

**RATHBONES**

**ACTIVE INCOME  
AND GROWTH FUND**

**Task Force on Climate-Related  
Financial Disclosures Product  
Report**

**June 2025**



# YOUR PORTFOLIO'S IMPACT ON CLIMATE CHANGE

The purpose of this report is to provide you with a summary of the possible impact of climate change, both the risks and opportunities, on the securities held within the fund. Reporting period 1st January 2024 to 31st December 2024. Calculation date 31st December 2024.

Rathbones' approach to governance, strategy, risk management and Group / Entity level metrics can be found in the Group / Entity TCFD report. A glossary of terms used in this document can be found here - <https://www.rathbones.com/ri-glossary>. The value of investments may increase or decrease due to the impact of climate change. Rathbones believes that there is sufficient data coverage to rely on these figures unless stated otherwise.

## WEIGHTED AVERAGE CARBON INTENSITY (WACI)

The carbon intensity of the fund weighted by the amount invested in each company, which serve as a measurement of emissions performance of the fund (for Scope 1+ Scope 2). This is calculated in tonnes CO<sub>2</sub>e divided by £M sales.

2023	2024
<b>105.2</b> Tonnes CO <sub>2</sub> e/£M sales	<b>72.6</b> Tonnes CO <sub>2</sub> e/£M sales
Data coverage <b>70%</b>	Data coverage <b>79%</b>

## TOTAL CARBON FOOTPRINT

The total carbon emissions of the fund divided by the total value of the fund. This is calculated in tonnes CO<sub>2</sub>e divided per £M invested.

2023	2024
<b>48.8</b> Tonnes CO <sub>2</sub> e/£M sales	<b>33.5</b> Tonnes CO <sub>2</sub> e/£M sales
Data coverage <b>67%</b>	Data coverage <b>79%</b>

Fund manager's Commentary: Carbon intensity and the total carbon footprint for the fund decreased in 2024. This was due to the increased coverage of data available on the underlying investments held within the fund (now 79% from 70% last year). The decrease is down to the fact that this increased coverage includes companies with lower emissions than the funds average last year.

## YOUR PORTFOLIO'S IMPACT ON CLIMATE CHANGE (CONT'D)

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### SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS

The sum of the total operational emissions from securities within the fund.  
This is calculated in tonnes CO<sub>2</sub>e

2023	2024
<b>10,217</b> Tonnes CO <sub>2</sub> e	<b>7,266</b> Tonnes CO <sub>2</sub> e
Data coverage <b>67%</b>	Data coverage <b>79%</b>

Fund Managers' Commentary: Scope 1 and 2 greenhouse gas emissions were down in 2024, this again was mainly due to the increase in coverage which now includes companies with lower greenhouse gas emissions than the funds average last year. There hasn't been a dramatic shift in the portfolio to less emission heavy companies, just an increase in the available data on the investments held.

### SCOPE 3 GREENHOUSE GAS EMISSIONS

The total indirect emissions that the fund is responsible for, within its value chain, including: employee travel, waste disposal, leased assets and franchises.

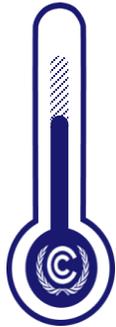
2023	2024
<b>112,523</b> Tonnes CO <sub>2</sub> e	<b>81,437</b> Tonnes CO <sub>2</sub> e
Data coverage <b>67%</b>	Data coverage <b>79%</b>

Fund manager's Commentary: Scope 3 greenhouse gas emissions were down in 2024, again this is down to the increased coverage as the companies now with available data had lower scope 3 emissions than the average last year. As scope 3 emission reporting isn't yet an exact science scope 3 emission data will continue to be potentially volatile in the coming years.

# IMPLIED TEMPERATURE RISE

## IMPLIED TEMPERATURE RISE

The Implied Temperature Rise (ITR) is a forward- looking metric which provides an indication of how well the fund aligns with the ambitions of the Paris Agreement calculated in degrees Celsius.



**2.7°C**

**Active Income & Growth Fund**

1.5 - 2°C

Paris agreement target

## HOW DO THESE SCENARIOS ALIGN TO PARIS AGREEMENT COMMITMENTS?

The Paris Agreement's central aim is to strengthen the global response to the threat of climate change by keeping the global temperature rise this century to well below 2 degrees Celsius above pre-industrial levels.

# SCENARIO ANALYSIS

Climate value-at-risk attempts to assess the potential financial loss or gain from the fund as a result of climate change, including the impact of: climate policy; new technology opportunities; physical risks.

The 3 scenarios of climate change which we have assessed shows how a global temperature increase of between 1.5°C and 3°C by 2100 may impact the fund. We calculate these using the Network for Greening the Financial System (NGFS) REMIND model, accessed through MSCI.

	ORDERLY TRANSITION		DISORDERLY TRANSITION		HOT HOUSE WORLD	
Global temperature rise	+ 1.5C		+ 1.5C		+ 3.0C	
Application of climate policies	Climate policies are introduced and gradually become more stringent		Climate policies are delayed or inconsistent across countries		Global efforts are insufficient to halt significant global warming	
<b>Your portfolio</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
Climate value at risk (Data coverage: 79%)	-10.9%	-6.7%	-9.0%	-6.0%	-4.3%	-3.4%
<b>Climate scenarios</b> Climate scenario analysis helps us understand the implications of possible climate scenarios on our investment portfolio, and the resilience of our investment strategies in the transition to a net zero economy. Our approach to scenario analysis involves assessing the exposure of our equity and corporate bonds holdings by applying MSCI's Climate Value-at-Risk (Climate VaR) methodology.	Orderly transition scenarios assume climate scenarios assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued		Disorderly scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors. Carbon prices are typically higher for a given temperature outcome		Hot house world scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.	

Fund Manager's Commentary:- For both the orderly and disorderly scenarios the climate value-at-risk is medium as some of the companies the fund is invested in are exposed to high emission industries such as the energy sector. Some companies held within the fund are also more likely to be negatively impacted by a faster climate transition as they will need to accelerate their strategies towards a lower carbon future. Companies are regularly reviewed, and their low carbon transition plans are taken into account as part of evaluating their risk profile. The fund has exposure to the energy sectors as part of its investment strategy. This increases the funds climate value-at-risk. The fund also invests in companies that have exposure to low carbon technologies, products and services that form part of the climate transition. This lowers its climate value-at-risk.

## ADDITIONAL INFORMATION

The information in this report is provided for information only and should not be taken as financial advice or a recommendation.

**The value of investments and the income from them may go down as well as up and you may not get back your original investment. Past performance should not be seen as an indication of future performance.**

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