T. ROWE PRICE FUNDS SICAV

Global High Yield Bond Fund – ESG Report

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

As of 30 September 2024

ESG APPROACH

- The Global High Yield Bond Fund uses ESG integration as part of its investment process. This means incorporating environmental, social and governance factors to enhance investment decisions. Our philosophy is that ESG factors are a component of the investment decision—meaning that they are not the sole driver of an investment decision, nor are they considered separately from more traditional analysis.
- The process of ESG integration takes place on two levels: first, with our research analysts as they incorporate environmental, social and governance factors into issuer valuations and ratings; and, second, with the portfolio manager as he balances these ESG factor exposures at the portfolio level. Both the analysts and portfolio manager are able to leverage dedicated, in-house resources to assist them in analyzing ESG criteria.
- Our ESG specialist teams provide investment research on ESG issues at the company level and on thematic topics. Additionally, they have built tools to help proactively and systematically analyze the environmental, social, and governance factors that could impact our investments. The foundation of the analysis is a proprietary flagging tool called the Responsible Investing Indicator Model (RIIM). It covers over 15,000 companies and pulls from data sets that are not in the wheelhouse of traditional financial analysis. These data sets include:
  - ESG performance data (e.g., number of accidents, carbon emissions, strength of whistle-blower programs, etc.);
  - ESG targets (e.g., plans to reduce carbon emissions, increase diversity, etc.)
  - ESG incidents and controversies (e.g., environmental fines paid, local community controversies/protests against a company, etc.)
- Our Global High Yield Bond Fund seeks to generate alpha by focusing on proprietary, bottom up research to identifying companies offering long-term performance potential. The High Yield investment team examines each potential investment; each holding; and the entire portfolio with an approach deeply rooted in fundamental analysis along with a macro and industry top-down view. These processes naturally incorporate an analysis of each company's environmental, social, and governance factors and tend to yield an ESG-friendly portfolio. However, our High Yield investment team collaborates closely with our ESG specialists to augment their work. We also screen the portfolio using T. Rowe Price's proprietary RIIM analysis at regular intervals. This helps us understand the ESG characteristics of the portfolio and makes us aware of any exposures to specific ESG factors or how these ESG factors may impact a company's business operations and market performance.
- The fund is classified as Article 8 according to the Sustainable Finance Disclosure Regulation. Although the fund does not have sustainable investment as an objective, the promotion of environmental and social characteristics is achieved through the fund's commitment to maintain at least 10% of the value of its portfolio invested in Sustainable Investments. The fund avoids issuers whose activities we may consider harmful to the environment and/or society through the application of our proprietary screen, the T. Rowe Price Responsible Exclusion List.

INVESTMENT OBJECTIVE: To maximise the value of its shares through both growth in the value of, and income from, its investments.

INVESTMENT PROCESS: The fund is actively managed and invests mainly in a diversified portfolio of high yield corporate bonds from issuers around the world, including emerging markets. Although the fund does not have sustainable investment as an objective, the promotion of environmental and/or social characteristics is achieved through the fund's commitment to maintain at least 10% of the value of its portfolio invested in sustainable investments, as defined by the SFDR. In addition to the E/S characteristics promoted, the fund also applies the investment manager's proprietary responsible screen (the T. Rowe Price Responsible Exclusion List). The fund may use derivatives for hedging, efficient portfolio management and investment purposes. The fund may also use derivatives to create synthetic short positions in debt securities and credit indices. For full investment objective and policy details refer to the prospectus. The manager is not constrained by the fund's benchmark, which is used for performance comparison purposes only.

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

RECENT COMPANY ENGAGEMENTS

We maintain a regular dialogue with the management teams of companies represented across the portfolio. Our investment-driven engagement program frequently identifies targets through our proprietary RIIM analysis, governance screening and analysts' fundamental research. While we engage with companies in a variety of different contexts, ESG engagement focuses on learning about, encouraging or exchanging perspectives on the environmental practices, corporate governance or social issues affecting their business.

While most of the meetings we hold with company managements will include some discussion of ESG topics, we differentiate meetings held with a heavy focus on ESG, meaning ESG issues were the sole items on the agenda or made up a meaningful part of the meeting. Agenda items are classified as "meaningful" when they take up a significant portion of the meeting or are a significant factor in the investment case.

The following are selected examples of recent engagements with companies held in or considered for the portfolio. The examples are not meant to be representative of every engagement held, but to illustrate the types of ESG engagements we are having with the managements of our investment companies.

Churchill Downs (1st Quarter 2024 Engagement)

Focus	Environment, Social
Company Description	Churchill Downs is a horseracing, online wagering, and gaming entertainment company.
Engagement Objective	We engaged with Churchill Downs on responsible gaming, animal welfare, and ESG disclosure.
Participants	From Churchill Downs: Chief Financial Officer; Director – Investor Relations; Financial Analyst – Investor Relations and Treasury From T. Rowe Price Associates, Inc: Investment Analyst; Responsible Investing Analysts
Engagement Outcome	We engaged with Churchill Downs to provide best practice recommendations on material areas including responsible gaming and ESG disclosure. We also discussed recent equine safety controversies. Churchill Downs' responsible gaming practices are in line with U.S. peers after the company disclosed its Responsible Gaming and Advertising Policy in December 2023. We provided feedback on best practices and how certain European companies are more proactive in detecting "at-risk" users. Our impression was that the company was very serious on compliance as it referenced times when it had to fire employees for not abiding by its code. However, we did not get the impression that it was very proactive in detecting at-risk gamblers. Churchill Downs faced controversy in 2023 after 12 horses died on its racetracks in a short period, although the Horse Racing Integrity and Safety Authority (HISA) found no singular cause. HISA's target is for zero equine deaths in racing. Following a discussion on the feasibility of this, we believed that the company was being proactive in addressing this issue. It talked about StrideSAFE technology and how this could detect changes in a horse's stride to check if it was injured. Churchill Downs has also cracked down on doping in horses and has banned jockeys associated with horse doping for several years. The company is at the start of its ESG journey, having recently published a brief ESG presentation on its website, its first ESG release. This does not contain any metrics and instead mentions some initiatives the company has undertaken. We provided feedback that the company should consider a more formal ESG report aligned to the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Churchill Downs stated that it was working on publishing a sustainability report. However, the company noted the political pressure corporates in Kentucky may face on their ESG efforts. As such, it wants to take a conservative approach to its ESG disclosure, especially with regulatory requirements in this area still evolving. Churchill Downs does not disclose its emissions. We provided feedback that the company should consider doing this and also to think about setting targets such as net zero targets. The company stated that it was working on measuring its Scope 1-2[1] emissions. We were able to provide feedback on best practices in overall ESG disclosure and responsible gaming. We gained a better understanding of what Churchill Downs was doing to improve equine safety and came away more reassured on this topic.

[1] Scope 1: direct emissions from owned or controlled sources; scope 2: indirect emissions from the generation of purchased electricity, steam, or cooling; scope 3: all other indirect emissions.

OneMain Holdings (1st Quarter 2024 Engagement)

Focus	Governance
Company Description	OneMain Holdings (OneMain) is a financial services company that helps customers meet their financial needs, including debt consolidation, home and auto repair, medical procedures, and other major expenses.
Engagement Objective	Our engagement with OneMain focused on governance transition from a controlled to a free-float capital structure and fair lending practices.
Participants	From OneMain: Investor Relations Representatives; Chief Legal Officer; Chief Financial Officer; Associate General Counsel From T. Rowe Price Associates, Inc: Head of Corporate Governance
Engagement Outcome	We engaged with OneMain on its governance changes. The company had its initial public offering (IPO) in 2013, but its shares were only fully distributed by private equity (PE) sponsors in 2022. Since that time, OneMain has taken actions to bring its disclosure and governance practices up to contemporary standards. The company has initiated a process to drop its takeover provisions, elect all directors annually, improve Board diversity, and get started on ESG reporting. There is one remaining member of the Board under the original shareholders' agreement. Aneek Mamik represents Varde and is not an independent director. He tends to vote Varde shares against the recommendation of the OneMain Board because he concludes that it is in his fund's interests to maintain the protections OneMain has had in place since its IPO. This dynamic may end up extending the time it will take to upgrade OneMain's governance profile. We discussed traditional concerns about non-prime and subprime lending companies and outcomes for customers. OneMain has taken multiple actions to differentiate itself in this regard. The company's mission is focused on fair lending practices, and it subjects its loans to voluntary caps and other safeguards. For example, if customers make loan payments on time for six months in a row, their annual percentage rate is lowered. In addition, financial literacy programming is incorporated into its interactions with customers. We also discussed the company's settlement with the Consumer Financial Protection Bureau in 2023, and the regulator's positive commentary around these safeguards. Finally, we discussed what to expect in the upcoming proxy vote. The company will not have any unusual items to be voted, but it drew our attention to the transition in its compensation program. As OneMain Holdings migrates away from a PE-oriented approach to incentives toward a mainstream approach, we are likely to see different, overlapping types of awards (i.e., the company is phasing out large, cliff-vesting equity awards and phasing in smaller, annual, performance-vesting shares). This will result in some double-counting in the short term, and the chief executive officer's reported pay will appear outsized. Our engagement with OneMain allowed us to provide feedback on governance changes.

ESG RIIM PROFILE

The T. Rowe Price Responsible Investing Indicator Model (RIIM) rates companies, governments and securitized assets in a traffic light system measuring their environmental, social, and governance profile and flagging issuers with elevated risks. For certain types of investments, including, but not limited to, cash, currency positions, and particular types of derivatives, an ESG analysis may not be relevant or possible due to a lack of data. Where ESG considerations are integrated into the investment research process, we may conclude that other attributes of an investment outweigh ESG considerations when making investment decisions.

	Portfolio		Benchmark	
	No. of securities	% weight	No. of securities	% weight
Green	243	59.6	874	54.9
Orange	112	31.2	335	22.6
Red	1	0.1	47	2.6
Not in scope	0	0.0	3	0.1
Not covered	27	8.2	369	19.7
Reserves	1	0.8	0	0.0
Total	**384**	**100.0**	**1,628**	**100.0**

No/few Flags Medium Flags High Flags

The comparator benchmark of the Fund is the J.P. Morgan Global High Yield Index. The manager is not constrained by the fund's benchmark, which is used for performance comparison purposes only.

SUSTAINABILITY INDICATOR

The fund is classified as Article 8 according to the Sustainable Finance Disclosure Regulations (SFDR).

The sustainability indicator used by the fund is a minimum of 10% of the value of the fund's portfolio held in securities that the investment manager identifies as sustainable investments.

The percentage exposure of the fund to sustainable investments is:

	Target Minimum Commitment %	Fund Exposure %
Sustainable Investments	10.0	21.0
with Environmental Objectives	0.5	9.0
with Social Objectives	0.5	12.1

PRINCIPAL ADVERSE IMPACT (PAI) INDICATORS

Under the European Union Sustainable Finance Disclosure Regulations (SFDR), investment managers are required to take into account Principal Adverse Impact (PAI) indicators, a set of metrics that highlight the potential negative impacts on sustainability factors that result from investment decisions. This is integrated into our ESG analysis at a security level.

Some PAI indicators have limited data availability which may lead to misrepresentative values for the fund. In these cases, the metric vale and data coverage are displayed as n/a in the following tables.

In addition, the investment manager considers the following PAI indicators at an aggregate fund level. Metric values are shown in the Base Currency of the fund (USD):

PAI Indicator	Metric Description	Unit of Measurement	Metric Value	Metric Coverage (%)
10. Violations of UNGC principles and OECD guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	Percentage of total invested	0.0%	96.4%
13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of board members	Average ratio of female board members	24.2%	67.5%
14. Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Percentage of total invested	0.0%	81.5%

GLOSSARY OF TERMS

Metric coverage - The percentage of the portfolio for which PAI data is available
GHG - Greenhouse gas emissions
Scope 1 GHG emissions - Direct greenhouse gas emissions by the fund
Scope 2 GHG emissions - Indirect greenhouse gas emissions made by the fund
Scope 3 GHG emissions - All other indirect emissions that occur in the funds value chain
mtCO_2e - Metric tonnes of carbon dioxide equivalent
Carbon footprint (Scope 1,2 & 3 emissions) - The total greenhouse gas emissions per million invested in the fund
GWh - Gigawatt Hours
Ktons - Kilotonnes
UNGC - The United Nations Global Compact
OECD - The Organization for Economic Co-operation and Development
No data - no data is available or can be calculated for the indicator

RISKS - The following risks are materially relevant to the fund (refer to prospectus for further details): Contingent convertible bond - Contingent Convertible Bonds may be subject to additional risks linked to: capital structure inversion, trigger levels, coupon cancellations, call extensions, yield/valuation, conversions, write downs, industry concentration and liquidity, among others. Credit - Credit risk arises when an issuer's financial health deteriorates and/or it fails to fulfill its financial obligations to the fund. Default - Default risk may occur if the issuers of certain bonds become unable or unwilling to make payments on their bonds. Derivative - Derivatives may be used to create leverage which could expose the fund to higher volatility and/or losses that are significantly greater than the cost of the derivative. Distressed or defaulted debt securities - Distressed or defaulted debt securities may bear substantially higher degree of risks linked to recovery, liquidity and valuation. High yield bond - High yield debt securities are generally subject to greater risk of issuer debt restructuring or default, higher liquidity risk and greater sensitivity to market conditions. Interest rate - Interest rate risk is the potential for losses in fixed-income investments as a result of unexpected changes in interest rates. Liquidity - Liquidity risk may result in securities becoming hard to value or trade within a desired timeframe at a fair price. Total Return Swap - Total return swap contracts may expose the fund to additional risks, including market, counterparty and operational risks as well as risks linked to the use of collateral arrangements.

General fund risks - to be read in conjunction with the fund specific risks above. ESG and sustainability - ESG and Sustainability risk may result in a material negative impact on the value of an investment and performance of the fund. Geographic concentration - Geographic concentration risk may result in performance being more strongly affected by any social, political, economic, environmental or market conditions affecting those countries or regions in which the fund's assets are concentrated. Hedging - Hedging measures involve costs and may work imperfectly, may not be feasible at times, or may fail completely. Investment fund - Investing in funds involves certain risks an investor would not face if investing in markets directly. Management - Management risk may result in potential conflicts of interest relating to the obligations of the investment manager. Market - Market risk may subject the fund to experience losses caused by unexpected changes in a wide variety of factors. Operational - Operational risk may cause losses as a result of incidents caused by people, systems, and/or processes.

ADDITIONAL DISCLOSURES

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval.

Holdings-based analytics are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

IMPORTANT INFORMATION

The Funds are sub-funds of the T. Rowe Price Funds SICAV, a Luxembourg investment company with variable capital which is registered with Commission de Surveillance du Secteur Financier and which qualifies as an undertaking for collective investment in transferable securities ("UCITS"). Full details of the objectives, investment policies and risks are located in the prospectus which is available with the key investor information documents (KIID) and/or key information document (KID) in English and in an official language of the jurisdictions in which the Funds are registered for public sale, together with the articles of incorporation and the annual and semi-annual reports (together "Fund Documents"). Any decision to invest should be made on the basis of the Fund Documents which are available free of charge from the local representative, local information/paying agent or from authorised distributors. They can also be found along with a summary of investor rights in English at www.troweprice.com. The Management Company reserves the right to terminate marketing arrangements.

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

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

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

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

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

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

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

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

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

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

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

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

202312-3276222

202410-3944738