



CLIMATE CHANGE POSITION STATEMENT

Our position on climate change

Morrison & Co unequivocally believes in the warming of the climate system. We also believe that this warming is due in part to greenhouse gas (GHG) emissions arising as a result of human activities.

We acknowledge that a warming climate system and a transition to a low-carbon economy present investment risks and opportunities for Morrison & Co and its clients.

Morrison & Co acknowledges the work of the Intergovernmental Panel on Climate Change (IPCC) and accepts the findings of the IPCC's most recent Synthesis Report (2014)¹. These findings, about the impact of observed changes in extreme weather events, include temperature, sea level and precipitation since 1950.

We believe that action should be taken globally to minimise the climate warming impacts of GHG on society by enacting an orderly and just transition to a low carbon economy, and we consider it essential that steps are taken, where feasible, to ensure resilience against the physical impacts of climate change.

We support the goals of the Paris Agreement which aims to strengthen the global response to climate change, and to limit global temperature rise to 2°C and pursue efforts to limit the rise to 1.5°C. We also acknowledge the climate-related laws, regulations and industry guidelines that are emerging globally, and are supportive of the Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

Our response to climate change: Investment management

Morrison & Co makes the following commitments in relation to its investment management activities:

- We do not support investment in entities that are primarily engaged in:
 - Oil exploration and production; and/or
 - The extraction, processing and transportation of thermal coal; and/or
 - The large-scale generation of electricity using fossil fuels².
- We assess climate change risk exposure (both physical and transitional) in all relevant investment decision making and asset management activities and, where appropriate, develop climate change-related risk mitigation strategies.
- We engage with investee companies and key stakeholders on climate change related matters with a focus on the mitigation of climate change risk and the reduction of operational GHG emissions.
- When undertaking climate change related risk assessments, we consider the impact of different climate system impacts and transition scenarios.
- We monitor and report on the GHG emissions arising as a result of Morrison & Co's investment activities.
- Where appropriate, we report on climate-related risk in accordance with the Recommendations of the TCFD.

Our response to climate change: Business operations

Morrison & Co makes the following commitments in relation to its business operations:

- We invest annually in carbon offsets that exceed the carbon emissions arising from our operations.
- We provide ongoing professional development to directors, management and investment team that includes climate-change related training.

¹ IPCC, 2014: *Climate Change 2014: Synthesis Report. Contribution of Working Groups I, II and III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change* [Core Writing Team, R.K. Pachauri and L.A. Meyer (eds.)]. IPCC, Geneva, Switzerland, 151 pp.

² Unless a commercially viable pathway to becoming a successful and sustainable business in a low-carbon economy has been identified, or the entity has a critical role to play in the transition to a low-carbon economy.