

Frequency of updates	Climate Conscious Strategy Goals (CURES)	Investment Guardrail	December 2023	Comments
Quarterly	1 <b>Committing</b> Portfolio companies to reduce climate harm	100% of portfolio companies to have SBTI approved, committed or aligned targets by 2030	69%	CF Industries, Gen Digital, Kbank, Neste, TSMC and Walmex have yet to commit. Walmex have committed indirectly, through Walmart
Quarterly	1 <b>Committing</b> Portfolio companies to reduce climate harm	Limit companies which are still increasing absolute emissions to less than 10% of the portfolio, with a 3-year runway to deliver a carbon intensity reduction strategy	8.3%	Edward Lifesciences, IFF and TSMC had increasing emissions from FY2019 to FY2022 (monitoring on a 3-year rolling basis except 2019 replaces 2020 as baseyear due to covid). To note that IFF's merger with Dupont has drastically increased IFF's emissions hence will not be counted towards this guardrail. Portfolio coverage: 94%
Quarterly	1 <b>Committing</b> Portfolio companies to reduce climate harm	Limit companies in transition (from very high emission base) to less than 10% of the portfolio, with a 3-year runway to commit to a credible transition pathway, e.g., SBTi, SDA pathway (Example- Neste)	8.7%	Our top emitters are TSMC (<10.5mn tCO2e) & CF Industries (18m tCO2e). Their combined weight is 8.7%
Annually as at 31 December	2 <b>Understand</b> portfolio companies' climate impact	100% of portfolio companies need to have completed a Stakeholder Engagement covering environmental capital	100%	As at 26 December, 100% of our portfolio companies have environmental capital material topics, identified through materiality assessment conducted with external stakeholder engagement
Annually as at 31 December	3 <b>Returns</b> to be checked with respect to climate costs	Aim for carbon adjusted earnings growth to be higher than financial earnings growth	TBC	
Annually as at 31 December	4 <b>Engage</b> with investee companies for climate actions	100% of portfolio companies will receive our climate mapping analysis on them	58%	We are still in the process of completing the first year engagement cycle post setting the guardrail.
Annually as at 30 June	4 <b>Engage</b> with investee companies for climate actions	Write to 100% of our portfolio company boards to bring a Say-on-Climate resolution to the Annual General Meeting for shareholders to vote on if they have not already done so.	TBC	We are just embarking on the first year cycle of voting post setting the guardrail. Our first portfolio company up for vote where we have assessed climate action is Compass Group.
Annually as at 31 December	4 <b>Engage</b> with investee companies for climate actions	We shall engage 100% of portfolio companies annually on their climate actions and share global best practice.	100%	
Quarterly	5 <b>Solutions</b> to create positive climate/Environmental externalities as an investment focus	At least 10% of portfolio companies will have climate action as a purpose and focus	20%	As at 26 Dec 23, the combined weights of CF Industries, HPE, Neste, Schneider Electric and Trane Tech
Quarterly	5 <b>Solutions</b> to create positive climate/Environmental externalities as an investment focus	100% of portfolio companies to have S.M.A.R.T Climate/Environmental targets within 3 years of investing	93%	Gen Digital - In FY23 and FY24, they will be reassessing our environmental baselines Pg 9, hence probably why still no SMART targets yet. Qualitative delivery: Reduced Scope 1 and 2 GHG emissions by 39% between FY2021-2022 Pg 3; 27% of electricity used was from renewable sources