T.RowePrice

T. ROWE PRICE FUNDS SICAV

Global Select Equity Fund – ESG Report

Providing transparency on Environment, Social and Governance aspects of the Fund

As of 31 December 2024

ESG APPROACH

- The Global Select Equity Fund fully integrates environmental, social and governance (ESG) factors within its investment process to enhance investment decisions. We consider ESG factors as an integrated component of the investment decision, not the sole driver, nor are they separated from more traditional security analysis.
- The process of ESG integration takes place on two levels: first, with our research analysts as they incorporate ESG factors into company valuations and ratings, and second, with the portfolio manager as he balances these ESG factor exposures at the portfolio level. Both the analysts and the portfolio manager are able to leverage dedicated, in-house resources to assist in analyzing ESG criteria.
- Our ESG specialist teams provide investment research on ESG issues at the company level and on thematic topics. Additionally, they have built tools to help proactively and systematically analyze the environmental, social, and governance factors that could impact our investments. The foundation of the analysis is a proprietary flagging tool called the Responsible Investing Indicator Model (RIIM). It covers over 15,000 companies and pulls from data sets that are not in the wheelhouse of traditional financial analysis. These data sets include:
  - ESG performance data (e.g., number of accidents, carbon emissions, strength of whistle-blower programs, etc.);
  - ESG targets (e.g., plans to reduce carbon emissions, increase diversity, etc.)
  - ESG incidents and controversies (e.g., environmental fines paid, local community controversies/protests against a company, etc.)
- Our approach to environmental and social factor integration is differentiated at the sector and industry levels, where our RIIM framework helps us to determine the materiality of any given factor. Material ESG factors play an integral part in our risk/reward assessment of each company. Once all the factors have been assessed, our conclusions can influence whether to include, exclude or increase a company's weighting in the portfolio. ESG considerations can have both a positive and negative influence on positioning.
- The fund is classified as Article 8 according to the Sustainable Finance Disclosure Regulation. Although the fund does not have sustainable investment as an objective, the promotion of environmental and social characteristics is achieved through the fund’s commitment to maintain at least 10% of the value of its portfolio invested in Sustainable Investments. The fund avoids issuers whose activities we may consider harmful to the environment and/or society through the application of our proprietary screen, the T. Rowe Price Responsible Exclusion List.

INVESTMENT OBJECTIVE: To increase the value of its shares, over the long term, through growth in the value of its investments.

INVESTMENT PROCESS: The fund is classified as Article 8 under SFDR (the EU’s Sustainable Finance Disclosure Regulation); it promotes, among other characteristics, environmental and/or social characteristics and the companies in which the investments are made follow good governance practices. The fund is actively managed and invests mainly in a high conviction portfolio of shares of companies anywhere in the world, including emerging markets. Although the fund does not have sustainable investment as an objective, the promotion of environmental and/or social characteristics is achieved through the fund’s commitment to maintain at least 10% of the value of its portfolio invested in sustainable investments, as defined by the SFDR. In addition to the E/S characteristics promoted, the fund also applies the investment manager’s proprietary responsible screen (the T. Rowe Price Responsible Exclusion List). The fund may use derivatives for hedging and efficient portfolio management. For full investment objective and policy details refer to the prospectus. The manager is not constrained by the fund’s benchmark, which is used for performance comparison purposes only.

RECENT COMPANY ENGAGEMENTS

We maintain a regular dialogue with the management teams of companies represented across the portfolio. Our investment-driven engagement program frequently identifies targets through our proprietary RIIM analysis, governance screening and analysts' fundamental research. While we engage with companies in a variety of different contexts, ESG engagement focuses on learning about, encouraging or exchanging perspectives on the environmental practices, corporate governance or social issues affecting their business.

While most of the meetings we hold with company managements will include some discussion of ESG topics, we differentiate meetings held with a heavy focus on ESG, meaning ESG issues were the sole items on the agenda or made up a meaningful part of the meeting. Agenda items are classified as "meaningful" when they take up a significant portion of the meeting or are a significant factor in the investment case.

The following are selected examples of recent engagements with companies held in or considered for the portfolio. The examples are not meant to be representative of every engagement held, but to illustrate the types of ESG engagements we are having with the managements of our investment companies.

Apple (3rd Quarter 2024 Engagement)

Focus	Social
Company Description	Apple is a consumer electronics company and makes the iPhone, iPad, Mac, and other devices.
Engagement Objective	We engaged with Apple on responsible artificial intelligence (AI).
Participants	From Apple: Chief Corporate Council, Legal, Investor Relations From T. Rowe Price Associates, Inc.: Head of Governance; Responsible Investing Analyst
Engagement Outcome	We engaged with Apple to discuss its responsible AI principles as a follow-up to our first-quarter 2024 engagement with the company regarding a shareholder proposal that sought additional reporting on the use of AI at the company (by 62% of shareholders). We did not support this shareholder proposal because the company assured us these disclosures were coming and the proposal was excessively vague. Apple's principles of responsible AI focus on empowering users with intelligent tools, representing users, designing responsibly, and protecting privacy. Our discussion focused primarily on privacy and transparency. **Apple Intelligence – Privacy by Design** Apple Intelligence is an AI-at-the-Edge system integrated with the iPhone, iPad, and Mac that focuses on smaller task-specific models while maintaining user privacy and security. Apple Intelligence will not be opt-in by default, meaning users must agree to make their data available to Apple's AI directly on their device. For more complex AI tasks, Apple's Private Cloud Compute (PCC) processes them in the cloud. PCC maintains the security model of on-device processing by ensuring personal data are used exclusively for fulfilling user requests and is deleted after processing. Apple has also claimed these data will not be accessible to the company. **Responsible AI training** Apple's AI strategy aims to keep its user base within its ecosystem while competing in the broader AI market, but, as with all model providers, there are potential legal and ethical challenges to come related to data usage. Apple's commitment to user privacy and data protection positions it closer to companies like Adobe, though Apple's approach is not immune to criticism. Apple's AI models are trained on licensed data and publicly available web content gathered by AppleBot, giving publishers the option to opt out of model training. Apple's use of publicly available data raises ethical questions that other model providers are facing related to copyright infringement. Criticism of Apple's approach could be further amplified by its collaboration with OpenAI. (Apple Intelligence uses ChatGPT for tasks where Apple's models fall short, with user opt-in for data sharing.) **Transparency and regulation** Transparency helps to balance consumer trust, and Apple has committed to making PCC software images available for public inspection, allowing security researchers to verify the privacy and security of the system. This transparency extends to publishing all software builds and providing research environments for deeper scrutiny. Additionally, Apple is actively engaging with global regulators to navigate AI-related laws. Apple signed the White House's voluntary AI guidelines promoting responsible AI development. In terms of reporting, Apple does not plan to produce an AI impact assessment report, and we did not explicitly ask the company to spend resources to do this. Rather, we relayed our view that transparency and explainability should be a priority and a technical hurdle it is actively seeking to overcome.

Unless otherwise noted, data were provided by the company during the engagement or are available through company reports.

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.

ConocoPhillips (4th Quarter 2024 Engagement)

Focus	Environment, Governance
Company Description	ConocoPhillips is a global exploration and production company.
Engagement Objective	We met with ConocoPhillips to discuss its 2024 shareholder meeting results, mergers and acquisitions, and climate commitments.
Participants	From ConocoPhillips: Deputy General Counsel; Sustainable Development Representative; Compensation Representative; Investor Relations Representative; Human Resources Representative From T. Rowe Price Associates, Inc.: Head of Corporate Governance; Investment Analyst
Engagement Outcome	We met with ConocoPhillips to discuss several developments from 2024. We touched on the company's recent acquisition and integration of Marathon Oil. None of Marathon's directors will be joining the ConocoPhillips Board following the transaction, which is expected to close by the end of the year. ConocoPhillips also does not expect any major changes to its climate targets following the acquisition. However, flaring volumes at Marathon Oil are higher than for ConocoPhillips' existing assets, so the company's zero routine flaring target by 2025 might be more challenging to hit for the Marathon Oil assets. Over the longer term, the acquired assets have a slightly lower upstream carbon intensity, so it should contribute positively to achieving ConocoPhillips' interim climate targets. The company also noted a significant increase in methane emissions in 2023 versus 2022; however, this was driven almost entirely by enhanced monitoring and data quality, and ConocoPhillips remains committed to its "near zero" methane intensity target for 2030. The company says that some of the change is driven by changes in definitions since it joined the Oil and Gas Methane Partnership. In 2025, ConocoPhillips will be putting a potential update to the climate strategy on the Board's agenda, which could include setting new medium-term targets for beyond 2030. The company describes this as a "messy" period for regulation of environmental and social issues. It is in the second wave for Corporate Sustainability Reporting Directive disclosures, and the company is also subject to new rules in Australia and California. Meanwhile, the picture for Securities and Exchange Commission-driven disclosures for U.S. issuers is headed in the opposite direction. Like many U.S. issuers, ConocoPhillips expresses hesitation to commit to any new voluntary disclosures (for example, via shareholder proposals) while it is juggling so many new requirements with looming deadlines. The company noted that its U.S. investors have largely stopped pressuring it to set reduction targets for Scope 3 emissions[1]. ConocoPhillips has one legacy supermajority requirement, meaning that it takes a vote of 80% of outstanding shares to approve a limited set of amendments. While we do not view this as very problematic, a persistent individual investor continues to bring (and win) shareholder proposals on the matter. ConocoPhillips will continue to try to achieve the 80% vote hurdle needed to retire this provision, but does not intend to spend a lot of money to solicit votes just for this provision. Through this engagement, we achieved our objective of providing feedback to ConocoPhillips.

[1] Scope 1: direct emissions from owned or controlled sources; scope 2: indirect emissions from the generation of purchased electricity, steam, or cooling; scope 3: all other indirect emissions.

Unless otherwise noted, data were provided by the company during the engagement or are available through company reports.

ESG RIIM PROFILE

The T. Rowe Price Responsible Investing Indicator Model (RIIM) rates companies, governments and securitized assets in a traffic light system measuring their environmental, social, and governance profile and flagging issuers with elevated risks. For certain types of investments, including, but not limited to, cash, currency positions, and particular types of derivatives, an ESG analysis may not be relevant or possible due to a lack of data. Where ESG considerations are integrated into the investment research process, we may conclude that other attributes of an investment outweigh ESG considerations when making investment decisions.

	Portfolio		Benchmark	
	No. of securities	% weight	No. of securities	% weight
Green	29	78.3	1,186	81.9
Orange	6	20.5	199	17.5
Red	0	0.0	6	0.6
Not in scope	0	0.0	0	0.0
Not covered	0	0.0	4	0.1
Reserves	1	1.2	0	0.0
Total	**36**	**100.0**	**1,395**	**100.0**

● No/few Flags ● Medium Flags ● High Flags

The comparator benchmark of the Fund is the MSCI World Net Index. The manager is not constrained by the fund's benchmark, which is used for performance comparison purposes only.

SUSTAINABILITY INDICATOR

The fund is classified as Article 8 according to the Sustainable Finance Disclosure Regulations (SFDR).

The sustainability indicator used by the fund is a minimum of 10% of the value of the fund's portfolio held in securities that the investment manager identifies as sustainable investments.

The percentage exposure of the fund to sustainable investments is:

	Target Minimum Commitment %	Fund Exposure %
Sustainable Investments	10.0	52.6
with Environmental Objectives	0.5	23.3
with Social Objectives	0.5	29.3

PRINCIPAL ADVERSE IMPACT (PAI) INDICATORS

Under the European Union Sustainable Finance Disclosure Regulations (SFDR), investment managers are required to take into account Principal Adverse Impact (PAI) indicators, a set of metrics that highlight the potential negative impacts on sustainability factors that result from investment decisions. This is integrated into our ESG analysis at a security level.

Some PAI indicators have limited data availability which may lead to misrepresentative values for the fund. In these cases, the metric vale and data coverage are displayed as n/a in the following tables.

In addition, the investment manager considers the following PAI indicators at an aggregate fund level. Metric values are shown in the Base Currency of the fund (USD):

PAI Indicator	Metric Description	Unit of Measurement	Metric Value	Metric Coverage (%)
10. Violations of UNGC principles and OECD guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Percentage of total invested	0.0%	98.8%
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of board members	Average ratio of female board members	33.7%	98.8%
14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Percentage of total invested	0.0%	97.3%

The table below displays the remaining PAI indicators as of the report date. These are displayed for reporting purposes. Metric values are shown in the Base Currency of the fund (USD):

PAI Indicator	Metric Description	Unit of Measurement	Metric Value	Metric Coverage (%)
1. GHG Emissions	Scope 1 GHG emissions	mtCO2e	398	98.8%
	Scope 2 GHG emissions	mtCO2e	212	98.8%
	Scope 3 GHG emissions	mtCO2e	3,491	98.8%
	Total GHG emissions	mtCO2e	4,101	98.8%
2. Carbon footprint	Carbon footprint	mtCO2e per mn invested	210.0	98.8%
3. GHG intensity of investee companies	GHG intensity of investee companies	mtCO2e per mn revenue	424.9	98.8%
4. Exposure to companies active in fossil fuel sector	Share of investments in companies active in the fossil fuel sector	Percentage of total invested	6.9%	98.8%
5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	Percentage of non-renewable energy	56.0%	81.1%
6. Energy consumption intensity	Energy consumption in GWh per million of revenue of investee companies	GWh/mn of revenue	0.1	90.7%
7. Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	Percentage of total invested	0.0%	98.8%
8. Emissions to water	Tonnes of emissions to water generated by investee companies per million invested, expressed as a weighted average	Ktons per mn invested	n/a	n/a
9. Hazardous waste	Tonnes of hazardous waste generated by investee companies per million invested, expressed as a weighted average	Ktons per mn invested	n/a	n/a
11. Lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Percentage of total invested	0.0%	98.8%
12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	Percentage of pay gap	n/a	n/a

GLOSSARY OF TERMS

Metric coverage - The percentage of the portfolio for which PAI data is available
GHG - Greenhouse gas emissions
Scope 1 GHG emissions - Direct greenhouse gas emissions by the fund
Scope 2 GHG emissions - Indirect greenhouse gas emissions made by the fund
Scope 3 GHG emissions - All other indirect emissions that occur in the funds value chain
mtCO_2e - Metric tonnes of carbon dioxide equivalent
Carbon footprint (Scope 1,2 & 3 emissions) - The total greenhouse gas emissions per million invested in the fund
GWh - Gigawatt Hours
Ktons - Kilotonnes
UNGC - The United Nations Global Compact
OECD - The Organization for Economic Co-operation and Development
No data - no data is available or can be calculated for the indicator

RISKS - The following risks are materially relevant to the fund (refer to prospectus for further details): Currency - Currency exchange rate movements could reduce investment gains or increase investment losses. Emerging markets - Emerging markets are less established than developed markets and therefore involve higher risks. Issuer concentration - Issuer concentration risk may result in performance being more strongly affected by any business, industry, economic, financial or market conditions affecting those issuers in which the fund's assets are concentrated. Sector concentration - Sector concentration risk may result in performance being more strongly affected by any business, industry, economic, financial or market conditions affecting a particular sector in which the fund's assets are concentrated. Small and mid-cap - Small and mid-size company stock prices can be more volatile than stock prices of larger companies.

General fund risks - to be read in conjunction with the fund specific risks above. Equity - Equities can lose value rapidly for a variety of reasons and can remain at low prices indefinitely. ESG and sustainability - ESG and Sustainability risk may result in a material negative impact on the value of an investment and performance of the fund. Geographic concentration - Geographic concentration risk may result in performance being more strongly affected by any social, political, economic, environmental or market conditions affecting those countries or regions in which the fund's assets are concentrated. Investment fund - Investing in funds involves certain risks an investor would not face if investing in markets directly. Management - Management risk may result in potential conflicts of interest relating to the obligations of the investment manager. Market - Market risk may subject the fund to experience losses caused by unexpected changes in a wide variety of factors. Operational - Operational risk may cause losses as a result of incidents caused by people, systems, and/or processes.

ADDITIONAL DISCLOSURES

Source: MSCI. MSCI and its affiliates and third party sources and providers (collectively, “MSCI”) makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI. Historical MSCI data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.

Holdings-based analytics are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund’s accountant.

IMPORTANT INFORMATION

The Funds are sub-funds of the T. Rowe Price Funds SICAV, a Luxembourg investment company with variable capital which is registered with Commission de Surveillance du Secteur Financier and which qualifies as an undertaking for collective investment in transferable securities (“UCITS”). Full details of the objectives, investment policies and risks are located in the prospectus which is available with the key investor information documents (KIID) and/or key information document (KID) in English and in an official language of the jurisdictions in which the Funds are registered for public sale, together with the articles of incorporation and the annual and semi-annual reports (together “Fund Documents”). Any decision to invest should be made on the basis of the Fund Documents which are available free of charge from the local representative, local information/paying agent or from authorised distributors. They can also be found along with a summary of investor rights in English at www.troweprice.com. The Management Company reserves the right to terminate marketing arrangements.

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