



US Smaller Companies

# Structural Case for Small-Caps

**Matt Mahon**

Co-Portfolio Manager

September 2024



#TRPConference

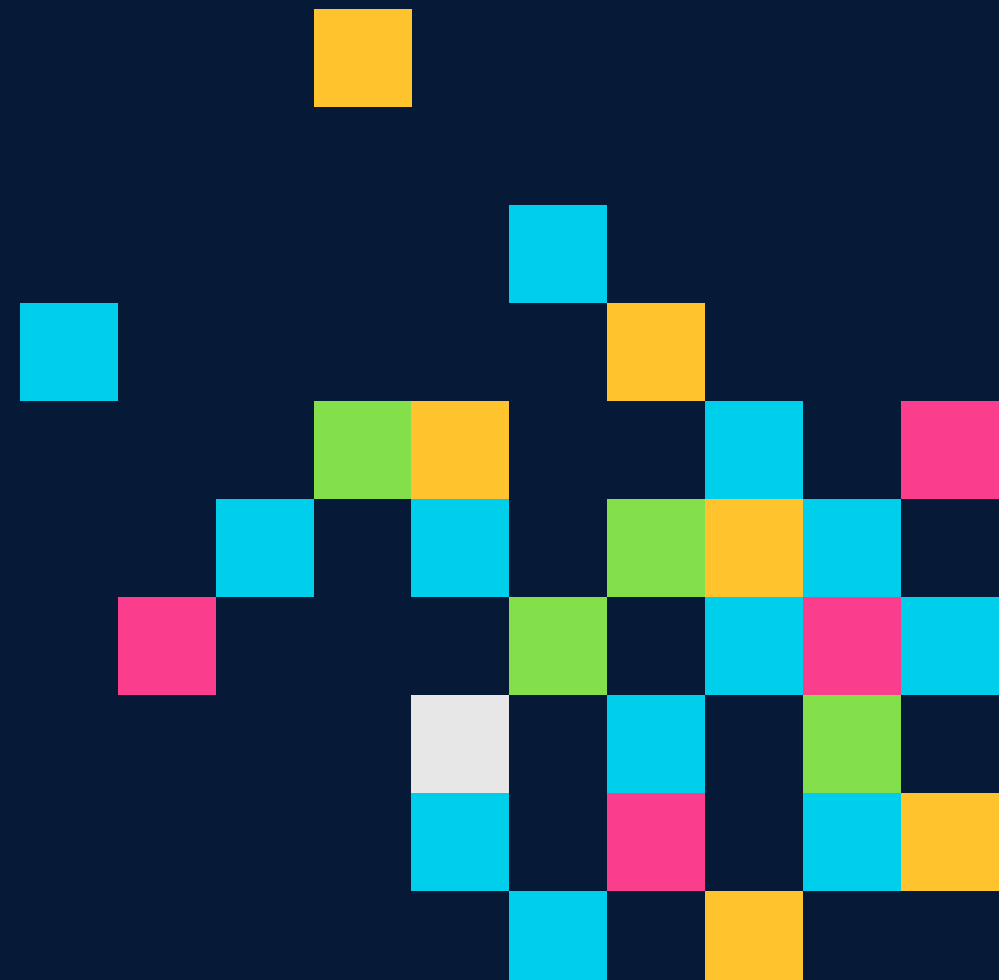
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# Today's Speaker



**Matt Mahon**

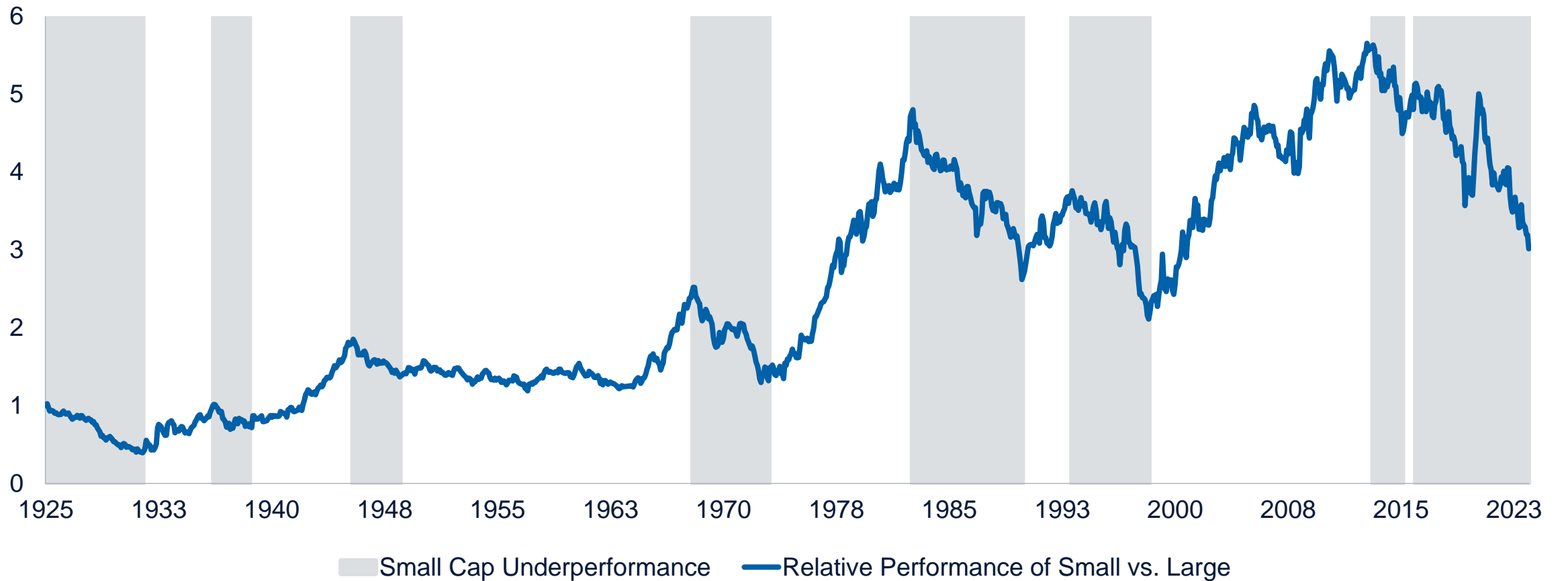
Co-Portfolio Manager  
US Smaller Companies Equity Strategy



# Both small and large-cap equities have had sustained periods of market leadership

As of 30 June 2024

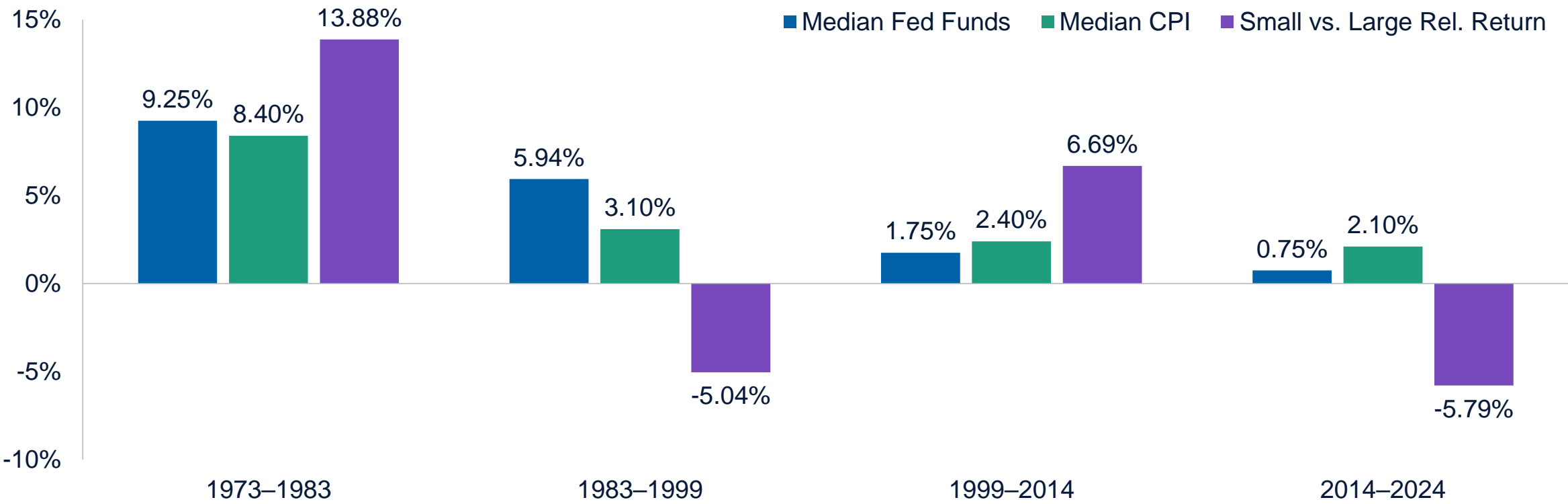
## Small-cap Less Large-cap Forward Relative Returns



**Past performance is not a reliable indicator of future performance.**  
Source: Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business; Jefferies.  
The performance was calculated (or Derived) based on data from CRSP cap-weighted database.

# Durable small-cap outperformance does not require low rates and low inflation

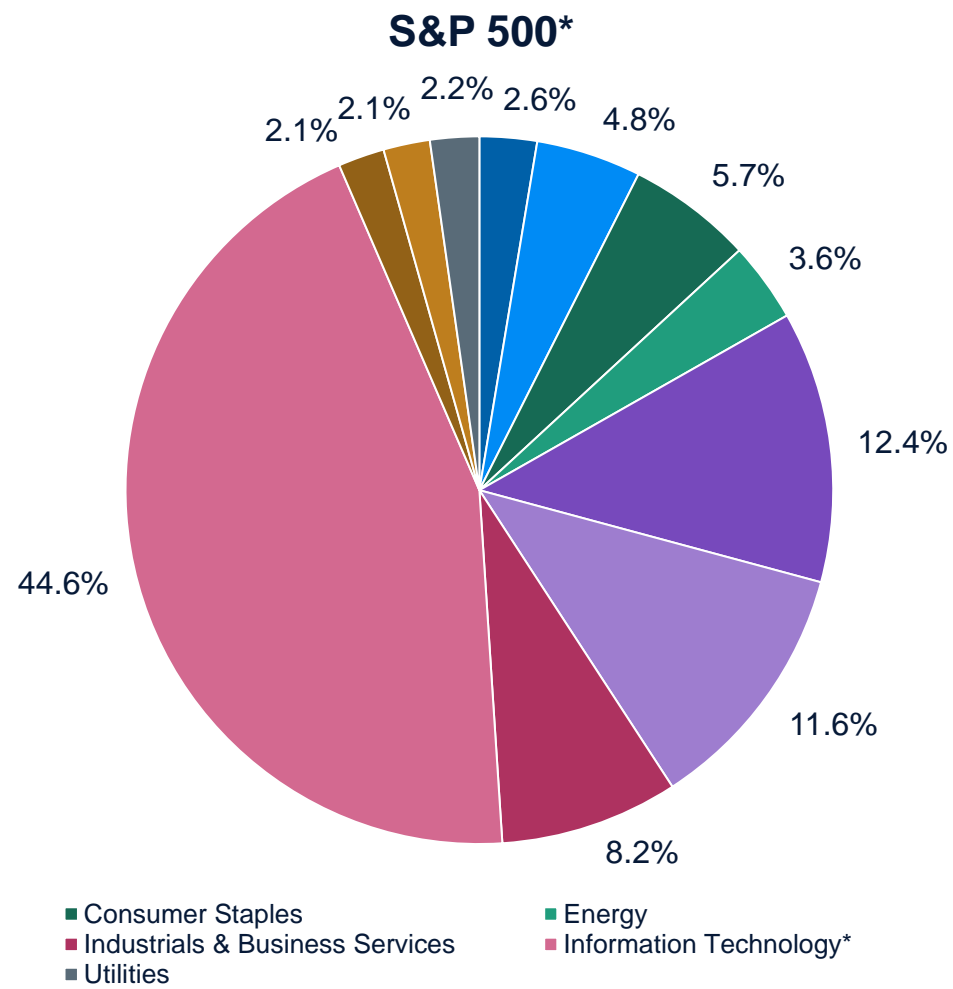
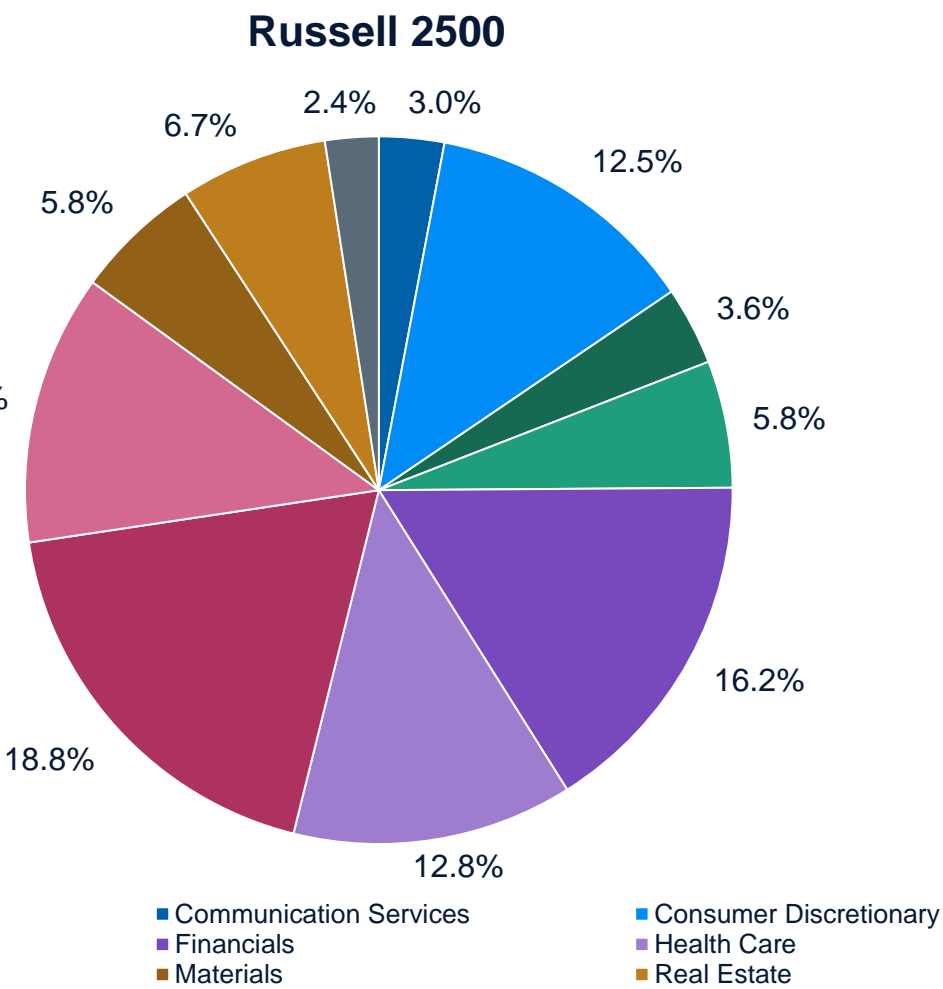
As of 30 June 2024



**Past performance is not a reliable indicator of future performance.**  
Source: Bloomberg Financial L.P., Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business; Jefferies.  
The performance was calculated (or Derived) based on data from CRSP cap-weighted database.

# U.S. SMID-cap provides broader diversification than large-cap

As of 1 July 2024

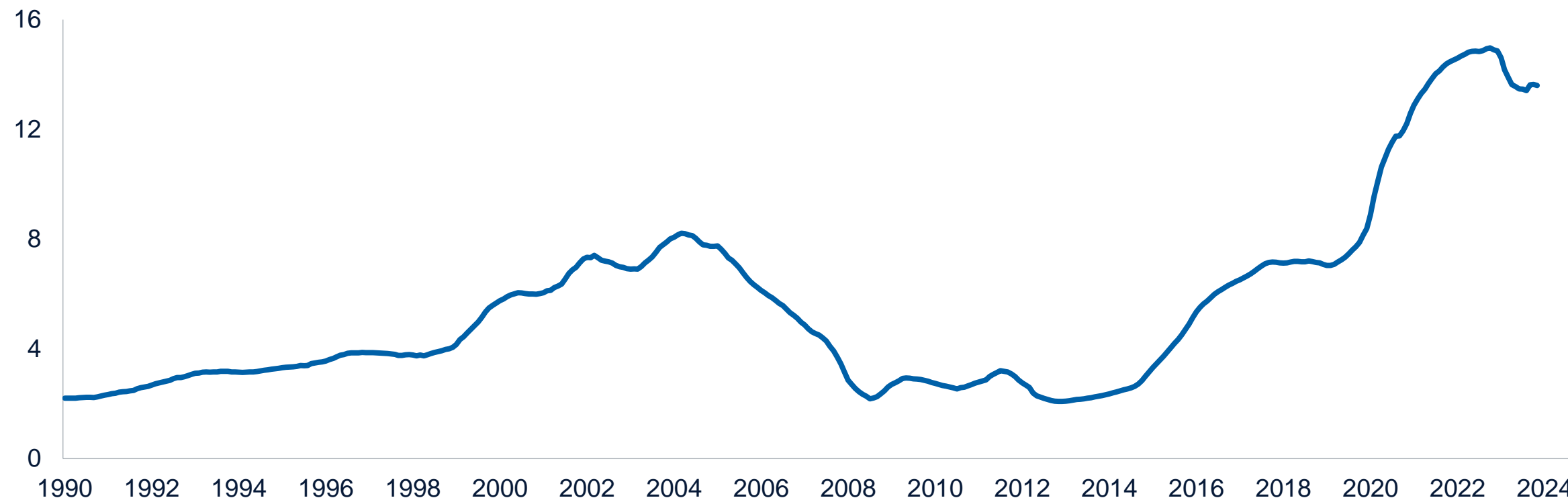


Source: FactSet, T. Rowe Price Analysis.  
\* Amazon, Meta, Alphabet and Tesla classified as Information Technology.

# Drivers of inflation: Energy

As of 30 June 2024

## U.S. Oil Productivity—Barrels/Rig

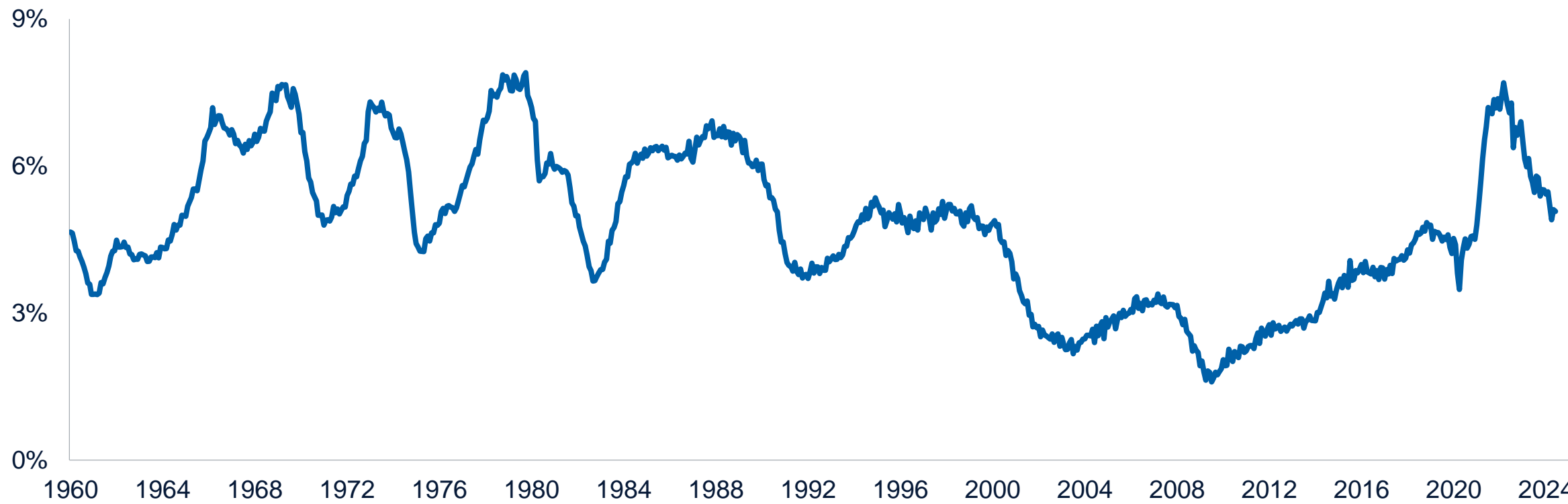


Source: U.S. Energy Information Administration, Baker Hughes, T. Rowe Price Analysis.  
36-Month Rolling Average Productivity.

# Drivers of inflation: Labor

As of 30 June 2024

## Job Openings / Workforce

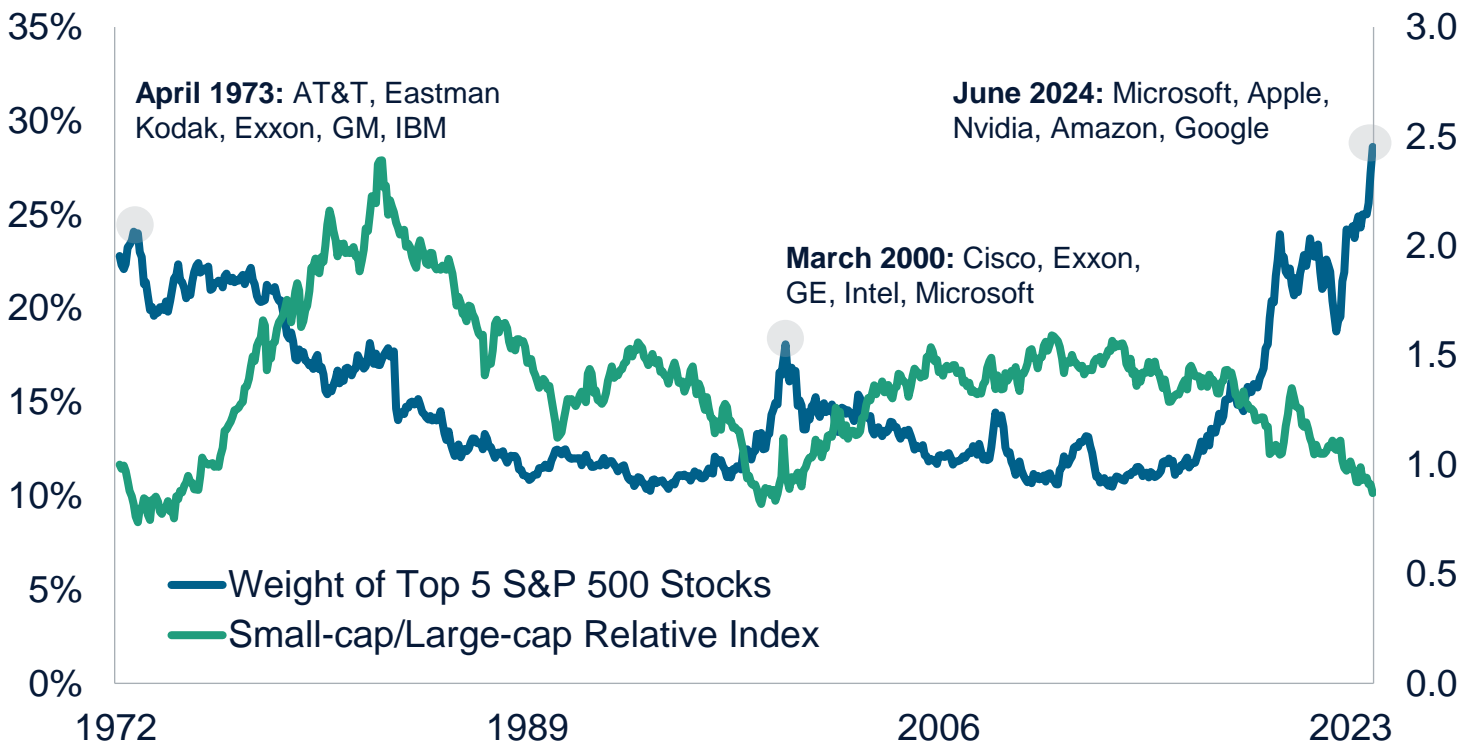


Source: FactSet, Jefferies.

# Past shifts in economic regime have led to changes in equity leadership

As of 30 June 2024

## Weight of Top 5 S&P 500 Stocks vs. Small-cap Relative Performance



### Past performance is not a reliable indicator of future performance.

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

Source: Furey Research Partners.

Small-caps: CRSP 6–8 Decile index (1972–1979); Russell 2000 Index (1979–2024).

Large-caps: S&P 500 index (all periods).





# Why the T. Rowe Price Funds SICAV— U.S. Smaller Companies Equity Fund?



# T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund

## Objective and risks

### 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 actively managed and invests mainly in a widely diversified portfolio of shares from smaller capitalization companies in the United States. 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.

**Risks—The following risks are materially relevant to the fund (refer to prospectus for further details):**

- **Small and mid-cap**—Small and mid-size company stock prices can be more volatile than stock prices of larger companies.

### General Fund Risks

- **Equity**—Equities can lose value rapidly for a variety of reasons and can remain at low prices indefinitely.
- **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.
- **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.
- **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.

# T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund

## Consistent Process and Philosophy

- **SICAV Launched in 2001**  
Designed specifically for investors in Europe and Asia
- **Investable Universe:**  
North American companies up to USD ~18 billion market cap
- **Idea Generation:**  
Start with highest conviction names covered by research team  
Assess business model + management + industry structure + valuation
- **Invest in Most Attractive Opportunities Across Broad Market**  
Broadly sector neutral; value + core + growth
- **Bottom-up Portfolio of Stocks with Compelling Risk / Returns**  
Diversified, highly-active portfolio of stocks with most attractive risk-adjusted returns

## Best Ideas Portfolio

|                        |                   |                     |
|------------------------|-------------------|---------------------|
| Large-cap<br>Value     | Large-cap<br>Core | Large-cap<br>Growth |
| Mid-cap<br>Value       |                   | Mid-cap<br>Growth   |
| U.S. Smaller Companies |                   |                     |
| Small-cap<br>Value     | Small-cap<br>Core | Small-cap<br>Growth |

# Why SMID and not just small? Better returns, lower risk

31 December 1978 to 30 June 2024

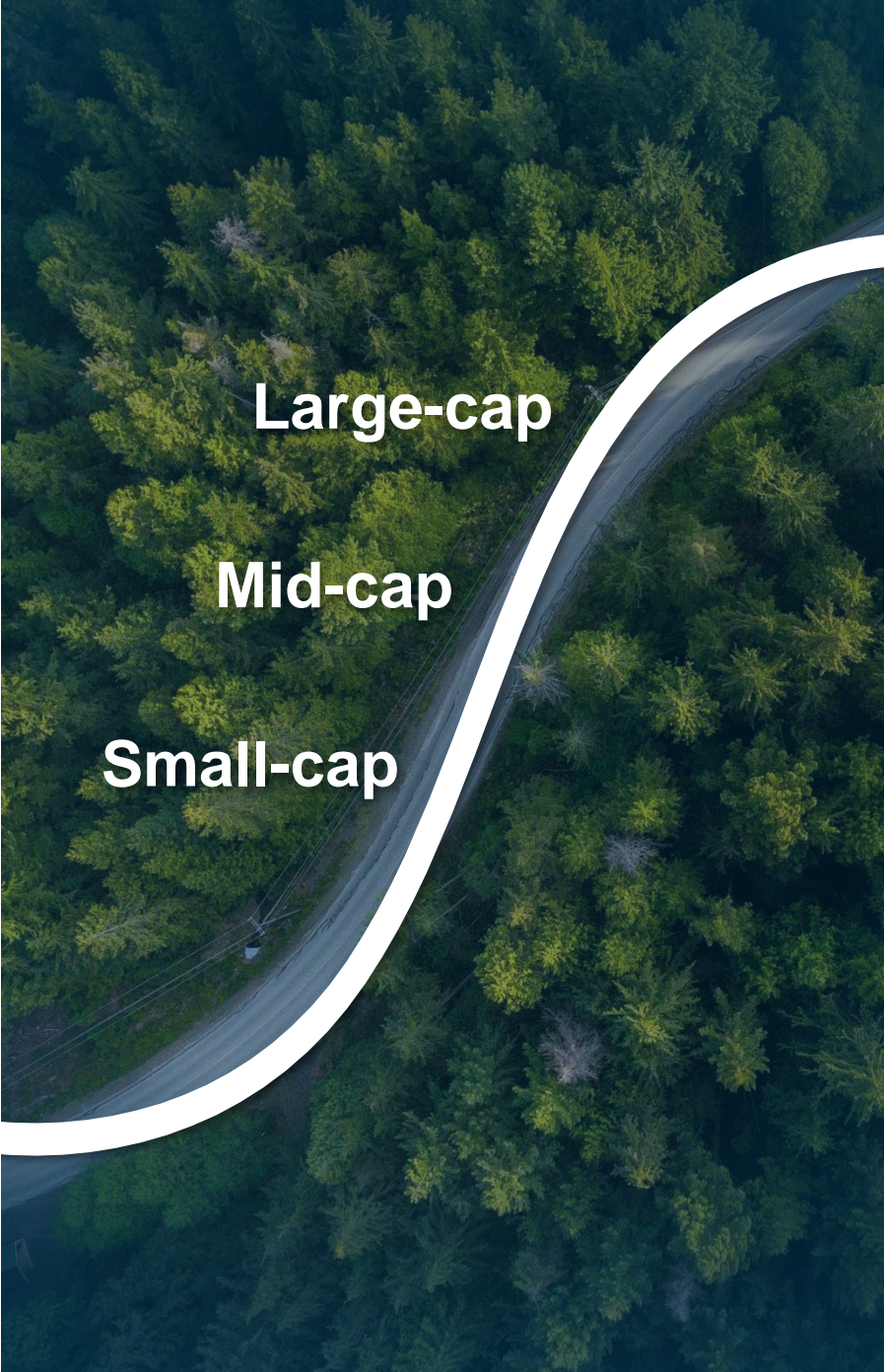
## Risk and Return Characteristics of Small and SMID

|                           | Russell 2000 | Russell 2500  |
|---------------------------|--------------|---------------|
| Annualized Return         | 10.9%        | <b>12.1%</b>  |
| Annualized Volatility     | 19.8%        | <b>18.5%</b>  |
| Return / Risk             | 0.55         | <b>0.66</b>   |
| Max Drawdown <sup>1</sup> | -53%         | <b>-53%</b>   |
| Average Drawdown          | -11.5%       | <b>-10.0%</b> |

Past performance is not a reliable indicator of future performance.

<sup>1</sup> Russell 2000 and Russell 2500 Max Drawdown June 2007–February 2009.

Source: FactSet.



# T. Rowe Price Investment Management Research Team

As of 30 June 2024

BAL Baltimore    NYC New York City    PHL Philadelphia    SFO San Francisco    DC Washington DC

| HEAD OF TRPIM:             | HEAD OF ESG:          | DIRECTORS OF RESEARCH:      |                          |
|----------------------------|-----------------------|-----------------------------|--------------------------|
| Stephon Jackson, CFA (BAL) | Chris Whitehouse (DC) | Steven Krichbaum, CFA (BAL) | Thomas Watson, CFA (BAL) |

| EQUITY   |  |  |  | FIXED INCOME  |
|--|--|--|--|---|
| BUSINESS SERVICES  | FINANCIAL SERVICES                                       | HEALTH CARE                                      | NATURAL RESOURCES                                      | Jamie Chiarieri<br>Consumer, Business Services PHL    |
| Dean Ebozue<br>Communication Services, Waste, Other DC             | Brendan Finn<br>REITS BAL                                | Maggie Brady<br>Healthcare Services BAL          | Paul Cho<br>Utilities SFO                              | Gregor Danacher, CFA<br>Media, Telecommunications PHL |
| Brad Moldin, CFA<br>Payments, Other BAL                            | Christopher Fortune, CFA<br>SMID Banks BAL               | Cynthia Chen, Ph.D.<br>Biotech BAL               | Carson Dickson, CFA, CPA<br>Metals & Mining, Other BAL | Maron Deering, CFA<br>Healthcare PHL                  |
| Matthew Stevenson <sup>1</sup><br>Exchanges, Multi-Industrials BAL | Joe Mlinac, CFA<br>Banks, REITS BAL                      | Tori de Metz<br>SMID Med Tech BAL                | Chris O'Neill<br>E&P, Paper & Forest, Industrials BAL  | Matthew Fanandakis, CFA<br>Industrials PHL            |
| Michael Weng<br>HCM, Consulting DC                                 | Stephen Roseberry, CFA<br>Insurance, Capital Markets NYC | Nina Mullen, CFA<br>U.S. Healthcare BAL          | INDUSTRIALS  | Latika Ravi<br>Financials, Consumer Products PHL      |
| CONSUMER/RETAIL  | MEDIA/TELECOM  | Sal Rais, M.D.<br>Biotech BAL                    |  | Douglas Zinser<br>Natural Resources PHL               |
| David Buckley, CFA<br>Restaurants BAL                              | Eric Mangone <sup>2</sup><br>Media BAL                   | Jon Wood, CFA<br>Life Science Tools DC           |  |   |
| Matthew Frustaci <sup>3</sup><br>Retail SFO                        | Yan Zhang, CFA<br>Media & Internet BAL                   | Georgi Yordanov, Ph.D.<br>Biotech Associate BAL  |  |   |
| Robert Quinn, Jr.<br>Staples DC                                    | GENERALISTS  | TECHNOLOGY                                       | Simon Paterson, CFA<br>A&D, Transports BAL             |   |
| Courtney Sheldon, CFA<br>Apparel, Lodging SFO                      | Runit Kumar, CFA<br>Small-Cap Value Generalist BAL       | Rohit Pandey<br>Software BAL                     |  |   |
|  |  | Emily Scudder, CFA, CPA<br>Software/Hardware BAL |  |   |
|  |  | Yinga Xia, CFA<br>Semiconductors BAL             |  |   |

66 Research Professionals<sup>3</sup>

<sup>1</sup> Will also provide coverage for Industrials—Small-Cap Industries.  
<sup>2</sup> Will also provide coverage for Natural Resources—Chemicals.  
<sup>3</sup> Will also provide coverage for Large-Cap Technology.  
<sup>4</sup> 31 research analysts, 17 associate research analysts, 6 quantitative analysts, 6 specialty analysts, and 6 credit analysts as of 30 June 2024.  
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# In an inefficient segment of the equity market, our analyst team can uncover hidden gems

Independent, fundamental research focusing on:

Companies with durable competitive advantages or those undergoing change

That results in differentiated growth, margins and returns vs. peers

With management teams capable of adding value through the cycle

At prices that generate an attractive risk/return profile given sentiment or change



A broadly diversified portfolio that reflects the best ideas of more than 50 fundamental analysts

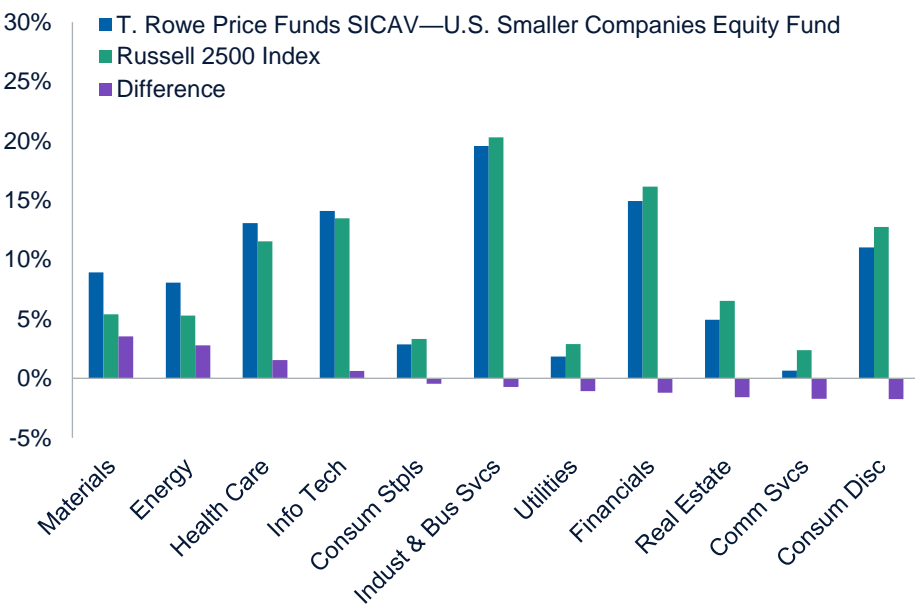
# Portfolio snapshot: Diversification, balance, quality

As of 30 June 2024

## Top 10 Holdings

| Company                   | % of SICAV |
|---------------------------|------------|
| Element Solutions         | 1.5%       |
| Teledyne Technologies     | 1.4        |
| Molina Healthcare         | 1.2        |
| PTC                       | 1.1        |
| RenaissanceRe Holdings    | 1.1        |
| Vontier                   | 1.1        |
| Waste Connections         | 1.0        |
| International Paper       | 1.0        |
| Old Dominion Freight Line | 1.0        |
| Diodes                    | 1.0        |
| Total                     | 11.4%      |

## Sector Diversification



## Portfolio Characteristics

|  | T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund | Russell 2500 Index |
|--|--|--------------------|
| Projected Earnings Growth Rate (3 to 5 Years)*†‡                 | 10.0%  | 10.2%              |
| Price to Earnings (12 Months Forward)*†‡                         | 20.0X  | 19.6X              |
| Price to Book (trailing)‡  | 3.2X   | 3.1X               |
| Return on Equity (Last 12 Months) ‡                              | 13.1%  | 13.5%              |
| Long-Term Debt as % of Capitalization‡                           | 31.8%  | 37.2%              |
| Investment-Weighted Median Market Capitalization (Millions USD)  | 7,881  | 6,586              |
| Investment-Weighted Average Market Capitalization (Millions USD) | 11,174   | 8,125              |
| Portfolio Turnover (Last 12 Months)                              | 70.7%  | —                  |
| Number of Issuers  | 183  | 2,401              |
| % of Portfolio in Top 20 Issuers                                 | 20.9%  | 7.3%               |
| Active Share†  | 85.3%  | —                  |

\* Source I/B/E/S © 2024 Refinitiv. All rights reserved.

† These statistics are based on the portfolio's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

‡ Statistics are based on investment-weighted median.

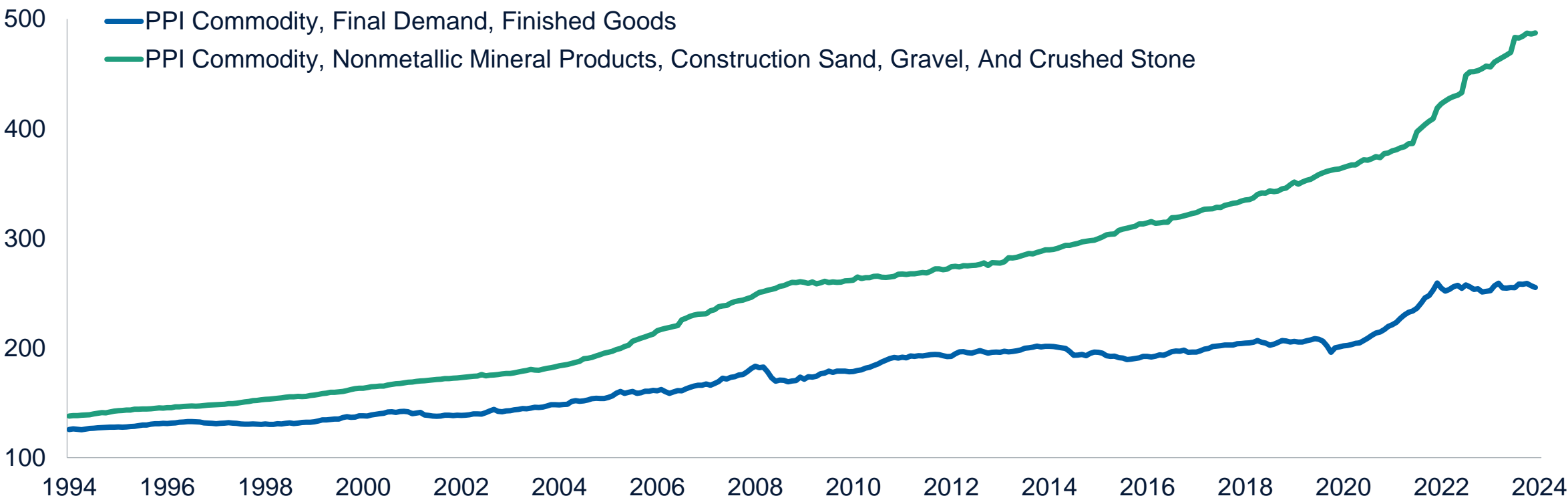
† Active Share is a holdings-based measure of active management representing the percentage of a portfolio's holdings that differ from those in its benchmark. Compared with Tracking error, which measures the standard deviation of the difference in a manager's returns versus the index returns, Active Share allows investors to get a clearer understanding of what a manager is doing to drive performance, rather than drawing conclusions from observed returns. The greater the difference between the asset composition of a product and its benchmark, the greater the active share is.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that the securities identified and discussed were or will be profitable. See Additional Disclosures for sourcing information.

# Vulcan Materials: Durable pricing power

June 1994 through June 2024

Long term price curve for VMC is positive



Source: FactSet.  
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# Vulcan Materials: Position size is dictated by forward IRR

Ten Years as of 30 June 2024

VMC initial purchase in U.S. Smaller Companies SICAV: May 16, 2013

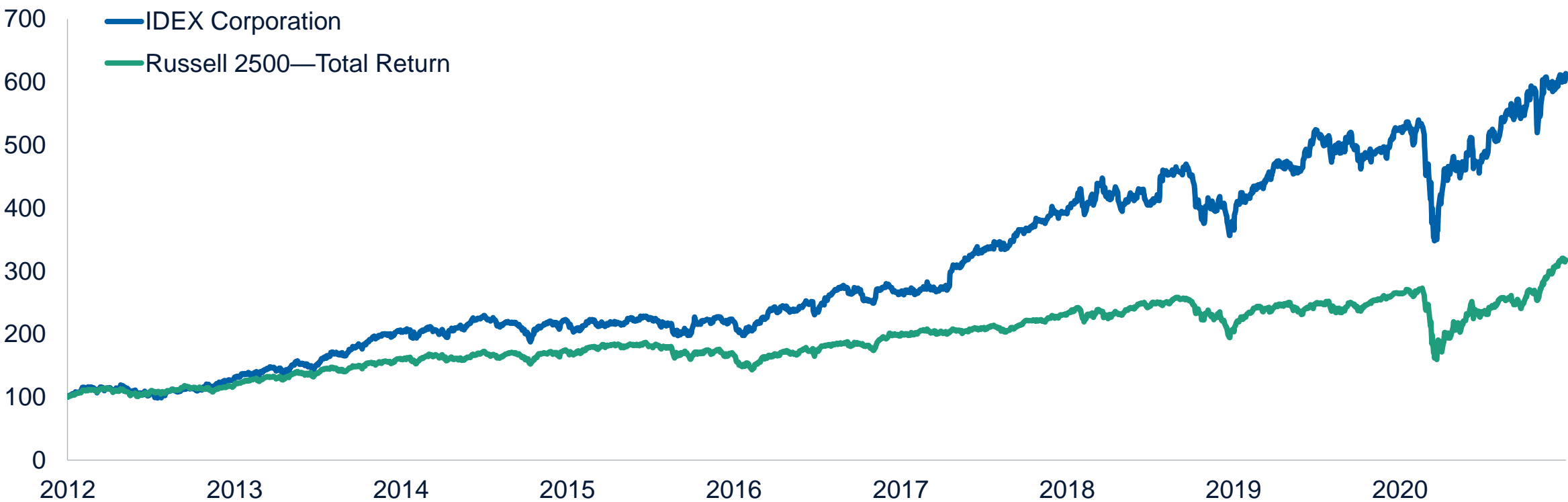


Source: FactSet.

# International Paper: Management change has the potential to unlock value

Andy Silvernail Tenure at IDEX: January 2012 through December 2020

## Best-in-class, proven CEO moves to a new company...

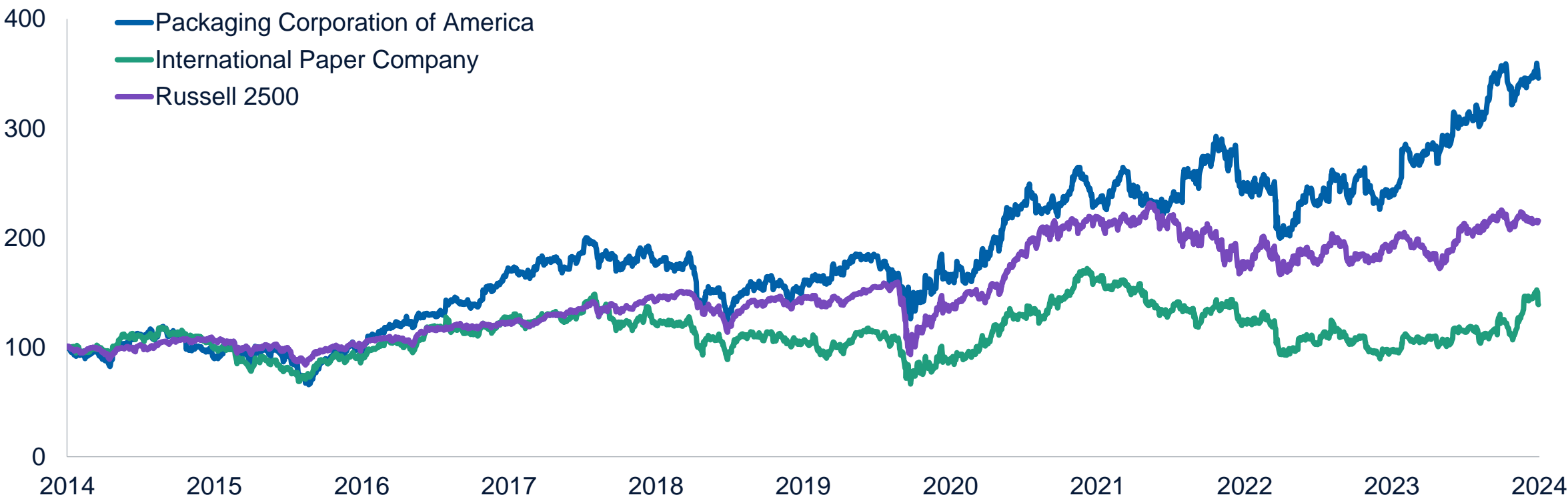


Source: FactSet.  
The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the portfolio, and no assumptions should be made that the securities identified and discussed were or will be profitable.

# International Paper: Deep industry knowledge illustrates the potential

Ten Years as of 30 June 2024

To a company we know well, in an industry we know well...



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

# T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund

As of 30 June 2024

**An analyst-driven best ideas portfolio that seeks to generate stock specific alpha among smaller company investments**

## Style-balanced

Broad range of investments spanning value to growth and consistently participating in every market sector



## High Conviction

Every position represents high conviction within a universe of over 3000 potential investments



## Risk-managed

Focuses on stock-specific risk and minimizing unintended macro and factor exposures

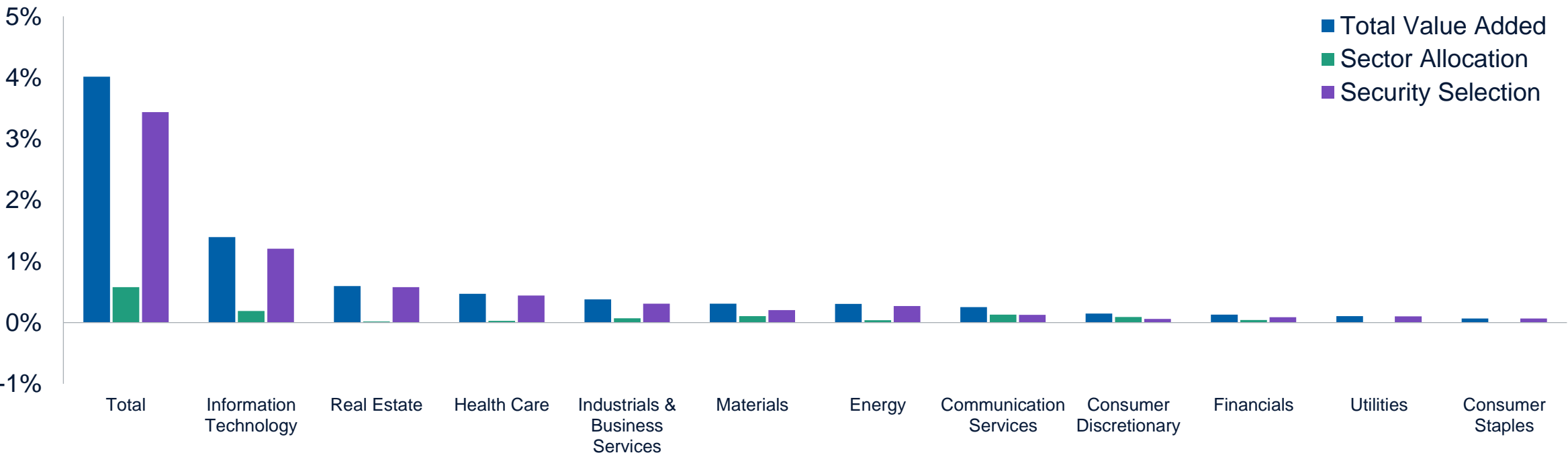
- Russell 2500 Net 30% Index
- 150–200 stocks
- Largest holdings typically <2%
- Diversified across style, market cap and sectors
- Low turnover, exploiting time horizon arbitrage

The expected investment parameters for the T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund relative to the Russell 2500 Net 30% Index and represent anticipated ranges of exposure at the time of purchase. Market fluctuations may cause actual exposure to fall outside these ranges.

# Value added is primarily the result of stock selection

Ten years ended 30 June 2024

## Long-term Performance Attribution of T. Rowe Price Funds SICAV— U.S. Smaller Companies Fund vs. Russell 2500 Index<sup>1</sup>



**Past performance is not a reliable indicator of future performance.**

<sup>1</sup>Index returns shown with gross dividends reinvested.

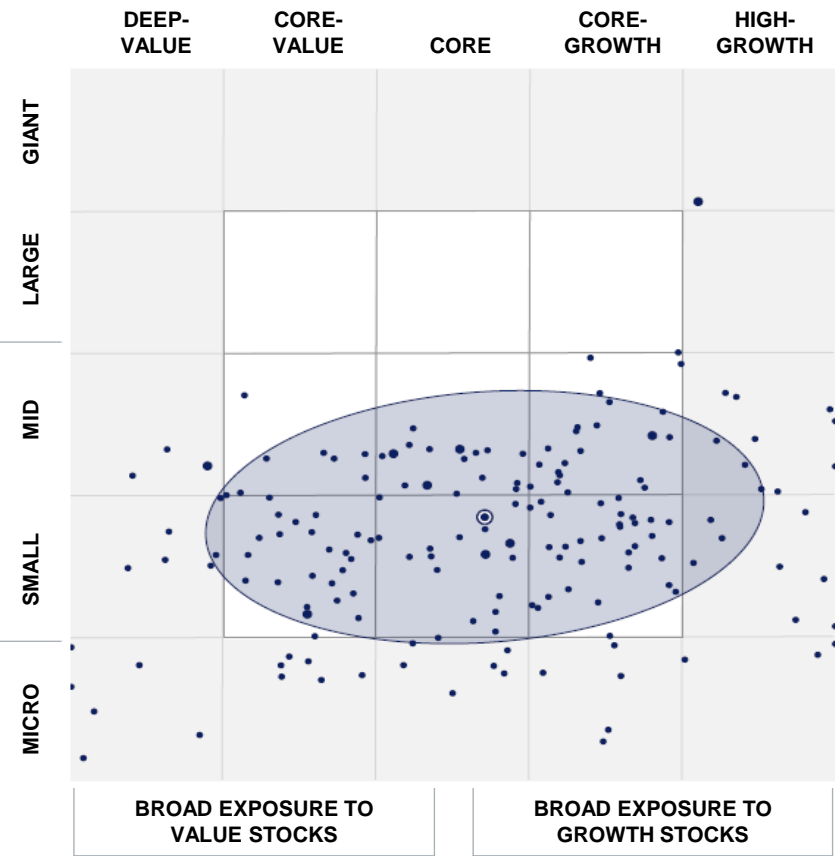
Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets. Non-equity positions are excluded from the structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted to U.S. dollars using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested.

Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees.

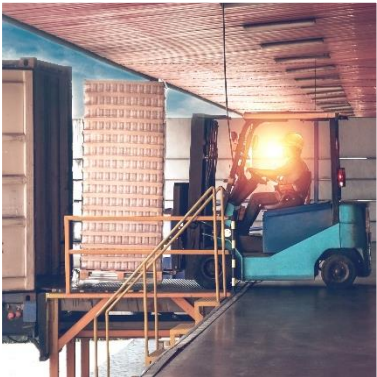
# Taking full advantage of the broad opportunity set

As of 30 June 2024

## Morningstar holdings-based style analysis of the T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund



Please see the Additional Disclosures page for additional legal notices and disclaimers.

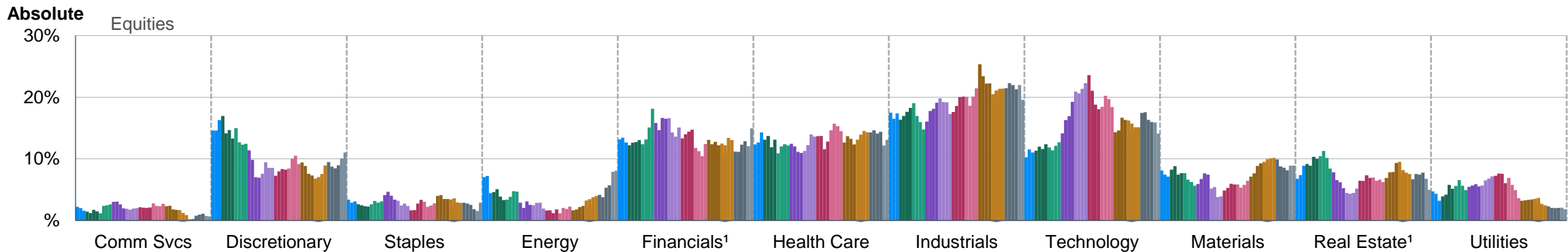


# Sector weights determined by stock specific insights

As of 30 June 2024

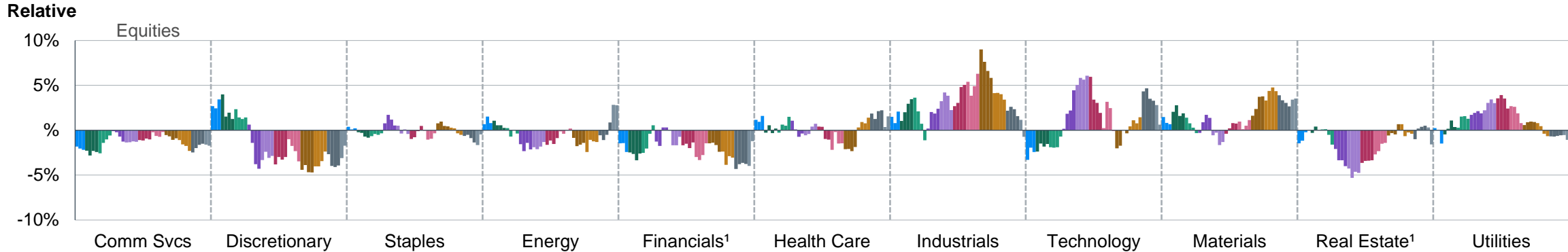
## T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund Sector Weights

30 June 2014 to 30 June 2024 (Quarterly)



## T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund Sector Weights Relative to Russell 2500 Index²

30 June 2014 to 30 June 2024 (Quarterly)



<sup>1</sup> Effective with the market close on 31 August 2016, the Global Industry Classification System (GICS) separated Real Estate from Financials, and it become its own standalone sector. Prior data points reflect Real Estate within the Financials sector.

<sup>2</sup> Please see the Additional Disclosures page for additional legal notices and disclaimers.

# Performance

10 Years Ended 30 June 2024  
Figures are Calculated in U.S. Dollars

## Risk/Return Characteristics

|                               | Ten Years   |   |
|-------------------------------|---|---|
|                               | T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund Class I <sup>2</sup> | Russell 2500 Net 30% Index <sup>1</sup> |
| Annualized Total Return       | 10.61%  | 7.52%                                   |
| Annualized Standard Deviation | 16.68%  | 19.08%                                  |
| Historical Tracking Error     | 5.86%   | 0.00%                                   |
| Beta                          | 0.84  | 1.00                                    |
| R-Squared                     | 0.91  | 1.00                                    |
| Alpha                         | 3.71%   | 0.00%                                   |
| Sharpe Ratio                  | 0.54  | 0.31                                    |
| Information Ratio             | 0.53  | 0.00                                    |
| Upside                        | 87.37%  | —                                       |
| Downside                      | 78.49%  | —                                       |

|                               | T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund Class I Stepped Out <sup>3</sup> | Russell 2500 Net 30% Index <sup>1</sup> |
|-------------------------------|---|---|
| Annualized Total Return       | 10.54%  | 7.52%                                   |
| Annualized Standard Deviation | 16.79%  | 19.08%                                  |
| Historical Tracking Error     | 4.19%   | 0.00%                                   |
| Beta                          | 0.86  | 1.00                                    |
| R-Squared                     | 0.96  | 1.00                                    |
| Alpha                         | 3.44%   | 0.00%                                   |
| Sharpe Ratio                  | 0.53  | 0.31                                    |
| Information Ratio             | 0.72  | 0.00                                    |
| Upside                        | 90.96%  | —                                       |
| Downside                      | 82.16%  | —                                       |

Past performance is not a reliable indicator of future performance.

<sup>1</sup> Index returns shown with reinvestment of dividends after the deduction of withholding taxes.  
<sup>2</sup> Source for performance: T. Rowe Price. Fund performance is calculated using the official net asset value with dividends reinvested, if any.  
<sup>3</sup> Source for performance: T. Rowe Price. The performance shown is for illustrative purposes only and is calculated using close-of-market prices with dividends reinvested, if any. The performance shown may differ from the performance calculated using the official net asset value due to timing differences between the two valuation points.  
Figures are calculated using monthly data and are net of fees.  
This benchmark is shown for comparison purposes only.  
See Additional Disclosures for sourcing information.



# Performance

Periods Ended 30 June 2024  
Figures are Calculated in U.S. Dollars

## T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund

|  | Three Months | Year-to-Date | One Year | Annualized  |            |           |               |              |  |
|--|--------------|--------------|----------|-------------|------------|-----------|---------------|--------------|--|
|  |              |              |          | Three Years | Five Years | Ten Years | Fifteen Years | Twenty Years |  |
| T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund—Class I (USD) <sup>†</sup>                | -4.18%       | 1.01%        | 11.53%   | 1.05%       | 10.20%     | 10.61%    | 14.44%        | 10.63%       |  |
| T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund—Class I (USD) (Stepped-Out) <sup>††</sup> | -4.32        | 1.59         | 11.26    | 0.97        | 9.98       | 10.54     | 14.48         | 10.59        |  |
| Russell 2500 Net 30% Index <sup>Δ</sup>  | -4.37        | 2.14         | 9.98     | -0.72       | 7.85       | 7.52      | 11.88         | 8.41         |  |
| Value Added <sup>*</sup>   | 0.05         | -0.55        | 1.28     | 1.69        | 2.13       | 3.02      | 2.60          | 2.18         |  |

| Calendar Years   | 2014   | 2015   | 2016   | 2017   | 2018   | 2019   | 2020   | 2021   | 2022    | 2023   |
|--|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund—Class I (USD) <sup>†</sup>                | 11.07% | -1.40% | 14.77% | 18.14% | -5.58% | 37.55% | 28.82% | 16.72% | -20.51% | 23.49% |
| T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund—Class I (USD) (Stepped-Out) <sup>††</sup> | 10.23  | -1.11  | 15.30  | 17.85  | -4.63  | 36.59  | 29.71  | 15.85  | -20.21  | 22.23  |
| Russell 2500 Net 30% Index <sup>Δ</sup>  | 6.64   | -3.31  | 17.04  | 16.31  | -10.40 | 27.16  | 19.48  | 17.80  | -18.73  | 16.88  |
| Value Added <sup>*</sup>   | 3.59   | 2.20   | -1.74  | 1.54   | 5.77   | 9.43   | 10.23  | -1.95  | -1.48   | 5.35   |

**Past performance is not a reliable indicator of future performance.**

<sup>†</sup> Source for performance: T. Rowe Price. Fund performance is calculated using the official net asset value with dividends reinvested, if any.

<sup>††</sup> Source for performance: T. Rowe Price. The performance shown is for illustrative purposes only and is calculated using close-of-market prices with dividends reinvested, if any. The performance shown may differ from the performance calculated using the official net asset value due to timing differences between the two valuation points.

The value of the investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the subscription currency, if different. Sales charges (up to a maximum of 5% for the A Class), taxes, and other locally applied costs have not been deducted, and, if applicable, they will reduce the performance figures.

Where the base currency of the fund differs from the share class currency, exchange rate movements may affect returns.

<sup>Δ</sup> Index returns shown with reinvestment of dividends after the deduction of withholding taxes.

<sup>\*</sup> The Value Added row is shown as T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund—Class I (USD) (Stepped-Out) minus the benchmark in the previous row.

The manager is not constrained by the fund's benchmark, which is used for performance comparison purposes only.

Please see Additional Disclosures page for sourcing information.



# Appendix




# Fund profile

As of 30 June 2024

| T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund |  |
|--|--|
| Fund Goal  | The fund is actively managed and invests mainly in a widely diversified portfolio of shares from smaller capitalization companies in the United States, with the goal of increasing the value of its shares, over the long term, through growth in the value of its investments. |
| Total Strategy Assets  | \$4,558.7 million USD  |
| Strategy Launch Date   | 28 June 2001   |
| Benchmark  | Russell 2500 Net 30% Index   |
| Number of Holdings   | 183  |
| Individual position size                                     | Position sizes typically range from 0.15% to 2.50%   |
| Sector weights   | Primary sector weights typically fall within +/-5% the sector weight within the benchmark  |

# Consistent approach and strong long-term performance

As of 30 June 2024



**5-STAR**  
Overall Morningstar Rating™  
as of 30 June 2024#

**BETTER RETURNS**

**10.61%**

10-year returns  
annualized vs.  
benchmark of 7.52%^

**LOWER VOLATILITY**

**16.68%**

10-year annualized  
standard deviation vs.  
benchmark of 19.08%^

T. Rowe Price Funds SICAV—U.S.  
Smaller Companies Equity Fund

**1st Quartile**

performance for  
3-, 5-, and 10-years¹

**Past performance is not a reliable indicator of future performance.**

Performance and rating reflect the performance of the T. Rowe Price Funds SICAV - U.S. Smaller Companies Equity Fund (Class I).  
#Rated against U.S. Small-cap Equity funds category, as of 6/30/2024, based on risk-adjusted total return. Ratings are determined monthly and subject to change. The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating metrics. Past performance is no guarantee of future results.  
¹Morningstar Rankings in the U.S. Small-cap Equity Funds category: 104/366, 66/303, and 12/189 for the 3-, 5-, and 10-year periods respectively, based on average annual total returns.  
^Performance and statistics reflect the performance of the T. Rowe Price Funds SICAV—U.S. Smaller Companies Equity Fund (Class I) compared to the Russell 2500 Net 30% Index. Returns shown in USD.  
The benchmark includes the reinvestment of dividends after the deduction of withholding taxes. This benchmark is shown for comparison purposes only.  
Source for performance: T. Rowe Price. Fund performance is calculated using the official NAV with distributions reinvested, if any. The value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the currency in which you subscribed, if different. Sales charges, taxes and other locally applied costs have not been deducted and if applicable, they will reduce the performance figures. See Additional Disclosures for more information on the Morningstar source.

# About T. Rowe Price

As of 30 June 2024



Independent investment organization founded in

1937



Number of countries with local presence

16



Number of associates worldwide

7,929



Launched New Horizons Fund in

1960



Pioneer in small-cap investing



Assets Under Management in USD<sup>1</sup>

\$1.57 Trillion

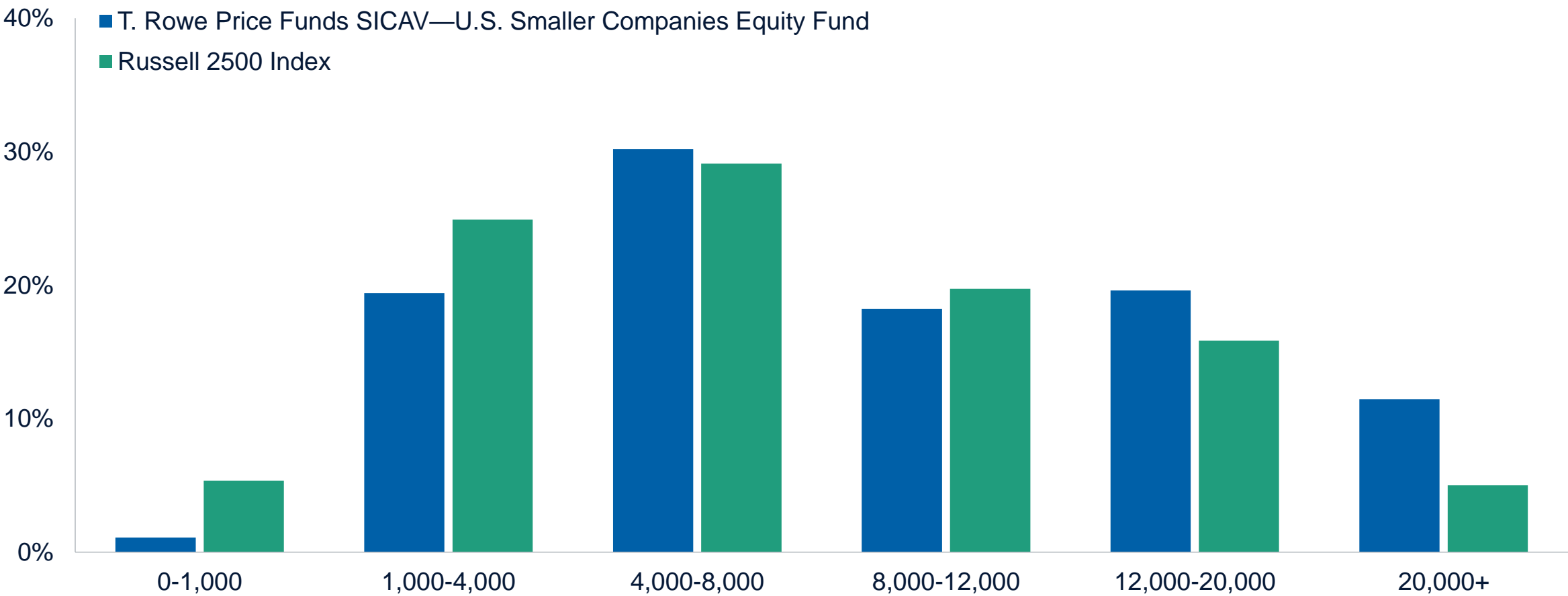
Small-cap Assets in USD<sup>1</sup>

\$85+ Billion

<sup>1</sup> Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc. and its investment advisory affiliates.

# Market capitalization range

As of 30 June 2024

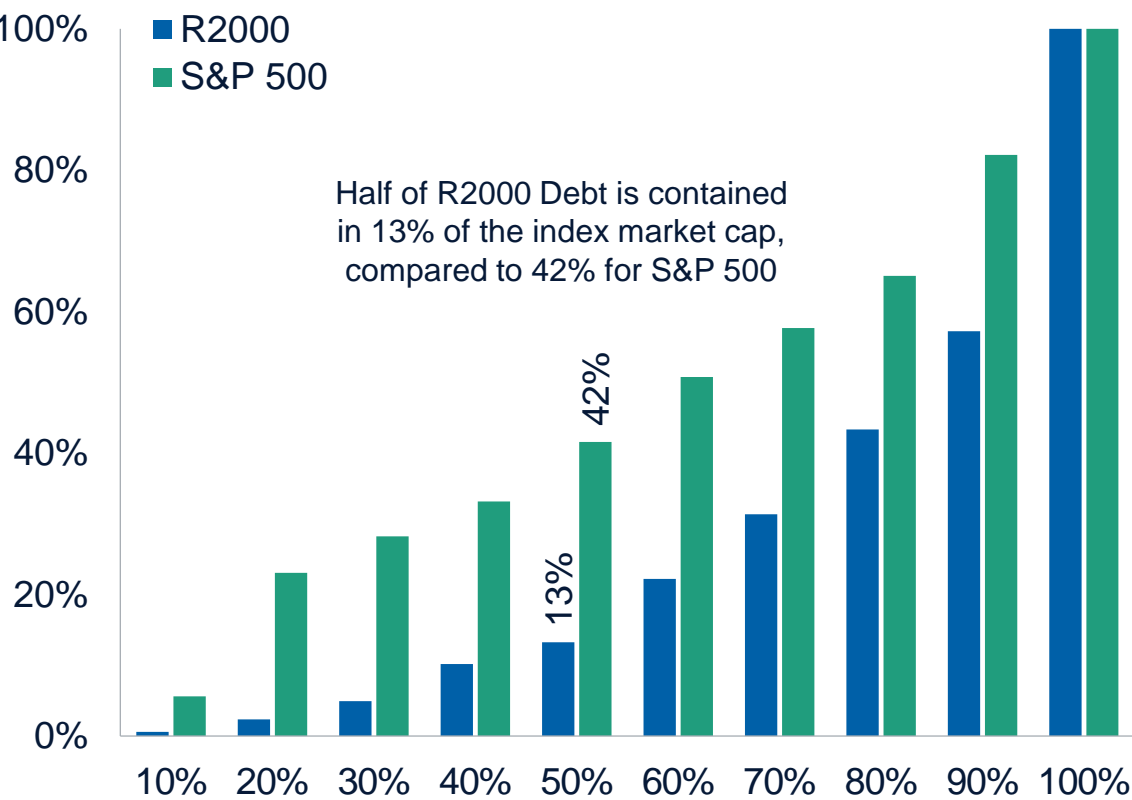


Equity holdings only.  
Source: Frank Russell Company “LSE” and MSCI/S&P GICS do not accept any liability for any errors or omissions in the indexes or data, and hereby expressly disclaim all warranties of originality, accuracy, completeness, timeliness, merchantability and fitness for a particular purpose. No party may rely on any indexes or data contained in this communication. See Additional Disclosures for additional legal notices and disclaimers.

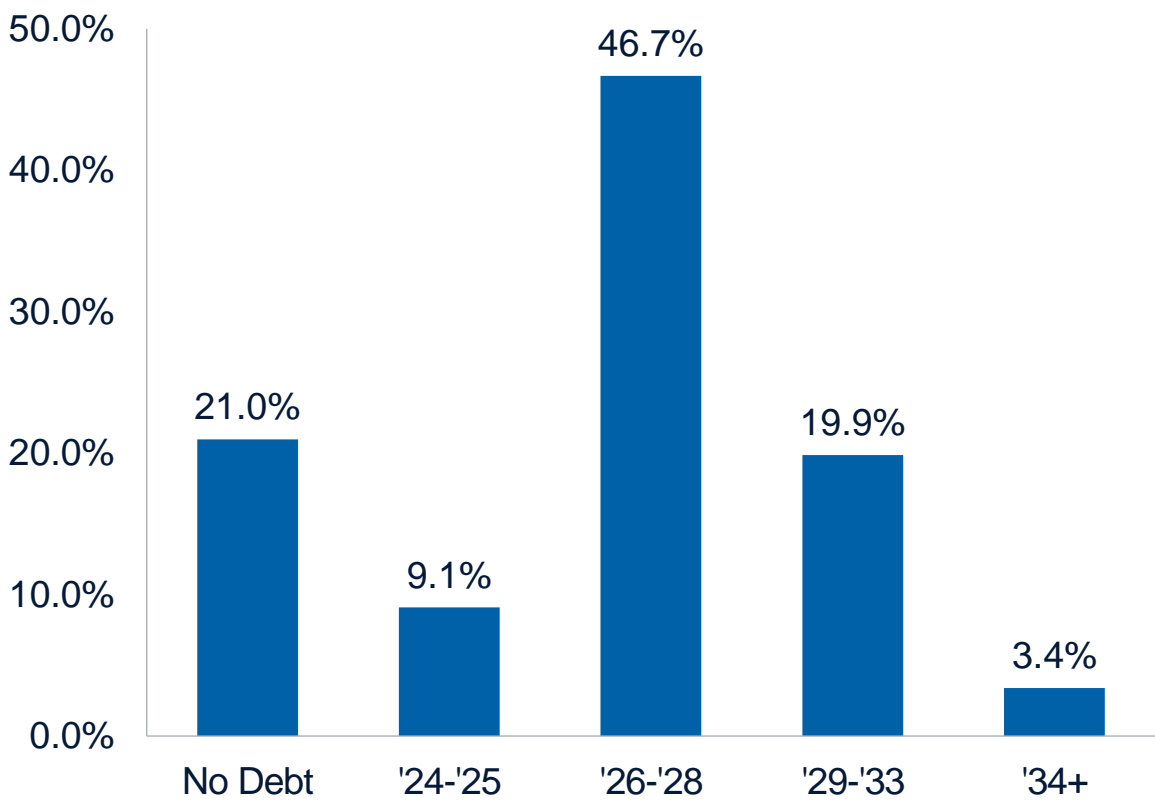
# Credit market challenges may be overstated

As of 30 June 2024

% Market Cap Represented by X% of Total Debt  
(ex-Financials and Real Estate)



Russell 2000 Weighted Average Maturity Dates  
(ex-Financials)

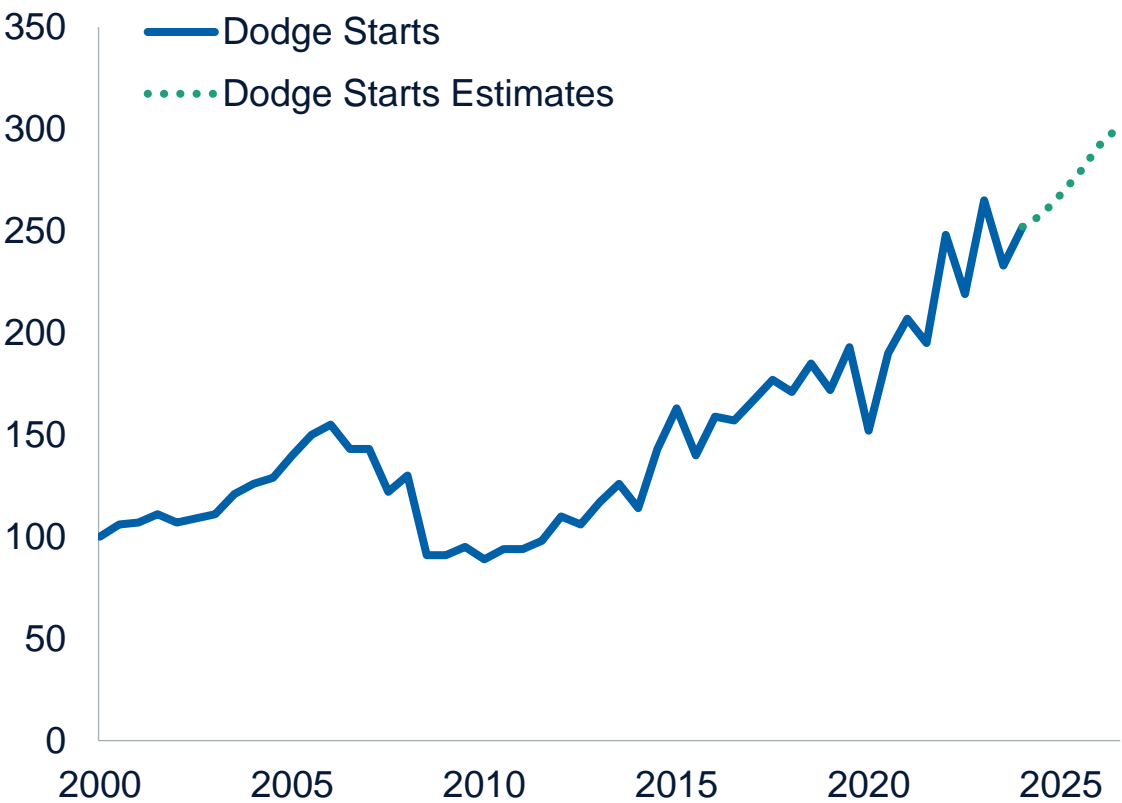


Sources: FactSet.

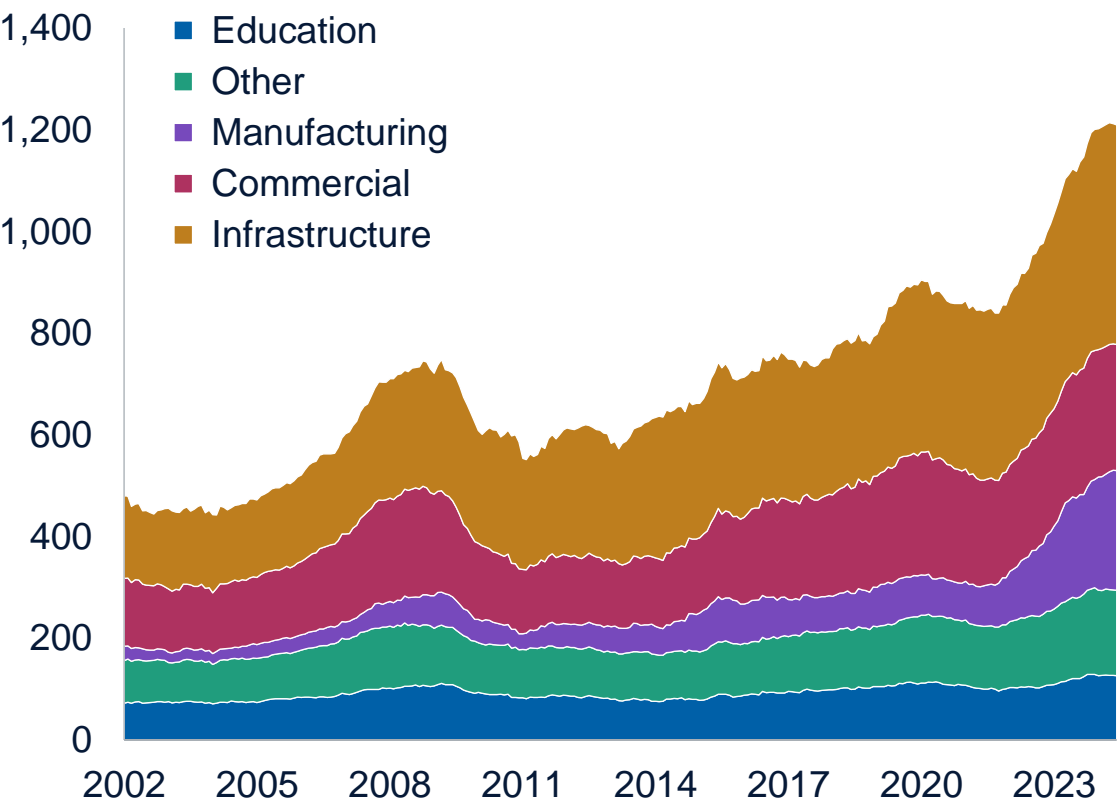
# Infrastructure investment and reshoring create tailwinds

As of 30 June 2024

Dodge Construction Starts



Non-Residential Construction Spending (USD Billions)

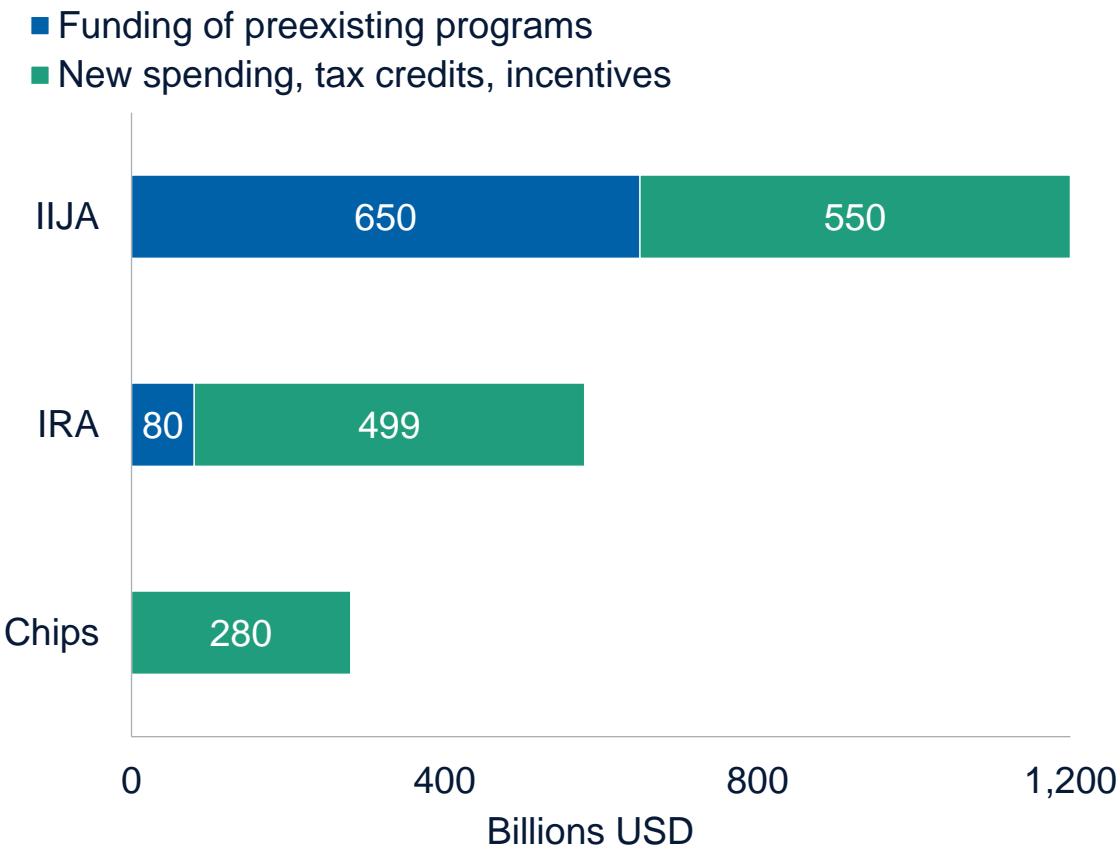


Sources: Dodge Data & Analytics, and U.S. Census Bureau.

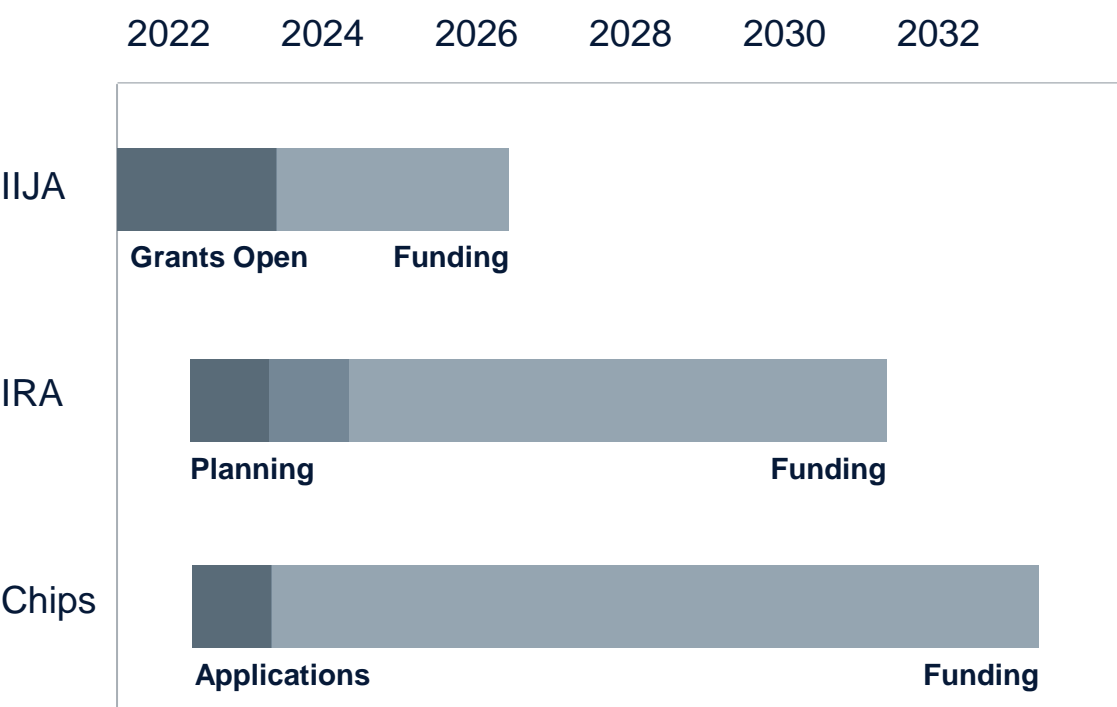
# Impact of recent government initiatives still to come

As of 30 June 2024

## Multiple Initiatives Support Growth in the U.S.



## Implementation Timeline: Funding is Just Beginning



Source: The White House, Committee for a Responsible Federal Government, Congressional Budget Office.

# Additional disclosures

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. Effective 17 March 2023, the GICS structure changed.

Sector/industry diversification data prior to that date have not been restated.

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Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. The Fund's Ongoing Charges Ratio (OCR) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher OCR does not necessarily imply a poor return, nor does a low OCR imply a good return. The current OCR cannot be regarded as an indication of future OCR's. During the phase in period OCR's do not include information gathered over a full year.

The T.Rowe Price Funds SICAV - U.S. Smaller Companies Equity Fund is registered and approved under section 65 of CISC. South African Representative Office: Prescient Management Company (RF) (Pty) Ltd.

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