T. ROWE PRICE FUNDS SICAV

Global Investment Grade Corporate Bond Fund – ESG Report
Providing transparency on Environment, Social and Governance aspects of the fund
As at 30 June 2023

ESG INTEGRATION APPROACH

- The Global Investment Grade Corporate 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 ESG factors into company valuations and ratings, and second, with the portfolio manager as he balances these ESG factor exposures at the portfolio level. Both the analysts and the portfolio manager are able to leverage dedicated, in-house resources to assist in analyzing ESG criteria.

- Our ESG specialist teams provide investment research on ESG issues at the company level and on thematic topics. Additionally, they have built tools to help proactively and systematically analyze the environmental, social, and governance factors that could impact our investments. The foundation of the analysis is a proprietary flagging tool called the Responsible Investing Indicator Model (RIIM). It covers around 15,000 companies and pulls from data sets that are not in the wheelhouse of traditional financial analysis. These data sets include:
  - ESG performance data (e.g., number of accidents, carbon emissions, strength of whistle-blower programs, etc.);
  - ESG targets (e.g., plans to reduce carbon emissions, increase diversity, etc.);
  - ESG incidents and controversies (e.g., environmental fines paid, local community controversies/protests against a company, etc.)

- The portfolio is constructed on the basis of identifying the best risk/reward opportunities from the global fixed income universe. Key to this is proprietary bottom-up research that includes the assessment of ESG factors by our analysts who work in collaboration with the dedicated ESG specialist team. We complement this approach with regular screening of the portfolio using T. Rowe Price’s proprietary RIIM analysis. This helps us understand the ESG characteristics of the portfolio and makes us aware of any elevated exposures to specific ESG factors from a risk management perspective.

- 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 investment-grade 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.

Effective 1 October 2022, the fund changed its name from Responsible Global Investment Grade Corporate Bond Fund to Global Investment Grade Corporate Bond Fund.

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, influencing 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.

AbbVie (4th Quarter 2022 Engagement)

<table>
<thead>
<tr>
<th>Focus</th>
<th>Social</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Description</td>
<td>AbbVie is a U.S. pharmaceutical company.</td>
</tr>
<tr>
<td>Engagement Objective</td>
<td>We engaged with AbbVie on best practices for disclosure on access to medicine.</td>
</tr>
</tbody>
</table>
| Participants | From AbbVie: Head of SG, Associate General Counsel  
From T. Rowe Price: Responsible Investing Analyst |

As part of a collaborative engagement initiative run by the Access to Medicine Foundation, we engaged with AbbVie to provide feedback on best practices for disclosure on access to medicine. Since we last engaged with AbbVie in Q4 2022, the company has published a document separate to its annual ESG disclosures providing a more detailed overview on its approach to pricing and access of its portfolio, and how those principles drive its decision making. This represents a significant improvement in transparency on this topic and helps address one of the key priority areas for improvement the company itself highlighted in its approach to ESG.

During this meeting, we primarily discussed the findings of the 2022 Access to Medicines Index and opportunities for AbbVie to further build on existing improvements in its approach to access.

AbbVie’s transparency on its approach to access planning for late-stage research and development projects is weaker relative to peers (albeit acknowledging the index’s priority areas clearly have less overlap with AbbVie’s pipeline). The company nevertheless noted this is a key area for potential improvement and plans to further improve disclosure. We imparted our view that, since the specifics of an access plan can vary significantly (for example, in country scope, level of detail), it would be helpful for the company to document its approach more systematically in this area. We have made a similar request to several of AbbVie’s peers.

AbbVie highlighted metrics currently reported by peers (for example, patients reached) which it is in the early stages of tracking more systematically to better assess its impact. This would broaden the existing key performance indicators reported covering its patient assistance program in the U.S.

The engagement allowed us to impart our view on best practices for disclosure on access to medicine (for example, transparency on access and research and development) and to continue to encourage transparency on this topic.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the SICAV sub-fund, and no assumption should be made that the securities identified and discussed were or will be profitable. T. Rowe Price may have ongoing business and/or client relationships with the companies mentioned in this report.
Waste Connections (2nd Quarter 2023 Engagement)

Focus | Environment

Company Description | Waste Connections is a waste management company operating in North America.

Engagement Objective | We engaged with Waste Connections on decarbonization and net zero.

Participants | From Waste Connections: EVP, CFO; VP – Engineering & Sustainability; Director Finance
From T. Rowe Price: Responsible Investing Analyst

Engagement Outcome | We provided feedback on the company’s waste management practices, decarbonization strategy, and net-zero outlook. Waste Connections has a good decarbonization strategy and a strong impact thesis focused on reducing methane and other greenhouse gases (GHG) from landfill waste. The key takeaways from our meeting included the following:

**Landfill waste management:** Two thirds of the company’s landfills generate methane emissions from putrescible municipal waste; of these around 55% have a methane recovery system installed. The company operates at above regulatory minimum standards and is above peers in methane recovery and conversion. It installs gas collection systems and recovery wells as soon as new sites are acquired, utilizes robotics at its recycling facilities, and contains gas with temporary covers until gas recovery becomes possible.

**Decarbonization:** About 65% of its emissions come from fugitive gases from operating landfills (scope 1¹). The company has targets by 2033 focused on waste recycling, biogas, and leachate recovery. It has also set new targets to reduce scope 1-2 emissions 15% by the same timeframe, and to continuously reduce its scope 1-2 emissions intensity (per sales) each year until 2033. We gave positive feedback on the new targets, which are also intended to be certified by the Science-based Targets Initiative (SBTi) once a methodology is finalized.

**Electrification of the truck fleet:** Diesel trucks account for 10-12% of the company’s total emissions, and electric trucks are currently 12% of the fleet as utilized in one market. Waste Connections has high-level electrification plans and has not yet defined clear targets. While we suggested it set up defined milestones, the company thinks it is premature to make any strong commitments when the medium-to-long term electrification pathway/outlook for trucks is unclear.

**Net zero:** Achieving net zero is extremely challenging for the waste management industry, and the company does not currently believe it will reach net zero in the foreseeable future. Challenges are structural, in particular for municipal waste landfill operators, as well as related to a lack of a commonly defined decarbonization framework and emission calculation methodology for the landfill industry. That said, the company offset carbon emissions through several services they provide (sequestration, recycling, biogas recovery, alt vehicle emissions).

**Biodiversity:** We gave feedback that disclosure here is relatively weaker vs. other material environmental topics. While the company demonstrates some levels of preparedness to biodiversity risks through a series of high-level initiatives, we suggested it improve disclosures with a clearer overview of its actions and impact on land-use and biodiversity.

The engagement allowed us to provide feedback on the company’s decarbonization strategy and net-zero outlook. In terms of steps, we will monitor Waste Connections’ additional disclosure on biodiversity (target: 1 year) as well as its commitment to the SBTi.

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).
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:

<table>
<thead>
<tr>
<th>Sustainable Investments</th>
<th>Target Minimum Exposure %</th>
<th>Fund Exposure %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>29.86</td>
</tr>
</tbody>
</table>

RISKS - The following risks are materially relevant to the fund (refer to prospectus for further details): ABS and MBS - Asset-Backed Securities (ABS) and Mortgage-Backed Securities (MBS) may be subject to greater liquidity, credit, default and interest rate risk compared to other bonds. They are often exposed to extension and prepayment risk. China Interbank Bond Market - The China Interbank Bond Market may subject the fund to additional liquidity, volatility, regulatory, settlement procedure and counterparty risks. The fund may incur significant trading and realisation costs. 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. Country (China) - Chinese investments may be subject to higher levels of risks such as liquidity, currency, regulatory and legal risks due to the structure of the local market. Credit - Credit risk arises when an issuer's financial health deteriorates and/or it fails to fulfill its financial obligations to the fund. Currency - Currency exchange rate movements could reduce investment gains or increase investment losses. 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. Emerging markets - Emerging markets are less established than developed markets and therefore involve higher risks. 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. Sector concentration - Sector concentration risk may result in performance being more strongly affected by any business, industry, economic, financial or market conditions affecting a particular sector in which the fund’s assets are concentrated. 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. Counterparty - Counterparty risk may materialise if an entity with which the fund does business becomes unwilling or unable to meet its obligations to the fund. 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.

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 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.

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

202307-2991344
202307-3009304