



August 24, 2018

**Re.: Changes made to the prospectus of T. Rowe Price Funds SICAV**

Dear Shareholder,

We are writing to inform you of changes made to the prospectus of the T. Rowe Price Funds SICAV (the "Company") in the August 2018 update.

**"Country-risk related to Saudi Arabia" and "Investment in Participatory Notes"**

Due to changes in Saudi Arabian regulation, it is now possible to gain direct exposure to Saudi Arabia securities rather than investing only through participatory notes, commonly known as P-notes. For the avoidance of doubt, the risk disclosure has been amended to distinguish between investment in Saudi Arabia from investment through P-notes. As a result, the risk disclosure related to investing in Saudi Arabia has been updated and a separate risk disclosure for investment through P-notes has been created. The "Main Risk" section of the relevant sub-funds' schedules will highlight if either Saudi Arabia and/or P-notes are considered a main risk for each sub-fund.

The "country-risk - Saudi Arabia" is considered a main risk for the following sub-funds:

- Emerging Markets Equity Fund
- Emerging Markets Value Equity Fund
- Middle East & Africa Equity Fund

Investment through P-notes is currently not considered a main risk for any sub-fund.

**"Appointment of T. Rowe Price Japan, Inc. as a Sub-Investment Manager"**

Following the recent establishment of a regulated T. Rowe Price investment management presence in Tokyo, Japan the Company has decided to appoint T. Rowe Price Japan, Inc as a Sub-Investment Manager for the following sub-fund:

- Japanese Equity Fund

T. Rowe Price Japan, Inc. will also manage the Japanese sleeves of the following sub-funds:

- Global Allocation Fund
- Global Allocation Extended Fund

**T. Rowe Price Funds SICAV**

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**"Appointment of T. Rowe Price Australia Limited as a Sub-Investment Manager"**

Following the recent establishment of a regulated T. Rowe Price investment management presence in Sidney, Australia, the Company has decided to appoint T. Rowe Price Australia Limited as its Sub-Investment Manager.

T. Rowe Price Australia Limited will manage the Australian sleeves of the following sub-funds:

- Global Allocation Fund
- Global Allocation Extended Fund

**Changes in investment policies**

In order to better reflect the current investment exposure limits and to improve transparency on the investment selection process, the **"PORTFOLIO SECURITIES"** section of the **Asia Credit Bond Fund** has been revised as outlined in **Annex 1** to this notice. Despite these changes, there has been no change to the investment objectives and risk profiles of the sub-funds or to the way the sub-fund is being managed.

Yours faithfully,



Ian Hoddy  
Director

**Annex 1**

| <b>Sub-Fund</b>       | <b>Revised Investment Policy</b>  |
|-----------------------|---|
| Asia Credit Bond Fund | <p><b>PORTFOLIO SECURITIES</b></p> <p>The fund invests mainly in a diversified portfolio of transferable USD-denominated fixed income securities of issuers domiciled, or exercising the predominant part of their economic activity, in Asian countries, excluding Japan.</p> <p>Specifically, the fund invests at least 70% of total assets in (i) debt securities issued by companies that are either incorporated in Asia ex-Japan, or conduct most of their business in such countries, (ii) debt securities of sovereign and (iii) official (quasi-sovereign) institutions in Asia ex-Japan. Generally, debt securities held in the portfolio, as rated by Standard &amp; Poor's or equivalent, are expected to produce an average credit rating within the range of A to BB 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.</p> <p>Portfolio debt securities can include fixed and floating rate bonds, convertible or contingent convertible bonds as well as distressed or defaulted bonds, warrants and other transferable debt securities of any type, including high yield securities.</p> |