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NEWS RELEASE

T. ROWE PRICE LAUNCHES FLOATING RATE EXCHANGE-TRADED FUND

The new fixed income ETF began trading today on NYSE Arca, Inc., and expands the firm's ETF line-up to ten active ETFs

Baltimore: **November 17, 2022**

NEWS

T. Rowe Price (NASDAQ-GS: TROW), a global investment management firm and a leader in retirement services, announced today the addition of a fifth actively managed fixed income exchange-traded fund (ETF), T. Rowe Price Floating Rate ETF (Ticker: TFLR), which is available to the public beginning today on NYSE Arca, Inc. The new ETF follows last month's launch of T. Rowe Price U.S. High Yield ETF (Ticker: THYF) and brings the firm's total roster of active ETFs to ten.

The Floating Rate strategy is constructed similarly to the mutual fund, T. Rowe Price Floating Rate Fund (Ticker: PRFRX), investing primarily in floating-rate loans and other floating rate debt securities. The strategy uses a disciplined approach to credit selection, featuring rigorous proprietary research and strict risk control. It is managed by Paul Massaro, head of the Global High Yield team and portfolio manager of the Floating Rate strategy since its 2008 inception. He has 22 years of investment industry experience, including 19 years at T. Rowe Price.

T. Rowe Price Floating Rate ETF (Ticker: TFLR)

- Seeks high current income and, secondly, capital appreciation. The portfolio manager aims to achieve these objectives by investing primarily in BB and B rated loans, which he believes is likely to keep volatility at below-market rates over time.
- Broadly diversified across 200-300 issuers.
- Net expense ratio is 0.61%.

The T. Rowe Price active ETF roster now consists of five equity ETFs[1] and five fixed income ETFs. The firm's newest ETFs are based on active fixed income strategies that represent some of the largest and fast-growing ETF categories. They offer the alpha generation potential of the firm's time-tested fixed income strategies with the tax-efficient, convenient, and cost-effective benefits of the ETF vehicle.

QUOTES

Paul Massaro, CFA, Head of Global High Yield, Portfolio Manager
"Floating rate bank loans hold a unique position across the broad fixed income landscape given their combination of a floating rate coupon and elevated placement in a company's capital structure – an important risk management attribute. Historically, bank loans have provided a partial hedge against rising rates as well as low return correlations with other asset classes, making them a solid portfolio diversifier. Bolstered by our close cooperative working relationship with T. Rowe Price's equity research group and investment-grade credit analysts, we believe this new ETF can serve as a quality actively managed fixed income building block to client solutions."

Tim Coyne, Head of Exchange-Traded Funds
"Since the debut of T. Rowe Price's first active ETFs two years ago, we've continued to add to our ETF capabilities and deliver investment choices that complement our other product offerings to meet investors' evolving needs. Today's launch

of Floating Rate ETF and the introduction last month of U.S. High Yield ETF represent the latest manifestations of our commitment to building a robust active ETF business. These are compelling strategies managed with T. Rowe Price's characteristic disciplined, research-intensive approach, and we believe they will meet with growing demand from discerning fixed income investors."

ABOUT T. ROWE PRICE

Founded in 1937, Baltimore-based T. Rowe Price is a global investment management organization with $1.28 trillion in assets under management as of October 31, 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. The fund is subject to the risks of fixed-income investing, including interest rate risk and credit risk. Interest rate risk is the decline in bond prices that accompanies a rise in the overall level of interest rates. Credit risk is the chance that any of the fund's holdings will have their credit ratings downgraded or will default (fail to make scheduled interest or principal payments), potentially reducing the fund's income level and share price. Transactions involving floating rate loans often involve borrowers whose financial condition is troubled or highly leveraged, which increases the risk that the fund may not receive its proceeds in a timely manner and that the fund may incur unexpected losses in order to pay redemption proceeds to its shareholders. This fund could have greater price declines than a fund that invests primarily in high-quality bonds or loans; the loans and debt securities held by the fund are usually considered speculative and involve a greater risk of default and price decline than higher-rated bonds. International investments can be riskier than U.S. investments due to the adverse effects of currency exchange rates, differences in market structure and liquidity, as well as specific country, regional, and economic developments. Diversification cannot assure a profit or protect against loss in a declining market.

T. Rowe Price Investment Services, Inc.

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CONTACT T. ROWE PRICE, PUBLIC RELATIONS

Bill Benintende
443-248-2424
bill.benintende@troweprice.com

Kim Francois
443-687-0249
kim.francois@troweprice.com

Lara Naylor
410-215-7998
lara.naylor@troweprice.com

Laura Parsons
443-472-2281
laura.parsons@troweprice.com

Bill Weeks
443-422-7297
bill.weeks@troweprice.com