

MCCL.ASX

September 2023 – Monthly Report

Month

-6.2%

MSCI ACWI

-3.8%

Inception (p.a.)

-1.1%

FUND FEATURES

- INCEPTION: 20 JANUARY 2022
- DECARBONISATION FOCUS
- 15-25 CLIMATE STOCK POSITIONS
- LONG-ONLY, UNHEDGED
- RELATIVE RETURNS
- \$29M FUND FUM
- \$59M UNDERLYING FUND FUM
- \$110M STRATEGY FUM
- \$4.3B FIRM FUM

MONTHLY SUMMARY

MCCL.ASX returned -6.2% in September (-6.0% from equities and -0.2% from currency), while MSCI ACWI returned -3.8% (-3.5% from equities and -0.30% from currency). Global markets declined in September, with concerns that the US Federal Reserve will keep rates higher for longer and equity valuation multiples subsequently come under pressure. Robust economic data from the US and an increase in oil prices added fuel to the rise in bond yields. Constellation Energy was the Fund's strongest performer, while the Fund's solid and hazardous waste stocks also held up better in what was a tough period. These stocks tend to hold up better in a risk off environment because of their stable earnings streams. The Fund's largest detractors included Nextera Energy and Quanta Services. Nextera has come under valuation pressure from higher interest rates, as it makes its dividend relatively less attractive. Beyond the "valuation re-set" the market is also concerned that higher rates will inhibit its renewables growth, given its use of debt to finance new projects. This dynamic also pressured suppliers like Quanta who provide the construction for these projects. While sharply higher rate moves are always difficult for equities, we do note the diversification and size of the overall climate opportunity. The companies in the Fund are dominant in their industries and, in our view, have the balance sheets to withstand higher rates.

TOP 5 HOLDINGS

CONSTELLATION	US	8.4%
WASTE MANAGEMENT	US	7.3%
CLEAN HARBORS	US	7.3%
KINGSPAN	IE	6.7%
LINDE	US	6.3%

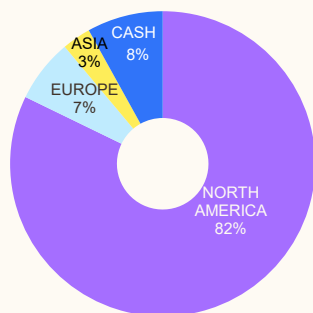
SUB AOIs

ENERGY EFFICIENCY	34.2%
CLEAN ENERGY	25.6%
CIRCULAR ECONOMY	23.5%
CLEAN TRANSPORT	8.7%
CASH	8.0%

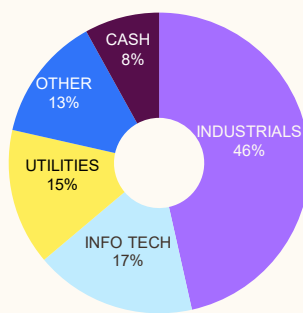
TOP 5 CONTRIBUTORS BPS

CONSTELLATION	US	34
ARM	US	6
AEP	US	1
COMFORT SYSTEMS	US	(4)
TESLA	US	(5)

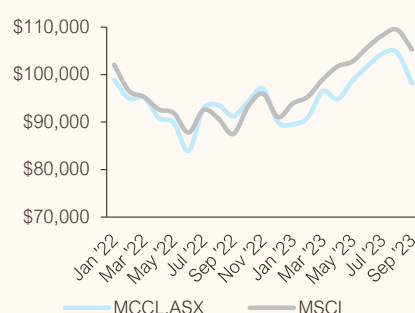
BY REGION



BY SECTOR



GROWTH OF \$100,000



PERFORMANCE

	1 MTH	3 MTHS	6 MTHS	1 YR	INCEPT P.A.	INCEPT CUM.
MCCL.ASX	-6.2%	-3.5%	1.7%	7.6%	-1.1%	-1.8%
MSCI ACWI NET INDEX (AUD)	-3.8%	-0.4%	6.4%	20.3%	3.1%	5.3%
EXCESS RETURN	-2.4%	-3.2%	-4.7%	-12.8%	-4.2%	-7.1%

IMPORTANT INFORMATION: Past performance is provided for illustrative purposes only and is not a guide to future performance. As at 30 September 2023 unless otherwise specified. Inception date is 20 January 2022 for the ASX Quoted Units. The unit price reflects the month end closing unit price for the ASX Quoted Units under the ticker, MCCL. Returns of the MCCL.ASX are net of management costs and assumes distributions have been reinvested. The MSCI ACWI Index AUD refers to the MSCI All Country World Index Net Index in Australian Dollars. BPS refers to Basis Points. AOIs refers to Areas of Interest. EM refers to Emerging Markets (including China). GSFM Responsible Entity Services Limited ABN 48 129 256 104 AFSL 321517 (GRES) is the responsible entity of the Munro Climate Change Leaders Fund (Managed Fund) ("MCCL.ASX") ARSN 654 018 952 (Fund) and is the issuer of this information. This information has been prepared without taking account of the objectives, financial situation or needs of individuals. Before making an investment decision in relation to the Fund, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs and read and consider the product disclosure statement for the Fund dated 10 December 2021 (PDS) which may be obtained from www.gsfm.com.au, www.munropartners.com.au or by calling 1300 133 451. None of GRES, Munro Partners, its related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Fund or any particular returns from the Fund. No representation or warranty is made concerning the accuracy of any data contained in this document. The Fund's holdings, exposure and allocations depict end of month figures and may have changed materially or not disclosed due to confidentiality reasons. Numbers may not sum due to rounding or compounding returns. This document is issued on 11 October 2023.