PUBLIC DISCLOSURE STATEMENT

FORTITUDE INVESTMENT PARTNERS

ORGANISATION CERTIFICATION
FY2021-22

Australian Government

Climate Active
Public Disclosure Statement

FORTITUDE | INVESTMENT PARTNERS

An Australian Government Initiative

Climate Active

NAME OF CERTIFIED ENTITY	Fortitude Investment Partners Pty Ltd
REPORTING PERIOD	Financial year 1 July 2021 – 30 June 2022 (arrears)
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.* *Signature here*
	Name of signatory Position of signatory Date

Australian Government
Department of Industry, Science, Energy and Resources

Version March 2022. To be used for FY20/21/CY2021 reporting onwards.

1.CERTIFICATION SUMMARY

TOTAL EMISSIONS OFFSET	70 tCO_2-e
OFFSETS BOUGHT	100% VCUs
RENEWABLE ELECTRICITY	0%
TECHNICAL ASSESSMENT	N/A, small organisation

Contents

2. CARBON NEUTRAL INFORMATION

Description of certification

This inventory has been prepared for the financial year from 1 July 2021 to 30 June 2022 and covers the business operations of Fortitude Investment Partners Pty Ltd (ABN 97 635 593 949).

The operational boundary has been defined based on an operational control test, 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

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.

"Fortitude recognises the importance of protecting our environment for the future and the impact of investing responsibly."

The greenhouse gases considered within the inventory are those that are commonly reported under the Kyoto Protocol; carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and synthetic gases - hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). These have been expressed as carbon dioxide equivalents (CO_2-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 Investment Partners Pte Ltd and Fortitude's senior investment team.

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 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.

Inside emissions boundary

Quantified

Electricity

Base Building Electricity

Telecommunications

Base Building Water

IT Equipment

Paper

Employee Commute

Working From Home

Business Flights

Cleaning Services

Food & Catering

Postage

Printing & Stationery

Domestic Hotel Accommodation

International Hotel Accommodation

Taxi

Entertainment

IT Services

Computer and technical services

Legal services

Professional Development

Archive Services

Refrigerant

Waste (Landfill & Recycling)

Non-quantified

Refrigerants (Aircon)

Optionally included

N/A

Outside emission boundary

Excluded

Stationary Fuels

Data management plan for non-quantified sources

N/A.

4.EMISSIONS REDUCTIONS

Emissions reduction strategy

Fortitude is committed to achieving carbon neutrality since inception, with a current goal of reducing emissions by 30% by the year 2033. Fortitude recognises the importance of reducing our environmental impact, is also a signatory to the United Nations Principles of Responsible Investment and recognises 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

Notable year-on-year movements in emissions include:

Reductions

- **Tenancy Electricity** – Fortitude's tenancy electricity consumption decreased year-on-year with use of energy efficiency in the office.
- **Base Building Electricity** – There was a slight decrease in overall electricity in FY22 over which Fortitude has limited control.
- **Air Transport** – The decrease in air transport emissions was mainly due to implementing video calls where possible and less air travel
- **Printing and stationery** – There was a decrease in printing and stationery and in line with business goals of educating our employees and portfolio companies on having a reduced impact on the climate.

5.EMISSIONS SUMMARY

Emissions over time

Emissions since base year		
		Total tCO_2-e
Base year/Year 1:	2019-20	85.74
Year 2:	2020-21	72.49
Year 3:	2021-22	69.62

Significant changes in emissions

Emission source name	Current year (tCO_2-e)	Previous year (tCO_2-e)	Detailed reason for change
Computer and technical services	12.8	7.8	As the business continues to grow, we have engaged more providers. We have reclassified how we capture specific computer and technical services, which allow us to more accurately capture the data. This has resulted in the increase of computer and technical services.
Domestic hotel 4 stars	1.7	4.0	Reduction in business travel.
Legal services	3.8	0.0	This activity was not included in the previous assessment.
Computer and electrical components, hardware and accessories	1.8	0.34	As the business continues to grow, we have engaged more providers

Use of Climate Active carbon neutral products and services

This assessment and Climate Active submission was prepared with the assistance of Pangolin Associates, and these services are carbon neutral.

Organisation emissions summary

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

Emission category	Sum of total emissions (tCO_2-e)
Accommodation and facilities	1.79
Cleaning and Chemicals	0.34
Electricity	15.26
Food	0.96
ICT services and equipment	15.75
Office equipment & supplies	0.23
Postage, courier and freight	0.03
Professional Services	5.23
Refrigerants	0.000024
Transport (Air)	21.24
Transport (Land and Sea)	1.97
Waste	1.66
Water	0.28
Working from home	1.26
Total	**65.9**

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	tCO_2-e
Uplift to account for non-quantified sources where data is unavailable.	0.33
Compulsory additional 5% of the total to be added for small organisations.	3.29
Total of all uplift factors	3.62
Total footprint to offset *(total net emissions from summary table + total uplifts)*	**69.62**

6. CARBON OFFSETS

Offsets retirement approach

In arrears	
1. Total number of eligible offsets banked from last year's report	0
2. Total emissions footprint to offset for this report	70
3. Total eligible offsets required for this report	70
4. Total eligible offsets purchased and retired for this report	70
5. Total eligible offsets banked to use toward next year's report	0

Co-benefits

NIHT Topaiyo REDD +, Papua New Guinea

NIHT Inc. has partnered with the traditional landowners of New Ireland and East New Britain to put an end to deforestation initiated by industrial logging in the region. The preservation of these rainforests is essential to not only the carbon and biodiversity benefits inherent with projects of this nature, but also for the wellbeing and prosperity of the people of New Ireland and East New Britain. The project is located in the forested areas of New Ireland and East New Britain in Papua New Guinea. The project has evolved based on the input and needs expressed by persons living in the region. What began as a traditional timber operation has been recognised as an opportunity with enormous carbon sequestering potential and has evolved into a forest protection project that will provide substantial economic benefits to the people of Papua New Guinea. Through the avoidance of carrying out exploitative industrial commercial timber harvesting in the project area, the project expects to generate nearly 60 million tonnes of CO2 emissions reductions across the 30 year project lifetime, depending on the number and size of Project Activity Instances (PAIs) added to the project.

150 MW grid connected Wind Power based electricity generation project in Gujarat, India

The main purpose of the project is to generate renewable electricity using wind power and feed the generated output to the local grid in Gujarat, contributing to climate change mitigation efforts. In addition to the generation of renewable energy-based electricity, the project has also been conceived to enhance the

propagation of commercialisation of wind power generation in the region and to contribute to the sustainable development of the region, socially, environmentally and economically. The proposed project activity leads to alleviation of poverty by establishing direct and indirect employment benefits accruing out of infrastructure development of wind farms, installation work, operation and management of wind farm, providing daily needs, etc. The infrastructure in and around the project area will also improve due to project activity. This includes development of road network and improvement of electricity quality, frequency and availability as the electricity is fed into a deficit grid. The generated electricity is fed into the Western regional Grid through local grid, thereby improving the grid frequency and availability of electricity to the local consumers (villagers & sub-urban habitants) which will provide new opportunities for industries and economic activities to be setup in the area thereby resulting in greater local employment, ultimately leading to overall development.

Eligible offsets retirement summary

Offsets cancelled 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 (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 (%)**
NIHT Topaiyo REDD +, Papua New Guinea	VCU	Verra	24th October 2022.	10695-239582164-239582198-VCS-VCU-466-VER-PG-14-2293-01062017-31122019-0	2017-2019	0	35	0	0	35	50%
150 MW grid connected Wind Power based electricity generation project in Gujarat, India stapled with GreenFleet donation	VCU	Verra	24th October 2022.	8946-54823562-54823596-VCS-VCU-1491-VER-IN-1-292-18062016-31122016-0	2016	35	35	0	0	35	50%
									Total offsets retired this report and used in this report	70	
									Total offsets retired this report and banked for future reports	0	

Type of offset units	Quantity (used for this reporting period claim)	Percentage of total
Verified Carbon Units (VCUs)	70	100%

7. RENEWABLE ENERGY CERTIFICATE (REC) SUMMARY

Renewable Energy Certificate (REC) summary

N/A.

APPENDIX A: ADDITIONAL INFORMATION

N/A.

Additional offsets cancelled for purposes other than Climate Active Carbon Neutral Certification							
Project description	**Type of offset units**	**Registry**	**Date retired**	**Serial number (and hyperlink to registry transaction record)**	**Vintage**	**Eligible Quantity (tCO_2-e)**	**Purpose of cancellation**
N/A							

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 Summary

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)	3,083	0	19%
Residual Electricity	13,501	13,433	0%
Total grid electricity	**16,584**	**13,433**	**19%**
Total Electricity Consumed (grid + non grid)	**16,584**	**13,433**	**19%**
Electricity renewables	3,083	0	
Residual Electricity	13,501	13,433	
Exported on-site generated electricity	**0**	**0**	
Emissions (kgCO2e)		13,433	

Total renewables (grid and non-grid)	**18.59%**
Mandatory	**18.59%**
Voluntary	**0.00%**
Behind the meter	**0.00%**
Residual Electricity Emission Footprint (TCO2e)	**13**

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

Location Based Approach Summary

Location Based Approach	Activity Data (kWh)	Scope 2 Emissions (kgCO2e)	Scope 3 Emissions (kgCO2e)
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	16,584	13,267	1,990
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Grid electricity (scope 2 and 3)	**16,584**	**13,267**	**1,990**
ACT	0	0	0
NSW	0	0	0
SA	0	0	0
Vic	0	0	0
Qld	0	0	0
NT	0	0	0
WA	0	0	0
Tas	0	0	0
Non-grid electricity (Behind the meter)	**0**	**0**	**0**
Total Electricity Consumed	**16,584**	**13,267**	**1,990**

Emission Footprint (TCO2e)	**15**
Scope 2 Emissions (TCO2e)	13
Scope 3 Emissions (TCO2e)	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. These emissions are accounted for through an uplift factor. 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	(1) Immaterial	(2) Cost effective (but uplift applied)	(3) Data unavailable (but uplift applied & data plan in place)	(4) Maintenance
Refrigerants (Aircon)	No	Yes (uplift applied)	No	No

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:

1. **Size** The emissions from a particular source are likely to be large relative to the organisation's electricity, 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.

Emission sources tested for relevance	(1) Size	(2) Influence	(3) Risk	(4) Stakeholders	(5) Outsourcing	Included in boundary?
Stationary Fuels	No	No	No	No	No	No

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