



## 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, 2024 to May 31, 2025. 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.

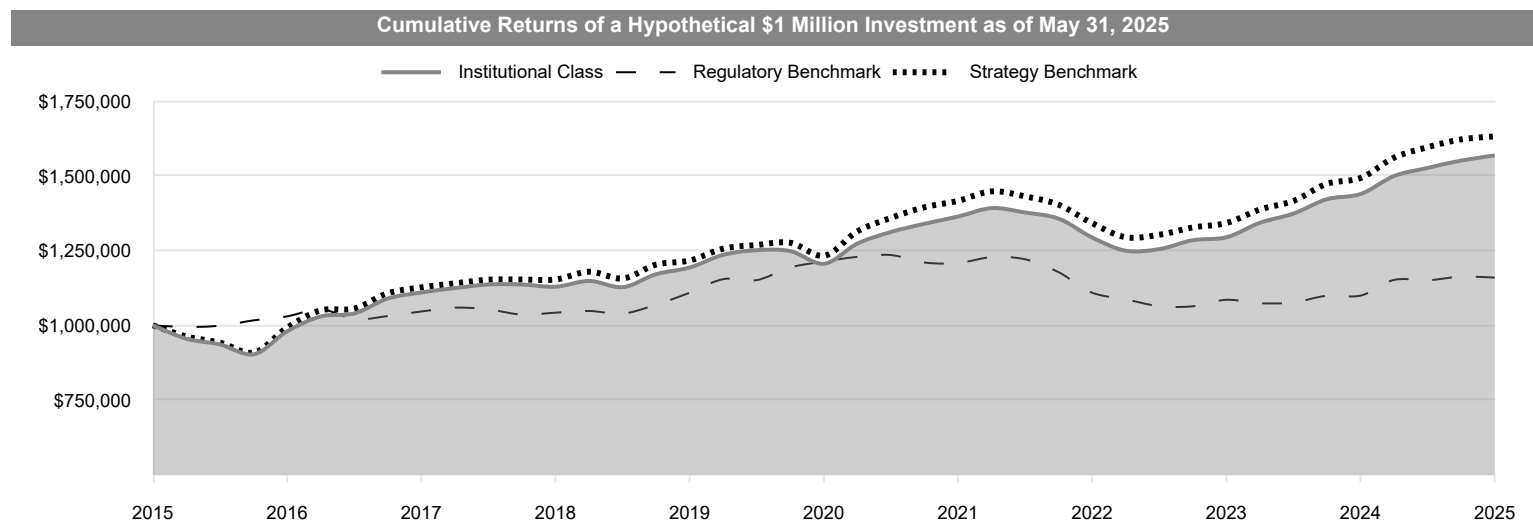
### What were the fund costs for the last year? (based on a hypothetical \$10,000 investment)

	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional High Yield Fund - Institutional Class	\$52	0.50%

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

- The high yield market posted solid gains in the year ended May 31, 2025, despite growing concerns about the Trump administration's trade policies during the last few months of the period. The resilient economy, healthy equity returns, and mostly favorable technical conditions supported the asset class's performance.
- Compared with the style-specific Bloomberg U.S. High Yield 2% Issuer Capped Bond Index, credit selection in the media segment contributed to relative results, partly due to CMG Media. The capital structure rallied after private equity firm Apollo Global Management, which owns a majority interest in CMG, confirmed a potential sale of the media conglomerate. Avoiding troubled issuers that underperformed, including global energy infrastructure company New Fortress Energy and luxury retail company Saks Global, added value.
- Relative to the style-specific benchmark, our underweight allocation—which we have partly closed—to the other telecommunication (aka wirelines) segment detracted from relative performance. Although the industry remains secularly challenged, the growth of artificial intelligence technology has been a meaningful performance tailwind for these issuers due to increased fiber demand from large-scale data centers and cloud infrastructure companies. Selection in the metals and mining segment weighed, partly due to the underperformance of downstream aluminum producer Constellation.
- 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 augmented the fund's allocation to the health care segment, partly by closing the significant underweight in pharmaceutical company Bausch Health.

### How has the fund performed?



Average Annual Total Returns			
	1 Year	5 Years	10 Years
Institutional High Yield Fund (Institutional Class)	8.96%	5.40%	4.60%
Bloomberg U.S. Aggregate Bond Index (Regulatory Benchmark)	5.46	-0.90	1.49
Bloomberg U.S. High-Yield 2% Issuer Capped Bond Index (Strategy Benchmark)	9.32	5.77	5.02

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)). 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)	\$1,642,954	Investment Advisory Fees Paid (000s)	\$8,655
Number of Portfolio Holdings	416	Portfolio Turnover Rate	40.9%

### What did the fund invest in?

Security Allocation (as a % of Net Assets)	
Corporate Bonds	90.1%
Bank Loans	4.9
Securities Lending Collateral	4.8
Convertible Preferred Stocks	0.7
Preferred Stocks	0.6
Municipal Securities	0.5
Convertible Bonds	0.3
Common Stocks	0.2
Short-Term and Other	-2.1

Top Ten Holdings (as a % of Net Assets)	
TransDigm	2.0%
CCO Holdings	1.9
Venture Global LNG	1.7
Asurion	1.7
Cloud Software Group	1.6
HUB International	1.5
Alliant Holdings Intermediate	1.5
Tenet Healthcare	1.5
Navient	1.4
CSC Holdings	1.4

If you invest directly with T. Rowe Price, you can elect to receive future shareholder reports or other important documents through electronic delivery by enrolling at [www.troweprice.com/paperless](http://www.troweprice.com/paperless). If you invest through a financial intermediary such as an investment advisor, a bank, retirement plan sponsor or a brokerage firm, please contact that organization and ask if it can provide electronic delivery.

Bloomberg and J.P. Morgan do not accept any liability for any errors or omissions in the indexes or data, and hereby expressly disclaim all warranties of originality, accuracy, completeness, timeliness, merchantability and fitness for a particular purpose. No party may rely on any indexes or data contained in this communication. Visit [www.troweprice.com/en/us/market-data-disclosures](http://www.troweprice.com/en/us/market-data-disclosures) for additional legal notices & disclaimers.