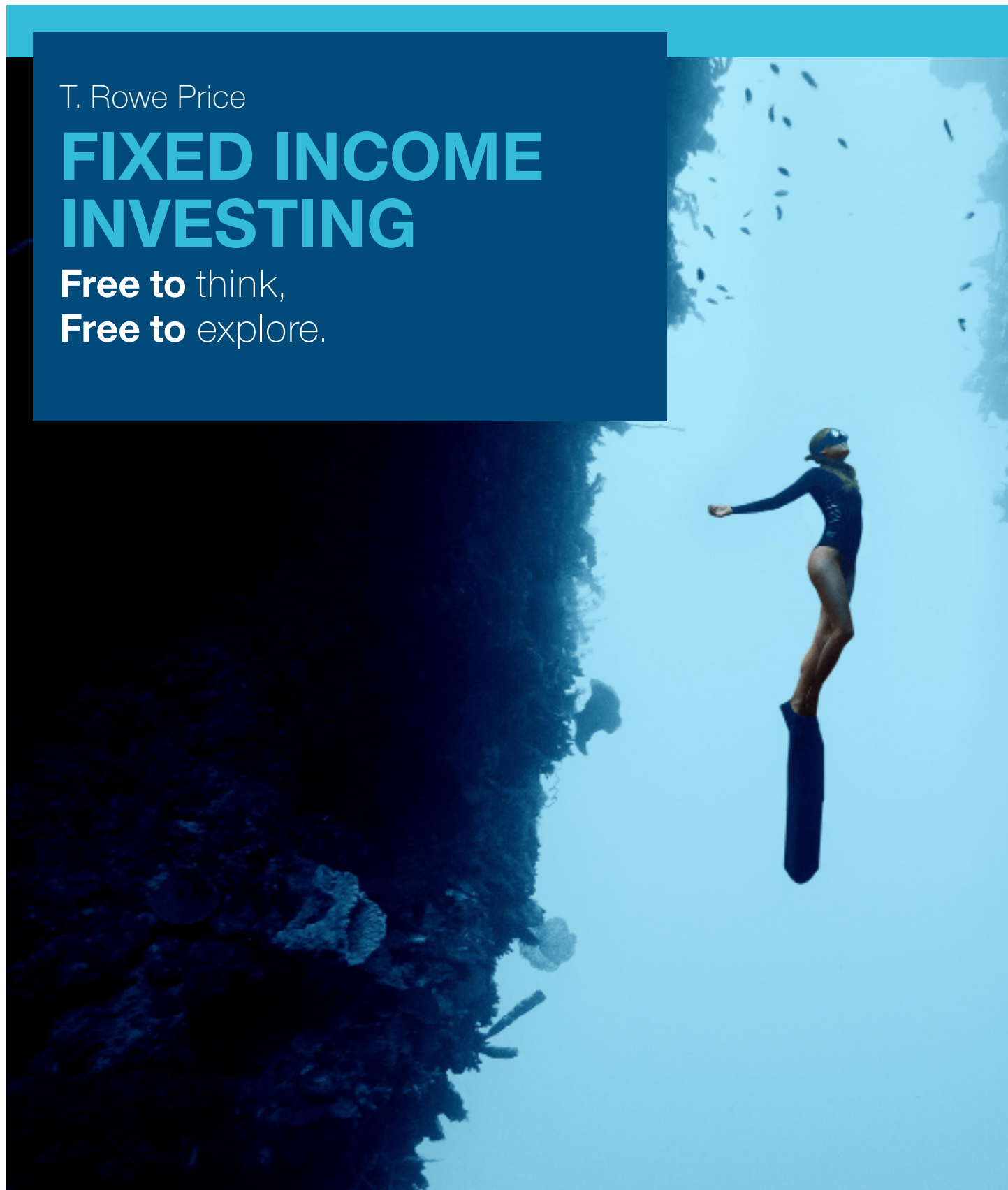




T. Rowe Price

# FIXED INCOME INVESTING

**Free to** think,  
**Free to** explore.



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## Freedom and flexibility in a shifting landscape

Investors are grappling with a number of market and economic challenges at present, including high inflation, geopolitical risks, banking sector worries, and heightened uncertainty over the path of monetary policy.

These dynamics are challenging to navigate in portfolios, but the good news is fixed income has come a long way. The pain of 2022 has reset bond yields to their most attractive levels in many years. That means for investors there's not only the potential to earn higher income from bond investing, but also a margin of safety to help protect investors should interest rates rise again.

As an independent global asset manager with **more than 50 years** of deep experience managing fixed income assets and with more than **US\$ 266.7billion<sup>1</sup>** in fixed income strategies, T. Rowe Price has the depth and breadth to help you uncover opportunities, manage risk, and confidently navigate uncertain markets.

T. Rowe Price empowers our **238-strong** fixed income analysts with the freedom and flexibility to seek out the best opportunities across the full range of fixed income securities. Our managers are free to build the optimal portfolio for you and your clients and focused only on pursuing the best long-term outcome.

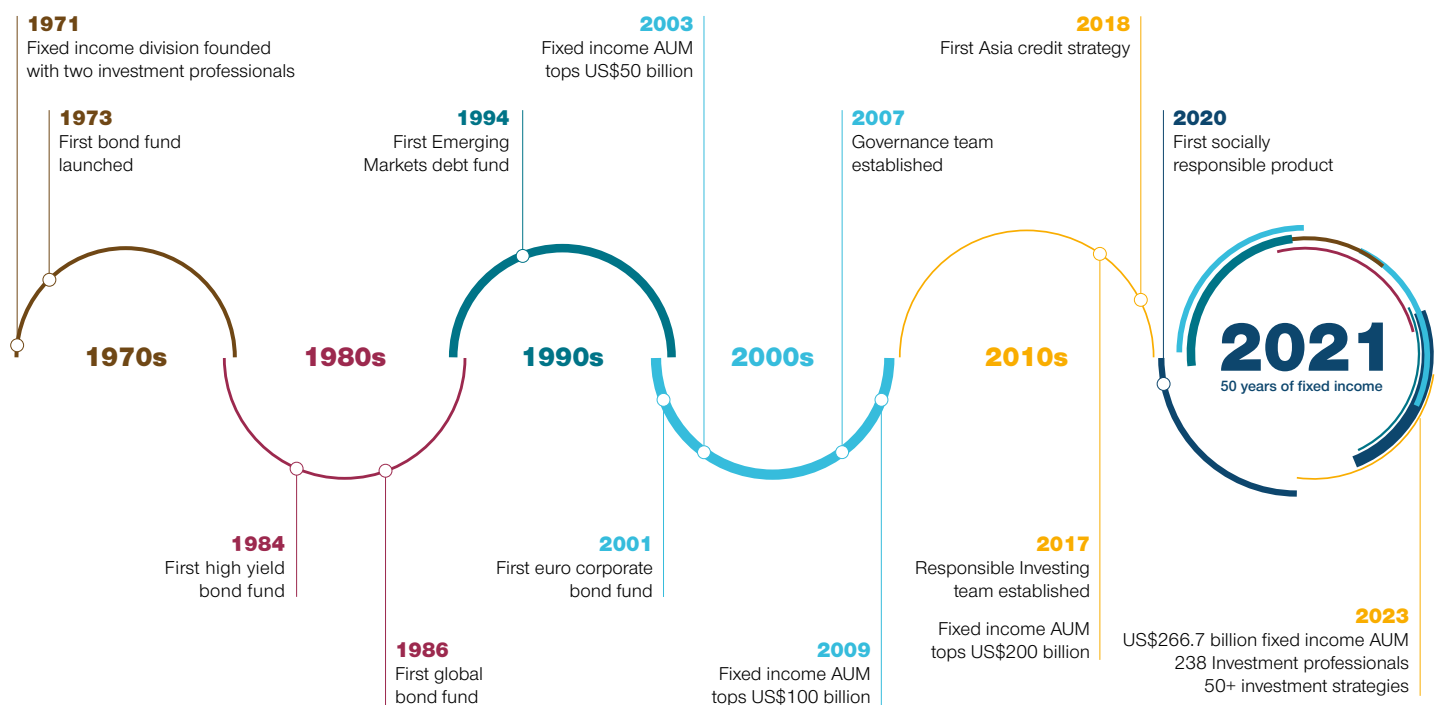
<sup>1</sup> The total fixed income assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates. Total fixed income assets include all fixed income separate accounts and funds along with a portion of certain T. Rowe Price U.S.-registered multi-asset funds.

## Over 50 years of investing in fixed income

When T. Rowe Price founded its fixed income division in 1971, the world was a very different place. The term “emerging markets” had not yet been coined, the first junk bond boom was a decade away, and for most investors the only tools in the fixed income toolkit were domestic government bonds. In the five decades that followed, our bond expertise evolved as fast as the markets did.

Over the years, we have navigated multiple market crises and followed new asset classes as they grew from infancy. When we talk about T. Rowe Price’s “deep expertise”, we’re referring to that institutional memory, and the sound judgment born of long experience.

### Everything we’ve learned goes into your portfolio



The total fixed income assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates. Total fixed income assets include all fixed income separate accounts and funds along with a portion of certain T. Rowe Price U.S.-registered multi-asset funds.

## Bond markets change but our disciplined process is timeless

Our people think independently and act collaboratively to develop and enhance ideas for different fixed income portfolios and objectives.



### Open minds generating fresh ideas

**World class research and independent thinking: real time insights from free-thinking analysts going beyond the numbers in local companies and markets.**

We are insight-led and idea-driven. Our 500+ investment professionals don't just sit behind their screens; they go out into the field to get the answers needed for successful investments.

Curious, astute, experts in their fields with diverse backgrounds from medicine to geology, our analysts bring fresh perspectives to see through common narratives. They go beyond the numbers to identify real insights of change in every corner of the market. They are rewarded based on the value their ideas create.

We foster a meritocracy of ideas; instead of investing in line with a house or committee view, our fixed income portfolio managers take the best ideas from our combined research efforts and put them into portfolios according to each strategy's objectives and required outcome.



### Investment ideas tested from every angle

**Collaborative culture: our fixed income analysts are motivated to seek input from other teams – to test, improve and share ideas across the business.**

No individual or team has a monopoly on good ideas – we actively nurture a culture of intellectual empowerment. Many investment firms claim to be collaborative but, for us, collaboration is the lifeblood of our research prowess.

Our teams are incentivised to share insights, challenge consensus and bring their own perspectives. We test all our investment ideas across different specialist teams – the best way to gauge their true risk and reward.

Our quantitative and qualitative fixed income analysts work alongside equity and ESG analysts to build a 360-degree view of every potential investment. We believe this leads to better, well-rounded and contextualised decisions, and ultimately more robust outcomes.



### Portfolios optimised for client goals

**Optimal implementation: autonomous managers individually accountable for every top-down and bottom-up decision.**

Our fixed income managers are individually accountable for every top-down and bottom-up decision and are rewarded on their impact on client outcomes (not asset gathering or AUM). Whether investing for income, diversification or as a store of value, our managers are focused on the long-term performance of their strategy in line with their clients' goals.

From meticulous company and credit research, to quantitative proprietary risk models, to our Responsible Investing Indicator Model (RIIM), we continually monitor and manage risk to ensure each portfolio is taking only intended risks to generate returns.

## Your route into fixed income markets

In today's fast-paced, ever-evolving landscape, our full range of actively managed fixed income strategies are designed to help you achieve your goals. Whether you're investing for income, looking to manage volatility, or you want to add a new source of return and diversification to an existing portfolio.

		 INVESTMENT FOCUS	 TYPICALLY SUITED TO
 STRATEGIES	Global Aggregate Bond Global Government Bond	Capital Preservation, Diversifier	 Economic Slowdown
	Dynamic Global Bond *	Capital Preservation, Diversifier	 Environment Agnostic
	Dynamic Credit	Income, Diversifier	
	Dynamic Emerging Markets	Growth, Diversifier	 Economic Acceleration
	Global Impact Credit	Sustainability, Income	
	European High Yield Bond Global High Income* High Yield Bond	Growth, Income	
	Asia Credit Bond Emerging Markets Bond Emerging Markets Corporate Bond Emerging Markets Local Currency Bond	Growth	 Economic Acceleration
	Euro Corporate Bond Global Investment Grade Corporate Bond US Investment Grade Core Bond US Investment Grade Corporate Bond	Income, Capital Preservation	
	Global Multi-Sector	Income	

\* Available in a Australian Unit Trust.



# Global Government Bond Strategy

An actively managed strategy seeking alpha through highly active interest rate and country management.



Arif Husain | Portfolio Manager

*“The Global Government Bond Strategy is a benchmark aware, highly flexible government bond portfolio designed to seek consistent outperformance in both rising and falling interest rate environments.”*

## The T. Rowe Price Difference

GLOBAL EXPERTISE	EXPERIENCED TEAM	DYNAMIC RATE MANAGEMENT
Extensive worldwide network of fixed income and equity analysts ensuring full coverage of the investable universe.	Experienced portfolio management team with a diverse skill set spanning the breadth and depth of global fixed income markets.	Flexibility to adapt to different market cycles and environments, including when interest rates are rising.

# T. Rowe Price Dynamic Global Bond Fund

An actively managed fund seeking consistent returns through fixed income market cycles.



Arif Husain, Quentin Fitzsimmons and Scott Solomon  
Portfolio Managers

*“The Dynamic Global Bond Fund has three key goals: it seeks to generate consistent performance over the benchmark for our clients, to minimise drawdowns and to provide genuine diversification away from the equity markets.”*

## The T. Rowe Price Difference

CONSISTENT PERFORMANCE	DOWNSIDE RISK MANAGEMENT	LOW CORRELATION
The Dynamic Global Bond Fund aims to produce a regular and consistent stream of returns, whether from yield or capital appreciation regardless of interest rate environment.	The fund adopts a holistic and rigorous approach to risk management to help clients manage the downside, seeking to provide adequate diversification when equity markets and other risk assets undergo a correction.	Many non-traditional bond funds promise diversification but in reality have high correlation to equity market returns. The Dynamic Global Bond Fund historically demonstrated low correlation to key equity market indices.

## Dynamic Credit Strategy

An actively managed strategy seeking attractive returns through the credit cycle.



**Saurabh Sud** | CFA, Portfolio Manager

*“Our approach is characterised by a flexible, high-conviction, lower volatility mindset.”*

### The T. Rowe Price Difference

CASH-PLUS PERFORMANCE	FLEXIBLE	LOW CORRELATION
The Dynamic Credit strategy helps investors in search of yield, while also offering a way to de-risk allocations to equity markets. It is also a lower risk strategy than many liquid alternative portfolios.	The strategy is a flexible strategy, operating across all credit market sectors. The portfolio manager has an active long bias, with the ability to take short positions during periods of weakness in the credit markets.	Combines high-conviction security selection with portfolio volatility and correlation management. Our hedging and shorting policies help us seek a lower beta to riskier asset classes.

## European High Yield Bond Strategy

An actively managed strategy using intensive credit research to unearth attractive income opportunities.



**Mike Della Vedova** | Portfolio Manager

*“The goal of fundamental credit research is to identify those companies positioned to improve their credit profile, run by astute management teams.”*

### The T. Rowe Price Difference

A PIONEER IN HIGH YIELD	CULTURE OF COLLABORATION	GLOBAL PLATFORM AND PERSPECTIVE
We have been investing in European high yield since 2002, but our high yield roots go much deeper than that. T. Rowe Price has been managing fixed income since 1971—over 50-year track record—and has been investing in high yield since the infancy of the asset class.	Collaboration is at the heart of our research culture. Proactive sharing of research ideas across and among our debt, equity and Responsible Investing teams allows for more comprehensive investment insights in less transparent markets.	Our active investment decisions are backed by one of the industry’s largest and most experienced buy-side global research platforms. Our analysts go beyond the numbers, getting out into the field to engage with local economies and companies.

# T. Rowe Price Global High Income Fund

A high-conviction, active approach to a truly global opportunity set.



**Mike Della Vedova, Samy Muaddi and Michael Conney**  
Portfolio Managers

*“We believe our fundamental credit research can discover companies around the globe that are positioned to improve their credit profile in various market conditions.”*

## The T. Rowe Price Difference

TRULY GLOBAL APPROACH	FUNDAMENTAL RESEARCH	THOROUGH DIVERSIFICATION
The portfolio’s actively managed, and global nature helps us take full advantage of divergent credit cycles, relative value disparities, and performance variations between regions.	Each holding is analysed via our proprietary bottom-up, research driven approach coupled with a macro and industry top-down that targets consistent, superior, long-term returns from issuers across the globe.	Seek to capitalise on the expansion of the opportunity set by selecting the best high yield opportunities in the North America, Europe and emerging markets. Tactical regional allocation to exploit diverse market environments and credit cycle.

# Euro Corporate Bond Strategy

An actively managed, all-weather approach for changing markets.



**David Stanley** | Portfolio Manager

*“We believe the key to success in the euro IG corporate market is intensive proprietary fundamental research that seeks to identify the best-performing issuers and to avoid those with poor or deteriorating creditworthiness. We have a long-term investment horizon, meticulous risk management and an approach that seeks to add value in different types of market environments.”*

## The T. Rowe Price Difference

REGULAR OUTPERFORMANCE	DOWNSIDE RISK MANAGEMENT	HIGH LIQUIDITY PROFILE
The Euro Corporate Bond Strategy aims to deliver regular outperformance against it’s benchmark in different market environments.	Our disciplined risk management process is designed to manage downside risk, particularly in periods of rapid increases in credit spreads.	We focus on high quality securities with the best liquidity characteristics. Our portfolio construction is also based on optimal diversification to seek to avoid concentration risk.



## Asia Credit Bond Strategy

An actively managed strategy seeking the best opportunities in a high-growth region.



**Sheldon Chan** | Portfolio Manager

*“We believe economic growth in Asia will remain a key driver of global growth.”*

### The T. Rowe Price Difference

A PIONEER IN EMERGING MARKETS	CULTURE OF COLLABORATION	FOCUS ON MARKET INEFFICIENCIES
With a presence in Asia that dates back to 1982, we have the people, processes, and platforms in place to understand the fundamental factors that drive performance in this fast-growing region.	Our investment approach emphasises the integration of fundamental research and communication across corporate, sovereign, and equity markets.	As a nascent asset class, we believe Asia corporate debt carries structural characteristics that can be exploited with an active management approach.

## Emerging Markets Bond Strategy

An actively managed, high-quality portfolio with the flexibility to use the full credit-rating range to exploit opportunities as they emerge.



**Samy Muaddi** | Portfolio Manager

*“Optimism that several markets could be nearing the end of their rate-hiking cycle has reversed course. We believe exogenous risks, such as the turmoil in a subset of US and European banks, remain a cause for caution. Emerging markets debt, however, continued to offer a substantial yield premium over many fixed income assets.”*

### The T. Rowe Price Difference

EXPERIENCE	SCALE	COLLABORATION
T. Rowe Price has been active in emerging markets since the infancy of the asset class. We made our first emerging markets (EM) equity investment in 1980, and we started investing in EM debt in 1990.	With US\$93.5 billion in purely active emerging markets equity and debt holdings <sup>2</sup> , we are one of the largest EM asset managers in the world.	Fixed income and equity Investment professionals share and compare insights, enabling us to evaluate opportunities from more angles.

<sup>2</sup> Firmwide Emerging Markets Equity and Fixed Income AUM include assets managed by T. Rowe Price Associates, Inc. and its investment advisory affiliates.

# Global Impact Credit Strategy

An actively managed strategy seeking dual mandate: impact and alpha.



**Matt Lawton** | Portfolio Manager

*“Every company in our portfolio is subject to rigorous and inclusionary screening, as well as a comprehensive analysis of the environmental or social impact it is delivering.”*

## The T. Rowe Price Difference

POSITIVE IMPACT	ALPHA OPPORTUNITY	RESEARCH-DRIVEN
Investors in T. Rowe Price’s Global Impact Credit Strategy will play a role in the global reallocation of capital to help address rising environmental and social pressures to achieve more sustainable solutions.	In our view, generating financial returns with a sustainable impact can coexist. The Global Impact Credit Strategy aims to generate income and preserve capital, while also producing a positive environmental or social impact.	Our fundamental research platform and dedicated Responsible Investing (RI) team—which is focused on environmental, social, and governance (ESG) issues—provide the breadth of resources and global perspective necessary in building a positive impact portfolio.

The Global Impact Credit Strategy has a dual mandate which seeks to deliver both benchmark outperformance and positive environmental or social impact, by investing in durable, growing businesses with sustainable operations. We apply both impact exclusions and positive impact inclusion criteria. In addition, the strategy is aligned to the UN Sustainable Development Goals (UNSDGs), a globally recognised framework of 17 goals designed to end poverty, protect the planet and ensure prosperity.

# ESG at T. Rowe Price



*“Considering ESG risks and opportunities helps enhance our ability to make better investment decisions and pursue better outcomes for our investors.”*

**Rob Sharps** | President & CEO

For more than 85 years, we’ve focused on the rigorous evaluation of risk and opportunities. A company or issuer’s ability to address Environmental, Social and Governance (ESG) issues can influence its long-term financial performance. This is why we believe considering ESG factors when investing is important and why ESG analysis is integrated into our investment approach and our proprietary research.

ESG factors comprise a broad spectrum of considerations—positive and negative—that our investment analysts, supported by our ESG specialist teams, consider in the context of any company, industry, or region of the world. Our approach is driven by three principles of integration, collaboration and materiality.

ESG analysis is one of many building blocks that make up our global investment research capabilities. We have built specialist teams and technology to evaluate and integrate ESG factors across a range of asset classes.

A key tenet of our approach is our engagement with the companies in which we invest. While we engage with companies in a variety of different contexts, ESG engagement focuses on learning about, influencing or exchanging perspectives on the environmental practices, corporate governance or social issues affecting their business. We convey our expectations to companies and, in most cases, encourage them to make changes which we believe to be in the best interest of their business and our clients.

## Our ESG integration approach



### INTEGRATION

We assign **responsibility for integrating ESG factors** into investment decisions to our analysts and portfolio managers.



### COLLABORATION

We have specialists in **ESG and regulatory research who collaborate with our analysts and portfolio managers** to delve into situations where ESG issues are material.



### MATERIALITY

We **focus on the ESG factors we consider most likely to have a material impact** on the performance of the investments in our clients’ portfolios.

Source: all data as at 31 March 2023, unless otherwise stated.

## Fixed Income General 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 portfolio.

**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.

## Important Information

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A Target Market Determination for each T. Rowe Price Australian Unit Trust (or class of units in a Trust) is available here ([www.eqt.com.au/insto](http://www.eqt.com.au/insto)). It describes who the financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where Equity Trustees Limited, the responsible entity of the T. Rowe Price Australian Unit Trusts may need to review the Target Market Determination for the financial product.

**Past performance is not a reliable indicator of future performance.** The price of any fund may go up or down. Investment involves risk including a possible loss to the principal amount invested. For general information purposes only, does not take into account the investment objectives, financial situation or needs of any particular investor. For further details, please refer to each fund's product disclosure statement and reference guide which are available from Equity Trustees ([www.eqt.com.au/insto](http://www.eqt.com.au/insto)) or TRPAU ([www.troweprice.com.au/](http://www.troweprice.com.au/)) ([www.troweprice.nz](http://www.troweprice.nz)).

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