T. ROWE PRICE FUNDS SICAV

# Euro Corporate Bond Fund

*As at 29 February 2024* *Total Fund Assets:€675.0 million* *Figures shown in Euros*



Portfolio Manager:
David Stanley

Managed Fund Since:
2003

Joined Firm:
2003

## 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 corporate bonds that are denominated in euro. 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.

**Past performance is not a reliable indicator of future performance.**

## PERFORMANCE

| | | | | | | Annualised | | | |
|---|---|---|---|---|---|---|---|---|---|
| (NAV, total return) | Inception Date | One Month | Three Months | Year-to-Date | One Year | Three Years | Five Years | Ten Years | Fifteen Years |
| Class I | 5 Feb 2002 | -0.73% | 2.31% | -0.49% | 7.61% | -2.31% | 0.17% | 1.48% | 4.34% |
| Bloomberg Euro-Aggregate: Corporates Index | | -0.88% | 1.96% | -0.75% | 6.58% | -2.51% | -0.30% | 1.17% | 3.36% |

## CALENDAR YEARS

| (NAV, total return) | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| Class I | 8.01% | 0.21% | 4.88% | 3.02% | -1.44% | 6.95% | 3.72% | -1.23% | -13.24% | 8.42% |
| Bloomberg Euro-Aggregate: Corporates Index | 8.40% | -0.56% | 4.73% | 2.41% | -1.25% | 6.24% | 2.77% | -0.97% | -13.65% | 8.19% |

**Performance for additional share classes is shown later in this document.**

Source for performance: T. Rowe Price. Fund performance is calculated using the official NAV with dividends reinvested, if any. The value of the investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the subscription currency, if different. Sales charges (up to a maximum of 5% for the A Class), taxes and other locally applied costs have not been deducted and if applicable, they will reduce the performance figures.

Please note that no management fees are charged to the Z, S and J share classes. No administration agent fees are charged to the J Class. No expenses or any other fees are charged to the Z class. Fee arrangements for the Z, S and J share classes are made directly with the investment manager. Please see the prospectus for further information.

Where the base currency of the fund differs from the share class currency, exchange rate movements may affect returns.

Hedged share classes (denoted by 'h', 'b' or 'n') utilize investment techniques to mitigate currency risk between the underlying investment currency(ies) of the fund and the currency of the hedged share class. The costs of doing so will be charged to the share class and there is no guarantee that such hedging will be effective.

Performance data will be displayed when a share class has more than 1 year history of returns.

The manager is not constrained by the fund's benchmark(s), which is (are) used for performance comparison purposes only.

The investment policy of the fund changed as at 1 October 2022, with the addition of a minimum commitment to sustainable investments. The performance prior to this date was achieved without this consideration.

## KEY FUND RISKS

**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. **Derivatives** - derivatives may result in losses that are significantly greater than the cost of the derivative. **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.

## TOP 10 ISSUES

| Holding/Industry | Maturity | Coupon(%) | Currency | % of Fund |
|---|---|---|---|---|
| Wizz Air Airlines | 19 Jan 26 | 1.000 | EUR | 1.0 |
| DNB Bank ASA Banking | 01 Nov 29 | 4.625 | EUR | 0.9 |
| BNP Paribas Banking | 31 Aug 33 | 0.875 | EUR | 0.9 |
| HERA SPA Utilities | 20 Apr 33 | 4.250 | EUR | 0.9 |
| Zurich Finance Ireland Insurance | 17 Sep 50 | 1.875 | EUR | 0.8 |
| Brambles Finance Manufacturing | 04 Oct 27 | 1.500 | EUR | 0.8 |
| Ford Motor Credit Automotive | 15 May 28 | 6.125 | EUR | 0.8 |
| Volkswagen Leasing GmbH Automotive | 25 Sep 31 | 4.750 | EUR | 0.8 |
| Capital One Financial Banking | 12 Jun 29 | 1.650 | EUR | 0.8 |
| Banco de Sabadell SA Banking | 08 Sep 29 | 5.500 | EUR | 0.8 |

## INDUSTRY DIVERSIFICATION

| Industry | % of Fund | Fund vs. Comparator Benchmark |
|---|---|---|
| Banking | 41.8 | 10.1 |
| Transportation | 9.2 | 5.7 |
| Consumer Cyclical | 8.4 | -1.2 |
| Consumer Non-Cyclical | 7.1 | -6.3 |
| Communications | 6.8 | 0.3 |
| Insurance | 6.4 | 1.9 |
| Natural Gas | 4.4 | 2.1 |
| Financial Other | 3.3 | 0.2 |
| REITs | 3.0 | 0.0 |
| Electric | 2.6 | -2.3 |
| Other Utility | 2.3 | 1.4 |
| Capital Goods | 1.2 | -4.3 |
| Energy | 0.8 | -2.9 |
| Basic Industry | 0.7 | -2.2 |
| Technology | 0.7 | -2.4 |

Source: Bloomberg PORT.

## CREDIT QUALITY DIVERSIFICATION

| | % of Fund | Fund vs. Comparator Benchmark |
|---|---|---|
| AAA | 0.5 | 0.2 |
| AA | 2.7 | -5.7 |
| A | 24.1 | -16.2 |
| BBB | 64.7 | 13.7 |
| BB | 5.6 | 5.6 |
| Not Rated | 1.2 | 1.2 |
| Reserves | 1.3 | 1.3 |

Credit ratings for the securities held in the fund are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. When a rating is available from all three agencies, the median rating is used. If there are two ratings, the lower rating is used and if only one rating is available, that rating is used. If a rating is not available, the security is classified as Not Rated (NR). 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.

The comparator benchmark data is for the Bloomberg Euro-Aggregate: Corporates Index.

## DURATION ANALYSIS

| | % of Fund | Fund vs. Comparator Benchmark |
|---|---|---|
| Under 1 Year | 3.1 | 2.1 |
| 1 to 3 Years | 19.9 | -15.3 |
| 3 to 5 Years | 39.9 | 9.9 |
| 5 to 7 Years | 19.6 | 0.7 |
| 7 to 10 Years | 15.4 | 3.4 |
| Over 10 Years | 0.8 | -2.1 |
| Cash Equivalents | 1.3 | 1.3 |

## PORTFOLIO CHARACTERISTICS

| | Fund | Comparator Benchmark |
|---|---|---|
| Weighted Average Coupon | 3.31% | 2.26% |
| Weighted Average Maturity | 5.19 years | 4.87 years |
| Weighted Average Effective Duration | 4.51 years | 4.29 years |
| Current Yield | 3.29% | 2.32% |
| Average Credit Quality | BBB+ | A- |
| Number of Holdings | 291 | 3,621 |
| Yield to Worst | 4.04% | 3.82% |

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## RISK/RETURN CHARACTERISTICS (Five Years as of Month End)

| | Fund | Comparator Benchmark |
|---|---|---|
| Annualised Standard Deviation | 6.00% | 6.27% |
| Alpha | 0.43% | 0.00% |
| Beta | 0.94 | 1.00 |
| R-Squared | 0.96 | 1.00 |
| Information Ratio | 0.38 | 0.00 |
| Sharpe Ratio | -0.02 | -0.09 |
| Tracking Error | 1.24% | 0.00% |

Statistics based on monthly returns of Class I shares.

**Past performance is not a reliable indicator of future performance.**

## PERFORMANCE

| (NAV, total return) | Inception Date | One Month | Three Months | Year-to-Date | One Year | Three Years (Annualised) | Five Years (Annualised) | Ten Years (Annualised) | Fifteen Years (Annualised) | Since Class Inception (Annualised) Fund | Since Class Inception (Annualised) Comparator Benchmark |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Class A | 09 Nov 2004 | -0.76% | 2.28% | -0.51% | 7.25% | -2.66% | -0.22% | 1.02% | 3.86% | - | - |
| Class Q | 11 Feb 2014 | -0.77% | 2.30% | -0.52% | 7.53% | -2.39% | 0.09% | 1.41% | - | 1.46% | 1.20% |
| Class I 9 | 02 Dec 2016 | -0.84% | 2.22% | -0.56% | 7.51% | -2.28% | 0.27% | - | - | 0.81% | 0.30% |
| Class Qd 9 | 06 Jun 2018 | -0.73% | 2.33% | -0.52% | 7.49% | -2.34% | 0.19% | - | - | 0.41% | -0.01% |
| Bloomberg Euro-Aggregate: Corporates Index | | -0.88% | 1.96% | -0.75% | 6.58% | -2.51% | -0.30% | 1.17% | 3.36% | - | - |
| Class In (USD) | 07 Dec 2012 | -0.63% | 2.73% | -0.21% | 9.58% | -0.69% | 1.96% | 3.08% | - | 3.24% | 2.97% |
| Bloomberg Euro-Aggregate: Corporates Index Hedged to USD | | -0.75% | 2.39% | -0.49% | 8.68% | -0.73% | 1.59% | 2.84% | - | - | - |

## CALENDAR YEARS

| (NAV, total return) | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|
| Class A | 7.41% | -0.33% | 4.17% | 2.52% | -1.83% | 6.47% | 3.31% | -1.69% | -13.46% | 8.01% |
| Class Q | - | 0.09% | 4.78% | 2.95% | -1.48% | 6.88% | 3.55% | -1.28% | -13.25% | 8.29% |
| Class I 9 | - | - | - | 3.17% | -1.34% | 7.20% | 3.90% | -1.05% | -13.24% | 8.44% |
| Class Qd 9 | - | - | - | - | - | 7.03% | 3.85% | -1.14% | -13.27% | 8.29% |
| Bloomberg Euro-Aggregate: Corporates Index | 8.40% | -0.56% | 4.73% | 2.41% | -1.25% | 6.24% | 2.77% | -0.97% | -13.65% | 8.19% |
| Class In (USD) | 8.02% | 0.63% | 6.22% | 5.02% | 1.20% | 10.08% | 5.15% | -0.41% | -11.41% | 10.49% |
| Bloomberg Euro-Aggregate: Corporates Index Hedged to USD | 8.39% | -0.21% | 6.27% | 4.39% | 1.55% | 9.42% | 4.18% | -0.13% | -11.62% | 10.55% |

Source for performance: T. Rowe Price. Fund performance is calculated using the official NAV with dividends reinvested, if any. The value of the investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the fund and the subscription currency, if different. Sales charges (up to a maximum of 5% for the A Class), taxes and other locally applied costs have not been deducted and if applicable, they will reduce the performance figures.
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## FUND INFORMATION

| Class | ISIN Code | Bloomberg Code | Comparator Benchmark | Inception Date | Ongoing Management Charge |
|---|---|---|---|---|---|
| A | LU0133089424 | TRPECBA LX | Bloomberg Euro-Aggregate: Corporates Index | 09 Nov 2004 | 0.60% |
| I | LU0133091248 | TRPECBI LX | Bloomberg Euro-Aggregate: Corporates Index | 05 Feb 2002 | 0.21% |
| I (EUR) 9 | LU2573689044 | TBC | Bloomberg Euro-Aggregate: Corporates Index | 01 Mar 2023 | 0.16% |
| I 9 | LU1529919240 | TRPECI9 LX | Bloomberg Euro-Aggregate: Corporates Index | 02 Dec 2016 | 0.21% |
| In (USD) | LU0859257338 | TRPECIH LX | Bloomberg Euro-Aggregate: Corporates Index Hedged to USD | 07 Dec 2012 | 0.21% |
| Q | LU1032541242 | TRPECQA LX | Bloomberg Euro-Aggregate: Corporates Index | 11 Feb 2014 | 0.30% |
| Qd 9 | LU1830905185 | TRPEQD9 LX | Bloomberg Euro-Aggregate: Corporates Index | 06 Jun 2018 | 0.33% |

## CONTACT INFORMATION

Website: www.troweprice.com/institutional

Email: information@troweppriceglobal.com

## GENERAL FUND RISKS

**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

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Certain numbers in this report may not add due to rounding and/or the exclusion of cash.

Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution 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.