



## **Environmental metrics**

### **Basis of Reporting**

For metrics covering the 2023 reporting year end

## 1. Background

This document outlines the methodologies and policies used for reporting of environmental metrics published by M&G plc and its subsidiary undertakings (the Group, herein referred to as 'we', 'our', 'us', M&G') for the year ended 31 December 2023. This includes both our operational and financed Greenhouse Gas (GHG) emissions metrics, along with a number of other environmental metrics. It sets out principles, scope of application, data sources and calculation methodology.

Our GHG emissions as a business can be divided into three main categories: scope 1 (direct), scope 2 (indirect), and scope 3 (value chain) emissions, including both upstream and downstream emissions. This document covers reporting on the following operational emissions metrics:

- Scope 1 emissions are our direct emissions from the combustion of fuel, fugitive emissions and company owned vehicles.
- Scope 2 emissions cover our indirect emissions from the purchase of electricity (including company owned cars), heating and cooling.
- Scope 3 emissions include business travel booked through travel management providers (category 6), car travel in colleague owned cars claimed on expenses in the UK (category 6), water consumption (category 1), waste generation where data is available (category 5) and downstream leased assets (category 13).

Other operational metrics we report on are:

- Energy use for electricity and fuel (MWh)
- Water (global where available data) (m3)
- Waste (global where available data) from operational activities (tonnes)
- Energy attribute certificate (EAC) volumes (MWh)
- Tonnes of CO<sub>2</sub> per employee (for scope 1 and 2 market based emissions)

Appendix 1 sets out more detail on each of the operational metrics presented above.

Whilst the metrics listed above cover our operational footprint as a business we also produce emissions metrics for the scope 3 footprint relating to the investments we manage and administer as an asset manager and asset owner (Category 15, termed financed emissions). For clarity, the financed emissions are our scope 3 emissions relating to M&G's downstream value chain, but cover Scope 1, 2 and 3 emissions of our investee companies – reflecting the direct and indirect emissions associated with the companies we invest in. Measuring financed emissions for the assets we manage helps us understand the climate risks associated with our investment activities. More detail on financed emissions metrics is provided in appendix 2.

The methodology and data used to measure and report financed emissions is relatively new and is continuously evolving. We expect industry guidance, market practice, and regulations to develop and consolidate over time. We expect to refine our approach and processes in line with these developments.

Other metrics produced to help us understand the climate risks and opportunities associated with our investment activities include the value and proportion of investments exposed to fossil fuels, aligned with EU green taxonomy, and invested in green bonds.

## **2. Frameworks and general reporting principles**

Our emissions metrics are compiled according to the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard – 2015 revised edition ('GHG Protocol'). The GHG Protocol was co-developed by the World Resources Institute and the World Business Council for Sustainable Development.

In preparing our financed emissions metrics we also consider the Global GHG Accounting and Reporting Standard for the Financial Industry developed by the Partnership for Carbon Accounting Financials Standard (PCAF). PCAF builds on the GHG Protocol Scope 3 accounting rules, providing guidance to assist in the measurement and disclosure of GHG emissions of specific asset classes, resulting from activities in the real economy that are financed through lending and investment portfolios.

In addition to these frameworks we have a set of general reporting principles, applied across all environmental reporting. These seek to ensure that:

- our reporting is relevant and serves the needs of the reports' users;
- consistent methodologies and boundaries are maintained where possible, allowing for meaningful performance tracking over time. This principle is applied where possible, while recognising the backdrop of evolving best practice for certain Scope 3 categories;
- the substance of our disclosures are faithfully represented, presenting a transparent summary of our performance, with any material limitations and exclusions clearly stated so that users can establish confidence in the integrity of our reporting.

## **3. Reporting Boundary**

The reporting boundary for environmental data includes all Group entities under M&G's operational control, as defined by the GHG Protocol. In practice this means that we report, where relevant data is available, for any operation where we have the full authority to introduce and implement policies.

### Operational metrics

When applying the concept of operational control to our occupied properties (property where M&G plc personnel are on-site under normal operating conditions) GHG emissions from all owned and leased office facilities over which we have operational control are counted. We also include in our scope 1 and 2 emissions estimated usage for full service gross leased offices (offices where the landlord retains operational control) where we receive metered energy consumption and invoices, and include modelled data based on an intensity metric for offices where no data is currently available e.g. serviced offices. For FY2023 this boundary approach covers emissions generated from all occupied leases, covering 66,799 square meters across 63 offices that were open during the year to 31 December 2023 (including offices that closed throughout the year). To determine the sites where emissions reporting was required, lease information was taken from our central lease database.

Changes in operational boundaries linked to acquisitions, divestment activity or lease changes is assessed and the scope of our environmental reporting updated as appropriate. During 2022 M&G plc acquired responsAbility and expanded its portfolio by 7 offices. Effective 1 January 2023, responsAbility is now required to implement M&G's operating procedures (including the adoption of the Environmental Policy) meaning that these offices are in scope of our reporting for the year ended 31 December 2023, in line with our operational control approach.

M&G plc owns and manages investments which are held on its balance sheet in the financial statements over which it does not have operational control but does have control as defined under International Financial Reporting Standards (IFRS) for the purposes of Group financial reporting. These are excluded from the scope of reporting under the operational control approach, however the financed emissions from these assets are included (where data is available) in the metrics reported on our investment portfolios where the assets are managed by an in-scope M&G asset management company, and relevant data is available for the underlying assets.

Investment metrics

Within our Life segment we serve as an asset owner on behalf of the With-Profits Fund<sup>1</sup> policyholders, and our pensions and annuity clients. Our Asset Management segment invests on behalf of individual end investors and large institutional clients (including our asset owner), to meet their required investment objectives.

We currently disclose environmental metrics for M&G plc assets under management and administration (AUMA) that are managed by M&G Investments (the Group's Asset Management business), including those managed on behalf of the Asset Owner, where relevant data can be sourced. Once portfolio, asset class and data coverage is accounted for, our environmental metrics cover 66% of Group AUMA as at 31 December 2023.

Assets placed in funds managed by external (non-M&G) investment managers and corporate assets - constituting approximately 9% of Group AUMA as at 31 December 2023 - are not currently in scope. This includes our assets under advice in the Wealth segment where the client has chosen not to invest in a M&G managed fund. We plan to bring more of these assets into the scope of our environmental reporting in future.

Based on available PCAF guidance and underlying emissions data, we currently report emissions on the following asset classes, where asset level data is available:

- public equities and public corporate debt;
- sovereign debt;
- commercial real estate (managed by M&G Real Estate); and
- assets held within our private infrastructure investment arm, Infracapital.

The following asset classes are not included, reflecting a lack of either climate accounting standards or mature data sources for these types of assets:

- Reinsurance contract assets;
- Loans;
- Derivatives;
- Asset-backed securities;
- Deposits;
- Cash and cash equivalents; and
- Other assets.

These exclusions, coupled with an incomplete data set in the market, result in restricted coverage of financed emissions over our total Group AUMA. We expect the range of asset classes we are able to report on to expand over time as additional industry guidance is published and more data becomes available across all asset classes.

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<sup>1</sup> The Prudential Assurance Company Limited's fund where policyholders are entitled to a share of the profits of the fund.

#### **4. Reporting Period**

Environmental data is reported for 1st January to 31st December, in line with M&G plc's financial reporting year.

For operational metrics, some utilities data may be received after the cut-off for publication, and therefore the usage for the final period is estimated (based on the approach outlined in our calculation methodology in appendix 1). Data received after the cut-off will be included and restated in subsequent period's reporting, where considered material.

For investment metrics, as investees do not disclose their emissions data in official reporting or through data providers with sufficient regularity to align with M&G's current reporting periods, emissions data often lags behind the reporting period. M&G make use of emissions data from different reporting periods in line with our data hierarchy for financed emissions and we map this to our holdings data for the relevant reporting period - more detail on the data sources for financed emissions can be found in appendix 2.

#### **5. Materiality**

In the context of environmental metrics, information is considered material if omitting, misstating or obscuring it could reasonably be expected to influence the decision-making of the primary users of our external reporting. Primary users include, but are not limited to, potential investors, lenders and other creditors. We also acknowledge that our published environmental reporting may be used by wider stakeholders.

Assessing whether information could reasonably be expected to influence the decisions made by primary users requires consideration of both quantitative and qualitative factors in addition to the entity's own circumstances.

## **6. Restatement approach**

Given that calculation of environmental metrics is an evolving area, particularly the calculation of financed emissions, we expect that there may be some need for amendments, updates, or restatements over the next few years. Consideration of amendments of historical data may arise due to:

- Changes to our group structure;
- Improvements in data accuracy and availability (e.g. new data being reported by third party data providers); or
- Changes to our calculation methodologies and models.

In addition to these, while we make every effort to capture all information as accurately as possible, for any data that is subsequently found to be materially in error following publication of the report, we shall disclose the nature of the error and correction in the following year's report. If the correction of the error for prior period is impracticable, we shall explain the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

Where changes are made to the calculation methodology for our metrics, and the change is considered material, we will restate the comparable information in the following year's report.

Where there are improvements in available data, including new information in relation to estimated amounts disclosed in the prior period, and the new information provides evidence of circumstances that existed in that period, we would restate the comparable information in the following year's report. However, this does not apply where taking latest available data for the prior period would result in the same underlying data being used to calculate both current and prior periods, such that trends in underlying data are maintained where metrics are reported with a consistent time-lag in underlying data (as is the case with financed emissions).

Where we deem that it would be beneficial to users of the reporting, we may still choose to re-present prior year figures or provide additional numerical analysis even where not required by the principles stated above. In determining the need to restate or re-present comparable information, we examine whether the impacts of the changes are material in line with section 4.

A decision tree presenting the approach pictorially has been provided below.

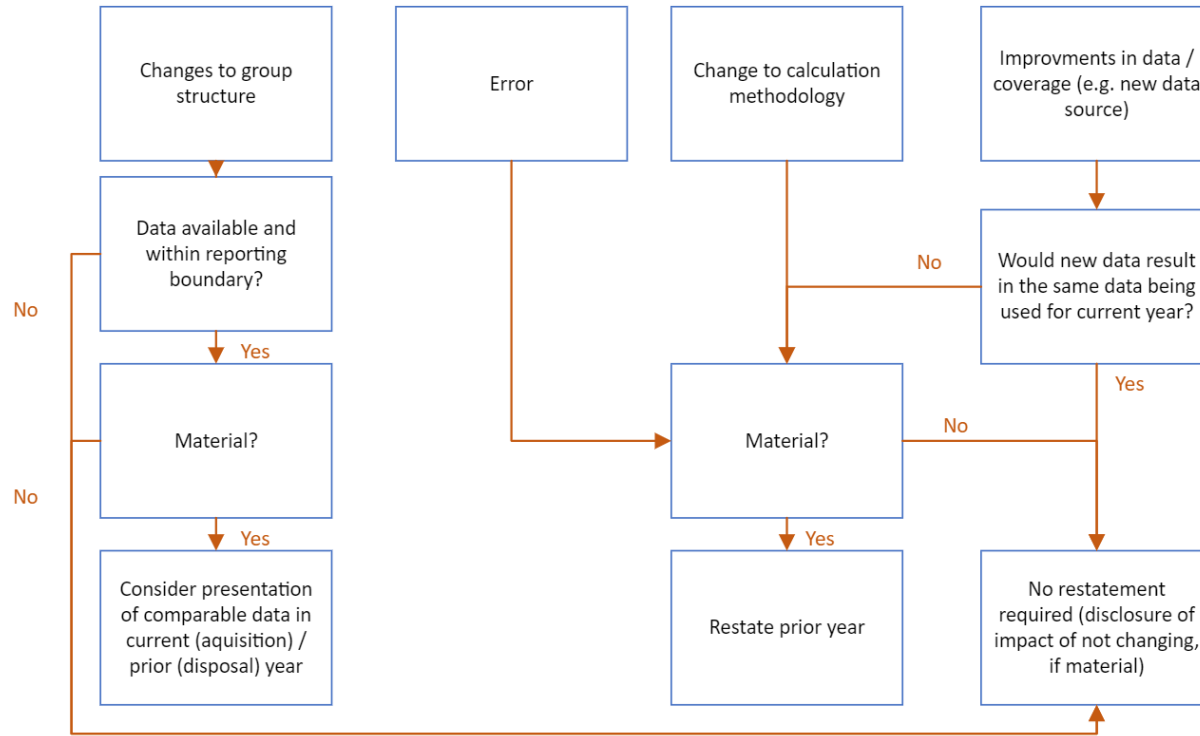


Figure 1 – Decision tree for restatement of financed emissions

Rebaselining

Changes in operational boundaries linked to acquisitions, divestment activity or lease changes will be assessed and the scope of our environmental reporting updated as appropriate. For our operational emissions target, in accordance with our Greenhouse Gas Recalculation Statement, if an acquisition or sale of a business results in a material impact on our baseline, we will restate our baseline as appropriate.

## **Appendix 1 – Operational metrics**

### **A1.1 - Data**

M&G plc uses a third party reporting platform for the calculation of its own energy, water and waste consumption and GHG emissions. Site specific data contributors are responsible for inputting data directly to the reporting platform, which is approved at a Group Level, based on certain criteria. The data is then extracted from the platform for reporting purposes.

### **A1.2 - Methodology changes from 2022**

There are number of updates in 2023 to our methodology for operational metrics, as detailed below:

- If a site usually provides fuel data, but a period during the reporting period is missing (e.g. missing bill etc), then estimation has now been applied by the model (see table below for methodology).
- As of 2023, air travel data from Reed and Mackay - our primary travel management provider - is now available for operations in Australia and India. Previously this data was unavailable, so these emissions were not captured.
- Where air travel data is available from other travel providers, this has also been reported. This includes journeys made by colleagues in our offices in Poland and offices linked to the business acquisition in Switzerland, Thailand, Peru, India, Kenya, France and Georgia.
- Where rail travel data is available from other travel providers, this has also been reported. This includes journeys made by colleagues in our offices in Poland and offices linked to the business acquisition in Switzerland, Thailand, Peru, India, Kenya, France and Georgia.

We have made some additional changes this year, that have resulted in a restatement of prior period results:

- The materials use emissions factor has been removed from scope 3 waste data. Although previously included when measuring our waste output, we consider materials use to be closer aligned to scope 3 supply chain emissions. This change has been reflected in our 2019 baseline figures.
- We have also restated our 2019 baseline figure for total energy consumption (MWh). This now includes energy consumption data for company cars which was previously unavailable.

In addition to these methodology changes, following the acquisition of responsAbility in May 2022, its seven offices met the criteria of our 'operational control' approach during 2023, hence these are now included in our disclosures for 2023. We have also restated our 2019 baseline to account for this change.



### **A1.3 - Operational emissions guidance adopted**

Our 2023 reporting uses the following sources of emission factors to calculate our footprint measured in carbon-dioxide equivalent (CO<sub>2</sub>e).

- Scope 1: UK BEIS 2023 GHG Conversion Factors
- Scope 2 location-based: IEA 2023 Edition of the CO<sub>2</sub> Emissions from Fuel Combustion (including CH<sub>4</sub> and N<sub>2</sub>O), USA EPA 2023 Conversion Factors
- Scope 2 market-based: European Residual Mixes 2023 - Association of Issuing Bodies, supplier emissions factors for renewable energy use and energy attribute certificates (EACs). IEA 2023 Edition of the CO<sub>2</sub> Emissions from Fuel Combustion (including CH<sub>4</sub> and N<sub>2</sub>O), USA EPA 2023 Conversion Factors
- Scope 3: UK BEIS 2023 GHG Conversion Factors.

When reporting market based emissions we have used supplier emissions factors where we have evidenced the consumption of electricity is from green energy tariffs. Residual mix, IEA or EPA factors were used as appropriate where supplier factors were unavailable.

### **A1.4 - Emissions by floor space and employee**

Our emissions are normalised by the floor area of our occupied properties held at 31 December 2023 reporting consumption between 1 January and 31 December. Our office spaces are measured in accordance of local practice, which is useable floor space often referred to as 'net lettable' or 'internal' area. Following a change in floor area during the reporting year, the square footage is updated within the reporting platform from the date of the change to ensure accurate modelling. For serviced offices where the floor area is unknown, the floor area is estimated based on an industry average of 50 sq. ft. per desk.

We have also reported tonnes of CO<sub>2</sub>e per employee (for scope 1 and 2 emissions), this is calculated as a snapshot of in scope full time employees (FTE) on 31 December 2023. Where FTE data is not available we substitute this data with average headcount numbers.

To calculate energy for sites where no data has been provided for the current reporting period or the previous 12 months, an intensity metric for each office (kWh per sq. ft per year) has been calculated using available data from another office within the portfolio that has the next closest floor area. In 2023 this has been required for 12 out of our 63 offices.

A1.5 - Calculation methodology and data sources

<b>Parameter:</b>	<b>Scope 1 emissions</b>
Definition	Scope 1 emissions are our direct emissions from the combustion of fuel, fugitive emissions and company owned vehicles.
Emissions sources	<ul style="list-style-type: none"> <li>▪ Fuel combustion – gas</li> <li>▪ Fuel combustion – oil</li> <li>▪ Fugitive emissions</li> <li>▪ Vehicle fleet</li> </ul>
KPI	Total energy consumption (kWh) and Scope 1 emissions (Tonnes CO <sub>2</sub> e)
Method	<p><b>Fuel combustion – gas, oil</b>  Gas consumption (kWh) obtained from invoices, supplier reports and manual meter reads. The ‘gross’ calorific value is used for carbon conversions when both gross and net are available.</p> <p>Oil consumption from back-up generators is obtained from manual meter reads and delivery volumes. The ‘gross’ calorific value is used when both gross and net are available.</p> <p>For sites that do not provide data where fuel is consumed, no estimated or modelled data is generated by the platform. If a site usually provides fuel data, but a period during the reporting period is missing (e.g. missing bill etc), then estimation has been applied by the model. An average substitute is calculated using internal benchmarks at the following levels in order of priority:</p> <ol style="list-style-type: none"> <li>1. Take consumption data from the same time period in the previous year and apply this as the modelled consumption data.</li> <li>2. If the location has at least seven months in the preceding 12 months, the value used for the missing month is the average of the reported months across the previous 12 months data. When calculating this data the system evaluates the variance of this average value and if it exceeds 50%, the next level of modelling is used for this location.</li> <li>3. If the location does not meet the requirements for either Steps 1 or 2 then this option is used to model the data (Step 3). This option can only be used if the location has at least one actual data entry for the previous 12 months and has area (Sq. ft) data in the system for that month. For each of the last 12 months that has data and area data, a 6 month running average intensity factor is calculated and stored against that month. Then the average of those intensity factors is calculated over the last 12 months and this is multiplied by the location’s area to complete the modelling.</li> </ol> <p>If data is unavailable for more than two consecutive reporting years, the system is unable to model consumption. Where no modelled data is available, the most recent figure available for the equivalent time frame is used.</p> <p><b>Fugitive emissions</b>  Refrigerant losses are based on invoices from the provision of top up gases as well as reports from air conditioning engineers and catering equipment engineers. Losses are recorded in kg.</p>

<b>Parameter:</b>	<b>Scope 1 emissions</b>
	<p><b>Vehicle fleet</b>            Transport is calculated based on distance travelled:</p> <ul style="list-style-type: none"> <li>▪ Mileage is provided by an extract from an expense system, which is extracted a month after the quarter end to align with the company Expense Policy. This includes vehicle type and engine size.</li> <li>▪ Where an expense report is not available, mileage is recorded from the vehicle odometer.</li> </ul> <p>Transport is also calculated based on fuel consumed where mileage data is not available:</p> <ul style="list-style-type: none"> <li>▪ Litres of fuel consumed is provided by an extract from an expense system. This includes vehicle type and size of engine.</li> <li>▪ Where we do not receive mileage or fuel data for company cars, estimated distance is based on vehicle contracted annual kilometres.</li> </ul>
Source	Invoices, supplier reports, manual meter reads and expense system reports.
Emissions factors	UK BEIS 2023 GHG Conversion Factors

<b>Parameter:</b>	<b>Scope 2 emissions</b>
Definition	Scope 2 emissions cover our indirect emissions from the purchase of electricity, heating and cooling.
Emissions sources	<ul style="list-style-type: none"> <li>▪ Electricity</li> <li>▪ Heating and cooling</li> <li>▪ Vehicles that consume electricity</li> </ul>
KPI	<ul style="list-style-type: none"> <li>▪ Total energy consumption (kWh) and Scope 2 emissions (tonnes CO<sub>2</sub>e) – both market and location based</li> </ul>
Method	<p>Indirect energy consumption (kWh) obtained from invoices, supplier reports and manual meter reads. Every building in the site list either has actual or estimated electricity consumption.</p> <p>If a site has no electricity consumption data available, then estimation has been applied. An average substitute is calculated using internal benchmarks at the following levels:</p> <ol style="list-style-type: none"> <li>1. Take consumption data from the same time period in the previous year and apply this as the modelled consumption data.</li> <li>2. If the location has at least seven months in the preceding 12 months, the value used for the missing month is the average of the reported months across the previous 12 months data. When calculating this data the system evaluates the variance of this average value and if it exceeds 50%, the next level of modelling is used for this location.</li> <li>3. If the location does not meet the requirements for either Steps 1 or 2 then this option is used to model the data (Step 3). This option can only be used if the location has at least one actual data entry for the previous 12 months and has area (Sq. ft) data in the system for that month. For each of the last 12 months that has data and area data, a 6 month running average intensity metric is calculated and stored against that month. Then the average of those intensity factors is calculated over the last 12 months and this is multiplied by the location's area to complete the modelling.</li> </ol> <p>Estimations and accruals are only applied to the months where the lease is active; however, if there is incomplete lease information the model then assumes a conservative approach i.e. the property is open for the full reporting period.</p> <p>If data is unavailable for more than two consecutive reporting years, the system is unable to model consumption. Where no modelled data is available, in this instance, the most recent figure available for the equivalent time frame is used.</p> <p>Country specific emission factors are used for location based emissions. To comply with the dual reporting requirements of the GHG Protocol, both location and market based factors have been published. For market based emissions residual mix emissions factors and IEA factors are used as geographically appropriate. For market based emissions, where we have a renewable energy tariff in place or where we have purchased renewable energy attribute certificates, market based emissions have been entered manually.</p> <p>Renewable energy certificates can be subject to inherent limitations, including but not limited to the risk of double counting and uncertainty as to whether the third-party energy supplier will purchase and retire enough certificates to cover all of the energy supplied to all of its customers who have purchased the energy through the suppliers' green tariffs in the reporting period, over which M&amp;G has no oversight.</p>

<b>Parameter:</b>	<b>Scope 2 emissions</b>
	<p><b>Vehicles that consume electricity</b>            Transport is calculated based on distance travelled.            Mileage of leased electric cars is provided by an extract from the expense system, which to align with the company Expense Policy, is extracted a month after the quarter end. This includes vehicle type and size of engine.</p>
Source	Invoices, supplier reports and manual meter reads (with back-up photos for verification purposes).
Emissions factors	<ul style="list-style-type: none"> <li>▪ Location-based: IEA 2023 Edition of the CO<sub>2</sub> Emissions from Fuel Combustion (including CH<sub>4</sub> and N<sub>2</sub>O), USA EPA 2023 Conversion Factors</li> <li>▪ Market-based: European Residual Mixes 2023 - Association of Issuing Bodies, supplier emissions factors for renewable energy use and energy attribute certificates (EACs). IEA 2023 Edition of the CO<sub>2</sub> Emissions from Fuel Combustion (including CH<sub>4</sub> and N<sub>2</sub>O), USA EPA 2023 Conversion Factors</li> <li>▪ Supplier emissions factors where we have evidenced the consumption of electricity is from green energy tariffs</li> </ul>

Parameter:	Scope 3 emissions (selected categories)
Definition	<ul style="list-style-type: none"> <li>▪ Scope 3 emissions include business travel (rail and air) booked through travel management providers (category 6), car travel in colleague owned cars claimed on expenses in the UK (category 6), water consumption (category 1), waste generation where data is available (category 5) and downstream leased assets (category 13).</li> </ul>
Emissions sources	<ul style="list-style-type: none"> <li>▪ Waste generated</li> <li>▪ Water consumption</li> <li>▪ Business Travel</li> <li>▪ Electricity consumption (sublet floors)</li> <li>▪ Fuel combustion – gas (sublet floors)</li> </ul>
KPI	<ul style="list-style-type: none"> <li>▪ Selected scope 3 emissions (tonnes CO<sub>2</sub>e)</li> <li>▪ Total water consumption (m<sup>3</sup>)</li> <li>▪ Total waste produced (tonnes)</li> <li>▪ Total waste diverted from landfill (tonnes and %) – excluded from the assurance process</li> <li>▪ Total waste recycled (tonnes and %) – excluded from the assurance process</li> <li>▪ Energy consumption (Mwh)</li> </ul>
Method	<p><b>Waste generated</b> Waste data is provided by waste management companies, property managers and waste transfer notes. At sites where the waste is not weighed, the reported weight is based on the assumed weight per uplift, provided by the waste contractor and/or office contact. Waste figures within the UK are inclusive of feminine hygiene waste, where available. Final waste treatments are based on BEIS classifications and due to availability, UK BEIS 2023 GHG Conversion Factors for all sites. In 2023 we reported waste data for 16 (2022: 12) out of 63 sites, due to data availability. We only report recycling figures for sites where we have at least general waste, recycling (mixed or separated) and confidential waste data.</p> <p><b>Water consumption</b> The total quantity of water consumed is obtained from invoices, supplier and site meter readings and recorded in cubic metres or kilolitres (reported as metres cubed). The number of properties providing water data has risen from 24 in 2022 to 30 in 2023, the remainder of our sites have not been reported on due to data availability.</p> <p>If a site usually provides water data, but a period during the reporting period is missing (e.g. missing bill etc), then estimation has been applied by the model. An average substitute is calculated using internal benchmarks at the following levels:</p> <ol style="list-style-type: none"> <li>1. Take consumption data from the same time period in the previous year and apply that as the modelled consumption data.</li> <li>2. If the location has at least seven months in the preceding 12 months, the value used for the missing month is the average of the reported months across the previous 12 months data. When calculating this data the system evaluates the variance of this average value and if it exceeds 50%, the next level of modelling is used for this location.</li> </ol>

Parameter:	Scope 3 emissions (selected categories)
	<p>3. If the location does not meet the requirements for Steps 1 or 2 then this option is used. This only applies if the location has at least one actual data entry for the previous 12 months and has area (Sq. ft) data in the system for that month. For each of the last 12 months that has data and area data, a 6-month running average intensity factor is calculated and stored against that month. Then the average of those intensity factors is calculated over the last 12 months, and this is multiplied by the location’s area to complete the modelling.</p> <p><b>Air Travel</b>            Travel reports are provided by our UK travel management provider, and other local travel management providers. Where available distances are reported in km and converted to CO<sub>2</sub>e using the BEIS 2023 emission factors including BEIS Well to Tank for air travel and radiative forcing uplift. Where distances are not available, the system will use the airport codes to determine distances required for the calculation. No assumptions or estimations have been made for travel booked by individuals and claimed via the expense system.</p> <p><b>Other Business Travel – Rail and grey fleet</b>            Where available, rail travel is provided in reports from travel management providers. No assumptions or estimations have been made for travel booked by individuals and reimbursed by the company.</p> <p>Grey fleet mileage is provided by an extract from the expense system, which to align with the company Expense Policy, is extracted a month after the quarter end. This includes vehicle type and size of engine. Average car is assumed for vehicle type and fuel is marked as unknown due to these details not currently being provided.</p> <p><b>Downstream leased assets</b>            Data for electricity and fuel consumption is collected for sublet floors in our London office and reported as a scope 3 emission. Calculations are consistent with scope 1 gas and scope 2 electricity data reporting.</p> <p><b>Hotels</b>            Reports are provided by our UK travel management provider and cover hotels booked through their system. Hotel emissions are currently excluded from the scope of reporting.</p>
Source	Waste management company and building manager reports, waste transfer notes, invoices, supplier and site meter readings, expense system reports, travel Booker reporting.
Emissions Factors	UK BEIS 2023 GHG Conversion Factors.

## **Appendix 2 – Financed emissions**

Our climate-related metrics are informed by the metric categories recommended by the Taskforce Climate Financial Disclosures (TCFD), Carbon Disclosure Project (CDP) and the FCA’s Transition Plan Taskforce (TPT).

The financed emission metrics we report against can be broadly classified as:

- Financed Carbon Emissions (FCE) - the absolute emissions associated with our investment portfolio where there is available reported data or estimates.
- Carbon Intensity (“Carbon Footprint”) - the Financed Carbon Emissions per million pounds invested (tCO<sub>2</sub>/£m), aiding comparison with peers and used to assess progress against our asset manager and asset owner interim targets.
- Weighted Average Carbon Intensity (WACI) - provides a single metric summing the individual emissions intensities (by £m of investee sales) of companies in a portfolio based on their weightings, indicating our portfolio exposure to carbon-intensive issuers. This metric is produced for our public asset portfolios only.

Other backwards looking metrics we report on, covering our public equities and corporate fixed income portfolios, are:

- Fossil fuel exposure – A measurement of investments held with revenue derived from the entire fossil fuel value chain (from extraction all the way to the final end usage of oil, gas, and coal) included in the portfolio. This includes any refining and/or transportation along this value chain.
- EU Taxonomy aligned – A measurement of the exposure of a portfolio to the EU Green Taxonomy ‘environmentally sustainable’ economic activities.
- Green bonds – A measurement of the exposure of a portfolio to Climate Bonds Initiative (CBI) aligned or CBI certified green bonds.

The fossil fuel and EU Taxonomy metrics prorate the investment in a company by the percentage of their revenues that are exposed/aligned. Where this is a CBI aligned or CBI certified green bond, the use of proceeds are assumed to be all for green activities and therefore the full value of the bond is included in the Green bonds total.

### **A2.1 - Data**

The third-party data used to calculate our financed emissions can come from a variety of sources. As carbon calculation methodologies and datasets continue to evolve, the industry recognises the limitations faced by financial institutions to obtain and disclose investment-specific emissions data, including dependence on third-party data providers whose data availability, coverage and methodologies vary significantly.

The frameworks that M&G report against provide flexibility in disclosure; allowing for estimations, assumptions and use of proxies to overcome the limitations in data availability, coverage and time lag. However, regulators and standard setters expect financial institutions to be transparent in these efforts; by disclosing data quality assessments and remediation efforts to improve data quality.

Alongside the reporting of emissions data, we disclose relevant contextual information to support how carbon metrics should be interpreted and their associated limitations.



Data sources for public assets

A data hierarchy has been developed to be used for carbon emissions data for listed equities, corporate fixed income, and single named corporates for private. The approach prioritises actual reported emissions ahead of estimated emissions and selects most recent data available, with Morgan Stanley Capital International (MSCI) preferred over Bloomberg (BBG) data where both give reported or both give estimated data. Where data gaps remain after 3rd party vendors have been exhausted, internal data sources and analytics tools may be considered.

Data sources for sovereign debt

Sovereign bond emissions are reported utilising the following sources as recommended by the PCAF guidance:

- Scope 1 emissions (both including and excluding land use, land-use change, and forestry (LULUCF)): United Nations Framework Convention on Climate Change (UNFCCC) and Climatewatch, with verified reported emissions from UNFCCC being prioritised.
- Scope 2 emissions: OECD
- Scope 3 emissions OECD
- Exported emissions: OECD
- GDP (Purchasing Power Parity adjusted) and population: World Bank

It is common for there to be long delays in availability of carbon emissions data for sovereign states in the general market. For investments where the most recent data available relates to the year 2020, a year we consider to be significantly impacted by global lockdowns, we have taken a judgement to revert to data from 2019. This is to avoid artificially understating our sovereign emission metrics where sovereign emissions may have been temporarily lower over the period impacted by the COVID pandemic.

Data sources for other backwards looking metrics

Exposure to green bonds and EU Taxonomy aligned investments across our public asset portfolios is measured using input data from MSCI's EU Taxonomy Alignment % and Refinitiv's ESG Bond type flags.

Exposure to fossil fuel investments across our public asset portfolios is measured using input data from MSCI.

Data sources for private assets

The data sources used to measure emissions for investee companies within our Infracapital portfolios include actual data provided directly by each of the investee companies as part of Infracapital's ESG monitoring process. ESG-related data is collected through quarterly and annual ESG questionnaires, supplemented by a more comprehensive set of Key Performance Indicators to measure impact and ESG performance of operations. All data collected, where available, is based on actual reported data from the investee companies with limitations outlined below. Use of estimated data is limited. If a portfolio company does not disclose ESG-related data, i.e. in the case of greenhouse gas emissions, proxy data may be used to provide an estimation in the medium-term whilst appropriate reporting practices are implemented.

For commercial real estate emissions are calculated at the asset level by a third party consultant, Evora, the equivalent hierarchy of options are: 1) actual emissions; 2) estimated emissions based on floor area, and; 3) estimated emissions based on numbers of buildings.

Data Quality Scores

From 2023, we are reporting data quality scores for the financed emission metrics for listed equity, public fixed income and sovereign debt asset classes. Data quality scores denote a weighted score of the quality of emissions data used as defined by PCAF.

The PCAF Data Quality Score ranges from '1' – highest quality to '5' – lowest quality and is a means to disclose the integrity and level of estimation within the metric reported. General descriptions of the data quality scores for listed equity, corporate bonds and sovereign debt are detailed in the PCAF Global GHG Standard in tables 5-3 and 5-26, linked [here](#).

For our public equities and corporate bonds portfolios we source data quality score inputs from third party data providers, alongside emissions data. This means we are reliant on the judgement applied by each provider in assigning PCAF data quality scores to each asset. For sovereign debt, scores are determined internally, using PCAF data quality scores as a guide. This requires M&G to apply a level of judgement based on aligning third party methodologies with PCAF guidance, particularly when assigning scores of 3 for physical activity based emissions data.

### **A2.2 - Methodology changes from 2022**

#### Public Assets (Data Hierarchy)

In 2023 we changed our data hierarchy for the provision of third party emissions data for public equity and corporate debt to include Bloomberg as a secondary source with a view to increasing coverage. Further details on our data hierarchy are set out in section A2.1.

#### Public Assets (Green Bonds)

We have also made a refinement in the year to our methodology for the emissions data used for green bonds, to base this on the estimated emissions of the project funded by the bond rather than the emissions of the issuers, where the data is available.

#### Sovereign Bonds (Production and Consumption Metrics)

In 2023 we reviewed the data vendors available to ascertain the optimal approach to selection of Scope 1 sovereign emissions data. Through this review we identified the UNFCCC as a source of verified reported emissions. We have added UNFCCC as a data source in addition to our previous data source for Scope 1 sovereign debt emissions data, Climate Watch. We have introduced a data hierarchy for 2023 that includes both vendors, but prioritises UNFCCC data over Climate Watch.

Additionally financed sovereign consumption emissions are now reported excluding exported emissions. Previously no adjustment was made for exported emissions. There has also been a change in the indicator used to identify imported emission credits which are included in the overall calculation.

#### Sovereign Bonds (Attribution Factor)

The calculation of sovereign emissions relies on the determination of an attribution factor, using data on the sovereign's gross domestic product (GDP) adjusted for the purchasing power parity (PPP) rates in international \$ (Int'l \$). Previously this was converted using the World Bank's PPP conversion factor for the UK and used along with the investment holding in GBP to determine the attribution factor. We have updated our methodology to determine the attribution factor using PPP-adjusted GDP Int'l \$s the denominator and exposure to sovereign bond (USD) as the numerator, per PCAF guidance. This change contributed to the 2022 restatement, alongside those listed above.

We have restated the 2022 metrics previously presented as a result of these methodology changes.

A2.2 - Calculation methodology, data sources and limitations

Public assets (equities and corporate fixed income)			
Metric	Data	Calculation	Limitations
<p>Financed Carbon Emissions (Scope 1 &amp; 2, Scope 3)</p> <p>(tCO<sub>2</sub>e)</p>	<p><b>Company emissions data and enterprise value including cash:</b> Sourced from external data providers. The single hierarchy of investment and emissions data is set out in section A2.1</p> <p><b>Outstanding amount of investment and portfolio value:</b> Internally generated data</p>	<p>Per PCAF methodology, financed carbon emissions (FCE) are calculated as:</p> $\sum_i (Attribution\ factor_i \times Company\ emissions_i)$ <p>The attribution factor for listed companies (equities and bonds) is:</p> $Attribution\ factor_i = \frac{Outstanding\ amount_i}{Enterprise\ Value\ Including\ Cash_i}$ <p>(with i=borrower or investee companies).</p> <p>Carbon footprint is a way for normalising total financed carbon emissions per £1 million invested:</p> $\frac{\sum_n^i (Financed\ carbon\ emissions)}{Current\ portfolio\ value\ (\pounds M)}$ <p>Note: Scope of portfolio value is limited to public assets (equities and corporate fixed income) for which all data necessary for the calculation of financed emissions and carbon footprint is available.</p>	<ul style="list-style-type: none"> <li>• <b>Financed carbon emissions is not generally used to compare portfolios:</b> Financed carbon emissions is an absolute metric limiting comparability across portfolios</li> <li>• <b>Impact on EVIC due to market volatility:</b> Emissions metrics are influenced by changes in financial factors such as company EVICs, which are separate to real world emissions changes</li> <li>• <b>Double counting of emissions when aggregating to portfolio level:</b> For instance, every sector’s Scope 2 emissions are already accounted for in the Scope 1 emissions of the utilities sector. This issue is amplified for Scope 3. This results to potential double-counting that becomes particularly problematic when trying to aggregate backward looking metrics of a portfolio.</li> </ul>
<p>Carbon Footprint (Scope 1 &amp; 2, Scope 3)</p> <p>(tCO<sub>2</sub>e /£m invested)</p>			
<p>Weighted Average Carbon Intensity (Scope 1 &amp; 2, Scope 3)</p> <p>(tCO<sub>2</sub>e /£m sales)</p>	<p><b>Company emissions data and enterprise value including cash:</b> Sourced from MSCI only</p> <p><b>Portfolio weight:</b> Internally generated data</p>	<p>Weighted average carbon intensity considers a portfolio’s exposure to carbon-intensive companies, expressed in tCO<sub>2</sub>e / £M sales.</p> $\sum_n^i \left( portfolio\ weight \times \frac{issuer's\ Scope\ 1\ \&\ 2\ GHG\ emissions_i}{issue's\ \pounds\ M\ sales_i} \right)$ <p><b>Note:</b> Scope of portfolio value used for portfolio weighting is limited to public assets (equities and corporate fixed income) for which all data necessary for the calculation of weighted average carbon intensity is available.</p>	<ul style="list-style-type: none"> <li>• <b>Data sensitivity:</b> Metric is sensitive to outliers.</li> <li>• <b>Favours companies with higher pricing levels:</b> Using revenue (instead of physical or other metrics) to normalise the data tends to favour companies with higher pricing levels relative to their peers.</li> </ul>

Sovereign debt			
Metric	Data	Calculation	Limitations
<b>Financed sovereign production emissions</b>  (tCO <sub>2</sub> e)	<p><b>Sovereign emissions</b> are reported utilising the following sources recommended by PCAF. Data selected from individual providers is the latest available data, excluding 2020 emissions data. UNFCCC data is prioritised over Climate Watch data where available</p> <ul style="list-style-type: none"> <li>• Scope 1 emissions (both including and excluding LULUCF): UNFCCC and Climate Watch</li> <li>• Scope 2 emissions: OECD</li> <li>• Scope 3 emissions: OECD</li> <li>• Exported emissions: OECD</li> <li>• Purchasing Power Parity (PPP) adjusted GDP: World Bank</li> <li>• Population: World Bank</li> </ul>	<p>Production emissions refer to a sovereign’s domestic territorial emissions, including emissions from exported goods and services. Financed sovereign production emissions multiply the attribution factor by the production emissions of the respective sovereign:</p> $\sum_s (Attribution\ factor_s \times Sovereign\ emissions_s)$ <p>(with s=sovereign borrower)</p> <p>Where the attribution factor is</p> $\frac{Production\ emissions}{PPP - adjusted\ GDP}$	<ul style="list-style-type: none"> <li>• <b>Scope limitation:</b> Supranational, sub-sovereign and municipal counterparties are not included as part of this asset class</li> <li>• <b>Double counting considerations:</b> <ul style="list-style-type: none"> <li>○ Double counting of sovereign emissions with non-sovereigns occurs given the accounting of emissions at the sovereign territorial level. This is mitigated through the separate reporting of sovereign asset classes.</li> <li>○ Double counting of sovereign emissions with other sovereigns is accepted as a limitation, consistent with the treatment of corporate emissions.</li> </ul> </li> <li>• <b>Emission scope:</b> The presented approach to classify scope 1, 2, and 3 emissions of sovereigns is an attempt to mirror the approach adopted for corporates and cannot be compared directly.</li> <li>• <b>Attribution factor:</b> M&amp;G acknowledges that PPP adjusted GDP has its limitations as an attribution factor, and the relationship between investments and GDP are not 1:1.</li> </ul>
<b>Financed sovereign consumption emissions</b>  (tCO <sub>2</sub> e)	<p>This includes sovereign bonds and sovereign loans of all maturities issued in domestic or foreign currencies.</p> <p><b>Exposure to sovereign bond:</b> Internally generated data</p>	<p>Consumption based emissions adjust for imported and exported emissions to reflect where emissions were consumed, rather than where they were produced.</p> <p>Consumption Emissions = Production emissions – Exported emissions + Imported emissions.</p> <p>Per PCAF aligned definitions of scope, this is equivalent to:</p> <p>Consumption emissions = Scope 1 + 2 + 3 – Exported emissions</p> <p>Financed sovereign consumption emissions are calculated using the same formulas as financed production emissions, substituting a sovereign’s production emissions for their consumption emissions.</p> $\frac{Exposure\ to\ sovereign\ bond\ (USD)}{PPP\ adjusted\ GDP\ (international\ \$)}$	

Sovereign debt			
Metric	Data	Calculation	Limitations
Weighted Average Sovereign Production Intensity (tCO <sub>2</sub> e/PPP-adj. GDP (Int'l\$))		<p>For normalisation of production emissions, we apply the following:</p> $\sum_{s=1}^n Portfolio\ weight_s \times \frac{Production\ emissions_s}{PPP\ adjusted\ GDP_s}$ <p>(with s=sovereign borrower)</p>	
Weighted Average Sovereign Consumption Intensity(tCO <sub>2</sub> e/PPP-adj. GDP (Int'l\$))		<p>Following PCAF guidance, consumption emissions are normalised per capita given they reflect the demand side of the economy.</p> $\sum_{s=1}^n Portfolio\ weight_s \times \frac{Consumption\ emissions_s}{Population_s}$ <p>(with s=sovereign borrower)</p> <p><b>Note:</b> Scope of portfolio value used for portfolio weighting is limited to sovereign debt for which all data necessary for the calculation of metrics are available</p>	

Other backwards looking metrics (Public assets and sovereign debt)			
Metric	Data	Calculation	Limitations
Fossil fuel exposure	<p><b>Assets that derive revenue from fossil fuels:</b> MSCI</p> <p><b>Portfolio and investment values:</b> Internally generated data</p>	<p>The amount or percentage of assets that derive revenue from the fossil fuel value chain in the portfolio, expressed in £M or percentage of the current portfolio value. This includes revenues from extraction all the way to the final end usage of oil, gas, and coal. This includes any refining and/or transportation along this value chain.</p> $\frac{\text{Current value of investments that derive revenue from fossil fuels}}{\text{Current portfolio value}}$ <p>This metric can be applied across asset classes and does not rely on underlying companies' Scope 1 and 2 GHG emissions.</p>	<ul style="list-style-type: none"> <li><b>No classification standard for 'carbon assets':</b> TCFD provides flexibility to exclude sub-industries at Financial Institution's discretion, making it harder to compare our portfolios to our peers.</li> <li><b>Sector-based metric:</b> doesn't indicate scale of associated financial risks e.g. material loss through transition.</li> <li><b>Granularity of sectors:</b> Sector definition is often at a coarse level, which can result in allocating exposure across assets that might have low climate risk or carbon emissions, yet fall under that higher sector level, impacting the accuracy of the metrics overall.</li> </ul>
EU taxonomy alignment and Green bonds	<p><b>Assets classified as green bonds or EU Taxonomy aligned:</b> MSCI's EU Taxonomy Alignment % and Refinitiv's ESG Bond type flags.</p> <p><b>Portfolio and investment values:</b> Internally generated data</p>	<p>Revenue from green activities of investee companies, as defined by the EU Taxonomy or the EBRD's Green Economy Transition approach. Metric is expressed as a ratio of investments that are taxonomy aligned within portfolio/product.</p> $\frac{\text{Current value of green bonds which meet CBI alignment criteria} + \text{current value of investments in EU Taxonomy aligned activities}}{\text{Current portfolio value}}$ <p>The accompanying information should identify the share of assets in the denominator, that may fund environmentally sustainable activities but cannot be reliably assessed at the time.</p> <p>Where this is a CBI aligned or CBI certified green bond, the use of proceeds are assumed to be all for green activities and therefore the full value of the bond is included in the green bonds total.</p>	<ul style="list-style-type: none"> <li><b>Data availability:</b> Taxonomy compliant data is not widely available due to gaps in high quality corporate disclosure and varying data coverage across providers.</li> <li><b>Best practice not established:</b> The "Does No Significant Harm" criteria used to measure alignment with the EU Taxonomy is not widely used and is currently subjective.</li> <li><b>Incomplete:</b> The Climate Change Adaptation and Mitigation parts of the EU Taxonomy are currently the bulk of the data captured due to the recency of the publication of the technical screening criteria for the other criteria.</li> </ul>

Private assets (M&G Real Estate and Infracapital)			
Metric	Data	Calculation	Limitations
<p><b>Real Estate Financed Carbon Emissions (tCO<sub>2</sub>e) Scope 1 &amp; 2, Scope 3</b></p>	<p><b>Real Estate:</b> Emissions are calculated at the asset level for the bricks and mortar assets we own by a third party consultant, Evora. These reports are broken down by scope (and the sub-scopes where applicable). The assessment includes all Scope 1, 2 and 3 (both upstream and downstream estimate), broken down across key sources (e.g. Capital goods, Water supply, fuel, etc).</p>	<p>Financed emissions of a commercial real estate loan or investment are calculated by multiplying the attribution factor by the emissions of the building. Financed emissions are calculated as:</p> $\sum_b (Attribution\ factor_b \times Building\ emissions_b)$ <p>(with b=building)</p> <p>Investors should use an operational boundary of the whole building and an attribution method based on a proportional share:</p> <p>The total energy use of the building includes the energy consumed by the occupants of the building:</p> $Energy\ consumption_{b,e} \times Emission\ factor$ <p>(with e = the proportion of asset or fund value owned)</p> <p>The attribution factor is the ratio between the outstanding amount and the property value at the time of loan or equity origination</p> $Attribution\ factor_b = \frac{Outstanding\ amount_b}{Property\ value\ at\ origination_b}$ <p>Carbon footprint is a way for normalising total financed carbon emissions per £1 million invested:</p> $\frac{\sum_n^i (Financed\ carbon\ emissions)}{Current\ portfolio\ value\ (EM)}$ <p>Note: Scope of portfolio value is limited to assets for which all data necessary for the calculation of financed emissions and carbon footprint is available.</p>	<ul style="list-style-type: none"> <li><b>Country-specific assumptions:</b> Many countries lack widespread use of building energy labels, and it can be challenging to access measured energy consumption data. As a result we are often required to estimate building energy use. Some country-specific adjustments need to be made to the calculations, depending on the data availability and standards in each country and the different systems of categorising the energy efficiency of buildings.</li> <li><b>Property value</b> requires financial institutions, such as M&amp;G, to use the value determined at loan or equity origination to determine the original value of the property. Thus, using the outstanding amount of the original value provides a consistent estimate of the proportion of the property attributable to the loan or investment. PCAF recognises that the availability of property value at loan or equity origination varies globally. To ensure consistency, where this is no data on value at origination, the latest property value available should be used. This includes the value of the land, building, and any improvements.</li> <li><b>Incomplete data:</b> Material challenges in collecting tenant energy data and corresponding emissions data. The 2023 PCAF Guidance on Accounting for GHG emissions from Real Estate provides data quality scoring methodologies for commercial real estate; outlining options to estimate financed emissions. M&amp;G does not currently obtain data quality information but is looking to explore this option in the future.</li> </ul>
<p><b>Real Estate Carbon Footprint (tCO<sub>2</sub>e /£m invested)</b></p>			

Private assets (M&G Real Estate and Infracapital)			
Metric	Data	Calculation	Limitations
<p><b>Infracapital Financed Carbon Emissions (tCO<sub>2</sub>e)</b></p> <p><b>Scope 1 &amp; 2, Scope 3</b></p>	<p>Emissions data is provided directly by each of the investee companies as part of Infracapital's ESG monitoring process.</p> <p>The financed emissions for <b>project emissions</b> can be calculated in 3 different ways depending on the availability of project-specific data:</p> <ul style="list-style-type: none"> <li>Option 1: reported emissions</li> <li>Option 2: physical activity-based emissions</li> <li>Option 3: economic activity-based emissions</li> </ul>	<p>Infracapital's underlying portfolio companies should account for 100% of any GHG emissions which arise from their assets and activities where they have the authority to implement their own operating policies. Portfolio companies are not required to account for GHG emissions from operations in which they own an interest but have no financial or operational control over.</p> <p>Infracapital adopts the equity share approach for the purposes of reporting consolidated GHG emissions. Using this approach, Infracapital will report its GHG emissions in a proportional manner, according to the share of equity in the portfolio companies' operation. The equity share reflects Infracapital's equity stake in each portfolio company.</p> $\sum_c (Equity\ share \times Company\ emissions_c)$ <p>(with c=company)</p> <p>Carbon footprint is a way for normalising total financed carbon emissions per £1 million invested:</p>	<ul style="list-style-type: none"> <li><b>Does not consider lifetime emissions:</b> Portfolio accounting of emissions occurring in the reporting year does not consider lifetime emissions, e.g. emissions related to future disposal of a wind park are not reported in the current year.</li> <li><b>Limited coverage of emissions related to construction:</b> Infracapital's greenfield strategies seek to invest during the construction stage. Often, construction is carried out by a third party contracted by the business, and as a result the emissions of the construction and purchased goods and services are reported under scope 3 of the business. Scope 3 emissions reporting may not always be available due to limitations regarding data accuracy and availability.</li> <li><b>Data collection</b> is based on reported numbers by the underlying investee companies which have not been externally verified. The combination of self-reported data and the lack of external verification can lead to a number of uncertainties in data output.</li> </ul>
<p><b>Infracapital Carbon Footprint</b></p> <p><b>(tCO<sub>2</sub>e /£m invested)</b></p>		$\frac{\sum_n^i (Financed\ carbon\ emissions)}{Current\ portfolio\ value\ (£M)}$ <p>Note: Scope of portfolio value is limited to assets for which all data necessary for the calculation of financed emissions and carbon footprint is available.</p>	



Other			
Metric	Data	Calculation	Limitations
Data quality score	<p><b>Outstanding amount:</b> Internally generated data</p> <p><b>Data quality score (public equities and corporate bonds):</b> MSCI and Bloomberg</p> <p><b>Data quality score (sovereigns):</b> M&amp;G review of data source against PCAF Financed Emissions Standard classification.</p>	<p>For overall score by asset class:</p> $\frac{\sum_{i=1}^n Outstanding\ amount_i \times Data\ quality\ score_i}{\sum_{i=1}^n Outstanding\ amount_i}$ <p>(with i=borrower or investee)</p> <p>The PCAF Data Quality Score ranges from '1' – highest quality to '5' – lowest quality and is a means to transparently disclose the integrity and level of estimation within the metric reported.</p>	<ul style="list-style-type: none"> <li><b>Third party data providers:</b> For emissions data associated with equities and corporate bonds, data quality scores are provided by the relevant third party data providers. This includes guidance on underlying methodologies, used when data are estimated. For sovereign emissions, we use publicly available data sets where data quality scores are not provided. In this case, M&amp;G reviews the data source methodology documentation and assesses this against the PCAF Financed Emissions Standard criteria for assigning data quality scores.</li> </ul>
Coverage	<p><b>Portfolio and investment values:</b> Internally generated data</p>	<p>Coverage is defined as the proportion of in-scope AUMA (total AUMA of the asset classes covered by the metric) for which we have all environmental, financial, or other such data required in the calculation of the given metric (reported or estimated).</p> $\frac{\sum_{i=1}^n Value\ of\ in\ scope\ investments\ with\ data_i}{\sum_{i=1}^n Value\ of\ in\ scope\ investments_i}$	N/A