

Corporate Income Fund

(PRPIX)

As of February 28, 2026



T. Rowe Price

Portfolio Management	Managed Since	Joined Firm
Steve Boothe	2018	1999
Lauren Wagandt	2018	2009

Investment Objective

The fund seeks to provide high income and some capital growth.

General Information

CUSIP	741478101
Inception Date	October 31, 1995
Benchmark	Bloomberg US Corp Invest-Grd Index
Expense Information (as of the most recent Prospectus) ⁽¹⁾	0.72%(Gross) 0.59%(Net)

⁽¹⁾The Fund operates under a contractual expense limitation that expires on July 31, 2027.

Market Commentary

Investment-grade (IG) corporate bonds, as represented by the Bloomberg U.S. Corporate Investment Grade Bond Index, produced positive total returns in February, largely due to falling sovereign yields. Short-dated Treasury yields were anchored by investor expectations that the Federal Reserve (Fed) would keep rates unchanged at upcoming meetings, while longer-term yields fell due to a flight to quality coming from concerns about artificial intelligence (AI) induced disruption and rising tensions between U.S. and Iran. High-quality corporate credit posted negative excess returns, underperforming Treasuries of similar duration. Demand largely stayed strong, as shown by minimal concessions in primary markets and robust net inflows, yet credit spreads in the secondary market widened amid substantial net supply and concerns over AI-related stress in other global debt markets and rising geopolitical tensions. Underperformance was most acute in long-dated tenors as falling yields and heavier issuance shifted technicals negatively.

February saw \$193 billion of gross issuance, up 31% from the past four-year average, bringing year-to-date supply up 19% versus this time last year. For market performance, net issuance-accounting for maturing bonds and coupon payments-of \$98 billion was 2.8x higher year over year. Long-dated issuance picked up in February, contributing to underperformance in that segment.

Minutes from the Fed's January meeting, released February 18, revealed divisions among policymakers. Some saw further cuts as likely if inflation declined, others favored holding rates steady "for some time," and some supported signaling hikes if inflation stayed above target. This reinforced expectations of an extended pause at the 3.50% to 3.75% rate, the next move highly data dependent.

Economic data pointed to cooler-than-expected inflation and resilient employment. Headline inflation fell more than expected to 2.4% in January, year over year. The Fed's preferred measure, annual core personal consumption expenditures, was 3.0% in December, up slightly from November. The unemployment rate fell to 4.3% in January from 4.4% in December. January nonfarm payrolls increased by 130,000 jobs.

Performance (%) (NAV, total return Performance > 1yr is Annualized)

	1m	3m	YTD	1yr	3yrs	5yrs	10yrs	15yrs	30-Day SEC Yield	30-Day SEC Yield w/o Waiver ⁽²⁾
Corporate Income Fund (PRPIX)	1.16	1.11	1.19	6.07	6.48	0.63	2.94	3.57	4.41	4.21
Bloomberg U.S. Corporate Investment Grade Bond Index (LBCBI)	1.29	1.27	1.47	6.58	6.37	0.81	3.30	3.72	N/A	N/A

The 1-, 5-, and 10-year annualized returns as of 2025-12-31 were 7.90%, -0.13% and 2.91% for the Fund.

Past performance is not a guarantee or a reliable indicator of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit [troweprice.com](https://www.troweprice.com).

The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

⁽²⁾Excludes the effect of contractual expense limitation arrangements. If the expense waiver was not in effect for the 30-Day period shown, there may not be a difference in the 30-day SEC yields shown above.

The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

Risks: Interest rates: A rise in interest rates typically causes the price of a fixed rate debt instrument to fall and its yield to rise. Conversely, a decline in interest rates typically causes the price of a fixed rate debt instrument to rise and the yield to fall. **Derivatives:** The use of derivatives exposes the fund to additional volatility and potential losses. A derivative involves risks different from, and possibly greater than, the risks associated with investing directly in the assets on which the derivative is based, including liquidity risk, valuation risk, correlation risk, market risk, interest rate risk, leverage risk, counterparty and credit risk, operational risk, management risk, legal risk, and regulatory risk. See the prospectus for more detail on the fund's principal risks.

THIS MATERIAL MUST BE PRECEDED OR ACCOMPANIED BY A PROSPECTUS, OR SUMMARY PROSPECTUS IF AVAILABLE.
<https://prospectus-express.broadridge.com/summary.asp?doctype=pros&clientid=trowepll&fundid=741478101>

Risk Return Characteristics (Five Years ended February 28, 2026)

	Annualized Std. Deviation (%)	Alpha (%)	Beta	R-Squared	Information Ratio	Sharpe Ratio	Tracking Error (%)
Corporate Income Fund	7.85	-0.14	1.01	0.99	-0.26	-0.35	0.69
Bloomberg US Corp Invest-Grd Index	7.73	0.00	1.00	1.00	0.00	-0.34	0.00

Past performance is not a guarantee or a reliable indicator of future results. Figures are calculated using monthly data and are net of fees.

Top 10 Issuers (%)	Industry	Fund
U.S. Treasuries	Sovereign	4.9
Citigroup	Banking	3.2
Morgan Stanley	Banking	3.0
Goldman Sachs	Banking/Credit	2.9
Bank of America	Banking	1.9
Oracle	Technology/Credit	1.9
Wells Fargo	Banking	1.8
JPMorgan Chase	Total Return/Banking	1.7
T-Mobile US	Communications	1.6
Diamondback Energy	Energy	1.4

Comprising 24.3% of total net assets.

Source: Financial data and analytics provider FactSet. Copyright 2026 FactSet. All rights reserved.

Portfolio Characteristics	Fund	LBCBI
Number of Holdings	246	8,630
Weighted Average Maturity	10.98 years	10.33 years
Weighted Average Effective Duration	6.95 years	6.68 years
Weighted Average Coupon	5.18%	4.48%
Yield to Maturity	5.07%	4.73%
Total Assets (all share classes)	\$298,280,692	N/A
Percent of Portfolio in Cash	1.1%	N/A

Industry Diversification (%)	Fund	LBCBI
Banking	20.2	22.2
Technology	8.4	9.6
Health/ Pharma	7.3	9.6
Electric Utility	6.4	8.9
Energy	6.3	7.4
Non Corporate	6.3	0.0
Insurance	6.1	4.8
Telecom	5.8	4.4
US Treasuries	4.9	0.0
Securitized	4.7	0.0
Other	23.7	33.2

Credit Quality Diversification (%)	Fund	LBCBI
U.S. Treas	4.9	0.0
AAA	0.0	1.8
AA	12.5	15.6
A	37.6	44.8
BBB	37.5	37.7
BB	3.2	0.0
B	0.1	0.0
Not Rated	3.2	0.0
Reserves	1.1	0.0

Maturity Diversification (%)	Fund	Fund vs. LBCBI
0-1 Year	4.9	4.9
1-3 Years	8.0	-12.0
3-5 Years	20.2	1.4
5-7 Years	15.6	3.6
7-10 Years	24.7	7.6
10-20 Years	5.8	-7.1
20-30 Years	19.5	2.9
30+ Years	1.3	-1.3

Additional Disclosures & Definitions

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, call 1-800-638-7780 or visit troweprice.com. Read it carefully.

Visit Troweprice.com/glossary for a glossary of financial terminology.

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Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

T. Rowe Price uses a custom structure for sector and industry reporting for this product.

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

Credit ratings for the securities held in the Fund are provided by Moody's, Standard & Poor's and Fitch and are converted to the Standard & Poor's nomenclature. A rating of "AAA" represents the highest-rated securities, and a rating of "D" represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated (NR). T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps and sovereign securities. The Fund is not rated by any agency. U.S. Government Agency securities, if any, may include conventional pass-through securities and collateralized mortgage obligations. This category may include rated and unrated securities.

"Other" includes any categories not explicitly mentioned.

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

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

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