T. Rowe Price Launches New U.S. High Yield Fixed Income Exchange-traded Fund

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Firm expands fixed income ETF line-up with new U.S. High Yield ETF, which began trading today on NYSE Arca, Inc.

BALTIMORE, Oct. 26, 2022 /PRNewswire/ --

NEWS

T. Rowe Price (NASDAQ-GS: TROW), a global investment management firm and a leader in retirement services, announced today the introduction of its fourth actively managed fixed income exchange-traded fund (ETF), T. Rowe Price U.S. High Yield ETF (Ticker: THYF), which is available to the public beginning today on NYSE Arca, Inc.

U.S. High Yield ETF is managed by the same investment team and uses the same process as the mutual fund T. Rowe Price U.S. High Yield Fund (TUHYX). The strategy is designed to provide a concentrated, yet balanced, portfolio primarily focused on U.S. high yield bonds, in which the fund invests in below investment-grade corporate bonds.

T. Rowe Price U.S. High Yield ETF (Ticker: THYF)

- Seeks to provide total return and, secondarily, current income. By investing primarily in U.S. dollar-denominated high yield corporate bonds and other fixed and floating rate corporate securities, it seeks to generate a total return in excess of that generated by its benchmark.
- Managed by Kevin Loome, CFA, who has 29 years of investment industry experience, 16 of which are at T. Rowe Price.
- Net expense ratio is 0.56%.

T. Rowe Price debuted its first active ETFs in 2020 – which delivered equity offerings[1]; its first fixed income ETFs were offered in 2021. U.S. High Yield ETF brings the firm's active ETF roster to nine. The firm has also recently completed an SEC filing for an ETF that invests in floating rate bonds, expected later this year. The line-up complements T. Rowe Price's traditional mutual fund offerings and delivers key features associated with ETFs that some investors may prefer, including continuous daily trading, real-time market determined pricing, and tax efficiency.

QUOTES

Kevin Loome, CFA, Portfolio Manager
"The U.S. High Yield ETF is guided by our experienced team of high yield professionals, the core of which has worked together for over 15 years and managed through multiple market cycles. We look forward to delivering our active, flexible, and concentrated investment approach in the ETF format so that clients who prefer ETFs can seek to benefit from our best ideas."

Tim Coyne, Head of Exchange-Traded Funds
"With the addition of a new fixed income ETF, we continue to grow our capabilities and equip investors with an even greater range of compelling strategies in the ETF format. U.S. High Yield ETF is designed to find another way to access our time-tested fixed income strategies that can help meet clients' portfolio needs."

ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price is a global investment management organization with $1.23 trillion in assets under management as of September 30, 2022. The organization provides a broad array of mutual funds, subadvisory services, and separate account management for individual and institutional investors, retirement plans, and financial intermediaries. The organization also offers a variety of sophisticated investment planning and guidance tools. T. Rowe Price's disciplined, risk-aware investment approach focuses on diversification, style consistency, and fundamental research. For more information, visit **troweprice.com**, **Twitter**, **YouTube**, **LinkedIn**, **Instagram**, or **Facebook**.

Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information visit troweprice.com. Read it carefully.

ETFs are bought and sold at market prices, not NAV. Investors generally incur the cost of the spread between the prices at which shares are bought and sold. Buying and selling shares may result in brokerage commissions which will reduce returns.

[1]**T. Rowe Price's equity ETFs are different from traditional ETFs.** Traditional ETFs tell the public what assets they hold each day. T. Rowe Price's equity ETFs will not. This may **create additional risks** for your investment. For example:

■You may have to pay more money to trade these ETF's shares. These ETFs will provide less information to traders, who tend to charge more for trades when they have less information.

■ The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because it provides less information to traders.

■ These additional risks may be even greater in bad or uncertain market conditions.

■ These ETFs will publish on its website each day a "Proxy Portfolio" designed to help trading in shares of the ETF. While the Proxy Portfolio includes some of the ETF's holdings, it is not the ETF's actual portfolio.

The differences between this ETF and other ETFs may also have advantages. By keeping certain information about the ETF secret, this ETF may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict the ETF's investment strategy, however, this may hurt the ETF's performance.

All investments are subject to risk, including the possible loss of principal. Fixed-income securities are subject to credit risk, liquidity risk, call risk, and interest-rate risk. As interest rates rise, bond prices generally fall. Investments in high-yield bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities. Derivatives may be riskier or more volatile than other types of investments because they are generally more sensitive to changes in market or economic conditions; risks include currency risk, leverage risk, liquidity risk, index risk, pricing risk, and counterparty risk. The Fund's investments in bank loans may at times become difficult to value and highly illiquid; they are subject to credit risk such as nonpayment of principal or interest, and risks of bankruptcy and insolvency. Diversification cannot assure a profit or protect against loss in a declining market.

T. Rowe Price Investment Services, Inc.

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