



T. ROWE PRICE FUNDS SICAV

# Responsible European High Yield Bond Fund

As at 31 October 2021

Total Fund Assets: €231.0 million

Figures shown in Euros



**Portfolio Manager:**  
Michael Della Vedova

**Managed Fund Since:**  
2011

**Joined Firm:**  
2009

Effective 2 November 2021, the name of the fund changed from European High Yield Bond Fund to Responsible European High Yield Bond Fund. The fund now promotes environmental and social characteristics through the application of a proprietary socially responsible screen (exclusion list). Please see the prospectus for more information.

## 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 high yield corporate bonds that are denominated in European currencies. The fund may use derivatives for hedging and efficient portfolio management and will be consistent with the fund objectives and Environmental Sustainability characteristics of the fund. Although the fund does not have sustainable investment as an objective, the promotion of environmental and social characteristics is achieved through the investment manager's avoidance of sectors or companies, whose activities may be considered harmful to the environment and/or society through the application of its proprietary socially responsible screen (exclusion list). As a consequence, specific companies whose business activities involve controversial weapons (cluster munitions, anti-personnel mines, incendiary, chemical, biological and nuclear weapons), tobacco production, coal production, assault-style weapons for civilian use, adult entertainment, direct gambling operations and certain conduct-based criteria are excluded. There may be circumstances where a fund has some limited, indirect, exposure to the Environmental, Social and Governance criteria. Examples of these circumstances could include an investment in an instrument that gives exposure to an index, or an investment in a fund managed by an unaffiliated investment manager. Please refer to prospectus for further information on proprietary exclusion list and Sustainability Indicators.

## PERFORMANCE

(NAV, total return)	Inception Date	One Month	Three Months	Year-to-Date	One Year	Annualised			
						Three Years	Five Years	Ten Years	Since Inception
Class I	20 Sep 2011	-0.94%	-0.60%	2.40%	7.92%	4.68%	3.19%	6.64%	7.11%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR		-0.62%	-0.38%	2.98%	8.24%	4.54%	4.06%	6.39%	6.86%

## CALENDAR YEARS

(NAV, total return)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Class I	22.61%	12.56%	5.79%	5.81%	10.28%	3.20%	-8.31%	13.72%	3.99%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	24.53%	8.91%	4.62%	0.85%	10.07%	6.22%	-3.34%	10.95%	2.82%

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

Past performance is not a reliable indicator of future performance.

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.

This benchmark is shown for comparison purposes only.

## KEY FUND RISKS

**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. **High yield bond risk** - a bond or debt security rated below BBB- by Standard & Poor's or an equivalent rating, also termed 'below investment grade', is generally subject to higher yields but to greater risks too. **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 fund that invests a large portion of its assets in a particular economic sector (or, for bond funds, a particular market segment), will be more strongly affected by events affecting that sector or segment of the fixed income market. **Total return swap risk** - 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 ISSUERS**

Issuer	Industry	% of Fund
Constellium	Basic Industry	3.0
Titan Holdings II BV	Packaging	2.5
ALTICE FINCO SA	Cable & Satellite TV, Telecom - Wireline Integrat	2.5
Maison Finco	Building & Real Estate	2.4
Iceland Bondco	Retail	2.1
Virgin Media Vendor Financing Notes III DAC	Cable & Satellite TV	2.1
ARD Holdings	Packaging	2.1
Eg	Retail	2.1
LeasePlan Corp	Financial Services	2.1
Constellation Automotive Group	Automotive	2.0

**GEOGRAPHIC DIVERSIFICATION (TOP 15)**

Country	% of Fund	Fund vs. Comparator Benchmark
United Kingdom	30.6	16.8
United States	19.8	7.1
France	13.9	0.1
Netherlands	9.8	5.5
Luxembourg	5.7	2.1
Germany	5.2	-6.2
Italy	5.2	-6.9
Spain	3.6	-4.4
Serbia	2.0	1.7
Belgium	1.6	0.8
Israel	1.1	-0.1
Romania	0.9	0.7
Mexico	0.9	-1.4
South Africa	0.7	0.5
Canada	0.4	0.4

The comparator benchmark data is for the ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR.

**INDUSTRY DIVERSIFICATION (TOP 15)**

Industry	% of Fund	Fund vs. Comparator Benchmark
Retail	11.0	4.4
Automotive	10.4	0.9
Financial Services	9.2	4.6
Cable & Satellite TV	7.5	4.8
Leisure	7.2	5.2
Services	7.0	1.0
Healthcare	6.8	0.7
Building Materials	5.9	4.6
Packaging	4.6	1.2
Basic Industry	4.0	2.0
Telecom - Wireline Integrated & Services	3.6	-4.4
Media	3.4	0.9
Capital Goods	2.5	-0.1
Banking	2.5	-1.2
Telecom - Wireless	2.3	-0.4

Source: ICE BofAML. T. Rowe Price uses a blend of the benchmark's Sector Level 3 and Sector Level 4 classifications with T. Rowe Price nomenclature.

**CREDIT QUALITY DIVERSIFICATION**

	% of Fund	Fund vs. Comparator Benchmark
A	0.0	-0.2
BBB	0.0	-2.9
BB	19.9	-43.2
B	63.5	36.8
CCC	15.7	9.5
CC	0.0	-0.1
C	0.0	-0.1
Not Rated	3.6	3.1
Reserves	-2.6	-2.8

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.

**PORTFOLIO CHARACTERISTICS**

	Fund	Comparator Benchmark
Weighted Average Maturity	5.70 years	4.51 years
Modified Duration to Worst	3.79 years	3.51 years
Current Yield	4.78%	3.57%
Yield to Maturity	4.78%	3.31%
Average Credit Quality	B	BB-
Number of Holdings	103	828
Yield to Worst	4.58%	3.02%
Spread to Worst	475 bps	335 bps

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

	Fund	Comparator Benchmark
Annualised Standard Deviation	8.72%	7.50%
Alpha	-1.03%	0.00%
Beta	1.08	1.00
R-Squared	0.98	1.00
Information Ratio	-0.45	0.00
Sharpe Ratio	0.36	0.53
Tracking Error	1.91%	0.00%

Statistics based on monthly returns of Class I shares.

## PERFORMANCE

(NAV, total return)	Inception Date	One Month	Three Months	Year-to-Date	One Year	Three Years	Five Years	Ten Years	Annualised		
									Fifteen Years	Fund	Comparator Benchmark
Class A	20 Sep 2011	-0.95%	-0.74%	1.89%	7.24%	4.04%	2.55%	5.99%	-	6.45%	6.86%
Class Q	11 Feb 2014	-0.93%	-0.57%	2.36%	7.84%	4.64%	3.14%	-	-	4.36%	4.32%
Class Ad	08 Dec 2014	-0.98%	-0.70%	1.95%	7.26%	4.04%	2.54%	-	-	3.57%	4.22%
Class Id	03 Nov 2016	-0.95%	-0.66%	2.34%	7.92%	4.68%	-	-	-	3.23%	4.11%
Class Ax	23 Aug 2017	-0.89%	-0.74%	1.91%	7.23%	4.02%	-	-	-	2.07%	3.37%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR		-0.62%	-0.38%	2.98%	8.24%	4.54%	4.06%	6.39%	-	-	-
Class Qn (CHF)	20 Jul 2015	-0.89%	-0.57%	2.35%	7.77%	4.34%	2.72%	-	-	3.22%	3.75%
Class An (CHF)	07 Sep 2015	-0.91%	-0.75%	1.71%	7.00%	3.69%	2.16%	-	-	2.91%	4.12%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to CHF		-0.62%	-0.42%	2.80%	8.07%	4.25%	3.71%	-	-	-	-

## CALENDAR YEARS

(NAV, total return)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Class A	-	21.76%	11.86%	5.16%	5.18%	9.59%	2.54%	-8.88%	13.03%	3.36%
Class Q	-	-	-	-	5.65%	10.24%	3.13%	-8.37%	13.66%	3.98%
Class Ad	-	-	-	-	5.20%	9.57%	2.53%	-8.93%	12.96%	3.31%
Class Id	-	-	-	-	-	-	3.14%	-8.34%	13.67%	4.04%
Class Ax	-	-	-	-	-	-	-	-8.91%	13.05%	3.32%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	-	24.53%	8.91%	4.62%	0.85%	10.07%	6.22%	-3.34%	10.95%	2.82%
Class Qn (CHF)	-	-	-	-	-	9.56%	2.75%	-9.12%	13.18%	3.56%
Class An (CHF)	-	-	-	-	-	8.97%	2.01%	-9.24%	12.45%	3.08%
ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to CHF	-	-	-	-	-	9.46%	5.74%	-3.68%	10.53%	2.61%

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## FUND INFORMATION

Class	ISIN Code	Bloomberg Code	Comparator Benchmark	Inception Date	Ongoing Management Charge
A	LU0596127604	TREHYBA LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	20 Sep 2011	1.31%
Ad	LU0596127786	TREHYAD LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	08 Dec 2014	1.32%
An (CHF)	LU1283501010	TRPGAHC LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to CHF	07 Sep 2015	1.32%
Ax	LU1670771028	TREHAXE LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	23 Aug 2017	1.32%
I	LU0596125814	TREHYBI LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	20 Sep 2011	0.68%
Id	LU1512555746	TREHYIE LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	03 Nov 2016	0.70%
Q	LU1032541671	TREHYQA LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to EUR	11 Feb 2014	0.75%
Qn (CHF)	LU1258030169	TRPGHQH LX	ICE BofA European Curr. HY Constr. Excl. Subord. Financials Index Hedged to CHF	20 Jul 2015	0.62%

## CONTACT INFORMATION

Website: [www.troweprice.com/institutional](http://www.troweprice.com/institutional)

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## GENERAL FUND RISKS

**General fund risks - to be read in conjunction with the fund specific risks above.** **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 fund and the currency in which you subscribed, if different. **Counterparty risk** - an entity with which the fund transacts may not meet its obligations to the fund. **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 fund 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 Fund's attempts to reduce or eliminate certain risks through hedging may not work as intended. **Investment fund risk** - investing in funds 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 fund 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 fund operations or financial losses.

## IMPORTANT INFORMATION

The Funds are sub-funds of the T. Rowe Price Funds SICAV, a Luxembourg investment company with variable capital which is registered with Commission de Surveillance du Secteur Financier and which qualifies as an undertaking for collective investment in transferable securities ("UCITS"). Full details of the objectives, investment policies and risks are located in the prospectus which is available with the key investor information documents in English and in an official language of the jurisdictions in which the Funds are registered for public sale, together with the articles of incorporation and annual and semi-annual reports (together "Fund Documents"). Any decision to invest should be made on the basis of the Fund Documents which are available free of charge from the local representative, local information/paying agent or from authorised distributors and via [www.troweprice.com](http://www.troweprice.com). The latest fund prices are available online from Morningstar.

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