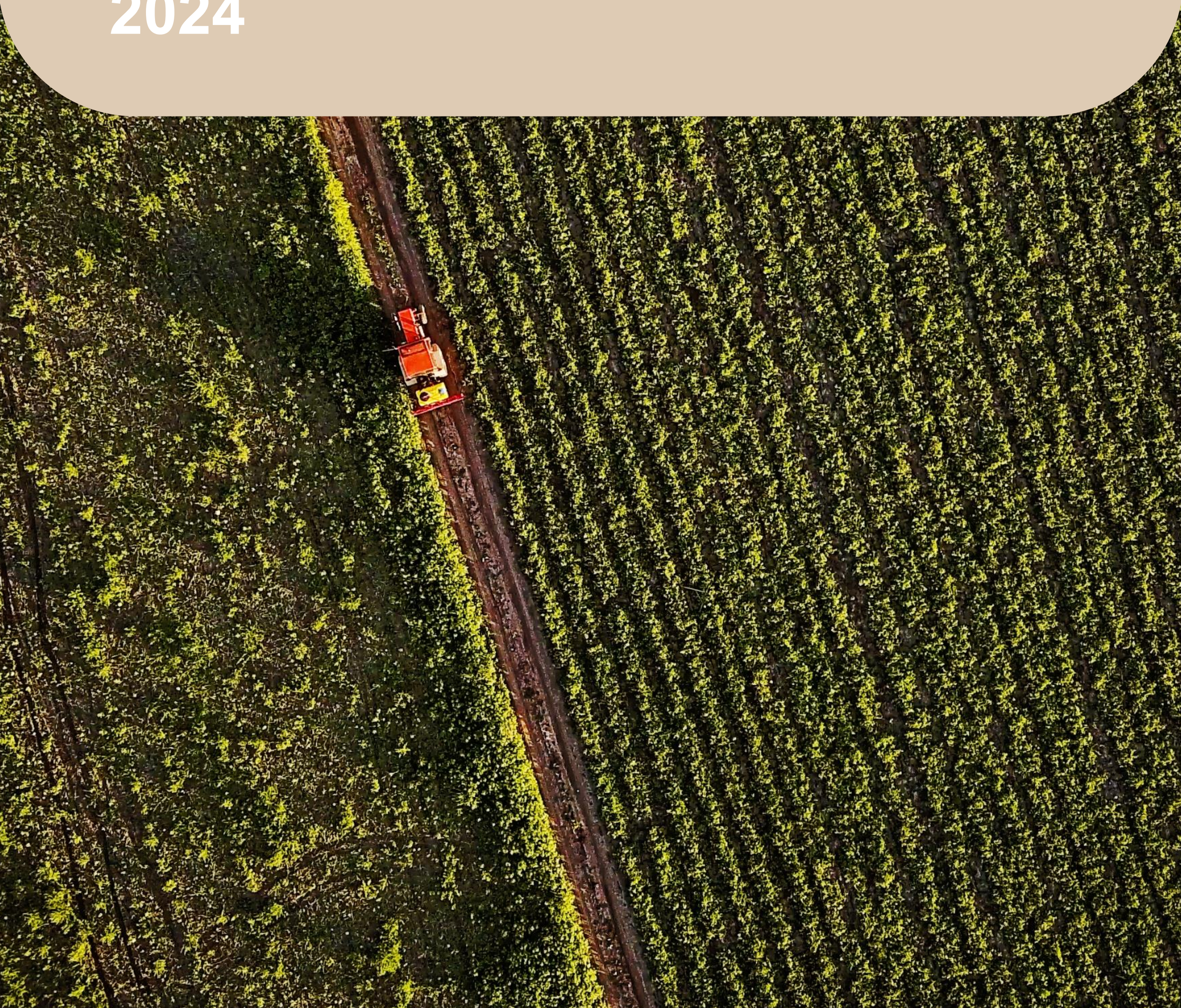
# Climate-Related Disclosures 2024



INTERMEDE
INVESTMENT PARTNERS

# Contents

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# 2024 Foreword

*Climate change is an issue with the potential to affect supply chains, squeeze crop production, force insurance premiums up and, ultimately, increase the cost of doing business. Evaluating climate risk is therefore fundamental to our investment approach, just as mitigating these risks should be fundamental to the companies we invest in.*

In reviewing companies we held in our portfolio at 2024 year-end, 80% disclose climate-related risk information. 47% of our total holdings identified extreme weather as a risk, and 37% reported exposure to carbon taxation. Notably, 25% of all portfolio companies reported a climate risk they classify as either "medium-high" or "high." These figures reflect a growing recognition that climate change has the potential to materially affect business performance in future years.

**Barry Dargan**
Portfolio Manager and Chief Executive Officer

It is encouraging that 22% of our portfolio companies now acknowledge water stress as a relevant risk. This highlights that climate and nature are deeply interconnected. Nature and biodiversity pressures such as deforestation, biodiversity loss and water scarcity amplify climate-related threats. However, our stewardship efforts indicate that progress remains slow. We urge companies - especially in high-impact sectors like pharmaceuticals and consumer goods - to give nature-related risks greater consideration.

Our role as an investment manager goes beyond identifying these risks; we must try to ensure they are understood and addressed in the context of long-term value creation. That includes engaging with companies and advocating for stronger responses to the interconnected challenges of climate change and nature loss. Climate risk is seen as an investment risk, and companies must clearly explain how they are managing or mitigating these exposures.

Setting a corporate emissions reduction target enables companies to contribute to the collective effort to avoid the worst impacts of climate change and reduce related business risks. With many targets set in recent years, we now have a multi-year view of corporate emissions trajectories. We continue to urge companies to set sound, realistic targets to reduce their emissions.

This report sets out the corporate-disclosed climate-related risks relating to our client portfolios as at year end. It also details how our firm works to manage climate externalities. Ultimately, this insight supports our objective of building resilient portfolios.

**Barry Dargan**
Portfolio Manager and Chief Executive Officer

***This is the second year of Intermede's climate-risk reporting. In our inaugural report, we concluded that significant gaps in corporate disclosure made it difficult to extract decision-useful climate data. We urged companies to provide more comprehensive reporting to give investors a clearer picture of climate risks, the scale of their potential impacts, and the measures being implemented to mitigate them.***

Over the past year, disclosure has improved: 80% of portfolio companies now report on climate risks, up from 71%. We are also seeing more detailed insights into the nature of these risks and how companies are managing them.

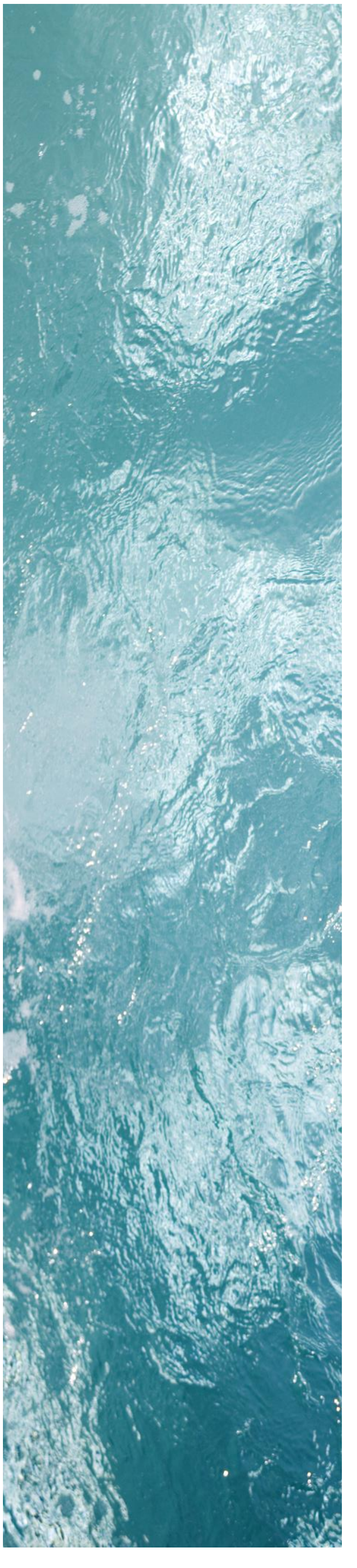
Of the climate risks disclosed by companies themselves, 58% were transition risks - such as carbon pricing, reputational risk, regulatory change, shifting consumer preferences and broader market trends. The remaining 42% related to physical risks - extreme weather, temperature shifts, sea level rise and water stress. Extreme weather was the most frequently cited risk. Based on companies own disclosures, the industrials sector shows the highest climate-risk exposure in our portfolio, followed by consumer discretionary, financials, IT and materials.

This is the first year that we have incorporated scenario analysis into our climate-risk assessment. The results suggest that the potential financial impact of climate risks on our portfolio is slightly lower than that of the benchmark, the MSCI ACWI. Our analysis also indicates that, across scenarios, projected outcomes remain broadly similar in 2030, but diverge more markedly by 2050, with potential impacts increasing in line with rising temperatures. In essence, the lower the level of emissions over the long term, the better our portfolio is likely to perform in the face of climate-related risks. Looking more closely at sector-specific scenario outcomes, we found that consumer staples, financials, information technology and materials all show higher potential risk relative to the benchmark. This is a valuable insight and one that we intend to investigate more thoroughly to support long-term decision-making.

In preparing this report, each of our sector analysts reviewed company climate-risk disclosures to provide an internal overlay, placing reported risks in the context of broader business models. In some instances, this analysis suggested companies may be underestimating potential impacts.

In terms of disclosure itself, some portfolio companies still fail to report adequately, or at all. Others offer overly broad disclosures that obscure real exposure. We are operating in a changing climate and therefore, related risks that business face are a highly necessary part of how we assess the attractiveness of a stock. Whether or not such reporting is regulatory, we believe it is essential. As part of our stewardship programme, we will continue to note the importance of climate transparency.

This report was prepared in line with the *Taskforce for Climate-related Financial Disclosure (TCFD) Recommendations and Recommended Disclosures*, as outlined in the FCA ESG Sourcebook.



This report is divided into four sections, in line with the TCFD Recommendations as outlined below.

| | | | |
|---|---|---|---|
| **Governance** | a) Describe the Board's oversight of climate-related risks and opportunities. | b) Describe management's role in assessing and managing climate-related risks and opportunities | |
| **Strategy** | a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. | b) Describe the impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. | c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2ºC or lower scenario. |
| **Risk Management** | a) Describe the organisation's processes for identifying and assessing climate-related risks. | b) Describe the organisation's processes for managing climate-related risks. | c) Describe how processes for identifying, assessing and management climate-related risks are integrated into the organisation's overall risk management. |
| **Metrics and Targets** | a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process | b) Describe the organisation's processes for managing climate-related risks. | c) Describe how processes for identifying, assessing and management climate-related risks are integrated into the organisation's overall risk management. |

# Governance

### 1.1 Describe the Board's oversight of climate-related risks and opportunities

The board of Directors of Intermede Investment Partners Limited (the "Board") has responsibility for the overall strategy of the Firm, including overseeing Responsible Investment. The Board is also responsible for setting the Firm's risk appetite. Responsible investment is a standing item on the Board agenda and climate risks are discussed annually, at minimum. Issues considered by the Board include, but are not limited to:

- Oversight of material non-financial risks and opportunities to which Intermede is exposed through its holdings, inclusive of climate-related risks and opportunities.
- Oversight of progress towards Responsible Investment-aligned targets, such as Intermede's Net Zero Target.

### 1.2 Describe the management's role in assessing and managing climate-related risks and opportunities

The Board has established a Responsible Investment Committee (the "Committee"). The purpose of this Committee is to drive integration of Responsible Investment into the Firm's activities and is chaired by Mike Gallagher, a Managing Director. Its membership includes the portfolio management team, including the CEO, as well as other members of the investment team. The Committee advises and facilitates the development, evolution, and implementation of policies, standards, and technical measures. The Committee charter sets out that the Committee is responsible for reviewing carbon metrics, climate scenarios and climate risks and opportunities across the portfolio, as well as deciding upon action to address material risks, where necessary. A steering committee has also been set up to facilitate discussion on specific Responsible Investment workstreams.


The Board has ultimate responsibility for Responsible Investment, which is a standing item on the Board agenda. This includes oversight of elements such as climate-related risks and opportunities.

The Committee drives integration of responsible investment into the Firm's activities. It advises on and facilitates the development, evolution and implementation of policies, standards, and technical measures. It is chaired by Mike Gallagher, a Managing Director.

The steering committee convenes on an ad hoc basis to facilitate discussion on specific responsible investment workstreams.

# Strategy

*2.1 Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.*

### A. Corporate Exposure

The primary risk that Intermede has identified is the potential negative effect climate change may have on the value of our clients' assets that we manage. On a corporate basis, the Firm has 1 FTE focussed on Responsible Investment. Incremental costs include environmental data providers, as well as increased reporting requirements for both clients and regulators. Therefore, we believe the financial impact from climate-related risks identified at a corporate level to be limited.

### B. Investment Exposure

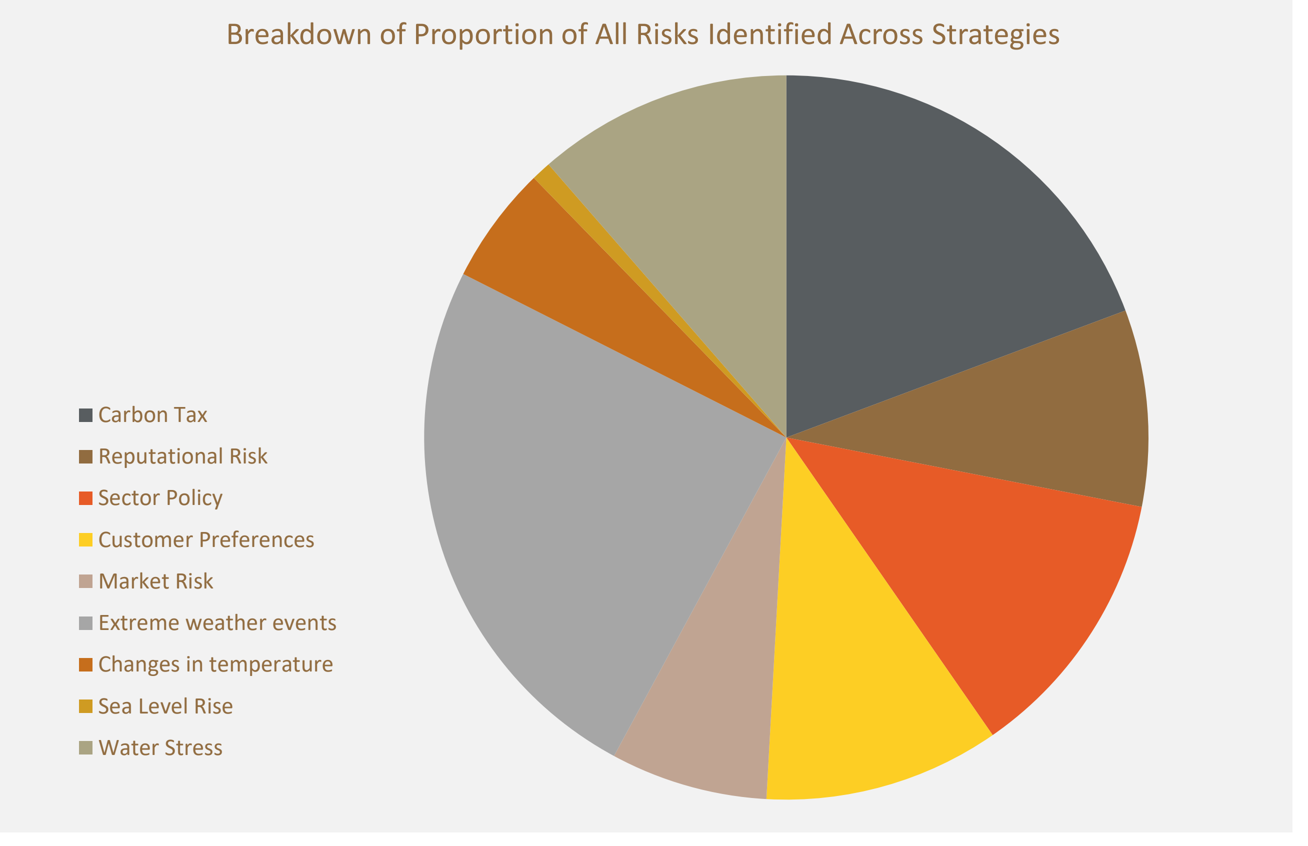
Due to the potential negative impact on our client assets, as part of our fundamental research on companies, we review their disclosed climate risks and opportunities. In addition to this, in preparation for our climate-related disclosure, each company is reviewed in turn for their risks and these risks are compiled in a central database for review and analysis.

Information is primarily drawn from the Carbon Disclosure Project (CDP) but is also supplemented by companies' own reporting. At the end of December 2024, Intermede invested in 60 equities, across two strategies. Overall, 34 of these companies disclosed detailed risks to CDP (note, while some companies may have made some CDP disclosure, we only count here those companies that submitted decision-useful risk information). Supplementing this with corporate data, 80% of companies released some form of climate-risk reporting. This is up from 71% last year. However, as with last year, the quality of reporting varies widely.

Each of our sector analysts reviewed the risks identified and offered their insight from a perspective of fundamental ownership. This allowed us to appreciate the level of risk companies faced more wholistically.

The following pages include a breakdown of some of the key findings. In addition to this, we include some insights from the scenario analysis undertaken.

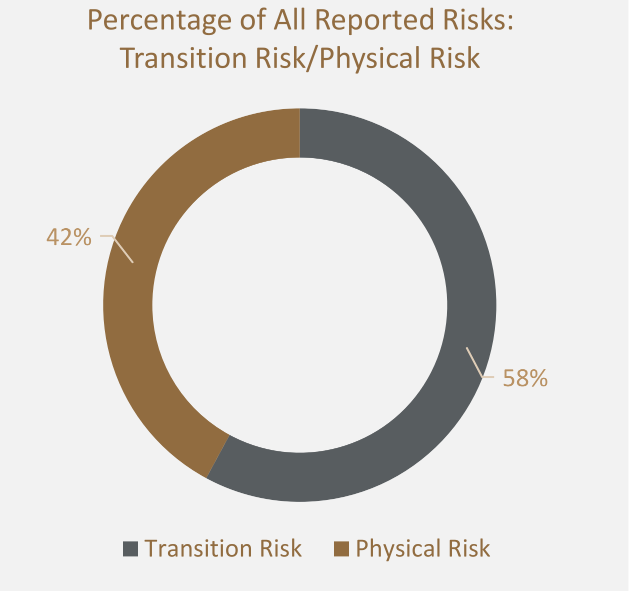
A breakdown off all risks identified is show below. This uses, as noted, companies CDP submissions supplemented by companies' own reporting. Note here that some companies may have reported only one risk, while other companies reported many.




### C. Proportion of Reported Transition and Physical Risk in Investments

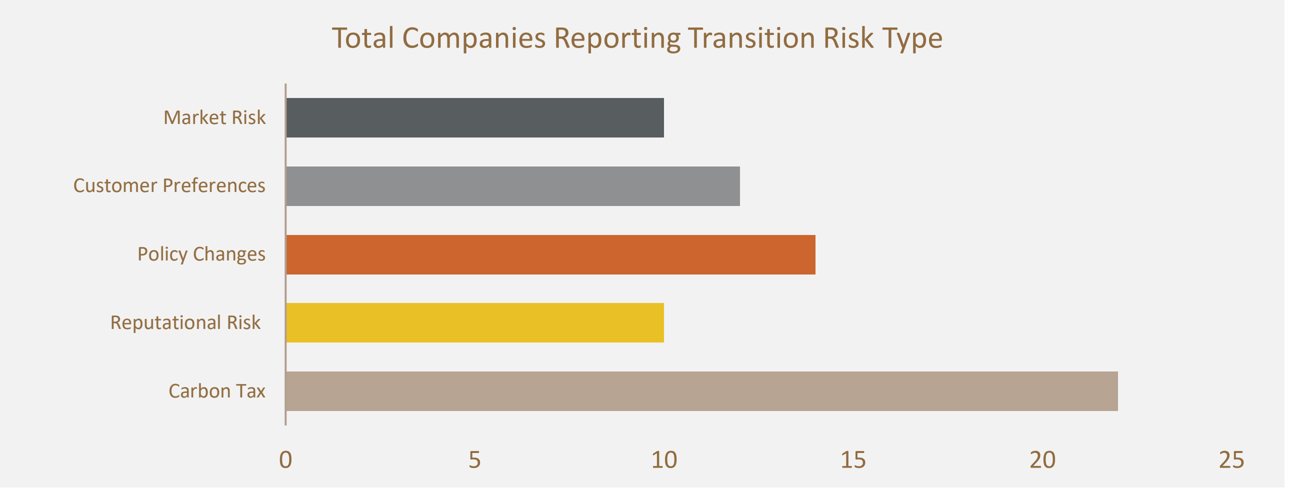
Looking again at all risks reported by companies, 58% of the risks reported related to transition risk – which comprised carbon tax, reputational risk, sector policy, customer preferences and market risk. These are the risks that stem from the shift to a low-carbon economy and can impact companies' operating costs, asset valuations and future profitability.

Physical Risk – comprising extreme weather events, changes in temperature, sea level rise and water stress – made up 42% of all risk reported. These can damage physical assets, disrupt supply chains and affect resource availability.



### D. Transition Risks

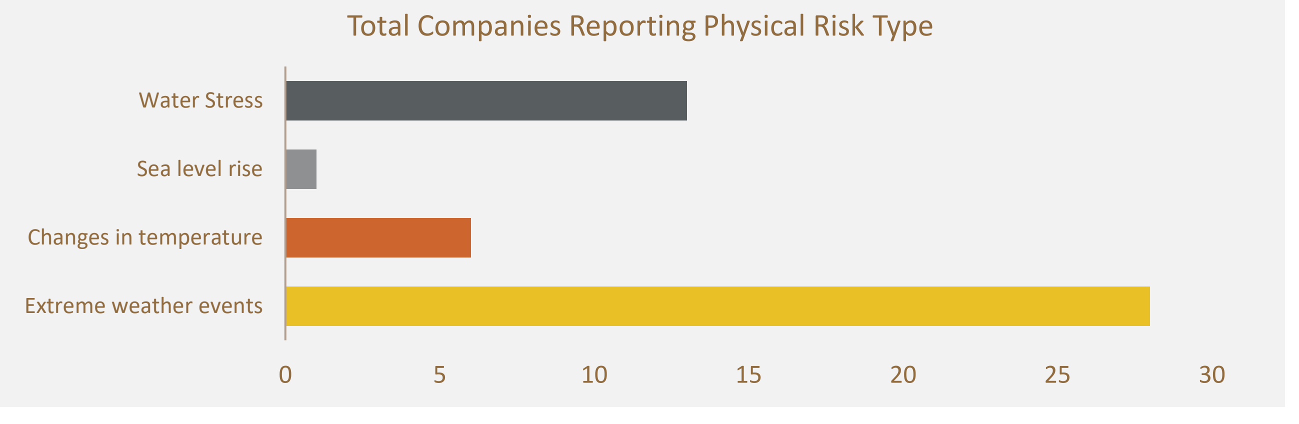
Thirty-eight companies within the portfolio reported a transition risk in 2024. As previously noted, carbon tax was the transition risk most reported by companies, this is followed by policy changes, customer preferences, market risk and, finally, reputational risk.




### E. Physical Risks

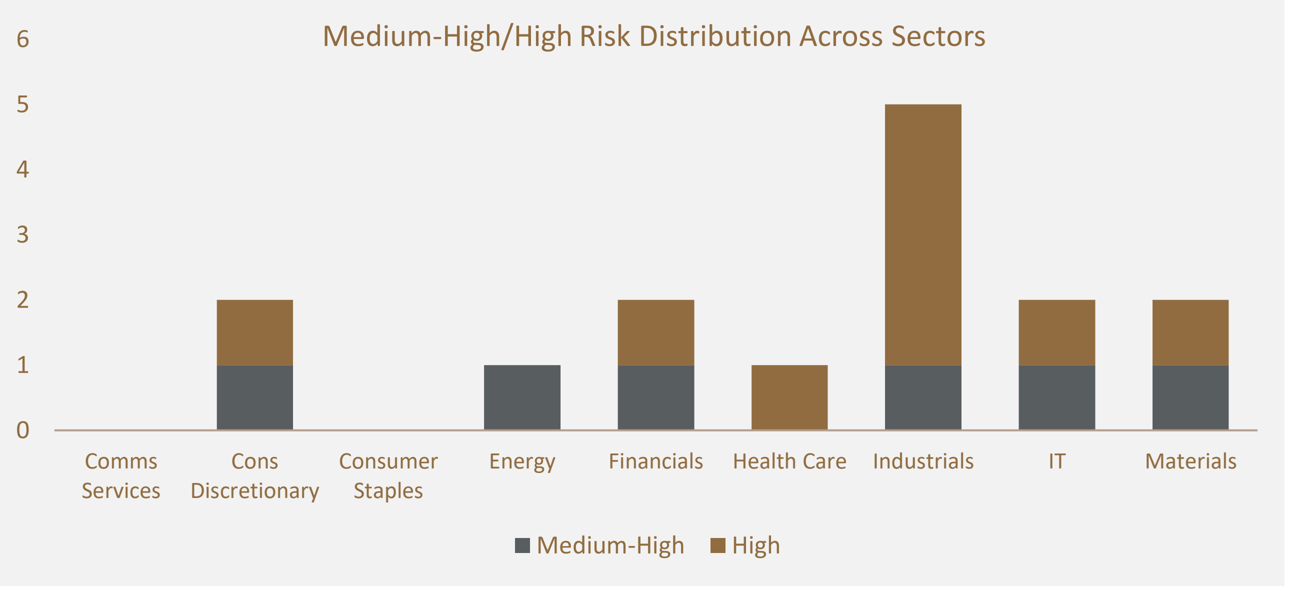
Across both strategies, 34 companies reported physical risks in their 2024 reporting, namely extreme weather events (which include hurricanes, fires, coastal and inland flooding and tornadoes), changes in temperature, sea level rise and water stress. Some key takeaways from the physical risk reporting include:

- Extreme weather was the risk reported by most companies across both the transition and physical risk categories. This accounted for 47% of all companies owned at the end of 2024.
- Water stress, such as drought events, the second most reported physical risk. Overall, 22% of the companies we owned in 2024 reported a water-related risk.



### *2.2 Describe the impacts of climate-related risks and opportunities on the organisation's businesses, strategy*

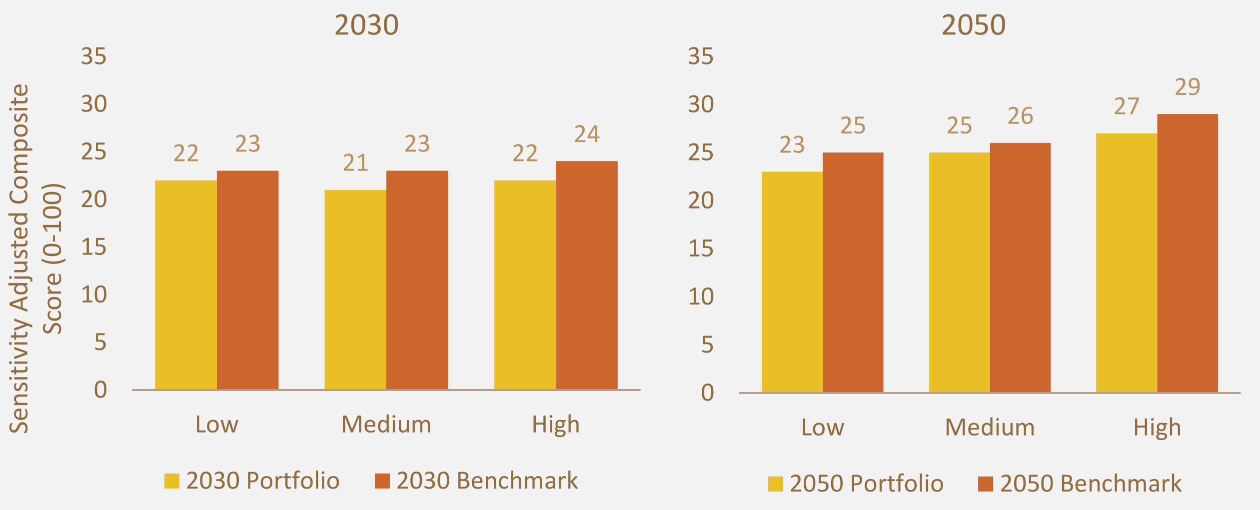
The level of risk impact were categorised by companies themselves in their CDP disclosures, running from low to high. Not all companies reported risk impact levels, and the majority were noted as low or medium. Having analysed the distribution of risk across sectors, the highest self-reported risks are consternated in industrials. Interestingly, none of the consumer staples companies indicated medium-high/high risk. However, later in this sector, our scenario analysis suggest that consumer staples is one of the sectors that is potentially most at risk of physical risk impacts. The below chart outlines the number medium-high/high risks reported per sector within our portfolio.



### *2.3 Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2oC or lower scenario.*

Intermede has undertaken an exercise to more comprehensively understand the physical risk exposures of our investments. In order to achieve this, we conducted analysis based on three Shared Socioeconomic Pathways (SSP) scenarios – Low (SSP1-2.6), Medium (SSP2-4.5), and High (SSP5-8.5).

Low, Medium and High Sensitivity Adjusted Composite Score – IIP vs Benchmark




Source: S&P Trucost, Intermede

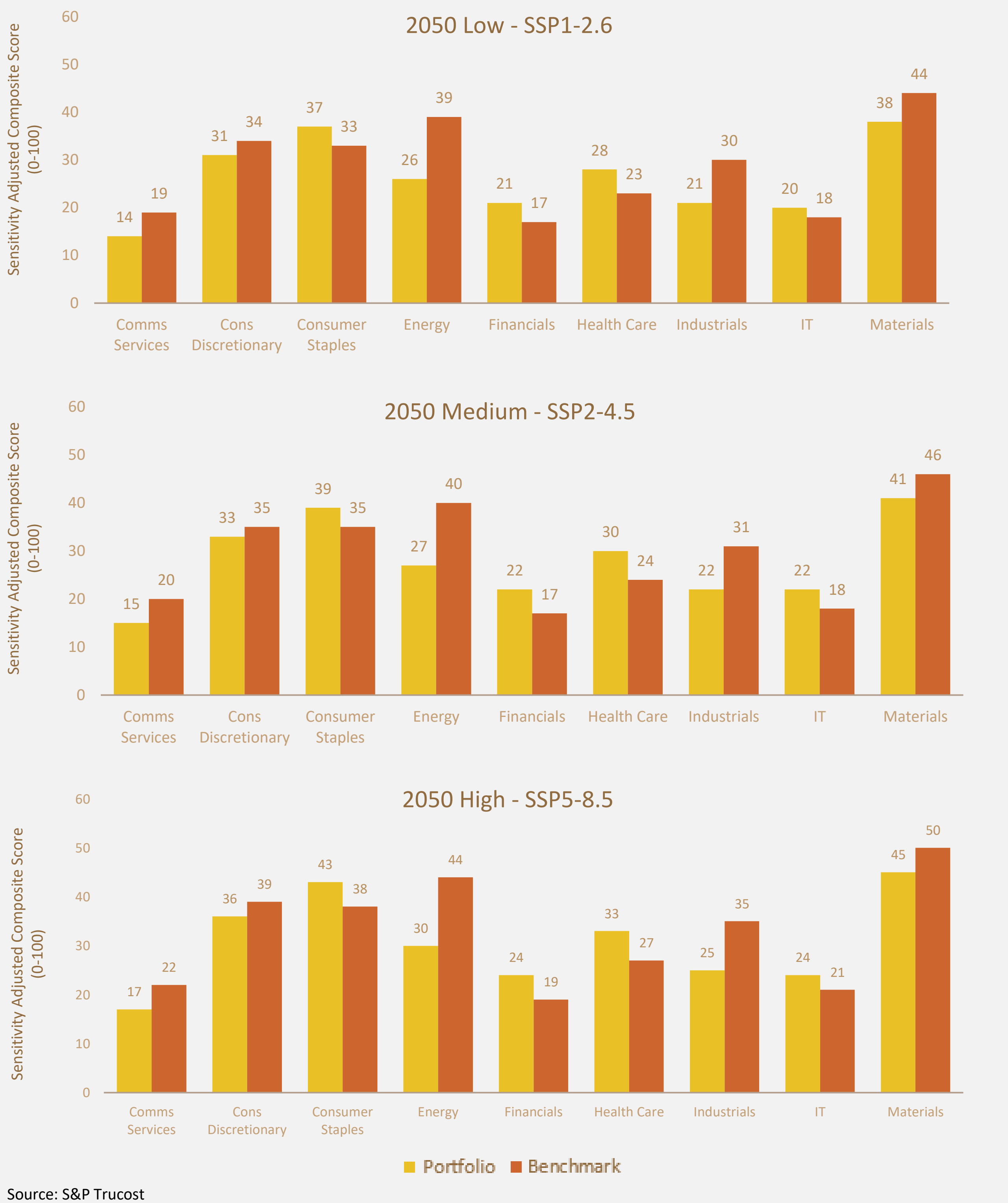
Above, we present an analysis for each of the Shared Socioeconomic Pathways (details of which can be found in the appendix). In both 2030 and 2050, the sensitivity-adjusted composite scores[1] are consistently lower for the portfolio compared to the benchmark. Using a 2030 time horizon, the "middle-of-the-road" scenario - assuming approximately 2.7°C of warming by the end of the 21st century relative to pre-industrial levels - represents the lowest physical risk impact for the portfolio. However, when extending the horizon to 2050, the physical risk impact increases in line with the projected temperature rise.

On the next page, we conduct a sector-level scenario analysis, with each chart projecting physical risk impacts across Low, Medium and High risk scenarios. Overall, the two sectors that present the highest potential physical risk impacts within our portfolio are Consumer Staples and Materials. Notably, despite the portfolio's aggregate physical risk remaining lower than the benchmark's, the sector breakdown reveals four sectors where the portfolio currently exhibits higher potential risk impacts than the benchmark: Consumer Staples, Financials, Health Care and Information Technology.

It is important to emphasise that these are scenarios—not forecasts. Nonetheless, the insights they provide offer valuable, decision-useful information that can be integrated into our fundamental investment analysis framework.

1 The Sensitivity Adjusted Composite Score (0.100) is calculated using data from S&P by linking each physical risk indicator (Extreme Heat, Extreme Cold, Coastal Flooding, Wildfire, Drought, Fluvial Flooding, Pluvial Flood, Tropical Cyclone and Water Stress) to a set of tangible business impacts and a metric that can be measured at the company level to reflect the relative sensitivity of each company to each risk indicator and its impacts.

Low, Medium and High Scenarios Sensitivity Adjusted Composite Score – Sector Breakdown




Source: S&P Trucost

# Risk Management

### 3.1 Describe the organization's processes for identifying and assessing climate-related risks

As part of the Firm's detailed bottom-up analysis, we complete a proprietary checklist on all holdings, which includes questions on climate-related risk, such as level of disclosure of risks and opportunities, climate governance and the financial impact of risks or opportunities.

The checklist areas reviewed for each holding are as follows:

| Disclosure | Environmental | Social | Governance |
|---|---|---|---|
| Identification of ESG risks | Decarbonisation target | Talent retention | Clear remuneration policy |
| Mitigation and management plans | Identification of climate-related risks and opportunities | Diversity and inclusion | Board structure and independence |
| Data quality | Climate governance | Labour rights and modern slavery | Observation of regulations and norms |
| Data assurance | Impact of risks and opportunities | Valuing the customer | Shareholder rights |

This checklist makes the investment team aware of both the level of disclosure and risks prior to taking a holding.

As our investment team focuses on identifying companies with a sustainable long-term competitive advantage, our investment approach itself is inherently not conducive to investing in the heaviest emitting companies. As such, our exposure to such companies is limited and we have not, thus far, come across risks that have been so high that it has stopped us from taking a holding in a company following a review of the checklist. This approach does offer a safeguard and a method of catching such risks ahead of investment if they could materially impact the value of the shareholding. It further offers a structured and solid foundation for climate-related risk engagement, if required.

### 3.2 Describe the organization's processes for managing climate-related risks

Engagement is an essential foundation to our investment approach. We are patient, long-term investors, as reflected in our typical three-to-four year holding period for names in our portfolio. This, therefore, allows for considered and continued dialogue with the companies that we hold. Our aim is to drive positive change to both reduce risk and create value. Fundamentally, we employ an owner's mindset to company engagement allowing us to benefit from these activities over an extended period.

While the nature of our investment approach means that our exposure to the heaviest emitting companies is limited, Intermede will not pursue a method that *per se* divests from, or avoids, heavy emitters if they meet other investment criteria. Instead, we intend for management of climate-related risks to be primarily achieved through our own stewardship activities or through collaborative efforts with other investment managers and asset owners.

Intermede has committed to conducting Paris-aligned engagement, asking firms to address climate-related risks and reduce their emissions. While not the primary focus in every case, in 2024, the majority of our engagements included reference to climate-related risks and emissions targets.

## Case Study: Canadian Rail Company

- Intermede has been a long-term shareholder of a Canadian Rail Company.
- In Q3 2024, the company's revenues were impacted by wildfires in western Alberta, disrupting operations along its busiest rail corridor. Services were suspended for two days, and operations remained limited even after the worst of the fires had subsided.
- We engaged with the company following this to discuss both the physical impacts of climate change and the transitional pressures, including the ongoing decline in coal freight volumes.
- On wildfire, the company acknowledged that while this risk had not been highlighted in previous climate-risk reporting, it had since undertaken more detailed scenario analysis, covering a broader range of factors and geographies. It is also working to improve sensory technology.
- Regarding the decline in coal-related revenues and carloads, the company noted emerging offsets, such as increased transport of windmill components and biofuels. It also cited growing demand from clients seeking to reduce emissions by shifting from more carbon-intensive transport modes, such as trucking, to rail.
- While we consider that the company is generally responsible in its non-financial disclosures, the wildfire disruptions, combined with revenue losses from labour disputes contributed to a 2% year-on-year profit decline. These factors, along with the potential risks such as the impact of US tariffs, contributed to diminishing the stock's attractiveness and we exited the position shortly thereafter.

### 3.3 Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

Intermede has a documented Risk Management Policy (RMP) which describes the framework that has been established for the management of risk and allocation of responsibilities, behaviours and minimum standards expected of all employees.

To provide for a clear assignment of responsibilities with respect to risk, Intermede has adopted the '3 lines of defence' model.

The first line of defence is represented by management and employees charged with the operation of business processes and the making of key decisions. They are best placed to identify the inherent risks and to put in place strategies to mitigate risk, including the implementation of internal controls.

The second line of defence is comprised of the Firm's legal and compliance department charged with providing advice to, and oversight of, the first line of defence on matters relating to the monitoring and application of controls.

An external audit process which produces independent assurance reports, whilst not making part of the Intermede's internal risk framework, makes up the third line of defence of the Firm's risk management model.

The risks identified and mitigated through the risk management model, are categorised into four main categories.

i. Investment – those risks/uncertainties affecting the realisation of investment returns relative to client expectations

ii. Conduct – risks of poor outcomes for clients or to market integrity, resulting from the behaviour, culture or business model of Intermede

iii. Operational – risks resulting from inadequate or failed internal processes, people and systems, or from external events

iv. Financial – risks/uncertainties impacting on the achievement of the financial objectives of Intermede (including its prudential obligations)

Climate risk is considered as part of the Investment risk category.

# Metrics & Targets

### *4.1 Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.*

#### A. Financed Emissions

Across our reporting, the Firm uses a carbon intensity (by revenue) metric to report on its financed emissions. This metric represents the volume of emissions attributed to Intermede in relation to issuer revenues. Intensity metrics are deemed more suitable for disclosures because it allows for fluctuations in portfolio size and provides a good basis for comparison with other portfolios or benchmarks. This said, Intermede acknowledges that carbon intensity can be impacted by volatility in the chosen denominator – in this case revenues. Intermede also actively monitors the absolute carbon emissions and Weighted Average Carbon Intensity (WACI) of our portfolios.

The Firm will disclose its holding companies' Scope 1 and Scope 2 emissions. While we actively monitor our Scope 3 emissions, we consider the available data to be, at this stage, inconsistent and potentially unreliable, with estimates varying significantly. Therefore, we have chosen not to disclose Scope 3 emissions externally at this time.

#### B. Corporate Emissions

Intermede uses carbon intensity and absolute emissions to report its own corporate emissions.

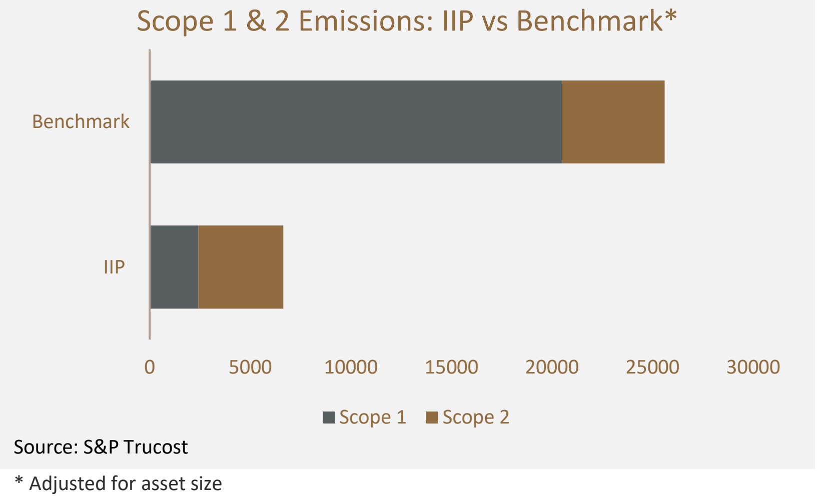
### *4.2 Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks*

#### A. Financed Emissions

Intermede's financed emissions are, by far, the most material of our emissions due to the scale of investments that we make in equities for our clients globally. These are absolute emissions that are financed through those investments. While these fit into our downstream Scope 3 emissions, these emissions are analysed separately to our own corporate emissions as they require separate targets and action. We account for our portion of emissions based on an attribution factor – as such the absolute quantity of our portfolio emissions are based on the apportioned emissions from underlying companies based on equity ownership.

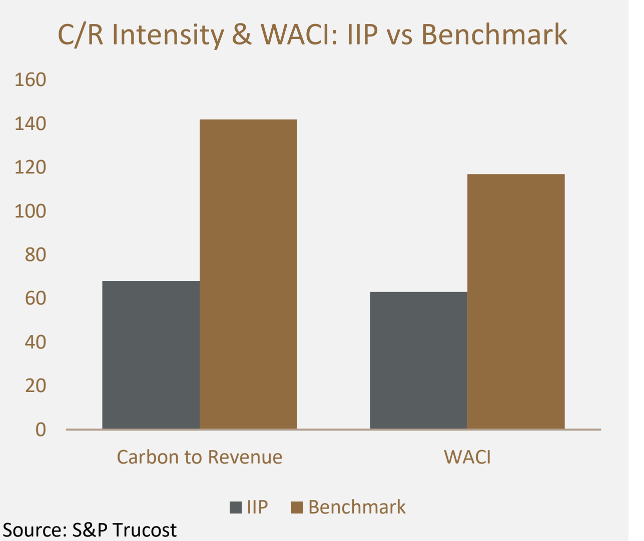
At the close of 2024, the emissions apportioned emissions across all assets managed by Intermede was **6,644 $tCO_2e$.**

Intermede's portfolio companies' Scope 1 emissions account for approximately **27%** of total Scope 1 and 2 , which is significantly lower than the benchmark, of which approximately 80% are Scope 1. This is in line with our preferences for investing in companies that are not capital intensive.




* Adjusted for asset size

Our portfolio companies' Carbon/Revenue Intensity and WACI have been trending down since our 2020 baseline, standing at 61 and 56 $tCO_2e$/USD M respectively at the close of 2024. Again, these compare favourably against the benchmark.




Source: S&P Trucost

## B. Corporate Emissions

Intermede will carry out emissions analysis on a biennial basis. The last time corporate emissions analysis was carried out was for the 2023 calendar year. Within that analysis, it highlighted that the majority of emissions impact comes from Intermede's offices, premises and staff. It also included significant impacts from activities that are not owned by the company, but over which the Firm exerts financial control.

In 2023 Intermede's Scope 1, 2 and 3 emissions equated to **72.58 $tC0_2e$**. These emissions do not account for the significant emissions associated with the air conditioning within the building due to the fact that no refrigerant charge was topped up in the reporting year, however, were this the case emissions would have been significantly higher at **96.05 $tC0_2e$**.

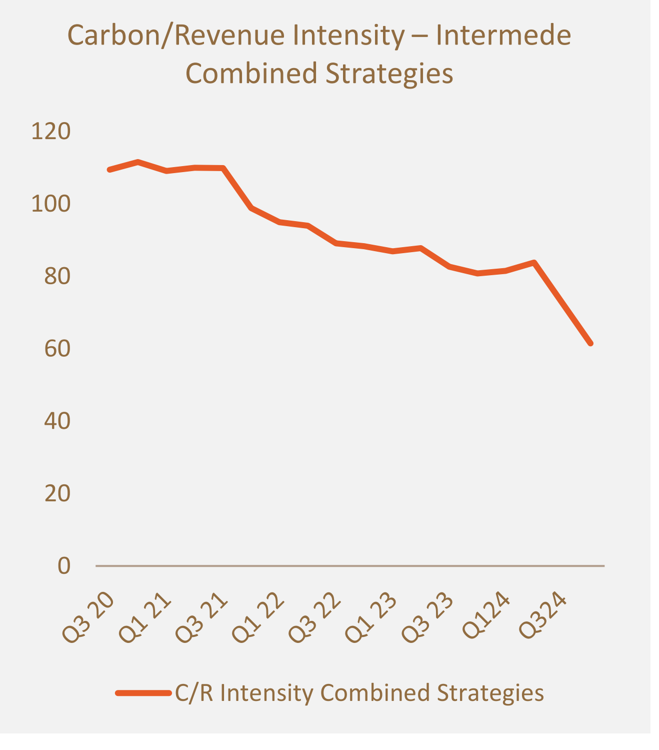
*Unless otherwise stated, all measurements throughout this report will be conducted in $CO_2$ equivalent ($CO_2e$) , which provides a relative measure of the impacts of other GHGs (e.g. Methane 'CH4', Nitrogen Oxides 'NOx') versus the climate impact of $CO_2$.*

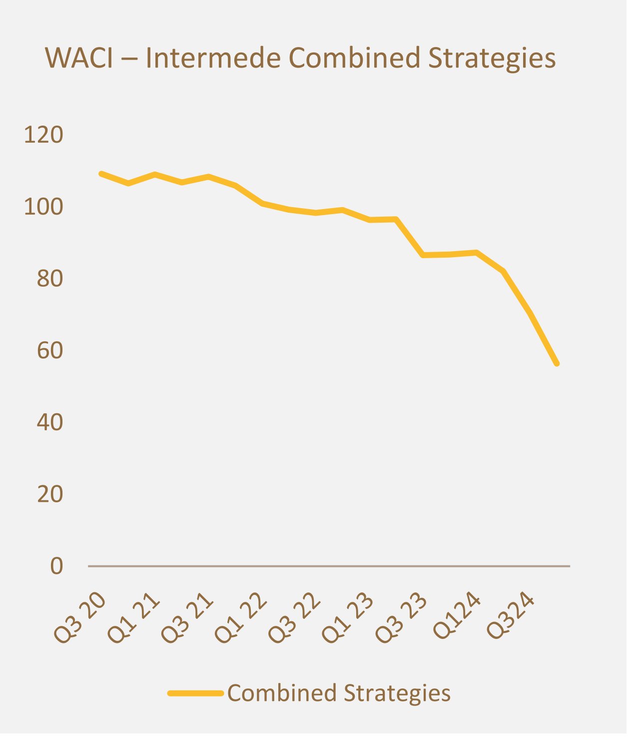
### *4.3 Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.*

Intermede commits to achieving Net Zero financed emissions by 2050 consistent with a maximum temperature rise of 1.5°C above pre-industrial temperatures, taking into account the best available scientific knowledge including the findings of the IPCC. Our target is based on the P2 emissions pathway from the 1.5°C pathway outlined in IPCC SR1.5.

Intermede has set a Net Zero financed emissions target, comprising three parts:

a. 50% reduction in $CO_2e$ by 2030 (Carbon/Revenue Intensity), reaching net zero by 2050.
b. 60% of companies shall have approved Science Based Targets (SBTs) by 2030.
c. All holdings shall have approved SBTs by 2040.



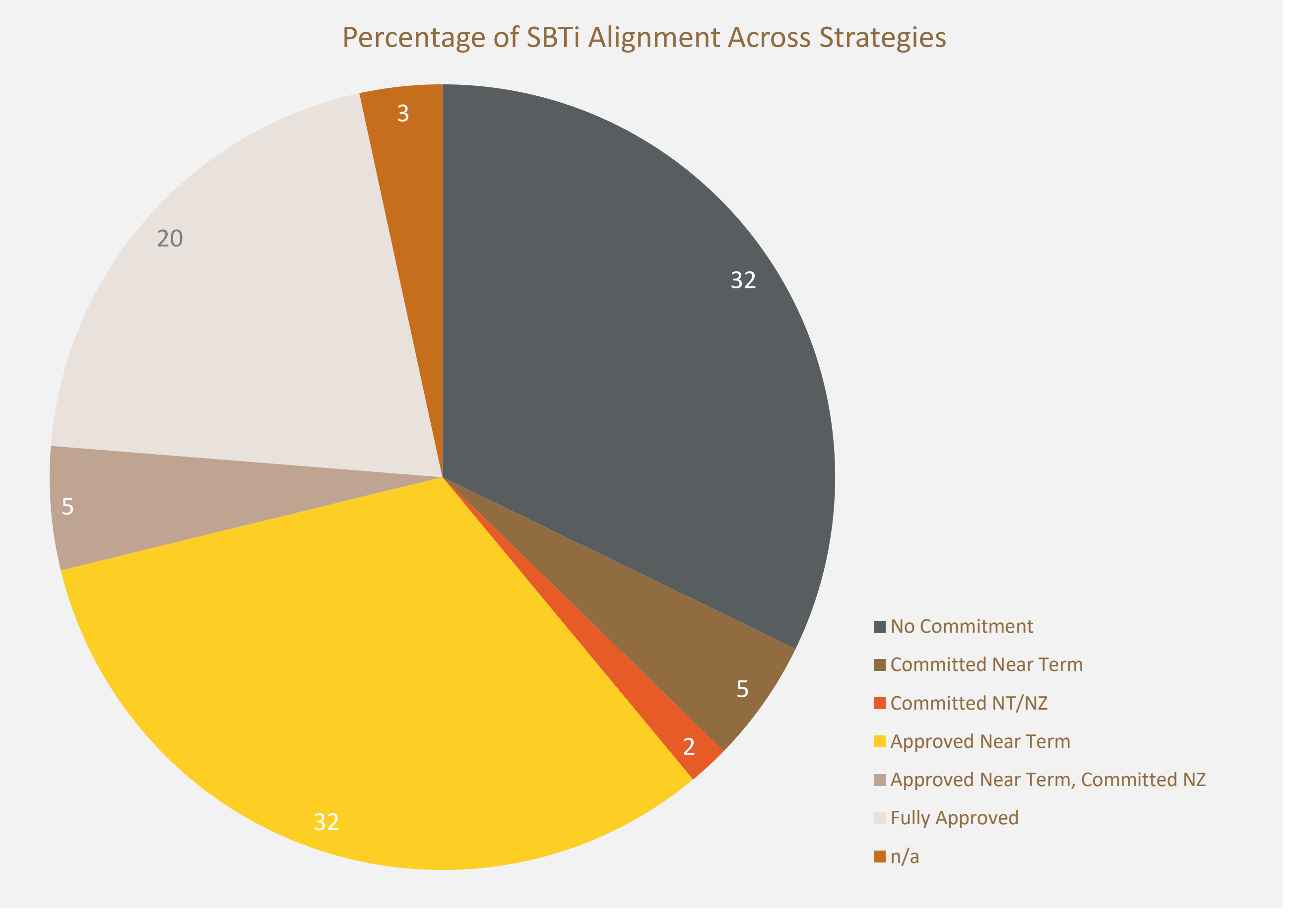

Based on the above, the reductions since the 2020 baseline year are as follows:

- C/R Intensity: 44% reduction in $tCO_2e$/USD M
- WACI: 48% reduction in $tCO_2e$/USD M

However, it is important to note that Q4 2024 included the sale of shares in two highly carbon-intensive businesses. Though outside the reporting period for this report, portfolio emissions have already risen from the lows recorded at the end of 2024. We do not anticipate a linear path towards achieving our emissions target, but we remain encouraged by the overall downward trajectory.

In addition to Intermede's financed emissions reduction target, Intermede has committed to ensuring that 60% of portfolio holdings have their own emissions reduction targets aligned with the Science Based Targets initiative (SBTi). Currently, 20% of companies in client portfolios have fully aligned targets, covering both near and long-term goals, while a further 32% have near-term targets that have been verified by the SBTi. This means that, in total, over 50% of companies now have SBTi-aligned targets.

At the same time, 32% of portfolio companies have yet to set any emissions reduction target. To meet our commitment, we continue to actively engage with companies, encouraging them to set targets in line with the SBTi framework.



Compliance Statement

The disclosures in this reporting, including those facilitated by third parties (S&P Trucost), comply with the requirements under the Financial Conduct Authority’s Environmental, Social and Governance sourcebook, Chapter 2.

**Rupert Mahon**
Chief Operating Officer
30 June 2025

# Appendix

## A. Data quality and gaps

### Financed Emissions

*Climate risks and opportunities*

- All climate risk and opportunity data was accessed first hand through the Carbon Disclosure Project, with information supplemented by additional company reporting.

*Emissions data*

- All emissions data was accessed through S&P Trucost. There is full or partial disclosure of emissions across over 90% of Intermede's clients' portfolios.
    - Full disclosure is derived from exact data from an environmental, financial or company disclosure.
    - Partial disclosure is derived using estimations from environmental disclosures, financial disclosure or Trucost estimations from prior disclosures.
    - The remaining ~10% of data was modelled through the use of sector breakdowns, proxy data or derived from historical data.
- Despite high disclosure rates, limitations remain. According to S&P Trucost, "… corporate reporting remains patchy. Some regions are leading the way while others are lagging. Published disclosure is often incomplete or nonstandard, making it difficult to compare the liabilities of different companies. Reporting errors can be prevalent."[1]
- Trucost further states that their analysis finds that for the majority of companies, environmental risk is often concealed within supply chain tiers, a scope of impact that is significantly underreported.[2]
- Trucost uses a variety of publicly disclosed sources, such as company financial reports (annual reports, financial statements, 10-K/20-F reports, SEC/regulatory filings), environmental data sources (corporate social responsibility [CSR], sustainability, or environmental reports, the CDP, EPA filings), and data published on company websites or other public sources.
- Where data gaps arise – such as where no historical GHG data was released – S&P will make modelled estimates based on sub-industry trends.

### Corporate Emissions Data

Data collection and analysis has strictly followed the GHG Protocol Corporate Accounting and Reporting Standard. The World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) developed the standard to promote standardised global carbon accounting methodologies and as such, the GHG Protocol Standard is one of the recommended methodologies under SECR guidelines. UK Government's 2022 emission factors, generated by DEFRA, have been used to quantify all emissions, with the exception of overseas electricity, which has been quantified using electricity emission factors calculated by the EIB, EEA or reported directly by the National Government. Intermede's data was reviewed and processed by Carbon Responsible Ltd.

- Due to the challenges of collecting comprehensive data, especially where indirect emissions are concerned, the Firm did not report several potential emissions sources, including water supply, material use, supply chain, capital goods, freight (upstream), business travel (rail, taxi, and hotel stay) and third-party vehicle use.
- Where actual data was not available, data has been estimated in line with GHG and SECR reporting guidelines.

[1] Trucost Environmental Data – Methodology Guide – Corporate Environmental Performance (2020)
[2] Ibid

Accepted estimation methodologies have been applied where data was incomplete or inexact. All estimations have been calculated using firm-specific actual data, with no proxy data used.

- The Firm did not attain consumption data for employees that work outside of the UK (i.e. San Francisco and New York) since this was only a small portion of their global workforce who operate in shared workspaces. When Intermede next reports its corporate emissions, the Firm will strive to retrieve actual activity data or else apply a more accurate estimation method (i.e. using square footage occupied of the building).

### *B. Shared Socioeconomic Pathways*

For the scenario analysis we drew upon three scenarios from the Shared Socioeconomic Pathways. Below are the details of each of the scenarios:

- **Low Climate Change Scenario (SSP1-2.6):** Aggressive mitigation scenario in which total greenhouse gas emissions reduce to net zero by 2050, resulting in global average temperatures rising by 1.3-2.4 °C by 2100, consistent with the goals of the Paris Agreement.
- **Medium Climate Change Scenario (SSP2-4.5):** Strong mitigation scenario in which total greenhouse gas emissions stabilize at current levels until 2050 and then decline to 2100. This scenario is expected to result in global average temperatures rising by 2.1-3.5 °C by 2100.
- **High Climate Change Scenario (SSP5-8.5):** Low mitigation scenario in which total greenhouse gas emissions triple by 2075 and global average temperatures rise by 3.3-5.7 °C by 2100.

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**This material has also included the application of potential market return based in part by historical market data. Thus, the potential effect of future market risk is not taken into account. There is no guarantee that the intended projections or results will be achieved. Past performance does not guarantee future results and may differ for different time periods. All investments are subject to the risk of loss. Values may fall as well as rise and you may not get back the amount you invested. Income from investments may fluctuate. Certain information contained herein has been obtained from third-party sources and such information has not been independently verified by Intermede. No representation is made as to the accuracy or completeness of such information. Index performance and statistics are provided for comparison purposes only and relate to the MSCI ACWI, a market capitalization weighted index designed to provide a broad measure of equity-market performance throughout the world. The index is maintained by Morgan Stanley Capital International (MSCI) and is comprised of stocks from both developed and emerging markets. They are not meant to be indicative of Intermede portfolio performance, asset composition, volatility, or other attributes, which will differ significantly from those of the index. Index returns do not take into account transaction costs or other fees and expenses. It is not possible to invest directly in an index.**

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