



T. Rowe Price Funds OEIC

# ASSESSMENT OF VALUE REPORT



## T. Rowe Price

A global asset manager focused on providing investment management and long-term results across a full range of equity, fixed income and multi-asset strategies.



Founded in  
**1937**



**£1.054 tr<sup>1</sup>**

in assets under management for the  
T. Rowe Price group of companies



**900+**

investment professionals worldwide



**7,800+**

associates worldwide



Offices in

**16 countries**



**2016**

OEIC fund range launch

For more information on T. Rowe Price and our investment capabilities, please visit our website:

**[troweprice.com](https://troweprice.com)**

All data correct as at 31 December 2022.

<sup>1</sup> Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates, including Oak Hill Advisors (OHA).

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## An Introduction From the Chair of T. Rowe Price UK Limited



**Nick Trueman**  
Chair, Board of Directors  
T. Rowe Price UK Limited

Having recently joined the board of T. Rowe Price UK Limited (TRPUK) and been appointed as chair, it gives me great pleasure to have participated in and to present the results of this year's Assessment of Value. Three years ago we published our first annual Assessment of Value. At the time, the Financial Conduct Authority (FCA), had introduced new rules which required fund managers to assess, on an annual basis, the overall value that their UK-domiciled funds deliver to shareholders. The FCA's aim was, and remains, to reinforce and strengthen a fund manager's duty of care to its shareholders as well as the requirement to always act in their best interests.

We believe that the overall aims, namely to make fund managers accountable for the services they provide to their clients and to assess whether they are truly providing value, are very much aligned with the fundamental values of T. Rowe Price.

“Thomas Rowe Price, Jr., our founder, focused on meeting each client's individual needs and emphasising the importance of their success. More than 80 years after he launched our company, we continue to embrace that client-centred philosophy in everything we do.”

### Assessing the Value We Provide

This report is intended to provide shareholders in each of our UK-based funds with a clear, objective view of whether T. Rowe Price funds have delivered value for the assessment period ended 31 December 2022. We assess the value provided according to a range of criteria that include the quality of service we provide and whether funds are delivering long-term investment performance as well as being appropriately priced. As previously, we have engaged with third parties to provide us with impartial data.

### Delivering Value in Unsettled Times

2022 was undoubtedly a difficult year for investors, with stocks selling off around the world whilst bond markets also came under pressure. Slowing economic growth and corporate earnings, along with high levels of inflation, weighed on sentiment. Geopolitical events, particularly the ongoing conflict in Ukraine, also continue to create uncertainty. As we step into 2023, the world economy has transitioned from an extended period of low interest rates to a new reality characterised by persistent inflationary pressures and a widespread increase in interest rates in response.

Against this challenging and uncertain backdrop, it is more important than ever for us to invest in ways that help our clients navigate through difficult times. We believe we can do this by remaining true to our guiding principles and active management approach.

Unfortunately, these challenging market conditions have also had an impact on our funds' performance in 2022. Understanding that performance is an important aspect for our shareholders has contributed to one of our funds receiving an overall red rating and four funds receiving an overall amber rating, using our red, amber and green (RAG) rating system, in this year's value assessment. However, the majority of our funds have navigated the choppy waters well and continue to deliver value.

### How Have We Enhanced Value Since Last Year's Report?

We have taken action in areas where our analysis showed we were not delivering as much value for our shareholders as we could have been, including the following changes on the back of the Assessment of Value report published in 2022:

- In the last report, the US Equity Fund was rated amber using our RAG rating system, and we conducted a comprehensive review of the fund. It was concluded that the fund was appropriately and competitively priced but had performance challenges, with the five-year annualised return lagging its benchmark. After the former portfolio manager announced his retirement, a new portfolio manager assumed responsibility on 1 April 2022. The 2022 annualised absolute return, though negative, was ahead of its benchmark and delivered some of the best performance within its peer group. The US Equity Fund is rated green in this year's report, and we believe the fund is now well placed to deliver value to shareholders.
- A pricing review of the US Smaller Companies Equity Fund was performed, which identified the opportunity to reduce the annual management charge for the standard class from 0.95% to 0.80%. The reduced annual management charge became effective on 1 October 2022, and this year the fund was rated green for comparable market rates.

- In 2022, we also undertook a comprehensive review of the operating and administrative (O&A) expenses the funds incur and the O&A expense cap. Effective 1 April 2023, we have reduced our O&A expense cap from up to 0.17% to up to 0.14% to provide further protection to shareholders from O&A expenses whilst fund assets grow.

Further details on improvements put in place in 2022 are set out in the 'Updates Since Last Year's Report' section.

Although the formal process of producing an Assessment of Value takes place once a year, we recognise that this is not the only way to assure robust product governance and oversight. Throughout the year, we receive detailed reports at each Board meeting from key departments involved with the management of the UK fund range. This gives us positive assurance that the overall product governance is strong and allows us to probe into any area or incident that suggests there may be vulnerabilities that may impede the ability to deliver value.

Thank you for your continued confidence in T. Rowe Price.

**Nick Trueman**

Chair, Board of Directors

**T. Rowe Price UK Limited**

April 2023



## Introducing the T. Rowe Price UK Board



**Nick Trueman**  
**Head of EMEA Distribution**

Nick Trueman is the chief executive officer and chair of the Board of Directors of T. Rowe Price UK Limited. He is a member of the Global Distribution Executive, Investment Management Steering and Product Steering Committees. He is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price International Ltd. Nick's investment experience began in 2000, and he has been with T. Rowe Price since 2007, beginning in the Global Consultant Relations department. From 2013 to 2022, Nick was based in Singapore and was the head of APAC Distribution. He also was chief executive officer and director of T. Rowe Price Singapore Private Ltd and sat on the Boards of T. Rowe Price Australia Limited, T. Rowe Price Hong Kong Limited and T. Rowe Price Japan, Inc. Prior to T. Rowe Price, Nick was a portfolio manager at AXA Rosenberg Investment Management. He started his career as a graduate trainee with Schroders Investment Management. Nick earned an M.A., with honours, from the University of Edinburgh. He also has earned the Investment Management Certificate.



**Emma Beal**  
**Head of EMEA Legal**

Emma Beal is a director of T. Rowe Price UK Limited and serves on the Board of Directors of T. Rowe Price International Ltd, T. Rowe Price Funds SICAV, T. Rowe Price Funds Series II SICAV, Select Investment Series III SICAV and T. Rowe Price Funds B SICAV. She is head of EMEA Legal within the Legal Department of T. Rowe Price Group, Inc. Emma is a vice president of T. Rowe Price Group, Inc., T. Rowe Price International Ltd and a number of other T. Rowe Price Group, Inc., subsidiary companies. Prior to joining T. Rowe Price in 2007, Emma was a vice president and attorney with Morgan Stanley Investment Management Limited. Emma earned an L.L.B. (hons.) in law from the University of Sheffield.



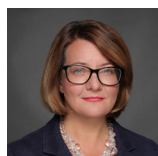
**Caron Carter**  
**Head of Global Client Account Services, EMEA**

Caron Carter is a director of T. Rowe Price UK Limited and serves on the Board of Directors of T. Rowe Price Funds SICAV, T. Rowe Price Funds Series II SICAV, Select Investment Series III SICAV and T. Rowe Price Funds B SICAV. She is head of Global Client Account Services for the Europe, Middle East and Africa region of T. Rowe Price Group, Inc., and a member of the EMEA Distribution Extended Lead team. Caron is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price International Ltd. Caron's financial services experience began in 2001, and she has been with T. Rowe Price since 2019. Prior to joining the firm, she was head of Client Service Management, UK & Ireland, at BlackRock. Caron earned an L.L.B. (hons.) in business law and qualified as a Solicitor in 2003.



**Helen Ford**  
**Global Head of Investment Specialists**

Helen Ford is a director of T. Rowe Price UK Limited and serves on the Board of Directors of T. Rowe Price Funds SICAV, T. Rowe Price Funds Series II SICAV, Select Investment Series III SICAV and T. Rowe Price Funds B SICAV. She is the global head of the Investment Specialist Group of T. Rowe Price Group, Inc. She is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price International Ltd. Helen's investment experience began in 1988, and she has been with T. Rowe Price since 2007. Helen earned a B.Sc., with honours, in economics and politics from The Open University. She also has earned the Chartered Financial Analyst designation.



**Louise McDonald**  
**Head of Product, EMEA**

Louise McDonald is a director of T. Rowe Price UK Limited and serves on the Board of Directors of T. Rowe Price Funds SICAV, T. Rowe Price Funds Series II SICAV, Select Investment Series III SICAV and T. Rowe Price Funds B SICAV. She is head of Product for the Europe, Middle East and Africa region of T. Rowe Price Group, Inc. Louise is a member of the EMEA Distribution Extended Lead and Global Product Executive teams and a vice president of T. Rowe Price Group, Inc., and T. Rowe Price International Ltd. Louise's investment experience began in 1995, and she has been with T. Rowe Price since 2019. Prior to joining the firm, she was head of Product Development & Management at Newton Investment Management Ltd. Louise earned a B.A. in business administration from the University of Strathclyde.



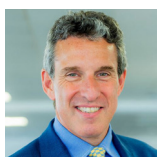
**Nataline Terry**  
**Head of Distribution for UK and Ireland**

Nataline Terry is a director of T. Rowe Price UK Limited. She is head of UK and Ireland Distribution for T. Rowe Price International Ltd and responsible for distribution across the intermediary and institutional businesses. Nataline is a vice president of T. Rowe Price Group, Inc., and T. Rowe Price International Ltd and a member of the EMEA Distribution Extended Lead team. On joining the firm in 2017, Nataline was head of Marketing for the Europe, Middle East and Africa region responsible for setting EMEA marketing and public relations strategy across all segments. Prior to joining T. Rowe Price, Nataline worked at BlackRock and has also held roles at UBS Global Asset Management and Columbia Threadneedle. She holds a B.Sc. in banking and finance from both Loughborough and UMIST Universities.



**John McLaughlin**  
**Independent Non-executive Director**

John McLaughlin is an independent non-executive director of T. Rowe Price UK Limited. He also acts as a trustee of the Mineworkers Pension Scheme and is a member of the investment committee of The King's Fund. John worked in a variety of senior roles at Schroders Investment Management Limited before retiring in 2017. He holds an M.A. from the National University of Ireland and a D.Phil. from Oxford University, both in mathematical physics.



**Hugh Mullan**  
**Independent Non-executive Director**

Hugh Mullan is an independent non-executive director of T. Rowe Price UK Limited and also serves on the Boards of a number of Schroders Luxembourg-domiciled investment funds. He has extensive experience managing investment and retail savings businesses, having held senior executive positions at Fidelity International, Barclays Wealth, Schroders and Citibank. Prior to that he served for 11 years as a Royal Signals officer in the British Army. Hugh is a graduate of the Royal Military Academy, Sandhurst and earned a B.Sc. in applied science from Cranfield University.

## A Message From Our Independent Directors

One of our roles as independent directors is to ensure that T. Rowe Price funds serve the best interests of retail shareholders. As directors of the Board, we very much agree that all consumers should know how their money is doing, what they are being charged and what benefits they are getting from their investment.

The non-executive directors perform a critical role in overseeing the preparation of the Assessment of Value. Whilst we are not involved in the day-to-day running of the firm, we review the process independently and are able to challenge the internal wisdom as we see it. We always try to see the situation through the eyes of the shareholder.



## What Is Assessment of Value, and How Did We Assess Value in Our Funds?

The Financial Conduct Authority regulates the asset management industry in the UK. In 2019, the FCA introduced new rules which require fund managers to assess, on an annual basis, the overall value that their UK-domiciled funds deliver to shareholders. The aim is to reinforce and strengthen a fund manager's duty of care to its shareholders as well as the requirement to always act in their best interests.

The FCA has identified seven main areas of focus within which asset managers should assess their funds. We have developed a framework to measure whether our funds provide value to shareholders by considering how best to evaluate these criteria identified by the FCA. We assessed each criterion individually, but only when these are considered collectively is it possible to assess if the funds have delivered value overall.

The seven criteria identified by the FCA are:



**Quality of Service:** Considers the range and quality of services that were provided to shareholders by investing in the fund, directly or indirectly



**Performance:** How each of the funds performed, after charges have been deducted



**Authorised Fund Manager (AFM) Costs – General:**  
The charges paid by shareholders and whether these were reasonable for the level of service provided and relative to the underlying cost of providing them



**Economies of Scale:** Whether savings and benefits exist from economies of scale and were passed through to shareholders



**Comparable Market Rates:** How the charges paid by shareholders compare with the market rate for comparable products



**Comparable Services:** How the charges paid by shareholders compare with charges of comparable services offered by T. Rowe Price



**Classes of Units:** Considers whether shareholders are in the best value share class available to them when compared with other classes of the fund bearing substantially similar rights

We used a red, amber or green rating to evaluate each of the seven criteria and then provided an overall rating to show whether value has been delivered to shareholders in a fund:

●	Fund provided value
●	Fund provided value, but actions identified or taken and/or further monitoring required
●	Value concerns, and remedial actions are required

**More detailed information can be found in the Methodology section.**

We are committed to providing an Assessment of Value which is as objective as possible and which looks at our funds with a fresh pair of eyes. To this end, we engaged with an external party, Fitz Partners, to provide independent and supplementary data and analysis on both performance and fund charges. In addition to our own in-house research, we also used syndicated market research studies and third-party reports to assess our clients' experience.

Although all share classes of the funds were assessed, in this report we use our primary standard class (Class C) for comparative purposes: This is the highest-fee-paying share class and the one more widely offered to our intermediary shareholders.

Class C	Standard class, designed for all types of investors.
Class C9	Foundation share class, designed for all types of investors.
Class T	Designed for and restricted to institutional investors who have a professional service agreement with T. Rowe Price.
Class Z	Designed for and restricted to institutional investors who have a professional service agreement with T. Rowe Price. No Z Class shares have been launched to date.

## Results of Our 2022 Value Assessment at a Glance

The table below summarises the red, amber and green ratings against each criterion for each fund. As a result of the assessment, there is one red-rated fund, four amber-rated funds and sixteen green-rated funds.

OEIC fund	Quality of service	Performance	AFM Costs – General	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
Asian Opportunities Equity Fund ■	●	●	●	●	●	●	●	●
China Evolution Equity Fund ❖	●	●	●	●	●	●	●	●
Continental European Equity Fund ■	●	●	●	●	●	●	●	●
Emerging Markets Discovery Equity Fund ★	●	●	●	●	●	●	●	●
Future of Finance Equity Fund ❖	●	●	●	●	●	●	●	●
Global Focused Growth Equity Fund ■	●	●	●	●	●	●	●	●
Global Impact Equity Fund ❖	●	●	●	●	●	●	●	●
Global Natural Resources Equity Fund ■	●	●	●	●	●	●	●	●
Global Select Equity Fund ❖	●	●	●	●	●	●	●	●
Global Technology Equity Fund ■	●	●	●	●	●	●	●	●
Global Value Equity Fund ❖	●	●	●	●	●	●	●	●
Japanese Equity Fund ■	●	●	●	●	●	●	●	●
Responsible UK Equity Fund ❖	●	●	●	●	●	●	●	●
US All-Cap Opportunities Equity Fund ❖	●	●	●	●	●	●	●	●
US Equity Fund ■	●	●	●	●	●	●	●	●
US Large Cap Growth Equity Fund ★	●	●	●	●	●	●	●	●
US Large Cap Value Equity Fund ■	●	●	●	●	●	●	●	●
US Smaller Companies Equity Fund ■	●	●	●	●	●	●	●	●
Dynamic Global Bond Fund ■	●	●	●	●	●	●	●	●
Global High Yield Opportunities Bond Fund ❖	●	●	●	●	●	●	●	●
Global Impact Credit Fund ❖	●	●	●	●	●	●	●	●

### Key

●	For the principle under consideration, the metrics and commentaries considered indicate value
●	For the principle under consideration, the metrics and commentaries considered indicate value, but actions have been identified or taken and/or further monitoring is required
●	For the principle under consideration, the metrics and commentaries considered indicate there are concerns about the ability to deliver value, and remedial action(s) are required
●	The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance

- ❖ Fund with less than 3-year track record
- ★ Fund with at least 3-year track record
- Fund with at least 5-year track record

## Conclusions and Actions

After careful consideration of the criteria, we concluded that the majority of funds delivered value to shareholders. However, for a number of funds, we identified follow-up actions or a need for further monitoring as outlined below.

### Global Technology Equity Fund

We identified that this fund was managed in a way that is consistent with the fund's investment objective, policy and strategy.

However, we concluded that this fund had some performance challenges. Although the fund had an absolute positive total return, it significantly underperformed its benchmark on a five-year basis, which is the recommended holding period.

The ongoing charges of this fund also appeared higher than for similar strategies in the peer group. In this analysis we considered the highest-fee-paying share class (Class C).

Considering that this fund had significant performance challenges over the recommended holding period and ongoing charges higher than its peers, there are value concerns, and we assigned an overall red rating.

Performance of this fund had been monitored throughout 2022. Following an announcement on 30 November 2022, a co-portfolio manager was appointed on 1 December 2022, and after a careful and thoughtful transition, the new portfolio manager became the sole portfolio manager effective 1 April 2023.

#### Actions

- Given the recent appointment of the new portfolio manager, we will conduct an in-depth, comprehensive review of the fund to understand from the portfolio manager how the fund may be re-positioning to enable improved performance and a review of other fund features (noting the revised operating and administrative expense cap will contribute to improving the ongoing charge figure compared with peers).

### Global Natural Resources Equity Fund

We identified that this fund was managed in a way that is consistent with the fund's investment objective, policy and strategy.

However, we concluded that this fund had some performance challenges. Although the fund had an absolute positive total return, it underperformed its benchmark on a five-year basis, which is the recommended holding period.

Considering that this fund had performance challenges over the recommended holding period, we assigned an overall amber rating, meaning the fund provided value but further monitoring is required.

#### Actions

- We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

### Japanese Equity Fund

We identified that this fund was managed in a way that is consistent with the fund's investment objective, policy and strategy.

However, we concluded that this fund had some performance challenges. Although the fund had an absolute positive total return, it underperformed its benchmark on a five-year basis, which is the recommended holding period.

Considering that this fund had performance challenges over the recommended holding period, we assigned an overall amber rating, meaning the fund provided value but further monitoring is required.

#### Actions

- We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

### Responsible UK Equity Fund

We identified that this fund was managed in a way that is consistent with the fund's investment objective, policy and strategy.

However, this fund has some performance challenges. It delivered a negative absolute return and significantly underperformed its benchmark since inception (January 2021). The fund had less than a two-year track record, far short of the five-year recommended holding period.

Whilst the fund had significant performance challenges, due to its short track record, we assigned an overall amber rating, meaning the fund provided value but further monitoring is required.

#### Actions

- We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

## US Large-Cap Growth Equity Fund

We identified that this fund was managed in a way that is consistent with the fund's investment objective, policy and strategy.

However, we concluded that this fund had some performance challenges. Although the fund had an absolute positive total return, it underperformed its benchmark since inception (May 2018).

Considering this fund had some performance challenges and is nearing its recommended holding period of five years, we assigned an amber overall rating, meaning the fund provided value but further monitoring is required.

### Actions

- We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

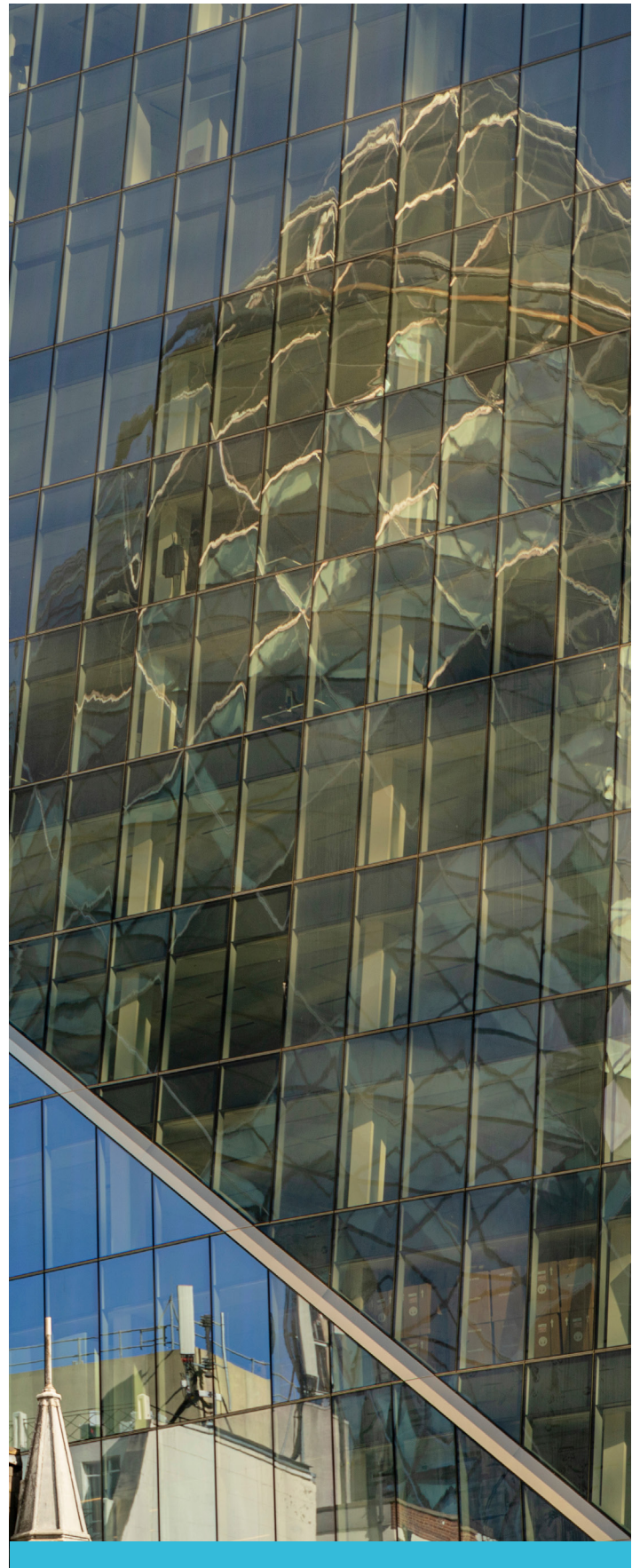
## Global Impact Equity Fund

This fund has a dual mandate to deliver positive impact and capital growth. Whilst the assessment rated the delivery of positive impact green, overall it was assigned an amber rating for the performance criterion on the basis that it underperformed its benchmark in 2022. However, as this fund only has a one-year track record, far short of the five-year recommended holding period, and as we did not have any concerns for the other six criteria, we concluded that, overall, the fund delivered value to its shareholders and we assigned a green rating overall. On this basis, we do not recommend any further actions for this fund at this stage but will continue to closely monitor the performance of the fund throughout the year.

### New Funds Launched This Year

In this year's report, we have included in our assessment five new funds that were launched in 2022. These are Future of Finance Equity Fund, Global High Yield Opportunities Bond Fund, Global Select Equity Fund, Global Value Equity Fund and US All-Cap Opportunities Equity Fund. Due to these funds being less than one year old, they do not have long enough track records to conduct a meaningful performance assessment. Therefore, no performance rating for these funds will be shown in the following individual fund pages. A full assessment will form part of next year's report.

**More detail on the approach we have taken and the findings on a fund-by-fund basis are noted later in this report.**



## Updates Since Last Year's Report

We continually seek to improve the value that shareholders receive from our products and services.

The previous Assessment of Value report highlighted a few areas for further monitoring/review, and improvements have been made to deliver better value to shareholders. The table below shows the key actions taken.

Criterion	Action taken to improve value	Fund affected	Description
 <b>Overall</b>	Comprehensive review of the fund	US Equity Fund	<p>In the conclusion section of the last report, it was recognised that the US Equity Fund had some performance challenges and had underperformed its benchmark. Given this had occurred over five years, the recommended holding period, the fund was assigned an overall amber rating.</p> <p>We commissioned a comprehensive review of the fund. Following the former portfolio manager announcing his retirement, a new portfolio manager assumed responsibility on 1 April 2022. The 2022 annualised absolute return, though negative, was ahead of its benchmark and delivered some of the best performance within its peer group.</p>
 <b>Comparable Market Rates</b>	Reduction of annual management charge	US Smaller Companies Equity Fund	<p>We recognised that the annual management charge of this fund was higher than other asset managers for the same strategy, and following a further review, we reduced it from 0.95% to 0.80%, effective 1 October 2022.</p>
 <b>Performance</b>	Ongoing evolution of performance	US Large-Cap Growth Equity Fund	<p>In the last report, the fund received an amber rating for performance, having underperformed its benchmark, but was still building a five-year track record. During the year, we actively monitored the fund performance.</p> <p>As the fund is now close to reaching its recommended holding period (May 2023) and continues to be rated amber for performance, as a result a comprehensive review is planned for 2023 to seek to address the performance challenges and to ensure the fund continues to deliver value.</p>
 <b>Overall</b>	Ongoing evaluation of performance and value	Global Technology Equity Fund	<p>In the last report, the fund received an amber rating for comparable market rates, performance and overall, but it was still building a five-year track record.</p> <p>During the year, we actively monitored the fund performance. Following an announcement on 30 November 2022, a co-portfolio manager was appointed on 1 December, and after a careful and thoughtful transition, the new portfolio manager became the sole portfolio manager effective 1 April 2023. Now that the fund has reached its recommended holding period (five years) and has been rated red in this year's value assessment, as a result an in-depth, comprehensive review is planned for 2023 to seek to improve the fund's ability to deliver value.</p>
 <b>Comparable Market Rates</b>	Reduction of O&A expense cap	All funds	<p>Having conducted a review of the operating and administrative expenses for our OEIC fund range, we reduced the operating and administration expense cap from up to 0.17% to up to 0.14% effective 1 April 2023.</p>

## 2022 Market Review

2022 was undoubtedly a very challenging year for investors. Nearly all major global stock and bond indices fell sharply in the face of persistently high inflation, tightening financial conditions and slowing economic and corporate earnings growth. Double-digit losses were common in equity markets around the world, whilst bondholders also contended with a historically tough environment amidst a sharp rise in interest rates. Few sectors remained untouched by the broad headwinds that markets faced.

At the start of the year, fears related to inflation and rising interest rates were compounded by Russia's invasion of Ukraine in February. As the year progressed, the US Federal Reserve (Fed) and many other central banks began aggressively raising interest rates to curb the highest inflation in four decades. Equity markets sold off on growing concerns that such tightening action could push economies into recession in the fight against inflation. In Europe, broad economic sanctions and the Ukraine conflict's significant impact on global supply chains also took their toll. Russia halted already curtailed natural gas exports to Europe, adding to increased energy uncertainty. In developed Asian markets, stocks in Hong Kong fell but received a boost as China relaxed pandemic-related restrictions and began reopening towards the end of the year. Japanese equities declined, partly in reaction to the Bank of Japan's ongoing dovish stance, which led to a weakening of the yen. Stocks in emerging markets also came under pressure. In emerging Asia, Chinese stock markets performed poorly amidst concerns about slower growth in the world's second-largest economy. In contrast, Latin America bucked the trend, comfortably outperforming both its developed and emerging markets peers.

Within fixed income, global markets declined as central banks raised interest rates in most developed countries in an effort to keep inflation under control. High yield bonds, which have less sensitivity to rising interest rates than higher-quality issues, held up relatively well, even though investors were concerned about weaker corporate earnings and a possible recession. Emerging market bond returns also declined as investors were risk averse and as central banks in emerging countries raised interest rates to fight inflation and defend weakening currencies.

After such a difficult period, what can investors expect going forward? Volatility may well continue in the near term as central banks tighten policy amidst slowing economic growth. In addition, the lag between central bank action and its impact on the economy means that the effects of past interest rate hikes will continue to be felt in 2023. There is considerable uncertainty about where interest rates will peak in this tightening cycle; a quick turn to easing appears unlikely. The trend towards higher inflation and interest rates has major implications for investors.

More positively, as we commence 2023, current valuations across most major asset classes are favourable. We know from history that when there is a major change in the underlying investment backdrop, this typically brings about changes in market leadership. We believe the value style should be a long-term beneficiary of this rotation, for example. As a group, value stocks historically have outperformed growth stocks in periods of high inflation. Similarly, a brutal year for bond markets in 2022 ended with a silver lining: fixed income yields rose to some of the most attractive levels since the financial crisis. In our view, there continue to be opportunities for investors focused on fundamentals. A selective approach will be key.

We believe the current environment makes skilled active management a critical tool for identifying risks and opportunities, and our investment teams will continue to use fundamental research to identify securities that can add value to our shareholders over the long term.

In this regard, our corporate culture also plays a key role. An organisational culture which at every level encourages transparency, places the client at the centre of every decision and emphasises investment performance over asset growth will, we believe, add much more value for its shareholders over the long term than a business which doesn't espouse those cultural values.

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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.

## ESG Investing

Shareholders are increasingly demanding that their fund providers make investments that are responsible. Environmental, social and governance (ESG) analysis is one of many building blocks that make up our global investment research platform. We have built specialist teams and technology to evaluate and integrate ESG factors across a range of asset classes.

ESG analysis is embedded in our investment process. Our portfolio managers are accountable for integrating and monitoring ESG factors across portfolio holdings, as appropriate to their mandate, whilst our analysts are accountable for integrating ESG factors into their research process and investment analysis. Our ESG specialists collaborate with analysts and portfolio managers to deepen insights into significant ESG issues.

Compared with traditional financial data, integrating ESG factors into the investment process brings distinct challenges. This is because many ESG factors are qualitative in nature and many quantitative data sets are underdeveloped (i.e., limited disclosure and lack of standardisation). To address these issues, we developed the Responsible Investing Indicator Model (RIIM) – our framework designed specifically to help portfolio managers and analysts integrate ESG factors into their investment process and support their investment decisions.

### ESG in Action: Engagement and Voting

It is our belief that the scale and scope of our business puts us in a powerful position compared with many of our peers when we carry out our ESG engagements or other interactions with companies. In most cases, if we see an impediment to reaching our investment goals, such as a company's poor business practices or disclosure, we have the option not to invest. Whilst we engage with companies in a variety of investment contexts, ESG engagement focuses on learning about, influencing or exchanging perspectives on the environmental practices, corporate governance or social issues affecting their businesses.

As shareholders, we also engage in proxy voting at the companies in which we invest. Proxy voting is a crucial link in the chain of stewardship responsibilities that we execute on behalf of our clients. We vote our clients' shares in a thoughtful, investment-centred way, considering both high-level principles of corporate governance and company-specific circumstances. Decisions are inclusive, with recommendations involving our ESG specialists and the investment professionals who follow the companies closely. Our overarching objective is to cast votes in support of the path most likely to foster long-term, sustainable success for the company and its shareholders. T. Rowe Price portfolio managers are ultimately responsible for the voting decisions within the strategies they manage.

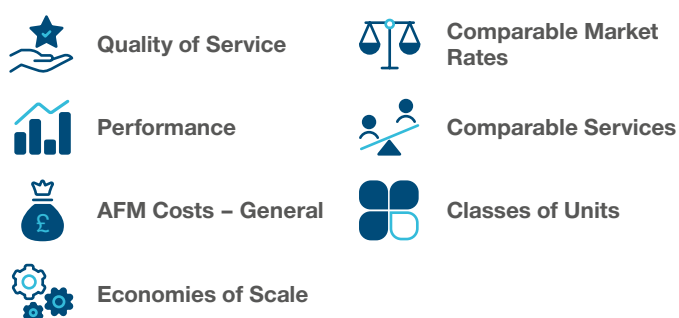
## ESG in Our OEIC Offering

- All our OEIC funds integrate ESG factors. This means that the ESG factors are incorporated into the investment process alongside financials, valuation, macroeconomics and other factors, and they are components of the investment decision. Consequently, ESG factors are not the sole driver of an investment decision but are instead one of several important inputs considered during investment analysis.
- Our OEIC fund range includes two impact funds: Global Impact Equity Fund and Global Impact Credit Fund, launched in December 2021. These funds have a dual mandate: to seek positive environmental and social impact and grow the value of their investments over the long term.
- In January 2021, we launched Responsible UK Equity Fund, which caters to shareholders who want to reflect their values in their investments by not investing in securities with direct exposure to specific categories (adult entertainment, assault-style weapons, controversial weapons, gambling, thermal coal, tobacco and conduct-based violators – together referred to as our responsible exclusions).
- Two additional funds, Future of Finance Equity Fund and Global High Yield Opportunities Bond Fund launched in October 2022, are also managed to include a responsible exclusion list and with a minimum commitment (10%) to sustainable investments.

The Financial Conduct Authority is in the process of finalising the Sustainability Disclosure Requirements (SDR) and investment label regime, with a consultation paper published at the end of 2022. Whilst we welcome the proposal to create consistency, we also provided feedback to the FCA on this much-anticipated regulation. Once the final rules are issued, we will review our OEIC offering and see if changes are required to comply with the new regulation.

## Methodology

The FCA has identified seven main areas of focus within which asset managers should assess their funds. We have developed a framework to measure whether our funds provide value to shareholders by considering how best to evaluate these criteria identified by the FCA. We assessed each criterion individually, but only when these are considered collectively it is possible to assess if the funds have delivered value overall:



We used a RAG rating to evaluate each of the seven criteria and then provided an overall rating to show whether value had been delivered to shareholders in a fund.

We are committed to providing an assessment of value which is as objective as possible and which looks at our funds with a fresh pair of eyes. To this end, we engaged with an external party to provide independent and supplementary data and analysis on both performance and fund charges. In addition to our own in-house research, we also used syndicated market research studies and third-party reports to assess our clients' experience.

Although all share classes of the funds were assessed, in this report we use our primary standard class (Class C) for comparative purposes: This is the highest-fee-paying share class and the one more widely offered to our intermediary shareholders.

Class C	Standard class, designed for all types of investors.
Class C9	Foundation share class, designed for all types of investors.
Class T	Designed for and restricted to institutional investors who have a professional service agreement with T. Rowe Price.
Class Z	Designed for and restricted to institutional investors who have a professional service agreement with T. Rowe Price. No Z Class shares have been launched yet.



### 1. Quality of Service:

We considered the diversity, range and quality of services that were provided to shareholders. We used a number of different criteria in our assessment, which can be broken down into three main areas:

#### ■ Investment management services

- We assessed whether the funds were managed according to their objective and in line with their active investment mandate.
- We examined the background and experience of the senior management and investment personnel as well as the research and investment processes utilised to meet the funds' investment objectives.
- We reviewed the training and ongoing professional development offered to staff.
- We also considered the monitoring of the investment risks.

#### ■ Product governance and client experience

- We reviewed the compliance record and how breaches and complaints were registered and addressed.
- We assessed the quality of documentation and financial promotion literature relating to each fund.
- We gathered insights from syndicated market research studies, third-party reports and our own research so that we may continuously improve our clients' experience and the products and services we provide.
- We also examined whether the appropriate product governance was in place to oversee the management of the fund.

#### ■ External services

- We analysed the value delivered by third-party service providers, including those involving fund administration, transfer agency, custody services, legal and audit services.



## 2. Performance:

We assessed the performance of our funds after charges have been deducted. We considered their performance over an appropriate time scale according to the funds' investment objectives, policy and strategy. In order to provide an independent view in the performance assessment of our funds, third-party service provider Fitz Partners was engaged. Fitz Partners constructed peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size.

In particular, we considered:

- absolute net total returns for each fund (annualised and calendar year)
- performance of the funds relative to their comparator benchmarks
- performance relative to active and passive funds in the relevant Investment Association sector
- performance relative to peer groups with a comparable investment objective and, where relevant, similar size

### ■ Time scale

- The funds' performance was evaluated over the recommended holding period specified in the investment objective of the fund: this is five years for most of our funds.
- Some of the funds have a shorter track record than five years, and this was taken into account in our assessment.
- We did not assess the performance of newly launched funds in existence for less than a year as such short-term returns are not sufficient to conduct a meaningful performance assessment.

### ■ Actively managed funds

- We considered a number of risk/return metrics and ensured the funds were adequately differentiated from their benchmark, therefore indicating they were actively managed.

### ■ Impact funds

- Our impact funds have a dual mandate to deliver positive impact on the environment and/or society as well as capital growth: Both components have been considered in assigning the fund's overall performance rating. The impact fund's overall performance rating adopts the lower of the scores assigned for either capital growth or positive impact.



## 3. Authorised Fund Manager (AFM) Costs – General:

We reviewed the total charges paid by shareholders, also referred to as ongoing charge figure (OCF), which consists of charges in two categories:

- the annual management charge (also known as the AMC) charged to shareholders
- the additional operating and administrative expenses (also known as O&A expenses) related to services provided by external vendors and third parties, including:
  - transfer agency,
  - fund administration,
  - depositary,
  - custody,
  - audit and
  - other professional services,
  - less a subsidy where applicable,

which are essential for the functioning of the funds.



Where a share class's O&A expenses exceed a specified O&A expense cap level, T. Rowe Price bears the excess by subsidising that share class. The O&A expense cap was previously set at up to 0.17% reduced to up to 0.14% from 1 April 2023.

The charges were considered in the context of the revenue and overall profitability of the fund range, taking into account functional operating expenses, such as investment management, distribution and overhead costs.

Although the information provided to assess this criterion is numerical, the assessment is qualitative as it relates to the fairness and reasonableness of the allocation of costs.



#### 4. Economies of Scale:

We considered whether we were able to achieve savings and benefits from scale, i.e., growth in assets/funds under management and, if so, whether these were passed through to shareholders.

As funds grow in size, the O&A expenses associated with managing them are spread across more assets.

Historically, the O&A expenses were capped at up to 0.17% for all share classes, and it does not vary by strategy. This level was determined in 2016 when the OEIC fund range was established. Should the actual O&A expenses attributable to a share class exceed the O&A expense cap, T. Rowe Price bears the excess.

In 2022 we undertook a comprehensive review of the O&A expenses the funds incur and the O&A expense cap level. Effective 1 April 2023, the O&A expense cap was reduced from up to 0.17% to up to 0.14% to provide further protection to shareholders from O&A expenses whilst fund assets grow.

Also, as the OEIC fund range grows in size, the fees charged by third parties are reviewed to ensure shareholders receive appropriate services at competitive prices.

Since the funds have yet to reach a significant scale, no annual management charge breakpoints have been introduced so far. This means that the annual management charge (AMC) does not fall as the size of the funds increases. However, as the funds grow in size, we will evaluate possible options to pass to shareholders further benefits from economies of scale.



#### 5. Comparable Market Rates:

For this criterion we examined how the charges described above compared with our peers. In this assessment, we drew upon independent analysis carried out for us by Fitz Partners. Fitz Partners constructed peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size.

All share classes (Class C, Class T and Class Z), where launched, were assessed against their relevant share class universes. However, to illustrate the conclusions in this report, we used our Class C: this is the highest-fee-paying share class and the one more widely offered to our intermediary clients.



#### 6. Comparable Services:

We examined how charges, in particular the annual management charge (AMC), paid by shareholders in the funds compared with those paid by other T. Rowe Price clients investing in or through similar products and services. In particular, we looked at the charges paid by shareholders in the sub-funds of T. Rowe Price Funds SICAV, an open-ended investment company, authorised as a UCITS scheme and based in Luxembourg.

We also analysed the charges paid by institutional shareholders with separately managed accounts.

We reviewed the principles of our pricing approach, which is based on value-based pricing and the fairness principle.



#### 7. Classes of Units:

We reviewed the shareholders in all classes of funds to determine whether any could be moved to cheaper share classes that offered substantially similar rights.

This principle draws particular attention to shareholders holding higher-fee share classes that were launched before the FCA (formerly the Financial Services Authority) Retail Distribution Review (RDR) in 2012. Our OEIC fund range was launched after the introduction of the RDR, so there are no pre-RDR share classes to consider.

Where price differences exist across share classes, these are justified by the different level of service we provide or the nature of our different shareholders. Class T and Class Z are restricted to institutional shareholders who have a professional service agreement with T. Rowe Price. For shareholders in Class T or Class Z, the annual management charge and/or ongoing charges are billable directly to shareholders.

Our Funds

Asian Opportunities Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares of companies in Asia.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments, in particular, existing investments in developed markets
- understand and can accept the risks of the fund, including the risks of investing in emerging markets

Fund (data as at 31 December 2022)

Launch Date

16 October 2017

Comparator Benchmark

MSCI All Country Asia Ex Japan Index Net

IA Sector

Asia Pacific Excluding Japan

AUM (GBP million)

14.2

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

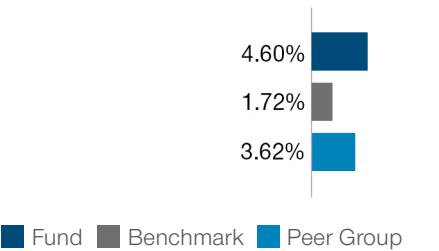
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in October 2017 and it has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator benchmark and its peer group. However, the short-term challenges of the fund should be noted; in 2022, the fund outperformed its primary benchmark (-8.91% vs. -9.55%) but delivered a negative absolute return.

In 2022, stock selection in both China and Hong Kong contributed significantly to relative performance, whereas the stock preferences in Taiwan detracted. The fund kept a strong conviction in high-quality Chinese companies during the year and was well positioned when investor sentiment toward Asia ex Japan’s largest market swung from pessimism to hope late in the period. The portfolio manager sees more constructive signals for Asia ex Japan equities in 2023, driven by China’s economic reopening and a potential bottoming out of technology demand. Market volatility may persist as investors assess where interest rates will peak.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

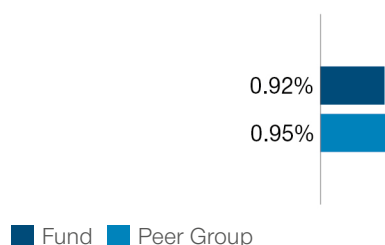
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

China Evolution Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests in a portfolio of shares of Chinese companies and may have significant exposure to smaller capitalisation companies (up to 45% of the total assets of the fund, where by smaller-capitalisation the investment manager considers companies with a market capitalisation below USD 5 billion). The fund aims to invest in companies with high returns on capital in the long term, focusing on opportunities in the evolving Chinese economy.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their investments, in particular, existing investments in developed markets
- understand and can accept the risks of the fund, including the risks of investing in China

Fund (data as at 31 December 2022)

Launch Date

10 December 2021

Comparator Benchmark

MSCI China All Shares Index Net

IA Sector

China/Greater China

AUM (GBP million)

15.2

Base Currency of the Fund

GBP

Assessment Summary

- Quality of service
- Performance
- AFM Costs – General
- Economies of scale
- Comparable market rates
- Comparable services
- Classes of units



Overall Assessment



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

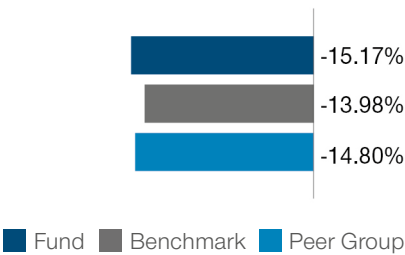
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in December 2021, and it has yet to reach a five-year track record, its recommended holding period. The fund’s one-year performance to 31 December 2022 shows that the fund had a negative absolute return; it also underperformed its comparator benchmark and its peer group. However, the short track record, challenging market conditions and marginal underperformance of the benchmark since inception (-18.07% vs. -17.64%) were noted.

In 2022, the financials sector hurt relative performance the most due largely to the underweight allocation. Conversely, the stock selection in industrials and business services contributed positively. With the unexpected U-turn in China’s zero-COVID policy, the portfolio manager seeks more opportunities in overlooked areas that can benefit from the next stage of China’s reopening. The general recovery of the consumer space and late-cycle types of businesses may open investment opportunities. China’s reopening will likely provide a major boost to domestic consumption and private investment, helping the world’s second-biggest economy to regain normal growth momentum. The portfolio manager believes the real estate market is stabilising and that the worst of the downturn has passed following the government’s support measures.

Rating for “Performance” criterion: Green

Performance (1-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

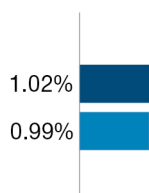
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that the AMC was aligned with the peer group average but the OCF was slightly higher as a result of higher operating and administrative (O&A) expenses. Although capped at up to 0.17%, the O&A expenses are higher than the peer group’s average (0.17% vs. 0.13%) due to the small size of the fund. A revised O&A expense cap of up to 0.14% has been implemented from 1 April 2023. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing the criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Continental European Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares of companies in Europe (excluding the UK).

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

26 September 2016

Comparator Benchmark

FTSE – Developed Europe ex United Kingdom Index Net

IA Sector

Europe Excluding UK

AUM (GBP million)

3.1

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

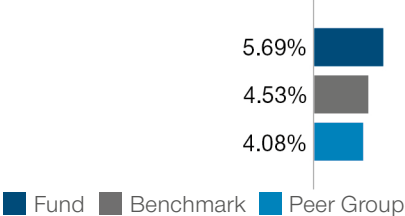
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the funds’ investment objectives, policy and strategy.

The fund was launched in September 2016 and it has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator benchmark and its peer group. However, the short-term challenges of the fund should be noted; in 2022, the fund underperformed its primary benchmark (-11.77% vs. -8.20%), though it outperformed the average of its peer group (-11.77% vs. -12.80%).

In 2022, stock selection in industrials and business services, health care and consumer discretionary held back relative performance, as did the fund’s underweight in industrials and business services. On the other hand, the choice of securities in information technology and financials was positive, as was the overweight in the latter. The backdrop for equities is less favourable as central banks continue to prioritise attempts to stamp inflation over economic growth. Valuations have pulled back but are still not particularly ‘cheap’.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

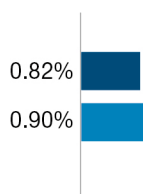
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, was which reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Emerging Markets Discovery Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a widely diversified portfolio of shares of emerging market companies.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments, in particular, existing investments in developed markets
- understand and can accept the risks of the fund, including the risks of investing in emerging markets

Fund (data as at 31 December 2022)

Launch Date

25 June 2019

Primary Comparator Benchmark

MSCI Emerging Markets Index Net

Secondary Comparator Benchmark

MSCI Emerging Markets Value Index Net

IA Sector

Global Emerging Markets

AUM (GBP million)

40.3

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

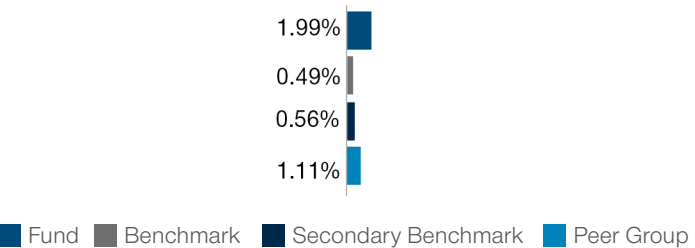
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in June 2019, and it has yet to reach a five-year track record, its recommended holding period. The fund’s three-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator primary and secondary benchmarks and its peer group. However, the short-term challenges of the fund should be noted; in 2022, the fund outperformed its primary benchmark (-4.83% vs. -10.02%), but delivered a negative absolute return.

In 2022, stock selection in China was a major contributor as beneficiaries of the country’s reopening, which the fund owned, rallied. In contrast, Russia was a key detractor after index providers removed Russian stocks from their widely used benchmarks following the invasion of Ukraine. The portfolio is positioned to benefit from companies increasing their capital expenditure after years of underinvestment and from China’s zero-COVID policy shift. In the portfolio manager’s view, there is reason to be more constructive towards emerging markets, a new investment cycle should present more opportunities with asymmetric risk/reward for bottom-up investors. China’s reopening has generated much optimism, and the execution of this new policy will likely be a major driver of demand.

Rating for “Performance” criterion: Green

Performance (3-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

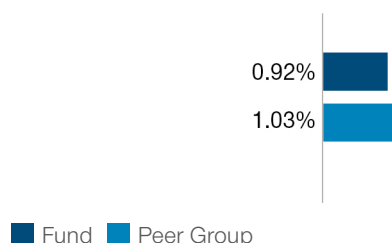
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Future of Finance Equity Fund

Objective and Investment Policy

To increase the value of its shares, through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests at least 80% of total assets in a portfolio of shares and related equity securities issued by companies that create or use innovative financial technologies in products, services and/or their business operations.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are seeking the potential for capital growth through investment in financial and technology stocks
- understand and can accept the risks of the fund, including the risks of investing in equities globally
- have concern related to investment in certain companies whose businesses are exposed to particular industries that do not align with their environmental, social or ethical values

Fund (data as at 31 December 2022)

Launch Date

18 October 2022

Comparator Benchmark

MSCI All Country World Index Net

IA Sector

Financial and Financial Innovation

AUM (GBP million)

1.7

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance.

3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

Rating for “Economies of Scale” criterion: Green

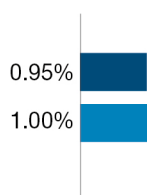
## Our Funds

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group's average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for "Comparable Market Rates" criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for "Comparable Service" criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for "Classes of Units" criterion: Green

### Conclusions and Remedies

After reviewing all available criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the factsheet. Further information about the risks of the fund can be found in the prospectus and KIID. The factsheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global Focused Growth Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares which, in the opinion of the investment manager, have the potential for above-average and sustainable rates of earnings growth. The companies may be anywhere in the world, including emerging markets.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments
- understand and can accept the risks of the fund, including the risks of investing in equities globally

Fund (data as at 31 December 2022)

Launch Date  
30 May 2017

Primary Comparator Benchmark  
MSCI All Country World Index Net

Secondary Comparator Benchmark  
MSCI All Country World Growth Index Net

IA Sector  
Global

AUM (GBP million)  
383.9

Base Currency of the Fund  
GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

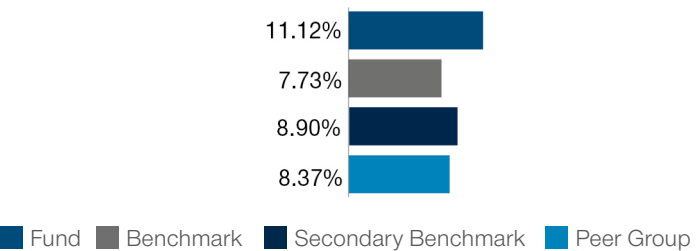
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in May 2017 and it has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator primary and secondary benchmarks, as well as its peer group. However, the short-term challenges of the fund should be noted; in 2022, the fund underperformed its primary benchmark (-19.49% vs. -8.08%) and average of the peer group (-19.49% vs. -17.36%), though marginally outperformed its secondary benchmark (-19.49% vs. -19.61%).

In 2022, stock selection in consumer staples, coupled with an underweight position, detracted the most from relative returns. Holdings in the industrials and business services sector also hurt, as did information technology names. No sectors contributed on a relative basis for the period. At the regional level, stock selection in North America detracted the most, while holdings in Japan contributed. The portfolio manager acknowledged that they do not know how the global market environment will develop in the coming months, but are evolving the portfolio to reflect the new economic landscape whilst still being true to their framework of focusing on improving future economic returns. In their view, it remains important for investors to prioritise insights into improving returns while placing greater emphasis on valuation discipline.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

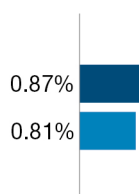
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that the AMC was aligned with the peer group average but the OCF was slightly higher (0.87% vs. 0.81%), as a result of higher operating and administrative (O&A) expenses than the peer group’s average (0.12% vs. 0.06%). The fund benefits from an O&A expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023). For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global Impact Equity Fund

Objective and Investment Policy

To have a positive impact on the environment and society whilst at the same time seeking to increase the value of its shares through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests in a portfolio of shares of companies which may be anywhere in the world, including emerging markets (up to 35% of the total assets of the fund). The investment manager will focus on companies that it believes have the potential to create positive social or environmental impact through their products or services and that appear to offer superior growth prospects and investment characteristics.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in environmental and social impact
- want to make an environmental or social impact alongside a financial return
- understand and can accept the risks of the fund, including the risks of investing in equities globally

Fund (data as at 31 December 2022)

Launch Date

10 December 2021

Comparator Benchmark

MSCI All Country World Index Net

IA Sector

Global

AUM (GBP million)

1.7

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund has a dual mandate to deliver positive impact as well as capital growth: Both components have been considered in assigning the fund’s overall performance rating. The fund’s overall performance rating adopts the lower of the scores assigned for either capital growth or positive impact.

To assess the capital growth, we considered the total return of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

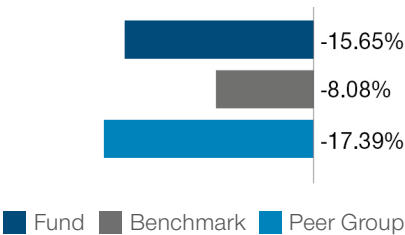
The fund was launched in December 2021, and it has yet to reach a five-year track record, its recommended holding period. The fund’s one-year performance to 31 December 2022 shows that the fund had a negative absolute return, as did the benchmark in the same period; the fund significantly underperformed its comparator benchmark on a one-year basis, although it outperformed its peer group. Rating for “Capital Growth” criterion: Amber.

In 2022, on a traditional sector basis, the choice of securities in information technology and health care detracted the most, although these losses were, to a degree, offset by our overweight position in the latter. Conversely, our below-benchmark allocation to communication services and stock picks in financials added value.

To assess if the fund delivered positive impact, we considered the fund’s alignment to the three impact pillars and the level of engagement. Rating for “Positive Impact” criterion: Green. Please refer to latest annual impact report for more detailed information.

Taking into consideration the dual mandate of the fund, the rating for the overall “Performance” criterion: Amber.

Performance (1-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

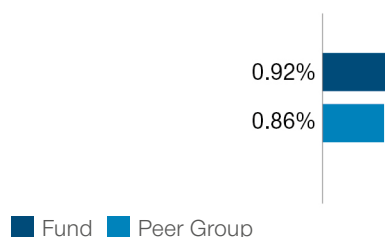
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that, although the AMC of the fund is broadly in line with the peer group’s average (0.75% vs. 0.74%), the OCF of the fund is slightly higher as a result of the higher operating and administrative (O&A) expenses. Although capped at up to 0.17%, the O&A expenses are higher than the peer group’s average (0.17% vs. 0.12%) due to the small size of the fund. A revised O&A expense cap of up to 0.14% has been implemented from 1 April 2023. For illustrative purposes only the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing the criteria we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](http://troweprice.com).**

Our Funds

Global Natural Resources Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a widely diversified portfolio of shares of natural resources or commodities-related companies. The companies may be anywhere in the world, including emerging markets.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments, especially in periods of accelerating inflation
- understand and can accept the risks of the fund, including the risks of investing in equities and in commodities

Fund (data as at 31 December 2022)

Launch Date

27 March 2017

Comparator Benchmark

MSCI World Select Natural Resources Index Net

IA Sector

n/a

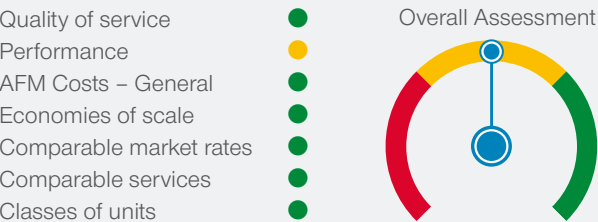
AUM (GBP million)

15.6

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

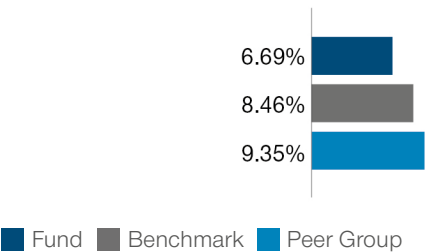
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in March 2017, and it has now reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; however, it underperformed its comparator benchmark and its peer group, though the small size of the peer group should be noted.

In 2022, returns in integrated oil and gas detracted the most from relative performance due to an underweight allocation and stock selection. Conversely, an overweight and stock selection in US oil exploration and production added value. Geopolitical turbulence, elevated inflation and concerns over a global recession created a volatile market environment for many commodities, further exacerbating near-term uncertainty around the timing of price normalisation. In this uncertain environment, the goal is to deliver commodity exposure in a better risk-adjusted manner over time by investing in the right cost curves, companies and valuations. The portfolio manager is committed to our data-driven, bottom-up stock selection process and the philosophy of buying and holding a diverse selection of fundamentally sound natural resources companies with solid balance sheets and trusted management teams.

Rating for “Performance” criterion: Amber

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

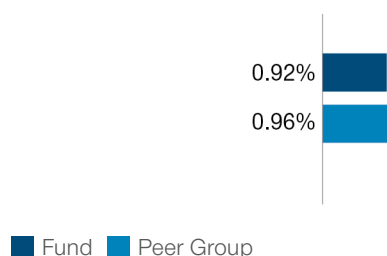
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders, but had some performance challenges and further monitoring is required. We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

**Overall rating: Amber**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. The Morningstar category Equity Natural Resources was used for this fund as it was deemed the most appropriate. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global Select Equity Fund

Objective and Investment Policy

To increase the value of its shares, through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests at least 80% of total assets in a high-conviction portfolio of shares and related securities issued by companies anywhere in the world, including emerging markets (up to 10% of the total assets of the fund).

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities globally

Fund (data as at 31 December 2022)

Launch Date

10 June 2022

Comparator Benchmark

MSCI World Index Net

IA Sector

Global

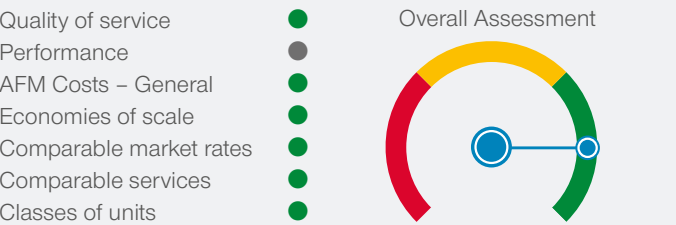
AUM (GBP million)

1.8

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance.

3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

Rating for “Economies of Scale” criterion: Green

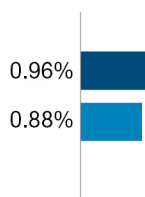
## Our Funds

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that, although the AMC is in line with the peer group's average (0.79% vs. 0.81%), the OCF of the fund is higher as a result of higher operating and administrative (O&A) expenses. Although capped at up to 0.17%, the O&A expenses are higher than the peer group's average (0.17% vs. 0.08%) due to the small size of the fund. A revised O&A expense cap of up to 0.14% has been implemented from 1 April 2023. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for "Comparable Market Rates" criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for "Comparable Service" criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for "Classes of Units" criterion: Green

### Conclusions and Remedies

After reviewing all available criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global Technology Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares of technology development or utilisation companies, with a focus on those that, in the opinion of the investment manager, are leading global technology companies. The companies may be anywhere in the world, including emerging markets.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments
- understand and can accept the risks of the fund, including the risks of investing in equities globally and in commodities

Fund (data as at 31 December 2022)

Launch Date

27 March 2017

Comparator Benchmark

MSCI All Country World Information Technology Index Net

IA Sector

Technology & Technology Innovation

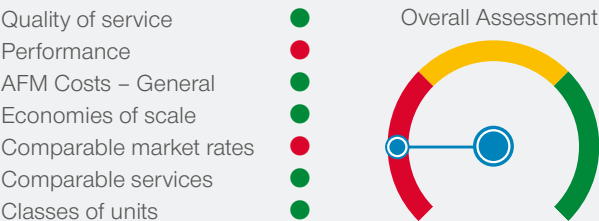
AUM (GBP million)

30.9

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

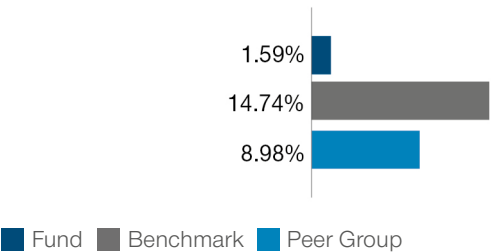
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in March 2017, and it has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; but it significantly underperformed its comparator benchmark and average of the peer group.

In 2022, stock selection in software and internet was largely responsible for the portfolio’s underperformance. Alternatively, an underweight position in semiconductors contributed to relative returns. The portfolio manager reduced the fund’s position in software during the period, although it remains the largest absolute position in the portfolio. The portfolio manager maintains a bias towards companies that they believe possess positive secular and idiosyncratic stories that they believe can help offset the cyclical headwinds. The portfolio manager is focused on finding companies that sell linchpin technology and are innovating in secular growth markets that also show improving fundamentals and reasonable valuations.

Rating for “Performance” criterion: Red

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

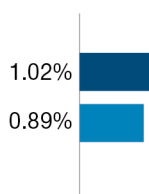
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that the AMC (0.85% vs. 0.77%) and the OCF of the fund is higher than the peer group’s average. The higher OCF of the fund is driven by both higher AMC and operating and administrative (O&A) expenses (capped at up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) than the peer group’s average (0.17% vs. 0.12%), this is due to the small size of the fund. It should be noted that the UK peer group for the fund is quite small as it consists of only five global technology funds domiciled in the UK.

Rating for “Comparable Market Rates” criterion: Red

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria and noting that the fund had some challenges for the “Performance” and “Comparable Market Rates” criteria overall, we concluded that the fund had value concerns.

Following an announcement on 30 November 2022, a co-portfolio manager was appointed on 1 December, and after a careful and thoughtful transition, the new portfolio manager became the sole portfolio manager effective 1 April 2023.

Given the recent appointment of the new portfolio manager, we will conduct an in-depth, comprehensive review of the fund in 2023 to understand from the portfolio manager how the fund may be re-positioning to enable improved performance, alongside a review of other fund features, to improve the fund’s ability to deliver value.

**Overall rating: Red**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, troweprice.com.**

Our Funds

Global Value Equity Fund

Objective and Investment Policy

To increase the value of its shares, through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests at least 80% of total assets in a diversified portfolio of undervalued shares and related securities issued by companies anywhere in the world, including emerging markets (up to 10% of the total assets of the fund). Value is assessed by looking at indicators such as cash flows, dividends and earnings to identify securities which the investment manager believes have been undervalued by the market.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities globally
- are looking to diversify their equity investments

Fund (data as at 31 December 2022)

Launch Date  
10 June 2022

Primary Comparator Benchmark  
MSCI World Index Net

Secondary Comparator Benchmark  
MSCI World Value Index Net

IA Sector  
Global

AUM (GBP million)  
1.7

Base Currency of the Fund  
GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance.

3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

Rating for “Economies of Scale” criterion: Green

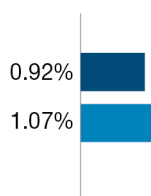
## Our Funds

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group's average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for "Comparable Market Rates" criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for "Comparable Service" criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for "Classes of Units" criterion: Green

### Conclusions and Remedies

After reviewing all available criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Japanese Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a widely diversified portfolio of shares of companies in Japan.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- are looking to diversify their equity investments
- understand and can accept the risks of the fund, including the risks of investing in the equities of smaller companies

Fund (data as at 31 December 2022)

Launch Date

13 March 2017

Comparator Benchmark

TOPIX Index Net

IA Sector

Japan

AUM (GBP million)

216.2

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

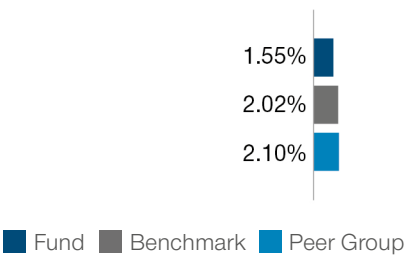
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in March 2017, and it has now reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; but it underperformed its comparator benchmark and its peer group. Also, the short-term challenges of the fund should be noted; in 2022, the fund underperformed its benchmark (-18.01% vs. -4.54%) and also its peer group (-18.01% vs. -15.93%).

In 2022, the fund lagged its benchmark due to unfavourable stock selection and, to a lesser degree, sector allocation. This was due to: (1) the strength of value stocks relative to their growth peers, (2) smaller companies coming under more pressure than their more internationally exposed large-cap counterparts and (3) historic yen weakness. The current environment is uncertain, and risks have increased; therefore, overall portfolio risk and the small-cap exposure has been reduced. The portfolio manager believes most major central banks will maintain high interest rates given global economic conditions, and small-cap companies will likely find this environment more challenging. While a weak yen has been very supportive for Japan’s competitiveness, a stronger currency would be far more supportive of the kind of quality, domestically oriented businesses that we tend to favour. The portfolio manager is watching for further normalisation in Japan’s monetary policy and, if realised, would expect sustained yen strengthening to follow.

Rating for “Performance” criterion: Amber

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

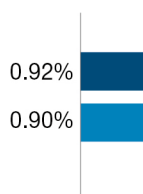
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were in line with or slightly above the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders, but had some performance challenges and further monitoring is required. We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

**Overall rating: Amber**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The factsheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Responsible UK Equity Fund

Objective and Investment Policy

To increase the value of its shares through both growth in the value of, and income from, its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares of companies in the UK, after applying a socially responsible screen.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth and income
- understand and can accept the risks of the fund, including the risks of investing in equities
- have concern related to investment in certain companies whose businesses are exposed to particular industries that do not align with their environmental, social or ethical values

Fund (data as at 31 December 2022)

Launch Date

15 January 2021

Comparator Benchmark

FTSE All Shares Index Gross

IA Sector

UK All Companies

AUM (GBP million)

5.5

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

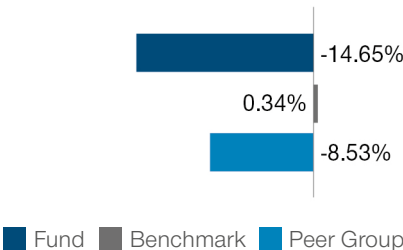
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in January 2021, and it has yet to reach a five-year track record, its recommended holding period. The fund’s one-year performance to 31 December 2022 shows that the fund had a negative absolute return; it also significantly underperformed its comparator benchmark and its peer group since inception.

In 2022, the fund’s underweight exposure to energy and overweight positions in consumer discretionary and industrials and business services dragged on performance, as did stock picking in the last two sectors. On the other hand, an underweight allocation to real estate and the choice of securities in communication services were positive. Broader market declines have presented attractive opportunities, especially in stocks which meet the keen focus on driving strong sustainable outcomes. Many of these companies traded at extended valuation premiums at the start of the year. They have subsequently contracted, giving much better entry points.

Rating for “Performance” criterion: Amber

Performance (1-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

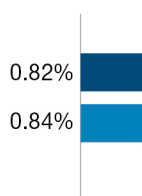
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders, but the materiality of the performance challenges, despite the short track record, means further monitoring is required. We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund continues to deliver value.

**Overall rating: Amber**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

US All-Cap Opportunities Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments over the long term (a minimum of five years).

The fund is actively managed and invests at least 80% of total assets in a diversified portfolio of shares or related securities issued by companies that are either incorporated in the United States or conduct most of their business there.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

7 June 2022

Primary Comparator Benchmark

Russell 3000 Index Net 15% Withholding Tax

Secondary Comparator Benchmark

Russell 3000 Growth Index Net 15% Withholding Tax

IA Sector

North America

AUM (GBP million)

4.0

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance.

3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (maximum level of cap of 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

Rating for “Economies of Scale” criterion: Green

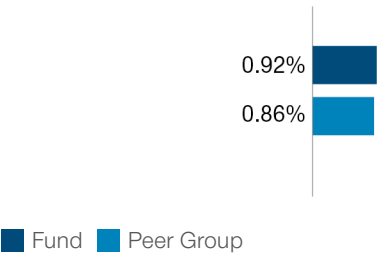
Our Funds

5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that, although the AMC is in line with the peer group’s average (0.75% vs. 0.76%), the OCF of the fund is higher as a result of higher operating and administrative (O&A) expenses. Although capped at up to 0.17%, the O&A expenses are higher than the peer group’s average (0.17% vs. 0.10%) due to the small size of the fund. A revised O&A expense cap of up to 0.14% has been implemented from 1 April 2023. For illustrative purposes only the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

Conclusions and Remedies

After reviewing all available criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

Overall rating: Green

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](http://troweprice.com).

Our Funds

US Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares of companies in the United States.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

31 October 2016

Comparator Benchmark

S&P 500 Net 15% Withholding Tax

IA Sector

North America

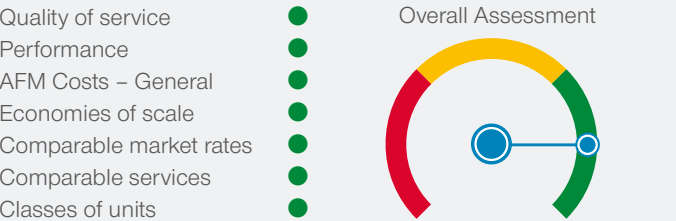
AUM (GBP million)

11.0

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

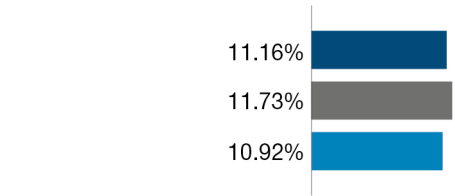
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in October 2016, and it has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it marginally underperformed its comparator benchmark but outperformed its peer group.

In 2022, stock selection in consumer discretionary and security choices coupled with an underweight position in information technology contributed to the fund’s relative outperformance. Not owning energy stocks, along with unfavourable stock selection in materials, detracted. The fund’s largest allocations were in the information technology, health care and industrials and business services sectors, accounting for more than half of the portfolio. The portfolio manager remains defensively positioned and believes the lower-beta, higher-quality tilt within the portfolio will produce attractive risk-adjusted outcomes for shareholders.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



Fund Benchmark Peer Group

As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

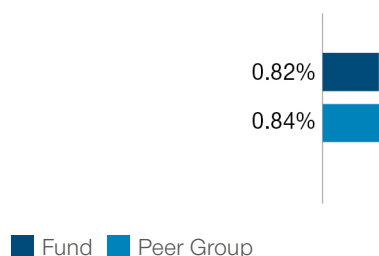
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17% which reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

US Large Cap Growth Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares from large-capitalisation companies in the United States that have the potential for above-average and sustainable rates of earnings growth.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

29 May 2018

Comparator Benchmark

Russell 1000 Growth Index Net 15%

IA Sector

North America

AUM (GBP million)

92.3

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

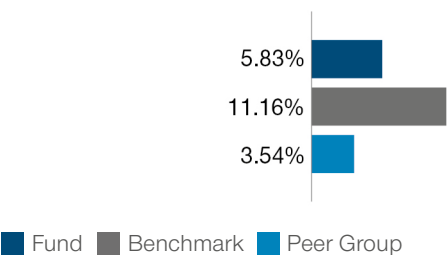
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in May 2018, and it has yet to reach a five-year track record, its recommended holding period. The fund’s three-year performance to 31 December 2022 shows that the fund had a positive absolute return; but it underperformed its benchmark and though outperformed its peer group. Also, the short-term challenges of the fund should be noted; in 2022, the fund underperformed its benchmark (-26.23% vs. -20.32%) though it outperformed its peer group (-26.23% vs. -28.21%).

In 2022, major US stock indices fell sharply, the worst year for equities since the 2008 global financial crisis. Investors moved out of riskier assets in response to deteriorating macroeconomic conditions and the Federal Reserve’s (Fed) attempt to fight elevated inflation through short-term interest rate increases. The fund’s top sector allocations are in information technology, health care, and consumer discretionary. Despite significant macroeconomic headwinds and expectations of further volatility in the coming year, the portfolio manager continues to stay true to their growth targets. The portfolio manager believes that once inflation begins to moderate in a sustained manner, many of the fund’s holdings could be well positioned for outperformance.

Rating for “Performance” criterion: Amber

Performance (3-Year Annualised Figures)



As at 31 December 2022. Class C Acc  
Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

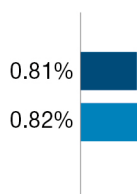
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were in line with or slightly lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders, but had some performance challenges, and further monitoring is required. We will conduct a comprehensive review of the fund in 2023 to seek to address the performance challenges and ensure the fund’s continues to deliver value.

**Overall rating: Amber**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

US Large Cap Value Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a diversified portfolio of shares from large-capitalisation companies in the United States that, in the opinion of the investment manager, are undervalued relative to their historical average and/or the average of their industries.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

13 March 2017

Comparator Benchmark

Russell 1000 Value Index Net 15%

IA Sector

North America

AUM (GBP million)

65.1

Base Currency of the Fund

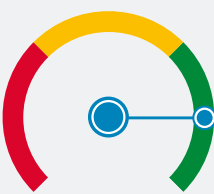
GBP

Assessment Summary

- Quality of service
- Performance
- AFM Costs – General
- Economies of scale
- Comparable market rates
- Comparable services
- Classes of units



Overall Assessment



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

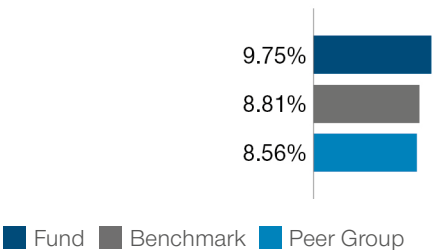
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in March 2017, and it reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator benchmark as well as its peer group.

In 2022, stock selection in financials and security choices coupled with an underweight allocation to consumer discretionary contributed to relative performance, holdings in energy detracted. The portfolio manager found attractive opportunities in companies already discounting a sizable downturn in their respective industries. However, the portfolio manager’s focus remains on their valuation discipline and long-term orientation. Prolonged inflation and rising geopolitical uncertainty have markedly increased the odds of a US recession over the next 12 months. Ultimately, the portfolio manager believes the long-term orientation and valuation driven approach will be beneficial in this market environment.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

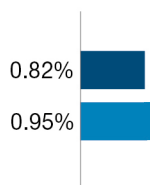
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

US Smaller Companies Equity Fund

Objective and Investment Policy

To increase the value of its shares through growth in the value of its investments.

The fund is actively managed and invests mainly in a widely diversified portfolio of shares from smaller-capitalisation companies in the United States.

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in investment growth
- understand and can accept the risks of the fund, including the risks of investing in equities

Fund (data as at 31 December 2022)

Launch Date

13 March 2017

Comparator Benchmark

Russell 2500 Index Net 15%

IA Sector

North American Smaller Companies

AUM (GBP million)

176.6

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

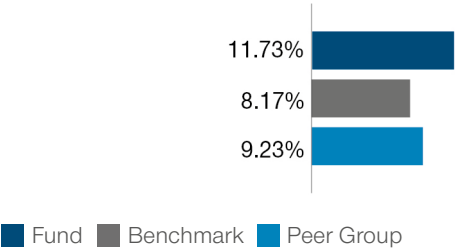
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in March 2017 and has reached a five-year track record, its recommended holding period. The fund’s five-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator benchmark as well as its peer group. However, the short-term challenges of the fund should be noted; in 2022, the fund underperformed its primary benchmark (-10.16% vs. -8.30%) but outperformed its peers (-10.16% vs. -14.82%).

In 2022, stock selection in financials hindered relative performance, as did an underweight position in energy. On the positive side, the holdings in health care added value. During the period, the fund continued to find select opportunities across various industries where the portfolio manager feels valuations may underestimate the sustainability of growth or turnaround potential within the company. The portfolio manager expects a challenging 2023, though they maintain the view that the impending economic contraction will be more moderate in magnitude, and potentially shorter in duration, than many past events. While the portfolio manager takes macroeconomic factors into consideration, they do not drive portfolio construction, and the focus remains on long-term investment outcomes.

Rating for “Performance” criterion: Green

Performance (5-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

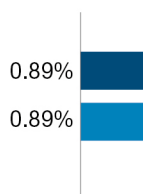
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were in line with the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Dynamic Global Bond Fund

Objective and Investment Policy

To deliver positive returns (after the deduction of costs and charges), comprising of income and growth, over rolling three-year periods. A positive return is not guaranteed over this or any time period, and a capital loss may occur.

The fund is actively managed and invests mainly in a portfolio of bonds of all types from issuers around the world, including emerging markets.

Designed for:

Designed for investors who typically plan to invest for three years or more.

The fund may appeal to investors who:

- are interested in a combination of income and investment growth
- are interested in an investment offering diversification benefits against equity markets
- understand and can accept the risks of the fund, including the risks of investing in global bond markets and in derivatives

Fund (data as at 31 December 2022)

Launch Date

12 December 2016

Comparator Benchmark

3-month GBP SONIA

IA Sector

N/A

AUM (GBP million)

77.9

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

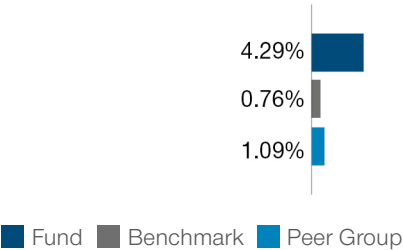
We considered the performance of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in December 2016, and it reached a three-year track record, its recommended holding period. The fund’s three-year performance to 31 December 2022 shows that the fund had a positive absolute return; it also outperformed its comparator benchmark and its peer group.

In 2022, the fund’s country and duration positioning had a strong positive impact on performance, while hedges against downturns in the corporate credit and equities markets detracted. Currency positioning also weighed on performance. Using the full global fixed income universe, the portfolio manager actively manages the fund’s allocation to global government bond markets and security selection within credit sectors, while at the same time implementing strategies to help mitigate the fund against downside risk. The portfolio manager believes a liquid profile is needed in the current market environment, as the ability to be flexible and adapt to changes in market conditions will be important.

Rating for “Performance” criterion: Green

Performance (3-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

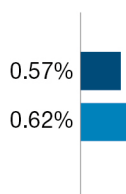
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing all criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. The Targeted Absolute Return (TAR) IA Sector was used for these purposes. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global High Yield Opportunities Bond Fund

Objective and Investment Policy

To maximise the value of its shares through both growth in the value of, and income from, its investments over a full market cycle (a minimum of five years).

The fund is actively managed and invests at least 80% of total assets in a portfolio of high yield (non-investment-grade) corporate bonds that have the potential for consistent growth. The high yield corporate bonds will be from issuers around the world, including emerging markets (up to 40% of the total assets of the fund).

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in a combination of income and investment growth
- understand and can accept the risks of the fund, including the risks of investing in high yield bonds, emerging markets and derivatives
- have concern related to investment in certain companies whose businesses are exposed to particular industries that do not align with their environmental, social or ethical values

Fund (data as at 31 December 2022)

Launch Date

27 October 2022

Comparator Benchmark

ICE BofA Global High Yield Index Hedged to GBP

IA Sector

Sterling High Yield

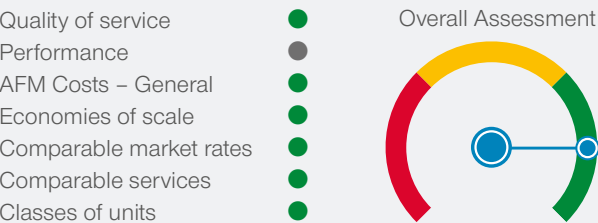
AUM (GBP million)

22.1

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund was launched in 2022 and does not have a sufficiently long track record to assess its performance.

3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

Rating for “Economies of Scale” criterion: Green

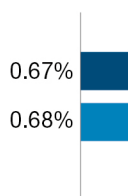
## Our Funds

### 5. Comparable Market Rates: \*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were in line with or lower than the peer group's average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for "Comparable Market Rates" criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for "Comparable Service" criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for "Classes of Units" criterion: Green

### Conclusions and Remedies

After reviewing all available criteria, we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

Our Funds

Global Impact Credit Fund

Objective and Investment Policy

To have a positive impact on the environment and society 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 over a full market cycle (a minimum of five years).

The fund is actively managed and invests at least 70% of the total assets in a portfolio of investment-grade corporate bonds from issuers around the world, including emerging markets (up to 40% of the total assets of the fund). The fund may also invest in below investment-grade bonds (up to 30% of the total assets of the fund).

Designed for:

Designed for investors who typically plan to invest for five years or more.

The fund may appeal to investors who:

- are interested in environmental and social impact
- are interested in a combination of income and investment growth, and
- understand and can accept the risks of the fund, including the risks of investing high yield bonds, emerging markets and derivatives

Fund (data as at 31 December 2022)

Launch Date

14 December 2021

Comparator Benchmark

Bloomberg Global Aggregate Credit Index Hedged to GBP

IA Sector

Sterling Corporate Bond

AUM (GBP million)

12.7

Base Currency of the Fund

GBP

Assessment Summary



1. Quality of Service:

We considered the range and quality of services provided to shareholders. We reviewed three main areas: investment management services, product governance and client experience and external services.

Rating for “Quality of Service” criterion: Green

2. Performance:\*

The fund has a dual mandate to deliver positive impact as well as capital growth: Both components have been considered in assigning the fund’s overall performance rating.

To assess the capital growth, we considered the total return of the fund, after deduction of fees and over an appropriate time scale having regard to the fund’s investment objectives, policy and strategy.

The fund was launched in December 2021, and it has yet to reach a five-year track record, its recommended holding period. The fund’s one-year performance to 31 December 2022 shows that the fund had a negative absolute return but outperformed its comparator benchmark and its peer group.

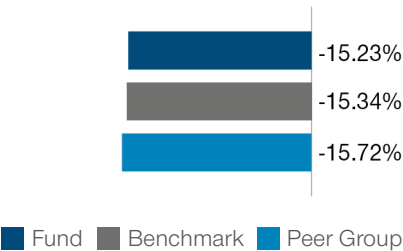
Rating for “Capital Growth” criterion: Green.

In 2022, the fund’s largest sector overweight was in financials, mainly in real estate, with additional overweight positions held in consumer noncyclical and utilities. The fund remained overweight North and Latin America and moved to a modest overweight in Europe given its improved relative value. The fund remained underweight A rated credit and overweight BBB and maintained off-benchmark, higher-beta, BB exposure.

To assess if the fund delivered positive impact, we considered the fund’s alignment to the three impact pillars and the level of engagement. Rating for “Positive Impact” criterion: Green. Please refer to latest annual impact report for more detailed information.

Taking into consideration the dual mandate of the fund, the rating for the overall “Performance” criterion: Green.

Performance (1-Year Annualised Figures)



As at 31 December 2022. Class C Acc

Past performance is not a reliable indicator of future performance.

## Our Funds

### 3. AFM Costs – General:

We assessed whether the costs were transparent, fairly allocated amongst share classes and funds and reasonable for the level of service we provided or the level of service we (and, therefore, shareholders) received from third parties. We concluded that the charges paid were reasonable and commensurate with the service levels provided.

Rating for “AFM Costs – General” criterion: Green

### 4. Economies of Scale:

We assessed if the fund was able to achieve savings and benefits from economies of scale and, where such savings occur, whether these have been passed through to the shareholders. Also, TRPUK has implemented a cap on the fund’s operating and administrative expenses (limit of up to 0.17% reduced to up to 0.14% from 1 April 2023) that benefits shareholders, effectively subsidising the costs of the fund while it grows in size. We believe that, where possible, economies of scale are passed on to shareholders.

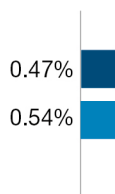
Rating for “Economies of Scale” criterion: Green

### 5. Comparable Market Rates:\*

We compared the annual management charge (AMC) and ongoing charge figure (OCF) of the fund against its relevant peer group. We concluded that these were lower than the peer group’s average. The fund benefits from an operating and administrative expenses cap (up to 0.17%, which was reduced to up to 0.14% from 1 April 2023) that keeps pricing competitive with larger peers. For illustrative purposes only, the primary share class is shown below, which is the highest-fee-paying share class and the one more widely offered to our intermediary investors (Class C).

Rating for “Comparable Market Rates” criterion: Green

#### Ongoing Charge Figure (OCF)



■ Fund ■ Peer Group

As at 31 December 2022. Class C Acc

### 6. Comparable Services:

We considered the annual management charge paid by shareholders in the fund compared with those paid by other T. Rowe Price clients investing in or through similar products and services, including institutional investors with separately managed accounts. We concluded that the charges of the funds and share classes were reasonable and appropriate relative to other T. Rowe Price funds and/or segregated mandates with similar objectives and services offered to clients.

Rating for “Comparable Service” criterion: Green

### 7. Classes of Units:

The fund was launched after the Retail Distribution Review became effective. Therefore, none of our share classes offer the payment of trail commissions to intermediaries. We concluded that all shareholders were invested in the appropriate share class.

Rating for “Classes of Units” criterion: Green

## Conclusions and Remedies

After reviewing the criteria (excluding performance), we concluded that, overall, the fund delivered value to shareholders and no further actions were required.

**Overall rating: Green**

[Return to List of Funds >](#)

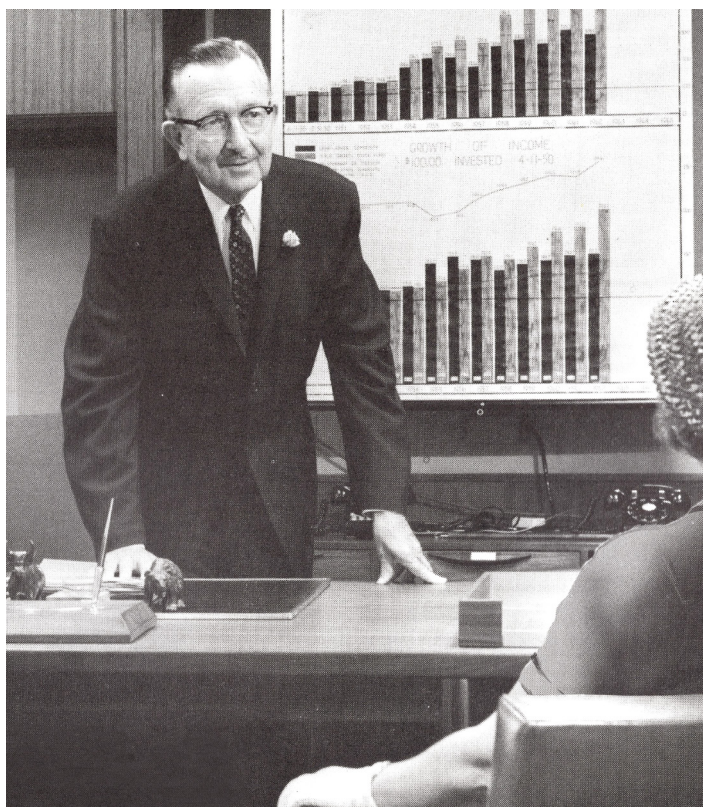
\* Source: Fitz Partners, as at 31 December 2022. Fitz Partners assisted with the construction of the peer groups for each of the funds by seeking comparison groups in the UK that had similar investment mandates and, where relevant, similar size. Performance considers annualised total returns (net of charges).

**Further information about the performance of the fund can be found in the fact sheet. Further information about the risks of the fund can be found in the prospectus and KIID. The fact sheet, KIID and prospectus are available on our website, [troweprice.com](https://troweprice.com).**

## About T. Rowe Price

Founded in 1937 during the Great Depression, T. Rowe Price is built on the enduring philosophy of our founder: meeting clients' individual needs. For over 80 years and through changing investment and economic environments, the core principles that guide our business have remained the same. Today, T. Rowe Price is one of the largest investment firms in the world, managing £1.054 trillion\* for clients in 56 countries.

We are an independent investment management firm focused on helping clients meet their objectives and achieve their long-term financial goals. Clients rely on our active management approach, which we call strategic investing, and our broad range of equity, fixed income and multi-asset investment capabilities.



### Rigorous, Proprietary Research

Our portfolio managers are backed by one of the industry's largest and most experienced buy-side global research platforms. Insights from our proprietary research help us uncover the most attractive investments worldwide. Our investment professionals don't just sit behind their screens, they go out into the field to talk to customers, suppliers, employees and managers to learn first-hand where a company stands and where it could go in the future.

### Collaborative Culture

Our highly collaborative culture encourages a continuous exchange of ideas and information across the firm and enhances our ability to make more informed decisions for our clients. The culture of T. Rowe Price is built and sustained by our values. Different perspectives, opinions and experiences are encouraged to yield the best outcomes for our clients and the firm. We also celebrate the unique experiences of our associates and foster their commitment to the communities where they work and live. We believe in the long-term success of our clients, our associates and the firm.

### Forward-Looking

Markets are dynamic, and we believe investing should be too. We assess when to move with the crowd and when to move against it. We strive to anticipate disruption before it happens or quickly change our approach once it occurs.

### Attention to Risk

We don't wait for change. We seek to get ahead of it. We understand geopolitical, market and economic factors and react to them opportunistically – even defensively – when necessary. We carefully manage risk and seek to maximise value over longer-term horizons.

### Contact Us

If you require any further information on any aspect of this report, or if you are uncertain about what this means for your investments, please contact your financial adviser.

For intermediary and institutional investors: If you have any queries, please contact your relationship manager.

For more information on T. Rowe Price and our investment capabilities, please visit our website:

[troweprice.com](https://troweprice.com).

\*As at 31 December 2022. Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates, including Oak Hill Advisors (OHA).

## Glossary

### Absolute Return Funds

Absolute return funds aim to deliver a positive (absolute) return to shareholders regardless of whether the market in which they invest rises or falls. However, a positive return is not guaranteed.

### Active Funds

In an actively managed fund, the investment manager has complete discretion over the composition of its portfolio, subject to the stated investment objectives and policy, and has freedom to deviate from the constituent holdings, country or sector weightings of any benchmark index.

### Active Share

The active share study was an academic study conducted by researchers from the Yale School of Management in 2006. The study examined how much a mutual fund's holding differs from its benchmark, and the difference is the active share. The greater the difference between the fund's asset composition and its benchmark, the greater the active share. This measure is used to determine if a fund is a 'closet-indexer'. Closet index funds are actively managed funds that closely mirror the holdings of their benchmarks whilst still charging active management fees.

### Alpha

Alpha refers to excess returns earned on an investment above the benchmark return. Active portfolio managers seek to generate alpha in diversified portfolios, with diversification intended to eliminate unsystematic risk. Because alpha represents the performance of a portfolio relative to a benchmark, it is often considered to represent the value that a portfolio manager adds to or subtracts from a fund's return.

### Annual Management Charge (AMC)

This is the yearly fee an investment manager charges to manage a fund. It is generally a percentage of the assets of the fund, for example, 0.75% of the fund's assets per annum. The AMC is automatically deducted from the assets of the fund.

### Assessment of Value (AoV) Report

As a result of the Asset Management Market Study, the FCA introduced rules with the aim of ensuring asset managers continue to act in the best interest of shareholders. These rules require us to perform a detailed annual assessment to determine whether our UK-based funds are providing value for shareholders.

### Asset Management Market Study

In 2017, the Financial Conduct Authority published the Asset Management Market Study, a broad review of our industry in the UK, looking at whether shareholders received good value when accessing asset management products.

### Assets Under Management (AUM)

The total value of investments held within a portfolio.

### Authorised Corporate Director (ACD)

The ACD (T. Rowe Price UK Limited) acts as an independent steward protecting the interests of shareholders in a fund. Overseeing the investment manager to ensure the fund is run in accordance with its stated objectives and with FCA rules and principles, the ACD has the ultimate regulatory responsibility for a fund and is accountable to the UK regulator, the FCA.

### Authorised Fund Manager (AFM)

The AFM is responsible for the overall management of the fund, investing money on behalf of clients. An authorised investment fund is one that is authorised and regulated by the UK financial regulator, the FCA.

### Benchmark

A benchmark is typically an index or a market average. In the case of a 'comparator benchmark', shareholders may use the benchmark to compare the fund's performance. The specific benchmark is selected because it is similar to the investment universe used by the investment manager of the fund and therefore acts as an appropriate comparator. However, the investment manager is not constrained by any country, sector and/or individual security weightings relative to the benchmark and has complete freedom to invest in securities that do not form part of the benchmark.

### Beta

Beta is a measure of the volatility – or systematic risk – of a security or portfolio compared with the market as a whole. For beta to be meaningful, the stock should be related to the benchmark that is used in the calculation.

### Bond

A bond is a fixed income instrument that represents a loan made by an investor to a borrower (typically corporate or governmental).

### Capacity

Amount of assets under management invested in an active strategy at which making additional investments could potentially hurt the fund's return.

### Defensive/Defensively Positioned

A conservative method of investment allocation that emphasises capital preservation, for example, by holding more cash or money market securities.

### Equity

Ownership in a company via common stock or preferred stock.

### Financial Conduct Authority (FCA)

The FCA is the regulator of the UK's financial services industry. Its responsibilities include safeguarding consumers, keeping the industry stable and fostering healthy competition between financial service providers. More information can be found on its website: <https://www.fca.org.uk/about/the-fca>.

**Fund/Investment Fund**

A form of collective investment where shareholders' money is pooled and invested in a variety of investments.

**Growth (Investment Style)**

An investment style that focuses on companies with the potential to grow their earnings significantly over time. Such companies typically reinvest earnings into the business to fund future expansion.

**Independent Non-executive Directors (INEDs)**

An independent non-executive director is an individual who is a director (member) of the Board of Directors who does not have a material or pecuniary relationship with the company or related persons. The INED's role is to provide independent oversight and constructive challenge to the executive directors.

**Information Ratio**

The information ratio is a measurement of portfolio returns beyond the returns of a benchmark, usually an index, compared with the volatility of those returns. The benchmark used is typically an index that represents the market or a particular sector or industry.

**Institutional Investor**

An institutional investor is a company or organisation that invests money on behalf of other people. 'Institutional clients' is a term used in the financial services to define financial institutions such as pensions and insurance companies. They often trade in larger amounts compared with retail shareholders.

**Intermediary**

An intermediary is a firm that acts as an intermediary between a provider of a service and the client, for example, an independent financial adviser.

**Investment Association (IA)**

The Investment Association is the trade body and industry voice for UK investment managers.

**Investment Association Sector (IA Sector)**

Funds are often categorised according to their Investment Association Sector, if they have one. This is a useful way to find and compare funds, for instance, when comparing performance and fund charges of similar funds. Sector definitions are mostly based on assets, such as equities and fixed income, and may also have a geographic focus.

**Investment Manager**

An individual responsible for managing the assets in a fund.

**Key Investor Information Document (KIID)**

The KIID is a two-page document which includes the critical information about a fund, including the fund objectives, risks and OCF. The document aims to help shareholders understand the nature and key risks of the fund in order to make a more informed investment decision.

**Ongoing Charge Figure (OCF)**

The OCF is made up of the annual management charge and other operating and administrative expenses, such as the fees that the fund pays to the auditor, legal counsel, depositary, custodian and fund administrator.

**Open-Ended Investment Company (OEIC)**

An open-ended investment company is a fund umbrella that operates as a company and that holds a number of sub-funds, each with their own objective.

**Operating and Administrative (O&A) Expenses**

These are operating and administrative expenses related to services provided by third parties (such as transfer agency, fund administration, depositary, custody, audit and other professional services), which are essential for the functioning of the funds. These are included in the OCF.

**Operating and Administrative (O&A) Expenses Cap**

A limit set to which the operating and administrative (O&A) expenses will not exceed, beyond such limit T. Rowe Price subsidises the O&A expenses.

**Overweight**

An overweight portfolio holds a larger amount of a particular security (or holds a larger amount of a particular sector) when compared with the weight of that security (sector) held in the benchmark. Overweight can also refer to an analyst's opinion regarding the future performance of an asset, industry or security in scenarios where it is expected to overperform.

**Passive Funds**

Passive management is a style of management where a fund's portfolio mirrors a market index. Passive management is the opposite of active management in which a fund's manager(s) attempt to beat the market with various investing strategies and buying/selling decisions of a portfolio's securities. Passive management is also referred to as 'passive strategy', 'passive investing' or 'index investing'.

**Retail Distribution Review (RDR)**

The Retail Distribution Review is a Financial Conduct Authority initiative that aims to provide greater clarity about different types of financial services available. It also seeks to improve transparency around the costs and fees associated with financial advice. RDR came into effect on 31 December 2012.

**Retail Investors**

An individual, non-professional investor in funds who tends to purchase securities for their own personal accounts. They often trade in smaller amounts compared with institutional investors.

**R-squared**

R-squared is a statistical measure of fit that indicates how much variation of a dependent variable is explained by the independent variable(s) in a regression model. In investing, R-squared is generally interpreted as the percentage of a fund's or security's movements that can be explained by movements in a benchmark index. An R-squared of 100% means that all movements of a security (or other dependent variable) are completely explained by movements in the index (or the independent variable(s) you are interested in).

**Segregated Mandate**

A segregated mandate is an investment portfolio that is managed on behalf of an institutional investor.

### Share Class

An investment fund has different types of shares shareholders can buy. Each 'class' has varying benefits and drawbacks.

### Shareholders

A shareholder is any registered owner of shares of a fund.

### Sharpe Ratio

The Sharpe ratio adjusts a portfolio's past performance – or expected future performance – for the excess risk that was taken by the investor. A high Sharpe ratio is good when compared with similar portfolios or funds with lower returns. The Sharpe ratio has several weaknesses, including an assumption that investment returns are normally distributed. The ratio is the average return earned in excess of the risk-free rate per unit of volatility or total risk. Volatility is a measure of the price fluctuations of an asset or portfolio.

### Standard Deviation

Standard deviation measures the dispersion of a data set relative to its mean. A volatile stock has a high standard deviation, whilst the deviation of a stable blue chip stock is usually rather low. As a downside, the standard deviation calculates all uncertainty as risk, even when it's in the investor's favour – such as above-average returns.

### Sustainable Investments

The following three tests must be met for an investment to be considered sustainable:

1. The investment must be in an economic activity that contributes to an environmental or social (sustainable) objective as measured through revenues, use of proceeds, capex or opex;
2. The investment does not cause significant harm to any other environmental or social objective; and
3. The investee company exhibits good governance practices.

### Tracking Error

Tracking error is the difference in actual performance between a position (usually an entire portfolio) and its corresponding benchmark. The tracking error can be viewed as an indicator of how actively a fund is managed and its corresponding risk level. Evaluating a past tracking error of a portfolio manager may provide insight into the level of benchmark risk control the manager may demonstrate in the future.

### UCITS

An Undertaking for Collective Investment in Transferable Securities, which is a UK UCITS or an EEA UCITS scheme.

### Underweight

An underweight portfolio holds a smaller amount of a particular security (or holds a smaller amount of a particular sector) when compared with the weight of that security (sector) held in the benchmark. Underweight can also refer to an analyst's opinion regarding the future performance of an asset, industry or security in scenarios where it is expected to underperform.

### Value (Investment Style)

Value investing is a style of investing that involves buying shares that appear lowly valued relative to their history and the company's earnings. The theory is that, over time, the share's relatively low price will rise to more accurately reflect the true value of the company.

### Volatility

Share price/market rise and fall over a certain level over a period of time.

### We, Us

The Board of Directors of TRPUK, acting through the ACD or through its service providers. On page 6, 'we' refers only to the independent non-executive directors.

## Additional Information

**Fitz Partners Ltd.** (Fitz Partners) – T. Rowe Price UK Limited has worked with Fitz Partners in our review of the seven criteria outlined by the FCA as well as additional factors we have deemed important. Fitz Partners is an independent firm that provides Boards and asset managers independent benchmarking related to a fund's value as well as providing a qualitative analysis related to benchmarking to assist the Board in its review of each fund's value.

## Important Information

The funds are sub-funds of the T. Rowe Price Funds OEIC, an investment company with variable capital incorporated in England and Wales which is registered with the UK Financial Conduct Authority 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 in English, 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 and via [troweprice.com](https://troweprice.com).

**This material is being furnished for general informational 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 shareholders are recommended to seek independent legal, financial and tax advice before making any investment decision. The 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. Shareholders may get back less than the amount invested.

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[troweprice.com](https://troweprice.com)

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