Fact sheet

Munro Climate Change Leaders Fund

MCCL - Long Only

The Munro Climate Change Leaders Fund

A portfolio of structural climate winners that help enable the decarbonisation of the planet.

KEY FACTS

INVESTMENT	**Global equities**
STRATEGY	**Long only**
STYLE	**Growth - Climate**
FUND TYPE	**Unlisted managed fund**
FUND INCEPTION	**29 October 2021**
NUMBER OF POSITIONS	**15 - 25**
PRICING	**Daily**
DISTRIBUTIONS	**Annual**
MANAGEMENT FEE (P.A)	**0.90%**
MINIMUM SUGGESTED INVESTMENT PERIOD	**5+ years**
APIR CODE	**GSF1423AU**

INVESTMENT SUMMARY

The Munro Climate Change Leaders Fund is focused on creating a portfolio of climate winners that help enable the decarbonisation of the planet – those companies that are best positioned to champion and win from this structural change.

INVESTMENT OBJECTIVE

The investment return objective of the Fund is to maximise long term capital appreciation, by investing primarily in a concentrated long-only portfolio of companies focused on decarbonisation and climate change located anywhere in the world. The Fund aims to achieve a return greater than the MSCI All Country World (Net) Index in $A (Net) over a 5 to 7 year period.

The Fund is not intended to replicate the index.

INVESTMENT TEAM

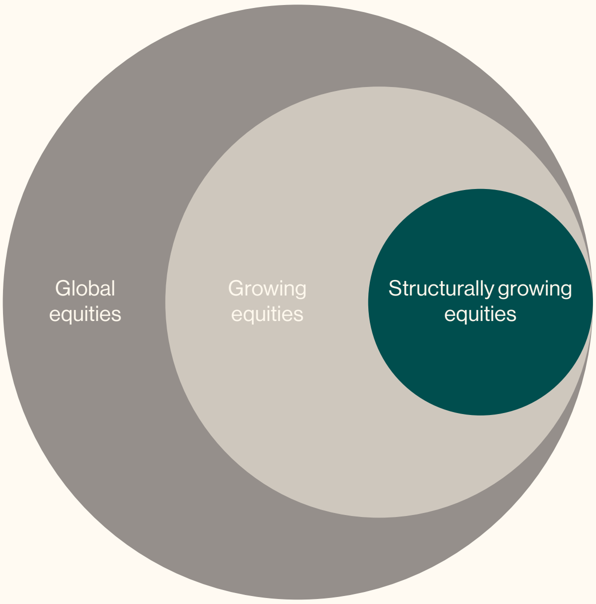
Nick Griffin, CIO & Co-Lead
James Tsinidis, Portfolio Manager & Co-Lead
Jeremy Gibson, Portfolio Manager
Kieran Moore, Portfolio Manager

ABOUT MUNRO PARTNERS

Munro Partners is a global investment manager with a core focus on growth equities. Established in 2016 by an award-winning investment team with a proven track record of strong returns, the business is owned and controlled by its staff. Via our proprietary investment process, worldwide network and unique knowledge base, we invest alongside our clients to benefit from the key structural changes in our world today. The business is Australian domiciled, with its head office in Melbourne.

Investment approach

1. IDEA GENERATION

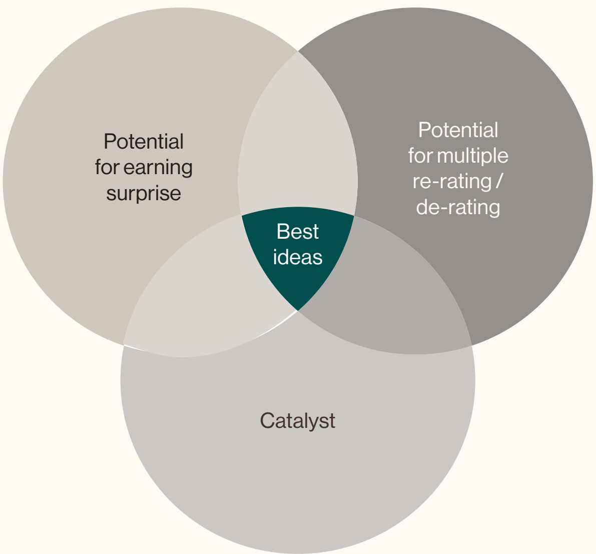


2. IDEA EVALUATION QUALITATIVE

Growth	Faster revenue growth versus peers and a growing total addressable market
EPS growth	Pricing power or economic leverage to be able to improve margins
Earnings durability	Ability to sustain growth due to scale, position, intellectual property &/or locational advantages
ESG	Management of environmental, social and governance risks and opportunities
Control	Strong management ownership and aligned incentives
Customer perception	Strong customer reviews and rapid adoption of its products and services

UNIVERSE

3. IDEA EVALUATION QUANTITATIVE



4. PORTFOLIO CONSTRUCTION

Stocks	15-25 climate positions
Stock constraints	Max 10% of NAV at cost
Cash	Max 10%
Currency	Unhedged
Risk management	Proprietary stop loss review framework

PORTFOLIO

Investment approach

Climate investment is at the very start of its S-curve, with many new climate technologies still early in the adoption phase and therefore having the potential for significant growth.

Munro has identified four sub-sectors or sub-trends of interest related to the world's move toward a net zero carbon emissions goal:

Clean Energy

Companies at the forefront of renewable energy generation covering wind, solar and renewable diesel.

Energy Efficiency

Companies at the forefront of insulation products, electrical switches, lighting and metering technology.

Clean Transport

Companies benefitting from the growth of electric vehicles, battery technology and alternative transportation.

Circular Economy

Companies most likely to benefit from efforts to improve recycling, alternative packaging materials and management of wastewater.

For more details on the case for climate, the race to net zero and the sub-trends above, please visit Munro Partners here and download the Climate AoI whitepaper.

HOW IS THIS FUND DIFFERENT TO OTHER GLOBAL CLIMATE FUNDS?

- In comparison to many other climate funds that focus on index weighted net-zero businesses, the the Munro Climate Change Leaders Fund is built on a concentrated long-only portfolio of 15 to 25 companies combatting climate change.
- Each of Munro's funds are focused on finding global structural growth winners, however the Munro Climate Change Leaders Fund is focused on creating a portfolio of climate winners that help enable the decarbonisation of the planet – those companies that are best positioned to champion and win from this structural change.
- The Fund offers investors the opportunity to invest in a concentrated portfolio of listed equities across a range of industries and countries whose earnings prospects should improve with increased investment and focus on decarbonisation.
- It comprises a high conviction portfolio climate poisitions that aims to outperform the MSCI over a 5 to 7 year period.
- The investment strategy is designed to identify sustainable growth trends that are under-appreciated and mispriced by the market, and the resulting winning stocks.
- It provides access to a high-quality, Australian-based investment management team with a proven track record of running international equity mandates for clients.
- It has a disciplined investment process that utilises a proprietary stop loss review framework and price targets.
- The Munro team invests in the Fund, creating a strong alignment of interests between Munro and our clients.

SUITABILITY

The Fund is designed for investors seeking a long term exposure to a portfolio of high quality global growth and climate change focused equities with the potential for capital gains.

The investment return objective of the Fund is to maximise long term capital appreciation, by investing primarily in a concentrated long-only portfolio of companies focused on decarbonisation and climate change located anywhere in the world.

The Fund aims to achieve a return greater than the MSCI All Country World Index (Net) in $A over a 5 to 7 year period.

The Fund will invest in a concentrated portfolio of 15 to 25 listed equities across a range of industries and countries whose earnings prospects should improve with increased investment and focus on decarbonisation.

For more information about the Munro Climate Change Leaders Fund:

munropartners.com.au
contact@munropartners.com.au

UNDERSTANDING MANAGEMENT COSTS

The Fund has a management fee of 0.90% p.a.

More details on the management costs, including worked examples, are available in the Fund's Product Disclosure Statement and Additional Information Booklet.

WHO IS GSFM?

GSFM Responsible Entity Services Limited (GRES) is the responsible entity for the Fund. As responsible entity, GRES issues units in the Fund and is responsible for its operation.

Munro Partners is the investment manager of the Fund under the Investment Management Agreement.

GSFM also distributes the Fund through financial advisors and platforms. For more information, please visit the website www.gsfm.com.au

This document is issued on 31 July 2022