



## Institutional High Yield Fund Institutional Class (TRHYX)

This annual shareholder report contains important information about Institutional High Yield Fund (the "fund") for the period of June 1, 2023 to May 31, 2024. You can find the fund's prospectus, financial information on Form N-CSR (which includes required tax information for dividends), holdings, proxy voting information, and other information at [www.troweprice.com/prospectus](http://www.troweprice.com/prospectus). You can also request this information without charge by contacting T. Rowe Price at 1-800-638-5660 or [info@troweprice.com](mailto:info@troweprice.com) or contacting your intermediary.

### What were the fund costs for the last year? (based on a hypothetical \$10,000 investment)

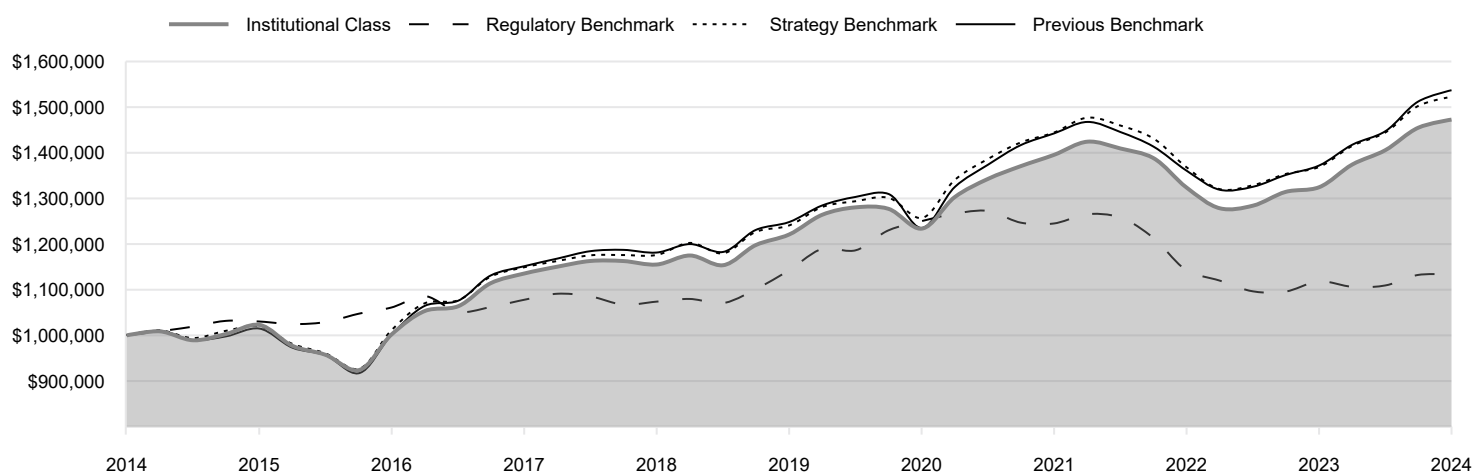
	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional High Yield Fund - Institutional Class	\$53	0.50%

### What drove fund performance during the past 12 months?

- The high yield market posted solid gains in the year ended May 31, 2024, despite diminished expectations for Federal Reserve rate cuts in 2024. The resilient economy, strong equity returns, and supportive technical conditions bolstered the asset class's performance.
- Compared with the style-specific J.P. Morgan Global High Yield Index, the fund's off-benchmark allocation to bank loans—which outpaced high yield bonds over the past year—was a leading contributor to relative results, driven by holdings in Asurion and Ascend Learning. Credit selection in the services segment added value, partly due to Ultimate Kronos Group, which has a market-leading product suite as well as a diversified and sticky customer base.
- Selection among cable operators was a notable detractor, largely due to Altice France. In March, the company aggressively moved pending asset sales to an unrestricted subsidiary and threatened to withhold them from creditors unless bondholders took a haircut to their claims. The fund's zero weight in Carvana throughout most of the past year held back gains relative to the style-specific benchmark in the information technology sector.
- The fund seeks to provide high current income and some capital appreciation through the identification of issues with above-average yield and the potential for price improvement. Over the past year, we increased the fund's energy sector exposure. Following a period of conservative capital decisions by many energy management teams, the sector may be poised to benefit from falling productivity among U.S. onshore drilling companies as more offshore drilling operations come online.

### How has the fund performed?

Cumulative Returns of a Hypothetical \$1 Million Investment as of May 31, 2024



Average Annual Total Returns			
	1 Year	5 Years	10 Years
Institutional High Yield Fund (Institutional Class)	11.19%	3.82%	3.95%
Bloomberg U.S. Aggregate Bond Index (Regulatory Benchmark)	1.31	-0.17	1.26
Bloomberg U.S. High-Yield 2% Issuer Capped Bond Index (Strategy Benchmark)	11.23	4.18	4.29
J.P. Morgan Global High Yield Index (Previous Benchmark)	12.03	4.25	4.39

The preceding line graph shows the value of a hypothetical \$1,000,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The fund's performance information included in the line graph and table above is compared with a regulatory required index that represents an overall securities market (Regulatory Benchmark). In addition, the line graph and table may also include one or more indexes that more closely aligns to the fund's investment strategy (Strategy Benchmark(s)). Due to new SEC Rules on shareholder reporting the fund adopted a new broad-based securities market index, referred to as the Regulatory Benchmark. Market index returns do not include expenses, which are deducted from fund returns. The fund's total return figures reflect the reinvestment of dividends and capital gains, if any. Neither the fund's returns nor the index returns reflect the deduction of taxes that a shareholder would pay on fund distributions or redemptions of fund shares. **The fund's past performance is not a good predictor of the fund's future performance.** Updated performance information can be found at [www.troweprice.com](http://www.troweprice.com).

### What are some fund statistics?

Fund Statistics			
Total Net Assets (000s)	\$1,714,824	Investment Advisory Fees Paid (000s)	\$8,380
Number of Portfolio Holdings	442	Portfolio Turnover Rate	38.4%

### What did the fund invest in?

Credit Quality Allocation* (as a % of Net Assets)		Top Ten Holdings (as a % of Net Assets)	
BBB/BB Rated and Above	2.6%	TransDigm	1.9%
BB Rated	26.8	CCO Holdings	1.8
BB/B Rated	22.2	Tenet Healthcare	1.5
B Rated	28.1	Asurion	1.5
B/CCC Rated	5.0	Cloud Software Group	1.5
CCC Rated and Below	9.4	HUB International	1.5
Not Rated	2.9	OneMain Finance	1.4
Short-Term Holdings	3.0	Navient	1.4
		Venture Global LNG	1.4
		Carnival	1.3

\*Credit ratings for the securities held in the Fund are provided by Moody's and Standard & Poor's and are converted to the Standard & Poor's nomenclature. A rating of AAA represents the highest-rated securities, and a rating of D represents the lowest rated securities. Split ratings (e.g., BB/B and B/CCC) are assigned when Moody's and S&P differ. If a rating is not available, the security is classified as Not Rated. The rating of the underlying investment vehicle is used to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency.

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