

T. ROWE PRICE FUNDS SICAV

Société d'investissement à capital variable
Registered office: European Bank & Business Center, 6c route de Trèves, L-2633
Senningerberg, Grand Duchy of Luxembourg



17 June, 2020

IMPORTANT – This notice is important and requires your immediate attention. If you have any questions about the content of this notice, you should seek independent professional advice. The directors of the Company accept full responsibility for the accuracy of the information contained in this notice and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement misleading.

Re.: Important Notice: T. Rowe Price Funds SICAV – changes made to the Prospectus of the T. Rowe Price Funds SICAV

Dear Shareholder,

We are writing to inform you of the following changes made to the Hong Kong Offering Document (comprising the Prospectus, Hong Kong Covering Document, and Product Key Facts Statements of the Authorised Sub-Funds) of the T. Rowe Price Funds SICAV (the “Company”) in the June 2020 update. All capitalised terms used in this notice and not defined herein shall have the meanings ascribed to them in the existing Hong Kong Offering Document. Unless otherwise stated, the changes herein will be effective on or around 17 June 2020.

- 1) The “Portfolio Securities” section of each fund page has been amended to better differentiate between the primary securities of investment and those which may be used on a more ancillary basis. Please see the “General Investment Powers and Restrictions” section of the Prospectus for further clarification.
- 2) Clarification has been made to the “General Investment Powers and Restrictions” section of the Prospectus that for temporary defensive purposes, investments in money market securities, made by any fund, may exceed 30% of net assets.
- 3) For the following funds, clarification has been made to the ‘Investment Process’ section of each fund page that the Investment Manager’s approach is to “assess environmental, social and governance (“ESG”) factors with particular focus on those considered most likely to have a material impact on the performance of the holdings or potential holdings in the funds’ portfolio. These ESG factors, which are incorporated into the investment process alongside financials, valuation, macro-economics and other factors, 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.”:
 - Emerging Local Markets Bond Fund
 - Emerging Markets Bond fund

- Euro Corporate Bond Fund
- European High Yield Bond Fund
- Global Aggregate Bond Fund
- Global High Income Bond Fund
- Asian ex-Japan Equity Fund
- Asian Opportunities Equity Fund
- Emerging Markets Equity Fund
- Emerging Markets Discovery Equity Fund
- European Equity Fund
- Frontier Markets Equity Fund
- Global Focused Growth Equity Fund
- Global Technology Equity Fund
- Japanese Equity Fund
- US Blue Chip Equity Fund
- US Large Cap Growth Equity Fund
- US Smaller Companies Equity Fund

- 4) In pursuit of the funds' investment objectives and with effect from 3 August 2020, the Euro Corporate Bond Fund will be permitted to use total return swaps (TRS) to the extent indicated below for hedging, efficient portfolio management and investment purposes. For more details on the expected and maximum use of total return swaps by the funds please refer to the "Total Return Swaps" section on page 89 of the Prospectus.

Fund	Expected Usual Range*	Maximum*	Funded and/or Unfunded
Euro Corporate Bond Fund	0-20%	30%	Unfunded

* Percentage of the net asset value of the relevant fund.

It is not intended that the ability to utilise total return swaps will have any impact on the risk profile of the fund. For the avoidance of doubt, the net derivative exposure of Euro Corporate Bond Fund will continue to be up to 50% of its net asset value.

- 5) Within the 'Risk Descriptions' section, clarification has been made to the 'Country risk - China' wording. As a result, the Stock Connect risk now appears as a separate risk and has been added as a Main Risk on the fund pages of the following funds:
- Asian Ex-Japan Equity Fund
 - Asian Opportunities Equity Fund
 - Emerging Markets Equity Fund
 - Emerging Markets Discovery Equity Fund
 - Global Technology Equity Fund
 - Science and Technology Equity Fund
- 6) For the following funds, the historic and current exposure to China and/or the China Interbank Bond Market is such that this is not considered a main risk and reference to it has been removed from the Main Risks section of respective fund pages:
- Diversified Income Bond Fund
 - Emerging Local Markets Bond Fund

- Emerging Markets Bond Fund
 - Global Aggregate Bond Fund
 - Global Focused Growth Equity Fund
 - Global Natural Resources Equity Fund
- 7) For the following funds, the historic and current exposure to Russia and Ukraine is such that this is not considered a main risk and reference to it has been removed from the Main Risks section respective fund pages:
- Euro Corporate Bond Fund
 - European High Yield Bond Fund
 - Global Aggregate Bond Fund
 - Global High Income Bond Fund
 - Emerging Markets Equity Fund
 - European Equity Fund
 - Global Focused Growth Equity Fund
 - Global Natural Resources Equity Fund
 - Global Technology Equity Fund
 - Science and Technology Equity Fund
- 8) For the following funds, clarification has been made to the 'Expected level of leverage' figure, changing it from an approximate median to a range within which the level of leverage is expected to fluctuate:
- Global Aggregate Bond Fund - changed from 250% to 0% - 400%
- As provided in the current Hong Kong Offering Document, the net derivative exposure of Global Aggregate Bond Fund may be more than 100% of its net asset value.
- 9) The "Portfolio Securities" section of the fund page for Global Aggregate Bond Fund has been amended to clarify that, in general, "debt securities held in the portfolio, as rated by Standard & Poor's or equivalent, are expected to produce an average credit rating within the range of AAA to BBB- credit rating categories. In accordance with its own internal rating system, the investment manager will ensure that the unrated corporate debt securities in which the fund invests are of the same quality as the rated securities of the same type."
- 10) The investment process for Global Focused Growth Equity Fund has been clarified to indicate the number of companies typically held within the portfolio to be within the range of 60 to 80.
- 11) As of 3 August 2020, the countries of investment for Frontier Markets Equity Fund will be defined as those countries that are included in the MSCI Frontier Emerging Markets Index as well as any other countries not covered by the MSCI AC World Index.
- 12) In relation to debt securities, and for clarification purposes, a definition of "distressed" and "defaulted" has been added in the risk section.
- 13) A new "Additional Restrictions Required by Specific Jurisdictions" section has been added to indicate any additional local investment restrictions that a fund must comply with when it has been registered for public distribution in particular jurisdictions.
- 14) Further to the FAQ released by the Commission de Surveillance du Secteur Financier (CSSF), in

relation to the spread of the Coronavirus (COVID-19), the 'Swing Pricing (Dilution Adjustment)' section has been amended, in line with the FAQ, to state that, in the event of extreme or exceptional market conditions and on a temporary basis, it may be necessary for any swing factor to be set at a level which exceeds the maximum stated in the Prospectus.

- 15) The Hong Kong Offering Document has been amended so as to reflect some information on the potential involvement of benchmarks in order to comply with the requirements published by the ESMA in its Q&A on the application of the UCITS Directive as updated on 29 March 2019.

None of these amendments represent a change to the investment strategy of any fund.

In spite of the above changes, there is no material change to the key features of the Authorised Sub-Funds (including the investment objectives, strategies, overall risk profiles, level of fees and the way they are being managed). It is not expected that the rights and interests of the Shareholders of the Authorised Sub-Funds will be materially prejudiced as a result of the changes set out in this notice.

As usual, if you wish to transfer your investment to another fund or redeem your holding, you may do so at any time, as per the conditions set out in the Hong Kong offering documents, free of any charges.

Thank you for the continued trust and confidence that you have placed in T. Rowe Price. The revised Hong Kong Offering Document reflecting the changes in this notice and other miscellaneous changes will be available for inspection free of charge at the office of the Hong Kong Representative during normal business hours. Should you have any queries in relation to this matter, please do not hesitate to contact the Hong Kong Representative at 6/F, Chater House, 8 Connaught Road Central, Hong Kong (Tel: +852 2536 7800).

Yours faithfully,

Ian Hoddy

Director