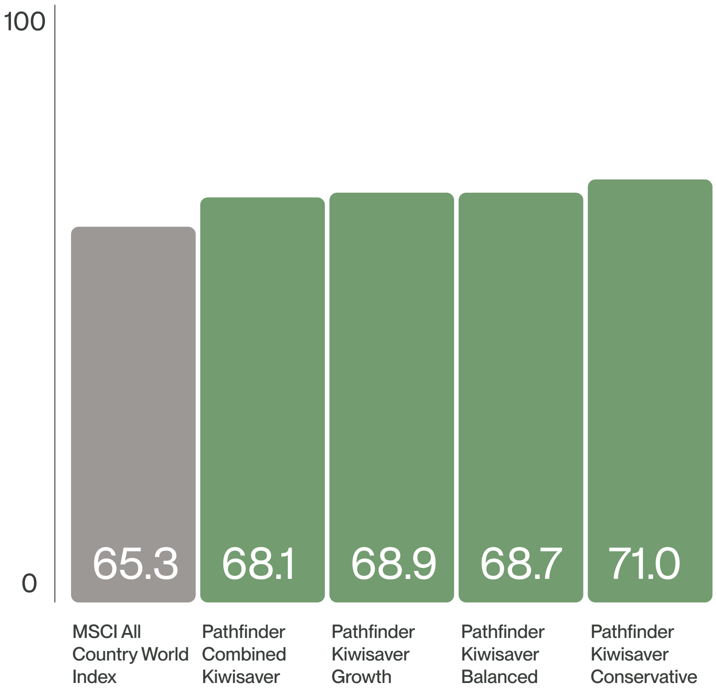
Pathfinder

KiwiSaver Key Sustainability Metrics

ESG Scores

Average ESG Score



About this measurement

ESG is a term commonly used in investing, it's an acronym that stands for Environmental, Social and Governance. And it means that companies disclose information on these topics to show they have relevant polices, measurement and reporting in place. The goal is to shed light on a company's ESG activities and support greater transparency for investors. Reporting can be an effective way for companies to demonstrate their credentials and to prove their ESG projects are genuine. Not all companies report ESG metrics, so we're only able to include those who do in our reporting.

Why Pathfinder measures it

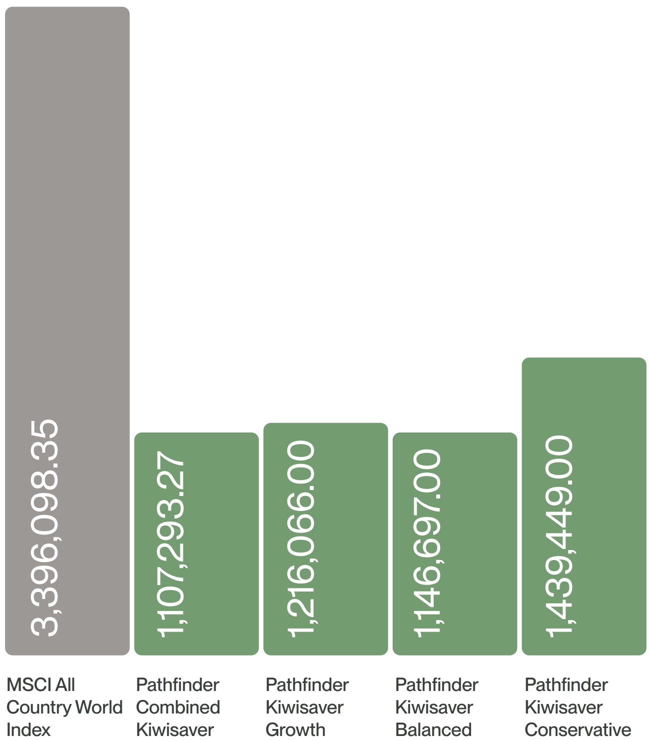
Because there's sound evidence that companies who address environmental, social and governance (ESG) issues perform better and are more resilient than companies who don't, we consider a company's ESG score as part of our investment process. We actively seek out high performing ESG companies (relative to industry). It's worth noting that ESG data doesn't necessarily rate many of the 'real world' impacts of a company. This is why we don't consider ESG data alone as sufficient for making ethical judgements on potential investments. As UNPRI signatories we are committed to incorporating ESG issues into our active ownership policies and practices across all assets.

How to interpret this data

Every data provider uses their own proprietary methodologies to produce ESG scores. Our data provider uses a metric where a higher score is better and a lower score is worse on a scale of 1- 100.

Carbon / GHG

Average CO2 equivalent tonnes



About this measurement

Carbon dioxide is a greenhouse gas (GHG) produced mostly from the burning of fossil fuels, such as oil, gas and coal. The more GHGs in the atmosphere, the more the Earth warms. While a little bit of carbon dioxide is essential for all life, too much upsets our planet's natural systems. Methane has a warming effect approximately 28 times greater than carbon dioxide. If we can restrict new GHG emissions and remove (or 'sequester') existing GHGs from the atmosphere, we can have a planet that sustains life.

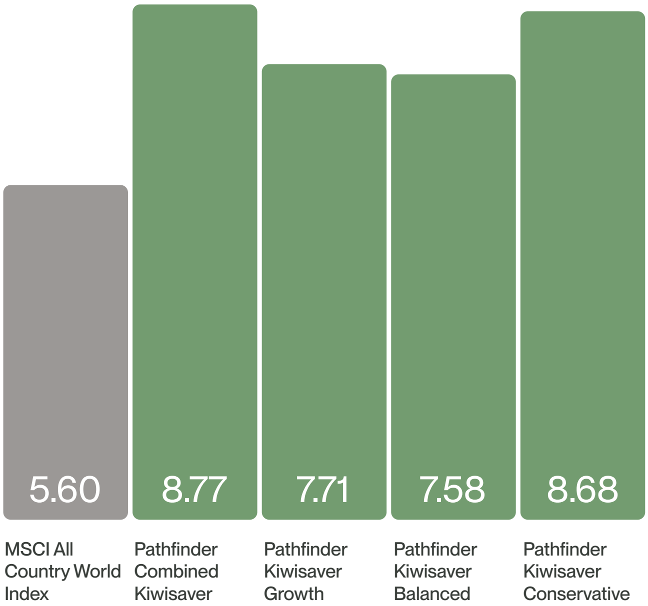
Why Pathfinder measures it

When it comes to our investment portfolio, we measure carbon emissions to understand the impact of our investments. This directs what companies we don't invest in, or have limited exposure to, for example. oil and gas and which ones we do, for example, renewable energy.

How to interpret this data

Compared to the benchmark our carbon emitting is substantially less. This reflects how much focus we have on carbon emission reduction in our investing.

Year on year percentage change in total carbon emissions



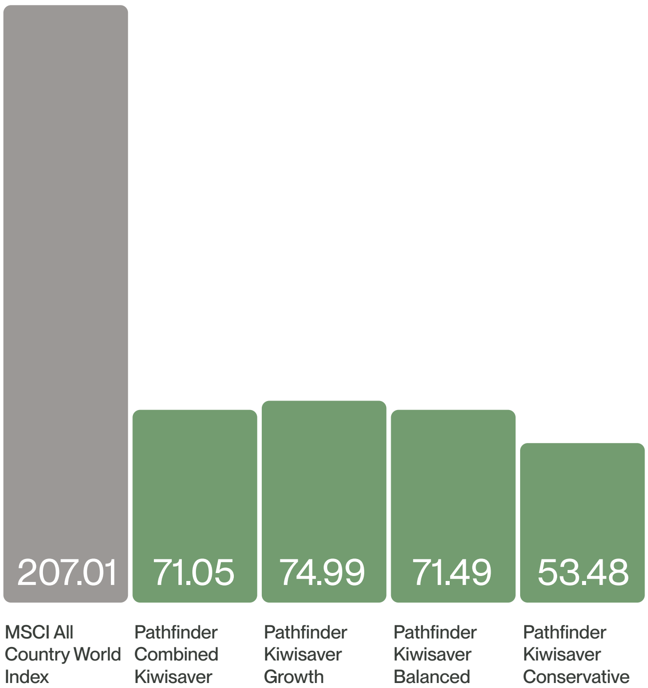
About this measurement

Year on year percentage change in total carbon is comparing the average carbon emission in the most recent 12 months with the previous period. This is a growth measurement.

How to interpret this data

You'll notice that we're up, in terms of co2, compared to last year. Our climate strategy is long-term. There will often be volatility year on year but ultimately, our aim is for Pathfinder's carbon intensity, relative to the benchmark, to trend downwards over time. It's interesting to see how we're doing year on year within our own funds, but the real value is in how we compare to the industry generally. Pathfinder's emission growth is faster than the benchmark's, partly because our Fund size is growing faster.

Weighted Average Carbon Intensity (WACI), tonnes of carbon emitted divided by millions of revenue in USD



About this measurement

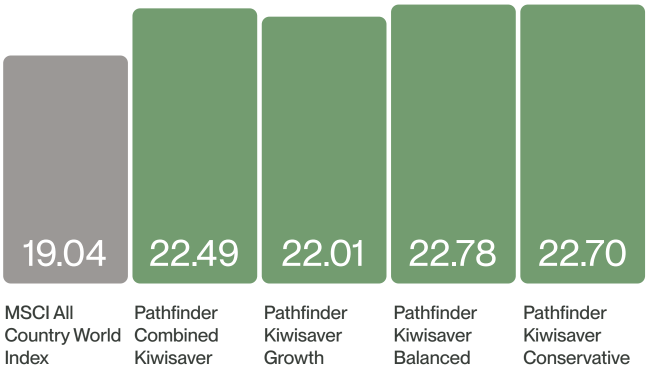
M USD stands for 'million of US dollars' in revenue. This is the carbon intensity metric which is the standard carbon metric for investors, called the weighted average carbon intensity. It is based on the tonnes above and the company revenues.

How to interpret this data

Comparing the WACI performance and the average CO2 equivalent measurements, you can see Pathfinder is outperforming the benchmark because we invest in carbon efficient portfolios.

Climate Exposure

SBTi



About this measurement

Science-based targets provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals. The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius

Why Pathfinder measures it

We have a target to increase the number of companies in our portfolio committed to the SBTi by 7% per annum to reach 100% coverage by 2040. This means we'll only be invested in companies that are committed to precenting the worst impacts of climate change.

How to interpret this data

All three of our KiwiSaver funds are invested in more companies who are committed to SBTi than the benchmark.

Pathfinder

Sustainable Development Goals

This shows how many of the companies we invest in self report that their business activities contribute towards the achievement of the listed SDG's.

Why Pathfinder measures it

We support the United Nations Sustainable Development Goals (SDG's) which act as a blueprint to help achieve a better and more sustainable future for all. We aspire for our investment decisions to contribute to the SDGs and are committed to aligning our investment practices with the sustainability objectives of these Goals. This means we match (the goals to our investments) and monitor (where companies provide data) the impacts these companies are having on the realisation of these goals.

How to interpret this data

This shows how many companies in our KiwiSaver Funds are aligning their reporting with the UNSDG's and committing to metrics beyond only financial. You'll see that we're very strong, outperforming the benchmark, with the SDG's that relate to our Ethical Investment Policy, specifically our Positive Investment Themes.