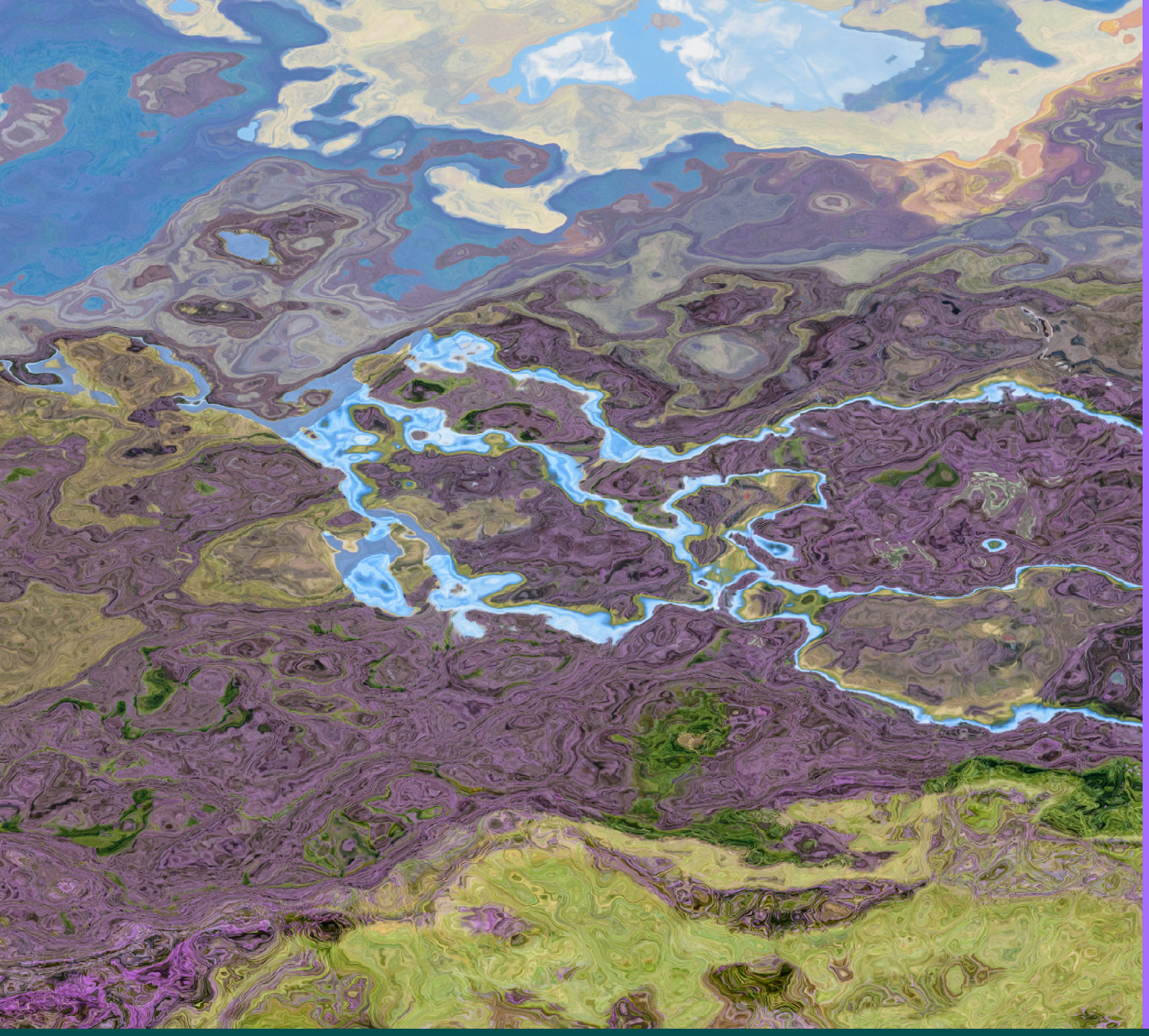

MUNRO

Quarterly report

Munro Climate Change Leaders Fund

MCCL.ASX

June 2026

Munro Climate Change Leaders Fund & MCCL.ASX
June 2026 – Quarterly report

MCCL Fund quarter return (net)
19.6%

MSCI ACWI quarter return
13.6%

MCCL.ASX Fund quarter return (net)
19.6%

MSCI ACWI quarter return
13.6%

QUARTERLY HIGHLIGHTS

- The Munro Climate Change Leaders Fund returned 19.6% net for the quarter (MCCL.ASX 19.6% net) outperforming the MSCI ACWI Index, which returned 13.6%.
- Key contributors to performance for the quarter included Infineon Technologies, Quanta Services and GE Vernova.
- Key detractors from performance over the quarter included Ceres Power, Primoris Services, and NextEra Energy.
- Global equity markets rebounded strongly in the second quarter of 2026 after the geopolitical events in March.

MUNRO MEDIA

Invest in the Journey Podcast, July 2026
There are no bears in Taipei: what a research trip revealed about the AI infrastructure buildout.
Listen to the episode here

Invest in the Journey podcast, June 2026
Earnings season wrap-up: the structural changes driving markets.
Listen to the episode here

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QUARTERLY COMMENTARY

Fund commentary

The Munro Climate Change Leaders Fund returned 19.6% net for the quarter (MCCL.ASX 19.6% net) outperforming the MSCI ACWI Index which returned 13.6%.

For the 2026 financial year, the Fund returned 39.7% outperforming the benchmark's return of 17.0%.

Global equity markets rebounded strongly in the second quarter of 2026 after the geopolitical events in March. The AI data centre buildout continued to support equity markets in the quarter, with first quarter reporting season in April and May being particularly strong for the Artificial Intelligence (AI) supply chain. For the quarter, US indices performed strongly, with the S&P 500 finishing up 12% and the Nasdaq up 23%. Asian markets exposed to the AI supply chain also performed well, with the Japanese Nikkei up 33%, the South Korean Kospi up 62% and the Taiwan exchange up 40%. European markets were more subdued with the Stoxx 600 closing up 9%.

The quarter commenced with headlines in early April about a potential ceasefire to the conflict in the Middle East, culminating in a sharp bounce in equities. The positivity continued into the first quarter reporting season, where corporates exposed to the AI build-out continued to report very strong results and gave positive outlooks for the remainder of 2026. During the quarter, Anthropic disclosed that their annual revenue run rate had increased from USD9bn at the end of 2025 to USD47bn in May of 2026, further strengthening the real demand for AI tools and the opportunity to monetise those tools.

The top three contributors to performance were Infineon Technologies, Quanta Services and GE Vernova.

Infineon Technologies (Clean Transport sub-theme) was the largest contributor to performance in the quarter. We profile Infineon in detail in the stock story below. GE Vernova (Clean Energy) was again a top contributor to performance, driven by demand for gas turbines, which come with a long tail of service revenues at high margins. GE Vernova's opportunity to increase its market share in grid electrification equipment is also driving investor optimism. As we have noted previously, gas is less than 50% of revenue and the majority comes from wind, grid, hydro and nuclear energy equipment which enables decarbonisation.

Quanta Services (Clean Energy), a contractor which builds electrical grid infrastructure, again contributed to performance. Their labour force of electricians remains a key bottleneck to adding new electricity supply, which was highlighted at their Capital Markets Day on the last day of March. They also showed that the increased demand more than doubles their total market opportunity.

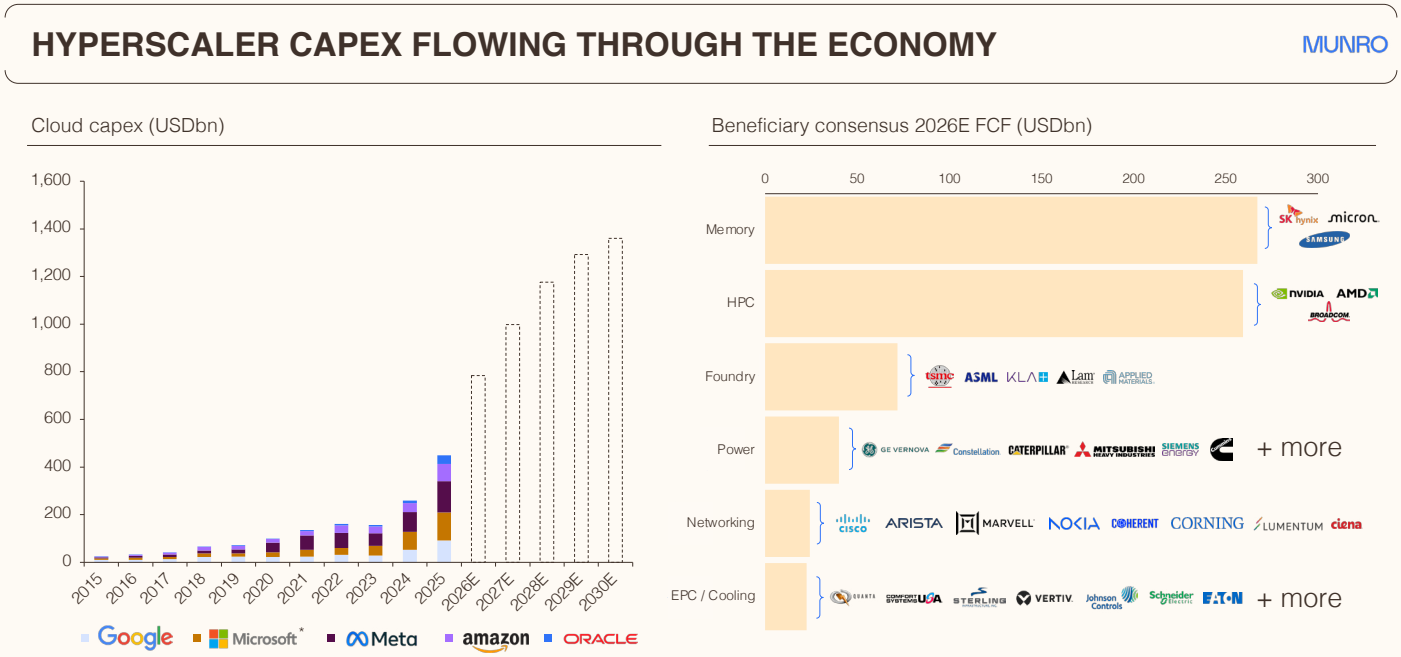
The top three detractors from performance were Ceres Power, Primoris Services, and NextEra Energy.

Ceres Power (Clean Energy) has developed technology for superior-efficiency solid oxide fuel cells and is partnering with three power equipment makers to roll out the technology globally. The stock, which remains volatile ahead of firm partner orders and new manufacturer agreements, gave up earlier gains and was further impacted by a surprise equity raising. We reduced our small position late in the quarter but still see orders and manufacturer agreements as likely catalysts in 2026. Primoris Services (Clean Energy), an engineering and construction contractor for utilities similar to Quanta Services, fell sharply after solar projects experienced execution and labour challenges. We sold the position in line with our risk management process, and since then the company has announced further unexpected cost overruns leading to management changes and ongoing poor performance. We profile NextEra Energy (Clean Energy) in the stock story below.

QUARTERLY COMMENTARY

Market Outlook

We continue to see support for the Fund's Clean Energy and Energy Efficiency holdings from hyperscaler capex, which Google, Microsoft and others are investing in to capitalise on the increasing demand for AI. As the chart below shows, while most of the spending continues to be on the chips themselves, companies that provide energy to power the data centres or energy-efficient cooling continue to see strong demand.



Source: Munro Partners estimates and industry research as at 30 April 2026. Munro estimates, Google, Amazon, Microsoft, Meta, Oracle as at 30 April 2026. Microsoft* – includes capital leases. Stocks of the companies in the depictions shown may or may not be held in the Munro fund and are used for illustrative purposes. Past performance is not an indication of future performance.

One recent example of how this spending is flowing to clean energy companies is Quanta Services. At their recent investor day, they expanded the total addressable market for their power generation and grid development contracting services by 143%. They see both utilities and large loads (primarily data centres) as the key growth drivers for the expanded opportunity.

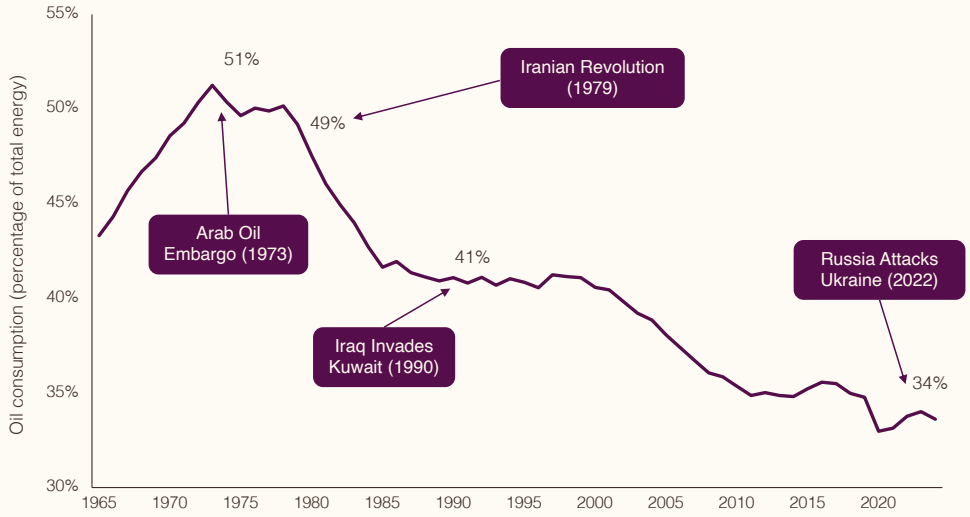
In the last quarterly report, we also spoke about how the Iran conflict accelerates the transition to electric alternatives to oil and gas. At the time of writing, while the conflict appears to be heading towards a resolution, we think efforts to diversify away from the Strait of Hormuz and oil and gas for energy security purposes will continue.

QUARTERLY COMMENTARY

Market Outlook

WE THINK THE OIL CRISIS ACCELERATES THE TRANSITION MUNRO

Oil crises have historically led to its consumption decline



Viable alternatives exist today

Electric cars and trucks

Electric heating and cooling

Clean generation and storage

Source: Energy Institute Statistical Review, Bloomberg, March 2026.

Not only does the conflict have direct beneficiaries like battery maker CATL, it also adds electricity demand, which supports clean energy stocks in the universe.

For the team's broader market outlook, please reference the Munro Global Growth Fund report available here.

STOCK STORY: INFINEON

SUB-AREA OF INTEREST: **Clean Transport**
MARKET CAP: **US$121bn**

Infineon contributed 468bps to performance for the June quarter.

Infineon is a leading German semiconductor company that produces power semiconductors and essential chips that convert and deliver electricity for various industries, from electric vehicles and industrial equipment to consumer electronics and data centres. It has long been a key enabler in the structural shift towards electrification of cars and green energy, but its growing role in powering AI data centres is where the story gets particularly exciting. Think of Infineon less as a company making the "brains" of AI data centres (GPU and CPUs) and more as the company making the "nervous system" that ensures power flows efficiently and safely through them.

As we know, AI data centres are extremely power hungry, and power remains a major bottleneck in the industry. While the market's attention has largely focused on power generation, the often-overlooked issue is how efficiently power travels before it reaches the AI chips. Electricity must move through multiple stages on its journey from the grid to the chip, stepping down from high to low voltage and from AC to DC current. At every single step, some power gets lost. Therefore, efficient power conversion becomes a critical consideration for data centres because even marginal improvements in conversion efficiency translate directly to meaningful cost savings and more compute per watt.

Infineon's technology sits right at the heart of enabling power conversion efficiency. It has a broad portfolio of power semiconductors, each of which is optimised for managing different stages of the power conversion journey. Importantly, Infineon is one of only three players today who are qualified suppliers responsible for the last conversion step before the electricity reaches the GPUs. As technology in the data centre evolves, the power semiconductor content is set to expand meaningfully, something which we believe can be a material driver to Infineon's earnings. The company expects its semiconductor content to increase approximately 3 times, which is starting to become evident in the revenue growth of the company. Company guidance released in May 2026 suggests AI revenues can grow from €750 million in 2025 to €2.5 billion by 2027.

With power efficiency considerations becoming front and centre for AI data centres, Infineon's earnings growth opportunity has meaningfully expanded. We believe it is an emerging AI infrastructure winner with a long runway for growth ahead.

STOCK STORY: NEXTERA ENERGY

SUB-AREA OF INTEREST: **Clean Energy**
MARKET CAP: **US$183bn**

NextEra detracted 39bps from performance for the June quarter.

NextEra is the largest US electric utility. It owns FPL, a regulated utility in Florida, and NextEra Energy Resources (or NEER). NEER is one of the largest developers of renewables and grid battery storage in the world, operating in almost all US states.

NextEra is one of the key beneficiaries of the inflection in US electricity demand, driven by AI-led data centres, electrification and reshoring of industrial activity back to the US. To that end, at their investor day in December 2025, they announced an acceleration in their financial targets from 6-8% EPS growth to 8%+, supported by a favourable regulatory rate case in their home state of Florida and expectations that NEER will add over 100GW of new generation, primarily via solar and storage, by 2032.

During the quarter, NextEra announced the acquisition of Dominion Energy, a utility based in the traditional data centre heartland of Virginia, as well as serving North and South Carolina. Today, Virginia is a net importer of electricity from neighbouring states, so the deal will enable the combined entity to develop new regulated generation. Despite the increasing demand, Dominion has been struggling to add supply given its relatively poor capital position. Adding Dominion's regulated assets would also enable NEER to continue to outgrow the regulated business and power the data centre buildout without affecting NextEra's credit rating.

However, the complex regulatory approval process, which NextEra has a mixed history of navigating, weighed on the stock during the quarter.

For Munro, the focus remains on earnings growth, so the most encouraging part of the announcement was yet another increase to NextEra's long-term financial targets, which now move from 8%+ to 9%+ EPS growth to 2032. This, together with their unmatched track record of building generation assets (more than the next 20 utilities combined since 2020), gives us confidence in their long-term prospects.

Separately, we continue to engage with NextEra on their decarbonisation journey. According to Bloomberg NEF data, while NextEra derive more than half their revenues from clean energy they recently removed their ambitious 'Real Zero' emissions targets. In discussions with us, management noted the new reality of natural gas being a bigger part of the solution to the surging demand, particularly given its baseload and peaking capabilities. But they emphasised that of the 77-108GW that they expect to develop to 2032, only 4-8GW is gas generation, and the rest is renewable or carbon-free nuclear.

How a sample of companies in the Munro Climate Change Leaders Fund are enabling decarbonisation

The Munro investment process seeks to identify companies across a range of industries and countries whose earnings prospects would improve with increased investment and focus on decarbonisation, as the global economy moves towards reducing carbon emissions. Companies Munro considers climate change leaders and decarbonisation enablers generally fit one or more of the following sub themes:

- Clean Energy – Companies benefiting from the demand for carbon-free and renewable energy including energy generation covering wind, solar, nuclear, renewable diesel and electrical grid equipment.
- Clean Transport – Companies benefiting from the growth of electric vehicles, battery technology and other low carbon transportation methods.
- Energy Efficiency – Companies offering energy-efficient solutions such as insulation products, electrical switches, lighting, metering and other related technologies.
- Circular Economy – Companies positioned to benefit from advancements in recycling, alternative packaging, waste and wastewater management, agricultural technologies and other resource-conserving services.

How some of the Fund's holdings meet Munro's definition of a climate change leader:

NextEra

Clean Energy

NextEra Energy is a US utility whose subsidiary NextEra Energy Resources is one of the world's largest developers of renewables and grid battery storage in the world, operating in almost all US states. Between 2026 and 2032, they expect to develop between 77 and 108GW of new power generation, of which over 90% is solar, wind, nuclear or energy storage. According to Bloomberg NEF estimates, NextEra Energy derives over 50% of revenue from Clean Energy.^

Quanta Services

Clean Energy

Quanta Services develops electricity infrastructure, which is essential in the transition to decarbonise the planet because it allows things including cars, heating and cooling to be electrified. Separately, Quanta has a dedicated business which develops renewable energy projects.

Nvidia

Energy Efficiency

As the world's demand for artificial intelligence grows rapidly, Nvidia is enabling more energy efficient data centres through their GPU chips. Nvidia's latest GPUs are over 50 times more energy efficient for certain AI workloads compared to CPUs. And, pleasingly, newer products are continuing to achieve large energy efficiency gains per unit of computing.

CATL

Clean Transport

CATL is the world's largest supplier of lithium batteries for electric vehicles (EVs), which are key to the decarbonisation of transport. CATL also makes batteries for energy storage solutions (ESS) which when combined with renewable energy generation help to decarbonise the electricity grid.

Clean Harbors

Circular Economy

Clean Harbors collects, manages and destroys or stores hazardous industrial waste. Some of this waste has high global warming potential (GWP) if it is released into the atmosphere. Clean Harbors' safe destruction helps avoid emissions. Clean Harbors also recycles used motor oil. This process is less emissions intensive than making oil from crude.

GE Vernova

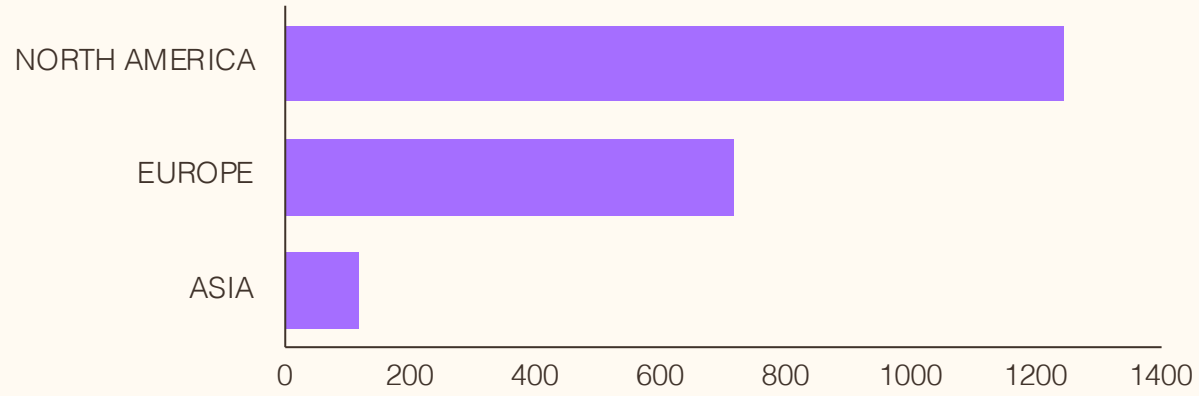
Clean Energy

GE Vernova provides electrical grid, wind energy, nuclear energy and hydropower equipment and services. This infrastructure is essential to decarbonising electricity, which also enables other things like transport and heating to be electrified and decarbonised.

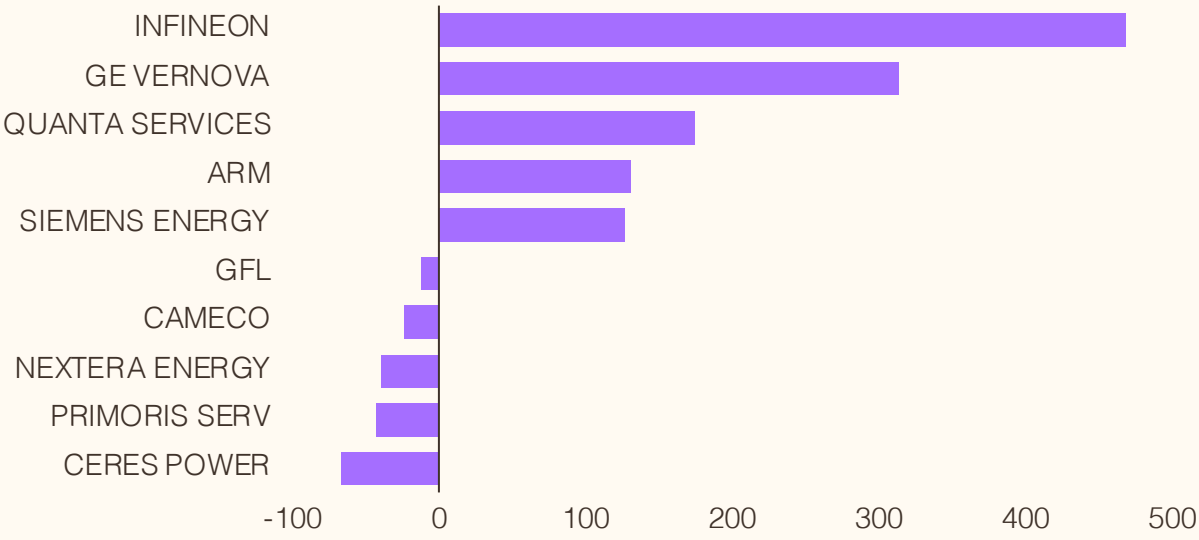
The full list of fund holdings, presented on a one-month lag basis, is available on our website.
^ Source (2025 December Investor Day + Bloomberg)

QUARTERLY FUND ATTRIBUTION (BASIS POINTS)

By region (equities only)



Top & bottom contributors to performance



QUARTER END EXPOSURE

Category

EQUITIES	96.4%
CASH	3.6%
NO. OF POSITIONS	25

Sector

INDUSTRIALS	55.7%
UTILITIES	15.0%
MATERIALS	10.9%
OTHER	14.9%
CASH	3.6%

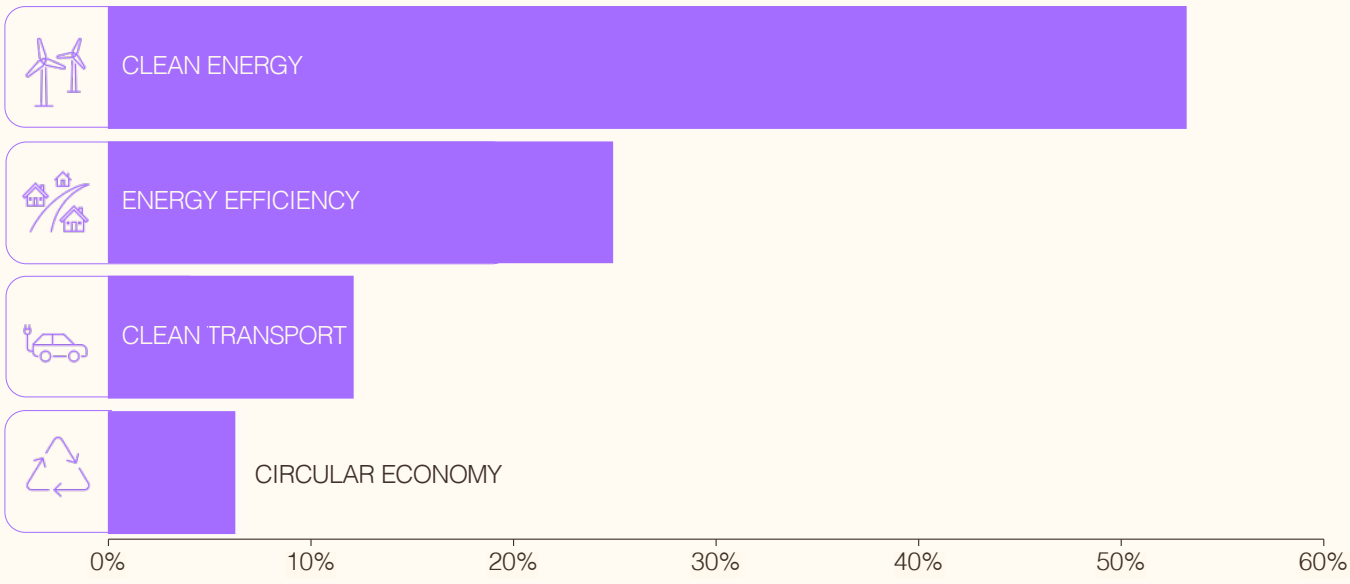
Region

UNITED STATES	63.9%
EUROPE	21.3%
FRANCE	1.9%
SPAIN	3.5%
DENMARK	2.0%
GERMANY	13.9%
BRITAIN	2.0%
ASIA	6.9%
TOTAL	96.4%
CASH	3.6%

Top 5 holdings

GE VERNOVA	10.3%
LINDE	7.6%
NEXTERA	6.9%
CATL	6.9%
CLEAN HARBORS	6.3%

Sub-Areas of Interest



Net Performance - MCCL

	3 MTHS	6 MTHS	1 YR	3 YRS (P.A.)	INCEPT (P.A.)	INCEPT (CUM.)
MUNRO CLIMATE CHANGE LEADERS FUND (AUD)	19.6%	29.0%	39.6%	38.6%	22.3%	156.3%
MSCI ACWI*	13.6%	7.1%	17.0%	18.1%	12.8%	75.5%
EXCESS RETURN	6.0%	22.0%	22.7%	20.5%	9.5%	80.8%

INCEPTION: 29 OCTOBER 2021

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2022FY				0.0%	3.5%	0.8%	-10.5%	-3.9%	0.2%	-4.5%	-1.1%	-6.6%	-20.7%
2023FY	10.6%	0.8%	-2.4%	3.3%	2.9%	-7.2%	-0.5%	1.6%	6.1%	-1.8%	4.1%	3.1%	21.3%
2024FY	2.5%	0.3%	-6.2%	-3.4%	4.9%	4.1%	4.4%	21.3%	5.7%	-1.7%	9.9%	-2.9%	42.8%
2025FY	2.9%	-1.0%	5.5%	5.6%	7.0%	-2.8%	3.8%	-5.1%	-5.4%	3.9%	11.1%	5.2%	33.6%
2026FY	5.8%	-4.7%	4.6%	4.8%	-0.7%	-1.5%	1.1%	8.1%	-1.2%	11.0%	1.6%	6.0%	39.6%

Net Performance - MCCL.ASX

	3 MTHS	6 MTHS	1 YR	3 YRS (P.A.)	INCEPT (P.A.)	INCEPT (CUM.)
MCCL.ASX (AUD)	19.6%	29.0%	39.7%	38.6%	25.2%	171.2%
MSCI ACWI*	13.6%	7.1%	17.0%	18.1%	13.3%	74.2%
EXCESS RETURN	6.0%	22.0%	22.7%	20.5%	11.9%	97.0%

INCEPTION: 20 JANUARY 2022

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2022FY							-1.1%	-3.9%	0.2%	-4.5%	-1.1%	-6.6%	-16.1%
2023FY	10.6%	0.8%	-2.4%	3.3%	2.9%	-7.2%	-0.5%	1.6%	6.2%	-1.8%	4.1%	3.1%	21.3%
2024FY	2.6%	0.3%	-6.2%	-3.4%	4.9%	4.1%	4.4%	21.3%	5.7%	-1.7%	9.9%	-2.9%	42.8%
2025FY	2.9%	-1.0%	5.5%	5.6%	7.0%	-2.8%	3.8%	-5.1%	-5.4%	3.9%	11.1%	5.2%	33.6%
2026FY	5.8%	-4.7%	4.6%	4.8%	-0.7%	-1.5%	1.0%	8.1%	-1.2%	11.1%	1.6%	6.0%	39.7%

Differences in performance between the Munro Climate Change Leaders Fund and MCCL (ASX quoted share class of the Fund) relate to their respective inception dates, the buy/sell spread of the iNAV for MCCL.ASX, and the timing difference between the issuing of units during the day on the ASX for MCCL.ASX. This may result in reporting small differences in performance.

IMPORTANT INFORMATION: Past performance is provided for illustrative purposes only and is not a guide to future performance. Data is as at 30 June 2026 unless otherwise specified. The inception date of the Munro Climate Change Leaders Fund is 29 October 2021, and the inception date of MCCL.ASX is 20 January 2022. Returns of the Funds are net of management costs and assumes distributions have been reinvested. Numbers may not sum due to rounding or compounding returns. The MSCI ACWI Index refers to the MSCI All Country World Index Total Return Net Total Return Index in Australian Dollars. BPS refers to Basis Points. Sub-AoI refers to Sub-Area 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 ARSN 654 018 952 APIR GSF1423AU (Fund) (MCCL). GRES is the issuer of this information. Unit class A (MCCL) is an unlisted class of units in the Fund and Unit class E (MCCL.ASX) is an ASX Quoted class of units in the Fund. Collectively they are referred to as the Funds. 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 Funds, 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 (PDS) for the Funds and the Additional Information to the PDS (AIB) which may be obtained from www.gsfm.com.au, www.munropartners.com or by calling 1300 133 451. GSFM Responsible Entity Services has produced a Target Market Determination (TMD) in relation to the Munro Climate Change Leaders Fund and MCCL.ASX Fund. The TMD sets out the class of persons who comprise the target market for the Funds and is available at www.gsfm.com.au. None of GRES, Munro Partners, their related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Funds or any particular returns from the Funds. No representation or warranty is made concerning the accuracy of any data contained in this document.

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