



STRATEGY HIGHLIGHTS

## Euro Corporate Bond Strategy

**Total Strategy Assets:**<sup>1</sup> € 260.6 million<sup>2</sup>

Figures are Calculated in Euros

### INVESTMENT APPROACH

- Focus primarily on corporate bonds denominated in euros.
- Integrate proprietary credit and capital markets research to identify market inefficiencies.
- Add value primarily through individual security selection, sector rotation, and term-structure positioning.
- Credit research is the most important element of our corporate bond process and includes credit analysis and relative value assessment.
- Risk management is central to our process, with diversification by issuer and industry the most important elements in our approach.

### PORTFOLIO CONSTRUCTION

- Duration is maintained within a range of +/- 0.25 of a year from the benchmark
- Diversified sector exposure
- Maximum 3.0% overweight per issuer
- Up to 20% of the portfolio can be invested in non-investment grade issues
- Average tracking error expected to range between 100 and 150 bps per annum

### INDICATIVE BENCHMARK

- Bloomberg Euro-Aggregate: Corporates Bond Index

### PORTFOLIO MANAGEMENT

#### David Stanley

*Lead Portfolio Manager*

- 34 years of investment experience;
- 18 years with T. Rowe Price.
- B.A., University of Manchester

#### Howard Woodward, CFA

- 21 years of investment experience;
- 21 years with T. Rowe Price.
- B.Sc., University of Bristol

### PORTFOLIO SPECIALISTS

#### Stephen Marsh, CFA

- 21 years of investment experience;
- 6 years with T. Rowe Price.
- B.A., University of Central Lancashire

<sup>1</sup> Includes a sub-fund of the T. Rowe Price Funds SICAV. No separate accounts are currently managed in this strategy. Assets reported are As of 31 March 2021 and were current on date of production.

<sup>2</sup> Assets reported are as of 30 June 2021 and were current on date of production.

## PORTFOLIO CHARACTERISTICS

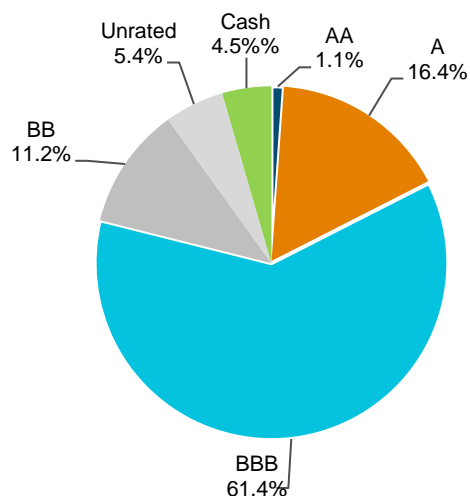
	Representative Portfolio <sup>1</sup>	Bloomberg Euro-Aggregate: Corporates Bond Index
Weighted Average Coupon	1.48%	1.49%
Weighted Average Maturity	5.14 Years	5.54 Years
Weighted Average Effective Duration	4.94 Years	5.20 Years
Current Yield	-	-
Yield to Worst	0.66%	0.30%
Average Credit Quality*	BBB	A-
Number of Holdings	226	3,258

<sup>1</sup> Please see Additional Disclosures section for further information.

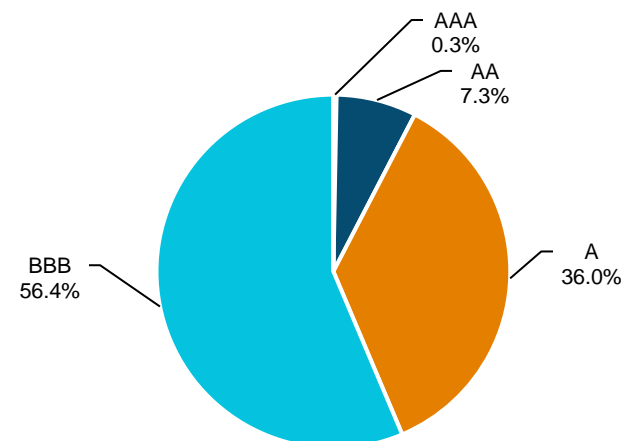
\* Sources for Average Quality: Moody's Investors Services, Standard & Poor's, and Fitch. If each rating agency rates a security, the median rating is used. If only two rating agencies rate a security, the most conservative rating is used. If there is only one rating, that rating is used.

## CREDIT QUALITY

### Euro Corporate Bond Fund Composite



### Bloomberg Euro-Aggregate: Corporates Bond Index



Sources for Credit Quality Diversification: Moody's Investors Services, Standard & Poor's, and Fitch. If each rating agency rates a security, the median rating is used. If only two rating agencies rate a security, the most conservative rating is used. If there is only one rating, that rating is used. Numbers may not total due to rounding.

## INDUSTRY COMPOSITION

	Market Value %			Duration		
	Representative Portfolio	Bloomberg Euro- Aggregate: Corporates Bond Index	Difference	Representative Portfolio	Bloomberg Euro- Aggregate: Corporates Bond Index	Difference
<b>Industrial</b>	<b>34.22</b>	<b>51.36</b>	<b>-17.15</b>	<b>1.88</b>	<b>2.90</b>	<b>-1.02</b>
Basic Industry	1.68	2.93	-1.25	0.09	0.15	-0.05
Capital Goods	0.64	5.09	-4.45	0.05	0.27	-0.23
Consumer Cyclical	10.57	9.29	1.28	0.35	0.43	-0.08
Consumer Non-Cyclical	4.91	14.60	-9.69	0.43	0.93	-0.51
Energy	2.12	4.86	-2.73	0.08	0.28	-0.21
Technology	1.95	3.46	-1.50	0.08	0.18	-0.10
Transportation	4.52	3.09	1.43	0.34	0.17	0.17
Communications	8.00	7.61	0.39	0.48	0.46	0.02
Industrial Other	-0.16	0.46	-0.62	-0.01	0.02	-0.03
<b>Utility</b>	<b>2.72</b>	<b>7.14</b>	<b>-4.41</b>	<b>0.20</b>	<b>0.39</b>	<b>-0.19</b>
Electric	1.70	4.01	-2.31	0.12	0.20	-0.08
Natural Gas	1.03	2.38	-1.35	0.07	0.14	-0.07
Other Utility	0.00	0.75	-0.75	0.00	0.04	-0.04
<b>Financial Institutions</b>	<b>58.57</b>	<b>41.50</b>	<b>17.07</b>	<b>2.86</b>	<b>1.90</b>	<b>0.95</b>
Banking	35.52	28.45	7.07	1.37	1.17	0.20
Brokerage	0.00	1.01	-1.01	0.00	0.06	-0.06
Finance Companies	0.00	0.27	-0.27	0.00	0.02	-0.02
Insurance	7.97	5.07	2.90	0.49	0.26	0.22
REITs	7.29	3.22	4.07	0.49	0.21	0.28
Finance Other	7.78	3.48	4.31	0.51	0.19	0.33
<b>Government</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Treasury	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash Equivalents</b>	<b>4.49</b>	<b>0.00</b>	<b>4.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0%</b>	<b>4.94</b>	<b>5.20</b>	<b>-0.26</b>

Industry classification was determined by T. Rowe Price's euro corporate bond industry structure.

Numbers may not add due to rounding.

For sourcing information, please see Additional Disclosures.

## PERFORMANCE

	Inception Date	Three Months	Year-to-Date	One Year	Annualized			
					Three Years	Five Years	Ten Years	Fifteen Years
Euro Corporate Bond Composite (Gross of Fees)	31 Jul 2001	0.18%	0.13%	3.07%	3.63%	2.56%	5.01%	4.47%
Euro Corporate Bond Composite (Net of Fees) <sup>1</sup>	31 Jul 2001	0.15	0.04	2.94	3.50	2.43	4.88	4.34
Bloomberg Euro-Aggregate: Corporates Bond Index		0.08	-0.31	1.66	2.65	1.69	3.89	3.65

## CALENDAR YEARS

	Inception Date	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Euro Corporate Bond Composite (Gross of Fees)	31 Jul 2001	6.28%	0.86%	17.19%	3.26%	8.55%	0.75%	5.37%	3.63%	-1.11%	7.27%	4.12%
Euro Corporate Bond Composite (Net of Fees) <sup>1</sup>	31 Jul 2001	5.96	0.56	16.85	2.95	8.23	0.45	5.06	3.32	-1.41	6.95	3.81
Bloomberg Euro-Aggregate: Corporates Bond Index		4.75	1.49	13.59	2.37	8.39	-0.56	4.73	2.41	-1.25	6.24	2.77

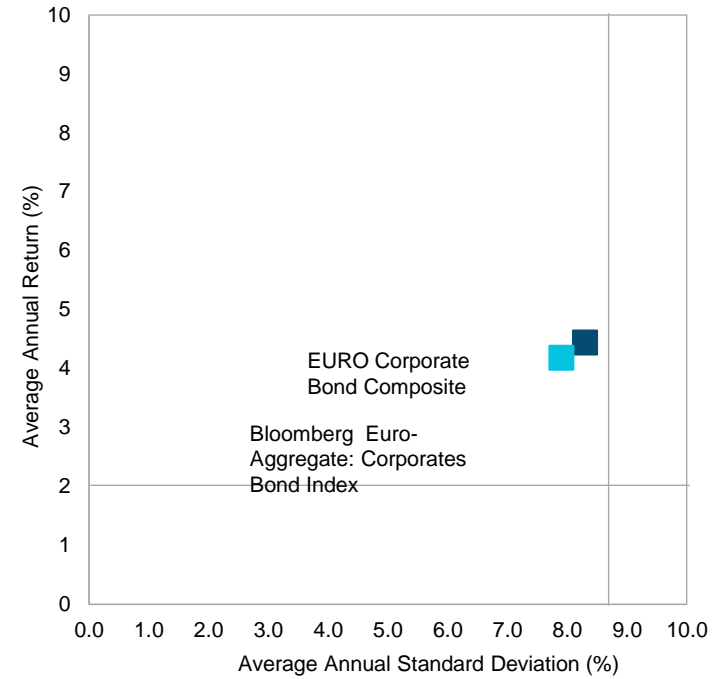
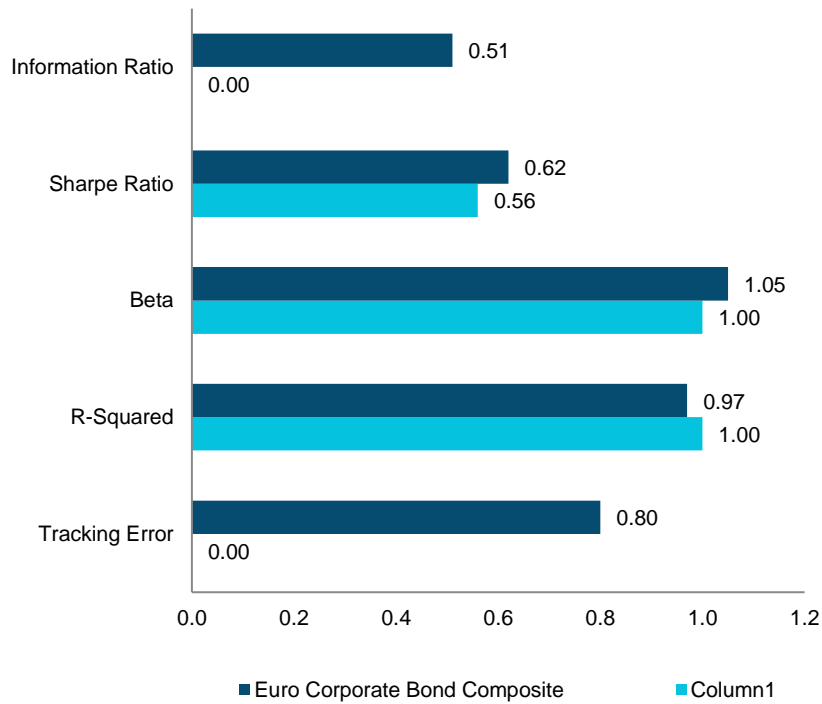
**Past performance is not a reliable indicator of future performance.**

Valuations and performance are computed in US Dollars and converted to euros. When converting rate source is used consistently. Total returns in non-US dollar performance by the percent change party) for the time periods selected. For sourcing information, please see Additional Disclosures.

US Dollar composite returns, benchmarks, dispersion, and asset data, the same exchange in the US dollar/foreign currency exchange rate (as determined by an independent third

**RISK/RETURN CHARACTERISTICS**

Five Years Ended 30 September 2021



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

Statistics based on monthly gross returns. Returns would have been lower as the result of the deduction of applicable fees.

**FEE SCHEDULE****Euro Corporate Bond Composite**

The Euro Corporate Bond Composite seeks current income and capital appreciation primarily through investment in corporate fixed income securities denominated in euros. The strategy may invest in preferred stock and other transferable debt securities, including those issued by the governments of countries participating in the euro. (Created June 2001)

First 40 million (EUR)	20 basis points
Next 40 million (EUR)	17.5 basis points
Above 80 million (EUR)	17.5 basis points on all assets <sup>1</sup>
Above 200 million (EUR)	15 basis points on all assets <sup>1</sup>
Minimum separate account size	40 million (EUR)

## GIPS® Composite Report

### Euro Corporate Bond Composite

## GIPS® Composite Report

### Euro Corporate Bond Composite

Period Ended December 31, 2020

Figures Shown in euro

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross Annual Returns (%)	0.86	17.19	3.26	8.55	0.75	5.37	3.63	-1.11	7.27	4.12
Net Annual Returns (%) <sup>1</sup>	0.74	17.05	3.13	8.42	0.63	5.24	3.50	-1.24	7.13	3.99
Bloomberg Euro-Aggregate: Corporates Bond Index (%)	1.49	13.59	2.37	8.39	-0.56	4.73	2.41	-1.25	6.24	2.77
Composite 3-Yr St. Dev.	7.12	5.36	5.38	3.46	3.42	3.16	3.20	2.41	2.14	5.60
Bloomberg Euro-Aggregate: Corporates Bond Index 3-Yr St. Dev.	4.59	4.17	4.22	2.93	2.95	2.75	2.82	2.11	2.16	5.07
Composite Dispersion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Comp. Assets (Millions)	20.8	83.6	84.8	98.5	100.3	113.8	118.7	119.7	220.0	269.4
# of Accts. in Comp.	1	1	1	1	1	1	1	1	1	1
Total Firm Assets (Billions)	379.8	439.8	505.3	619.5	711.0	774.8	833.0	850.9	1,085.3	1,211.6 <sup>2</sup>

<sup>1</sup>Reflects deduction of highest applicable fee schedule without benefit of breakpoints. Investment return and principal value will vary. Past performance is not a reliable indicator of future performance. Monthly composite performance is available upon request. See below for further information related to net of fee calculations.

<sup>2</sup>Preliminary - subject to adjustment.

T. Rowe Price (TRP) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. TRP has been independently verified for the 24-year period ended June 30, 2020 by KPMG LLP. The verification report is available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm wide basis. Verification does not ensure the accuracy of any specific composite presentation. TRP is a U.S. investment management firm with various investment advisers registered with the U.S. Securities and Exchange Commission, the U.K. Financial Conduct Authority, and other regulatory bodies in various countries and holds itself out as such to potential clients for GIPS purposes. TRP further defines itself under GIPS as a discretionary investment manager providing services primarily to institutional clients with regard to various mandates, which include U.S., international, and global strategies but excluding the services of the Private Asset Management group. The minimum asset level for equity portfolios to be included in composites is \$5 million and prior to January 2002 the minimum was \$1 million. The minimum asset level for fixed income and asset allocation portfolios to be included in composites is \$10 million; prior to October 2004 the minimum was \$5 million; and prior to January 2002 the minimum was \$1 million. Valuations and performance are computed in U.S. dollars and converted to Euro. When converting U.S. dollar composite returns, benchmarks, dispersion and asset data, the same exchange rate source is used consistently. Total returns in non-U.S. dollar currencies are calculated by adjusting U.S. dollar performance by the percent change in the U.S. dollar/foreign currency exchange rate (as determined by an independent third party) for the time periods selected.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of nonreclaimable withholding taxes on dividends, interest income, and capital gains. Gross performance returns are used to calculate presented risk measures. Effective June 30, 2013, portfolio valuation and assets under management are calculated based on the closing price of the security in its respective market. Previously portfolios holding international securities may have been adjusted for after-market events. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within a composite for the full year. Dispersion is not calculated for the composites in which there are five or fewer portfolios.

Some portfolios may trade futures, options, and other potentially high-risk derivatives which generally represent less than 10% of a portfolio.

Benchmarks are taken from published sources and may have different calculation methodologies, pricing times, and foreign exchange sources from the composite.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow greater than or equal to 15% of portfolio assets. The temporary removal of such an account occurs at the beginning of the measurement period in which the significant cash flow occurs and the account re-enters the composite on the last day of the current month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request.

The firm's list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

## ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

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. Numbers may not total due to rounding.

The representative portfolio is an account in the composite we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio shown may differ from those of other accounts in the strategy. Please see the GIPS Composite Report for additional information on the composite.

Source for Bloomberg index data: Bloomberg Index Services Limited

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## OBJECTIVES AND RISKS

The Euro Corporate Bond Composite seeks current income and capital appreciation primarily through investment in corporate fixed income securities denominated in euros. The strategy may invest in preferred stock and other transferable debt securities, including those issued by the governments of countries participating in the euro.

### Risks – the following risks are materially relevant to the portfolio:

- **Country risk (Russia and Ukraine)** - in these countries, risks associated with custody, counterparties and market volatility are higher than in developed countries.
- **Credit risk** - a bond or money market security could lose value if the issuer's financial health deteriorates.
- **Default risk** - the issuers of certain bonds could become unable to make payments on their bonds.
- **Derivatives risk** - derivatives may result in losses that are significantly greater than the cost of the derivative.
- **Emerging markets risk** - emerging markets are less established than developed markets and therefore involve higher risks.
- **Interest rate risk** - when interest rates rise, bond values generally fall. This risk is generally greater the longer the maturity of a bond investment and the higher its credit quality.
- **Liquidity risk** - any security could become hard to value or to sell at a desired time and price.
- **Sector concentration risk** - the performance of a portfolio that invests a large portion of its assets in a particular economic sector (or, for bond portfolios, a particular market segment), will be more strongly affected by events affecting that sector or segment of the fixed income market.

### General Portfolio Risks

- **Capital risk** - the value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the portfolio and the currency in which you subscribed, if different.
- **Counterparty risk** - an entity with which the portfolio transacts may not meet its obligations to the portfolio.
- **ESG and Sustainability risk** - may result in a material negative impact on the value of an investment and performance of the fund.
- **Geographic concentration risk** - to the extent that a portfolio invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area.
- **Hedging risk** - a portfolio's attempts to reduce or eliminate certain risks through hedging may not work as intended.
- **Investment portfolio risk** - investing in portfolios involves certain risks an investor would not face if investing in markets directly.
- **Management risk** - the investment manager or its designees may at times find their obligations to a portfolio to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably).
- **Operational risk** - operational failures could lead to disruptions of portfolio operations or financial losses.

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