

A large, dynamic splash of teal paint originates from the left side of the slide. In the center of this splash is a white square frame. Inside the frame, there is a detailed, light-colored flower, possibly a peony, which appears to be emerging from or integrated with the paint. The paint splatters radiate outwards in various directions, creating a sense of movement and energy.

Global Impact Credit Strategy

Matt Lawton, CFA
Portfolio Manager

September 2023

**THIS MARKETING MATERIAL IS FOR INVESTMENT PROFESSIONALS ONLY. NOT FOR
FURTHER DISTRIBUTION.**

Table of Contents

- Global Impact Credit Overview
- Portfolio Review
- Performance Review
- Exhibits



Today's Speaker



Matt Lawton, CFA

Portfolio Manager

Global Impact Credit Strategy





Global Impact Credit Overview

Making the Case for Impact Investing

Impact investments allow investors to:



Address the world's most pressing issues – **socially & environmentally**



Align one's **values** with their financial goals



Achieve compelling returns by investing in the companies on the **right side of change**



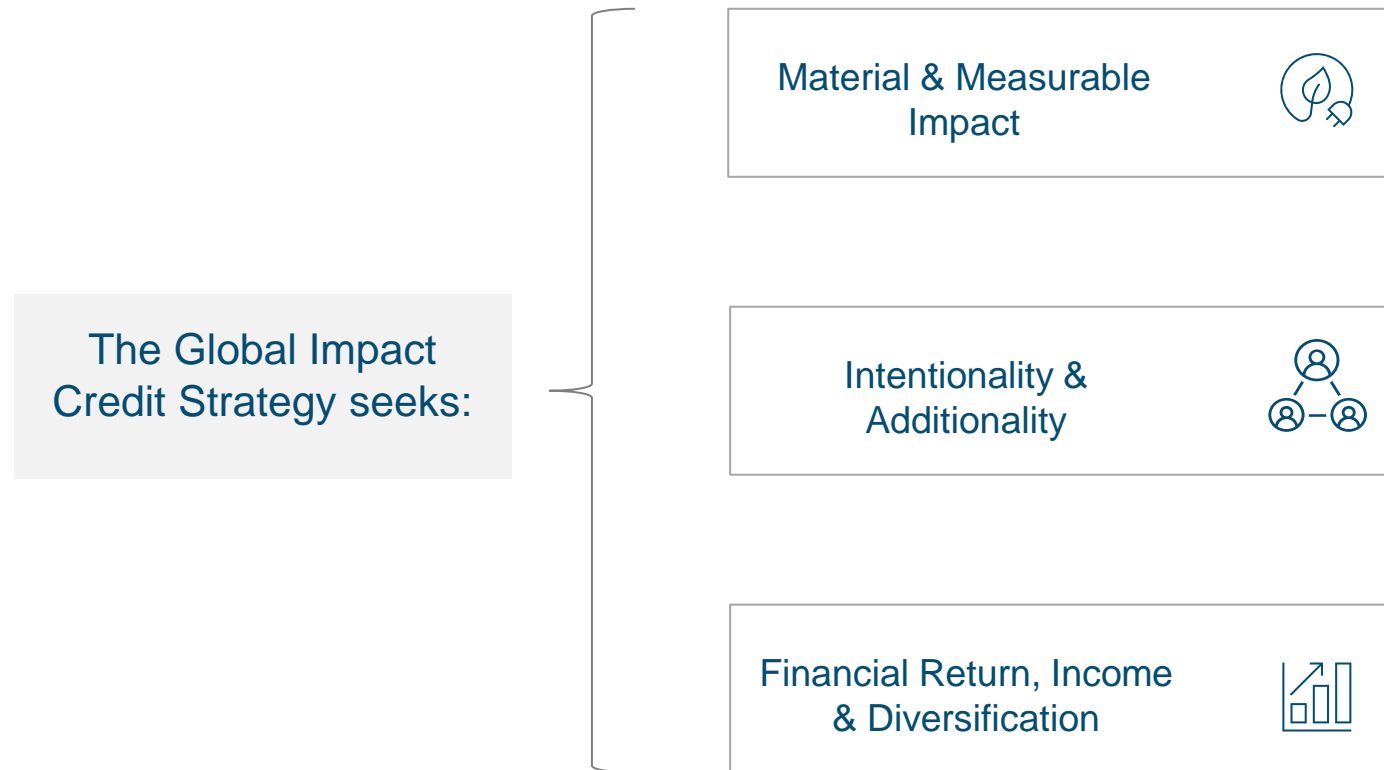
Capturing **measurable evidence** of impact

The Aim



Impact investing offers investors an accessible way to generate a **positive social and/or environmental impact**, alongside attractive and stable long-term financial returns.

T. Rowe Price Global Impact Investing Objectives:



A dual mandated approach.

Why T. Rowe Price Global Impact Credit?



Depth & Breadth of Resources

- Platform collaboration, covering a broad opportunity set across credit sectors
- Proprietary screening models to identify companies that deliver positive environmental or social impact
- Proprietary frameworks for assessing the credibility of credit, securitized, and sovereign ESG-labelled bonds
- Deep experience and expertise in ESG integration and responsible investing

Cross asset collaboration, combined with proprietary screening models help identify high-impact investments



Committed Impact Research Measurement & Engagement

- Investing in high impact-aligned issuers, not limited to green bonds
- Active engagement programs to promote and progress our impact thesis
- We hold every Impact investment to a high standard and have robust reporting to measure Impact
- Active management with a forward-looking perspective on Impact outcomes

In-depth impact analysis and engagement helps to ensure materiality, measurability, and additionality



Risk Managed Portfolio Construction

- Diversified portfolio of global credit impact aligned bonds
- Calibrate positions based on conviction level and risk diversification characteristics
- Leveraging our extensive research platform to uncover attractive bottom-up opportunities
- Proprietary credit research process

Risk-aware, portfolio management enables controlled tracking error

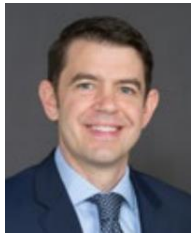
Global Impact Credit Investment Team

As of 30 June 2023

- Baltimore Associate
- London Associate
- ▲ Hong Kong Associate
- ◆ Tokyo Associate

Portfolio Manager

Drives portfolio construction, risk allocation and performance



- **Matt Lawton, CFA**
Portfolio Manager—
Global Impact Credit Strategy
 - 16 years of investment experience
 - 12 years with T. Rowe Price

Portfolio Strategy Team

Conducts impact and ESG bond research; collaborates with Responsible Investing team and fundamental analysts



- **Willem Visser**
Fixed Income ESG
Associate Portfolio
Manager
 - 11 years of investment experience
 - 6 years with T. Rowe Price



- **Ellen O'Doherty, CFA**
Impact Associate
Analyst
 - 3 years of investment experience
 - 3 years with T. Rowe Price

Provides support to the Portfolio Manager, whilst working with Clients on strategy updates and messaging



- **Michael Ganske, CFA, FRM, Ph.D.**
Portfolio Specialist
Fixed Income
 - 22 years of investment experience
 - 3 years with T. Rowe Price



- ◆ **Yukiko Hanai, CMA**
Portfolio Specialist
Fixed Income
 - 30 years of investment experience
 - 5 years with T. Rowe Price

Impact Equity Teams

Provides cross-asset impact collaboration and idea generation, along with joint issuer engagement

- **Hari Balkrishna** Portfolio Manager—
Global Impact Equity Strategy
- **David Rowlett, CFA** Portfolio Manager —
US Impact Equity Strategy
- **Chris Vost, CFA** Analyst —
Global Impact Equity Strategy
- **Kaoutar Yaiche** Analyst —
US Impact Equity Strategy

42 ESG dedicated full-time investment resources

Responsible Investing Team

Support the Portfolio Management Team to identify, analyze, and integrate Impact and ESG considerations most likely to have a material impact on an investment's performance

- **Maria Elena Drew** Director of Research — Responsible Investing
- **Tongai Kunorubwe** Head of ESG Fixed Income
- **Joe Baldwin** — Financials, Real Estate
- **Greg Bragg** — Consumer
- **Francesco Buonocore** — Industrials
- **Dylan Cotter** — Municipals, Securitized
- **Ashley Hogan** — Technology, Media & Telecom
- **Natalie McGowen** — Sovereigns
- ▲ **Clarice Hung** — Generalist
- ▲ **Iona Richardson** — Consumer, Technology, Media & Telecom
- **Daniel Ryan** — Health Care
- **Matt Kleiser** — Generalist
- **Duncan Scott** — Natural Resources
- **Suha Read** General Manager
- **Matthew Lodge** Snr Business Analyst
- **Michael Ray** Snr Business Analyst
- **Donna Anderson** Governance
- **Jocelyn Brown** Governance

Fixed Income and Equity Analyst Team

Conduct macro, credit, quantitative, and ESG analysis

- 56 Credit Analysts
- 94 Equity Research Analysts
- 54 Quant Analysts
- 38 Specialty Analysts

- 10 Associate Analysts
- 53 Associate Equity Research Analysts
- 14 ESG Specialists
- 147 CFA® Charterholders
- Average 12 years investment experience

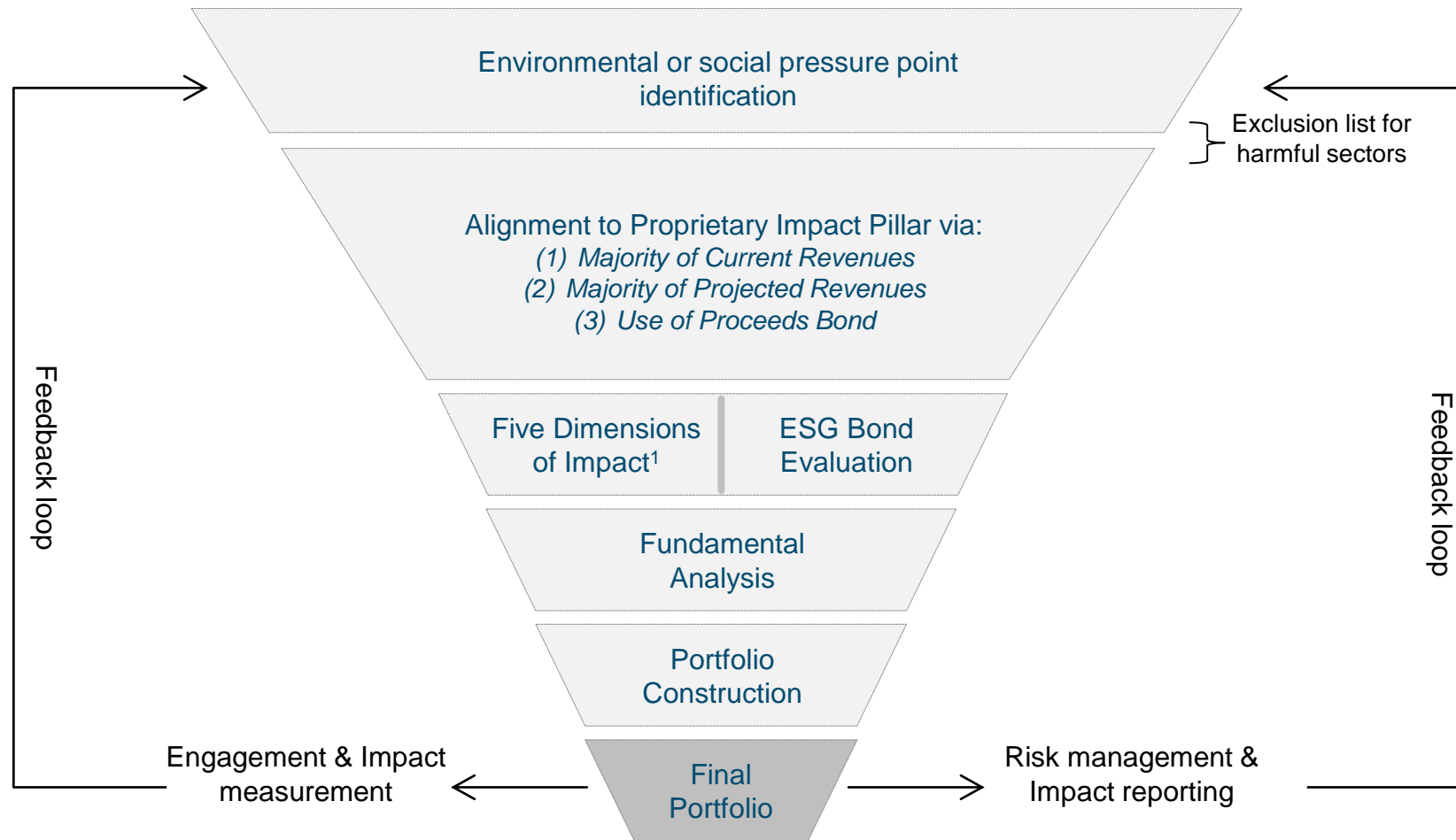
Fixed Income Trading

Source liquidity and provide market feedback

- 32 Dedicated Sector Traders
- 3 CFA® Charterholders
- 20 Average years investment experience


























CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute. Portfolio Specialists do not assume portfolio management responsibilities. The Associate Portfolio Manager is responsible for assisting the Portfolio Manager with the investment process and client service efforts.

A Robust and Repeatable Investment Process



A process that can support bespoke impact or financial objectives.

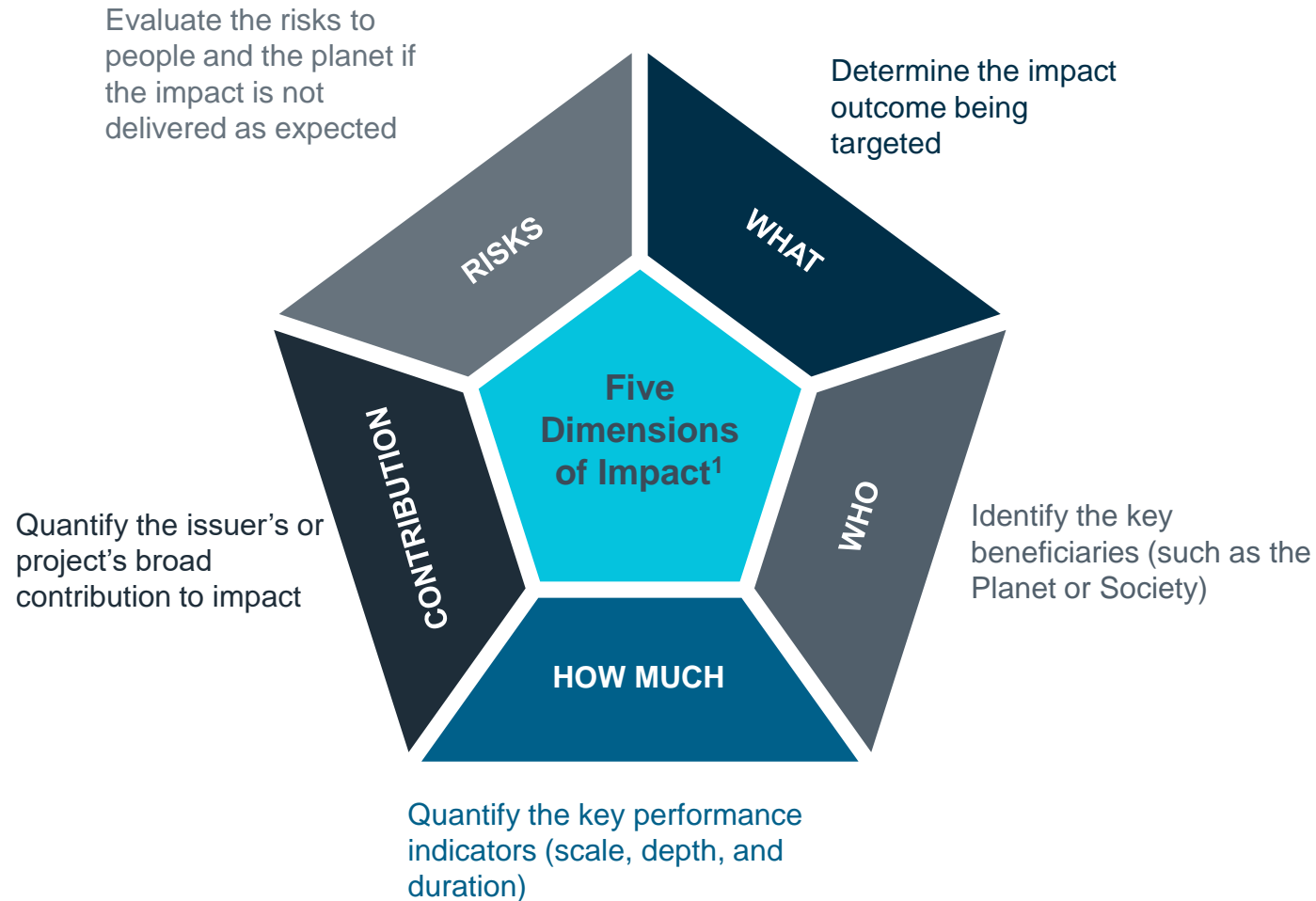
Alignment to Impact Investment Pillars

Impact Pillars	Sub-Pillars	Sub-Pillar Activities	UN SDG Alignment
Climate and Resource Impact 1	1. Reducing greenhouse gases (GHGs)	Increasing energy efficiency Decarbonization, carbon capture, and sequestration Reducing methane and other GHGs Financing activities	   
	2. Promoting healthy ecosystems	Protecting air quality, land use, freshwater & oceans Sustainable agriculture Sustainable aquaculture	  
	3. Nurturing circular economies	Reducing waste Recycling Enabling efficient consumption	
Social Equity and Quality of Life 2	4. Enabling social equity	Education & job training Financial inclusion Enabling SMEs Enabling enterprise growth Reducing discrimination Digital connections Meeting basic needs / affordable housing Consumption at the bottom-of-the-pyramid	      
	5. Improving health	Providing health care solutions Improving nutrition & food quality Companion & animal health	 
	6. Enhancing quality of life	Promoting mental & physical fitness Protection solutions Personal & worker safety solutions, Safer mobility	  
Sustainable Innovation and Productivity 3	7. Sustainable technology	Innovative software & technology Innovation growth & smart infrastructure	 
	8. Building sustainable industry and infrastructure	Enabling enterprise growth Improving industrial processes	  

Source: T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification. <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Impact Analysis

The Five Dimensions of Impact¹



The Theory of Change

INPUT

Financial, human or material resources the company puts in its business operations

OUTPUT

Products or services which result from the company's business activities

OUTCOME

Short to medium-term effect on stakeholders attributable to a company's products or services

IMPACT

Long-term effect on the planet or society caused by a company's products or services

¹ The Five Dimensions of Impact is a measurement framework developed by the Impact Management Project, an impact practitioner community of over 2,000 organisations. The IMP is a project by Bridges Fund Management Ltd (company number 10401079) ("Bridges").

Impact Analysis

Evaluating ESG Labelled Bonds



Issuer's ESG Profile

- ✓ Proprietary T. Rowe Price RIIM score
- ✓ Issuer's environmental and/or social targets/commitments



Framework, Standards, Verification

- ✓ ICMA alignment
- ✓ Second party opinion
- ✓ Governance structure



Use of Proceeds

- ✓ Credibility of proceeds
- ✓ Proceeds management and allocation
- ✓ Refinancing
- ✓ Addressing ineligibility



Post-Issuance Reporting

- ✓ Reported allocation of proceeds
- ✓ Audit reporting

Our ESG bond model aims to guard against greenwashing and identify high impact projects.

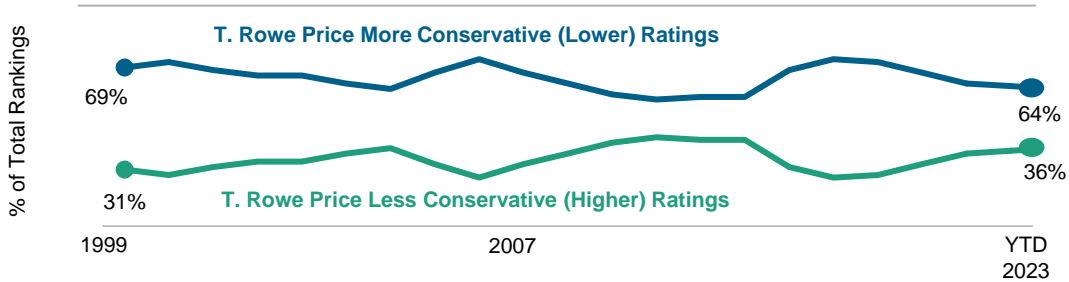
Fundamental Analysis

As of 30 June 2023

Every credit is assigned an internal rating and conviction score by our global credit analyst team.

Inputs to Fundamental Research	TRP Investment Conviction ¹
Qualitative Analysis <ul style="list-style-type: none">Management qualityBusiness plan and executionMarket position/shareStrategic issues/challenges	C1 Compelling Overweight/ Strong Buy/ Best Ideas
	C2 Overweight/ Buy/ Attractive Value
Quantitative Analysis <ul style="list-style-type: none">Credit statisticsRatio analysisLiquidity assessment	C3 Even Weight/ Hold/ Fairly Valued
	C4 Underweight/ Reduce/ Overvalued
Firm Collaboration <ul style="list-style-type: none">Information sharingAccess to senior managementDifferent perspectiveESG assessment	C5 Strong Underweight/ Eliminate/ Avoid

Our ratings have generally been more conservative than those of major rating agencies.²



Our independent thinking typically differs from the major rating agencies by approximately

50%
on average.

T. Rowe Price internal ratings versus Moody's and S&P Ratings—Investment Grade Corporate Bonds (1 January 1998 to 30 June 2023).

Our average win/loss ratio² versus the major rating agencies is greater than

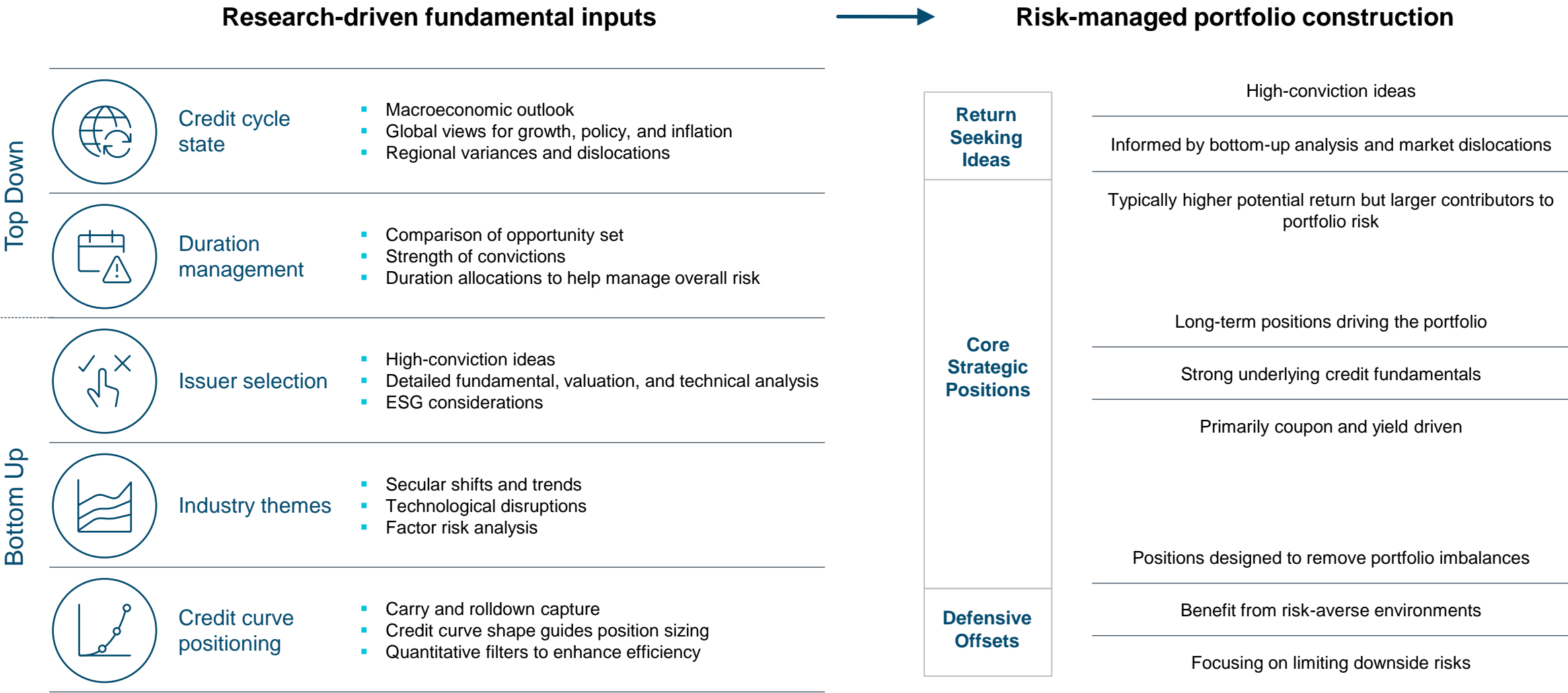
2:1

The study is ongoing & continuous since 1998. Due to the nature of the analysis, more recent periods have smaller data samples, therefore data is only presented through 2020.

¹ C1-C5 are internal proprietary ratings that T. Rowe Price analysts assign to each bond in their coverage area. These ratings are independent of the rating agencies and offers the portfolio management team a screen of the conviction level for a given security.

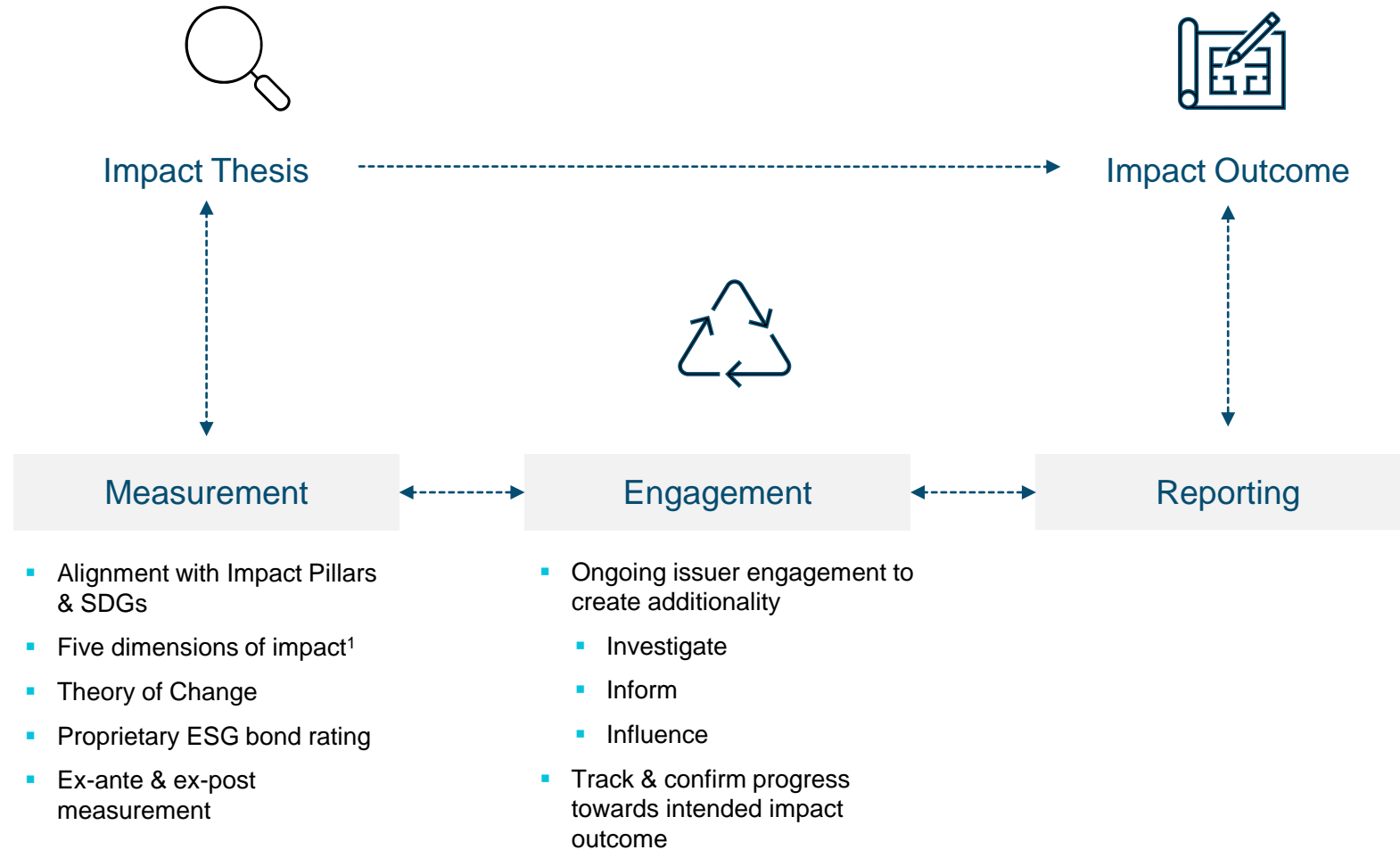
² T. Rowe Price wins when Agency adjusts its prior rating to match T. Rowe Price's rating. T. Rowe Price loses when T. Rowe Price adjusts its prior ratings to match an Agency's rating. T. Rowe Price Ratings Comparison vs. the Agencies—Material assumptions:
T. Rowe Price credit analysts perform independent credit evaluations for several thousand securities (T. Rowe Price Ratings). Internal T. Rowe Price systems maintain ratings from Moody's, Fitch, and Standard & Poor's (collectively known as External Rating Agencies) and Current and Historical T. Rowe Price Holdings classified by Issuer and Debt Level. T. Rowe Price analysts compare T. Rowe Price Ratings with each of the External Rating Agencies—using Notch Ratings, which converts all the ratings into a single numeric scale—to generate variance data for specified dates. Aggregate reporting compares each External Rating Agency's rating and determines the total number of ratings that are the same, higher, or lower compared with the T. Rowe Price Ratings. The comparison of these results is then used to determine the percentage where T. Rowe Price ratings are either the same as, more conservative (higher) than, or less conservative (lower) than the External Rating Agency ratings (Variance Reporting). The comparison excludes T. Rowe Price short-term securities (those with maturities of less than 397 days), T. Rowe Price taxable money market securities, GSE (Government Sponsored Enterprise) mortgages, escrowed-to-maturity, and pre-refunded securities. A security is excluded from T. Rowe Price's conclusions if either T. Rowe Price or the External Ratings Agencies have not rated the security. Please see Additional Disclosures page for information about this Moody's, S&P and this Fitch information.

Portfolio Construction



A disciplined and repeatable investment process.

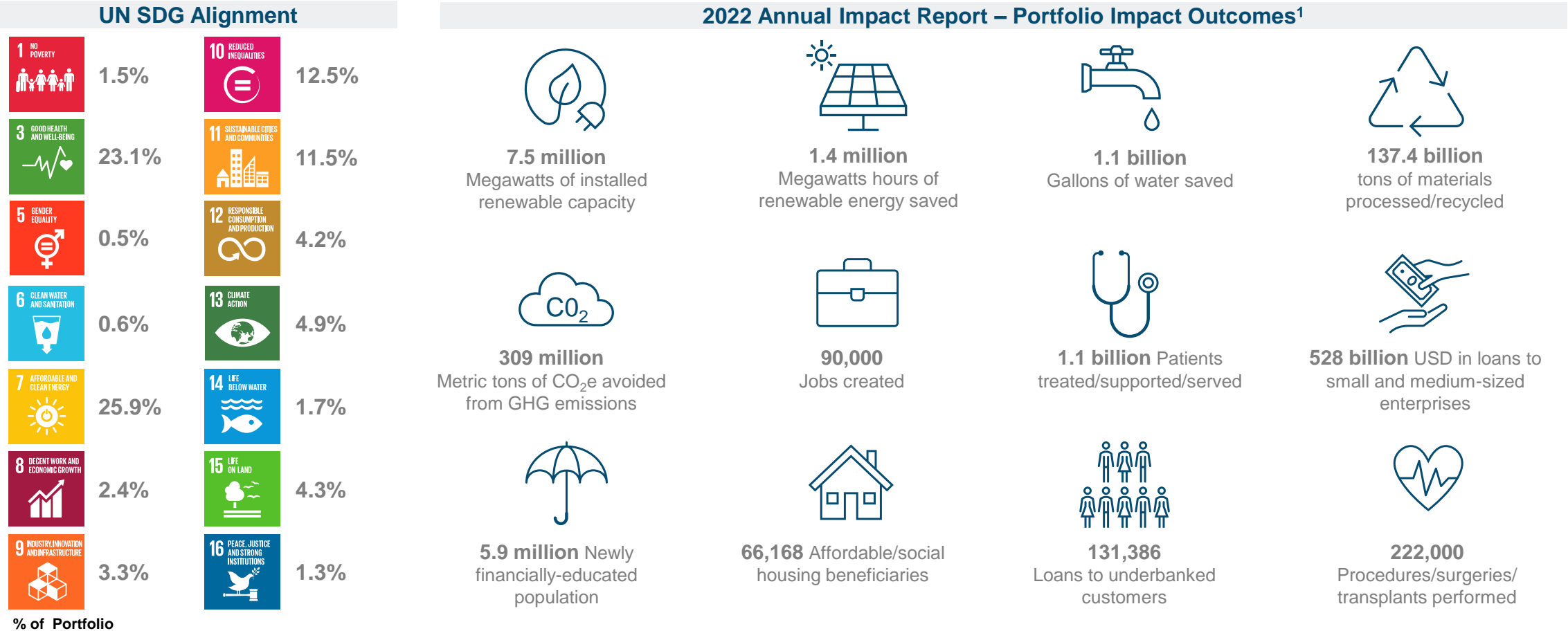
Ongoing Monitoring Towards Intended Impact Outcomes



Embedded feedback loop throughout lifecycle of impact investment.

Uniformed Impact Reporting – Global Impact Credit Strategy

As of 31 August 2023



¹ Most recent data available. Based on holdings in the portfolio as of date noted above. Holdings and outcomes may have changed from that time. Figures may not total due to cash and rounding. As at 31 December 2022. For illustrative purposes only. The impact outcomes provided here can be susceptible to potential inconsistencies due to lack of precise information. Companies do not measure or report in a consistent or uniform way. Where information is not available, we have not included a company's contribution within the impact outcome. This means that these estimates may actually be conservative, but as companies get better at measuring impact, we expect these data points to become more precise.

Individual company results may vary significantly and may not achieve the same level of impact in the future.

CO₂e: carbon dioxide equivalent or CO₂ equivalent. This metric is used to compare the emissions from various greenhouse gases on the basis of their global warming potential, by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential. Source: Eurostat.

Market Outlook and Positioning

As of 31 July 2023

GLOBAL CREDIT OUTLOOK



- **Macro:** Global divergences - US resiliency, Europe fragility, and China deterioration. Developed Market central banks tilting hawkish. Recent bank stress, lagged effects of interest rate hikes and liquidity challenges argue for cautious positioning
- **Fundamentals:** Corporate fundamentals remain resilient. Margin pressures intensifying but revenue and earnings growth remains solid/reasonable. Interest coverage strong but weakening due to higher refinancing costs
- **Technicals:** Resolutely positive as demand exceeds supply. Light primary issuance through YE23, benign near-term maturities, and structural demand from yield-based buyers
- **Valuation:** Yields attractive but credit spreads screen increasingly stretched, reflecting the soft/no landing narrative

POSITIONING



- **Sector:** Maintaining a defensive vs offensive balance. Healthcare and Utilities offer defensive attributes while we see select dislocation opportunities in Real Estate
- **Curve:** Structurally favour front-end to intermediate credit for carry and roll return potential, attractive break-evens
- **Rating:** Favour short-dated BBs over As due to relative value, fundamental, and portfolio construction considerations
- **Region:** Tactical bias in USD credit over EUR given attractive hedged relative value

IMPACT



- Green bonds asserting as dominant label, driven by both corporates and SSAs while other labels struggle
- Sustainability-linked bonds fail to garner momentum due to lacking materiality, ambition, and investor sponsorship
- 'Greenium' steady at ~4bps but with significant sector variances
- Heighted focus on select impact themes within social (gender equality, financial inclusion) and climate (biodiversity, ocean conservation)
- Engagement focus areas: ESG Bonds - guiding issuers on ex-ante proceeds allocation, impact measurement, and reporting. Net Zero targets + decarbonisation strategies

This is not intended to be investment advice or a recommendation to take any particular investment action.



Portfolio Review

Guided Investment Parameters

As of 31 August 2023

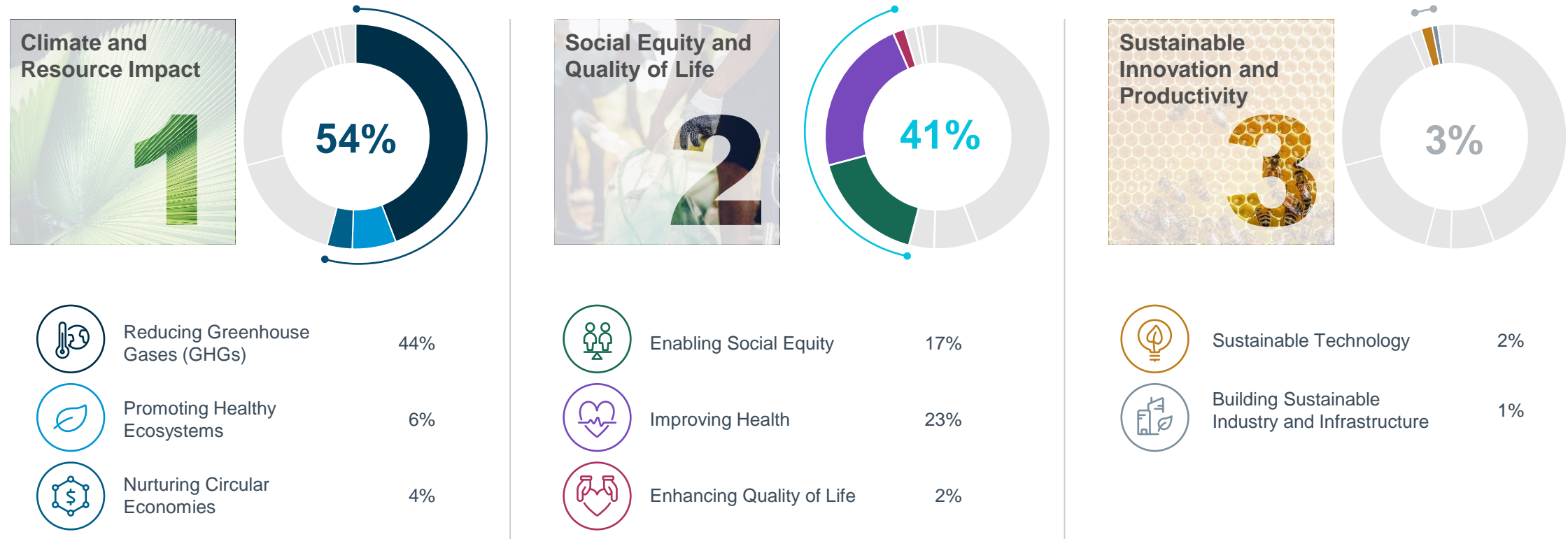
Benchmark:	Bloomberg Global Aggregate Credit GBP Hedged Index
Number of Holdings:	75-150
High Yield:	Max. 30%
Emerging Markets:	Max. 40%
Non-Corporate Credit:	Max. 50%
Currency Management:	Fully hedged back to USD
Duration Management:	+/- 1 year vs. the benchmark
Tracking Error Range:	100 to 250 bps

Investors may use the benchmark to compare the portfolio’s performance. The benchmark has been selected because it is similar to the investment universe used by the investment manager and therefore acts as an appropriate comparator.

Portfolio Positioning by Impact Pillar and Sub-pillar

As of 31 August 2023

Global Impact Credit Strategy



Figures may not total due to cash and rounding.

Cash and cash equivalents of 31 August 2023 were 2.3%.

Source: T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification.

Portfolio Characteristics

As of 31 August 2023

	Global Impact Credit Strategy	Benchmark ¹
Average Credit Rating ²	A3/Baa1	A2/A3
Weighted Average Maturity (years)	7.95	8.59
Option Adjusted Duration (years)	5.86	5.97
Yield to Worst	5.86%	5.14%
OAS	139 bps	119 bps
Z-Spread	128 bps	103 bps
Number of Issuers	113	2,634
Duration Times Spread	8.00	7.69

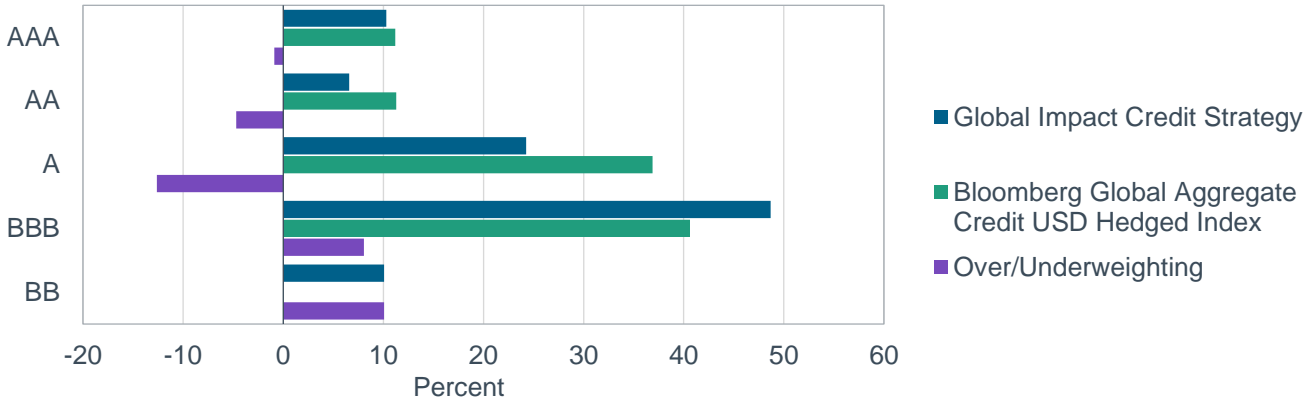
Past performance is not a reliable indicator of future performance.

¹ Bloomberg Global Aggregate Credit USD Hedged Index.

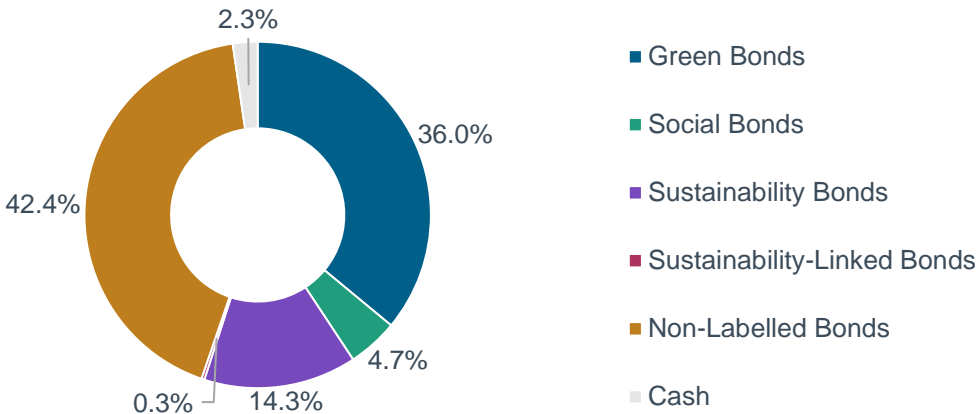
² Credit ratings for the securities held in the portfolio are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The portfolio is not rated by any agency.

Source: "Bloomberg" and Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend this product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this product.

Credit Quality Rating²



Positioning by ESG Bond Label



Regional and Sector Report – Market Value (%)

As of 31 August 2023

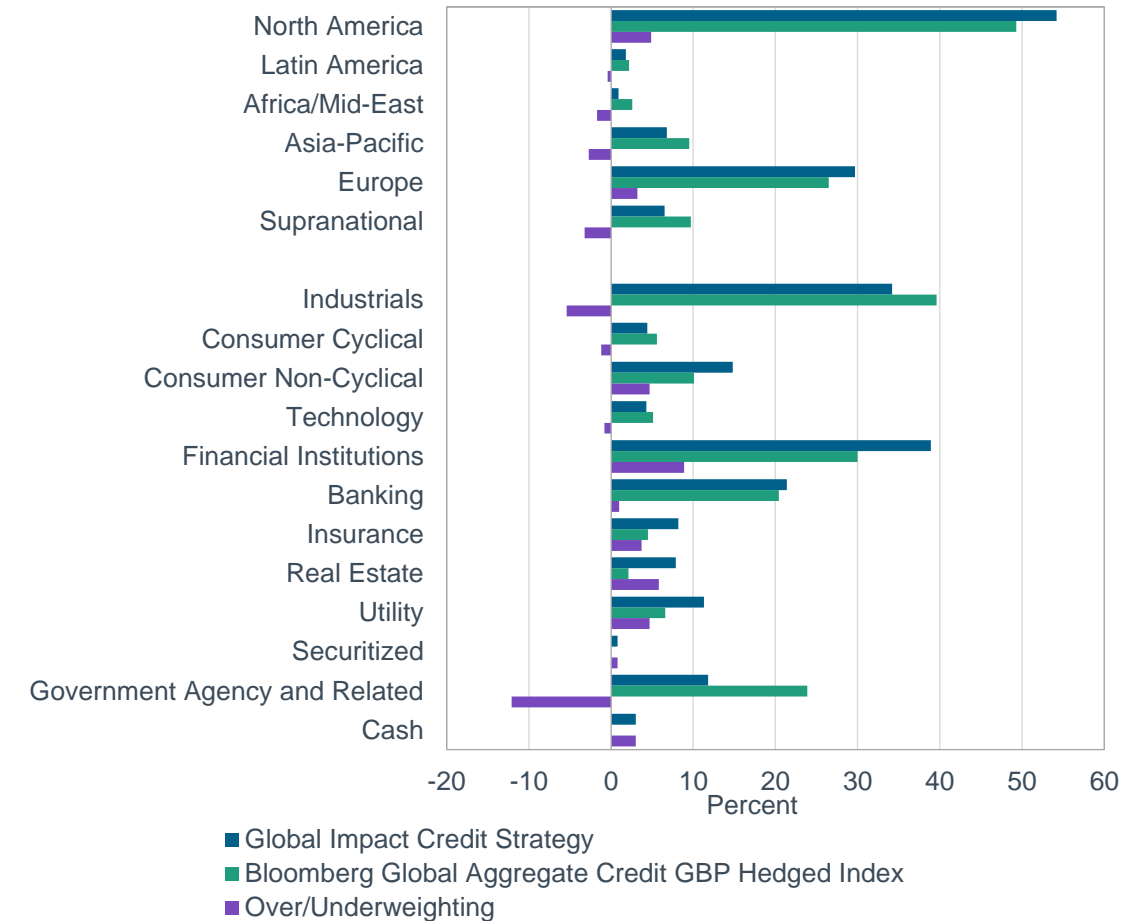
Regional Allocation

Global Impact Credit Strategy		Benchmark ¹
Regional Allocation		
54.2%	North America	49.3%
1.8	Latin America	2.2
0.9	Africa / Middle East	2.6
6.8	Asia / Pacific	9.5
29.7	Europe	26.5
6.5	Supranational	9.7
90.0	Developed Market	90.7
7.0	Emerging Market	9.3
Sector Allocation		
34.2%	Industrials	39.6%
4.4	Consumer Cyclical	5.6
14.8	Consumer Non-Cyclical	10.1
4.3	Technology	5.1
38.9	Financial Institutions	30.0
21.4	Banking	20.4
8.2	Insurance	4.5
7.9	REITs	2.1
11.3	Utility	6.6
0.8	Securitized	0.0
11.8	Government Agency and Related	23.9
3.0	Cash & Cash Equivalents	0.0

¹ Bloomberg Global Aggregate Credit USD Hedged Index.











Source: "Bloomberg®" and Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend this product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this product.

Sector Allocation



Top 10 Positions – Impact Thesis

As of 30 June 2023

Security	% of Portfolio	Impact Thesis	Impact Pillar	Sub Pillar	KPI	Primary UN SDG
European Investment Bank 0.625% 2027	1.8%	EIB's Sustainability Awareness Bond improves access to specialized health care services. Projects consisted of financing investments aiming to increase health care infrastructure and medical equipment capacity and improve future pandemic preparedness.	Social Equity & Quality of Life	Improving health	60,916 patients treated	
IBRD 1.375% 2028	1.6	The World Bank's Wildlife Conservation Bond (Rhino Bond) is a sustainable development bond. The bond directly channels funds to conservation outcomes, specifically by targeting black rhino populations in South Africa. The primary impact focuses on improving biodiversity, with a secondary impact directed to improved education and job training.	Climate & Resource Impact	Promoting healthy ecosystems	3.5 million people with improved living conditions	
Cooperatieve Rabobank 4.375% 2025	1.4	Rabobank is a Dutch cooperative bank with a leading position in the domestic retail banking and in the food and agribusiness markets worldwide. The bank drives financial inclusion with Retail and SME lending accounting for 100% of its loan book.	Social Equity & Quality of Life	Enabling social equity	\$128 billion loans to SMEs	
Carrier Global 2.722% 2030	1.3	Carrier manufactures energy-efficient HVAC and transport refrigeration systems. These primarily improve energy efficiency and reduce emissions for both residential and commercial buildings.	Climate & Resource Impact	Reducing GHGs	137 million mtCO ₂ /yr emissions avoided	
TenneT Holding 4.5% 2034	1.3	TenneT is a leading European electricity TSO serving 42 million end-users. TenneT issued its green bond focused on the transmission of renewable electricity from offshore wind power plants into the onshore electricity grid.	Climate & Resource Impact	Reducing GHGs	8.7 billion mtCO ₂ e/yr emissions avoided	
Centene Corp 4.25% 2027	1.3	A leading Medicaid managed care provider, serving vulnerable populations, including low-income families and disabled people through state Medicaid plans, the Children's Health Insurance Program, and other programs.	Social Equity & Quality of Life	Improving health	26,611,000 patients treated	
BPCE 2.045% 2027	1.2	BPCE social bond to fund local Economic Development through financing of small businesses, SMEs, local authorities and non-profit organizations that seek to benefit people who live and work in economically and/or socially disadvantaged areas.	Social Equity & Quality of Life	Enabling social equity	20,248 loans to SMEs	
LeasePlan Corporation 3.5% 2025	1.2	LeasePlan's financing of battery electric vehicles will create healthier environments in towns and cities by promoting cleaner, low-emission vehicles and the infrastructure required to make these automobiles a viable option for customers.	Climate & Resource Impact	Reducing GHGs	17,703 mtCO ₂ e/yr emissions avoided	
Kilroy Realty 2.5% 2032	1.2	Kilroy's green bonds finance the development of green buildings with a minimum certificate of LEED Gold or above, which will likely yield meaningful and measurable GHG reduction.	Climate & Resource Impact	Reducing GHGs	72% share of green building certificates	
Southern Cal Edison 2.5% 2031	1.2	Sustainability bond proceeds finance renewable energy generation connection, clean transportation, and energy efficiency which will likely reduce GHG emissions from the power and transportation sectors.	Climate & Resource Impact	Reducing GHGs	349,229 mtCO ₂ e/yr emissions avoided	

Securities are as of the date indicated and are subject to change.

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

<http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Source: T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification. Impact thesis sourced from T. Rowe Price.



Performance Review

Performance

Periods Ended 31 August 2023

Figures are Calculated in U.S. Dollars

Global Impact Credit (USD Hedged) Composite

	Annualised			
	Quarter-to-Date	Year-to-Date	One Year	Since Inception 31 Dec 2021
Global Impact Credit (USD Hedged) Composite (Gross of Fees)	0.47%	3.19%	1.92%	-6.80%
Global Impact Credit (USD Hedged) Composite (Net of Fees)	0.43	3.03	1.68	-7.03
Bloomberg Global Aggregate Credit USD Hedged Index	0.23	3.23	1.49	-7.03
Value Added (Gross of Fees)*	0.24	-0.04	0.43	0.23
Value Added (Net of Fees)*	0.20	-0.20	0.19	0.00

Past performance is not a reliable indicator of future performance.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of all non-reclaimable withholding taxes on dividends, interest income, and capital gains.

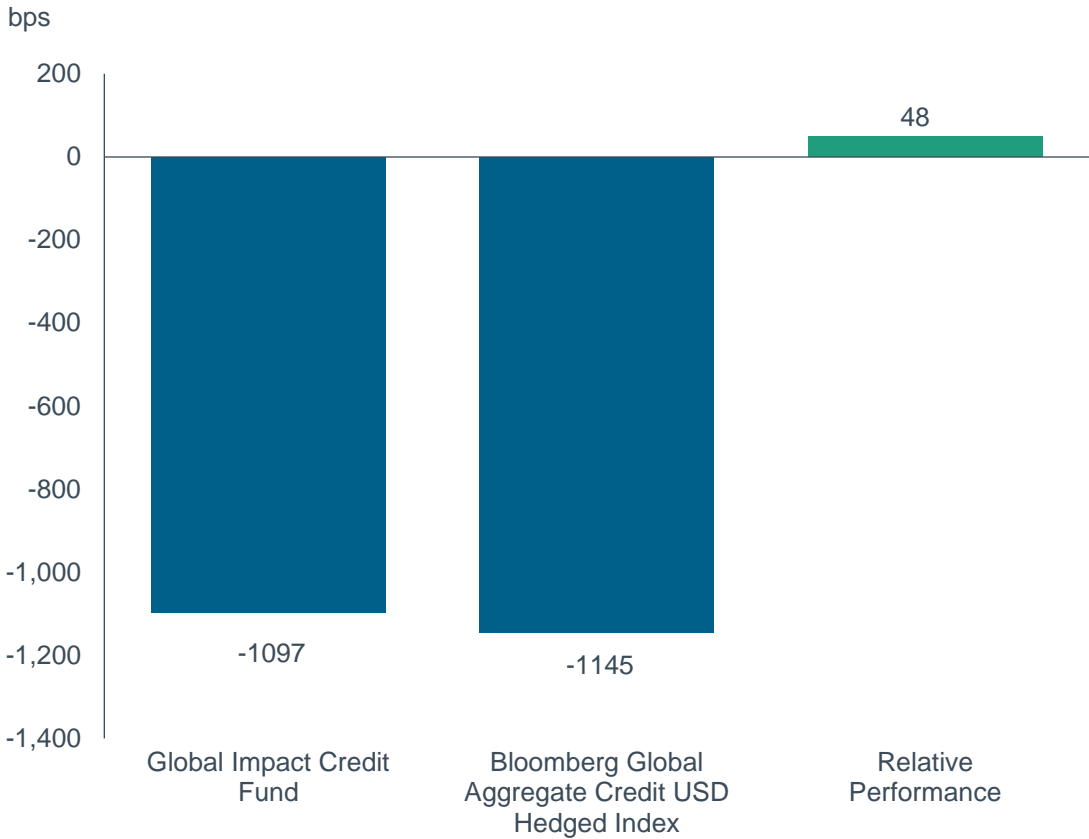
* The Value Added row is shown as Global Impact Credit (USD Hedged) Composite minus the benchmark in the previous row.

Source for Bloomberg index data: Bloomberg Index Services Limited. Please see Additional Disclosures page for information about this Bloomberg information.

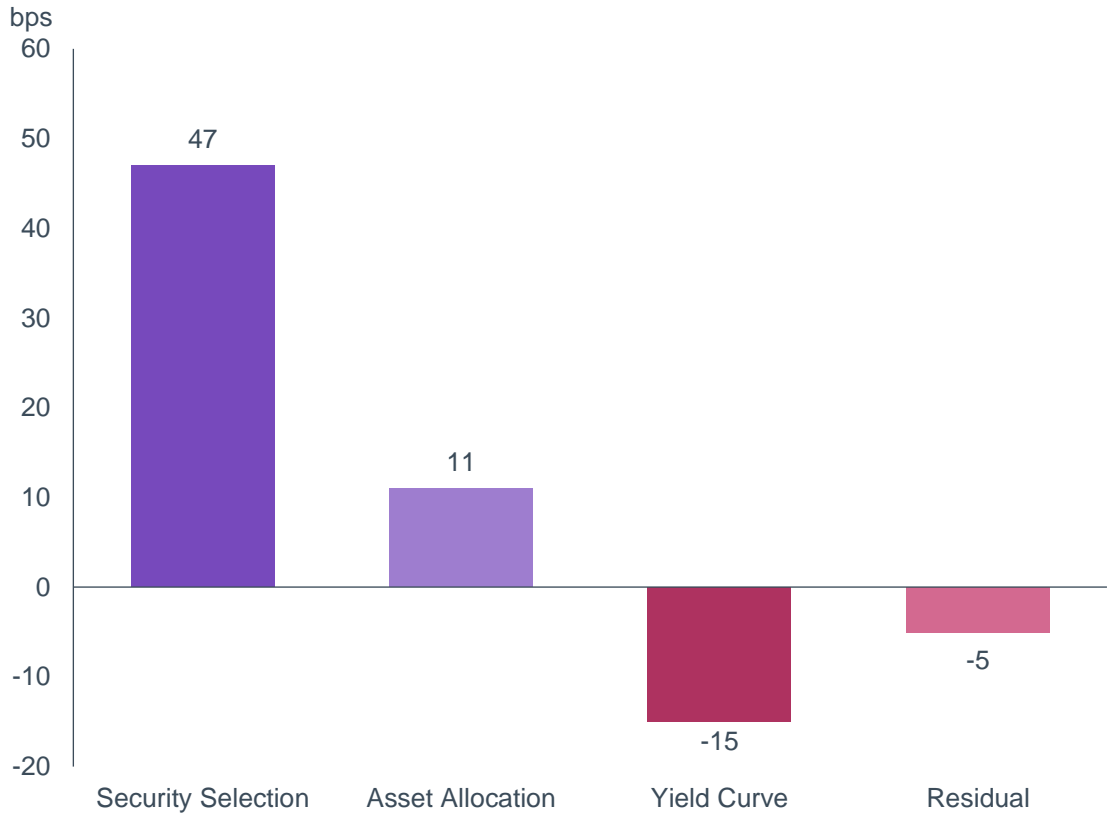
Since Inception Performance Attribution (USD)

As of 31 August 2023
Figures are Calculated in U.S. Dollars

Overall Performance



Contribution to Excess Return



Past Performance is not a reliable indicator of future performance.

Attribution analysis represents the combined performance of the underlying securities held within the given time period relative to its benchmark as calculated by the Bloomberg attribution model. Performance is attributed to a set of portfolio decisions such as credit quality, duration and yield curve exposures, relative sector weightings, and security selection. Performance, gross of fees, for each security is obtained in the currency in which it is issued and, if necessary, is converted to U.S. Dollars using an exchange rate determined by an independent third party. Figures are shown gross of fees. Returns would have been lower as a result of the deduction of such fees.

Source: Bloomberg Finance L.P.

Source for Bloomberg index data: Bloomberg Index Services Limited. Please see Additional Disclosures page for information about this Bloomberg information.



Exhibits

Impact Analysis in Practice

Ørsted blue bond

As of 30 June 2023

Impact Thesis

Ørsted's blue bond promotes the sustainable use of ocean resources across its offshore wind activities and sustainable shipping fuels business, while preserving biodiversity and the health of the ocean ecosystem. Capital raised from this blue bond will be used to scale-up existing efforts on marine biodiversity, and to support the transition to sustainable shipping.

Fundamentals – Five Dimensions of Impact

What?

Proceeds will be used to facilitate marine ecosystem restoration which is vital in promoting natural resource conservation and ocean biodiversity.

Who?

Planet: protect biodiversity and support improvements in shellfish, coral reefs, seabird habitats, blue economy.

How much?

As the bond was issued in June 2023, the first post-issuance report has not been released.

However, Ørsted plans to use sustainable shipping allocations to support its ambition to take a leading position in developing green ocean fuels and decarbonizing vessels.

Contribution

Ørsted aims for a net-positive biodiversity impact from all new projects commissioned by 2030.

To achieve this ambition, Ørsted is piloting new innovative techniques, with the objective of learning from successes and failures so that it can scale up successful solutions.

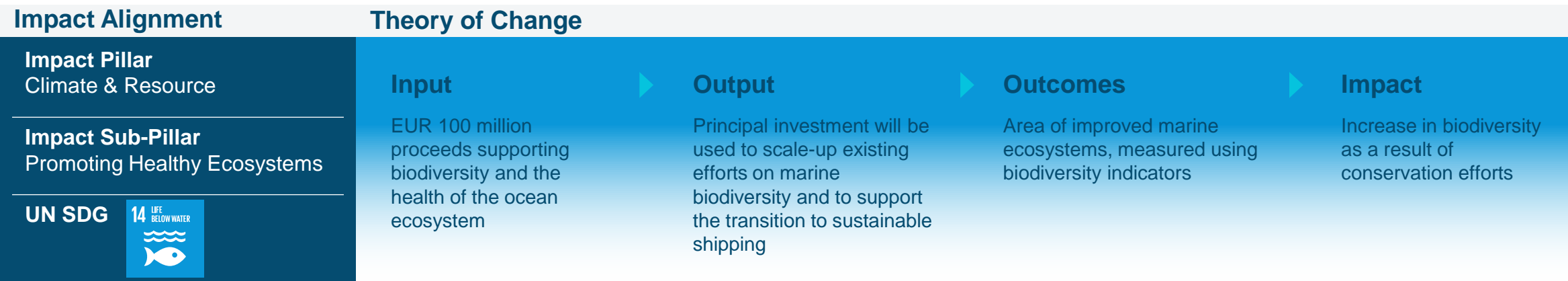
Risks

Risk 1: External risks: Extreme weather events and coastal flooding can degrade reefs and marine ecosystems.

Risk 2: Evidence Risk: Notwithstanding progress made in measuring and monitoring climate risks and benefits, collecting biodiversity data is complex and challenging.

Key Performance Indicators (KPIs)

- Increase in biodiversity: Mean species abundance (sq/km), Coral reefs restored.
- GHG emissions avoided through decarbonizing shipping vessels (mtCO₂).



The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Strategy, and no assumptions should be made that the securities identified and discussed were or will be profitable. T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification.

Impact Analysis in Practice

Rady Children's Hospital Bond

As of 30 June 2023

Impact Thesis

Rady Children's Hospital is a non-profit hospital and the largest children's hospital in California. It is the only pediatric quaternary hospital in San Diego County.

Our investment in Rady Children's Hospital is a non-labelled bond.

Fundamentals – Five Dimensions of Impact

What?

Reduce child mortality, improve patient outcomes, and increase access to healthcare services for unserved communities.

Who?

People – Children with acute & long-term health needs located near San Diego.

How much?

17,783 total inpatient admissions in FY 2022. 340 staffed beds at care facilities. 154 affiliated medical residents and fellows (UC San Diego School of Medicine).

Contribution

The proceeds will be used to fund quality care to patients and capital improvement projects to renovate/expand facilities.

Increased funding will improve access to healthcare services and programs for underserved communities.

Risks

Measurement risk – patient demographic statistics are collected infrequently (every 3-5 years).

Key Performance Indicators (KPIs)

- Number of staffed hospital beds
- Inpatient admissions
- Outpatient visits

Impact Alignment

Impact Pillar
Social Equity & Quality of Life

Impact Sub-Pillar
Improving Health

UN SDG



Theory of Change

Input

Investment into drug research and development.

USD 27.8 million R&D expense

Output

Successful surgeries and treatment of patients.

Care to low-income patients

Outcomes

- Improve patient health by treating diagnosed illnesses.
- Over 147k emergency department and urgent care visits 17,695 surgeries performed
- 200+ active clinical trials
- Reduce the number of families unable to afford care or enter financial hardship/bankruptcy

Impact

Lives extended.
Subsidized care provided

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Strategy, and no assumptions should be made that the securities identified and discussed were or will be profitable. T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification.

Impact Analysis in Practice

Export-Import Bank of Korea Blue Bond

As of 30 June 2023

Impact Thesis

KEXIM issued its inaugural \$3.5bn blue bond to support investments in sustainable maritime transportation. The investment's goal is to minimize adverse climate and environmental impacts of sea and coastal freight, water transport and vessels for port operations in Korea.

Fundamentals – Five Dimensions of Impact

What?

Reduction of environmental impacts of Korean shipping industry through investments in clean maritime transportation

Who?

Planet – Korean shipping industry

How much?

KEXIM expects to disburse KRW 69trn in credit (KRW 30trn to SMEs) in 2022 and plans to provide KRW 10trn of loans for the Maritime sector in 2022.

Contribution

In 2020, the bank contributed to annual employment retention of 600,000 jobs.
KEXIM aims to provide ESG financing for Korean businesses of >180trn KRW within 2021-2030.

Risks

Risk of vessels being used for the transportation of fossil fuels, however KEXIM has confirmed that it will exclude these vessels within its blue bond framework

Key Performance Indicators (KPIs)

- Number of sustainable vessels financed
- GHG emissions avoided (tCO₂e/year)
- Consumption of renewable fuel vs. conventional fossil fuel

Impact Alignment

Theory of Change

Impact Pillar
Climate & Resource

Impact Sub-Pillar
Promoting Healthy Ecosystems

UN SDG



Input

\$3.5bn blue bond proceeds (USD)

Output

Number of sustainable vessels financed (#)

Outcomes

Fossil fuel and energy savings (tons)

Impact

Annual CO₂ emission savings (tCO₂)

Improvements in marine life

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Strategy, and no assumptions should be made that the securities identified and discussed were or will be profitable. T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification.

Engagement in Practice

AIB Group

As of 28 March 2023

Impact Thesis

AIB Group social bonds help finance loans dedicated to improving access to healthcare, providing social and affordable housing, providing access to education, and SME financing in socio-economic disadvantaged areas.

AIB green bonds also provide a positive environmental impact via low carbon commercial and residential buildings and renewable energy generation.

Impact Pillar Alignment



Sub-pillar Alignment

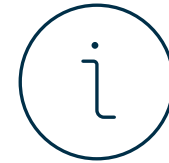


Reducing Greenhouse Gases

UN SDG Alignment



Type of engagement



Inform

Objective	Dialogue	Outcome	What's next?
<ul style="list-style-type: none"> We engaged with AIB to provide disclosure recommendations on their climate strategy and green/social bond impact reporting. 	<ul style="list-style-type: none"> We discussed AIB's climate strategy which is aligned to their European peers. As AIB have been frequent issuers of green and social bonds, we discussed the quality of their impact reporting. We spent some time discussing their customer satisfaction scores to better understand their social impact risks and considerations. 	<ul style="list-style-type: none"> We provided a number of disclosure recommendations to improve AIB's climate strategy and their green and social bond reporting. This will help maintain and improve the consistency of AIB's green and social bond reporting. 	<ul style="list-style-type: none"> We will monitor AIB's next impact report to assess the quality of their reporting. We will assess their client transition plans, and their progress towards their sectoral financed emission target. We will also monitor the quality of their qualitative case studies in future green and social bond impact reports.

<http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

T. Rowe Price may have ongoing business and/or client relationships with the companies mentioned in this report.

T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification.

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

Divestment Example

Kimco

As of 31 January 2023

Impact Thesis

Kimco's green bond funds investments in green sustainable-certified buildings, along with energy efficient building systems, and sustainable water and wastewater management systems

Impact Pillar Alignment



Sub-pillar Alignment



Reducing Greenhouse Gases

UN SDG Alignment



Type of engagement



Investigate

Investment timeline

July 2020

Kimco issue green bond

July 2021

Kimco release inaugural green bond post-issuance impact report

Dec 2021

Global Impact Credit buys Kimco's green bond

Dec 2021

1st engagement

Objective: To provide feedback on Kimco's Green Bond Framework.

Dialogue: We highlighted areas for improvement, including allocating proceeds to projects delivering material climate benefit (LEED Gold certified and above buildings), as well as more granular impact metric reporting.

Outcome: Kimco welcomed our feedback and confirmed it may consider refreshing the previous framework to incorporate evolving market standards.

Post engagement: We planned to monitor the granularity of Kimco's next post-issuance report.

Aug 2022

Kimco release second green bond post-issuance impact report

Nov 2022

2nd engagement:

Objective: To provide feedback on the company's green bond framework and second post-issuance report.

Dialogue: We observed no discernible improvement in project allocation in terms of ambition, as well as a continued absence of hard impact metrics

Outcome: We encouraged Kimco to make a variety of changes to bring their reporting in line with the industry's best practice.

Post engagement: We ultimately felt Kimco had not made enough progress in their post-issuance reporting and thus looked to divest from our position.

Jan 2023

Global Impact Credit divests from the bond

<http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

T. Rowe Price may have ongoing business and/or client relationships with the companies mentioned in this report.

T. Rowe Price uses a proprietary custom structure for impact pillar and sub-pillar classification. fund

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

Global Impact Credit Strategy

Objective

To have a positive impact on the environment and society by investing primarily in sustainable investments, where the companies' current or future business activities are expected to generate a positive impact whilst at the same time seeking to increase the value of its shares through both growth in the value of, and income from, its investments.

Material Risks – The following risks are materially relevant to the portfolio:

- **ABS and MBS risk** – Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) may be subject to greater liquidity, credit, default and interest rate risk compared to other bonds. They are often exposed to extension and prepayment risk.
- **Contingent convertible Bonds risk** – Contingent Convertible Bonds may be subject to additional risks linked to: capital structure inversion, trigger levels, coupon cancellations, call extensions, yield/valuation, conversions, write downs, industry concentration and liquidity, among others.
- **Convertible bonds risk** – Convertible bonds contain an embedded equity option which exposes them to risks linked to equity as well as fixed income. They may be subject to higher market and liquidity risk.
- **Credit risk** – Credit risk arises when an issuer's financial health deteriorates and/or it fails to fulfill its financial obligations to the portfolio.
- **Distressed or defaulted debt risk** – Distressed or defaulted debt securities may bear substantially higher degree of risks linked to recovery, liquidity and valuation.
- **Default risk** – Default risk may occur if the issuers of certain bonds become unable or unwilling to make payments on their bonds.
- **Derivatives risk** – Derivatives may be used to create leverage which could expose the portfolio to higher volatility and/or losses that are significantly greater than the cost of the derivative.
- **Emerging markets risk** – Emerging markets are less established than developed markets and therefore involve higher risks.
- **High yield debt risk** – High yield debt securities are generally subject to greater risk of issuer debt restructuring or default, higher liquidity risk and greater sensitivity to market conditions.
- **Interest rate risk** – Interest rate risk is the potential for losses in fixed-income investments as a result of unexpected changes in interest rates.
- **Liquidity risk** – Liquidity risk may result in securities becoming hard to value or trade within a desired timeframe at a fair price.

General portfolio risks – to be read in conjunction with the portfolio specific risks above.

- **Capital risk** – 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 portfolio and the currency in which you subscribed, if different.
- **Counterparty risk** – an entity with which the fund transacts may not meet its obligations to the portfolio.
- **ESG and Sustainability risk** – may result in a material negative impact on the value of an investment and performance of the portfolio.
- **Geographic concentration risk** – to the extent that a portfolio invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area.
- **Hedging risk** – a portfolio's attempts to reduce or eliminate certain risks through hedging may not work as intended.
- **Investment portfolio risk** – investing in portfolios involves certain risks an investor would not face if investing in markets directly.
- **Management risk** – the investment manager or its designees may at times find their obligations to a portfolio to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably).
- **Operational risk** – operational failures could lead to disruptions of portfolio operations or financial losses.

Additional Disclosures

Bloomberg - “Bloomberg®” and the Bloomberg Indices are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited (“BISL”), the administrator of the index(collectively, “Bloomberg”) and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend this Product. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to this Product.

CFA - CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute.

Important Information

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.

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. .

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.

© 2023 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/ or apart, trademarks of T. Rowe Price Group, Inc.



Q&A



Thank You