



STRATEGY HIGHLIGHTS

As of 30 June 2020

US Aggregate Bond Index Strategy

Total US Fixed Income Index (Passive) Assets: \$2.6 billion² | **Total US Aggregate Bond Index Strategy Assets:**¹ \$1.3 billion²

Figures shown in U.S. Dollars

INVESTMENT APPROACH

- Primarily focus on investment-grade U.S. fixed income securities represented in the Barclays U.S. Aggregate Bond Index.
- Integrate proprietary credit and capital market research to identify market inefficiencies.
- Seek to add value at the margin by coupling limited active management techniques with the risk-managed aspects of passive management.
- Emphasize individual security selection and modest strategic and tactical deviations versus the benchmark.

PORTFOLIO CONSTRUCTION

- Risk-weighted sector exposure range +/-5% of the benchmark
- Duration range +/- 3% of the benchmark
- Tracking error 10-20 bps

BENCHMARK

- Bloomberg Barclays U.S. Aggregate Bond Index

PORTFOLIO MANAGEMENT

Rob Larkins, CFA[®]

- 17 years of investment experience; 17 years with T. Rowe Price.
- M.B.A., University of Pennsylvania, The Wharton School
- B.S., Brigham Young University

PORTFOLIO SPECIALISTS

Jeff DeVack, CFA[®]

- 20 years of investment experience; 9 years with T. Rowe Price.
- B.B.A., Loyola University Maryland, Sellinger School of Business

Portfolio Specialists do not assume management responsibilities.

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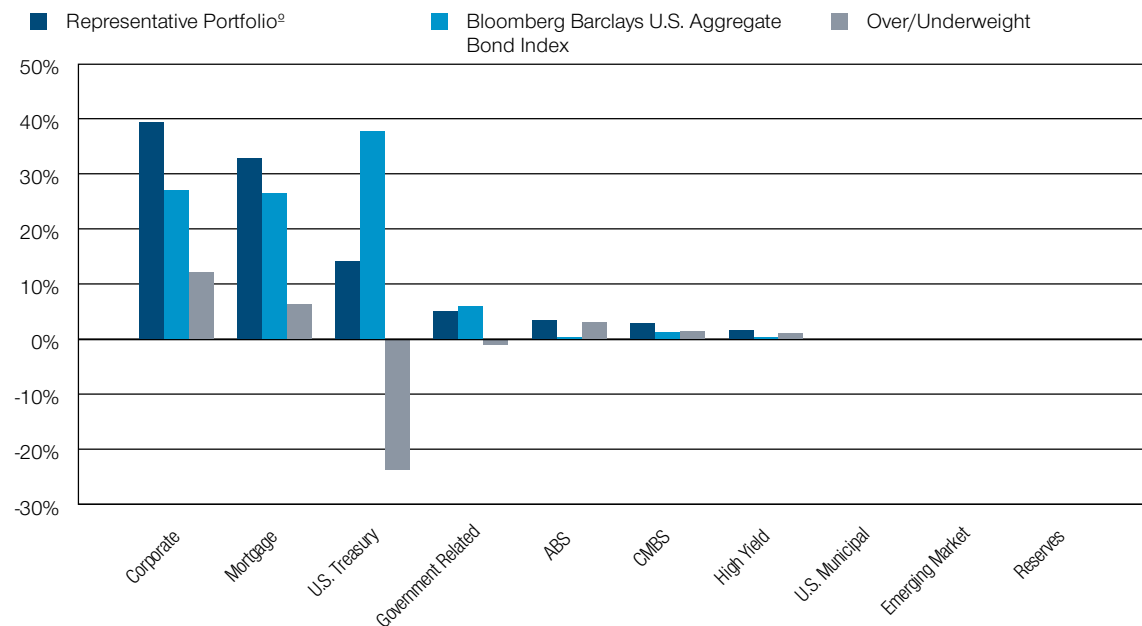
¹ Includes separate accounts.

² Assets reported are as of 31 March 2020.

TOP ISSUERS

	% of Representative Portfolio²
JPMorgan Chase	1.0%
Bank of America	0.7
Citigroup	0.6
Apple	0.6
Wells Fargo	0.6
Berkshire Hathaway	0.5
Bank of Nova Scotia	0.5
Goldman Sachs	0.5
Morgan Stanley	0.5
Comcast	0.5
Total	6.1%

SECTOR DIVERSIFICATION



PORTFOLIO CHARACTERISTICS

	Representative Portfolio²	Bloomberg Barclays U.S. Aggregate Bond Index
Weighted Average Coupon	3.45%	3.13%
Weighted Average Maturity	8.02 years	8.08 years
Weighted Average Effective Duration	5.96 years	5.95 years
Yield to Maturity	1.77%	1.27%
Average Credit Quality	AA	AA1/AA2
Number of Holdings	978	11,609

²Please see Additional Disclosures section for further information.

PERFORMANCE

	Three Months	Year-to-Date	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
US Aggregate Bond Index Composite (Gross)	3.84%	6.43%	9.03%	5.58%	4.58%	4.04%	4.66%
US Aggregate Bond Index Composite (Net)	3.82	6.39	8.94	5.50	4.50	3.96	4.58
Bloomberg Barclays U.S. Aggregate Bond Index	2.90	6.14	8.74	5.32	4.30	3.82	4.39
Value Added (Gross)	0.94	0.29	0.29	0.26	0.28	0.22	0.27
Value Added (Net)	0.92	0.25	0.20	0.18	0.20	0.14	0.19

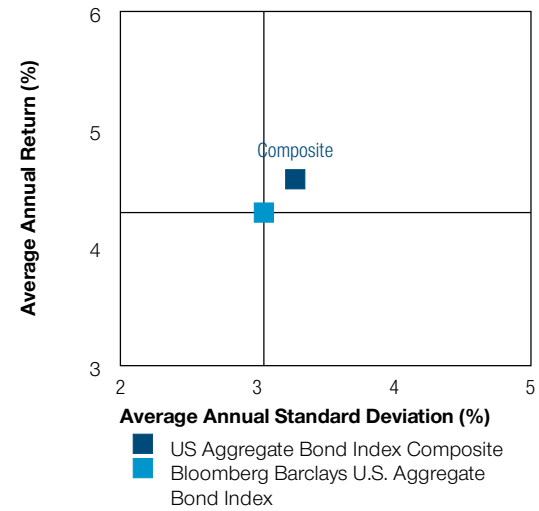
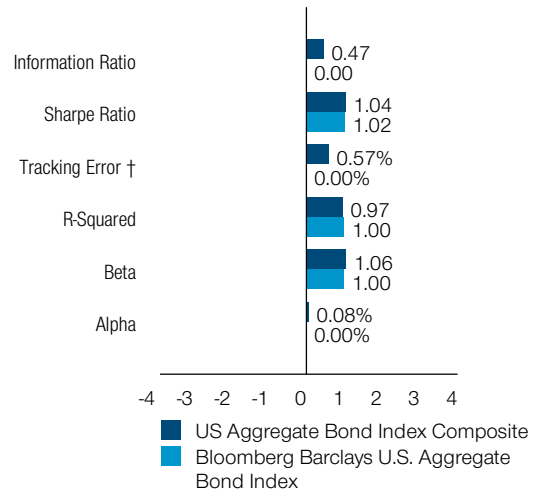
Past performance is not a reliable indicator of future performance.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of all non-reclaimable withholding taxes on dividends, interest income, and capital gains.

For Sourcing Information, please see Additional Disclosures.

RISK/RETURN CHARACTERISTICS

Five Years ended 30 June 2020



Past performance is not a reliable indicator of future performance. Statistics based on monthly gross returns. Returns would have been lower as the result of the deduction of applicable fees.
 † The Tracking Error value depicted above was calculated using Bloomberg Barclays 3 PM pricing. Calculated using market closing prices, the Tracking Error is 0.60% for US Aggregate Bond Index Composite & 0.00% for Bloomberg Barclays U.S. Aggregate Bond Index.

FEE SCHEDULE**US Aggregate Bond Index Composite**

The US Aggregate Bond Index Composite seeks to approximate the total return performance of the U.S. Fixed Income Market for publicly traded securities as represented by major fixed income benchmarks, including the Bloomberg Barclays U.S. Aggregate Bond Index. The strategy applies qualitative and quantitative management techniques to achieve its investment objectives. (Created June 2006) (Formerly known as US Enhanced Aggregate Bond Composite)

First \$50 million	8 basis points
Next \$50 million	7 basis points
Next \$150 million	5 basis points
Above \$250 million	4 basis points
Minimum separate account size	\$50 million

GIPS® Disclosure

US Aggregate Bond Index Composite

Period Ended December 31, 2019

Figures Shown in U.S. dollar

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Gross Annual Returns (%)	6.65	7.65	4.63	-1.96	6.26	0.66	3.04	3.90	0.30	8.83
Net Annual Returns (%) ¹	6.56	7.56	4.55	-2.04	6.18	0.58	2.95	3.82	0.22	8.74
Bloomberg Barclays U.S. Aggregate Bond Index (%)	6.54	7.84	4.21	-2.02	5.97	0.55	2.65	3.54	0.01	8.72
Composite 3-Yr St. Dev.	4.10	2.75	2.37	2.72	2.67	2.94	3.09	2.87	2.88	2.91
Bloomberg Barclays U.S. Aggregate Bond Index 3-Yr St. Dev.	4.17	2.78	2.38	2.71	2.63	2.88	2.98	2.78	2.84	2.87
Composite Dispersion	0.03	0.11	0.13	0.11	0.04	0.05	N/A	N/A	N/A	N/A
Comp. Assets (Millions)	3,042.1	4,104.2	4,189.1	4,380.0	3,796.4	3,746.0	665.6	890.3	975.3	1,103.7
# of Accts. in Comp.	7	8	8	8	7	7	3	3	4	4
Total Firm Assets (Billions)	485.0	493.1	579.8	696.3	749.6	772.4	817.2	1,000.2	972.7	1,218.2 ²

¹Reflects deduction of highest applicable fee schedule without benefit of breakpoints. Investment return and principal value will vary. Past performance is not a reliable indicator of future performance. Monthly composite performance is available upon request. **See below for further information related to net of fee calculations.**

²Preliminary - subject to adjustment.

T. Rowe Price (TRP) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). TRP has been independently verified for the 23-year period ended June 30, 2019 by KPMG LLP. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

TRP is a U.S. investment management firm with various investment advisers registered with the U.S. Securities and Exchange Commission, the U.K. Financial Conduct Authority, and other regulatory bodies in various countries and holds itself out as such to potential clients for GIPS purposes. TRP further defines itself under GIPS as a discretionary investment manager providing services primarily to institutional clients with regard to various mandates, which include U.S., international, and global strategies but excluding the services of the Private Asset Management group. The minimum asset level for equity portfolios to be included in composites is \$5 million and prior to January 2002 the minimum was \$1 million. The minimum asset level for fixed income and asset allocation portfolios to be included in composites is \$10 million; prior to October 2004 the minimum was \$5 million; and prior to January 2002 the minimum was \$1 million. Valuations are computed and performance reported in U.S. dollars.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of nonreclaimable withholding taxes on dividends, interest income, and capital gains. Effective June 30, 2013, portfolio valuation and assets under management are calculated based on the closing price of the security in its respective market. Previously portfolios holding international securities may have been adjusted for after-market events. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within a composite for the full year. Dispersion is not calculated for the composites in which there are five or fewer portfolios.

Some portfolios may trade futures, options, and other potentially high-risk derivatives which generally represent less than 10% of a portfolio.

Benchmarks are taken from published sources and may have different calculation methodologies, pricing times, and foreign exchange sources from the composite.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow greater than or equal to 15% of portfolio assets. The temporary removal of such an account occurs at the beginning of the measurement period in which the significant cash flow occurs and the account re-enters the composite on the last day of the current month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request.

The firm's list of composite descriptions and/or a presentation that adheres to the GIPS® standards are available upon request.

A portfolio management change occurred effective March 1, 2007. There were no changes to the investment program or strategy related to this composite.

ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

Weighted Average Maturity is an average of the maturities of the underlying bonds, with each bond's maturity weighted by the percentage of Composite assets it represents. Weighted Average Effective Duration is a calculation that seeks to measure the price sensitivity of the Composite to changes in interest rates. In general, the longer the average maturity or duration, the greater the Composite's sensitivity to interest rates. Duration is a better indicator of price sensitivity because it takes into account the time value of cash flows.

Unless indicated otherwise the source of all data is T. Rowe Price.

The specific securities identified and described do not represent all of the securities purchased or sold for this Composite. This information is not intended to be a recommendation to take any particular investment action and is subject to change. No assumption should be made that the securities identified and discussed were or will be profitable.

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The information shown does not reflect any Exchange Traded Funds (ETFs) that may be held in the portfolio.

The Top Issuers excludes U.S. Treasuries, institutional funds, agencies and securitized products.

Source for Sector Diversification: T. Rowe Price

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

Sources for credit quality: Moody's Investors Service; if Moody's does not rate a security, then Standard & Poor's (S&P) is used as a secondary source. When available, T. Rowe Price will use Fitch for securities that are not rated by Moody's or S&P. T. Rowe Price does not evaluate these ratings, but simply assigns them to the appropriate credit quality category as determined by the rating agency. T. Rowe Price uses the rating of the underlying investment vehicle for credit default swaps.

The representative portfolio is an account in the composite we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio shown may differ from those of other accounts in the strategy. Please see the GIPS Disclosure page for additional information on the composite.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Risks

The following risks are materially relevant to the portfolio.

General Portfolio 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. **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.

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