



PUBLIC DISCLOSURE STATEMENT

FORTITUDE INVESTMENT PARTNERS

ORGANISATION CERTIFICATION

FY2022-23

Australian Government

Climate Active Public Disclosure Statement

 **FORTITUDE**

INVESTMENT
PARTNERS



An Australian Government Initiative



NAME OF CERTIFIED ENTITY	Fortitude Investment Partners Pty Ltd
REPORTING PERIOD	Financial Year 1 July 2022 – 30 June 2023 Arrears Report
DECLARATION	<p><i>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.</i></p> <p><i>Signature here</i></p>  <p>Nick Miller Managing Partner Date 12 January 2024</p>



Australian Government

Department of Climate Change, Energy,
the Environment and Water

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Version August 2023.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	195.76 tCO ₂ -e
OFFSETS USED	50% VERs, 50% VCUs
RENEWABLE ELECTRICITY	18.80%
CARBON ACCOUNT	Prepared by: Pathzero
TECHNICAL ASSESSMENT	13/10/2023 Pathzero Next technical assessment due: FY 2026

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2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2022 to 30 June 2023 and covers the business operations of Fortitude Investment Partners Pty Ltd (ABN 97 635 593 949).

The emissions boundary has been defined based on the operational control approach. Thereby, all emissions activities within Fortitude's operational boundary have been incorporated. This does not include investments. This has been employed in accordance with the principles of the National Greenhouse and Energy Reporting Act 2007. This includes the following locations and facilities:

- Level 12, 241 Adelaide Street, Brisbane 4000 QLD
- Level 19, 260 Queen Street, Brisbane 4000 QLD

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).

Organisation description

Fortitude is a private equity firm, specialising in growth capital investments in Australia and New Zealand.

We are a team of investment specialists, connecting investors to growth capital opportunities and risk adjusted returns, through a disciplined, systematic approach to value creation.

We focus on key target sectors to help grow businesses and strengthen the economy. We support our investee companies through access to capital, strategic decision making, assisting with the development of an achievable growth plan, executive recruitment, M&A and improved corporate governance.

Located and operating in Brisbane, Australia, Fortitude Investment Partners Pty Ltd is a corporate entity which is jointly owned by Australian Alternative Asset Partners Pte Ltd and Fortitude's Partners. The following entities are included within this certification:

Legal entity name	ABN	ACN
FIP Holdings	91 122 065 516	122 065 516

Furthermore, the parent organisation, Australian Alternative Asset Partners Pte. Ltd has not been included in the organisational boundary of this certification as it is a Singaporean company. This certification only contains our Australian operations.

3.EMISSIONS BOUNDARY

This is a small organisation certification, which uses the standard Climate Active small organisation emissions boundary.

Inside the emissions boundary

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

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

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

Outside the emissions boundary

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

Inside emissions boundary

Quantified

- Accommodation
- Cleaning and chemicals
- Construction materials and services
- Electricity
- Food
- ICT services and equipment
- Postage, courier, and freight
- Professional services
- Stationary energy (gaseous fuels)
- Transport (air)
- Transport (Land and sea)
- Working from home
- Office equipment and supplies
- Staff commuting
- Venue Hire
- Warehouse (3rd party)
- Water

Non-quantified

- Refrigerants
- Waste

Optionally included

N/A

Outside emission boundary

Excluded

Investments

4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Fortitude is committed to achieving carbon neutrality since inception, with a current goal of reducing emissions by 15% per employee by the year 2030 from a 2019-20 base year. Fortitude recognise the importance of reducing our environmental impact, is also a signatory to the United Nations Principles of Responsible Investment and recognise the importance of responsible investing.

Our aim is to operate in a sustainable way through:

- Reducing our emissions to the extent possible whilst fulfilling our duties to investors, with a target of reducing emissions by 15% per employee by the year 2030;
- Advocating for video conferencing post the COVID-19 pandemic to reduce Air Transport emissions (reducing travel related emissions per person by 15% by the year 2030);
- Educating our employees and portfolio companies on having a reduced impact on the climate and encouraging carpool and walking;
- Offsetting our carbon footprint to remain carbon neutral;
- Transitioning toward a paperless organization, if possible, by 2027 and work to reduce paper usage by converting as much as possible to digital;
- Transitioning our premises to greater environmental rating by 2027;

Emissions reduction actions

- Fortitude saw a reduction in emissions for land transport, this is due to educating our employees about having a reduced impact on the climate and encouraging carpool and walking to work when possible.

5.EMISSIONS SUMMARY

Emissions over time

		Emissions since base year	
		Total tCO ₂ -e (without uplift)	Total tCO ₂ -e (with uplift)
Base year/Year 1:	2019-20	80.839	85.74
Year 2:	2020-21	69.04	72.49
Year 3:	2021-22	66	69.62
Year 4:	2022-23	186.44	195.76

Significant changes in emissions

Notable year-on-year movements in emissions include:

- **Tenancy Electricity** – Fortitude's tenancy electricity consumption increased in FY23, this is due to business and employee growth and moving to larger office premises.
- **Air Transport** – The increase in air transport emissions was mainly due to business and employee growth and the elimination of Covid restrictions.
- **Printing and stationery** – There was a slight increase in printing and stationery due to staff and business growth. With this taken into consideration, this increase is still in line with business goals of educating our employees and portfolio companies on having a reduced impact on the climate.

Emission source name	Previous year emissions (t CO ₂ -e)	Current year emissions (t CO ₂ -e)	Detailed reason for change
Computer and technical services	12.8	19.74	Significant business growth resulted in Fortitude moving to new premises. This combined with an upgrade of equipment and additional staff has resulted in an increase in emissions.
Short economy class flights (>400km, <3,700km)	21.24	25.34	Business and staff growth, elimination of Covid restrictions resulting in increased travel.

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

N/A

Emissions summary

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

Emission category	Sum of scope 1 (tCO ₂ -e)	Sum of scope 2 (tCO ₂ -e)	Sum of scope 3 (tCO ₂ -e)	Sum of total emissions (t CO ₂ -e)
Accommodation and facilities	0.00	0.00	1.96	1.96
Cleaning and Chemicals	0.00	0.00	0.92	0.92
Construction Materials and Services	0.00	0.00	0.08	0.08
Electricity	0.00	30.47	4.03	34.51
Food	0.00	0.00	17.14	17.14
ICT services and equipment	0.00	0.00	21.76	21.76
Office equipment & supplies	0.00	0.00	2.79	2.79
Postage, courier and freight	0.00	0.00	0.23	0.23
Professional Services	0.00	0.00	47.39	47.39
Staff Commuting	0.00	0.00	9.77	9.77
Stationary Energy (gaseous fuels)	0.09	0.00	0.01	0.10
Transport (Air)	0.00	0.00	31.00	31.00
Transport (Land and Sea)	0.00	0.00	0.36	0.36
Venue Hire	0.00	0.00	16.70	16.70
Warehouse (3 rd party)	0.00	0.00	0.11	0.11
Water	0.00	0.00	0.00	0.00
Working from home	0.00	0.00	1.64	1.64
Total emissions	0.09	30.47	155.88	186.44

Uplift factors

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

Reason for uplift factor	tCO ₂ -e
Mandatory 5% uplift for small organisations	9.32
Total of all uplift factors	9.32
Total emissions footprint to offset <i>(total emissions from summary table + total of all uplift factors)</i>	195.76

6. CARBON OFFSETS

Offsets retirement approach

This certification has taken an in-arrears offsetting approach. The total emission to offset is 196 t CO₂-e. The total number of eligible offsets used in this report is 196. Of the total eligible offsets used, 0 were previously banked and 196 were newly purchased and retired. 0 are remaining and have been banked for future use.

Co-benefits

Pacajai REDD+ Project

The co-benefits of the cookstove distribution project include:

- Improved health with a fuel-efficient stove that doesn't generate as much smoke and uses less fuel (i.e. pollution reduction).
- Better cooking time, less need to cut the forest for wood.
- Controlled fire, less risk of burning the house.
- Improved environment as trees don't need to be cut down to produce firewood for cooking.
- Improved cleaning as it is easier to start the stove, easier to clean ash and easier to use in general.
- The primary benefactors are women, as it is not customary for men to cook in the region.

Promoting Improved Cooking practices in Nigeria

The project involves manufacturing and distribution of efficient charcoal cookstoves that would replace the inefficient cookstoves currently being used in the host country of Nigeria. The project will help thousands of families, small and medium commercial entities in Nigeria and will reduce the Greenhouse Gas emissions.

Eligible offsets retirement summary

Offsets retired for Climate Active Carbon Neutral Certification											
Project description	Type of offset units	Registry	Date retired	Serial number (and hyperlink to registry transaction record)	Vintage	Stapled quantity	Eligible quantity retired (tCO ₂ -e)	Eligible quantity used for previous reporting periods	Eligible quantity banked for future reporting periods	Eligible quantity used for this reporting period	Percentage of total (%)
Pacajai REDD+ Project	VCU	Verra	23 October 2023	9738-128743614-128743711-VCS-VCU-259-VER-BR-14-981-01012017-31122017-0	2017		98	0	0	98	50%
Promoting Improved Cooking practices in Nigeria	VER	Impact Registry	23 October 2023	GS1-1-NG-GS7312-16-2021-22147-475757-475854	2021		98	0	0	98	50%
Total eligible offsets retired and used for this report										196	
Total eligible offsets retired this report and banked for use in future reports									0		
Type of offset units				Eligible quantity (used for this reporting period)				Percentage of total			
Verified Emissions Reductions (VERs)				98				50%			
Verified Carbon Units (VCUs)				98				50%			

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A

APPENDIX A: ADDITIONAL INFORMATION

N/A

APPENDIX B: ELECTRICITY SUMMARY

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

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

Location-based method:

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

Market-based method:

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

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

Market-based approach summary			
Market-based approach	Activity Data (kWh)	Emissions (kg CO ₂ -e)	Renewable percentage of total
	0	0	0%
Behind the meter consumption of electricity generated			
Total non-grid electricity	0	0	0%
LGC Purchased and retired (kWh) (including PPAs)	0	0	0%
GreenPower	0	0	0%
Climate Active precinct/building (voluntary renewables)	0	0	0%
Precinct/Building (LRET)	0	0	0%
Precinct/Building jurisdictional renewables (LGCS surrendered)	0	0	0%
Electricity products (voluntary renewables)	0	0	0%
Electricity products (LRET)	0	0	0%
Electricity products jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LGCs surrendered)	0	0	0%
Jurisdictional renewables (LRET) (applied to ACT grid electricity)	0	0	0%
Large Scale Renewable Energy Target (applied to grid electricity only)	8,365	0	19%
Residual Electricity	36,132	34,506	0%
Total renewable electricity (grid + non grid)	8,365	0	19%
Total grid electricity	44,497	34,506	19%
Total electricity (grid + non grid)	44,497	34,506	19%
Percentage of residual electricity consumption under operational control	100%		
Residual electricity consumption under operational control	36,132	34,506	
Scope 2	31,908	30,473	
Scope 3 (includes T&D emissions from consumption under operational control)	4,223	4,033	
Residual electricity consumption not under operational control	0	0	
Scope 3	0	0	

Total renewables (grid and non-grid)	18.80%
Mandatory	18.80%
Voluntary	0.00%
Behind the meter	0.00%
Residual scope 2 emissions (t CO₂-e)	30.47
Residual scope 3 emissions (t CO₂-e)	4.03
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	30.47
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO₂-e)	4.03
Total emissions liability (t CO₂-e)	34.51

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

Location-based approach summary						
Location-based approach	Activity Data (kWh) total	Under operational control			Not under operational control	
Percentage of grid electricity consumption under operational control	100%	(kWh)	Scope 2 Emissions (kgCO ₂ -e)	Scope 3 Emissions (kgCO ₂ -e)	(kWh)	Scope 3 Emissions (kgCO ₂ -e)
ACT	0	0	0	0	0	0
NSW	0	0	0	0	0	0
SA	0	0	0	0	0	0
VIC	0	0	0	0	0	0
QLD	44,497	44,497	32,483	6,675	0	0
NT	0	0	0	0	0	0
WA	0	0	0	0	0	0
TAS	0	0	0	0	0	0
Grid electricity (scope 2 and 3)	44,497	44,497	32,483	6,675	0	0
ACT	0	0	0	0		
NSW	0	0	0	0		
SA	0	0	0	0		
VIC	0	0	0	0		
QLD	0	0	0	0		
NT	0	0	0	0		
WA	0	0	0	0		
TAS	0	0	0	0		
Non-grid electricity (behind the meter)	0	0	0	0		
Total electricity (grid + non grid)	44,497					

Residual scope 2 emissions (t CO ₂ -e)	32.48
Residual scope 3 emissions (t CO ₂ -e)	6.67
Scope 2 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	32.48
Scope 3 emissions liability (adjusted for already offset carbon neutral electricity) (t CO ₂ -e)	6.67
Total emissions liability	39.16

APPENDIX C: INSIDE EMISSIONS BOUNDARY

Non-quantified emission sources

The following emissions sources 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 one of the following reasons:

1. **Immaterial** <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. **Data unavailable** 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 non-quantified emission sources	Justification reason
Refrigerants	Immaterial
Waste	Immaterial

Data management plan for non-quantified sources

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

APPENDIX D: OUTSIDE EMISSIONS BOUNDARY

Excluded emission sources

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

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

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's, stationary energy and fuel emissions.
2. **Influence** The responsible entity has the potential to influence the reduction of emissions from a particular source.
3. **Risk** The emissions from a particular source contribute to the organisation's greenhouse gas risk exposure.
4. **Stakeholders** Key stakeholders deem the emissions from a particular source are relevant.
5. **Outsourcing** The emissions are from outsourced activities previously undertaken within the organisation's boundary, or from outsourced activities typically undertaken within the boundary for comparable organisations.

Excluded emissions sources summary

Emission sources tested for relevance	Size	Influence	Risk	Stakeholders	Outsourcing	Justification
Investments	Y	N	N	N	N	<p>Size: Fortitude's investments/financed emissions will be large compared to our organisational footprint.</p> <p>Influence: Fortitude has limited ability to influence the emissions from this source as they are not in our operational control.</p> <p>Risk: There are no relevant laws or regulations that apply to limit emissions specifically from this source.</p> <p>Stakeholders: Key stakeholders such as investors and the general public may not consider this a relevant source of emissions for the business.</p> <p>Outsourcing: Fortitude has not previously undertaken this activity within our emissions boundary and comparable organisations do not typically undertake this activity within their boundary.</p>



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