



Aware Super Climate Roadmap 2026

Building a resilient portfolio for members in a changing climate
and transitioning economy

September 2026



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Foreword

Climate change is reshaping the global economy and the long-term investment environment. The transition to a lower-emissions economy is altering risk, value and opportunity across different industries and investments. The physical effects of climate change are also increasing the pressure on companies to plan and adapt.

As a long-term investor, our role is to manage these risks and opportunities in the best financial interests of our members. We published our first climate strategy in 2016 and have continued to improve our approach over the past 10 years.

This Climate Roadmap sets out the next stage of that work. It builds on what we've already put in place – including our goal to reduce emissions intensity by 2030, how we factor climate into our investment decisions, and our program for actively engaging with the companies we invest in.

Over the years, we've learned that tracking emissions alone isn't enough. It doesn't really tell us how ready a company is for the transition to a lower-emissions economy, how much real progress is being made, or how resilient our portfolio is likely to be.

So while we'll keep monitoring emissions, this Roadmap shifts the focus towards:

- how well-prepared companies are for the transition
- actively engaging on climate issues with our portfolio companies
- managing physical climate risks and building resilience
- incorporating climate considerations into investment decisions.

This broader approach recognises the role long term investors can play in supporting the transition, while continuing to deliver returns to members. Where transition-related opportunities are well-structured, attractively priced and fit with our investment goals, they can help us build long-term value and contribute to a more resilient economy.

In the sections that follow, we outline our climate commitments and goals, the key factors shaping our approach, and our priorities for putting this into action between now and 2030.

We view climate change as a significant long-term risk to our portfolio and, therefore, our members' retirement outcomes. By integrating climate-related risks and opportunities into our investment decisions we aim to deliver better risk-adjusted returns and build long-term value for members.



Liza McDonald | Head of Responsible Investment

Strategy at a glance

Vision	To be a disciplined, climate-aware investor, building resilient portfolios and supporting a credible, orderly and just transition to a low carbon economy			
Purpose	To enhance long-term member outcomes by integrating climate-related risks and opportunities into investment decision-making, while supporting the transition of the real economy			
Strategic commitments	• Support the transition to a net zero global economy by 2050, consistent with our fiduciary duties and investment beliefs • Strengthen our assessment of transition alignment and portfolio resilience • Support real-economy decarbonisation through stewardship, manager engagement and disciplined capital allocation			
Goals	1. To strive to achieve a 45% reduction in Scope 1 and 2 financed emissions intensity of the investment portfolio by 2030^{1,2,3} 2. To increase the proportion of in-scope companies, assets and managers demonstrating credible transition progress			
Strategic priorities	Supporting real-economy transition	Building portfolio resilience	Advancing investment integration	Turning metrics into action
Enablement & accountability	Governance	Monitoring & reporting	Implementation plan	

1 Financed emissions intensity measures the greenhouse gas emissions associated with investments held in the portfolio, attributed to an investor based on its share of financing or ownership per \$1 million invested. Reduction in listed equities and indirect property and infrastructure portfolios is measured against a 2020 baseline. Reductions for direct property and infrastructure portfolios is measured against a 2022 baseline. It is noted that not all asset classes have a financed emissions calculation methodology, and it is likely these will continue to be excluded from this calculation and goal until a suitable methodology has been determined.

2 A guiding range of 40-50% has been acknowledged by the Board, in the event that a fund or investment activity may change the portfolio significantly, such as a merger or large acquisition.

3 This target is subject to sufficient progress in real-economy decarbonisation and our ability to maintain broader portfolio financial objectives.

Commitments and goals

Strategic commitments

Our overarching strategic commitments are to:

- support the transition to a net zero global economy by 2050, consistent with our fiduciary duties and investment beliefs;
- strengthen our assessment of transition alignment and portfolio resilience; and
- support real-economy decarbonisation through stewardship, manager engagement and disciplined capital allocation.

Goals

1 Financed emissions intensity

We will strive to achieve a 45% reduction in Scope 1 and 2 financed emissions intensity of the investment portfolio by 2030.

This goal is retained from our **2023 Climate Transition Plan**. It remains an important measure of portfolio emissions exposure and provides continuity with our existing climate approach. We continue to monitor progress and assess the drivers of emissions changes, including portfolio construction, market movements, data quality, methodology updates and underlying emissions performance.



2 Transition alignment

By 2030, we will seek to increase the proportion of in-scope companies, assets and managers demonstrating credible transition progress.

This new goal broadens our assessment beyond emissions reduction. It helps us understand whether climate-material companies, assets and managers are positioned for the transition to a lower-emissions economy through credible targets, transition plans, governance, capital allocation and evidence of implementation.

This transition alignment goal is initially focused on climate-material sectors and asset classes where data, methodologies and sector pathways are sufficiently mature. The first implementation priority is developing the methodology, goal boundaries and scope, and establishing a portfolio baseline.



Strategic pillars

Four strategic pillars underpin the Roadmap and provide the practical implementation framework.



Pillar 1
Supporting
real-economy
transition



Pillar 2
Building portfolio
resilience



Pillar 3
Advancing
investment
integration



Pillar 4
Turning metrics
into action

Pillar 1: Supporting real-economy transition



Use our influence and investment activities to support credible transition progress.

We will support real-economy decarbonisation through the tools available to us: stewardship, manager engagement, advocacy and disciplined capital allocation.

Our focus is on areas where climate risks are financially material, credible transition pathways exist, and our influence can support better long-term outcomes.

Key actions:

- **Prioritise engagement** with climate-material companies, assets and managers where transition plans are not yet credible or where progress needs to accelerate.
- **Strengthen stewardship expectations** around governance, targets, capital allocation, disclosure and evidence of implementation.
- **Use advocacy selectively** to support policy, market and regulatory settings that enable institutional investors to allocate capital with confidence and discipline, targeting appropriate risk-adjusted returns.
- **Apply capital allocation discipline** by assessing transition-related opportunities through risk, return, valuation, portfolio fit and contribution to long-term outcomes

Pillar 2: Building portfolio resilience



Strengthen assessment of physical climate risks and resilience across relevant assets.

Physical climate risks can affect asset values, operating costs, insurance, business continuity and long-term investment performance. We consider these risks where they are material, particularly in real assets. As data, tools and asset-level assessment practices mature, we will continue to improve how physical risk and resilience are assessed, monitored and incorporated into investment decision-making.

Our focus is on deepening our understanding of material exposures, strengthening asset-level resilience planning, and improving how physical climate risk insights are reflected in investment analysis over time.

Key actions:

- **Enhance physical risk assessment** across relevant asset classes, with priority given to assets and sectors with higher location-based exposure.
- **Strengthen resilience considerations** in due diligence, asset management plans and portfolio monitoring where physical risks are material.
- **Advance the integration of physical risk into valuation practices**, including consideration of adaptation requirements, insurance, operating costs, business continuity and long-term asset value.
- **Improve monitoring** and reporting of material physical risk exposures, resilience actions and emerging vulnerabilities over time.

Pillar 3 – Advancing investment integration



Advance the integration of material climate considerations into investment decision-making.

Climate-related risks and opportunities are already considered as part of investment analysis where they are financially material. As climate data, tools and methodologies mature, we will continue to enhance these practices so that assessments are more consistent, forward-looking and useful for investment decision-making.

We are focusing on strengthening how transition risk, physical risk and climate-related opportunities are considered in due diligence, underwriting, valuation, portfolio construction, asset management and manager oversight.

Key actions:

- **Enhance investment processes** so material climate considerations are assessed consistently in due diligence, underwriting, valuation and investment recommendations.
- **Develop asset-class guidance** to support proportionate assessment across listed equities, infrastructure, property, private equity, credit and other relevant portfolios.
- **Increase use of forward-looking analysis**, including scenarios, sector pathways and transition alignment insights – where it can improve investment judgement.
- **Strengthen ongoing monitoring**, including through asset management plans, portfolio reviews and manager oversight where climate risks or opportunities are material.



Pillar 4: Turning metrics into action



Strengthen climate metrics and reporting so they better support decisions, implementation and accountability.

We are broadening our approach to monitoring portfolio emissions and tracking progress against our existing emissions reduction goal. This will create a more decision-useful framework that provides clearer insight into transition alignment, stewardship priorities, physical risk, resilience and manager capability.

The aim is to understand not only how portfolio metrics are changing, but why they are changing and what action may be required.

Key actions:

- **Develop the transition alignment methodology** needed to assess in-scope companies, assets and managers demonstrating credible transition progress and operationalise the transition alignment goal.
- **Establish a portfolio baseline** against the new transition alignment objective, with initial focus on climate-material sectors and asset classes where data and methodologies are sufficiently mature.
- **Build portfolio-level dashboards** that bring together emissions, transition alignment, stewardship, physical risk, resilience and manager capability indicators.
- **Use metrics to inform decisions and accountability**, including investment oversight, engagement priorities, implementation tracking and climate-related reporting.

Applying the Roadmap across asset classes

This Climate Roadmap is applied across the portfolio in a way that reflects the different characteristics of each asset class.

Application will be guided by four factors:

- **materiality** – where climate-related risks and opportunities are most financially relevant;
- **influence** – the level of control or influence we have over the asset, company or manager;
- **data and methodology maturity** – where assessment tools are sufficiently robust to support decision-making; and
- **decision-usefulness** – whether the analysis can inform investment decisions, stewardship, asset management or portfolio oversight.

This means the Roadmap will not be applied uniformly across all investments. Our initial focus will be on climate-material sectors and asset classes where data, pathways and implementation levers are more developed as outlined in **Table 1**.

Table 1: Implementation focus across asset classes

Asset class	Our focus
Listed equities	Emissions monitoring, transition alignment assessment and stewardship priorities for climate-material companies.
Direct infrastructure	Asset-level transition planning, decarbonisation pathways, resilience, capital requirements and physical risk management.
Direct property	Asset-level emissions, energy efficiency, decarbonisation plans, physical risk exposure and resilience measures.
Indirect infrastructure and property	Manager capability, asset-level data, transition planning, physical risk assessment and climate reporting.
Private equity	Manager capability, portfolio company exposure, governance, emissions data availability and transition planning where climate risks are material.
Credit and fixed income	Issuer-level climate risk, transition preparedness and implications for credit quality, refinancing risk and long-term default risk.
Sovereigns	Continuing to monitor developments in sovereign climate risk assessment, recognising that sovereign alignment methodologies remain less mature and less suited to formal goal setting at this stage.
Cash, liquid alternatives, currency and derivatives	No explicit climate approach due to methodology challenges, but we will continue to monitor market practice to ensure our approach is broadly consistent.



Table 2 below details which asset classes are covered by each of our climate goals and how progress will be measured.

Table 2: Interim investment goals to 2030

Interim goal	Financed emission intensity	Transition alignment
Objective	Achieve a 45% reduction in Scope 1 and 2 financed emissions intensity of the investment portfolio by 2030.	Increase the proportion of in-scope companies demonstrating credible transition progress by 2030.
Scope	Scope 1 & 2 of portfolio companies.	Various dimensions of transition progress.
Asset classes included	Listed equities, property & infrastructure	Companies classified as being in climate material sectors. Further details to be confirmed in FY27.
Assessment criteria	Progress against the portfolio emissions intensity reduction goal is assessed by measuring changes in the Scope 1 and 2 financed emissions intensity of Aware Super's investment portfolio relative to the applicable baseline.	A range of forward-looking indicators, including governance, targets, transition plans, capital allocation and evidence of implementation.
Metric	tCO ₂ e/\$m invested	Percent of in-scope companies demonstrating credible transition progress by 2030. To be confirmed in FY27.
Baseline year	2020 baseline for listed equities, indirect property and infrastructure portfolios; 2022 baseline for direct property and infrastructure portfolios.	To be confirmed in FY27.

Implementation plan

This Climate Roadmap is being implemented through a phased program of work from 2026 to 2030 as detailed in **Table 3**.

Table 3: Implementation phases



Potential challenges

The transition to a lower-emissions economy is unlikely to occur in a straight line. Progress will differ across regions, sectors and technologies, and transition pathways will continue to evolve over time.

Successful implementation of this Climate Roadmap will require appropriate data, systems, governance processes and controls and will be influenced by factors both within and beyond Aware Super's control. As we view them today, key dependencies include (but are not limited to) those listed in Table 4 below.

Table 4: Key dependencies

Dependency	Description
Technology and innovation	Continued development and deployment of technologies that support emissions reductions, adaptation and resilience.
Policy and regulation	Stable and effective policy frameworks that support an orderly transition.
Economic and market conditions	Availability of investment opportunities that support long-term value creation and real-economy decarbonisation.
Actions of companies, assets and managers	Emissions reductions and transition outcomes ultimately depend on decisions made by companies, asset operators, governments and other market participants. Investors can influence outcomes through stewardship and capital allocation but do not exercise direct control over most emissions sources.
Data and methodologies	Ongoing improvement in climate-related data, analytical tools and disclosure practices

Given these dependencies, we will periodically review our goals, metrics and implementation approach to ensure they remain relevant, credible and fit for purpose.

Governance, monitoring and reporting

Effective governance, monitoring and reporting are critical to implementing the Climate Roadmap through to 2030.

The Roadmap is being overseen by existing investment governance forums, with clear roles for investment teams, the Responsible Investment team, portfolio management and relevant decision-making bodies. This helps ensure climate-related risks, opportunities and implementation progress are considered as part of core investment oversight, rather than as a standalone process.

Monitoring focuses on interpretation, not measurement alone. Where climate metrics change, we will seek to understand the drivers of those changes – including underlying company or asset performance, portfolio construction decisions, market movements, data updates and methodology changes. This supports better investment judgement and avoids over-reliance on headline metrics.

As the transition alignment methodology is developed and the portfolio baseline is established, reporting will become more targeted and comparable over time. This will allow us to track progress with greater discipline while recognising that data, methodologies and sector pathways will continue to mature.

The monitoring framework will be reviewed periodically to ensure it remains practical, credible and useful for investment decision-making.

Looking ahead

From now to 2030, we'll focus on implementing this Climate Roadmap by developing the transition alignment methodology, establishing a portfolio baseline, embedding climate insights into investment processes, and strengthening monitoring and accountability.

As data, methodologies, regulation and market practice mature, we will continue to refine our approach to ensure it remains practical, credible and focused on long-term investment outcomes for our members.

This Climate Roadmap will guide work over the next three years, with the next review of our strategy scheduled for FY30.





Contact us:

Phone 1300 650 873

Email enquiries@aware.com.au

Web aware.com.au

Post GPO Box 89, Melbourne VIC 3001