

# Assessing Sovereign Climate-related Opportunities and Risks (ASCOR): research update

July 2026



ASCOR

## Introduction to ASCOR

Assessing Sovereign Climate-related Opportunities and Risks (ASCOR) is an investor-led initiative launched to provide comprehensive and comparable assessments on how countries are managing the low-carbon transition as well as the physical risks stemming from climate change. ASCOR aims to inform, support and facilitate investment decision-making, especially by sovereign bondholders, and enable a more explicit consideration of climate change at the national level.

In 2023, following a public consultation, the TPI Global Climate Transition Centre (TPI Centre) at the London School of Economics (LSE), launched the [ASCOR framework: methodology note Version 1.0](#) and the [ASCOR tool](#), which included the first assessments of 25 pilot countries. In 2024, this was expanded to 70 countries, and in 2025, to 85 countries, using updated versions of the methodology note ([Version 1.1](#) and [Version 1.2](#)), respectively. The TPI Centre conducted a second [public consultation](#) between December 2025 and February 2026 to revisit the framework and gather feedback on larger proposed methodological changes than in previous versions.

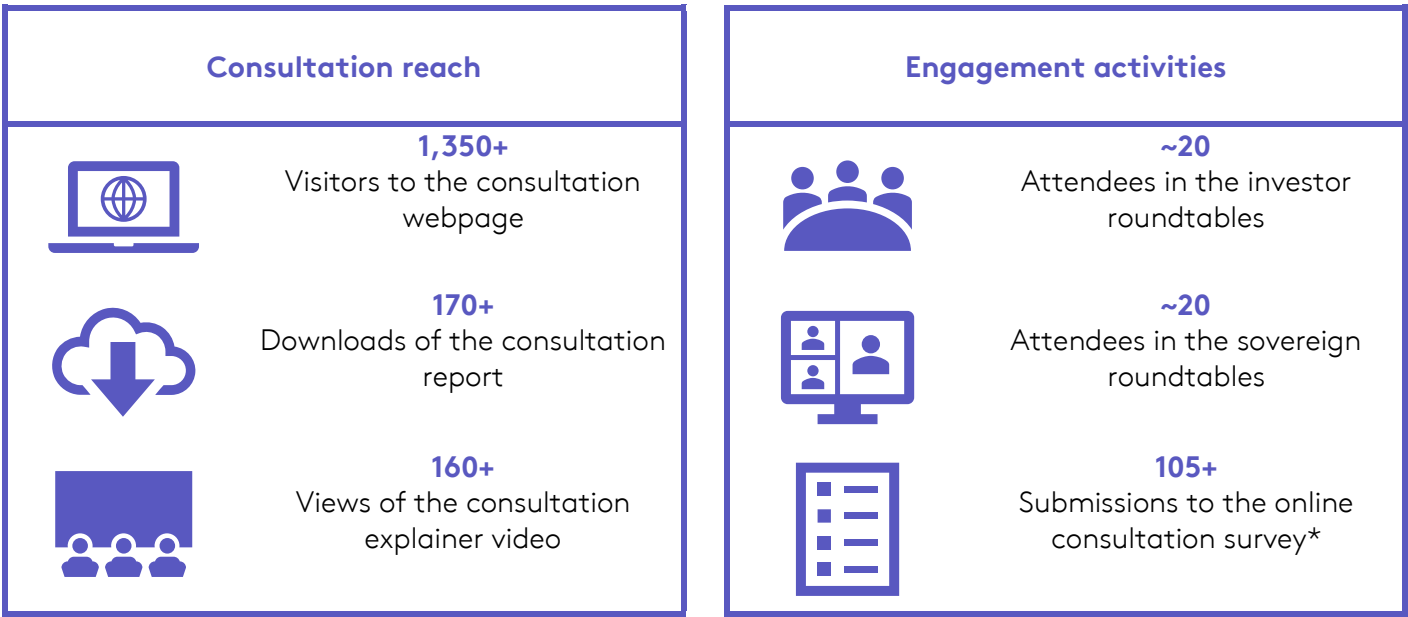
## I. Consultation on ASCOR Version 2.0

This research update provides an overview of the latest consultation process, highlights from the feedback and a detailed explanation of changes made to the ASCOR methodology, which will be published in an updated methodology note later this year, alongside the release of the 2026 dataset. This research update also provides information on country coverage, data amendments and the ASCOR project’s timeline.

In December 2025, the TPI Centre published the [ASCOR framework Version 2.0: consultation report](#) and launched a public consultation on potential changes to the ASCOR framework and tool. The consultation ran until the end of January 2026 and was accompanied by an explainer video. It also involved consultation roundtables with investors, including the [ASCOR Investor Advisory Committee](#), and sovereign issuers.

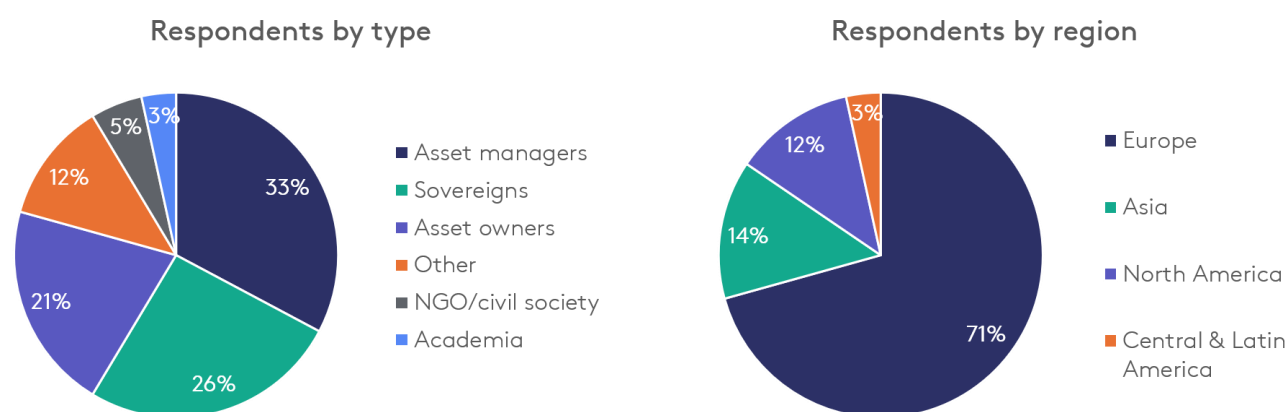
Figure 1.1 provides an overview of the consultation channels and the record of engagement through these channels. The TPI Centre received feedback from various stakeholder groups including asset owners, asset managers, investor networks, sovereign issuers, academia and civil society on the design of the ASCOR tool and on our proposed methodological changes. Figure 1.2 outlines the profile of survey respondents.

Figure 1.1. Overview of the consultation’s reach and sources of feedback



\*64 of these included responses to the questions.

**Figure 1.2. Survey respondents by type and region**



### Highlights from the consultation feedback

Stakeholders broadly appreciated the value of the ASCOR tool, with the vast majority (96%) agreeing that the tool adequately supports investor objectives. Feedback was particularly positive on the significant country coverage, transparency and data comparability. Respondents highlighted:

- **Interpretability of the data:** Some respondents noted that they would appreciate further guidance on how to interpret the data on the tool. They also expressed interest in country-level result summaries, peer-group comparisons and data aggregation.
- **Country exemptions:** Recognising the principle of *common but differentiated responsibilities and respective capabilities*, respondents appreciated the exemptions for middle- and low-income countries. However, some also flagged that they would appreciate more data on low-income countries' performance, particularly in climate policy areas. Other respondents requested data on high-income countries' transparency in climate costing.
- **Structural changes:** Respondents were interested in a separate evaluation of historical performance and forward-looking ambition and in the addition of sectoral analysis, as proposed in the consultation report.
- **Methodological enhancements:** Feedback indicated that the existing indicators assess the most essential aspects of sovereign climate performance, but highlighted that some areas could be expanded further. For example, respondents requested more granular information by sector, the addition of a below 2°C benchmark and, within the adaptation assessment, more focus on implementation.

The way this feedback has been integrated or addressed is explained below.

## II. Methodology enhancements

A detailed overview of the methodological enhancements will be provided in the forthcoming ASCOR framework: methodology note Version 2.0. This research update summarises the changes resulting from the feedback gathered through the consultation as well as additional research conducted at the TPI Centre. Note that the TPI Centre's sovereign assessment cycle 2026 is ongoing and the final methodology note may differ from what is presented below.

In line with the data requirements of the tool's investor users, the new framework should enable comparability with data from previous years. To facilitate this, [Appendix 1](#) presents a mapping of ASCOR framework Version 2.0 against the previous version, enabling users to track performance across assessment cycles.

### Structural changes: New pillar structure

The framework has been restructured to better analyse and communicate countries' progress in managing the low-carbon transition and the impacts of climate change. Figure 2.1 presents the structural elements of the ASCOR framework Version 2.0.

Figure 2.1. Elements of the ASCOR framework structure compared to Version 1.2

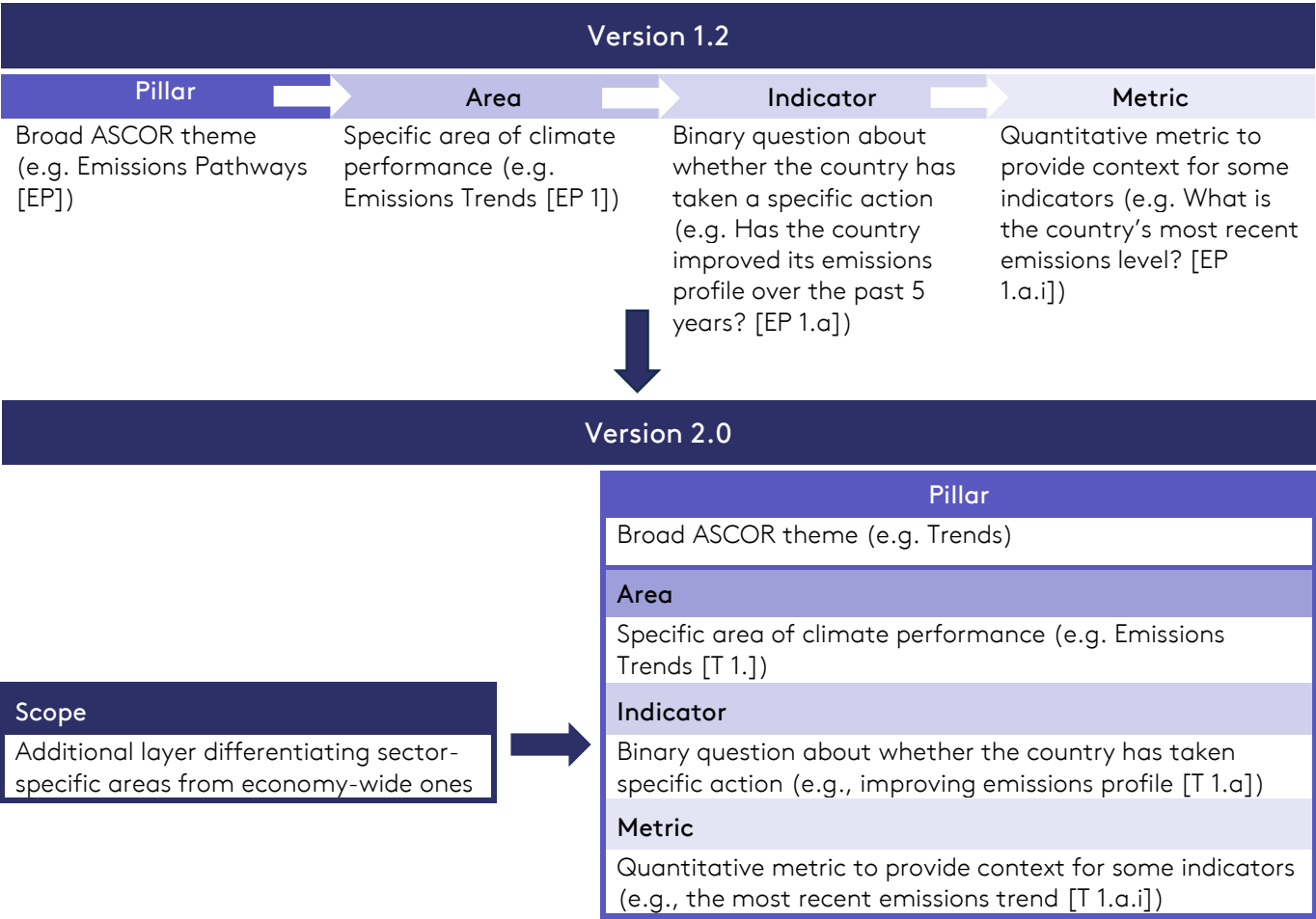
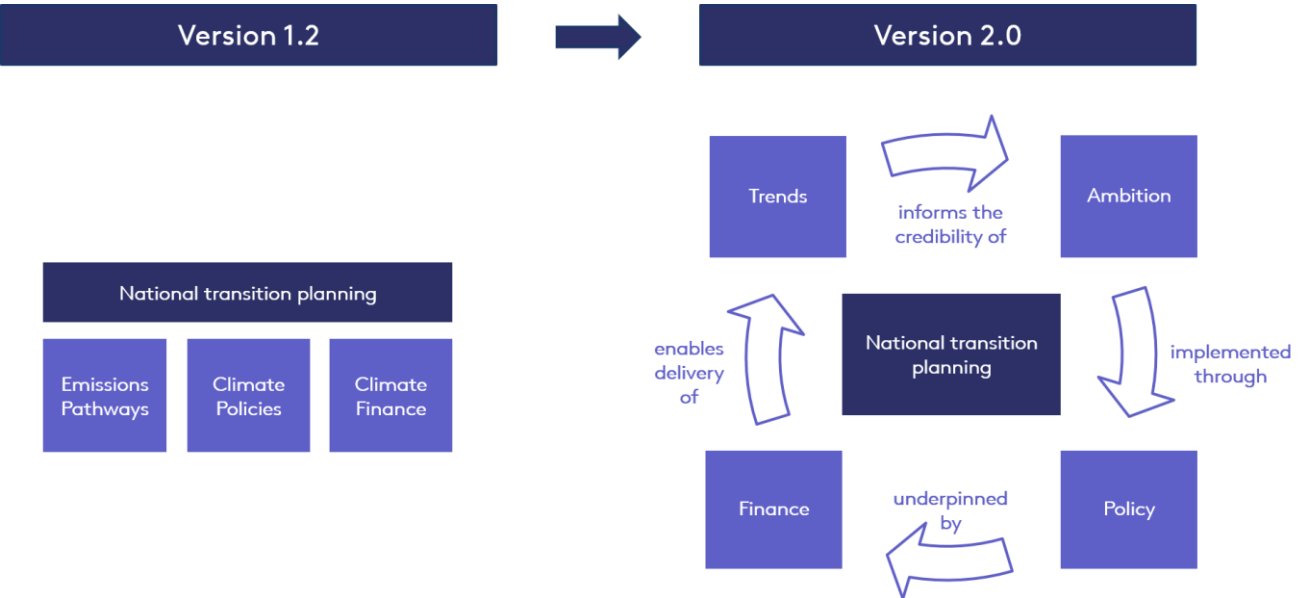


Figure 2.2 shows the new structure of the framework consisting of four pillars and illustrates the cycle of national transition planning: recent trends inform the credibility of countries’ ambitions, which are implemented through policies underpinned by financial flows that then deliver improved trends in performance over time. The previous three pillars of the framework have been reorganised into four by splitting the previous *Emissions Pathways* pillar into two pillars, separating historical performance under *Trends* from forward-looking ambition under *Ambition*. Feedback to our consultation indicated that users would welcome this change, as it provides a more intuitive picture of country performance and better aligns with investors’ internal analysis.

Figure 2.2. Overview of the structural change compared to Version 1.2



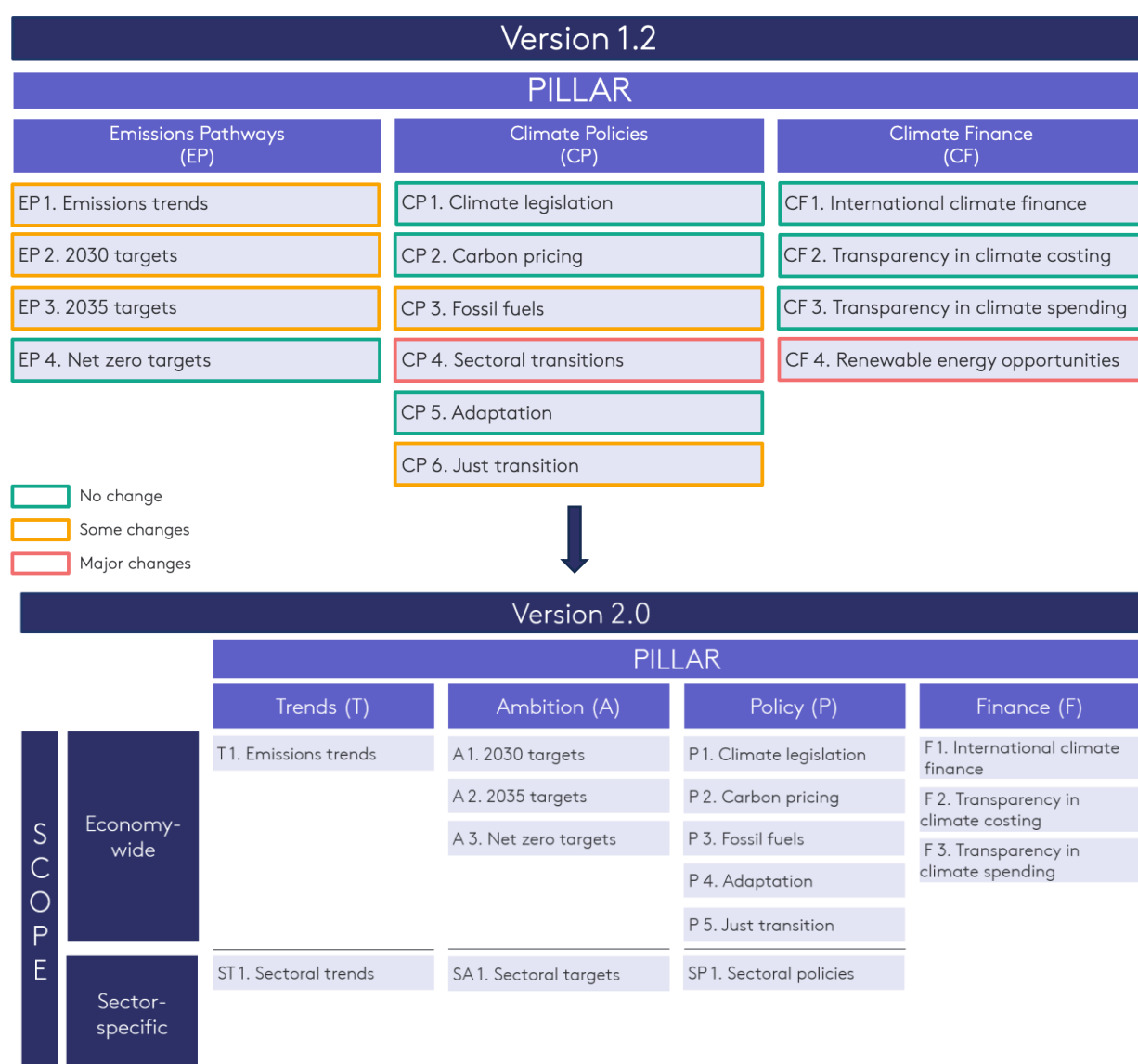
## Structural changes: New sectoral scope

The new framework differentiates economy-wide and sector-specific efforts by governments to provide a more comprehensive picture of how they are managing the low-carbon transition. The majority of consultation respondents preferred a more detailed analysis of sectoral transition planning compared to the previous version of the framework (i.e. area CP 4. Sectoral transitions). Building on the foundation that economy-wide indicators provide, this deeper sector-specific analysis aims to reveal variation in how countries are managing the transition across their highest-emitting sectors.

Figure 2.3 presents how the structure has changed. The new framework:

- Adds an assessment of emissions trends at the sectoral level
- Unpacks the analysis on multisector climate strategies (previously indicator CP 4.a<sup>1</sup>) into ten individual indicators assessing ambition and policy separately in the country's five highest-emitting sectors
- Reallocates relevant indicators and metrics to the sector-specific scope
- Introduces new indicators under Sectoral Trends.

Figure 2.3. Overview of the framework restructuring with the new sectoral scope



<sup>1</sup> In the ASCOR framework Version 1.2, indicator CP 4.a assessed if the countries had a multi-sector climate strategy that set both (i) quantified sector-specific emissions reduction targets or projections (either for 2030 or for net zero) and (ii) at least one related policy for each of the following five sectors: electricity; transport; industry; land use, land-use change and forestry (LULUCF) or agriculture or forestry; and a fifth sector with significant emissions in that country.

Sectoral analysis captures country-specific context, including the composition of national emissions profiles, while informing investors about the progress of decarbonisation across individual sectors. It can also indicate whether national targets and policies are in place to steer corporate transitions at the sectoral level. This granularity acknowledges that countries may be taking steps across some sectors, if not all, while enabling them to showcase progress on the decarbonisation of different sectors. For example, a country may lack sectoral targets or policies, but emissions trends in that sector may nevertheless be falling.

A further novelty introduced in Version 2.0 is differential selection of sectors by country, based on emissions materiality: we rank and assess the five highest-emitting sectors in each country. Unlike the previous approach to indicator CP 4.a, which assessed targets and policies in a fixed set of sectors, this new approach focuses on the sectors that are most material to the decarbonisation challenge in each country. Figure 2.4 illustrates the sectoral analysis provided across the Trends, Ambition and Policy pillars for a hypothetical country.

**Figure 2.4. Illustration of ranked sector categories across the Trends, Ambition and Policy pillars**

| Sectoral area           | ST — Sectoral trends<br>Ranked by emissions size | SA — Sectoral ambition<br>Based on ST ranking                 | SP — Sectoral policies<br>Based on ST ranking         |
|-------------------------|--------------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------|
| Sample indicator/metric | What is the country's sectoral emissions trend?  | Does the country have a sectoral emissions reduction pathway? | Does the country's decarbonisation plan set a policy? |
| Illustration of results | 1st Electricity<br>-2.07%                        | 1st Electricity<br>● Yes                                      | 1st Electricity<br>● Yes                              |
|                         | 2nd Industry<br>-3.12%                           | 2nd Industry<br>● Yes                                         | 2nd Industry<br>● Yes                                 |
|                         | 3rd Fossil fuel production<br>-0.82%             | 3rd Fossil fuel production<br>● No                            | 3rd Fossil fuel production<br>● No                    |
|                         | 4th Transport<br>-0.54%                          | 4th Transport<br>● Yes                                        | 4th Transport<br>● No                                 |
|                         | 5th Agriculture<br>+1.23%                        | 5th Agriculture<br>● Yes                                      | 5th Agriculture<br>● Yes                              |

### Area-level changes

The changes implemented in each area of the framework are summarised below, with references to the new indicator and metric codes, except for the areas and indicators that no longer exist. See [Appendix 1](#) for a mapping of all new indicator and metric codes against the previous codes.

#### Emissions trends (area T 1)

In indicator T 1.a, which evaluates if countries' emissions profiles are improving based on recent emissions trends, we now assess production-based emissions including land use, land-use change and forestry (LULUCF) in place of LULUCF emissions in isolation due to volatility in the data. Assessed separately, five-year LULUCF trends are highly volatile: one additional year of data can reverse their direction and disproportionately affect the results. Aggregating LULUCF into total production-based emissions reduces this volatility while still reflecting LULUCF dynamics in countries where it represents an important share of total emissions. Standalone LULUCF trends are retained as metrics, but no longer feed into indicator T 1.a. We continue to assess production-based emissions, excluding LULUCF and consumption-based emissions separately.

#### Benchmarks (areas T 1, A 1 and A 2)

We have introduced a below 2°C benchmark alongside the existing 1.5°C benchmark, so that the alignment indicators now assess trends and targets against two benchmarks rather than one. This weakens the binary alignment indicators compared to Version 1.2 where countries were only assessed against 1.5°C benchmarks. However, each alignment indicator is now accompanied by a new metric identifying which of the two benchmarks are met by the country. This allows the framework to recognise country progress toward below 2°C alignment, even where 1.5°C alignment has not yet been achieved.

Quantitative metrics reporting the degree of alignment continue to be evaluated against the 1.5°C benchmark.

To allow the addition of a below 2°C benchmark, we have changed the data source for our benchmarks. We now derive all cost-effective benchmarks (both 1.5°C and below 2°C) from the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) Phase 5.1 scenarios, taking the mean of the downscaled country-level REMIND-MAGPIE, MESSAGEix and GCAM models, in place of the 1.5°C National Pathway Explorer (Climate Analytics) used previously. This resolves the limited country coverage of the previous source — from 54 of 85 assessed countries to almost the full universe (84 of 85) — and provides the below 2°C modelling data needed for the new benchmark.

One consequence of this change is that 1.5°C cost-effective benchmarks are now derived from the NGFS Net Zero 2050 scenario. This is a 1.5°C pathway that permits overshoot, in contrast to the no- or limited-overshoot basis of the benchmarks from Climate Analytics used in previous years. It is therefore less stringent, with the 2030 benchmark around 14% higher on average and the 2035 benchmark around 23% higher. The change in benchmarks has caused changes in alignment results.

We have adjusted the fair share benchmarks correspondingly. The global carbon budget is now taken from the same NGFS scenarios — the three-model average of total emissions in the target year, using Net Zero 2050 for the 1.5°C fair share and Below 2°C for the below 2°C fair share — replacing the subset of AR6 C1 scenarios used previously. The cost-effective and fair share benchmarks are therefore drawn from the same underlying scenario at each temperature level, so the only difference between the two remains the emissions allocation methodology. As with the cost-effective benchmark, the 1.5°C fair share budget now reflects overshoot and is correspondingly more generous than in previous cycles.

### **Emissions trends and 2030/2035 targets (areas T 1, A 1, A 2)**

For the metrics measuring the distance between a country's emissions trend or target and its benchmarks (T 1.b.ii, T 1.c.ii, A 1.c.ii, A 2.d.ii, A 2.c.ii and A 2.d.ii), we now express the gap relative to the country's 2019 emissions rather than relative to the benchmark. Anchoring the gap to a common 2019 baseline makes it easier to compare across countries. A positive value now indicates the additional reduction, as a percentage of 2019 emissions, needed to align with the benchmark. A negative value indicates the extent to which the trend or target already surpasses the benchmark.

### **Carbon pricing (area P 2)**

We have updated the data source used to assess the alignment of emissions trading systems (ETs) with countries' 1.5°C benchmarks (indicator P 2.c). We now use the NGFS Phase 5.1 scenarios in place of the 1.5°C National Pathway Explorer hosted by Climate Analytics (See [Benchmarks](#)).

### **Fossil fuels (area P 3)**

For indicator P 3.a on commitments to phase out fossil fuel subsidies, countries for which there is evidence that fossil fuels are not subsidised at all are now assessed as 'Not applicable' rather than 'Yes'. In such cases, the metric P 3.a.i on the phaseout deadline is assessed as 'Not applicable'. Previously, we reported the year that the country stopped subsidising fossil fuels as verified by the third-party sources used to assess P 3.a. This change has been made to account for the volatility and uncertainty in fossil fuel subsidy data.

### **Just transition (area P 5)**

Metric CP 6.a.i (the Voice and Accountability estimate sourced from the World Bank) in the previous framework has been archived. Due to significant changes in the data source's revised [methodology](#) and approach to assessing this data point, we are no longer able to maintain comparability with the previously published datasets. Following the feedback received during the consultation, this metric is replaced with a new metric that shows the percentage of relevant fundamental human, labour and indigenous conventions that the country has ratified (P 5.a.i).

## Sectoral trends (area ST 1)

Within the sectoral scope under the Trends pillar, a new area presents new sectoral emissions trends data and pulls in various sectoral data points from other parts of the previous framework. In this way, the ASCOR tool now offers a coherent section for evaluating climate performance at the sectoral level.

This analysis of countries' sectoral emissions profiles sets the scene for country-specific evaluations of sectoral transition performance and informs the other areas in the sectoral scope of the framework. Indicator ST 1.a assesses whether the country has decreasing emissions trends in at least three of its five highest-emitting sectors. The most recent five-year emissions trend for each sector is reported in accompanying metrics (SP 1.a.i-v), which identify the highest-emitting sectors and show the rate of change. Together, these enable users to identify which sectors are most material to a country's emissions and assess the pace of decarbonisation across each of them.

This area also absorbs the four renewable energy opportunity metrics (previously CF 4.i-iv), which reported the pipeline of solar, wind, geothermal and hydroelectric energy relative to fossil-fuel-based electricity capacity. For ease of interpretation, these four metrics are now consolidated into a single binary indicator (ST 1.b) with one supporting metric that combines all renewable energy types and divides them by fossil-fuel-based electricity (ST 1.b.i). The binary indicator evaluates whether the new pipeline of renewable energy is projected to equal expected fossil fuel generation.

There are three further changes to the calculation of this metric:

1. The renewable pipeline now only includes projects that have passed the announcement stage, i.e. pre-construction and construction projects, because announced projects have high cancellation rates and fluctuate year-on-year.
2. The denominator is now the *expected* fossil-fuel fleet: current operating capacity plus the comparable-stage fossil fuel-based pipeline net of planned retirements, rather than current fossil fuel-based capacity alone.
3. Both the numerator and denominator are weighted by technology-specific capacity factors, so the ratio is expressed in terms of expected generation rather than installed capacity.

With these adjustments, a ratio of one now corresponds to expected generation-equivalent parity between the renewable energy pipeline and expected fossil fuel generation.

The rest of the indicators and metrics in this area have been reallocated from the Sectoral transitions area (CP4) of the previous framework. Specifically, the indicator and metric on protected areas (SP 1.c and SP 1.c.i) as well as the metrics on electricity generation from low-carbon sources and energy intensity (SP 1.bii and SP 1.b.iii) are now also part of this area.

## Sectoral ambition and policy (areas SA 1 and SP 1)

The previous indicator CP 4.a (multi-sector climate strategies) has been split into 10 new indicators: five for targets under Sectoral ambition (SA 1.a-SA 1.e) and five for measures under Sectoral policy (SP 1.a-SP 1.e). These new sectoral indicators are not directly comparable to the historical assessments of CP 4.a because the sectors assessed in each country in this new version align with the highest-emitting sectors specific to that country. This parallel structure across sectoral areas provides a holistic snapshot of country performance, combining both backward-looking emissions trends and forward-looking targets and policies.

Additionally, the net zero electricity target indicator (SA 1.f) from the previous framework has been reallocated to the new Sectoral ambition area. The remaining indicators of the Sectoral transitions area from the previous framework (CP 4) have been reallocated to the Sectoral policy area; this includes the energy efficiency indicator (SP 1.f) and the mandatory climate-related disclosure indicator (SP 1.g). These two indicators differ from the rest of the sectoral indicators, as they provide cross-cutting context on energy efficiency and financial disclosure, rather than assessing a specific economic sector.

## Emissions data

Please note that the emissions data used in the ASCOR tool are currently sourced from the [PRIMAP-hist](#) 'country-reported data priority' (HISTCR) dataset. As part of our ongoing methodology development, we are evaluating alternative sources of national emissions data. Should we adopt a different source, the historical emissions series used in our calculations would change, which may in turn affect the results in areas T1 (Emissions trends), A1 (2030 targets), A2 (2035 targets) and P2 (Carbon pricing).

## Country exemptions

Feedback has suggested that country exemptions from some indicators and metrics should be revisited. Specifically, lifting some of the exemptions on low-income countries would enable investors to access more data, while also enabling some emerging economies to showcase their progress. Bearing in mind the ASCOR framework's design principle of avoiding income bias, this year we have revisited country exemptions across the framework and lifted the exemption for low-income countries from the following indicators and metrics:

- Electricity generation from low-carbon sources (metric SP 1.b.ii)
- Energy intensity in primary energy (metric SP 1.b.iii)
- Protected areas (indicator SP 1.c and metric SP 1.c.i)

We will continue to revisit country exemptions every year and make any adjustments depending on countries' progress and data availability.

## Ongoing research for future iterations

The consultation to inform Version 2.0 of the ASCOR framework elicited a range of investor priorities and stakeholder perspectives. Some of the feedback and input from the consultation has not been immediately integrated into the new framework, but has sparked or fed into ongoing research that may eventually be integrated into future iterations of the ASCOR tool.

**Data aggregation:** Feedback ranged from positive to cautious on the option of communicating an aggregated summary of the assessment results on the ASCOR tool (e.g. in the form of pillar scores).<sup>2</sup> Some stakeholders preferred seeing an aggregated result on the tool to ease their interpretation of the overall assessment and to enable integration of the data into their models and analysis. Others noted the risks of unintended bias and comparability limitations considering the country exemptions.

**Implementation of adaptation:** There is growing interest from respondents in expanding the assessment of adaptation policy in the framework. Responses suggested topics that we should explore (e.g. policy implementation, deforestation, investment in adaptation, nature-based solutions) rather than methodologies. Our ongoing research aims to identify the most relevant criteria that can assist investors in evaluating whether and how governments are implementing adaptation, based on the UN Adaptation Gap reports' analysis of global adaptation planning over the last three years. Taking a subset of countries, we tested potential criteria, such as the disclosure of timeframes for adaptation measures and the alignment of National Adaptation Plans with other national policies. The initial results reveal inconsistent disclosure practices and raise doubts about whether these criteria constitute reliable proxies for actual adaptation implementation. Given that adaptation implementation is a nascent research area, we will continue to monitor progress and explore options for future framework iterations.

**Climate investment planning:** Evidence that a country has identified its climate financing gaps and mapped pathways to address them through public and private finance provides investors with a clearer sense of the credibility of the country's climate commitments. Consultation responses were mixed on what information would be most useful in assessing whether a country has created the enabling conditions to generate public funds and mobilise private finance for the low-carbon transition. Some provided specific criteria to assess investment plans, including funding timelines, quantified investment needs, project pipelines and alignment with Nationally Determined Contributions (NDCs). To explore this topic, we identified investment planning documents published by a selection of countries. We used the criteria provided in the consultation feedback, as well as desk research, including guidance from the [NDC Partnership](#), to identify investment plan elements we do not already assess in the areas on climate costing (area F2) and spending (area F3). We tested these investment planning documents against potential criteria including governance, financing gaps, funding sources and financing instruments. The initial results reveal inconsistent disclosure practices: most countries' investment plans include some of these

<sup>2</sup> The State of the Transition in Sovereigns reports published in 2024 ([Scheer et al.](#)) and 2025 ([Hizliok et al.](#)) present the methodology and results of pillar scores as a way of aggregating the assessment results for illustrative purposes, but these pillar scores have not been included in the online ASCOR tool.

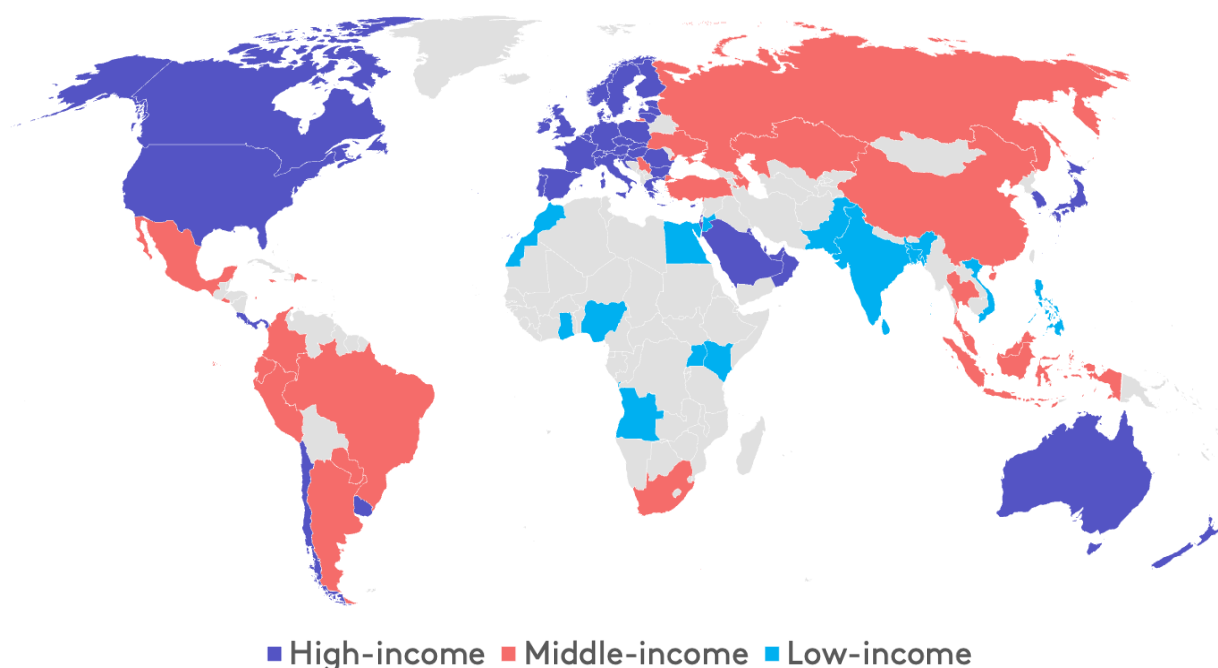
elements, but not all of them. This raises the question of which criteria to prioritise when assessing countries against a binary Yes/No indicator. We will continue to monitor progress and explore options for future framework iterations.

**Fossil fuel rents:** Since its launch in 2023, the ASCOR tool has provided data on fossil fuel rents via three metrics on [coal](#), [oil](#) and [natural gas](#) rents (P 3.c.i, P 3.d.i and P 3.d.ii, respectively), all sourced from the World Bank. The latest available data are for 2021, making them significantly outdated and preventing an analysis of recent trends. We are therefore searching for alternative options, including identifying new data sources for a similar metric, developing a methodology to calculate fossil fuel rents internally or, if there is no other way of providing more up-to-date data, removing these metrics from the framework.

### III. Country coverage

In 2023, the initial 25 countries were selected to represent a range of regions, income groups, climate risk levels and policymaking systems with the aim of testing the ASCOR framework for wide applicability. The expansion to 70 countries in 2024 and to 85 in 2025 are based on country weights in the main sovereign bond market indices. In 2026, the same set of 85 countries will be assessed against the new methodology Version 2.0. Figure 3.1 shows the assessed countries by income group. This universe covers 90% of global greenhouse gas emissions, 94% of global gross domestic product (GDP) (in international US dollars, adjusted for purchasing power parity) and 100% of four key global government bond indices (see Table 3.1).

Figure 3.1. Map of 85 countries assessed in 2026 by income group



**Table 3.1. Sovereign index coverage of the ASCOR country universe**

| Sovereign index coverage <sup>3</sup>                                        | 2023:<br>25 countries | 2024:<br>70 countries | 2025 and 2026:<br>85 countries |
|------------------------------------------------------------------------------|-----------------------|-----------------------|--------------------------------|
| FTSE World Government Bond Index (WGBI)                                      | 90%                   | 100%                  | 100%                           |
| Bloomberg Global Treasury Index                                              | 85%                   | 100%                  | 100%                           |
| JP Morgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified | 65%                   | 100%                  | 100%                           |
| FTSE Frontier Emerging Markets Government Bond Index                         | 45%                   | 70%                   | 100%                           |
| JP Morgan Emerging Markets Bond Index (EMBI)                                 | 40%                   | 85%                   | 93%                            |

## IV. Assessment data amendments

Due to new evidence collected during the most recent assessment analysis, some data points in the existing ASCOR dataset have been amended. All of these changes have been noted in the 'Research Notes' section at the bottom of each country's assessment webpage on the [ASCOR tool](#). Amendments to the 2023, 2024 and 2025 datasets were minimal, affecting around 0.01% of the relevant data points, respectively. A summary of these changes is provided below.

- A correction in the third-party data source resulted in a lower metric result and a revision of one indicator result from 'Yes' to 'No'.
- As a result of reconsideration of existing evidence, nine assessments were revised from 'No' to 'Yes' and eight assessments were revised from 'Yes' to 'No'.
- Revisions of specific calculations resulted in positive changes in ten metric result and negative changes in thirteen metric results.
- Due to amendments in the indicator results described above, at the area-level three results were changed from 'Partial' to 'Yes' and three result was changed from 'Yes' to 'Partial'.

## V. Timeline and next steps

The assessment timeline planned for this year follows the TPI Centre's established process (see Figure 5.1). The research cycle consists of three key stages:

- 1) TPI Centre analysts conduct an initial sovereign assessment relying on publicly available sources.
- 2) After an internal review and quality check process, the preliminary assessment is shared with sovereign representatives to assess its factual accuracy. Sovereigns have around five weeks to provide feedback, which must be substantiated by a reference to a publicly available source published by the country.
- 3) TPI Centre analysts review the country's feedback and may or may not amend the assessment prior to publication.

The TPI Centre then publishes the assessment results on the online ASCOR tool. The ASCOR framework: methodology note Version 2.0 and the updated assessment results for 85 countries will be published in Q4. As in previous years, the TPI Centre will also publish a State of the Sovereign Transition report with the data release.

<sup>3</sup> Estimated based on country weights in February 2025.

Figure 5.1. The TPI Centre's sovereign research cycle for 2026



While the TPI Centre seeks to keep the ASCOR framework current and relevant, it endeavours to minimise methodological changes to ensure continuity and comparability across annual assessments. The TPI Centre will continue to plan outreach activities to improve understanding by market participants of the methodology and results. These activities will also aim to inform and nurture ongoing sovereign-investor dialogue on climate change. Subject to funding, the ASCOR tool will broaden to cover over 100 issuers in the coming years, with the aim of including all remaining countries in the JP Morgan Emerging Markets Bond Index. Country assessments will continue to be updated annually.

## Appendix 1. Mapping of changes by indicator and metric

The table below provides a list of the pillars, areas, indicators and metrics of the ASCOR framework Version 2.0 and maps these against the previous alphanumerical codes for equivalent elements in Version 1.2. We specify the type of change made to each of these components. Note that all codes have been adjusted compared to the previous version following the structural changes described in Section 1 of this note. The types of changes are explained below. The changes in **green** indicate that the current and previous indicators are methodologically equivalent and can be directly compared for tracking performance over time. The changes in **red** indicate a methodological change that would not allow direct comparisons between the current and previous indicators.

- **No change:** The methodology and data are fully comparable with the previous version and only the code has changed. For the areas marked with this type of change, note that there may be at least one indicator or metric that is archived or added this year, while the rest of the area is still comparable with the previous version.
- **Reallocation:** The methodology and data are fully comparable with the previous version. The code has changed and the indicator has been moved to a different area and/or pillar of the framework.
- **New addition:** The data point is novel and therefore any associated data will only be available in 2026 onwards.
- **Methodology change:** An existing indicator or metric is assessed in a different way and therefore no longer comparable with the previous version. Such changes are made to ensure the robustness of the ASCOR framework.
- **Structural change:** The pillar has been renamed or split, or its coverage has changed. As there are no pillar-level results on the ASCOR tool, these changes do not have direct implications for data comparability over time.

| Pillar/area/indicator/metric in Version 2.0                                                                        | Equivalent code in Version 1.2      | Change compared to Version 1.2 |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------|
| <b>Economy-wide scope</b>                                                                                          |                                     |                                |
| <b>Pillar 1. Trends</b>                                                                                            | <b>Not applicable</b>               | <b>Structural change</b>       |
| T 1. Emissions trends                                                                                              | EP 1                                | <b>Methodology change</b>      |
| T 1.a Has the country improved its emissions profile over the past 5 years?                                        | EP 1.a                              |                                |
| T.1.a.i What is the country's most recent emissions level?                                                         | EP 1.a.i                            |                                |
| T.1.a.ii What is the country's most recent emissions trend?                                                        | EP 1.a.ii                           |                                |
| T.1.b Is the country's trend aligned with the 1.5°C or below 2°C cost-effective benchmark?                         | EP 1.b                              |                                |
| T.1.b.i Which cost-effective benchmark is the country's trend aligned with?                                        | Not applicable                      | <b>New addition</b>            |
| T.1.b.ii How far is the country's emissions trend from meeting its 1.5°C cost-effective benchmark?                 | EP 1.b.i                            | <b>Methodology change</b>      |
| T.1.c Is the country's emissions trend aligned with meeting the country's 1.5°C or below 2°C fair share benchmark? | EP 1.c                              |                                |
| T 1.c.i Which fair share benchmark is the country's trend aligned with?                                            | Not applicable                      | <b>New addition</b>            |
| T.1.c.ii How far is the country's emissions trend from meeting the country's 1.5°C fair share?                     | EP 1.c.i                            | <b>Methodology change</b>      |
|                                                                                                                    |                                     |                                |
| <b>Pillar 2. Ambition</b>                                                                                          | <b>Pillar 1. Emissions pathways</b> | <b>Structural change</b>       |
| A 1/2. 2030/2035 targets                                                                                           | EP 2/3                              | <b>Methodology change</b>      |

|                                                                                                                        |                                 |                    |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------|--------------------|
| A 1/2.a Has the country set a 2030/2035 emissions reduction target?                                                    | EP 2/3.a                        | No change          |
| A 1/2.a.i What is the targeted reduction relative to 2019 emissions?                                                   | EP 2/3.a.i                      |                    |
| A 1/2.b Does the country specify whether and how much carbon credits may contribute to its 2030/2035 target?           | EP 2/3.b                        |                    |
| A 1/2.b.i What percentage of the 2030/2035 target will be met using carbon credits?                                    | EP 2/3.b.i                      |                    |
| A 1/2.c Is the country's 2030/2035 target aligned with the 1.5°C or below 2°C cost-effective benchmark?                | EP 2/3.c                        | Methodology change |
| A 1/2.c.i Which cost-effective benchmark is the country's 2030/2035 target aligned with?                               | Not applicable                  | New addition       |
| A 1/2.c.ii How far is the country's 2030/2035 target from meeting its 1.5°C cost-effective benchmark?                  | EP 2/3.c.i                      | Methodology change |
| A 1/2.d Is the country's 2030/2035 target aligned with the 1.5°C or below 2°C fair share benchmark?                    | EP 2/3.d                        |                    |
| A 1/2.d.i Which fair share benchmark is the country's 2030/2035 target aligned with?                                   | Not applicable                  |                    |
| A 1/2.d.ii How far is the country's 2030 target from meeting its 1.5°C fair share benchmark?                           | EP 2/3.di                       | Methodology change |
| A 3. Net zero targets                                                                                                  | EP 4                            | No change          |
| A 3.a Has the country set a net zero CO <sub>2</sub> target?                                                           | EP 4.a                          |                    |
| A 3.a.i In what year is the net zero CO <sub>2</sub> target set?                                                       | EP 4.a.i                        |                    |
| A 3.b Is the country's net zero CO <sub>2</sub> target aligned with a global 1.5°C scenario?                           | EP 4.b                          |                    |
| A 3.c Is the country's net zero CO <sub>2</sub> target aligned with an accelerated deadline for high-income countries? | EP 4.c                          |                    |
| <b>Pillar 3. Policy</b>                                                                                                | <b>Pillar 2. Climate Policy</b> | Structural change  |
| P 1. Climate legislation                                                                                               | CP 1                            | No change          |
| P 1.a Does the country have a climate framework law or equivalent?                                                     | CP 1.a                          |                    |
| P 1.b Does the country's climate framework law specify key accountability elements?                                    | CP 1.b                          |                    |
| P 2. Carbon pricing                                                                                                    | CP 2                            |                    |
| P 2.a Does the country have a carbon pricing system?                                                                   | CP 2.a                          |                    |
| P 2.b Does the country's carbon pricing system cover at least 50% of national greenhouse gas emissions?                | CP 2.b                          | No change          |
| P 2.b.i What percentage of national greenhouse gas emissions is covered by an explicit carbon price?                   | CP 2.b.i                        |                    |
| P 2.c Is the carbon price at least at the floor of a global carbon price corridor aligned with the Paris Agreement?    | CP 2.c                          |                    |
| P 2.c.i What is the country's most recent explicit carbon price?                                                       | CP 2.c.i                        | No change          |
| P 3. Fossil fuels                                                                                                      | CP 3                            |                    |
|                                                                                                                        |                                 | Methodology change |

|                                                                                                                                                         |                                  |                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-------------------|
| P 3.a Has the country committed to a deadline by which to phase out fossil fuel subsidies?                                                              | CP 3.a                           |                   |
| P 3.a.i By what year has the country committed to phase out fossil fuel subsidies?                                                                      | CP 3.a.i                         |                   |
| P 3.b Does the country publish an inventory of explicit fossil fuel subsidies?                                                                          | CP 3.b                           |                   |
| P 3.b.i How much is spent annually on explicit fossil fuel subsidies as a percentage of GDP?                                                            | CP 3.b.i                         |                   |
| P 3.c Has the country committed not to approve new coal mines?                                                                                          | CP 3.c                           |                   |
| P 3.c.i What is the level of coal rents in the country as a percentage of GDP?                                                                          | CP 3.c.i                         |                   |
| P 3.d Has the country committed not to approve new long-lead-time upstream oil and gas projects?                                                        | CP 3.d                           |                   |
| P 3.d.i What is the level of oil rents in the country as a percentage of GDP?                                                                           | CP 3.d.i                         |                   |
| P 3.d.ii What is the level of natural gas rents in the country as a percentage of GDP?                                                                  | CP 3.d.ii                        |                   |
| P 4. Adaptation                                                                                                                                         | CP 5                             |                   |
| P 4.a Has the country published a National Adaptation Plan?                                                                                             | CP 5.a                           |                   |
| P 4.b Does the country regularly publish national climate risk assessments?                                                                             | CP 5.b                           |                   |
| P 4.c Has the country published a Monitoring & Evaluation report on implementing adaptation?                                                            | CP 5.c                           | No change         |
| P 4.d Does the country have a multi-hazard early warning system?                                                                                        | CP 5.d                           |                   |
| P 4.e Is the country part of a sovereign catastrophe risk pool?                                                                                         | CP 5.e                           |                   |
| P 5. Just transition                                                                                                                                    | CP 6                             |                   |
| P 5.a Has the country ratified fundamental human, labour, and Indigenous rights conventions?                                                            | CP 6.a                           |                   |
| P 5.a.i What share of relevant fundamental rights conventions has the country ratified?                                                                 | Not applicable                   | New addition      |
| P 5.b Does the country have an inclusive and institutionalised approach on the just transition?                                                         | CP 6.b                           | No change         |
| P 5.c Does the country have a green jobs strategy?                                                                                                      | CP 6.c                           |                   |
| P 5.d Does the country integrate just transition into its carbon pricing?                                                                               | CP 6.d                           |                   |
| <b>Pillar 4. Finance</b>                                                                                                                                | <b>Pillar 3. Climate Finance</b> | Structural change |
| F 1. International climate finance                                                                                                                      | CF 1                             | No change         |
| F 1.a Does the country's targeted climate finance contribution represent at least a proportional share of the international climate finance commitment? | CF 1.a                           |                   |
| F 1.a.i What is the country's 3-year average climate finance contribution as a % of GDP?                                                                | CF 1.a.i                         |                   |
| F 1.b Does the country's targeted climate finance contribution represent at least a proportional share of the international climate finance commitment? | CF 1.b                           |                   |

|                                                                                                                              |                |                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------|
| F 1.b.i What is the country's targeted level of international climate finance contributions as a % of GDP?                   | CF 1.b.i       |                                                                                       |
| F 2. Transparency in climate costing                                                                                         | CF 2           |                                                                                       |
| F 2.a Has the country disclosed a transparent breakdown of the costs of implementing its Nationally Determined Contribution? | CF 2.a         |                                                                                       |
| F 2.b Has the country disclosed a transparent breakdown of the costs of implementing its National Adaptation Plan?           | CF 2.b         |                                                                                       |
| F 3. Transparency in climate spending                                                                                        | CF 3           |                                                                                       |
| F 3.a Has the country disclosed its climate-related expenditure?                                                             | CF 3.a         |                                                                                       |
| F 3.b Does the country apply climate budget tagging?                                                                         | CF 3.b         |                                                                                       |
| Sector-specific scope                                                                                                        |                |                                                                                       |
| ST 1. Sectoral trends                                                                                                        | Not applicable | New addition                                                                          |
| ST 1.a Has the country improved its sectoral emissions profile over the past 5 years?                                        |                |                                                                                       |
| ST 1.a.i What is the emissions trend in the country's highest emitting sector?                                               |                |                                                                                       |
| ST 1.a.ii What is the emissions trend in the country's second highest emitting sector?                                       |                |                                                                                       |
| ST 1.a.iii What is the emissions trend in the country's third highest emitting sector?                                       |                |                                                                                       |
| ST 1.a.iv What is the emissions trend in the country's fourth highest emitting sector?                                       |                |                                                                                       |
| ST 1.a.v What is the emissions trend in the country's fifth highest emitting sector?                                         |                |                                                                                       |
| ST 1.b Is the country's renewable energy pipeline greater than its expected fossil fuel fleet?                               | Not applicable | New addition                                                                          |
| ST 1.b.i What is the country's renewable energy pipeline compared with its expected fossil fuel generation?                  | Not applicable | New addition replacing previous CF4 metrics                                           |
| ST 1.b.ii What percentage of the country's electricity generation is from low-carbon sources?                                | CP 4.d.i       | Reallocation                                                                          |
| ST 1.b.iii What is the country's energy intensity of primary energy?                                                         | CP 4.b.i       |                                                                                       |
| ST 1.c Has the country increased its protected areas as a percentage of total land area over the last 5 years?               | CP 4.e         |                                                                                       |
| ST 1.c.i What is the amount of protected area in the country as a percentage of total land area?                             | CP 4.e.i       |                                                                                       |
| SA 1. Sectoral ambition                                                                                                      | Not applicable | New addition replacing the sectoral target assessments in the previous indicator CP4a |
| SA 1.a Does the country have an emissions reduction pathway for its highest emitting sector?                                 |                |                                                                                       |
| SA 1.b Does the country have an emissions reduction pathway for its second highest emitting sector?                          |                |                                                                                       |
| SA 1.c Does the country have an emissions reduction pathway for its third highest emitting sector?                           |                |                                                                                       |

|                                                                                                         |                |                                                                                       |
|---------------------------------------------------------------------------------------------------------|----------------|---------------------------------------------------------------------------------------|
| SA 1.d Does the country have an emissions reduction pathway for its fourth highest emitting sector?     |                |                                                                                       |
| SA 1.e Does the country have an emissions reduction pathway for its fifth highest emitting sector?      |                |                                                                                       |
| SA 1.f Has the country set a net zero electricity target aligned with 1.5°C?                            | CP 4.d         | Reallocation                                                                          |
| SP 1. Sectoral policy                                                                                   | Not applicable | New addition replacing the sectoral policy assessments in the previous indicator CP4a |
| SP 1.a Does the country's sectoral transition plan set a policy for its highest emitting sector?        |                |                                                                                       |
| SP 1.b Does the country's sectoral transition plan set a policy for its second highest emitting sector? |                |                                                                                       |
| SP 1.c Does the country's sectoral transition plan set a policy for its third highest emitting sector?  |                |                                                                                       |
| SP 1.d Does the country's sectoral transition plan set a policy for its fourth highest emitting sector? |                |                                                                                       |
| SP 1.e Does the country's sectoral transition plan set a policy for its fifth highest emitting sector?  |                |                                                                                       |
| SP 1.f Does the country have a law and target on energy efficiency?                                     | CP 4.b         | Reallocation                                                                          |
| SP 1.g Has the country established mandatory climate-related disclosure?                                | CP 4.c         |                                                                                       |

## The TPI Global Climate Transition Centre at LSE

The TPI Global Climate Transition Centre (TPI Centre) is an independent, authoritative source of research and data on the progress of corporate and sovereign entities in transitioning to a low-carbon economy. It is part of the Global School of Sustainability at the London School of Economics and Political Science (LSE). The TPI Centre is the academic partner of the Transition Pathway Initiative (TPI), a global initiative led by asset owners and supported by asset managers, aimed at helping investors and other stakeholders assess company, bank and sovereign progress on the transition to a low-carbon economy and supporting efforts to address climate change. More than 155 investors globally, representing approximately US\$90 trillion<sup>4</sup> combined Assets Under Management and Advice, have pledged support for TPI. The TPI Centre is also the academic research expert of Assessing Sovereign Climate-related Opportunities and Risks (ASCOR).

[www.transitionpathwayinitiative.org/ascor](http://www.transitionpathwayinitiative.org/ascor)

### ASCOR project partners

ASCOR is an investor-led initiative. It is co-chaired by Claudia Gollmeier at Colchester Global Investors, Esther Law at Amundi Asset Management and Laura Hillis at the Church of England Pensions Board. The ASCOR Investor Director is Claire Meier. The ASCOR Investor Advisory Committee is composed of asset owners, asset managers and investor networks. Its members include Allspring Global Investments, Amundi Asset Management, the Asia Investor Group on Climate Change (AIGCC), Ceres, the Church of England Pensions Board, Colchester Global Investors, the Institutional Investors Group on Climate Change (IIGCC), the Investor Group on Climate Change (IGCC), Insight Investment, MFS Investment Management, Ninety One, Pictet Asset Management and Principles for Responsible Investment (PRI).

[www.ascor.org](http://www.ascor.org)

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<sup>4</sup> This figure is subject to market-price and foreign-exchange fluctuations and, as the sum of self-reported data by TPI supporters, may double-count some assets.