



Voluntary Climate Change Supplement

1 July 2025 – 30 June 2026

16th September 2026

Rest

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We acknowledge the Traditional Owners of Country throughout Australia. We also pay our respects to Elders past and present.

We acknowledge the ongoing connection that Aboriginal and Torres Strait Islander peoples have to this land and recognise them as the original custodians of this land.

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What is this report?

This report is Rest's voluntary climate-related disclosure for FY26. This report has been prepared by the Trustee as the registrable superannuation entity (RSE) licensee of Rest.

Rest has produced voluntary reports related to sustainability, responsible investment, and climate change since FY21.

This report has been prepared in good faith, and we have taken reasonable steps to ensure the accuracy of the information presented. Links to external sources are current as at 1 September 2026. This report contains climate-related information, including forward-looking statements. These statements are not guarantees or predictions of future climate outcomes, metrics, financial performance, or share prices. They are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond Rest's control. The limitations of our approach and the data we used to calculate our emissions are further described in [Metrics and Targets](#).

Rest's first mandatory climate-related disclosure ('Sustainability Report') will be for the period 1 July 2026 to 30 June 2027 (FY27). This report is not a mandatory disclosure of the kind that Rest will be required to prepare for FY27. This report has not been subject to external assurance review or audit and has not been prepared in compliance with the Australian Sustainability Reporting Standards: S1 'General Requirements for Disclosure of Sustainability-related Financial Information' or S2 'Climate-related Disclosures'.

By publishing this document, Rest intends to demonstrate its commitment to:

- transparent and responsible disclosure,
- facilitating a transition to mandatory climate reporting in the future, and
- familiarising users with the kind of information that Rest might be required to provide in subsequent years.

About Rest

Rest is one of Australia's largest profit-to-member superannuation funds with over 2.13 million members and around \$112.7 billion in funds under management (FUM, as at 30 June 2026). Our purpose is to create super our members love to achieve their best retirement, and our mission is to make the experience of super simple. Rest's strategy aims to support members with strong long-term investment returns, insurance that's flexible and affordable, and leading digital service and advice to help members build their best future while living their best life.

Rest has a long-term objective to achieve a net zero carbon footprint for the investment portfolio by 2050 ("NZE2050"). This objective reflects our duty to act in members' best financial interests by managing risks and opportunities, including those related to climate change and the transition to a lower-carbon economy.

Reporting scope

This report outlines Rest's FY26 approach to the management of climate-related risks and opportunities (CRROs). Unless otherwise stated, the information in this document is for the period 1 July 2025 to 30 June 2026. It also includes, where relevant, some information about other periods.

Climate-related risks refer to the potential negative effects of climate change on Rest. The risks are generally categorised as climate-related physical risks and climate-related transition risks.¹ Climate-related opportunities are the potential positive effects of climate change on Rest. Efforts to mitigate or adapt to climate change can produce opportunities.

Climate-related matters are those climate-related factors or issues that have been considered across current governance, strategy, and risk management practices. They are matters that could affect Rest's business over time positively, negatively, or not at all, or they may become material in the future.

Climate-related considerations are when climate-related factors or issues have been considered in a process or in a decision, particularly within the investment process.



Physical risks: risks resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events such as storms, floods, drought or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns, including changes in precipitation and temperature which could lead to sea level rise, reduced water availability, biodiversity loss and changes in soil productivity.



Transition risks: risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market, and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment from new or amended climate-related regulations. The entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.

¹ As defined in AASB S2, [Appendix A – Defined Terms](#)

Organisational boundary and emissions inventory approach

Rest's primary activity is investing on behalf of members. To do this, Rest holds interests in a range of investment vehicles, including some structured arrangements that are established for specific investment purposes. While Rest may, in some cases, have significant influence or control over these investment structures from an investment governance perspective, they are not operated as part of Rest's day-to-day activities. Instead, they exist to hold investments and are managed in line with defined investment objectives.

For the purpose of climate-related disclosures, we distinguish between greenhouse gas (GHG) emissions¹ arising from our own operational

activities and emissions arising from investment activity. Emissions from Rest's operations are limited to activities directly associated with running the business, such as energy use in our offices. Emissions associated with investments held on behalf of members are treated separately.

As a result, emissions linked to the investment portfolio — including those held through investment structures — are treated as financed emissions and reported within Rest's value chain. This approach reflects the economic substance of Rest's business model as an asset owner acting on behalf of members, rather than as an operator of emission-generating activities.

¹ Greenhouse gases (GHG) include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF₃), perfluorocarbons (PFCs), and sulfur hexafluoride (SF₆).

Governance

The Board is ultimately responsible for the governance of Rest. Its primary role is to oversee the sound and prudent management of our business operations and to provide strategic leadership, guidance, and delivery of Rest's purpose. In carrying out its role, the Board has a duty to act in the best financial interests of Rest's members.

The Board has regard to the interests of other relevant stakeholders, including employers, regulators and the broader community in which Rest operates.

The Board approves our Strategic Plan, including the organisation's strategic objectives and the measures of success. The Strategic Plan is informed by Rest's Risk Management Framework (RMF), which is also approved by the Board, and establishes the overarching framework for identifying, assessing, managing, and reporting material risks across the Fund. The RMF is supported by the Risk Appetite Statement (RAS) and the Risk Management Strategy (RMS), which guide how material risks are governed, assessed, and monitored.

The Board approves and oversees material changes to the Climate Change Policy. This Policy sets out the principles and practices that Rest follows when assessing the impact of climate change on member assets and deals with addressing, assessing, managing, mitigating and monitoring the material risk of climate change.

The Board also approves and oversees material changes to the Responsible Investment Policy, which outlines our approach to responsible investment and how environmental, social and governance-related (ESG) risks and opportunities, including those related to climate change, are considered and managed.

Board training, skills, and experience

The Board recognises the importance of appropriate resourcing and training for directors and relevant employees in supporting effective implementation of the Climate Change Policy.

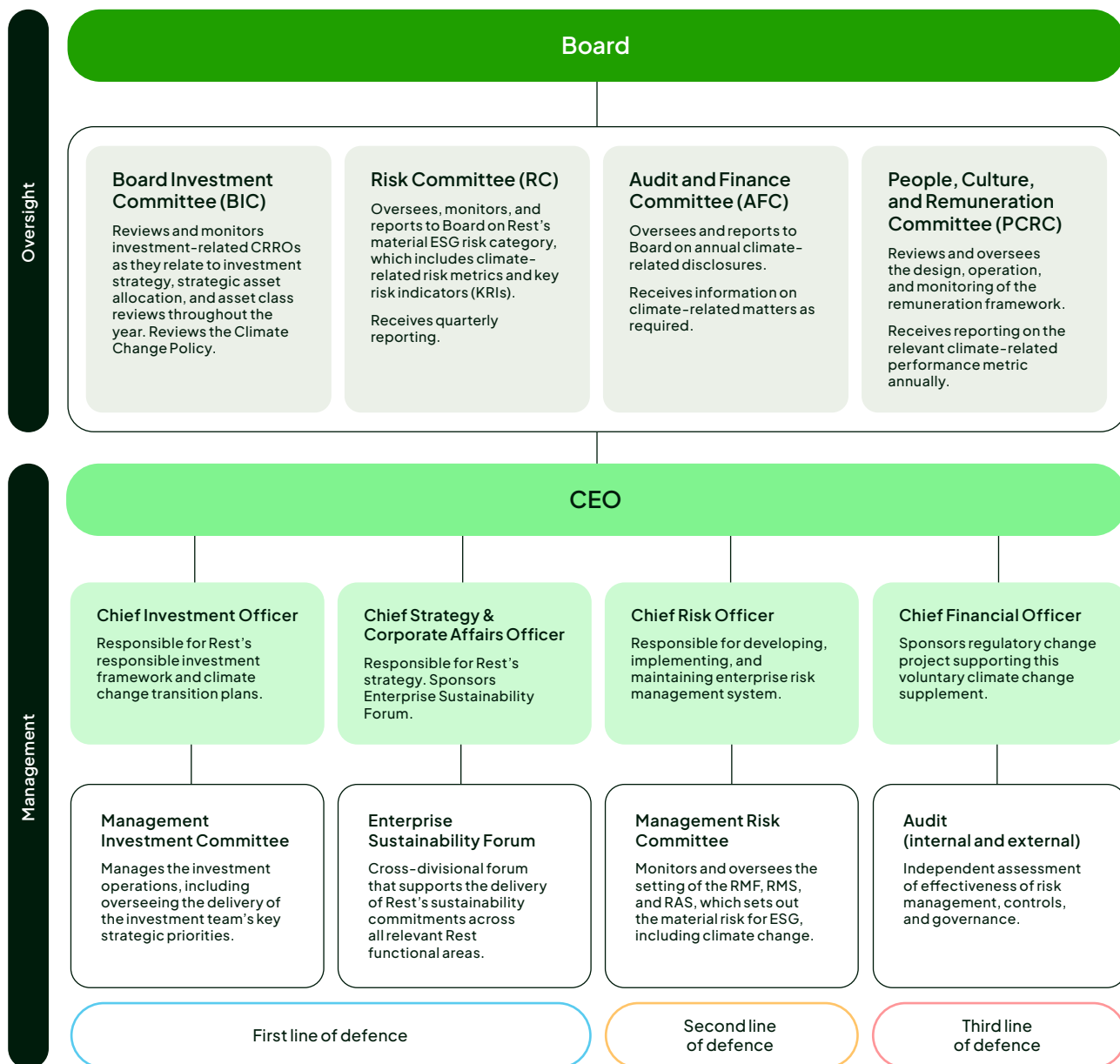
Directors undertake an annual self-assessment of skills relating to competency areas including sustainability and ESG. The results are compiled in a matrix, published on our website.

During FY26, directors attended some of the following courses and events covering climate-related matters:

- 2025 climate governance forum, Australian Institute of Company Directors
- annual conference, Australian Council of Superannuation Investors (ACSI)
- annual study tour, ACSI
- annual trustee director forum, ACSI
- early insights into mandatory climate reporting in Australia, Deloitte.

Figure 1 describes Rest's climate change-related governance structure.

Figure 1: Rest's climate change governance



Strategy

Rest's business model and value chain

Rest is an Australian superannuation fund that is focused on delivering retirement outcomes to members and the business model includes investment management, product development, provision of member administration, insurance, advice, and member servicing. Our value chain encompasses our workplace operations, investment portfolio, and broader supply chain.

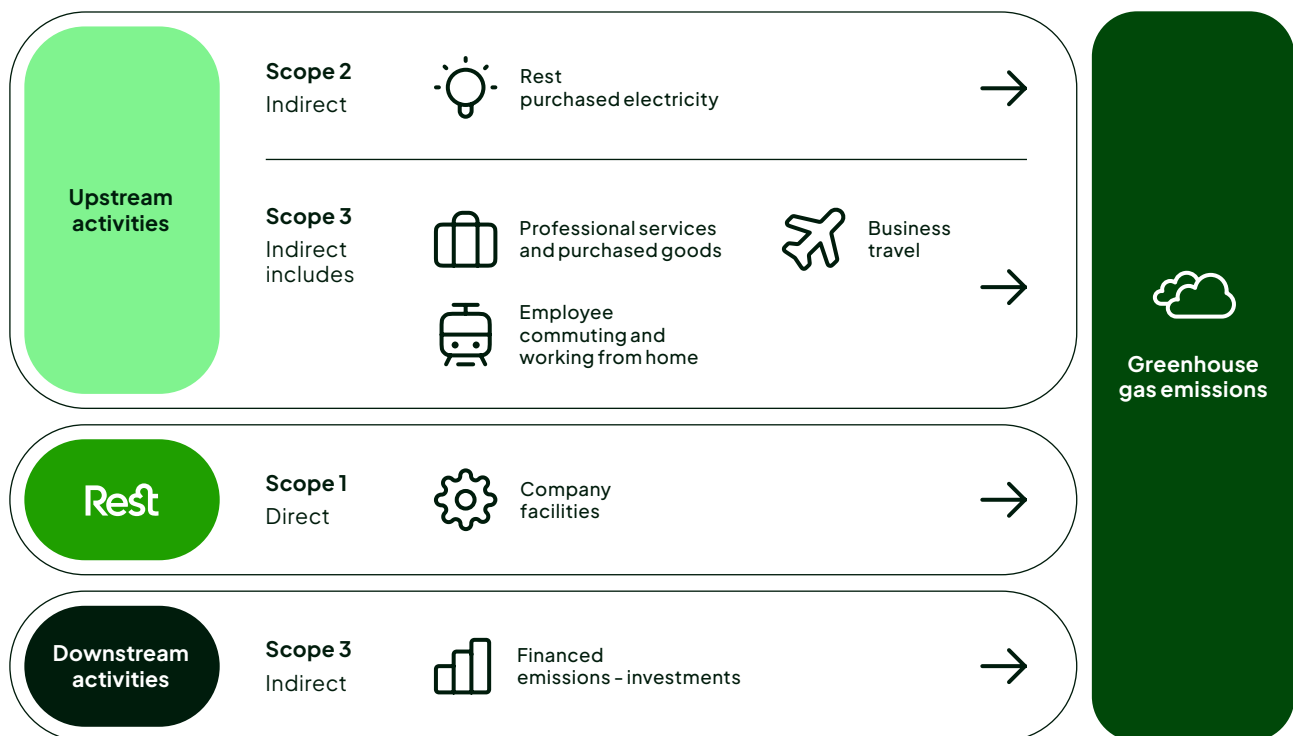
For the purposes of this report, Rest's value chain can be viewed through the lens of its direct and indirect emissions, as illustrated by the [Greenhouse Gas Protocol](#). Direct emissions (known as scope 1) are those generated directly by an organisation, such as through fuel combustion in its own vehicles or stationary equipment, or through industrial processes.

Indirect emissions (scopes 2 and 3) come from both upstream and downstream business activities within the organisation's value chain. Upstream activities comprise those of the wider workplace: electricity consumption, employee commuting and working from home, business travel, waste generated in operations, and purchased goods and services.

We detail our direct (scope 1) and indirect upstream emissions (scopes 2 and 3) in the chapter on [Workplace emissions](#).

Emissions from downstream activities (scope 3) are those from the investments Rest makes as a superannuation fund, known as financed emissions, which are detailed in the section on [Investment portfolio financed emissions](#).

Figure 2: Rest's greenhouse gas emissions by scope



Climate-related risks and opportunities in Rest's business operations

Climate change introduces a range of risks, including financial, strategic and reputational risks, and opportunities that may affect Rest's ability to meet member outcomes.

In FY25, Rest undertook a project, supported by an expert external consultancy, that helped identify CRROs outside the investment portfolio that Rest considered would have the greatest potential to affect business operations and

strategy-setting in the future. The project considered two possible future scenarios shown in Table 1 over three timeframes aligned with Rest's business plan, national and international net-zero targets, and long-term climate impact considerations:

- **Short term:** present to 2030
- **Medium term:** 2030 – 2050
- **Long term:** 2050 – 2070.

Table 1: Scenarios selected for assessing CRROs in Rest's business operations

Low-emissions scenario:	High-emissions scenario:
This scenario (adapted from the International Energy Agency's NZ2050 and the Intergovernmental Panel on Climate Change's (IPCC) SSP 1-1.9 scenario) is one of the most ambitious pathways aimed at limiting global warming to 1.5°C above pre-industrial levels.	This scenario reflects little to no action to curb emissions (adapted from the IPCC's SSP5-8.5 very high emissions scenario). Greenhouse gas concentration continues to rapidly rise, resulting in over 4°C of warming by the year 2100.
It assumes: • Global population is lower in 2100 than in 2050 • Significant changes in government policy to further sustainable development, including carbon pricing and additional policies to incentivise green infrastructure and penalise companies that do not meet Net Zero by 2050 • Demand for renewable energy grows and there is a greater focus on energy efficiency • Consumer behaviour and investor preferences shift to low-carbon infrastructure and products or services • Rapid technological developments in carbon capture and storage (CCS) and other technologies.	It assumes: • Extreme changes in physical climate lead to higher costs of repair, maintenance, and adaptation • No additional carbon pricing emerges • Demand for energy services is unrestrained by further efforts to improve efficiency and may cause strains on energy security • There is no constructive action to push through policies supporting enhanced recycling • There is little shift in consumer behaviour and investor preferences to low-carbon infrastructure and products or services • Few technological developments emerge, and it is uneconomic to deploy CCS at a commercial scale.
Rationale for selection: This scenario aligns with the Paris Agreement, presenting higher transition risk but lower physical impacts.	Rationale for selection: This scenario contemplates more pronounced physical climate impacts over the medium to long term, but lower transition risk.

The CRROs identified as having the greatest potential to affect Rest's corporate strategy-setting in the future are described in Table 2.

Table 2: CRROs in Rest's business operations

Risk description	Physical risk	Transition risk	Opportunity
Higher insurance premiums Increased frequency and severity of climate-related extreme weather events could raise insurance premiums, leading to higher operational costs	●		
Early access to super by members Increased frequency and severity of climate-related extreme weather events could cause financial hardship for members	●		
Operational disruptions Increased frequency and severity of climate-related extreme weather events could disrupt Rest's business operations	●		
Higher third-party costs Low-quality climate risk assessments by service providers could lead to unmitigated risks, litigation, and reputational damage, increasing operational costs		●	
Higher compliance costs More climate-related regulatory oversight and changing societal demands could increase service delivery costs		●	
Litigation costs Increasing scrutiny from stakeholders over climate-related commitments and disclosures could increase legal and reputational risks and raise litigation costs		●	
Carbon price The introduction of a carbon price or equivalent policy could raise operational costs or pass-through costs from suppliers		●	
Operational resilience, reduced recovery costs Investing in climate-related operational and supply chain management could help Rest improve efficiency and resilience and reduce costs			●

Climate change and Rest's investment portfolio

One of Rest's investment beliefs is that sustainable development and being a responsible investor are important considerations when managing risks and returns.

Rest holds investments in over 60 countries and has thousands of underlying individual company and government exposures across sectors and asset classes. This makes us a universal owner, and the risks we face are systemic and present across the whole economy, although their concentration and location within the investment portfolio may depend on our specific investments:

- **Physical risks** include those that are event-driven (such as increased severity of extreme weather events) and longer-term shifts in climate patterns (like sustained higher temperatures).
- **Transition risks** include policy actions such as carbon-pricing mechanisms, the shift to lower-emissions energy sources, litigation claims, technologies that become obsolete, changing market dynamics, or the failure to appropriately assess and price new technologies.
- **Opportunities** include emerging technologies, products, and services that meet consumer demand and can mitigate or enable adaptation to climate change.

Rest expects that unmitigated climate change could negatively affect returns over the long term, and we are therefore managing this risk and the opportunities accordingly. In this context, Rest has a long-term objective for the investment portfolio to achieve NZE2050, which supports the management of CRROs.

Rest has taken steps over several years to progress the NZE2050 objective:

1. FY24–26 Climate Change Transition Plan

For FY26, our FY24–26 Climate Change Transition Plan (CCTP) relating to the investment portfolio is the tool by which we planned and measured progress.

Achieving our NZE2050 objective relies on companies and the assets in which we invest to implement and achieve their own climate change transition plans. Their progress should enable our financed emissions to decline over time, consistent with Rest's NZE2050 objective. The four climate-related key objectives for the FY24–26 CCTP are to:

- measure and monitor financed emissions
- advance the assessment of climate-related risks across the portfolio and further integrate climate-related considerations into investment decision-making
- be active owners by engaging companies and assets to support decarbonisation and the management of climate-related risks, and by participating in collective advocacy to support the goals of the Paris Agreement and a just and orderly transition
- increase our investments in climate-related solutions.

Initiatives that support the achievement of the four objectives are detailed in **Appendix I: FY24–26 Climate Change Transition Plan**. The CCTP and these initiatives were subject to review during the period.

Rest's approach is framed by and consistent with our regulatory and fiduciary obligations, including the best financial interests duty we have to our members.

2. Integration of climate-related considerations into the investment process

ESG factors including climate change are considered at a number of levels, including whole-of-fund, asset class, and individual assets, and such consideration occurs when an investment is made and is reviewed on an ongoing basis. When we select and appoint our investment managers, we assess how they integrate ESG factors, including climate change considerations, into their investment strategies. Ongoing monitoring of these investment managers and the strategies in which Rest is invested occurs as part of annual asset class reviews conducted by management and overseen by the BIC.

At the asset level, Rest uses a separate and complementary assessment framework for private market assets in the property, infrastructure, and alternatives asset classes, and in private equity assets where Rest is a direct investor or co-investor. This framework is designed to identify financially material ESG risks, including climate change, support the assessment of the risk, and evaluate the need for ongoing monitoring of climate-related risk for the asset.

Finally, climate-related scenario analysis is integrated into the annual setting of our strategic asset allocation (SAA). Detail on this process can be found in [Climate resilience and scenario analysis in the investment portfolio](#).

3. Measurement of financed emissions

Rest measures financed emissions across the investment portfolio, where applicable, in accordance with the Partnership for Carbon Accounting Financials (PCAF) [Global GHG Accounting and Reporting Standard](#).

Rest has published its financed emissions from its listed shares¹ asset class since FY21.

In FY24, Rest launched an internal project for discovery and design of a system that captures the emissions data of asset classes beyond listed shares, maps it to Rest's investment records, and reports via a data visualisation platform.

This project continued through FY26 and is contributing to how we:

- measure and monitor financed emissions across more asset classes, including property, infrastructure, private equity, and some of the alternatives and fixed income asset classes
- assess the coverage and quality of emissions data
- monitor progress towards our NZE2050 objective
- identify the largest contributors to Rest's financed emissions
- improve how we engage investment managers, and
- support climate-related monitoring.

4. Thermal coal mining general exclusion

Rest excludes from its investment options (other than the indexed options) investments in listed companies that derive 10% or more of total annual revenues from thermal coal mining, unless certain climate-related criteria can be met.

To meet the climate-related criteria, the company must have a credible net zero emissions by 2050 target² or be committed to setting targets for emissions reduction grounded in climate science as assessed by the [Science-Based Targets](#) initiative.

Third-party research and data are generally used when determining and applying this general exclusion. If Rest becomes aware of issues with third-party research and data, Rest will seek to dispose of the relevant investment in the best financial interests of its members, taking into consideration relevant factors such as liquidity, market conditions and investment structure. This typically occurs at the next quarterly portfolio rebalancing.

¹ Listed shares refer to our combined listed Australian and overseas shares portfolio. Investments in private equity, listed infrastructure or listed property in other asset classes, derivatives, and collective investment vehicles (including exchange-traded funds) are not included.

² In assessing the credibility of a company's net zero emissions by 2050 target, Rest will use third-party research provided by its service providers, when available. Where such research is limited or not available, the credibility of a company's net zero emissions by 2050 target may be assessed by Rest internally (based on industry-recognised frameworks).

Climate resilience and scenario analysis in the investment portfolio

At Rest, we model climate-related risks through three climate scenarios from the Network of Central Banks and Supervisors for Greening the Financial System (**NGFS**) (Current Policies, Delayed Transition, and Net Zero 2050).

The scenarios are overlaid across baseline economic forecasts from Oxford Economics to model the macroeconomic impacts of transition risk, acute physical risk, and chronic physical risk on the drivers of asset class returns.

Designed to help explore effects on the economy and the financial system, these scenarios provide a common and current reference point for understanding how physical risks and transition risks could evolve in different futures:

Table 3: NGFS scenarios used in Rest Investments' scenario analysis

NGFS scenario	Description	Policy ambition	Technology change	CO ₂ removal	Paris Agreement
Current policies	In this business-as-usual scenario, emissions keep growing until 2080, leading to severe physical risks.	3.0°C+	Slow	Low use	Not aligned
Delayed transition	Emissions peak by 2030 and then decrease; improbable that net zero emissions are achieved by 2050. Delay in action increases investment risks, yields fewer investment opportunities, and limits availability of carbon reduction technologies.	1.7°C	Varied	Low-medium use	Broadly aligned
Net zero 2050	Climate policies are introduced immediately, and emissions start declining. Physical risks are relatively low; transition risks are high.	1.4°C	Fast	Medium-high use	Aligned

NGFS scenarios employ a large range of country-level and regional variables from the categories of physical risk, transition risk, and macro-financial impacts, including carbon pricing and other widely used economic indicators, as well as weather, demographics, and land use.

Climate-related scenario analysis of our investment strategy uses three time periods:

- **2026 – 2036:** The ten-year period aligns with the minimum investment horizon of our default investment option, Growth.
- **2036 – 2050:** Enables us to look at the longer-term portfolio effects of climate scenarios.
- **2050 – 2070:** Aligns with the consideration of long-term climate change effects on Rest members who are expected to retire beyond 2050.

The effects of climate change and associated transitions on expected asset class returns (portfolio impacts), relative to the baseline scenario, are built into our capital market assumptions (CMAs). This provides expected returns for all asset classes and sub-asset classes.

The CMAs are used to stress-test expected returns across climate scenarios for all investment options, with the portfolio designed with expectations of more than a 50% probability of meeting the respective investment objectives under all three scenarios.

This scenario analysis, which takes place in conjunction with our annual SAA review, helps us:

- highlight the portfolio's potential vulnerabilities to climate-related financial risks
- inform SAA decisions, by providing insights about risks, and about emerging opportunities that enable a lower-carbon transition.

Uncertainties and limitations

Scenarios are not predictive tools, and uncertainty is inherent in the modelling of climate-related investment and economic risk. For example, tipping points are not represented in the NGFS scenarios, which means climate change could result in more severe financial effects than anticipated.

Portfolio construction is an iterative process. We test our portfolio against potential future scenarios so we can understand the range of risks we may encounter and construct a portfolio that is better placed to withstand them.

Risk Management

To protect and promote the best financial interests of our members, we seek to manage climate-related risks, including physical and transition risks. This is carried out across the enterprise and includes the investment portfolio.

Accountability and risk governance

Rest has defined clear roles and accountabilities for managing climate-related risks through its Three Lines of Defence model, reflecting the principle that risk management is most effective when embedded within the business. The First Line, comprising business leaders and employees, is accountable for identifying, assessing, managing, and escalating climate-related risks within risk appetite and

implementing the RMF in practice. The Second Line owns and maintains the RMF, including the RAS and RMS, and provides independent oversight, guidance, and challenge. The Third Line, through Internal Audit, delivers independent assurance over the effectiveness of the RMF and related activities, including conducting risk-based audits under a rolling three-year plan focused on high-risk and emerging areas.

Identifying and assessing climate-related risks

The RMS, which is part of the RMF, sets out how Rest identifies, manages, and governs risk. ESG Risk (including climate-related risks) is considered a material risk category in the RAS.

The RMF is reviewed annually, and a comprehensive review is conducted by an operationally independent party every three years. Climate-related risk is monitored through enterprise risk reporting, and the RC provides oversight of climate-related risk matters.

The RAS establishes the Board's expectations for acceptable risk-taking and provides clear boundaries within which management can operate, supporting informed and consistent decision-making.

Rest recognises the material risk that climate change presents to the organisation, and to the investment portfolio in particular, and the significant financial, operational, and legal consequences of inadequate management of climate-related risks, including physical and transition risks.

Rest identifies and manages climate-related risks in accordance with the RMF, and for each material risk category in the RAS, there is a defined

set of risk exposures accompanied by KRIs. Five KRIs, which include climate-related risks, assess whether broader ESG-related risk remains within tolerance of the Board's risk appetite:

1. Investment managers' ESG performance
2. Progress on the Climate Change Transition Plan for the investment portfolio
3. Weighted average carbon intensity (WACI) of the listed shares portfolio compared to the benchmark over a rolling two-year period
4. The number of high or medium incidents relating to Rest's sustainability commitments
5. The number of community action or risk events related to ESG.

Managing climate-related risks in the investment portfolio

Climate-related risk in the investment portfolio is a subset of ESG risk. Climate change has the potential to adversely affect asset valuations. Rest integrates material climate-related considerations into investment processes as follows:

- **Investment strategy and asset allocation:** Scenario analysis is incorporated into the modelling of the effects of transition risk, acute physical risk, and chronic physical risk on the drivers of asset class returns. (More detail on scenario analysis of investments may be found in [Climate resilience and scenario analysis in the investment portfolio](#).) An aggregated assessment of ESG manager ratings and proportion of managers with a net-zero commitment is incorporated as part of a portfolio quality scorecard, which is used to assess the efficacy of proposed changes to asset allocation for all investment options.
- **Selection and oversight of external investment managers:** Based on our internal assessment of each investment strategy, we evaluate each investment manager's firmwide commitment to responsible investment and how well it incorporates ESG, including climate-related matters, into investment analysis, decision-making processes, and ownership policies and practices. This evaluation asks the manager for its approach to climate-specific factors such as target-setting, investment strategy or product, and the effects of physical risk to any assets held by the manager.
- **Asset-level climate-related risk assessment:** Individual investments are evaluated for climate-related risk. At the asset or company level, investment managers and Rest's internal investment team are encouraged to analyse whether each investment is subject to sector-specific, climate-related company or asset-level risks, consider emissions and other relevant data to assess potential climate-related financial impacts, and consider whether climate-related risks may be under- or over-priced in the valuation of that investment.
- **Engagement and proxy voting:** Consistent with our Climate Change Policy, Rest recognises voting and engagement can be an effective tool to mitigate climate-related risks. We consider all climate-related shareholder resolutions of listed investee companies. (Rest does not take an active approach to voting for any shares held in the indexed options as we do not have direct control.) Among the factors we may consider when assessing companies' disclosure and management of their climate-related risks and opportunities are how they are aligning their NZE2050 commitments to corporate strategy, stress-testing against a range of plausible climate scenarios, and evaluating and disclosing physical and transition climate-related risks.

Where relevant, we encourage Australian listed companies to provide shareholders with an advisory vote on their climate transition plans, because they facilitate constructive engagement between investors and companies on their climate strategies. These votes are known as 'say on climate' resolutions.

Metrics and Targets

This section outlines a range of metrics that we use to measure:

- our workplace emissions, including from our value chain
- our financed emissions (progress towards NZE2050 in the investment portfolio)
- alignment of the investment portfolio to climate-related opportunities
- progress towards our climate-related strategic goals.
- tracked listed shares' emissions using WACI on a quarterly basis, and we measured listed shares' absolute emissions and economic emissions intensity on an annual basis, and
- are committed to continual improvement, recognising that our data – sourced from external providers – relies on certain assumptions. As such, some reported figures are indicative, and we strive to enhance data quality and methodology over time.

Greenhouse gas emissions are expressed in tonnes of carbon dioxide-equivalent (tCO₂e).¹

To support transparency and accountability, we:

- participated in investment industry initiatives that promote consistent and comparable climate metrics in investment portfolios,

Our approach is also informed by globally recognised frameworks such as the **IIGCC Net Zero Investment Framework 2.0**, the Greenhouse Gas Protocol, and the Partnership for Carbon Accounting Financials.

¹ The universal unit of measurement to indicate the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. This unit is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.

Workplace emissions

Measurement and monitoring of our annual workplace emissions are guided by the Greenhouse Gas Protocol. Rest engaged a third party to produce our workplace emissions inventories. Calculations are supported by a basis of preparation document that details emissions

sources and the approaches used to measure and estimate emissions. Emissions sources are based on a range of measured and estimated data sets. Estimates are based on the best currently available information and may be conservative.

Scope 1 and 2 workplace emissions

Table 4: Rest's scope 1 and 2 location and market-based workplace emissions

Scope	Description	FY25 location-based ¹ emissions, tCO ₂ e	FY25 market-based ² emissions, tCO ₂ e	FY26 location-based emissions, tCO ₂ e	FY26 market-based emissions, tCO ₂ e
Scope 1	Direct emissions, such as those resulting from fuel use or refrigerant leakage	0	n/a	0	n/a
Scope 2	Emissions from the generation of purchased electricity	176.2	0	288.6	0

Approach, reporting period, and estimated measurement

Workplace emissions at Rest refer to those resulting from our direct operations. We use an operational control consolidation approach to our emissions inventory.

FY25 scope 2 workplace emissions have been restated in this report following the availability of additional information on how large-scale generation certificates (LGCs³) are applied to Brisbane tenancy electricity.

FY26 scope 2 workplace emissions are based on electricity invoices for the primary office locations for the period 1 July 2025 to 30 June 2026.

In FY26, Rest had primary office locations in Sydney, Melbourne, and Brisbane.

Other satellite offices in third-space accommodation in Perth and Adelaide, as well as our overseas office in the UK, have immaterial emissions and are therefore not included.

Based on our FY26 workplace emissions inventory, Rest had no identified scope 1 workplace emissions, and our scope 2 emissions were attributed only to purchased electricity in our workplace operations, for which Rest purchased 100% renewable energy through the following instruments:

- **Melbourne office:** powered by 100% renewable energy through the purchase of **GreenPower**
- **Sydney offices:** consumption covered by 100% GreenPower
- **Brisbane tenancy:** purchased and surrendered 9 LGCs to cover electricity consumption

Rest's FY25 and FY26 scope 1 and 2 emissions have been assured by a registered auditor.

Restatement of data

If new information emerges that necessitates restating data, revised figures will be reflected in our FY27 climate-related disclosure ("Sustainability Report").

¹ Location-based reporting reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

² Market-based reporting reflects emissions from the generators from which the reporter contractually purchases electricity bundled with instruments, or unbundled instruments on their own.

³ Large-scale generation certificates (LGCs) are tradeable certificates representing the renewable energy generated by eligible power stations. More information is available from the [Clean Energy Regulator](#).

Scope 3 workplace emissions (value chain)

Table 5: Rest's FY25 scope 3 location-based and market-based gross workplace emissions

Scope	Description	FY25 location-based (tCO ₂ e) ¹	FY25 market-based (tCO ₂ e) ²
Scope 3	Indirect emissions that are a consequence of the activities of the company but occur at sources owned by another company	57,260	57,148

Approach, reporting period, and measurement

Scope 3 workplace emissions are indirect emissions related to Rest's business activities that occur at sources owned by companies in our upstream supply chain. (The Greenhouse Gas Protocol defines these emissions as scope 3, categories 1–8.)

FY25 scope 3 workplace emissions (value chain) data is reported on a lagged basis because of third-party emissions reporting frequencies and data availability. The data in Table 5 relates to the period 1 July 2024 to 30 June 2025. Our FY25 workplace scope 3 emissions have been assured by a registered auditor.

In FY25, the largest emissions category, related to professional services, represented 74% of total gross emissions; the second largest category was Information and Communication Technology services at 16% of total gross emissions.

Restatement of data

If new information emerges that necessitates restating data, revised figures will be reflected in our FY27 climate-related disclosure ("Sustainability Report").

¹ Location-based reporting reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

² Market-based reporting reflects emissions from the generators from which the reporter contractually purchases electricity bundled with instruments, or unbundled instruments on their own.

Investment portfolio financed emissions

Financed emissions are those greenhouse gas emissions attributed to financial institutions through their lending and/or investment activities. (The Greenhouse Gas Protocol defines these as scope 3, category 15.) For present purposes, Rest's scope 3 emissions reported from investments are limited to the scope 1 and scope 2 emissions of investees. Scope 3 emissions of our investees are not currently included in financed emissions reporting.

As a super fund charged with investing on its members' behalf, Rest has financed emissions in its emissions inventory.

Approach, reporting period, and limitations

Rest reports the financed emissions from its combined listed shares portfolio, specifically Australian and overseas shares.

Third-party research and data are used to calculate the financed emissions metrics outlined in this section. Temporary data quality issues, availability, and subsequent data updates may occur from time to time and result in fluctuations in these metrics. As a result, these figures may change and be restated in future periods. All metrics measure scope 1 and 2 emissions of the investee entity.

Not all companies disclose their emissions data. Where actual emissions data is not available, third-party research and data providers may use an estimate as part of their methodology, but this is not always possible. Data coverage reflects the available actual and estimated data (if used) to calculate these metrics in respect of the portfolio. The actual metrics calculated may be different if complete data was available.

The financed emissions data in Table 7 relates to the period 1 July 2025 to 30 June 2026. Some companies in our portfolio provide data in respect of periods that do not align with our financial years. Some data takes longer to prepare and report, and some data is not reported at all through our investment portfolio and must be estimated. We may enlist other third parties to verify some of our emissions data.

Asset class coverage

Consistent with broader superannuation industry progress, Rest is still building confidence in the emissions data that is available for our unlisted assets, specifically in private equity, alternatives, property, and infrastructure. Over FY26, work continued at Rest to better capture more representative and accurate emissions data from these asset classes.

Restatement of prior period comparative information

Financed emissions metrics are reviewed annually, and prior period comparative information may be restated in future reporting periods to reflect improved data availability, changes in reporting scope, correction of errors, and alignment of measurement approach with evolving standards and guidance.

Scope 3, category 15 (financed) emissions

We measure the financed emissions of our listed Australian and overseas shares portfolio, excluding private equity, using the four categories in Table 6.

Table 6: Rest's financed emissions metrics

Metric	Definition	Explanation and coverage
Absolute emissions	Emissions from the combined listed shares portfolio in tonnes of carbon dioxide-equivalent (tCO ₂ e), attributed to Rest	Total absolute scope 1 and 2 greenhouse gas emissions associated with Rest's listed shares portfolio are calculated using PCAF's approach¹ with an attribution factor² that represents our proportional ownership of investees' scope 1 and 2 greenhouse gas emissions. Total absolute emissions for the portfolio are the sum of the absolute emissions allocated for all investee companies for which data coverage is available. Although absolute emissions tracks changes in emissions associated with our listed shares portfolio, this metric is not normalised, so it may be less useful for comparing portfolios of different sizes and the progress of a portfolio over time where the amount invested in listed shares changes over time. Additionally, this metric can be subject to volatility from movements in the attribution factor that can arise from changes in enterprise value including cash (EVIC) and market value. However, total absolute emissions remains a key metric for tracking Rest's progress to NZE2050.
Economic emissions intensity	tCO ₂ e per AUD million invested	Calculated using the absolute emissions for a portfolio, normalised by the total market value of the portfolio, and expressed in tonnes of CO ₂ e per million invested in Australian dollars. This conversion of absolute emissions into an intensity metric enables greater comparability and benchmarking against different portfolios.
Weighted average carbon intensity (WACI)	tCO ₂ e per USD million revenue	Measures the carbon intensity of our combined listed Australian and overseas shares by normalising investee company emissions by company revenue. Our WACI takes into consideration only the scope 1 and 2 emissions related to our investee companies' operations. We expect there to be a downward trend in the medium to longer term as companies pursue decarbonisation efforts, and as Rest manages the portfolio in line with its NZE2050 objective.
Data quality	PCAF score	Our approach to calculating Rest's financed emissions for the listed Australian and overseas shares portfolios prioritises using the highest quality data available from our third-party research provider. A weighted average PCAF data quality score for the portfolio is used to monitor the quality of emissions data that has been used in the preparation of these metrics. Financed emissions metrics rely on both reported and estimated scope 1 and 2 emissions for investee companies. On a scale of 1 to 5, the PCAF score reflects the extent of estimations used in the calculation, where 1 represents the highest quality of data using verified reported emissions and 5 represents the lowest quality of data using estimates.

Table 7 outlines the figures for each of these from FY25 and FY26.

¹ PCAF (2022). The Global GHG Accounting and Reporting Standard for the Financial Industry Part A: Financed Emissions. Second Edition

² First, the attribution factor is calculated by dividing the market value of each holding by the investee company's EVIC. Then, the attribution factor is multiplied by the investee company's reported or estimated scope 1 and 2 emissions to determine the amount to allocate to Rest.

Table 7: Rest's financed emissions for listed Australian and overseas shares (investee scope 1 and 2 greenhouse gas emissions)

Asset class ³	Amount invested (AUD bn)		Emissions coverage (%)		PCAF data quality score ⁴		Absolute emissions (tCO ₂ e)		Economic emissions intensity (tCO ₂ e/AUD m invested)		WACI (tCO ₂ e/USD m revenue)	
	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26	FY25	FY26
Australian listed shares	21.5	24.0	98%	99%	2.2	1.5	999,011	837,123	47	36	149	125
Overseas listed shares	31.0	35.9	99%	99%	2.2	1.4	441,973	545,484	14	15	59	59
Total listed shares	52.6	59.9	99%	99%	2.2	1.4	1,440,985	1,382,607	28	23	96	85

³ Listed shares include only the shares held in the shares asset class and do not include private equity. Investments in listed infrastructure or listed property in other asset classes, derivatives, and collective investment vehicles (including exchange-traded funds) are not included. This may result in a difference between the amount invested reported in Table 7 and the values reported for listed shares in other Rest disclosures.

⁴ The improvement in the FY26 PCAF data quality score compared with the score from FY25 was materially influenced by the data provider's scoring approach, which introduced a PCAF quality score of 1 for third-party verified scope 1 and 2 emissions data. This score category was not available in the FY25 metric.

Alignment to climate-related opportunities

Rest achieved its goal to increase investment in renewable energy, low-carbon solutions assets (excluding listed shares), and green bonds to \$2 billion at the whole-of-portfolio level by 30 June 2025.

We continue to invest in these assets as shown in Figure 3.

Climate-related strategic goals

In FY26, Rest had two climate-related goals for the investment portfolio. Regular monitoring of WACI was integrated into Rest's enterprise-level FY26 Business Performance metrics, and real-time emissions tracking software was implemented for the direct office property portfolio.

WACI

WACI is an annual measure used to understand the emissions intensity within the combined listed Australian and overseas shares portfolio relative to FY19 and over the long term.

This metric is reported throughout the year to the RC and BIC and annually to the PCRC and Board.

FY19 was selected as the base year because it is consistent with the UN-convened **Net Zero Asset Owner Alliance** target-setting protocol.

A reduction in WACI may be attributed to a range of factors, including changes in portfolio exposure, reductions in company emissions and increases in company revenues, as well as changes in data provider coverage or data quality.

As an intensity metric, movements in WACI may be driven by volatility in the economic metric (revenue) used in the denominator, such that a reduction in WACI does not necessarily correspond to an equivalent change in absolute emissions.

The FY26 WACI of the combined listed Australian and overseas shares portfolio reduced by 62% relative to the baseline, as shown in Figure 4.

Over FY26, the CIO's individual performance scorecard included a WACI metric for listed Australian and overseas shares.

Rest's direct office property portfolio

As a signatory to the World Green Building Council's **Net Zero Carbon Buildings Commitment**, Rest has a goal to achieve net-zero emissions in operation by 2030 from its directly owned office property portfolio.

Figure 3: Rest's FY25 and FY26 total cumulative investments in renewable energy, low-carbon solutions assets (excluding listed shares), and green bonds

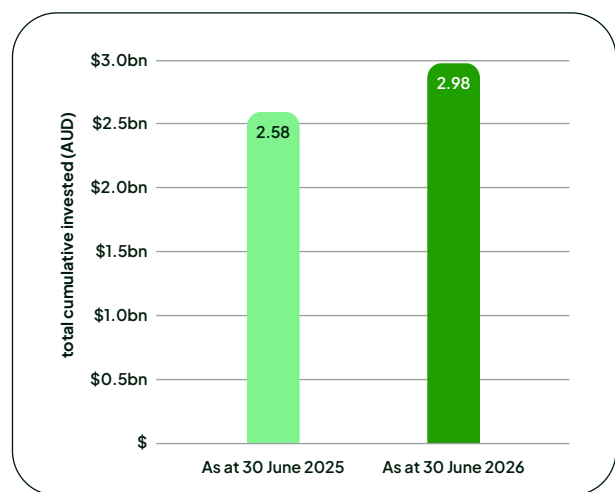
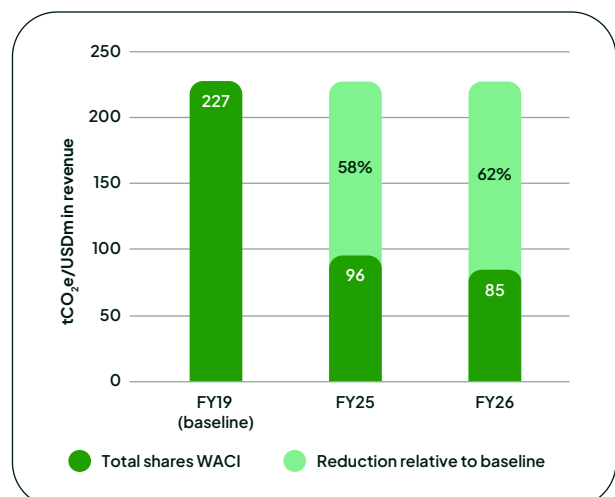


Figure 4: Total shares WACI, relative to baseline FY19



This involves reducing emissions in the direct property portfolio through electrification, improved energy efficiency, and the purchase of renewable power. Emissions tracking software was implemented in FY26 with data going back to 2024; subsequent work will focus on improving data quality to an auditable standard.

Appendix I: FY24–26 Climate Change Transition Plan (summary)

The Climate Change Transition Plan for the investment portfolio aims to lay out our objectives and initiatives for our transition towards a lower-carbon economy, including actions that support Rest's progress to net zero by 2050. The CCTP is subject to annual review.

Objective	Initiative	Status
Measure and monitor portfolio emissions	Measure scope 1 and 2 financed emissions from listed shares, property, and infrastructure, consistent with the PCAF Global GHG standard	Complete for FY26
	Consider options for establishing appropriate portfolio and asset class-level goals that focus on driving real-world emissions reductions and supporting the organisations transition to net zero	Complete for FY26
Advance portfolio assessment and integration	Integrate climate change into capital market assumptions to support strategic asset allocation	Complete for FY26
	Consider approach for assessing net zero alignment of material investments	Complete for FY26
	Continue to progress climate-related risk assessment of investment managers as part of selection, appointment, and ongoing monitoring	Complete for FY26
Invest in climate solutions	Consider a consistent framework for identifying listed shares that are aligned with Rest's relevant priority UN Sustainable Development Goals	Complete for FY26
Be active owners	Engage our prioritised listed companies on their climate transition plans in support of their decarbonisation efforts and management of nature- and climate-related risks and opportunities	Complete for FY26
	Vote on all climate-related resolutions at investee companies	Complete for FY26
	Engage issuers alongside our internal fixed income team	Complete for FY26
Participate in collective advocacy	Actively support key peak bodies, including IGCC, RIAA, PRI, and ASFI, and participate in select advocacy initiatives	Complete for FY26
	Participate in policy advocacy to support an equitable transition for communities and workers	Complete for FY26
Broader climate-related initiatives	Understand where we have heightened exposure to nature-related dependencies, impacts, risks, and opportunities, while continuing to build capacity by participating in collaborative initiatives and engaging investment managers	Complete for FY26
	Undertake annual review of Rest's Climate Change Policy, in the context of the Responsible Investment Policy	Complete for FY26
	Enhance Rest's sustainability disclosures regarding governance, strategy, risk management, and metrics and targets in line with regulatory and industry-accepted guidance	Complete for FY26

Appendix II: TCFD Signposting

The Taskforce on Climate-related Financial Disclosures (TCFD) recommendations are structured around four thematic areas, which are the core elements of how an organisation operates: governance, strategy, risk management, and metrics and targets. These recommendations are accompanied by a set of supporting recommended disclosures. This table shows where this supplement addresses each thematic area.

TCFD thematic area	Section
Governance: disclose the organisation's governance of climate-related risks and opportunities	
a. Describe the Board's oversight of climate-related risks and opportunities	<u>Governance</u>
b. Describe management's role in assessing and managing climate-related risks and opportunities	<u>Governance</u>
Strategy: disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	
a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	<u>Climate-related risks and opportunities in Rest's business operations</u> <u>Climate change and Rest's investment portfolio</u>
b. Describe the effect of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	<u>Climate-related risks and opportunities in Rest's business operations</u>
c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	<u>Climate resilience and scenario analysis in the investment portfolio</u>
Risk management: disclose how the organisation identifies, assesses, and manages climate-related risks	
a. Describe the organisation's processes for identifying and assessing climate-related risks.	<u>Identifying and assessing climate-related risks</u> <u>Accountability and risk governance</u>
b. Describe the organisation's processes for managing climate-related risks.	<u>Accountability and risk governance</u> <u>Managing climate-related risks in the investment portfolio</u>
c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	<u>Identifying and assessing climate-related risks</u> <u>Managing climate-related risks in the investment portfolio</u>
Metrics and targets: disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<u>Workplace emissions</u> <u>Investment portfolio financed emissions</u>
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	<u>Workplace emissions</u> <u>Investment portfolio financed emissions</u>
c. Describe the targets used by the organisation to manage climate-related risks and opportunities, and performance against targets.	<u>Alignment to climate-related opportunities</u> <u>Climate-related strategic goals</u>

Appendix III: Terms

Term	Description
CO ₂ e	CO ₂ e stands for carbon dioxide equivalent, a way of expressing the total impact of greenhouse gases (GHGs) in terms of the amount of CO ₂ that would have an equivalent warming effect.
Climate-related risks and opportunities (CRROs)	Climate-related risks refer to the potential negative effects of climate change on Rest. The risks are generally categorised as climate-related physical risks and climate-related transition risks. Climate-related opportunities are the potential positive effects related to climate change for Rest. Efforts to mitigate or adapt to climate change can produce opportunities.
Financed emissions	The portion of gross greenhouse gas emissions of an investee or counterparty attributed to the loans and investments made by an entity to the investee or counterparty. These emissions are part of scope 3 category 15 (investments) as defined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).
GHGs	Greenhouse gases are gases that trap heat in the Earth's atmosphere and contribute to global warming. The GHG Protocol identifies seven main greenhouse gases: carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF ₆), and nitrogen trifluoride (NF ₃). Greenhouse gases are often referred to as 'emissions' or 'carbon emissions' and are generally measured in CO ₂ e (see above).
Physical risks	Risks resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events such as storms, floods, drought or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns, including changes in precipitation and temperature, which could lead to sea level rise, reduced water availability, biodiversity loss, and changes in soil productivity. (Standards Australia, 2024, Australian Sustainability Reporting Standard S2, Climate-related Disclosures)
Scope 1, Scope 2, Scope 3 GHG emissions	
Scope 1 GHGs	Direct GHG emissions (including carbon dioxide (CO ₂), methane (CH ₄), nitrous oxide (N ₂ O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF ₆) and nitrogen trifluoride (NF ₃)) that occur from sources owned or controlled by the reporting company, such as emissions from combustion in owned or controlled boilers, furnaces, vehicles.
Scope 2 GHGs	Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating, or cooling consumed by the reporting company. Scope 2 emissions physically occur at the facility where the electricity, steam, heating, or cooling is generated.
Scope 3 GHGs	All other indirect GHG emissions (not included in scope 2) that occur in the value chain of the reporting company. Scope 3 can be broken down into upstream emissions and downstream emissions. Upstream emissions include all emissions that occur in the life cycle of a material/ product/ service up to the point of sale by the producer, such as from the production or extraction of purchased materials. Downstream emissions include all emissions that occur as a consequence of the distribution, storage, use, and end-of-life treatment of the organisation's products or services. (Definitions adapted from the Greenhouse Gas Protocol Corporate Value Chain Standard)
Transition risks	Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market, and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment from new or amended climate-related regulations. The entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology. (Australian Sustainability Reporting Standard S2, Climate-related Disclosures)

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