Climate-related financial disclosures in line with TCFD recommendations.

Annual Report 2024.

True Potential Investments LLP.

Contents.

Foreword.

On behalf of the Management Board (the **Board**) of True Potential Investments LLP (**TPI**), I am pleased to present our 2024 Task Force on Climate-related Financial Disclosures (**TCFD**) entity report.

We believe it is our responsibility as a business to play our part in working towards a sustainable future.

Many of our customers invest over the long term, saving for retirement and future security, and as this future is inextricably linked to climate it is important we ensure our own time horizons and decisions as a business acknowledge and support these goals.

To help our customers achieve their financial goals, we believe a business that considers, and over time enhances, its approach to sustainability will create a stronger foundation from which to deliver better outcomes for our customers.

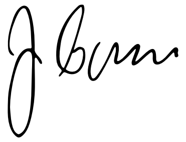
This document provides climate-related financial disclosures covering the overall assets managed by TPI for its TCFD in-scope business, which includes its role as a portfolio manager, and as operator of the TPI Personal Pension Scheme (**TPIPPS**).

At TPI, we understand the importance of ensuring that we operate in a sustainable and environmentally responsible manner and recognise the contribution of the effective management of Environmental, Social and Governance (**ESG**) topics on the performance of our business and investments. A key constituent of this includes recognising our responsibility to support the move towards a low-carbon economy. While both the risks and opportunities associated with climate change could have an impact on current and future investments, the TCFD recommendations provide a framework to guide our approach to climate risk management.

While TPI is publishing this report in respect of the four TCFD climate-related pillars, it is worth noting that True Potential Group Limited (the **Group**) has now formed its own Sustainability Committee, consisting of representatives from different legal entities and across different functional areas within the Group. This committee will develop the group's approach to sustainability more generally.

Based on the information set out in this report and the conclusions we have drawn, we assess TPI to have a relatively low exposure to physical and transition climate-related risks. This is due to a limited number of physical climate-related risks being identified as having the potential to cause material impacts to TPI.

On behalf of the Board, we hope you find this report informative. We confirm that the climate-related disclosures included within this report comply with the FCA and TCFD's requirements under the Rules – as set out by the FCA for asset managers and asset owners.



Jeff Casson
Chief Executive Officer,
True Potential Investments LLP

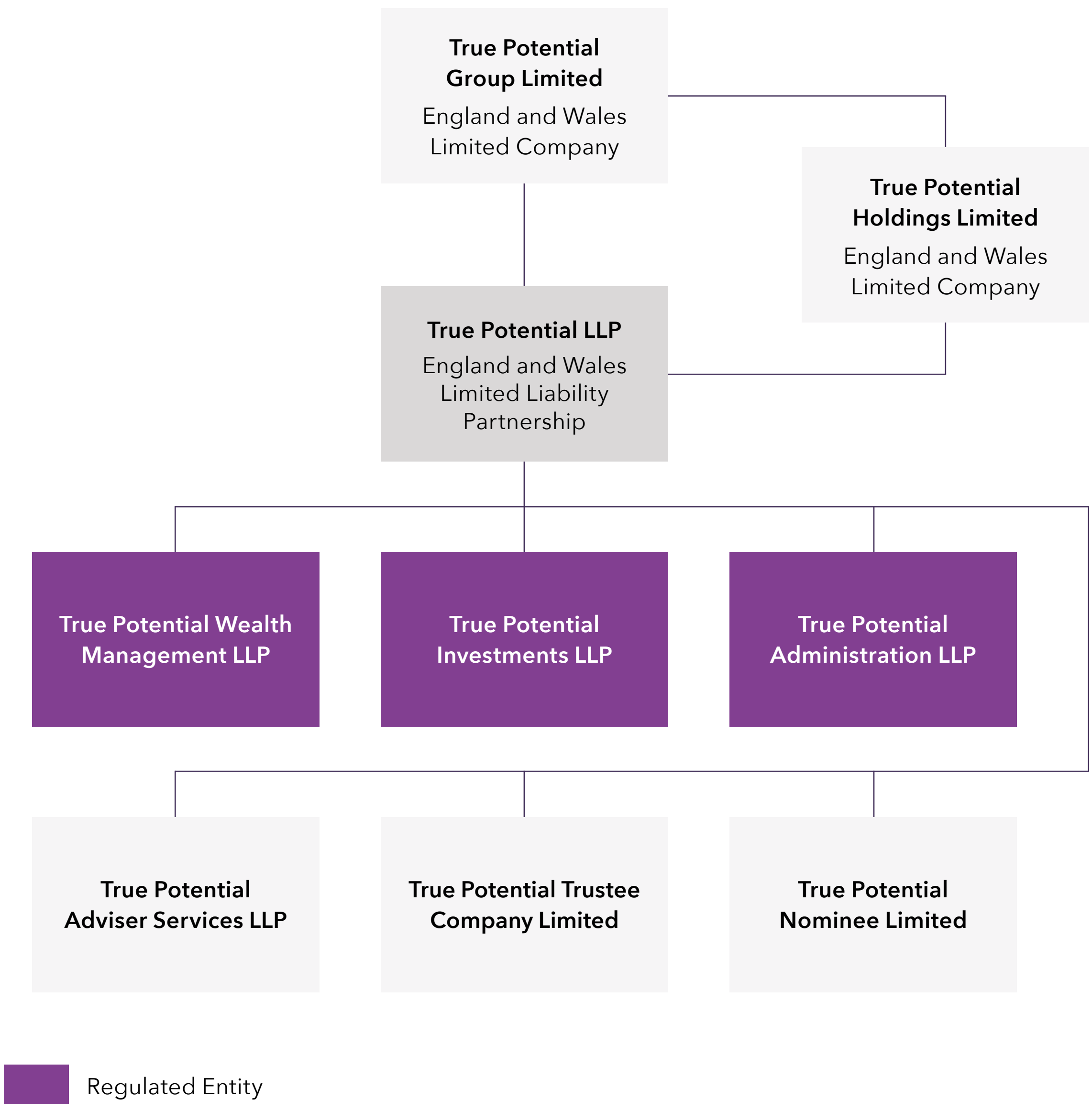
June 2025

Introduction.

In accordance with the FCA Rules and the TCFD's recommendations, the following report includes the TCFD-aligned entity-level climate-related disclosure for TPI.

The overall corporate structure of the group is illustrated within the organisation chart below (Figure 1). The purpose of the report is to provide an overview of TPI's approach to addressing climate-related issues across its Governance, Strategy, Risk Management and Metrics and Targets in line with the FCA Rules.

Figure 1: Organisation chart for True Potential Group Limited Entities.



As TPI is acting as delegated investment manager for True Potential Administration (**TPA**), we also recognise that progress in understanding TPI's climate-related risks and opportunities will allow us to align expectations concerning climate with TPA (for example, through ensuring appropriate climate-related responsibilities are assigned within our investment and risk management policies). Additionally, we also understand the importance of ensuring that we consider TPA's climate strategy as we define our future climate and investment strategies.

Governance.

The identification, assessment and management of climate-related risks and opportunities is embedded within TPI's governance structure.

The Group Board is responsible for setting the Group's overall strategy and taking decisions related to annual budgets, investments and future direction on sustainability including its impact on climate and nature. The Group is supported by a Group Executive Committee (**ExCo**), to whom overall day-to-day running of the Group has been delegated. In 2024 the Group also approved the formation of a Group Sustainability Committee (**GSC**), that sits beneath the ExCo and manages day-to-day sustainability matters for the Group. The GSC comprises TPI representation amongst its members and supports TPI in meeting its TCFD requirements.

Notwithstanding these Group structures, TPI's Board remains ultimately responsible for adapting the Group strategy in line with its own specific business plan, objectives, and regulatory obligations and accountability.

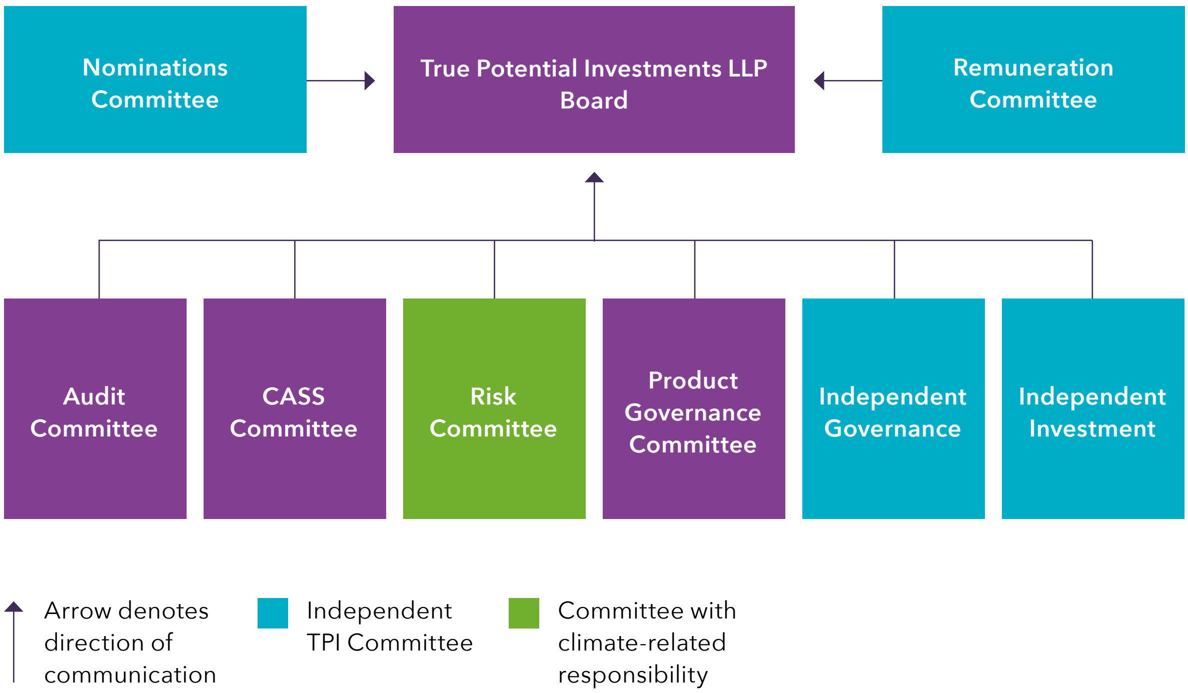
The TPI Board met every two months during 2024. The key purpose of the Board is to ensure TPI's long-term success in providing leadership to the Firm within a framework of prudent and effective controls which enables risks to be assessed and managed. The Board is responsible for the long-term success of the Firm and the delivery of sustainable value to all stakeholders including clients and shareholders. It sets the strategy and risk appetite for the Firm and approves capital and operating plans presented by management for the achievement of the strategic objectives it has set.

Board Oversight and the Board and Management's role in assessing and managing climate-related risks and opportunities.

As described above, the Board is TPI's ultimate governing body, and therefore it is the Board's responsibility to direct and implement any changes in line with the Group Board's vision, including with respect to climate-related issues.

There are also a number of TPI Board Committees that have been delegated responsibility for the management of specific issues and topics. The diagram below (Figure 2) displays an organisation chart, highlighting which Committee has been assigned climate-related responsibility and the communications between TPI's Committees and the Board.

Figure 2: The communication between TPI's Board and Committees.



Risk Committee.

During 2024, TPI's Risk Committee continued to retain responsibility for considering and reviewing the most appropriate course of action to take to manage climate-related risks and opportunities that are considered potentially material in relation to TPI's business. This includes the consideration of implementing measures, mitigants and/or management plans to further manage risks and, where appropriate, assigning (and measuring progress against) key risk indicators (**KRIs**) and metrics and targets for key climate-related risks and issues. Any output is then discussed with Group Risk and Compliance and the Group Executive Risk Committee which are group functions established during the course of 2024. The Risk Committee includes climate-related issues as a standing agenda item, which will be discussed at every Committee meeting (which are held, at least, on a quarterly basis).

The Risk Committee has a number of different members, including the Chair of the Board, the Head of Compliance and Risk, all non-executive directors of the Board, Head of Platform and the Client Assets Sourcebook (**CASS**) Operational Oversight Manager.

To facilitate TPI in achieving its goal of defining risk appetite, approving capital plans and monitoring key risks to TPI, climate-related risks have been integrated into TPI's Risk Management Framework by the Risk Committee (see 'Risk Management' section for further details).

TPI's adoption of a Group Risk Management Framework and risk appetite statements (approved by the TPI Board), during 2024, signifies a strategic advancement towards a more structured and transparent approach to risk governance. By implementing a comprehensive framework, TPI ensures that risks are assessed, monitored, and managed consistently across all business units, aligning with organisational objectives. The risk appetite statements serve as guiding principles, defining the level and types of risk the organisation is prepared to accept in pursuit of its goals. This facilitates informed decision-making, enhances accountability, and strengthens resilience against uncertainties. Ultimately, the framework fosters a culture of proactive risk management, enabling TPI to navigate challenges effectively while capitalising on opportunities in a controlled and sustainable manner.

Board oversight of climate-related issues.

The Risk Committee maintains clear lines of communication with the Board, with the CEO of TPI being responsible for providing the Board with an update on climate-related issues on a quarterly basis. During these meetings, the CEO of TPI is expected to provide the Board with:

- An update on any climate-related issues (including those relating to the TCFD's guidance) that could impact TPI and its business (with a particular emphasis on climate-related issues that are considered as being potentially material to TPI and its business);
- Key Risk Indicators (KRIs), derived from the Group Risk Taxonomy, provide TPI with a structured approach to identifying, measuring, and monitoring potential threats, ensuring a comprehensive understanding of its risk profile and enabling proactive risk management decisions; and
- The presentation of climate-related topics that require Board engagement, insight and approval.

The Risk Committee's climate-related responsibilities are intended to support the Board in reviewing and guiding TPI's business objectives, strategy, risk management policies, financial planning (including annual budgets, business plans and investments/investment policies). They also seek to ensure that the Board has an appropriate level of oversight over climate-related issues (including those relating to the TCFD's guidance and the FCA Rules).

The Group Board Risk Committee and the Group Board Audit Committee are responsible for the Group activities but also have responsibilities on behalf of regulated entities (including TPI), which allows for a consistent approach to risk and controls. The TPI Board and Management Committees operate within this Group governance structure.

Strategy.

As part of the work performed leading to the publication of our inaugural TCFD Entity Report last year, we undertook two key phases of assessment, a climate risk and opportunity assessment and a scenario analysis.

The purpose of these assessments was to improve our understanding of the range of climate-related risks and opportunities that could already be present, or become present in the future, in relation to TPI's direct operations and investments. This reflects our understanding of the importance of having a clear oversight of TPI's exposure to climate-related risks, as well as the potential opportunities that could emerge for TPI in the future.

We believe that performing a scenario analysis every year in relation to our business would not yield different results, unless there have been significant changes to our business infrastructure (buildings, technology platform, etc.) or our operating model. As this has not been the case, we have published the same findings as last year in our update below.

However, we do believe that the climate-related risks and opportunities identified as key last year should be reviewed at least annually and therefore, we undertook a review of these since our last report. This was to ensure that the climate-related risks and opportunities previously identified remain valid and complete. We also sought to add clarity to the articulation of these risks and opportunities where necessary.

In addition, TPI periodically assesses key climate risk indicators, regulatory developments and emerging environmental trends to determine when a review of its climate scenario analysis is required, ensuring alignment with evolving risks and strategic objectives.

Climate risk and opportunity identification.

We undertook a climate risk and opportunity assessment during the first half of 2024 as an initial step to identify relevant physical and transition risks and opportunities in relation to TPI's business. We reviewed that assessment again for this years' report, to ensure that no major changes had taken place.

In alignment with the TCFD's guidance, a list of climate-related risks and opportunities across the following categories was generated:

- For climate-related risks this included: policy and legal, technology, market, reputation, acute physical and chronic physical.
- For climate-related opportunities this included: resource efficiency, energy source, products/services, markets and resilience.

Through the engagement of an independent third-party advisor, a series of potential physical and transition risks and opportunities were identified, based upon relevance to TPI's business. Each identified risk and opportunity was assigned an exposure rating, a likelihood rating and an overall significance rating.

Exposure ratings represent the potential impact of a risk or opportunity on TPI's business, whilst likelihood ratings represent the potential likelihood of a risk or opportunity actually impacting TPI's business. Following this, for each risk or opportunity the previously assigned exposure and likelihood ratings were considered in parallel and an overall significance rating was assigned (representing the overall significance of each risk/opportunity).

Based upon the assigned exposure, likelihood and significance ratings, the potential materiality of each physical and transition risk in relation to TPI's business was assessed. Following this, the most relevant and significant physical and transition risks and opportunities were prioritised as a focus area for more detailed assessment within our scenario analysis (as outlined within the section below).

Performing a scenario analysis to identify current and future climate risk and opportunities.

Entity-level Scenario Analysis.

Climate-related scenario analysis was performed on our operational assets (including our offices and the data centres which we rely on during our day-to-day operations). This scenario analysis aimed to further assess and improve our understanding of the potential physical and transition risks and opportunities that could emerge and impact our operations, business strategy, products, services and financial position across different time horizons and climate scenarios.

The time horizons that were included within this scenario analysis cover the period between now and 2050, enabling us to understand which of the identified risks and opportunities could emerge and impact TPI across the short, medium and long-term. Below is a summary of how we defined short, medium and long-term within this assessment:

- **Short-term:** Within the next five (5) years.

  Rationale: Understanding our exposure to climate-related risks and opportunities within the next five years aligns with a number of our financial planning activities such as reforecasting, liquidity planning as well as regulatory capital and financing requirements.

- **Medium-term:** Between five (5) and ten (10) years into the future.

  Rationale: Understanding our exposure to climate-related risks and opportunities between five and ten years into the future aligns with our Group-led annual 5-year business planning process.

- **Long-term:** More than ten (10) years into the future.

  Rationale: Understanding our exposure to climate-related risks and opportunities ten years or more into the future ensures that we are aware of, and consider, the effectiveness of our existing risk management controls and the potential long-term impacts of climate change on TPI. This will allow for more effective long-term business and financial planning in relation to any identified climate-related risks and opportunities.

A number of climate scenarios were also selected for inclusion within this scenario analysis, which are summarised within Table 1 below. For physical, this included the Intergovernmental Panel on Climate Changes (**IPCC**) climate scenarios, termed Shared Socioeconomic Pathways (**SSP**), whilst for transition, this included the 2023 Network for Greening the Financial Systems (**NGFS**) climate scenarios.

Based upon the findings of this scenario analysis - we identified several physical and transition risks and opportunities in relation to TPI (which are outlined in Table 2 and 3 respectively). We continue to analyse each of these risks and opportunities and will conduct further scenario analysis when it is appropriate to do so (for example if our business structure and/or business model were to change).

Table 1: Description of the physical and transition scenarios used in scenario analysis.

	Physical		Transition	
	Source and scenario	**Description**	**Source and scenario**	**Description**
Scenarios	**Source: IPCC** **Scenario: SSP5-8.5** This scenario results in a 4.4°C mean warming by 2100.	A business-as-usual scenario which has continued high emissions with no additional climate policy. This scenario assumes: • Current CO_2 levels double by 2050, and there are many challenges to mitigation, with few challenges to adaptation; and • Energy demand triples by 2100 and is dominated by fossil fuels.	**Source: NGFS** **Scenario:** **Current Policies** This scenario results in a 3°C mean warming by 2100.	This scenario assumes that only currently implemented policies are preserved. Emissions grow until 2080 leading to about 3°C of warming and severe physical risks.
	Source: IPCC **Scenario: SSP1-2.6** This scenario results in a 1.8°C mean warming by 2100.	This scenario is aligned to the current commitments under the Paris Agreement (2015). It is implied that the world reaches net-zero emissions in the second half of the century by shifting towards a more sustainable path.	**Source: NGFS** **Scenario:** **Net Zero by 2050** This scenario results in a 1.4°C mean warming by 2100.	This scenario assumes that an ambitious transition takes place across all sectors of the economy. Net CO_2 emissions reach zero around 2050, giving at least a 50% chance of limiting global warming to below 1.5°C by the end of the century.
Time Horizons	Baseline, 2030 and 2050		Baseline, 2030, 2040 and 2050	

Climate-related risks and opportunities arising in the short, medium, and long term.

The results of the physical and transition scenario analysis are shown in Tables 2 and 3. These tables include a description of the impacts of each of the key physical and transition risks and opportunities that were identified in relation to TPI. We believe that the controls that we have in relation to these risks are adequately robust to mitigate their potential impact and allow us to accept them as a part of doing business. These tables also highlight the associated time horizons whereby each climate-related risk and opportunity could potentially become material.

Table 2: Summary of the physical climate-related risks and opportunities identified in the scenario analysis for physical assets.

Risk Item	Risk/ Opportunity	Time Horizon(s)	Description of Impact	Potential Financial Impact
Impact of river and extreme rainfall flooding on office buildings.	Risk	Short, medium and long term	• Water damage to our office buildings, equipment and utilities can incur operational costs for repairs and replacements, as well as maintenance costs. • Flooding could pose a health and safety risk leading to downtime if personnel are unable to work. • Downtime for repairs and replacements can cause operational disruptions (which could cause knock- on negative reputational impacts and revenue losses).	• Negative reputational impact. • Revenue losses. • Increased Operational Expenditure (**OpEx**) and Capital Expenditure (**CapEx**).
Impact of extreme heat on operations.	Risk	Long term	• Extreme heat could cause operational issues with IT equipment and data centres. This could lead to disruption to operations (e.g. those associated with IT services) and cause knock-on negative reputational impacts and revenue losses.	• Negative reputational impact. • Revenue losses. • Increased OpEx and CapEx.
Impact of extreme winds and storms on office buildings and data centres.	Risk	Medium term	• Extreme wind and storms could cause physical damage to our offices and data centres. Power outages, damage to assets, and communication disruptions caused by extreme wind and storms can also lead to significant downtime and disrupt operations. (which could cause knock-on negative reputational impacts and revenue losses).	• Negative reputational impact. • Revenue losses. • Increased OpEx and CapEx.

Table 3: Summary of the transition climate-related risks and opportunities identified in the scenario analysis.

Risk Item	Risk/ Opportunity	Time Horizon(s)	Description of Impact	Potential Financial Impact
Impact of government and external regulation on existing operations and investment products.	Risk	Short to medium term	• Implementation of government policies, subsidies and taxes resulting in reduced profitability for companies held in funds managed by TPI.	• Decreased revenues due to reduced demand for products and services.
Impact of substitution of existing products and services with lower emission investment products.	Risk	Short to medium term	• Technological developments drive prices of renewable alternatives down and lead to substitution of fossil fuels in key sectors leading to a reduction in demand for investment products managed by TPI.	• Decreased revenues due to reduced demand for products and services.
Impact of changing customer behaviour on investments.	Risk	Short to medium term	• By not offering clients a fund with a climate I ESG asset class focus, TPI could miss out on a potential revenue opportunity and lose market share to peers.	• Decreased revenues due to reduced demand for products and services.
Impact of carbon pricing mechanisms on investments.	Opportunity	Short to medium term	• Carbon pricing is likely to cause price volatility in the fossil fuels market, and will ultimately reduce demand for higher emission fuel sources - this presents an opportunity for renewables to replace them (and therefore the Funds' exposure to renewable or diversified energy producers).	• Increased revenues due to increased demand for products and services.
Impact of developing new low carbon products on investments.	Opportunity	Short to medium term	• The energy transition will increase investment into many markets that align with the low carbon transition. There is an opportunity for TPI to reposition its investments out of emissions intensive industries and into markets which are seeing growth due to the energy transition, such as low carbon alternatives to emissions intensive products and services. This could increase revenues as demand for its investment products will increase.	• Increased revenues due to increased demand for new financial products.

In addition to focusing on direct physical and transition impacts on our investments, we have undertaken a specific product-level scenario analysis assessment of the Funds using climate data that has been sourced from MSCI (full details of this assessment can be found within the TPA Product Reports). This product-level scenario analysis provides insights into the potential impact of physical and transition risks on the Funds. To assess physical (both acute and chronic events) and transition risks (including policy and technology changes), three climate scenarios were integrated into this analysis, which are built upon the NGFS scenarios. By assessing the impact of the Funds, inherently the impact of investments is also assessed and can be used as a guide to identify key focus areas for TPI.

You will find these reports at **www.truepotential.co.uk/fund-documents**.

The resilience of our strategy.

Based on our scenario analysis, which considered various climate scenarios and time horizons, including both physical and transition scenarios aligned with a global average temperature increase of 2°C or lower (IPCC SSP1-2.6 and NGFS Net Zero by 2050), we assess TPI to have a low exposure to physical and transition climate-related risks. This is due to a limited number of physical climate-related risks being identified as having the potential to cause material impacts to TPI. As a result, the overall physical risk profile associated with our direct assets is noted as being low to moderate. These results demonstrate an initial positive view of the resilience of our physical assets to climate change. It should be noted that the physical risk impact to TPI is the same as TPA as both businesses operate using the same physical assets.

Additionally, while the scenario analysis identified regulation of existing operations and products as the most significant transition risk, it also highlighted several potential opportunities that could arise in the short to medium term for TPI. To enhance our understanding of resilience in future assessments, we plan to conduct a more detailed analysis of each identified risk that may be material to TPI. Our risk process is described in more detail on the next page.

As TPA's delegated investment manager, policies and procedures are in place to ensure that TPI is also considering climate change within its investments. This includes TPI's Sustainability Policy which is used to inform investment management (as detailed within the 'Risk Management' section). Regular monitoring at the firm and fund level enables TPI to consider any significant changes to its investments in the areas of sustainability, including climate-related factors.

The findings of our assessments will be used to inform our strategy, our financial planning, risk management and investment processes and policies. These will ensure that TPI is resilient to the potential risks posed by climate change and is prepared to capitalise on any relevant climate-related opportunities.

As we improve our understanding of data associated with our operational and investment-related emissions, and its availability and quality improves, in line with Group strategy, we will seek to develop greenhouse gas (**GHG**) emission reduction targets, how we monitor these, and to explore the implementation of a transition plan in line with the Paris Agreement's commitment to limit warming to 1.5°C.

Risk management.

As approved by TPI's Board, TPI follows the Group Operational Risk Policy which forms a fundamental part of our risk management framework. This has been used to ensure that our climate-related assessments outlined above together with our climate-related risks and opportunities are identified and assessed in alignment with this Operational Risk Policy.

Risks identified as relevant to TPI are therefore integrated into our risk management framework and assigned risk scores based upon impact and likelihood. In the first instance, identified risks are given an inherent risk rating which assumes the absence of any risk control measures.

Following this, any existing control measures which are in place to manage each of the risks are evaluated. The potential impact of the risk control measures on the identified risks is assessed and assigned a rating based upon the control design and the effectiveness of the controls (i.e. the control impact).

The results of this analysis are then combined to provide a residual risk rating which is used to determine which approach to take to manage each identified risk. TPI has defined four different ways in which it manages risks – tolerate (accept the residual risk without additional control measures), treat (implement control measures), transfer (move the risk outside of TPI e.g. through insurance) or terminate (consider discontinuing the business line or project where additional controls are unable to reduce the residual level or risk). Once a method for managing the identified risk has been determined, risks are monitored to ensure controls are operating as expected, to ensure that TPI is operating within its risk appetite, and to identify if a control has failed. The extent to which risks are managed is determined by the residual risk posed to TPI. For example, risks with a higher residual risk rating will undergo more frequent and intense monitoring by both the business function and Compliance and Risk teams.

To provide Senior Management within TPI with a view of all operational risks and their management across all functions, reports are produced by the business function and the Compliance and Risk teams.

The Risk, Compliance and CASS teams meet monthly to discuss incidents, ongoing actions and to monitor requests from Senior Management to investigate risks outside of TPI's risk appetite (across all business risks, which includes climate-related risks). As such, risk ratings are periodically reviewed and any changes are documented and reported to Senior Management, the CASS Committee and Risk Committee on a monthly basis. For risks that exceed TPI's risk appetite/require further management or controls, these are escalated to the Board where necessary (see the 'Governance' section for further details on how the Risk Committee and the Board communicate). Finally, an Annual Risk and Control Self-Assessment is performed to ensure proper consideration is given to all previously identified risks at least annually.

From July 2024, Group Risk independently evaluates TPI's risk and controls register through a structured assessment process, ensuring an objective review of risk exposures and mitigation measures. By leveraging advanced analytics and risk assessment methodologies, Group Risk identifies gaps, emerging threats, and areas requiring immediate attention. Real-time reporting mechanisms facilitate timely insights into necessary actions or shifts in the organisation's risk profile, enabling proactive risk management. This continuous oversight ensures that TPI remains aligned with regulatory requirements, strategic objectives, and evolving risk landscapes, strengthening its resilience and operational integrity.

In addition to our risk management framework, TPI embeds climate-related risk management practices into its Sustainability Policy. We have devised a sustainability framework which analyses a range of sustainability factors to assess our fund manager partners (these are sub-delegated investment managers appointed by TPI).

This enables us to provide a broader assessment of the investment environment in which our partners operate and their engagement with both the underlying companies in which they invest and the product providers they utilise.

To do this, we undertake assessments at both the firm and fund level. At the firm level we assess, for example, the extent to which the fund manager partner is committed to its sustainability journey and how the firm is engaging with underlying companies on sustainability matters. At the fund level we assess, for example, if the investment team can incorporate their sustainability framework into investment decisions or if resources at the firm level are utilised to enhance their understanding of sustainability.

We review the sustainability framework annually to track any changes and/or progress in sustainability. The questionnaire covers various sustainability/ESG topics, including climate-related aspects. Numeric scores are assigned for each question and the results are aggregated at both the firm and fund levels.

Additional detail can also be found in our **Sustainable Investment Approach documentation**.

Metrics & targets.

We are currently using various metrics to assess TPI's GHG emissions, in addition to Fund-level emissions (see TPA Product Reports for full details). We continue to work with an independent energy consultancy firm that supports us with our ambition to limit the GHG emissions from our buildings and to ensure our energy use is planned, considered and efficient. Our approach to assessing climate-related risks and opportunities continues to mature and helps to improve our understanding of how climate-related risks and opportunities could feed into our strategy and risk management processes.

Scope 1, 2 and 3 GHG Emissions.

TPI's GHG Emissions.

We have worked with a third-party energy consultant to assist TPI with collecting, analysing and summarising our GHG data and relevant KPIs on a quarterly basis. This data enables us to assess how we are managing our GHG emissions.

We currently obtain data on KPIs:

- Scope 1, 2 and 3 carbon dioxide equivalent (CO_2e) emissions; and
- Energy consumption (kWh).

TPI's Scope 1, 2 and 3 emissions are calculated in alignment with the GHG Protocol Corporate Standard methodology and Streamlined Energy and Carbon Reporting (**SECR**) requirements.

Scope 1 and Scope 2 (location-based) emissions are calculated for our Newcastle Head Office and Scope 3 - Category 6 (Business Travel) emissions are calculated for all TPI employees.

Table 4 below shows our total energy use and CO_2e emissions by Scope 1, 2 and 3 between 2022 and 2024.

Table 4: Scope 1, 2 and 3 emissions from 2021-2023.

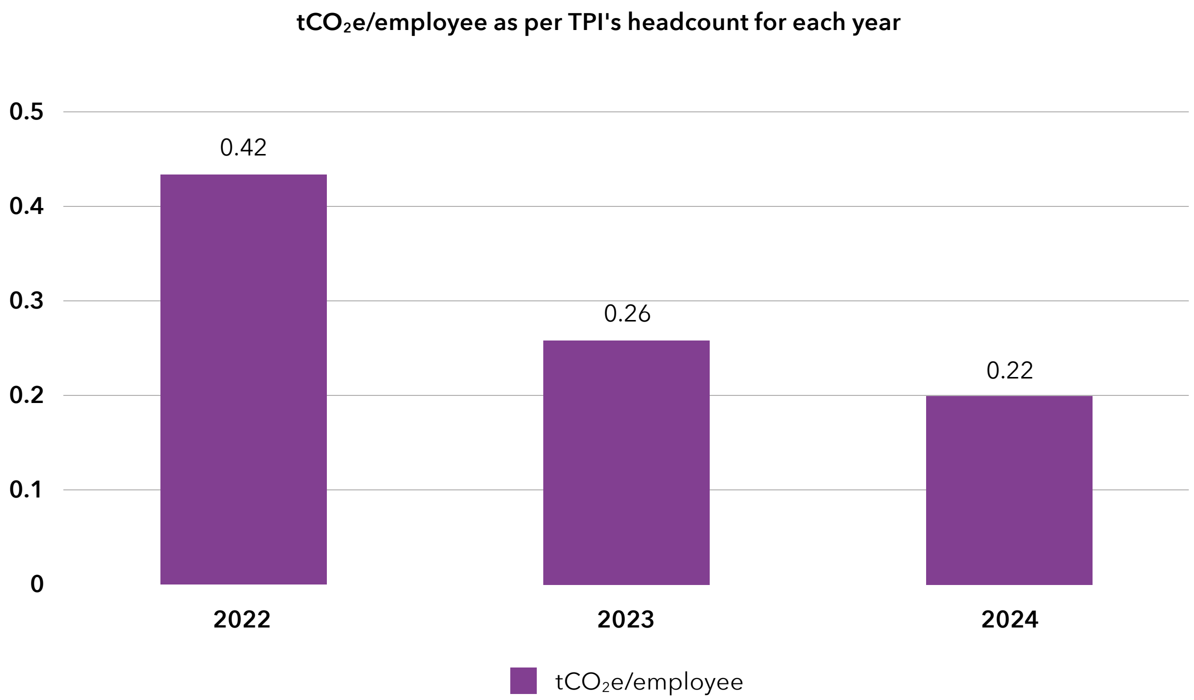
			2022			2023			2024		
			Total kWh	tCO_2e	Total tCO_2e	Total kWh	tCO_2e	Total tCO_2e	Total kWh	tCO_2e	Total tCO_2e
Scope 1	Natural gas		75,680	13.81	**13.81**	39,285	7.18	**7.18**	29,236	5.35	**5.35**
	Vehicles		-	-		-	-		-	-	
Scope 2	Electricity		157,856	30.53	**30.53**	157,075	31.94	**31.94**	154,532	32.00	**32.00**
Scope 3	Business Travel	Personal cars	20,838	5.15	**8.45**	5,694	1.38	**6.03**	1,753	0.42	**6.55**
		Train		0.21			0.30			1.02	
		Flights		3.09			4.35			5.11	
				Total	**52.79**		**Total**	**45.15**		**Total**	**43.9**

The following metric is used to assess progress against our aim to reduce our GHG emissions:

GHG emissions per annual headcount.

- This intensity metric has been chosen to indicate changes to our emissions in line with any changes to employee numbers.
- While the 2022 emission intensities can be used as an indication of TPI's emissions intensity in the given years, it should be noted that Scope 1, 2 and Scope 3 - Business Travel (for personal cars only) emissions have been estimated using Group level emissions as a proxy and weighted as per the number of TPI employees for the given year. Scope 3 - Business Travel (for trains and flights only) emissions have been estimated using 2023 actual emissions data as a proxy and weighted as per the number of TPI employees for the given year. The emission intensities for 2022 could therefore be overestimated as suggested by the higher Scope 1 estimated emissions for 2022 in comparison to 2023.
- Given that the 2023 emissions intensity presented below uses actual data, it will be used as a benchmark to track changes in TPI's emissions going forward.

Figure 3: GHG emissions ratio by year of employee headcount.



Fund-level and Sovereign Bond GHG Emissions.

We undertake an analysis of the Scope 1, Scope 2 and Scope 3 (estimated) footprint of the assets held in the Funds. At a high-level, based on a tonne (t) CO_2e/£ million (m) invested metric, it has been identified that some of the Funds have a relatively high concentration/exposure to the following carbon intensive sectors:

- Energy;
- Utilities; and
- Materials.

Despite the Funds' exposure to certain carbon intensive sectors, MSCI's Implied Temperature Rise (**ITR**) metric, which estimates the temperature rise impact that a Fund has based on current GHG emissions from its underlying holdings, identifies the temperature rise impact of the Funds to range from 1.6°C to 2.9°C. This metric measures how a company aligns with the Paris Agreement - which is to keep global temperature rise this century to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5°C. TPA's annual Product Reports will allow us to track the emissions intensity of each of the Funds on an ongoing basis in the future, and improve our understanding of (and allow us to consider) how any changes in the composition of each of the Funds could impact their emissions intensity. More detail on each of the Funds can be found in the TPA Product Reports.

Sovereign Bond Greenhouse Gas Emissions data is disclosed as a separate section in the TPA Product Reports. These emissions differ from that of corporate bonds and equities as GHG intensity is reported in tCO_2e / £m GDP nominal.

Additional detail can be found in the TPA Product Reports (including information on assumptions and data coverage).

Climate-related targets.

We do not yet have any climate-related targets in place because we believe these will be more helpful once our climate work has further evolved and climate-related data becomes more available and meaningful. This could include an emissions reduction target, targets related to potentially material climate-related risks/opportunities identified during scenario analysis, or climate-related targets associated with the investments.

Concluding remarks.

During 2024, TPI's journey to enhance its approach to climate-related risks and opportunities and climate-related governance and risk management has continued. At a Group level, the establishment of the GSC has benefitted TPI and we look to the future with encouragement, as improvements will further benefit this progress. While TPI continues to remain compliant with the FCA and TCFD requirements, we recognise that TPI still has work to do on devising climate-related targets and a transition plan, and this will be an area of focus for us in the year ahead.

Glossary.

Expression	Definition
Carbon Footprint	Total carbon emissions for the portfolio divided by the fund's market value, expressed in tCO_2e/£m invested.
Climate Value at Risk (CVaR)	A measure of the potential financial impact of climate-related risks and opportunities, under a set of different scenarios. A forward-looking metric on how climate change may affect the performance of the portfolio.
EVIC	Enterprise Value Including Cash.
Financed Carbon Emissions	Carbon emissions normalized by £m invested measures the scope 1 and scope 2 carbon emissions attributed to an investor per GBP million invested, reflecting the emissions associated with their investments.
GHG	Green House Gas.
NGFS	Network for Greening the Financial System is a group of Central Banks and supervisors looking to improve management of climate risk and support the transition toward a sustainable economy.
REMIND Model	REMIND (Regional Model of Investment and Development) is a model developed by the Potsdam Institute for Climate Impact Research (PIK) that analyses the interactions between land-use, economy, energy, and climate systems.
Scope 1 Emissions	Direct GHG emissions originating from sources controlled or owned by an organisation.
Scope 2 Emissions	Indirect GHG emissions originating from the purchase of electricity, steam, heat or cooling for the organisation's own use.
Scope 3 Emissions	Indirect GHG emissions originating as a result of activities external to the reporting organisation. Due to the nature of these emissions, Scope 3 emissions are unreliable.
tCO_2e	Carbon dioxide equivalent, or CO_2, measured in tons.
WACI	Weighted Average Carbon Intensity measures a portfolio's carbon-intensive exposure by calculating the weighted average of the carbon intensity (measured in tCO_2/ £m sales) of the underlying within the portfolio.

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