

## Net zero

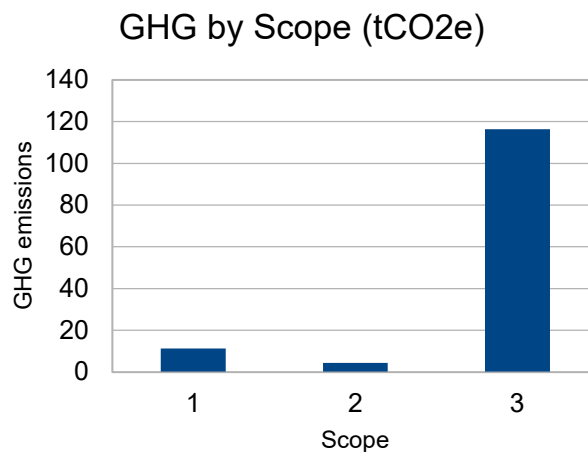
Dundas Partners LLP (Dundas) is working hard to become a Net Zero business. Whilst we have been working towards this goal for some time, we have recently undertaken a study with the University of Strathclyde which has provided us with a useful baseline report to track our **operational** Greenhouse gas emissions across Scope 1, 2 and 3\*.

Using 2022 as the baseline year, our results for each scope across our operations are as follows:

**Scope 1 = 11.2 (tCO<sub>2</sub>e)**

**Scope 2 = 4.32 (tCO<sub>2</sub>e)**

**Scope 3 = 116.37 (tCO<sub>2</sub>e)**



(Source of graph: University of Strathclyde 2023 Project report GHG Baseline Dundas Partners LLP)

This equates to 1.04 tons of CO<sub>2</sub> equivalent greenhouse gas emissions per employee.

We will be disclosing this information on an annual basis, with a target of reducing our operational greenhouse gas emissions each year.

In the coming months, some of our initiatives will include working alongside the University of Edinburgh, Edinburgh Chamber of Commerce and the World Heritage Organization to see how our listed Georgian townhouse office can be improved to reduce energy usage.

We will also be working closely with our suppliers to reduce our scope 3 emissions.

- *Scope 1 - Direct emissions from the company operations*
- *Scope 2 - Emissions relating to provided utilities including electricity, water, sewage*
- *Scope 3 - Emissions of third parties directly relating to Dundas Partners LLP operations*

## Net Zero – Investments

DGI is committed to achieve Net Zero by 2050 for the portfolios it manages. Presently we focus on Scope 1 and 2. Scope 3 is under review.

No interim targets have been set but given the rate at which our companies are committing to Net Zero and the Science Based Targets Initiative we expect to do so within the next six months.

Our strategy for reaching Net Zero rests upon the following: - DGI's research process underpins its Net Zero commitment. - It finds the 60 or so companies for ADGEF from a 3,000 stock universe. - We select companies with strong and growing demand for their products and services. - Business growth plus good governance delivers dividend growth. - Increasingly, good governance is evidenced by credible Net Zero plans. - These companies stand in stark contrast to those without. - As a result, corporate Net Zero commitments have become a useful stock selection criterion. - The portfolio's carbon emission metrics are superior to the benchmark index. - We engage via voting and direct dialogue, covered in our Stewardship report.

Committing to Net Zero is a big step. Before doing so we looked carefully at (a) our portfolio companies' plans and (b) the implications in terms of our activities and obligations.

The IEA's report on a Path to Net Zero influenced our judgment. Equity investment is an expression of optimism. We invest our savings today in the hope that they will return decades hence with their purchasing power intact to let us enjoy retirement.

We've embraced Net Zero 2050 as an expression of that optimism.

For further information, please contact us as [info@dundasglobal.com](mailto:info@dundasglobal.com)

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- *Scope 3 - Emissions of third parties directly relating to Dundas Partners LLP operations*