



## NEWS RELEASE

### T. ROWE PRICE EXPANDS ACTIVE EQUITY ETF ROSTER WITH TWO NEW TRANSPARENT OFFERINGS

*Capital Appreciation Premium Income ETF and Hedged Equity ETF began trading on NYSE today*

BALTIMORE, March 27, 2025 - T. Rowe Price (NASDAQ-GS: TROW), a global investment management firm, announced today the addition of two new active transparent equity exchange-traded funds (ETF): T. Rowe Price Capital Appreciation Premium Income ETF (Ticker: TCAL) and T. Rowe Price Hedged Equity ETF (Ticker: THEQ). These debuts expand the firm's roster to 19 total active ETFs. Both new funds began trading on NYSE Arca, Inc.

**T. Rowe Price Hedged Equity ETF (THEQ)** seeks to provide long-term capital growth and normally invests at least 80% of its net assets in equities. The fund combines the firm's U.S. Structured Research Equity Strategy with lower volatility individual equities and a derivatives hedging strategy designed to reduce portfolio volatility, especially during equity market downturns. THEQ is managed by Sean McWilliams, who has 15 years of investment experience and also serves as portfolio manager of the T. Rowe Price Hedged Equity mutual fund. THEQ's expense ratio is 0.46%.

**T. Rowe Price Capital Appreciation Premium Income ETF (TCAL)** is a low volatility portfolio of high-quality stocks and covered calls, optimized to maximize income, preserve principal and limit losses. The new strategy leverages the existing, time-tested Capital Appreciation Fund process that blends fundamental and quantitative approaches. It is the second ETF in the Capital Appreciation suite and has an expense ratio of 0.34%.

TCAL is co-managed by six investment professionals from T. Rowe Price Investment Management (TRPIM), including David Giroux, CFA®, an award-winning<sup>1</sup> portfolio manager of the U.S. Capital Appreciation Strategy whose Capital Appreciation Fund has beaten its Morningstar peer group average for a [record 17 consecutive years](#). Giroux's deep bench of co-managers includes a mix of quantitative and fundamental investment professionals:

- Farris Shuggi, CFA®, head of Quantitative Equity, TRPIM, co-portfolio manager
- Justin Olsen, co-portfolio manager
- Vivek Rajeswaran, co-portfolio manager
- Mike Signore, co-portfolio manager
- Brian Solomon, CFA®, co-portfolio manager

T. Rowe Price introduced its first active ETFs in August 2020. Today's launches bring the firm's roster to 13 equity active ETFs and six fixed income active ETFs. The active ETFs complement the firm's traditional mutual fund offerings and deliver key features associated with ETFs that some investors may prefer, such as tax efficiency, more competitive expense ratios, and the flexibility to buy and sell shares throughout the trading day.

#### QUOTE:

##### **Tim Coyne, Global Head of Exchange-Traded Funds**

"The momentum of our growing active ETF lineup continues with today's launch of the Capital Appreciation Premium Income ETF and the Hedged Equity ETF. With the expertise of our seasoned investment teams and our long history of active management expertise, we strive to provide ETFs that can play distinctive roles in an investor's portfolio and offer compelling value and performance potential.

These new products reflect our commitment to providing investors with innovative solutions to meet their long-term investment goals.”

## **ABOUT T. ROWE PRICE**

Founded in 1937, T. Rowe Price (NASDAQ: TROW) helps people around the world achieve their long-term investment goals. As a large global asset management company known for investment excellence, retirement leadership, and independent proprietary research, the firm is built on a culture of integrity that puts client interests first. Investors rely on the award-winning firm for its retirement expertise and active management approach of equity, fixed income, alternatives, and multi-asset investment capabilities. T. Rowe Price manages USD \$1.63 trillion in assets under management as of February 28, 2025, and serves millions of clients globally. News and other updates can be found on [Facebook](#), [Instagram](#), [LinkedIn](#), [Twitter](#), [YouTube](#), and [troweprice.com/newsroom](https://troweprice.com/newsroom).

***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](https://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.

<sup>1</sup> David Giroux is a six-time nominee and two-time winner of Morningstar's annual Outstanding Portfolio Manager award.

Established in 1988, the Morningstar Outstanding Portfolio Manager of the Year award recognizes portfolio managers who demonstrate excellent investment skill and the courage to differ from the consensus to benefit investors. Award winners are chosen based on research and in-depth qualitative evaluation by Morningstar's Manager Research Group. To qualify for the award, managers' funds must have not only posted impressive returns for the year, but the managers also must have a record of delivering outstanding long-term risk-adjusted performance and of aligning their interests with shareholders'. Managers' funds must currently have a Morningstar Analyst Rating™ of Gold or Silver. David Giroux won the award for Allocation Funds in 2012 and Allocation/Alternative Funds in 2017.

Morningstar's Manager Research Group consists of various wholly owned subsidiaries of Morningstar, Inc., including, but not limited to, Morningstar Research Services LLC. Morningstar's Manager Research Group produces various ratings including the Morningstar Analyst Rating for funds and the Morningstar Quantitative Rating for funds. The Analyst Rating is derived from a qualitative assessment process performed by a manager research analyst, whereas the Morningstar Quantitative Rating uses a machine-learning model based on the decision-making processes of Morningstar's analysts, their past ratings decisions, and the data used to support those decisions. In both cases, the ratings are forward-looking assessments and include assumptions of future events, which may or may not occur or may differ significantly from what was assumed. The Analyst Ratings and Quantitative Ratings are statements of opinions, subject to change, are not to be considered as guarantees, and should not be used as the sole basis for investment decisions.

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