

FairPensions' Climate Change Questionnaire 2009

Name of Firm: **T Rowe Price Global Investment Services Ltd.**
 Assets Under Management: USD 268.8 Bn as of 31 March 2009

Section A: Assessment of climate change as an investment issue

1. In your business, how important is climate change as a factor in investment research, decision making and engagement activities with companies?

- a) Very unimportant
- b) Unimportant
- c) Important
- d) Very important

2. With regard to question 1, and compared to 2007, has climate change become:

- a) Less important
- b) Unchanged from 2007
- c) More important

3. As a fund manager, which of these factors do you see as a barrier to incorporation of climate change risks/opportunities into investment analysis and decision making?
 (please mark any that apply in priority order with 1 as the most significant barrier)

a) lack of demand from clients	2
b) low current carbon price / difficulties in determining material financial impact	1
c) lack of regulatory requirements for investee companies	
d) poor quality data on GHG emissions disclosed by firms	
e) lack of regulatory requirements for investors	
f) other - please specify	

Please comment on barriers to integrating climate change into investment analysis and decision making:

Due to the lack of cross-sector comparability for most companies, our assessment of long-term risks related to climate change takes place primarily within a qualitative, not quantitative, framework.

4. As a business, would you welcome regulatory requirements on investee companies to report GHG emissions?

- a) Yes
- b) No

5. As a business, would you welcome regulatory requirements on investee companies to reduce GHG emissions?

- a) Yes
- b) No

6. Do you (directly or through any collaborative initiatives) engage with government regarding regulation for companies and investors concerning GHG emission measurement, reporting and reduction responsibilities?

a) Yes

Please specify if via membership of any collaborative initiatives:

b) No

Please comment on your firm's stance on the regulatory framework for companies:

We do not have a firm-level view on the optimal regulatory framework for companies.

7. As a business, would you welcome stock exchange listing rules which require companies to disclose on a comparable basis climate change related risks?

a) Yes

b) No

Please comment on the relevance of listing requirements to achieving useful disclosure?

If such disclosure were widely adopted across multiple global exchanges, it would be as useful as going through regulatory or legislative channels.

Section B: Use of climate change data

1. Does your firm request climate change related information (including data on emissions) from investee companies?

a) In no sectors

b) In a minority of sectors you invest in

c) In a majority of sectors you invest in

d) In all sectors

Please comment on which sectors and why:

N/A

2. As a business, do you factor climate change related risks and opportunities into analysis and investment decisions?

a) In no sectors

b) In a minority of sectors you invest in

c) In a majority of sectors you invest in

d) In all sectors

Please comment on which sectors and why:

To the degree they could be material over our probable investment time horizon, we factor climate change and other extra-financial risks into our investment analysis across all sectors. However, we view these risks and opportunities as most relevant in the energy and utilities sectors.

3. Are you currently making use of climate change related data provided by companies (including data on emissions) in investment decision making?

- a) In no companies
- b) In a minority of companies where data is available
- c) In a majority of companies where data is available
- d) In all companies where data is available

Please comment on your use of climate change information from investee companies:

We assess climate change risks and opportunities within a qualitative framework across all sectors, subject to our assessment of their materiality, but our use of emissions data is concentrated primarily in the energy and utilities sectors.

4. In the last 2 years, have climate change related factors affected investment allocations at your firm (n.b. excluding specialist SRI / Environmentally focused funds)?

- a) In no sectors
- b) In a minority of sectors you invest in
- c) In a majority of sectors you invest in
- d) In all sectors

Please comment on why climate change does or does not affect investment allocations:

For the past two years, we have had a dedicated analyst focusing on alternative energy companies, so our increased allocations to this sub-sector are likely a result of his presence, not due to any external factors.

Section C: Engagement on climate change issues

1. As a business, do you engage (via written or face-to-face communication) with investee companies to ensure that they address climate change related risks and opportunities effectively?

- a) with no companies
- b) with a minority of companies you invest in
- c) with a majority of companies you invest in
- d) with all companies you invest in

Please comment on why you engage or do not engage with companies to address climate change related risks/opportunities, and if relevant how you undertake engagement:

Our engagement program is centered around corporate governance issues at this time. In the course of our regular, investment-centered dialogue with companies, we frequently discuss climate change or other environmental risks to the degree that we consider them material, but we would not classify this type of dialogue as part of our engagement program.

2. Where engagement occurs, which of the following do you seek to have in place at investee companies?

i) Named board member / senior executive responsible for addressing climate change risks/opportunities

- a) Yes
- b) No

ii) Company measures its GHG emissions and discloses to shareholders

- a) Yes
- b) No

iii) Company has an action plan with targets to reduce GHG emissions over a specified timetable

a) Yes

b) No

iv) Other - Please specify

Please comment on the purpose of climate change related engagement with companies:

N/A

Section D: Reporting

1. As a business, do you report on action taken (including engagement with companies) to reduce portfolio risks and enhance opportunities arising from climate change?

a) no reporting

b) to clients who request it

c) to all clients

d) publicly on a website

Please comment on your policy for reporting action to reduce climate change risk and enhance opportunity:

Environmental risk, broadly defined, is part of our publicly available Policy Statement on Corporate Responsibility.

<http://corporate.troweprice.com/ccw/home/ourCompany/corporateResponsibility.do>

Please return the completed questionnaire by Friday 12th June 2009 to:

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