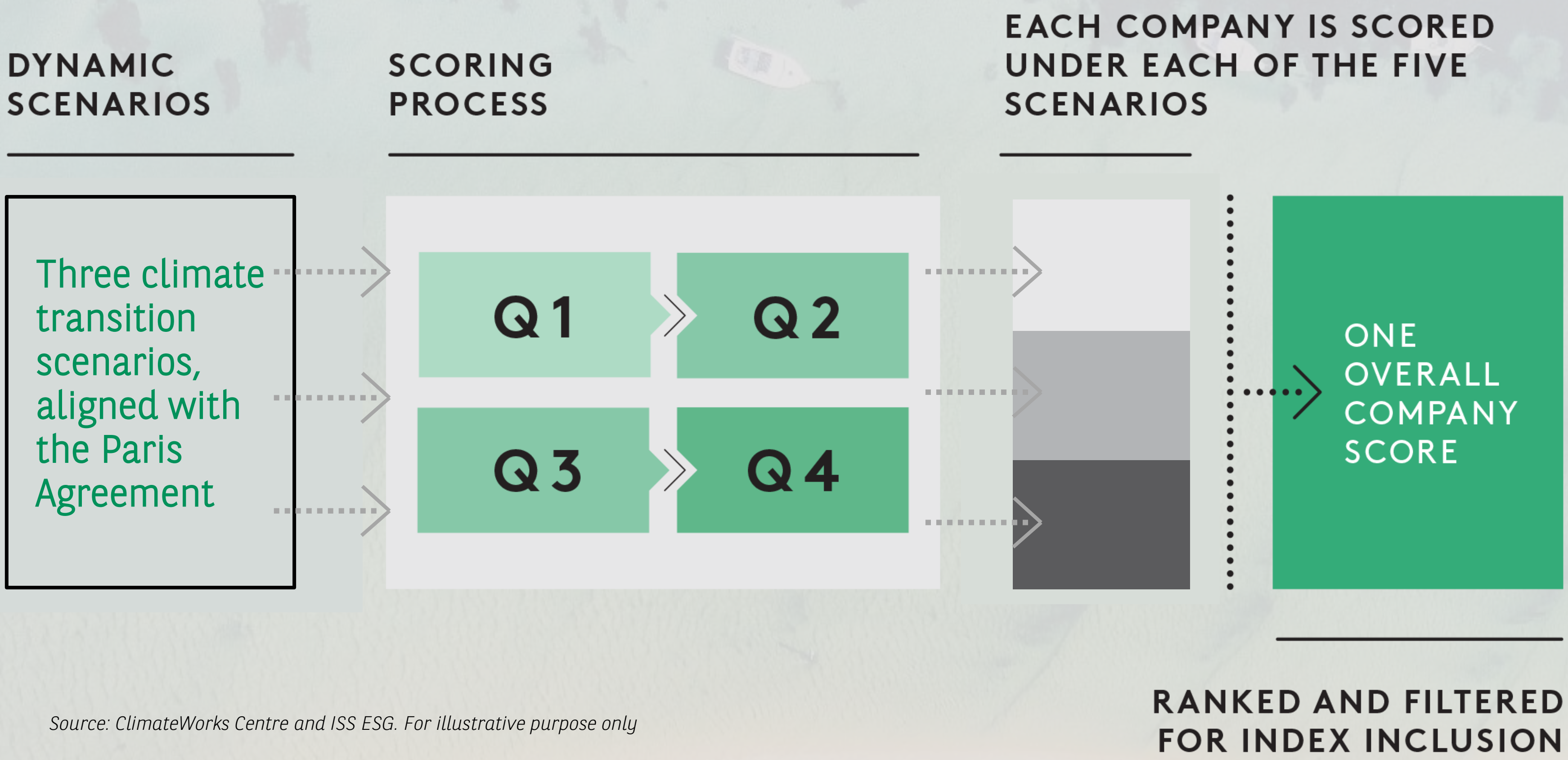
Three Climate Transition Scenarios

	Emissions outcome	*Trajectory*	*Key drivers*	*Key disruptions*
2°C	2°C (50%)	Incremental	Strong policies lead to the achievement of existing national and state policy commitments, supportive (not disruptive)technology and limited social change	▪ Incremental improvements in technology
1.8°C	1.8°C (67%)	Lower end of Paris-consistent	Disruptive technology and supportive policies & social drivers	▪ Energy efficiency and electrification of households ▪ Strong uptake of Electric Vehicles (EVs) ▪ Switch to electrification and hydrogen technologies in industry/resources sectors
1.5°C	1.5°C (67%)	Rapid, upper end of Paris-consistent	Disruptive technology and supportive policies & social drivers across all sectors	▪ Accelerated forms of the 1.8°C disruptions ▪ Substantial nature-based sequestration

Source: ClimateWorks Centre, Climateworks Centre, including climate scenarios from the Decarbonisation Scenarios 2023 project

Methodology Overview



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

- Using a unique scoring process designed by ClimateWorks Centre and ISS ESG, each company is scored under each of the five scenarios. each climate scenario. The overall company's score is then calculated using a weighted average of the company's score for each of the five climate scenarios.
- 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 climate scenarios will be remodeled every 3 years. Every year when the scenarios are kept constant, their weights within the calculation of the overall company score will be re assessed..

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.

	CURRENT EXPOSURE	MITIGATION APPROACH
PRODUCTS & SERVICES what they do	**QUADRANT 1** What is the current exposure of the company's products and services to a low-carbon scenario?	**QUADRANT 2** Is the company committed to reducing exposure to market transition risks and to developing green opportunities?
OPERATIONS how they do it	**QUADRANT 3** What is the company's climate exposure based on their current operational emissions?	**QUADRANT 4** Is the company committed to reducing their operational emissions?

Source: ClimateWorks Centre 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