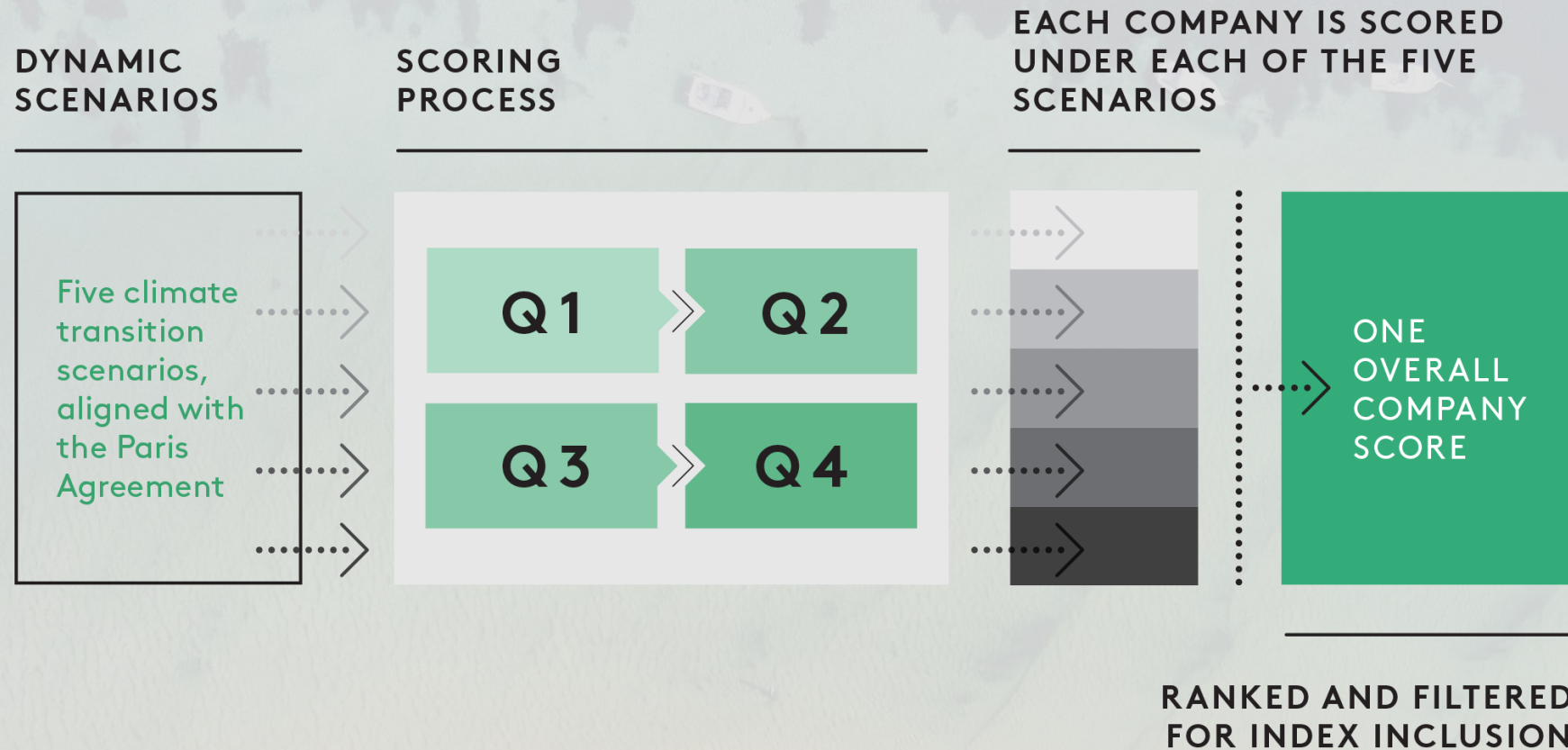


Methodology Overview



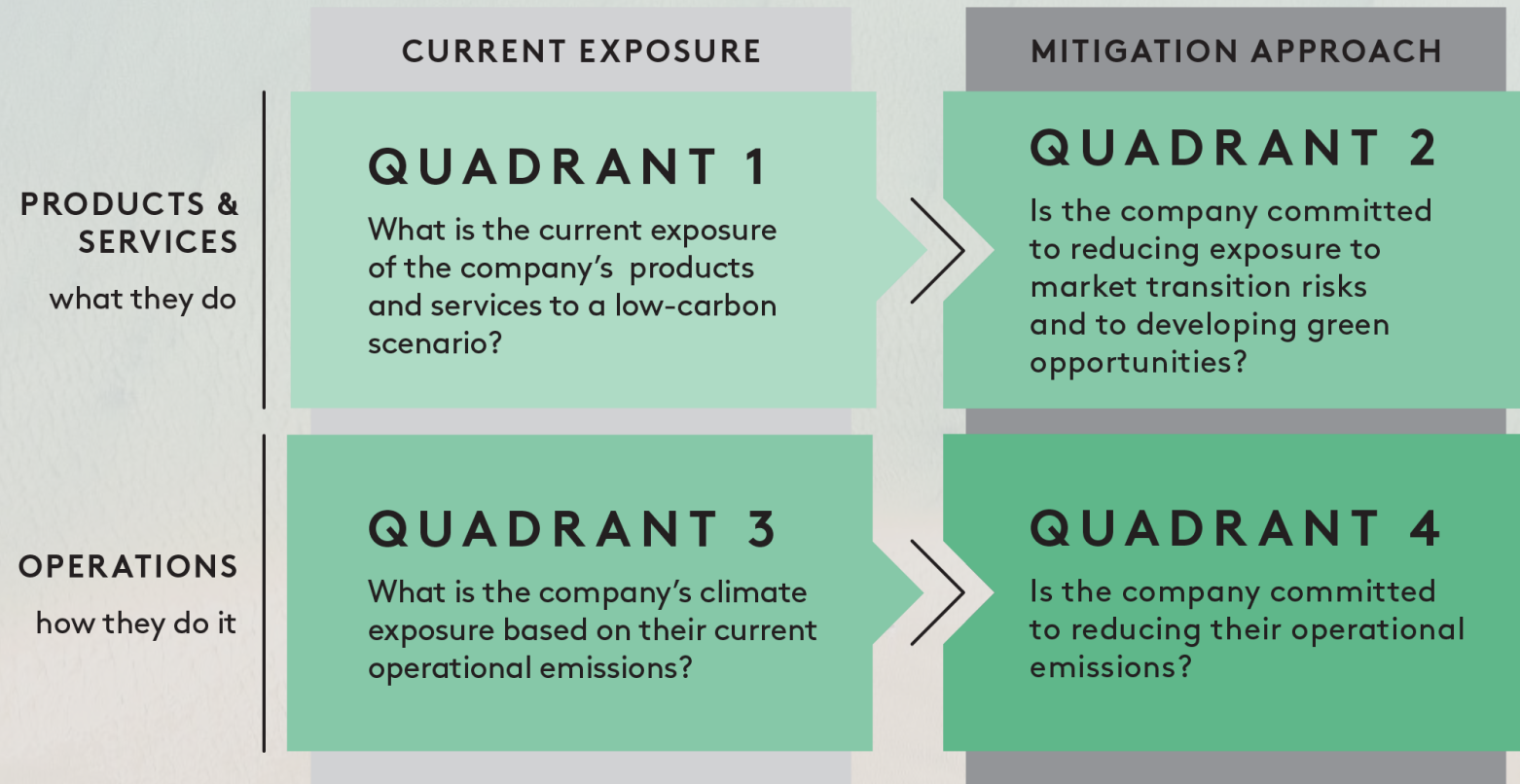
Source: ClimateWorks Australia and ISS ESG. For illustrative purpose only

- Using a unique scoring process designed by ClimateWorks Australia and ISS ESG, each company is scored under each of the five scenarios. The overall score of a company is then calculated using a **weighted average of the 5 company scores under each scenario**.
- Every 6 months, the company data will be updated and new scores will be calculated, ensuring reactivity to any company's business model change, whether harmful or supportive of the climate transition.
- The scenarios are dynamic: every 2 years, the scenario data will be updated with new research data on potential technology, social and policy disruptions.

Scoring Process

Multi-Factoral Scoring:

- **Products & Services vs Operations:** we differentiate between the company's activities (which products are manufactured or which services are offered) and the way the company operates in manufacturing those products or offering those services.
- **Current exposure vs Mitigation approach:** we differentiate between the current activities and carbon emissions of the company and what the company intends to do in the future.



Source: ClimateWorks Australia and ISS ESG

Scoring Process

Robust Company Data:

Using publicly available information, company assessments are made via:

Quantitative Analysis

To determine the extent to which companies are:

- involved in business activities that may be deemed high risk or high opportunity in the context of a long-term ESG investment strategy
- currently exposed to carbon price risks or reputation risks

Qualitative Analysis

To determine the extent to which companies are:

- managing material risks relating to business activities and transitioning to sustainable activities
- preparing for and capitalizing on opportunities to minimise impacts from operations