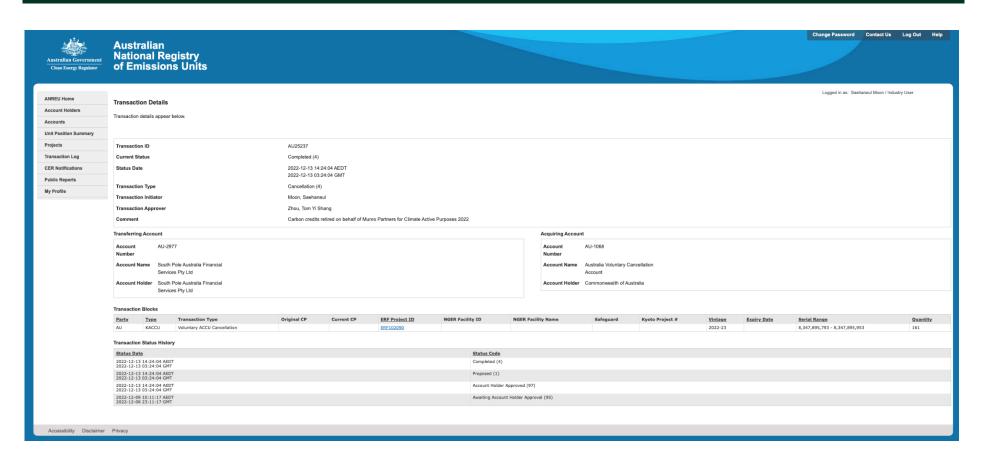
1. Large-scale Generation certificates (LGCs)*	0
2. Other RECs	0

^{*} LGCs in this table only include those surrendered voluntarily (including through PPA arrangements), and does not include those surrendered in relation to the LRET, GreenPower, and jurisdictional renewables.

Project supported by LGC purchase	Eligible units	Registry	Surrender date	Accreditation code (LGCs)	Certificate serial number	Generation year	Quantity (MWh)	Fuel source	Location
			Tota	I LGCs surrendered this	report and used	in this report		0	



APPENDIX A: ADDITIONAL INFORMATION







APPENDIX B: ELECTRICITY SUMMARY

Electricity emissions are calculated using a location-based approach

Location-based method

The location-based method provides a picture of a business's electricity emissions in the context of its location, and the emissions intensity of the electricity grid it relies on. It reflects the average emissions intensity of the electricity grid in the location (State) in which energy consumption occurs. The location-based method does not allow for any claims of renewable electricity from grid-imported electricity usage.

Market-based method

The market-based method provides a picture of a business's electricity emissions in the context of its renewable energy investments. It reflects the emissions intensity of different electricity products, markets and investments. It uses a residual mix factor (RMF) to allow for unique claims on the zero emissions attribute of renewables without double-counting.

Market Based Approach	Activity Data (kWh)	Emissions (kgCO2e)	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 & Precinct LGCs)	0	0	0
GreenPower	0	0	0
Jurisdictional renewables (LGCs retired)	0	0	0
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0
Large Scale Renewable Energy Target (applied to grid electricity only)	3,740	0	19%
Residual Electricity	16,379	16,297	0%
Total grid electricity	20,120	16,297	19%
Total Electricity Consumed (grid + non grid)	20,120	16,297	19%
Electricity renewables	3,740	0	
Residual Electricity	16,379	16,297	
Exported on-site generated electricity	0	0	
Emissions (kgCO2e)		16,297	

Total renewables (grid and non-grid)	18.59%
Mandatory	18.59%
Voluntary	0.00%
Behind the meter	0.00%
Residual Electricity Emission Footprint (TCO2e)	16
Figures may not sum due to rounding. Renewable percei	ntage can be above 100%

Location Based Approach Summary



Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kg CO ₂ -e)	Scope 3 Emissions (kg CO ₂ -e)	
Vic	20,120	18,309	2,012	
Grid electricity (scope 2 and 3)	20,120	18,309	2,012	
Vic	0	0	0	
Non-grid electricity (Behind the meter)	0	0	0	
Total Electricity Consumed	20,120	18,309	2,012	

Emission Footprint (t CO ₂ -e)	20
Scope 2 Emissions (t CO ₂ -e)	18
Scope 3 Emissions (t CO ₂ -e)	2

Climate Active Carbon Neutral Electricity summary

Carbon Neutral electricity offset by Climate Active Product	Activity Data (kWh)	Emissions (kgCO2e)
N/A	0	0

Climate Active carbon neutral electricity is not renewable electricity. The emissions have been offset by another Climate Active member through their Product certification.



APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following sources emissions have been assessed as relevant, are captured within the emissions boundary, but are not measured (quantified) in the carbon inventory. They have been non-quantified due to <u>one</u> of the following reasons:

- 1. <u>Immaterial</u> <1% for individual items and no more than 5% collectively
- 2. Cost effective Quantification is not cost effective relative to the size of the emission but uplift applied.
- 3. <u>Data unavailable</u> Data is unavailable but uplift applied. A data management plan must be put in place to provide data within 5 years.
- 4. Maintenance Initial emissions non-quantified but repairs and replacements quantified.

Relevant-nonquantified emission sources

(1) Immaterial

(2) Cost effective (but uplift applied)

(3) Data unavailable (but uplift applied & data plan in place)

(4) Maintenance

Not applicacable

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

The below emission sources have been assessed as not relevant to an organisation's or precinct's operations and are outside of its emissions boundary. These emissions are not part of the carbon neutral claim. Emission sources considered for relevance must be included within the certification boundary if they meet two of the five relevance criteria. Those which only meet one condition of the relevance test can be excluded from the certification boundary.

Emissions tested for relevance are detailed below against each of the following criteria:

- <u>Size</u> The emissions from a particular source are likely to be large relative to the organisation's electricity, stationary energy and fuel emissions
- 2. <u>Influence</u> The responsible entity has the potential to influence the reduction of emissions from a particular source.
- 3. <u>Risk</u> 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.
- 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.



- Food has been excluded as this emission source has been assessed as not relevant according to the relevance test.
- Postage, courier, and freight has been excluded as this emission source has been assessed as not relevant according to the relevance test.
- Refirgernats has been excluded as this emission source has been assessed as not relevant according to the relevance test.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Food	No	No	No	No	No	No
Postage, courier, and freight	No	No	No	No	No	No
Refrigerants	No	No	No	No	No	No





