T. ROWE PRICE FUNDS SICAV

Continental European Equity Fund – ESG Report

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

As of 30 June 2024

ESG INTEGRATION APPROACH

- The Continental European Equity Fund uses ESG integration as part of its investment process. This means using environmental, social, and governance (ESG) factors to enhance investment decisions. Our philosophy is that ESG factors are a component of the investment decision—meaning that they are not the sole driver of an investment decision, nor are they considered separately from more traditional 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.)
- The portfolio manager of the Europe ex-UK equity strategy believes that an ESG assessment is a vital part of properly assessing the sustainability of a business and that this is a critical component in assessing the quality of a company. Collaborating with our industry analysts and the responsible investing (RI) team, the portfolio manager seeks to ensure that any material ESG factors are integrated into the investment thesis of a stock. Further, there is a regular dialogue with the RI team to assess the overall ESG risk profile of the whole portfolio.
- 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 actively managed and invests mainly in a diversified portfolio of shares of companies in Europe (excluding the UK). 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.

This marketing communication is for investment professionals only. Not for further distribution.

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.

Galp Energia (2nd Quarter 2024 Engagement)

Focus	Environment
Company Description	Galp Energia is a Portuguese oil and gas company.
Engagement Objective	We engaged with Galp Energia to discuss its climate strategy and safety performance and to provide feedback on the company's remuneration-related disclosures.
Participants	From Galp Energia: Head of Investor Relations; ESG Manager; Investor Relations ESG Representative From T. Rowe Price Associates, Inc: Head of Governance EMEA & APAC; Governance Analyst; Responsible Investing Analyst
Engagement Outcome	We engaged with Galp Energia on its climate strategy, as the company faces challenges with renewables permitting and supply chains in Iberia and Brazil. Galp Energia aims to be net zero across scope 1-3[1] by 2050. In the medium term, Galp Energia aims to reduce its absolute scope 1-2 emissions 40% by 2030 and to reduce its scope 1-3 carbon intensity by 40% by 2030 on a production-based approach and by 20% on a downstream sales-based approach (all versus its 2017 baseline). Galp Energia's scope 1-2 emission reductions rely largely on its progress at decarbonizing its Sines refinery. The company is working on additional energy efficiency projects at the refinery and has sanctioned a 100-megawatts electrolyzer to produce green hydrogen (which it can consume instead of gray, i.e., natural gas-based, hydrogen). Since our last engagement in the fourth quarter of 2022, Galp Energia has dropped its target to deploy four gigawatts (GW) of renewables by 2025 given permitting issues and supply chain constraints in Iberia and Brazil. The target to roll out 12 GW of renewables by 2030 could also be at risk. This could make the company's pathway to hit its 2030 scope 3 intensity target more challenging. Galp Energia believes it can still achieve this goal as it has other options, but it may require a different product mix in 2030 than it was previously expecting. We asked whether the company intended either to update its 2030 targets or to set additional interim targets (e.g., 2035–2040), and it currently has no plans to update or set new targets. We asked for an update on Galp Energia's safety performance. The company reported one fatality in 2023 at its operations in Guinea-Bissau. Overall safety performance in 2023 was not at the targeted level yet, and the company thinks that this is partly because there were multiple large projects underway across Galp Energia's sites, as well as more maintenance work than in a usual year. Galp Energia expects that safety performance should improve this year (i.e., in 2024) given there is less maintenance work scheduled. We asked the company if it could improve the ex-post disclosure of the qualitative assessment within the annual bonus. Galp Energia agreed to consider this suggestion, and we agreed to send some examples of good disclosure after the annual general meeting. Our meeting with Galp Energia informed our research as the company provided an update on progress on its climate targets, as well as expressed its renewable rollout ambitions will be challenging to achieve. This could also make its scope 1-3 intensity targets more difficult to meet. Although there are no immediate plans to update its targets, this is something for which we should monitor. We also provided our feedback regarding Galp Energia's remuneration disclosures, and the company was receptive to our feedback.

[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.

Julius Baer (1st Quarter 2024 Engagement)

Focus	Governance
Company Description	Julius Baer is a Swiss private bank.
Engagement Objective	We met with Julius Baer for a discussion focused on risk.
Participants	From Julius Baer: Chair; Vice Chair; Head of Investor Relations; Investor Relations Representative From T. Rowe Price Associates, Inc: Investment Analysts; Portfolio Managers; Head of Governance
Engagement Outcome	We engaged with Julius Baer to discuss how the bank has remediated risk and control failings. Press reports in late January 2024 suggested that Julius Baer planned to announce a write-off related to its exposure to property group Signa that was significantly higher than initially forecast. A few days later, it was announced that, given the problems following the Signa exposure, the chief executive officer (CEO), Philipp Rickenbacher, would leave and the chair of the board's governance and risk committee, David Nicol, would not seek reelection at the 2024 annual general meeting (AGM). The Private Credit business was established in 2019 to respond to ultra-high-net-worth (known as UHNW) clients' needs. The speed of the scale-up overwhelmed the credit risk team, which did not have sufficient experience or the seniority to push back on the bankers' requests. The chair stated that the correct process had been followed but the risk had been misjudged. Julius Baer reported the loans back to FINMA, the Swiss regulator, both monthly and quarterly. However, it was clear that there had been a misjudgment of collateral, despite the Board Risk Committee reviewing the loans regularly. The three credit exposures to the three different Signa companies were treated as if they were independent entities, which overstated the diversification of the collateral. The initial Sigma transaction had been successful, which was partly why there had been a willingness to undertake further transactions with the same client. However, the Credit Risk Committee had turned down one opportunity with a Middle Eastern client who raised reputational concerns. Going forward, the composition of the Credit Risk Committee of the Executive Committee has been amended, with the front office no longer part of the risk assessment process and the go/no go decision. The Credit Risk Committee will look at introducing a more stringent limit framework depending on the risk rating. The Board Risk Committee will oversee the process by setting limits by industry and sector and initiating stress tests, but it will no longer be involved in the final decision on a particular loan. In hindsight, the chair recognized that there had not been enough credit experience on the Board, and at the time of our engagement, a search was ongoing to rectify this. The executives involved in the credit decisions did not receive any variable compensation, and the other executives' variable pay was substantially reduced. The board chair and members of the risk and governance committee waived their share-based fees for the current term of office. The meeting informed our voting at the 2024 AGM, where we supported all items at the meeting, given we felt the response was reasonable and it would be counterproductive to lose the CEO and chair in the same period.

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	53	90.9	406	96.3
Orange	1	3.0	15	3.6
Red	0	0.0	0	0.0
Not in scope / not covered	1	0.8	1	0.1
Reserves	1	5.3	0	0.0
Total	**56**	**100.0**	**422**	**100.0**

No/few Flags Medium Flags High Flags

The comparator benchmark of the Fund is the FTSE Developed Europe Ex-UK 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%	46.8%
with Environmental Objectives	0.5%	17.6%
with Social Objectives	0.5%	29.2%

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 (EUR):

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%	93.9%
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	39.4%	93.9%
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%	93.9%

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 (EUR):

PAI Indicator	Metric Description	Unit of Measurement	Metric Value	Metric Coverage (%)
1. GHG Emissions	Scope 1 GHG emissions	mtCO2e	367	93.9%
	Scope 2 GHG emissions	mtCO2e	102	93.9%
	Scope 3 GHG emissions	mtCO2e	12,096	93.9%
	Total GHG emissions	mtCO2e	12,565	93.9%
2. Carbon footprint	Carbon footprint	mtCO2e per mn invested	787.5	93.9%
3. GHG intensity of investee companies	GHG intensity of investee companies	mtCO2e per mn revenue	1,012.0	93.9%
4. Exposure to companies active in fossil fuel sector	Share of investments in companies active in the fossil fuel sector	Percentage of total invested	7.4%	93.9%
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	53.9%	91.1%
6. Energy consumption intensity	Energy consumption in GWh per million of revenue of investee companies	GWh/mn of revenue	0.4	93.9%
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%	93.9%
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	3.7%	93.9%
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. 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

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.

This material is being furnished for general informational and/or marketing purposes only. The material does not constitute or undertake to give advice of any nature, including fiduciary investment advice, nor is it intended to serve as the primary basis for an investment decision. Prospective investors are recommended to seek independent legal, financial and tax advice before making any investment decision. T. Rowe Price group of companies including T. Rowe Price Associates, Inc. and/or its affiliates receive revenue from T. Rowe Price investment products and services. **Past performance is not a reliable indicator of future performance.** The value of an investment and any income from it can go down as well as up. Investors may get back less than the amount invested.

The material does not constitute a distribution, an offer, an invitation, a personal or general recommendation or solicitation to sell or buy any securities in any jurisdiction or to conduct any particular investment activity. The material has not been reviewed by any regulatory authority in any jurisdiction.

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price.

The material is not intended for use by persons in jurisdictions which prohibit or restrict the distribution of the material and in certain countries the material is provided upon specific request.

It is not intended for distribution to retail investors in any jurisdiction.

DIFC – Issued in the Dubai International Financial Centre by T. Rowe Price International Ltd which is regulated by the Dubai Financial Services Authority as a Representative Office. For Professional Clients only.

EEA – Unless indicated otherwise this material is issued and approved by T. Rowe Price (Luxembourg) Management S.à r.l. 35 Boulevard du Prince Henri L-1724 Luxembourg which is authorised and regulated by the Luxembourg Commission de Surveillance du Secteur Financier. For Professional Clients only.

Hong Kong – Issued by T. Rowe Price Hong Kong Limited, 6/F, Chater House, 8 Connaught Road, Central, Hong Kong. T. Rowe Price Hong Kong Limited is licensed and regulated by the Securities & Futures Commission. For Professional Investors only.

Singapore – Issued in Singapore by T. Rowe Price Singapore Private Ltd. (UEN: 201021137E), 501 Orchard Road, #10-02 Wheelock Place, Singapore 238880. T. Rowe Price Singapore Private Ltd. is licensed and regulated by the Monetary Authority of Singapore. For Institutional and Accredited Investors only.

Switzerland – Issued in Switzerland by T. Rowe Price (Switzerland) GmbH, Talstrasse 65, 6th Floor, 8001 Zurich, Switzerland. First Independent Fund Services Ltd, Klausstrasse 33, CH-8008 Zurich is Representative in Switzerland. Helvetische Bank AG, Seefeldstrasse 215, CH-8008 Zurich is the Paying Agent in Switzerland. For Qualified Investors only.

UK – This material is issued and approved by T. Rowe Price International Ltd, Warwick Court, 5 Paternoster Square, London, EC4M 7DX which is authorised and regulated by the UK Financial Conduct Authority. For Professional Clients only.

The sub-funds of the T. Rowe Price Funds SICAV are not available to US persons, as defined under Rule 902(k) of the United States Securities Act of 1933, as amended ("Securities Act"). The shares of the funds have not been nor will they be registered under the Securities Act or under any state securities law. In addition the funds will not be registered under the United States Investment Company Act of 1940 (the "1940 Act"), as amended and the investors will not be entitled to the benefits of the 1940 Act. Provided to global firms in the US by T. Rowe Price Investment Services, Inc.

202312-3276222

202407-3717108