



**T. ROWE PRICE FUNDS SICAV**

## Euro Corporate Bond Fund – Carbon Footprint

As at 30 June 2020

At T. Rowe Price, we recognize that many of our clients wish to understand the carbon footprint of their portfolios and, as such, we provide the following analysis. While carbon footprint analysis can be a useful tool for comparing portfolios, we would caution that a significant portion of the carbon emissions data set is estimated as many companies do not report this figure. Additionally, the statistic of carbon intensity can lack informational relevance in some cases. Carbon intensity is a calculation of carbon emissions divided by revenues, so a low emitting company selling an inexpensive product has a higher carbon footprint than a high emitting company selling an expensive product; and trend movements can be skewed by currency moves affecting revenues.

The following analysis is produced by T. Rowe Price using data provided by Sustainalytics.

The benchmark of the Fund is the Bloomberg Barclays Euro-Aggregate:Corporates Index. This is the indicative benchmark of the Fund, it is not a formal benchmark but is shown for comparison purposes.

### EXECUTIVE SUMMARY

	Data Availability				Carbon Metrics
	Total Percentage of Data Available %	Percentage of Data Reported %	Percentage of Data Estimated %	Percentage of Carbon Metrics Pro-rated %	Weighted Average Carbon Intensity mtCO <sub>2</sub> / US\$1 mn Revenue
Fund	87.17	64.42	22.76	12.83	173.08
Benchmark	95.84	78.15	17.70	4.16	141.15
Fund vs Benchmark					22.6%

The benchmark carbon metrics are calculated using the total net assets of the Fund invested according to the composition of the benchmark.

### GLOSSARY OF TERMS

**mtCO<sub>2</sub>** - Metric tons of carbon dioxide.

**Percentage of Data Reported** - The percentage for which Carbon Emissions data is reported by Companies.

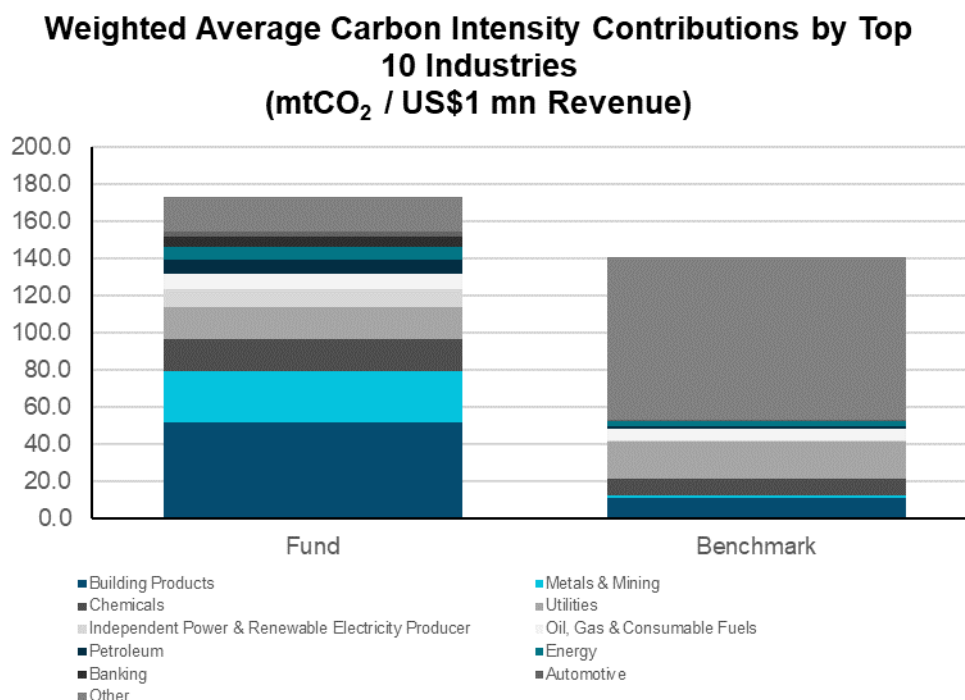
**Percentage of Data Estimated** - The percentage for which Carbon Emissions data is estimated by Sustainalytics.

**Percentage of Carbon Metrics Pro-rated** - The percentage of the Fund and Benchmark which are pro-rated based on the Carbon Metrics of the remainder.

**Weighted Average Carbon Intensity** - The weighted average, by Fund weight, of the total carbon emissions per US\$1mn of revenues for each of the Fund holdings. This metric gives the Fund's exposure to carbon intensive companies and can be applied across equity and fixed income portfolios. This is the Task Force on Climate-Related Financial Disclosures (TCFD) recommended metric.

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## WEIGHTED AVERAGE CARBON INTENSITY CONTRIBUTION BY TOP 10 INDUSTRIES



## TOP 10 COMPANY CONTRIBUTORS TO WEIGHTED AVERAGE CARBON INTENSITY

Company	Industry	Portfolio Weight %	Active Weight %	Weighted Average Carbon Intensity mtCO <sub>2</sub> / US\$1 mn Revenue
Holcim Finance Luxembourg	Building Products	0.57	0.51	33.13
HeidelbergCement Finance Luxembourg	Building Products	0.40	0.24	16.37
POSCO	Metals & Mining	0.66	0.64	11.01
ArcelorMittal	Metals & Mining	0.39	0.39	10.92
Enel Finance International	Utilities	0.79	0.31	9.89
Westlake Chemical	Chemicals	1.19	1.16	9.41
NTPC	Independent Power & Renewable Electricity Producer	0.20	0.20	9.35
Eni	Oil, Gas & Consumable Fuels	1.27	0.65	7.15
APT Pipelines	Energy	0.73	0.65	6.56
Deutsche Bahn Finance GMBH	Banking	0.97	0.97	5.91
<b>Total of Top 10</b>		<b>7.16</b>	<b>-</b>	<b>119.71</b>

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the SICAV sub-fund, and no assumption should be made that the securities identified and discussed were or will be profitable.

**Risks - The following risks are materially relevant to the fund (refer to prospectus for further details):**

**Country risk (Russia and Ukraine)** - in these countries, risks associated with custody, counterparties and market volatility are higher than in developed countries. **Credit risk** - a bond or money market security could lose value if the issuer's financial health deteriorates. **Default risk** - the issuers of certain bonds could become unable to make payments on their bonds. **Derivatives risk** - derivatives may result in losses that are significantly greater than the cost of the derivative. **Emerging markets risk** - emerging markets are less established than developed markets and therefore involve higher risks. **Interest rate risk** - when interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality. **Liquidity risk** - any security could become hard to value or to sell at a desired time and price. **Sector concentration risk** - the performance of a fund that invests a large portion of its assets in a particular economic sector (or, for bond funds, a particular market segment), will be more strongly affected by events affecting that sector or segment of the fixed income market.

**General fund risks - to be read in conjunction with the fund specific risks above.** **Capital risk** - the value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the currency in which you subscribed, if different. **Counterparty risk** - an entity with which the fund transacts may not meet its obligations to the fund. **Geographic concentration risk** - to the extent that a fund invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area. **Hedging risk** - a Fund's attempts to reduce or eliminate certain risks through hedging may not work as intended. **Investment fund risk** - investing in funds involves certain risks an investor would not face if investing in markets directly. **Management risk** - the investment manager or its designees may at times find their obligations to a fund to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably). **Operational risk** - operational failures could lead to disruptions of fund operations or financial losses.

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Source for Bloomberg Barclays index data: Bloomberg Index Services Limited.

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