



**T.RowePrice**

## Concentrated Global Equity SMA – Carbon Footprint

*As of 31 December 2023*

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. In particular, there is typically a greater degree of estimation included in Scope 3 Carbon Emissions data.

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 can have 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 comparator benchmark of the portfolio is the MSCI World (ex Australia) Net Index.

For Sourcing Information, please see Additional Disclosures.

## EXECUTIVE SUMMARY

	Data Availability				Carbon Metrics		
	% Data Available %	% Data Reported %	% Data Estimated %	% Carbon Metrics Pro-rated %	Total Carbon Emissions mtCO <sub>2</sub> e	Carbon Emissions per US\$1 mn mtCO <sub>2</sub> e / US\$1 mn AuM	W.A. Carbon Intensity mtCO <sub>2</sub> e / US\$1 mn Revenue
<b>Scope 1&amp;2 Carbon Emissions</b>							
Portfolio	92.64	86.37	6.27	7.36	529	85.34	161.23
Benchmark	99.13	92.93	6.20	0.87	376	60.67	122.59
Portfolio vs Benchmark					40.7%	40.7%	31.5%
<b>Scope 1,2 &amp;3 Carbon Emissions</b>							
Portfolio	92.64	68.65	23.99	7.36	2,246	362.24	698.67
Benchmark	99.13	79.91	19.22	0.87	3,255	524.89	911.18
Portfolio vs Benchmark					-31.0%	-31.0%	-23.3%

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

Calculated by T. Rowe Price using data from Sustainalytics

## GLOSSARY OF TERMS

**Scope 1** - Direct Carbon Emissions from owned or controlled sources (e.g. fuel combustion, company vehicles, fugitive emissions).

**Scope 2** - Indirect Carbon Emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.

**Scope 3** - Includes all other indirect Carbon Emissions that occur in a company's value chain (e.g. purchased goods and services, business travel, employee commuting, waste disposal, use of sold products, transportation and distribution (up- and downstream), Investments, leased assets and franchises).

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

**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.

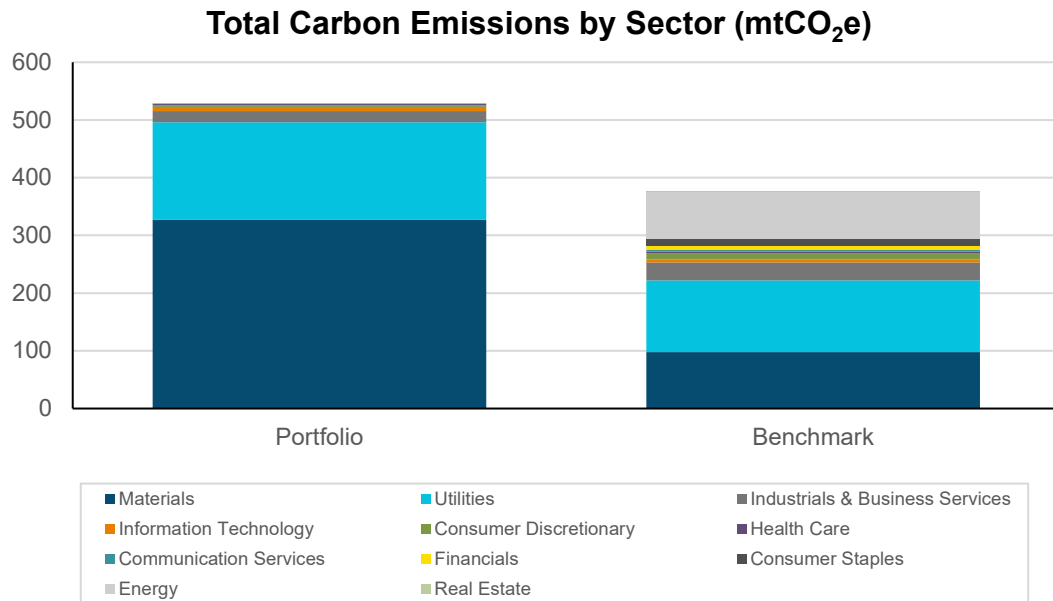
**Percentage of Carbon Metrics Pro-rated** - The percentage of the Portfolio and Benchmark which are pro-rated based on the Carbon Metrics of the remainder.

**Total Carbon Emissions** - Total amount of greenhouse gas (GHG) emissions that are released by the Portfolio holdings that are attributable to the percentage ownership of the Portfolio in each company, aggregated to give the total carbon emissions equivalent for the Portfolio. This metric is grossed up using the percentage of data available to give the overall carbon footprint of the Portfolio. Only applicable to equities.

**Carbon Emissions per US\$1mn investment in the Portfolio** - This metric enables an investor to calculate the carbon emissions of their investment in the Portfolio. Only applicable to equities.

**Weighted Average Carbon Intensity** - The weighted average, by Portfolio weight, of the total carbon emissions per US\$1mn of revenues for each of the Portfolio holdings. This metric gives the Portfolio'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.

## TOTAL SCOPE 1&amp;2 CARBON EMISSION ALLOCATION BY SECTOR



## TOP 10 COMPANY CONTRIBUTORS TO TOTAL SCOPE 1&amp;2 CARBON EMISSIONS

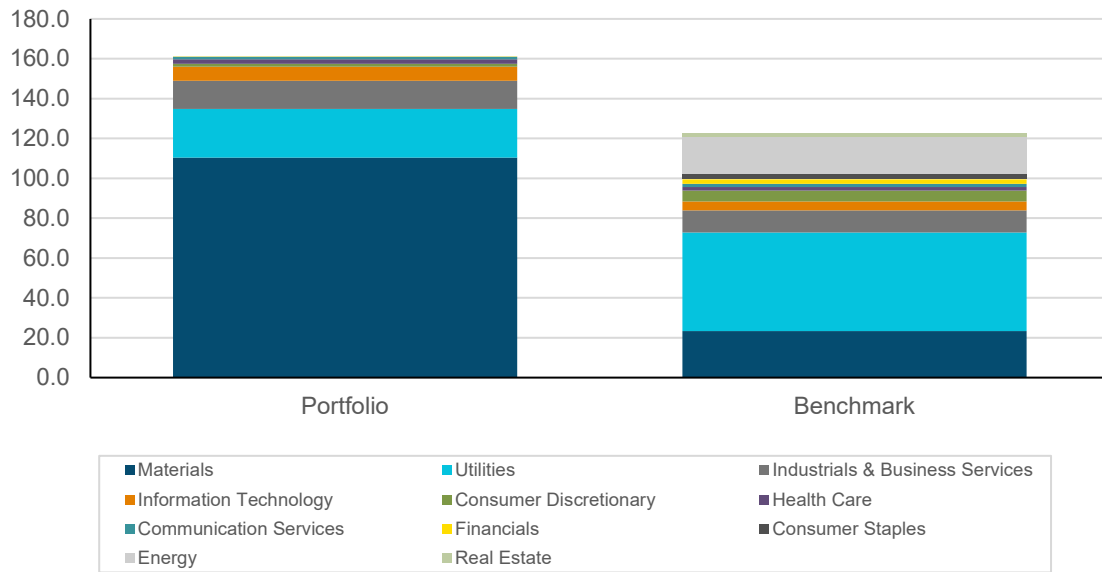
Company	Sector	Portfolio Weight	Active Weight	PF Carbon Emissions Contribution	PF Carbon Emissions
		%	%	%	mtCO <sub>2</sub> e
CF Industries	Materials	3.47	3.45	50.14	265
Enel	Utilities	2.79	2.68	26.05	138
Steel Dynamics	Materials	3.23	3.20	11.40	60
PG&E	Utilities	3.37	3.31	5.87	31
ITOCHU	Ind. & Business Services	3.03	2.95	1.37	7
Canadian Pacific Kansas City	Ind. & Business Services	2.09	1.97	1.07	6
Taiwan Semiconductor Manufacturing	Information Technology	2.34	2.34	0.67	4
Stanley Black & Decker	Ind. & Business Services	3.04	3.02	0.64	3
Omron	Information Technology	2.79	2.77	0.60	3
Amazon.com	Consumer Discretionary	3.88	1.48	0.51	3
<b>Total of Top 10</b>		<b>30.03</b>	<b>-</b>	<b>98.32</b>	<b>520</b>

Calculated by T. Rowe Price using data from Sustainalytics

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

WEIGHTED AVERAGE SCOPE 1&2 CARBON INTENSITY CONTRIBUTION BY SECTOR

**Weighted Average Carbon Intensity Contributions by Sector  
(mtCO<sub>2</sub>e / US\$1 mn Revenue)**



TOP 10 COMPANY CONTRIBUTORS TO WEIGHTED AVERAGE SCOPE 1&2 CARBON INTENSITY

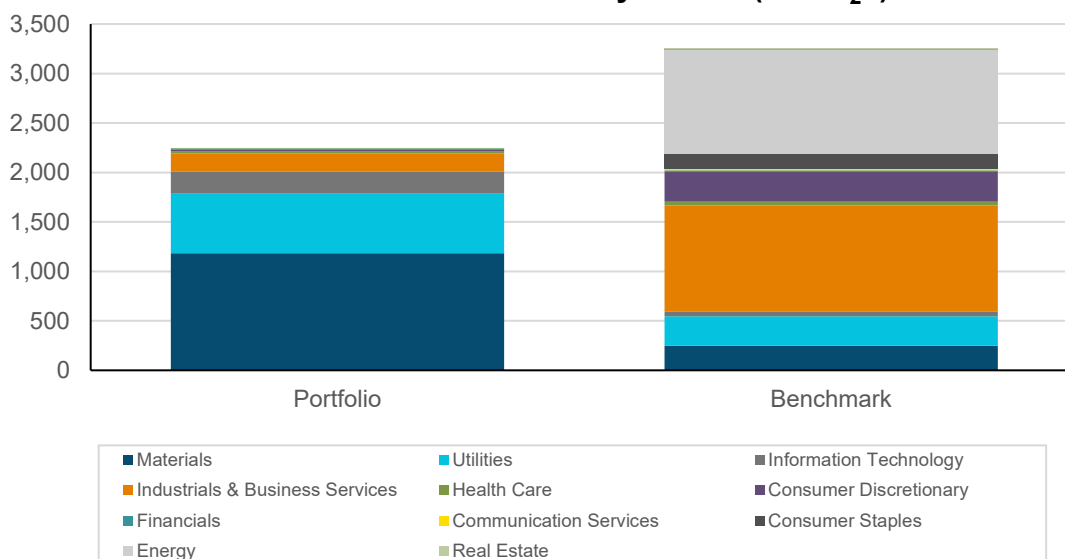
Company	Sector	Portfolio Weight %	Active Weight %	PF Weighted Carbon Intensity mtCO <sub>2</sub> e / US\$1 mn Revenue
CF Industries	Materials	3.47	3.45	99.42
Enel	Utilities	2.79	2.68	14.99
Canadian Pacific Kansas City	Ind. & Business Services	2.09	1.97	10.69
Steel Dynamics	Materials	3.23	3.20	10.10
PG&E	Utilities	3.37	3.31	9.33
Taiwan Semiconductor Manufacturing	Information Technology	2.34	2.34	5.00
Amazon.com	Consumer Discretionary	3.88	1.48	1.44
Meta Platforms	Comm. Services	3.96	2.62	1.13
Ashtead	Ind. & Business Services	2.16	2.10	1.06
Sherwin-Williams	Materials	2.69	2.56	0.96
<b>Total of Top 10</b>		<b>29.96</b>	<b>-</b>	<b>154.12</b>

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**TOTAL SCOPE 1,2&3 CARBON EMISSION ALLOCATION BY SECTOR**

**Total Carbon Emissions by Sector (mtCO<sub>2</sub>e)**



**TOP 10 COMPANY CONTRIBUTORS TO TOTAL SCOPE 1,2&3 CARBON EMISSIONS**

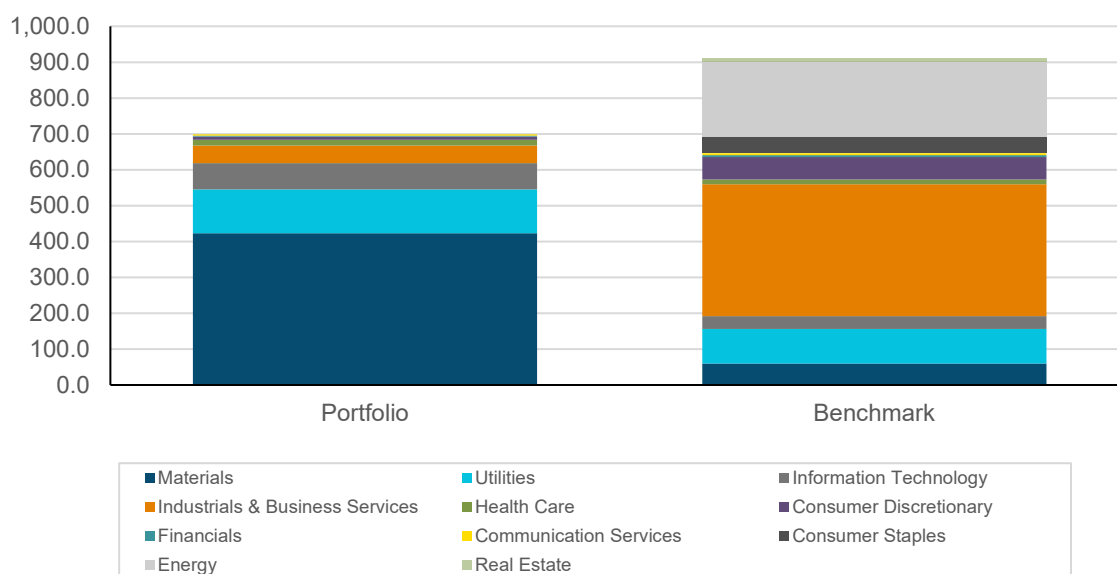
Company	Sector	Portfolio Weight %	Active Weight %	PF Carbon Emissions Contribution %	PF Carbon Emissions mtCO <sub>2</sub> e
CF Industries	Materials	3.47	3.45	48.19	1,083
Enel	Utilities	2.79	2.68	13.73	308
PG&E	Utilities	3.37	3.31	13.10	294
Omron	Information Technology	2.79	2.77	9.62	216
Stanley Black & Decker	Ind. & Business Services	3.04	3.02	6.63	149
Steel Dynamics	Materials	3.23	3.20	4.46	100
ITOCHU	Ind. & Business Services	3.03	2.95	0.67	15
Zurich Insurance Group	Financials	2.25	2.12	0.60	14
Amazon.com	Consumer Discretionary	3.88	1.48	0.53	12
Thermo Fisher Scientific	Health Care	2.58	2.23	0.45	10
<b>Total of Top 10</b>		<b>30.42</b>	<b>-</b>	<b>97.97</b>	<b>2,201</b>

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## WEIGHTED AVERAGE SCOPE 1,2&amp;3 CARBON INTENSITY CONTRIBUTION BY SECTOR

### Weighted Average Carbon Intensity Contributions by Sector (mtCO<sub>2</sub>e / US\$1 mn Revenue)



## TOP 10 COMPANY CONTRIBUTORS TO WEIGHTED AVERAGE SCOPE 1,2&amp;3 CARBON INTENSITY

Company	Sector	Portfolio Weight %	Active Weight %	PF Weighted Carbon Intensity mtCO <sub>2</sub> e / US\$1 mn Revenue
CF Industries	Materials	3.47	3.45	405.56
PG&E	Utilities	3.37	3.31	88.43
Omron	Information Technology	2.79	2.77	56.35
Enel	Utilities	2.79	2.68	33.53
Stanley Black & Decker	Ind. & Business Services	3.04	3.02	23.15
Steel Dynamics	Materials	3.23	3.20	16.75
Canadian Pacific Kansas City	Ind. & Business Services	2.09	1.97	16.74
Thermo Fisher Scientific	Health Care	2.58	2.23	8.44
Taiwan Semiconductor Manufacturing	Information Technology	2.34	2.34	7.66
Amazon.com	Consumer Discretionary	3.88	1.48	6.37
<b>Total of Top 10</b>		<b>29.57</b>	<b>-</b>	<b>662.97</b>

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