T.RowePrice®

2021

ESG

CORPORATE ANNUAL REPORT

How ESG impacts our corporate actions

Environmental, Social, and Governance (ESG) Corporate Annual Report. Issued September 2022.

Sustainability With Substance™

About This ESG Corporate Report

T. Rowe Price continued its sustainability journey throughout 2021 with a solid foundation in place based on the frameworks proposed by the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). We continue to believe that both methodologies improve the consistency and comparability of disclosed environmental, social, and governance (ESG) data. We also became signatories to the United Nations Global Compact in the early part of 2021, further strengthening our alignment with international sustainability frameworks.

While every journey begins with a first step, reaching a destination is only possible with a road map. The consistent use of frameworks, along with additional financial and voluntary disclosures, paints a comprehensive picture of our ESG strategy. We remain focused on our ESG evolution through a sound long-term strategy and transparent reporting.

We believe that we are well positioned to advance progress of the United Nations Sustainable Development Goals (SDGs) and have identified four goals on which T. Rowe Price has the greatest potential for impact: quality education (SDG4), gender equality (SDG5), decent work and economic growth (SDG8), and climate action (SDG13). We work to meet these SDGs in different ways. Wherever our efforts support these SDGs, the corresponding icon will be displayed in the appropriate section of this report.

This 2021 ESG Corporate Report is part of our suite of annual publications. We acknowledge the existence of many ESG reporting standards, as well as multiple audiences and data needs. Our aim is to provide a thoughtful and comprehensive view of our commitment to ESG and sustainability across several publications, such as our 2021 Annual Report and proxy. T. Rowe Price also publishes an ESG Investing Annual Report, which is focused on our approach to responsible investing. The ESG Investing Annual Report describes the firm's ESG investment integration process, company engagements, and proxy voting activities. Please refer to the To Find Out More section for additional details about T. Rowe Price's community impact.

T. Rowe Price acquired Oak Hill Advisors, L.P. (OHA), an alternative credit manager, on December 29, 2021. With the exception of the activity metrics on page 42, the information provided in this report and related materials does not include content relating to OHA. Additional information can be found in the related announcement. All data points within this report and the others in our 2021 reporting suite are as of December 31, 2021, unless otherwise noted.

We are proud to share our sustainability journey and, most importantly, our commitment to advancing progress.

WE SUPPORT THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Source: United Nations.
The trademarks shown are the property of their respective owners.

Our Progress

Our Road Ahead

ENVIRONMENTAL

Our Progress

- Met our goal to reduce greenhouse gas (GHG) emissions 13% in advance of the 2025 deadline, compared with our 2010 baseline.
- Remained on track to reduce the waste sent to landfills and incinerators by 92% by 2025, compared with a 2010 baseline.
- Implemented a centralized waste management system that will decrease the amount of waste sent to landfills and incineration plants, while increasing the amount of waste that is recycled and composted.
- Began offsetting GHG emissions generated from business travel.

Our Road Ahead

- Achieve zero waste at a real estate portfolio level by year-end 2025.
- Phase out all single-use plastics from our facilities, with the goal of eliminating all single-use plastics by year-end 2025.
- Evaluate what might be a feasible time frame for the firm to achieve net zero in scopes 1 and 2 GHG emissions, while aligning with climate science to limit global temperature increases to 1.5°C, and develop a corresponding road map.[1]

SOCIAL

Our Progress

- 83% of our workforce feels a sense of belonging at T. Rowe Price.
- 43% of associates are members of at least one business resource group (BRG).
- Total firm giving to our communities was USD 35.2 million.[2]

Our Road Ahead

- Increase the diversity of our global workforce from 44% women in 2021 to 46% women in 2025, while also increasing representation in senior roles from 29% in 2021 to 33% in 2025.
- Within our U.S. workforce, increase representation of Black/Hispanic/Native American talent from 17% in 2021 to 19% in 2025, while also increasing representation in senior roles from 8% in 2021 to 10% in 2025.
- Aim to spend USD 50 million with diverse-owned and small disadvantaged-owned businesses in the U.S. by 2025 annually. This is an increase from USD 34 million in 2021.

[1] Scope 1 (direct emissions from owned or controlled sources), scope 2 (indirect emissions from the generation of purchased electricity, steam, or cooling), scope 3 (all other indirect emissions).
[2] Includes direct grants, matching gifts, associate donations, Corporate Social Responsibility sponsorships, and community and business memberships.

Our Progress

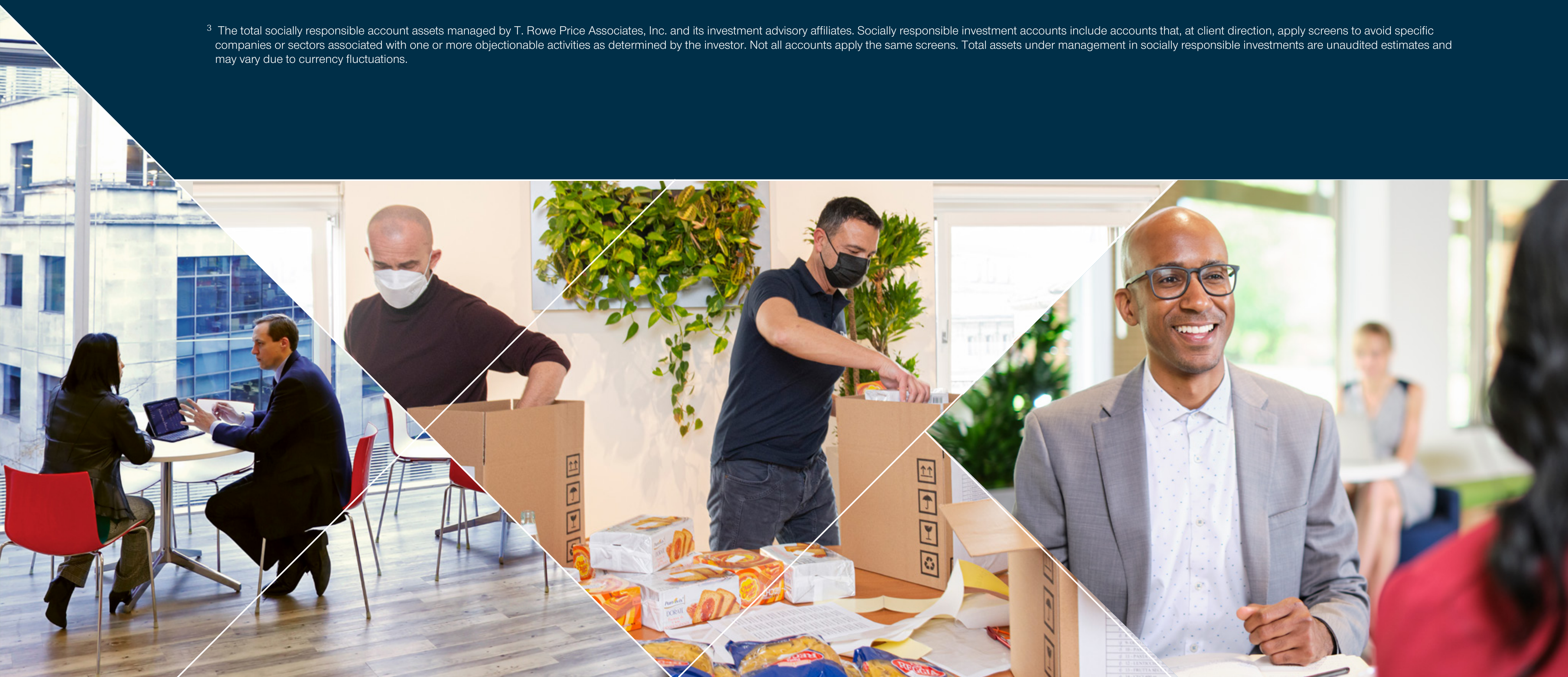
Our Road Ahead

GOVERNANCE

- Joined the Net Zero Asset Managers initiative to support the goal of net zero greenhouse gas emissions by 2050 or sooner.
- Managed USD 95 billion in assets in socially responsible accounts as of December 31, 2021.[3]

- Work with clients who are interested in net zero emission goals for their portfolios to develop a decarbonization plan.
- Optimize our ESG initiatives as a firm after creating a centralized team of associates who are 100% dedicated to this area of focus.

[3] The total socially responsible account assets managed by T. Rowe Price Associates, Inc. and its investment advisory affiliates. Socially responsible investment accounts include accounts that, at client direction, apply screens to avoid specific companies or sectors associated with one or more objectionable activities as determined by the investor. Not all accounts apply the same screens. Total assets under management in socially responsible investments are unaudited estimates and may vary due to currency fluctuations.



A Letter From Our CEO

As we enter our 10th year of sustainability reporting, we reflect on our journey at a critical moment. We are pleased with what has been achieved and recognize a global urgency to accelerate progress. The ongoing recovery from the COVID-19 pandemic and learnings from COP26 have underscored the need for improved sustainability practices.

We face these challenges with optimism, knowing there is opportunity in every crisis. Embedding and extending ESG practices in our business has become an increasingly important priority for our firm. We are well prepared for the work ahead. As investors, we have always believed long-term thinking and sustainability go hand in hand.

We recognize the urgency to address climate change and have joined the Net Zero Asset Managers initiative (NZAMI). Joining NZAMI enables us to help our clients meet their net zero ambitions in a manner compatible with our fiduciary duty to our clients.

In addition to bolstering our ESG investing capabilities, we launched our first impact investing strategies, which give investors the opportunity to simultaneously pursue their financial goals and align their investments with the United Nations Sustainable Development Goals. Advancing the SDGs is also a priority for our business operations. As articulated in our 2020 Sustainability Report, we seek to accelerate and scale our impact by upholding the United Nations' Ten Principles and the SDGs. To this end, we continue to focus our efforts on addressing some of the world's most pressing challenges through these areas: quality education, gender equality, decent work and economic growth, and climate action.

The planned relocations of our headquarters in Baltimore and our office in London have given us an opportunity to take stock of our facilities. For example, we are pursuing three-star FitWel certification—its highest level—for the interior of our new Baltimore headquarters, to enhance the well-being of our associates and surrounding community. At a real estate portfolio level, we have taken steps to reduce our scope 3 greenhouse gas footprint by offsetting emissions from employee business travel and targeting a zero-waste workplace by 2025. Concurrently, we are evaluating a feasible time frame to achieve net zero emissions in scopes 1 and 2.

Our long-held reputation of excellence is made possible by the diversity of our associates. We, therefore, recognize the opportunity to strengthen the diversity of our workforce and have set goals to guide our progress. By 2025, our goal is that 46% of our global workforce will include women and 19% of our U.S. workforce will include underrepresented minorities.

We remain committed to transparency and reporting on our progress. This report marks the second time we follow the recommendations of the Task Force on Climate-Related Financial Disclosures and the third time we follow the Sustainability Accounting Standards Board's topical recommendations for the asset management and custody activities industry.

We continue to move forward—not just despite the global challenges we face, but because of them.

Sincerely,

ROBERT W. SHARPS
Chief Executive Officer and President

> We're excited to break ground on our new headquarters during the firm's 85th anniversary year. We have been in Baltimore since 1937, and we remain committed to supporting our community and creating a sustainable environment for our associates to thrive.
>
> **Robert Sharps**
> CEO and President,
> T. Rowe Price

Schematic of T. Rowe Price's future headquarters in Baltimore, Maryland, U.S.

External ESG Benchmarks

We continued refining our ESG disclosures and engaging with ratings agencies and stakeholders at large. This contributed to greater transparency and an enhanced understanding of frameworks and methodologies. We tracked our corporate ESG performance during the year.

Ratings:[4]

SUSTAINALYTICS

16.7

In November 2021, T. Rowe Price Group, Inc., received an ESG Risk Rating of 16.7 out of 100, with 0 being the best possible score, and was assessed by Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors.[5]

MSCI

A

In May 2022, T. Rowe Price Group, Inc., received a rating of A (on a scale of AAA–CCC, with AAA being the best possible score) in the MSCI ESG Ratings assessment.[6]

RUSSELL FTSE4GOOD

In June 2021, FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirmed that T. Rowe Price Group, Inc. had been independently assessed according to the FTSE4Good criteria, and satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

CDP

B

In December 2021, T. Rowe Price Associates, Inc., received a score of B in its climate change questionnaire. Companies are scored on an industry-relative scale of A+ to F, with A+ being the best possible score. Our current score of B is higher than the North American regional average of C and the same as the financial services sector average of B.

[4] The trademarks shown are the property of their respective owners. T. Rowe Price is not endorsed, sponsored, or otherwise authorized by or affiliated with any of the trademark owners represented by these trademarks.

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[6] The use by T. Rowe Price Group, Inc. of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of T. Rowe Price Group, Inc. by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Task Force on Climate-Related Financial Disclosures

This is the second year that T. Rowe Price has published a TCFD report. Established in 2015 by the Financial Stability Board (FSB), the TCFD was tasked to develop a set of voluntary climate-related financial risk disclosures. The task force's recommendations represent core elements of how organizations operate: governance, strategy, risk management, and metrics and targets. We anticipate further refinements to our TCFD report with each iteration.

GOVERNANCE

A Describe the Board's oversight of climate-related risks and opportunities.

The Nominating and Corporate Governance Committee (NCGC) of the Board of Directors of T. Rowe Price oversees the firm's ESG activity and receives semi-annual updates. As public supporters of the TCFD framework, we introduced an amendment to the NCGC's charter in 2020. This development expressly granted the NCGC oversight of climate-related issues.

As a result, the NCGC will receive at least semi-annual updates, as applicable, from the Corporate ESG team on climate-related issues and closely monitor progress against climate goals and targets.

B Describe management's role in assessing and managing risks and opportunities.

T. Rowe Price's leadership is aware of the risks and opportunities climate change poses to its business. Our Corporate ESG and Responsible Investing teams are responsible for developing and managing the firm's sustainability initiatives in their respective areas of focus. Day-to-day tasks involve the identification, assessment, tracking, and mitigation of climate risks and opportunities. In particular, the Corporate ESG team, in collaboration with the Corporate Real Estate and Workplace Services team, oversees the submission of our climate-related information to the Carbon Disclosure Project (CDP), which has a core component of environmentally focused metrics.

T. Rowe Price's Management Committee assesses climate-related risks and opportunities at the corporate level via the ROSC. The Management Committee sets and approves climate-related targets at the firm level. The Corporate ESG team ensures that the Management Committee and NCGC are aware of climate-related risks and opportunities that involve developing strategies, action plans, annual budgets, and business plans.

Our organization relies on additional resources to identify and assess climate-related risks and opportunities and scope possible adaptation and mitigation strategies. These include:

- Shareholder engagements
- Trade associations
- ESG benchmarking, surveys, and ratings
- ESG disclosures (such as SASB and TCFD) and sustainability reporting frameworks (CDP), which we believe provide management, clients, and stakeholders decision-useful information on material ESG issues

STRATEGY

A Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

Our organization continuously strives to mitigate our exposure to climate risk, improve our operational efficiency, and reduce our environmental impact. Our climate strategy focuses on acute disruptions brought on by major weather events and chronic implications of climate change. Our operations are exposed to physical risks and transition risks derived from climate change. For additional information on these and other risks, please see the Climate-Related Risk and Mitigation Strategies chart in Section B of Risk Management (page 13).

Reducing and managing our GHG emissions is our primary sustainability priority from a corporate standpoint. We are currently focusing on initiatives in our control in the short term (recycling and energy efficiency measures, among others), while also exploring the feasibility of implementing longer-term mitigation strategies (infrastructure investments) that will allow us to reduce emissions and mitigate climate-related risks.

B Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning. Asset managers should describe how climate-related risks and opportunities are factored into relevant products or investment strategies.

T. Rowe Price's Management Committee is responsible for directing the firm's overall strategy and operations and has the ultimate oversight of climate-related issues, at the investment and operational levels, across the organization. As part of our climate risk assessment process, we utilize the CDP Climate Change questionnaire to benchmark our climate change strategy performance annually. Once shared with the ROSC, our CDP responses informed our corporate risk assessment related to climate change. The assessment enhances climate strategy across T. Rowe Price's business. By leveraging our previous work on the CDP questionnaire, we have been working for the past two years on implementing the task force's recommendations to disclose climate-related risks and opportunities.

We believe that the risks associated with new climate-related regulations may result in increased energy and operational costs based on the current regulatory environment. It is key for us as an asset manager to understand the impact that new environmental and climate-related regulations can have on different companies and industries and our investments in those companies or industries. Furthermore, emerging regulatory and legal requirements, including emerging climate-related regulations, may be costly to implement, from both a human resources and a budgetary perspective.

The practice at T. Rowe Price from an asset management perspective is to embed ESG (including climate-related risks and opportunities) throughout our investment research platform and hold analysts and portfolio managers (PMs) accountable for ESG integration (it is part of their year-end assessment). However, discretion for how a specific investment strategy manages climate-related risks sits with the portfolio manager of that strategy. We rely on a combination of fundamental analysis (by analysts and PMs), thematic research by the Responsible Investing team, and our proprietary Responsible Investing Indicator Model (RIIM) analysis when incorporating climate change risk and opportunities into our investment theses. Fundamental and thematic research are easily shared across our research management platform (RMS) and is easily accessible on the desktops of our investment professionals.

In addition to our RIIM analysis, the Responsible Investing team works closely with our sector analysts in evaluating climate change factors. The Responsible Investing team's deliverables include company-specific analysis, such as assessing environmental ratings on real estate companies, to more thematic work, like creating a carbon tool. This tool allows our analysts to input their own forecasts to understand how certain assumptions compare with a +1.5˚C and +2.0˚C pathway. Another tool available to our PMs is the carbon footprint of their portfolio, which evaluates each portfolio's carbon emissions and carbon intensity versus its benchmark. This analysis can show how a portfolio is being managed from an environmental perspective.

C Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2˚C or lower scenario.

We are currently conducting a search to identify a vendor that will assess the full implications of climate change on our investment portfolios and business operations to inform our strategic and financial planning processes, testing their resilience. Last year, in order to align our disclosures with the TCFD's recommendations and to manage transition risks more effectively, we began an internal qualitative and quantitative assessment of climate-related transition risks. This process informed us that outside expertise was needed to wholly understand the implications related to different scenarios associated with various temperature increases of 2˚C and lower.

RISK MANAGEMENT

A Describe the organization's processes for identifying and assessing climate-related risks. Asset managers should describe, where appropriate, engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks to improve data availability and asset managers' ability to assess climate-related risks.

Our comprehensive approach to identifying and assessing risks and opportunities—including climate change—is managed at the company and portfolio levels through an enterprise risk management framework, focusing on reputational risk, strategic risk, operational risk, business continuity risk, human capital risk, compliance risk, and financial risk. Identifying climate-related risks includes the consideration of extreme weather events, uncertainty surrounding regulation, reputational impacts, and our product range.

As head of the Enterprise Risk Group (ERG), our chief risk officer (CRO) is primarily responsible, with support from the ROSC, for anticipating and addressing new risks, as well as ensuring the proper handling of risk across the firm. The CRO reports to the firm's chief operating officer (COO) and regularly updates the CEO and the T. Rowe Price Group Board of Directors. The ERG is an independent, global team with seasoned experts specializing in enterprise and operational risk, investment risk, privacy, and business resiliency.

Our ERG conducts assessments of the risks that our firm faces in the short, medium, and long terms. The corporate risk profile informs the ROSC of the key risks the firm faces to help prioritize how we focus on risk mitigation across the firm. The ERG is responsible for leading our risk management efforts by partnering with business units to identify risks, understand acceptable levels of risk, and implement solutions that mitigate exposure to risk. The firm employs a multilayered approach to identify risks and opportunities associated with individual physical locations, led by our Business Resilience Governance Committee, which reports to the ERG. Our approach ensures that we can quickly identify and thoroughly respond to risks and opportunities, thereby reducing the impact on the firm and our clients. External events, such as severe weather events or other natural disasters, receive ongoing attention, given their potential impact on executing business activities, facilities, and related infrastructure and technologies.

From an asset management perspective, our engagement program with investee companies takes place through in-person or virtual meetings, conference calls, proxy voting, and occasional formal letters to Boards of Directors. When a company is engaging in a business practice related to ESG issues, including climate change, that we believe could inhibit our ability to reach our investment goals, we make that view known to the company's leadership.

Our investment research on climate change is coupled with engagement with existing and prospective investees on the topic. The objectives of our climate change-oriented engagements have focused on improving our understanding of a specific company's exposure to climate change and on encouraging improved disclosure of environmental data.

B Describe the organization's processes for managing climate-related risks. Asset managers should describe how they manage material climate-related risks for each product or investment strategy.

We consider climate change risks and opportunities in several areas of the firm, consistent with the risks and opportunities presented by our business.

Type	Climate-Related Risks and Mitigation Strategies	Potential Financial Impact
Transition Risks	**Policy and Legal** In our highly regulated industry, the risk of litigation claims, as well as policy changes, are continuously evaluated by our Legal, Compliance, and Audit department and incorporated in the firm's overall risk management program. Some examples of risks stemming from policy or legal frameworks that we have identified as potentially impacting our business are increased pricing of GHG emissions, enhanced reporting obligations, regulation of existing products and/or services, and exposure to litigation. We also assess and anticipate regulatory environmental standards that may require us to participate in energy reduction initiatives, energy efficiency programs, or renewable energy programs. These considerations are reflected in the firm's environmental management planning strategy and influence ongoing planning and budgeting exercises.	▪ **Increased operating costs (e.g., higher compliance costs; increased insurance premiums; costs derived from sanctions, fines, or judgments)**
	Technology As technology develops to address climate change, the firm views any related risks as important considerations in our primary business of investing in the companies affected. Additionally, we track costs inherent to transitioning to lower-emissions technologies for our own corporate footprint, along with the substitution of existing assets and related services with lower-emissions options.	▪ **Research and development expenditures in new and alternative technologies** ▪ **Substitution of obsolete assets or technologies** ▪ **Capital investments in new technologies** ▪ **Costs to adopt lower-emissions processes and internal capacity building**
	Market Market risk is a key component of the firm's risk assessment. Climate change may influence customer behavior by impacting investments in our existing portfolios and steering the demand for investment products oriented toward climate change mitigation or providers of environmental solutions. Furthermore, as we have announced plans for our new headquarters, we are assessing the probability of increased costs in raw materials for construction.	▪ **Shifts in consumer preferences may reduce the demand for certain goods and services** ▪ **Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment)** ▪ **Unexpected and sharp shifts in energy costs**
	Reputation T. Rowe Price has a comprehensive risk management program in place that is designed to quickly respond to any incident, minimize business interruption, and help reduce any impact. Our multilayered approach ensures that we can quickly respond to any incident, minimizing business interruptions and reducing any impact on the firm or our clients. We routinely track shifts in consumer preferences and collect feedback from stakeholders.	▪ **Negative stakeholder feedback** ▪ **Impacts on revenue from negative impacts on workforce management and planning (e.g., employee attraction and retention)**

Type	Climate-Related Risks and Mitigation Strategies	Potential Financial Impact
Physical Risks	**Acute** External events, such as severe weather events or other natural disasters, receive ongoing attention, given their potential impact on executing business activities, facilities, and related infrastructure and technologies. An extreme weather event—such as a cyclone, wildfire, or flood—that impacts the firm's locations or the location of a vendor servicing the firm may affect our day-to-day operations, potentially resulting in increased costs.	▪ **Reduced revenue and higher costs from negative impacts on our global workforce (e.g., health, safety, inability to access the workplace)** ▪ **Write-offs and early retirement of existing assets (e.g., damage to property and assets in locations considered to be high risk)**
	Chronic Not only can extreme weather-related events around the world affect our business operations, but they may also impact companies in which the firm invests on behalf of our clients. An extreme weather event may cause our investment professionals to reevaluate investments in affected companies. From a corporate standpoint, rising sea levels may increase the risk of flooding to our Baltimore office and increasing wildfires could impact our operations in Colorado Springs. Additionally, because of extreme variability in weather patterns, we may experience increased costs related to more frequent cooling and heating needs inside our buildings.	▪ **Increased operating costs** ▪ **Increased capital costs (e.g., damage to facilities)** ▪ **Increased insurance premiums and potential for reduced availability of insurance on assets in locations considered to be high risk**
Resource Efficiency	Through our Corporate Real Estate and Workplace Services team, T. Rowe Price is constantly seeking energy efficiency measures to implement throughout our global offices. Our firm also seeks to have at least 60% of its real estate environmentally certified by 2025, sets challenging environmental impact reduction targets, and tracks its performance against these targets annually. Our new corporate headquarters will aim for excellence in terms of environmental sustainability and energy efficiency. Additionally, we will target a zero-waste workplace. Our firm is currently developing a corporate net zero strategy and action plan based on these pillars: understanding its carbon footprint and trajectory, reducing its operational energy use, increasing its renewable energy supply (on- and off-site), reducing its embodied carbon, and offsetting remaining emissions.	▪ **Reduced operating costs (e.g., through efficiency gains and cost reductions)** ▪ **Increased value of fixed assets (e.g., highly rated energy-efficient buildings)** ▪ **Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction)** ▪ **Reputational benefits**
Resilience	As part of our global corporate real estate strategy and plan, we regularly seek new opportunities to enhance our environmental management practices, as demonstrated by the firm's investment in a 2.2 MWh solar photovoltaic renewable energy system consisting of over 7,000 panels and the provision of free electric vehicle charging stations for associate use at our owned corporate campuses.	▪ **Increased market valuation through resilience planning (e.g., land, buildings, infrastructure)** ▪ **Returns on investment in low-emission technologies**

From an asset management perspective, the Investment Management Steering Committee (IMSC), among other things, is responsible for reviewing and approving the annual and three-year product road map developed by the firm's Product Group. The ESG Taskforce, which is sponsored by the IMSC, and the Product Group consider climate-related risks and opportunities as they relate to the commercial appeal of our product range. The IMSC is chaired by the group CIO and head of Investments and includes the heads of each investment business unit (U.S. Equity, International Equity, Fixed Income, and Multi-Asset), heads of Distribution, and the COO. As part of its oversight of ESG issues, the IMSC receives a quarterly update from the Global ESG Taskforce. This taskforce is co-chaired by the director of Research—Responsible Investing and the global head of ESG Marketing and Communications and is made up of representatives from Investments, Distribution, Marketing, and Client Reporting with the mandate to serve as a source of input for potential ESG-related product development activities.

C Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

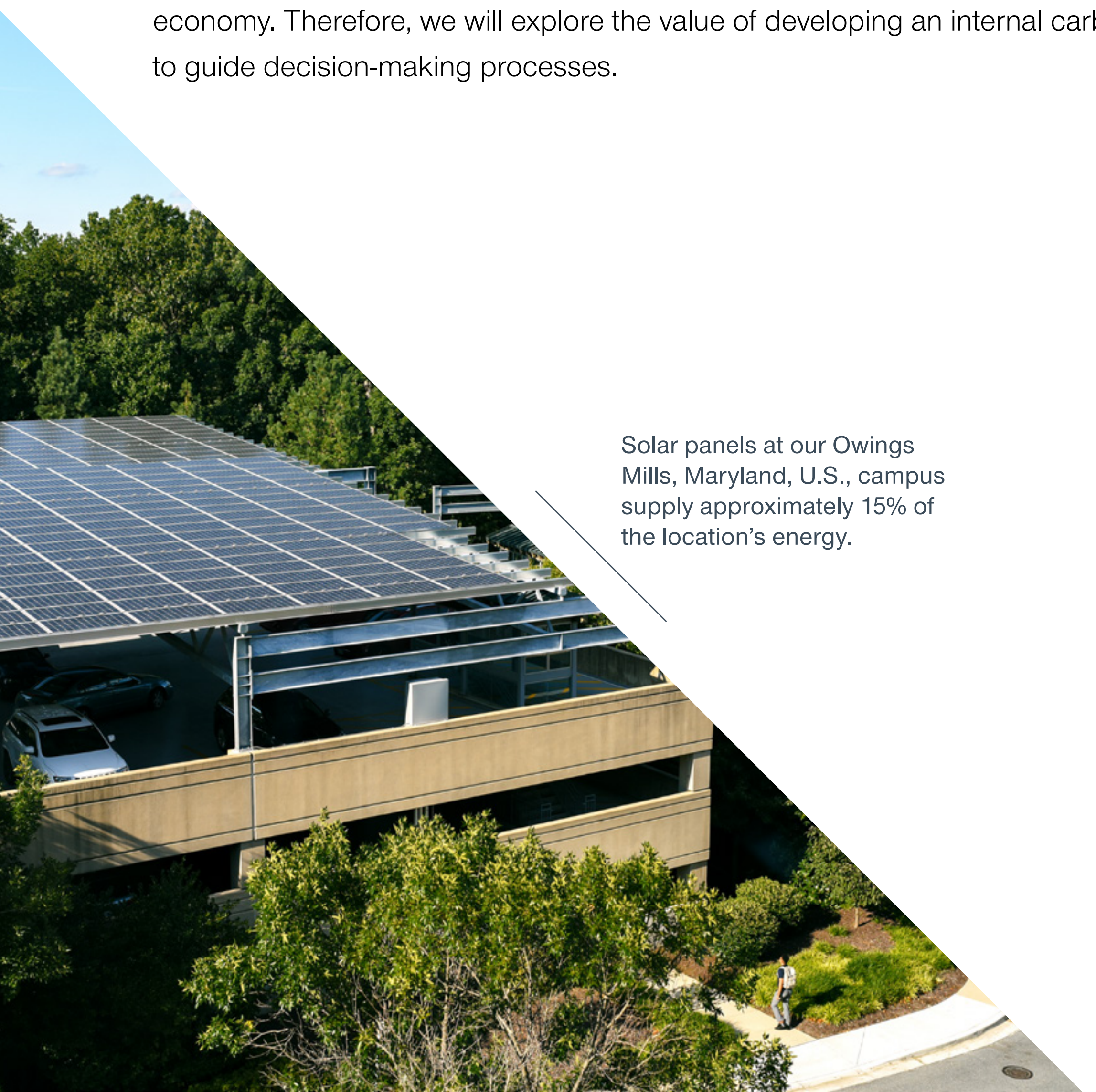
Our CRO manages the ERG and serves on the ROSC. Additionally, business unit leaders are responsible for overseeing operations and managing risks specific to their respective business areas.

Although climate-related risks have been considered part of our annual corporate risk assessment—for example, in prior years, our Business Continuity group assessed these risks relative to our physical assets—these risks will be more formally addressed throughout 2022. Oversight and implementation of this process are performed by the ROSC and, ultimately, the T. Rowe Price Group Board of Directors. The ROSC is chaired by the firm's COO. The ROSC oversees, monitors, and communicates the firm's risk management structure, processes, and business unit risk management efforts. The ROSC monitors existing policies, makes policy recommendations on matters related to risk management, and ensures issues are elevated and risk is mitigated. The committee meets monthly and is composed of senior business leaders from across the organization.

METRICS AND TARGETS

A Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

We are continuing the process of conducting a comprehensive climate risk assessment. Through this undertaking, we will identify the most material climate-related risk and opportunity metrics. We anticipate that these metrics will monitor both the physical and transitional risks associated with climate change. These could include: the percentage of assets with high flood risk assessment, the percentage of associates with climate risk training, and the percentage of our real estate portfolio covered by risk management plans. We will ensure that we can immediately use these metrics to baseline our current performance using historical data sets and to demonstrate progress annually. In addition, we understand the need to incentivize decisions that align with a low-carbon economy. Therefore, we will explore the value of developing an internal carbon price to guide decision-making processes.



Solar panels at our Owings Mills, Maryland, U.S., campus supply approximately 15% of the location's energy.

B Disclose scope 1; scope 2; and, if appropriate, scope 3 GHG emissions and the related risks.

T. Rowe Price's GHG emissions are calculated according to the methodology set forth by the Greenhouse Gas Protocol.

2021 EMISSIONS BY SCOPE[7]

Emissions reported in metric tons of CO_2 equivalent (MT CO_2e)

GHG Source Category	Emissions (MT CO_2e)	Percent of Total
Scope 1 Emissions	**877**	**4.33%**
Stationary Combustion	583	2.88%
Mobile Combustion	3	0.02%
Refrigerants	290	1.44%
Scope 2 Emissions	**18,887**	**93.55%**
Purchased Electricity	18,332	90.61%
Purchased Steam	556	2.75%
Scope 3 Emissions	**468**	**2.31%**
Employee Air Travel	432	2.13%
Employee Train Travel	2	0.01%
Waste	34	0.17%
Total GHG Emissions	**20,232**	**100.00%**

Note: Totals may not sum due to independent rounding.

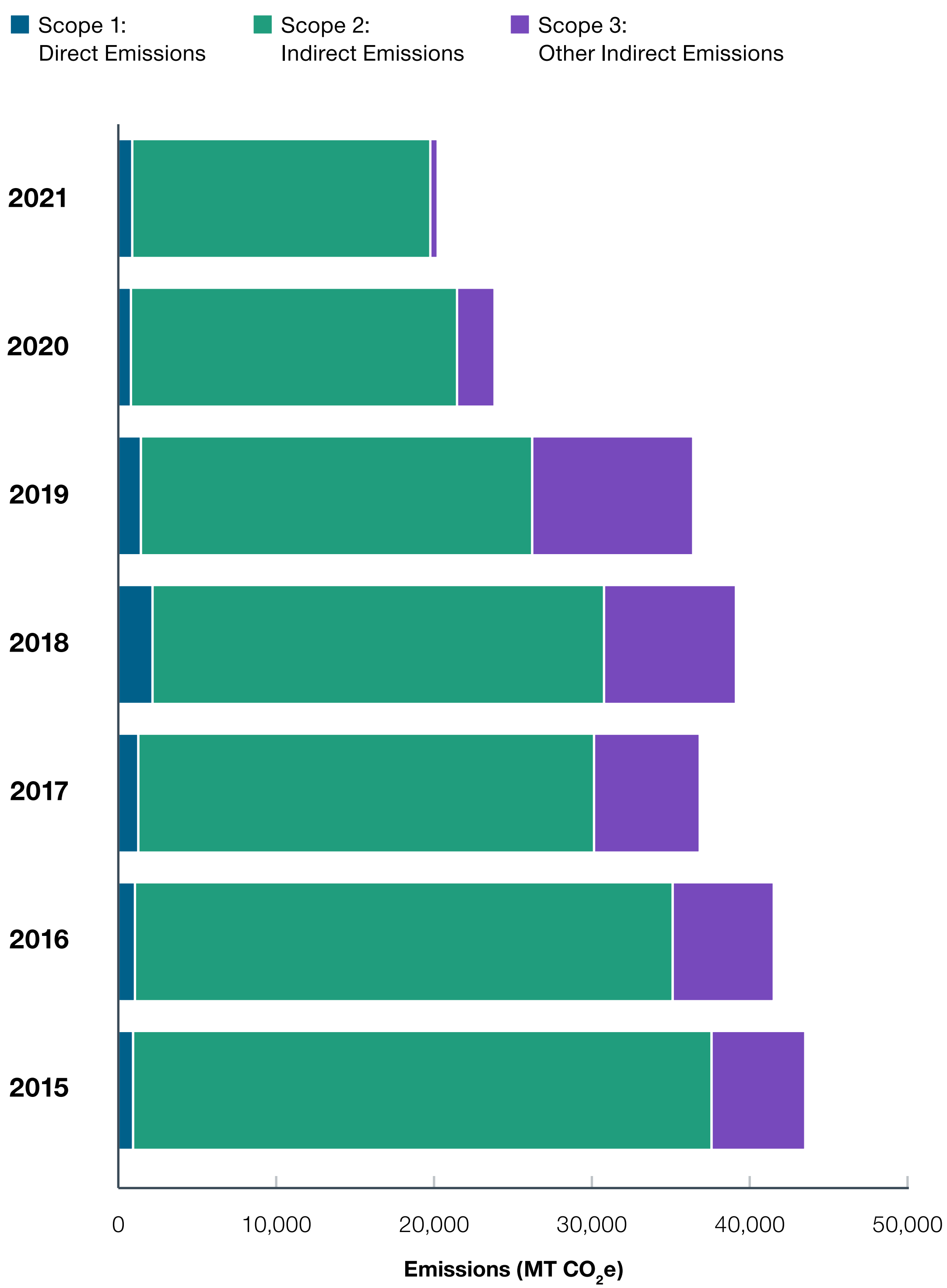
[7] Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021.

EMISSION INTENSITIES BY SCOPE

Scope	Unit	2015	2016	2017	2018	2019	2020	2021	% Change 2021 vs. 2019
Scope 1: Direct Emissions	MT CO_2e	928	1,050	1,259	2,162	1,424	796	877	-38.4%
Scope 2: Indirect Emissions	MT CO_2e	36,650	34,065	28,877	28,607	24,791	20,661	18,887	-23.8%
Total Scope 1 & 2 Emissions	**MT CO_2e**	**37,578**	**35,115**	**30,136**	**30,769**	**26,215**	**21,457**	**19,764**	**-24.6%**
Scope 3: Other Indirect Emissions	MT CO_2e	5,941	6,410	6,699	8,357	10,204	2,377	468	-95.4%
Total Scope 1, 2, & 3 Emissions	**MT CO_2e**	**43,519**	**41,525**	**36,835**	**39,126**	**36,419**	**23,834**	**20,232**	**-44.4%**
Global Square Feet (SF)	Thou. SF	2,303	2,303	2,356	2,386	2,392	2,320	2,212	-7.5%
Global Full-Time Employees (FTE)	FTE	7,339	7,339	7,672	7,882	8,314	8,324	8,036	-3.3%
Global Revenue	Million USD (MUSD)	4,223	4,223	4,793	5,373	5,618	6,207	7,672	36.6%
Scopes 1 & 2 Emissions per Square Foot	MT CO_2e / Thou. SF	16	15	13	13	11	9	9	-18.5%
Scopes 1 & 2 Emissions per Employee	MT CO_2e / FTE	5	5	4	4	3	3	2	-22.0%
Scopes 1 & 2 Emissions per Revenue	MT CO_2e / MUSD	9	8	6	6	5	3	3	-44.8%
Scopes 1, 2, & 3 Emissions per Square Foot	MT CO_2e / Thou. SF	19	18	16	16	15	10	9	-39.9%
Scopes 1, 2, & 3 Emissions per Employee	MT CO_2e / FTE	6	6	5	5	4	3	3	-42.5%
Scopes 1, 2, & 3 Emissions per Revenue	MT CO_2e / MUSD	10	10	8	7	6	4	3	-59.3%

Note: Annual employee data are calculated using the average employee count over the course of each year.

EMISSION TRENDS



AIR MILES

Air Travel	2015	2016	2017	2018	2019	2020	2021	% Change 2021 vs. 2019
Air Miles Traveled	37,012,226	37,906,085	42,843,263	39,479,253	43,832,701	9,832,053	2,639,963	-94%
Emissions From Air Travel (MT CO_2e)	5,908	6,229	6,534	8,023	9,763	2,162	432	-96%

WASTE MANAGEMENT

Waste Management Practice	Unit	2015	2016	2017	2018	2019	2020	2021	% Change 2021 vs. 2019
Landfill Waste	Tons	121	61	56	59	39	124[8]	123	216%
Recycling	Tons	521	465	572	573	604	216	232	-62%
Compost	Tons	21	16	23	50	43	19	107	151%
Energy Recovery	Tons	359	363	313	332	527	189	141	-73%
Total Waste	**Tons**	**1,022**	**905**	**964**	**1,014**	**1,213**	**548**	**603**	**-50%**

[8] Increased landfill waste in 2020 is the result of additional estimated data for the firm's Tech Center, Linthicum, and Hagerstown locations. Based on EPA standards, we started factoring in this data as of August 2020, and have extrapolated it back to January 2020.

C **Describe the targets used by the organization to manage climate-related risks and opportunities and performance targets.**

We currently have targets to measure climate-related risks and opportunities for two areas: GHG emissions and waste. After meeting our goal to reduce GHG emissions 13% by 2025, compared with our 2010 baseline, we are evaluating what might be a feasible time frame for the firm to achieve net zero in scopes 1 and 2 greenhouse gas emissions, while aligning with climate science to limit global temperature increases to 1.5°C, and developing a corresponding road map.

We have conducted a comprehensive review of our scopes 1, 2, and 3 greenhouse gas emissions to understand the large contributors that need to be addressed first and foremost, particularly in a hybrid working environment. During the pandemic, scope 2 emissions accounted for 93% of our total greenhouse gas emissions, up from 67% in 2019 when employee travel represented a larger portion of our total carbon footprint. Consequently, addressing scope 2 emissions will be our first priority.

Our Baltimore-based facilities generate 61% of our scope 2 emissions. We are looking ahead to 2024 when our contract with our local energy provider in Baltimore will be renegotiated, and we are engaging suppliers to facilitate the transition from brown power to green power. Pursing opportunities to transition the remaining 39% of our scope 2 emissions to renewable sources of electricity will be key to determining an appropriate time frame for achieving net zero emissions.

We recognize the over-reliance on carbon offsets to advance net zero ambitions and achieve carbon neutrality. The use of carbon allowances will only be applied to T. Rowe Price's GHG emissions in instances in which limited reductions can be achieved. Currently, employee travel represents the largest portion of this.

To address GHG emissions from employee business travel, beginning in 2021, we have partnered with Climate Vault, an award-winning nonprofit, to purchase and "vault" carbon allowances on government-regulated compliance markets. Because the number of allowances is limited, keeping them off the market decreases CO_2 emissions and provides a quantifiable carbon reduction. Their approach is easily measurable (1 permit = 1 metric ton of CO_2), provides price transparency, and is rigorously verifiable. In the future, Climate Vault will use the monetary value of the permits to fund carbon dioxide removal technologies to eliminate CO_2 already in our atmosphere.

Additionally, we plan to tap in to our associates' desire to make a difference and adopt more sustainable practices in their personal lives. We will host a giving campaign for Climate Vault, in which associates will be invited to calculate their personal carbon footprint and make a voluntary donation to Climate Vault, which will be matched by T. Rowe Price, to neutralize it.

We acknowledge that employee commuting also contributes to our scope 3 GHG emissions. In 2023, we will begin surveying associates to understand the GHG emissions generated from their commutes and report our findings as part of our scope 3 GHG emissions.

While T. Rowe Price does not currently include financed emissions as part of its scope 3 greenhouse gas emissions, we recognize clients' interests in better understanding the carbon footprint of their portfolios. We currently produce carbon footprint reports for equity and fixed income credit strategies that have at least 75% coverage regarding the information available on the underlying securities' GHG emissions for both the strategy and its respective benchmark.

At year-end 2021, roughly USD 1.2 trillion of our assets under management resided in portfolios holding equities or corporate bonds. We found that just under 60% of securities within the benchmarks of this universe were reporting scopes 1 and 2 emissions. (This calculation used the weighted average reported data for the benchmarks of our portfolios.) For the equity benchmarks, the figure was slightly higher than 60%, while the weighted average for the fixed income benchmarks was dramatically lower, coming in at less than 20%. The range of reported data was extreme across both asset classes (4%–93% for equity benchmarks and 3%–77% for fixed income benchmarks).

As a sponsor of the Task Force on Climate-Related Financial Disclosure, we advocate for our investee companies to utilize this framework and, at a minimum, report their scopes 1 and 2 emissions. The carbon footprint reports for our investment strategies are available to investment professionals upon request.

In April 2022, we joined the Net Zero Asset Managers initiative (NZAMI) to support the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit warming to 1.50˚C. Over the next year, working with our clients to understand the appetite for net zero portfolios, we will determine if it will be appropriate to apply a net zero mandate to any of our products and segregated mandates. In April 2023, we will publish our initial NZAMI disclosure, detailing the proportion of our assets that have a net zero mandate.

In 2019, we set a target of reducing the waste we send to landfill by 92% by 2025, compared with a 2010 baseline. The absolute target is measured by collecting data from each facility on tons of waste sent to landfills. As with GHG emissions, we are on track to meet this target in advance of the 2025 deadline.

Measuring, managing, and disclosing climate-related risks and opportunities is a business imperative. TCFD provides a helpful framework to identify the most material considerations and develop an understanding of the financial impact of climate change. We enthusiastically support the framework for the level transparency and comparability in data that it offers investors and issuers alike.

Gabriela Infante, Director, Corporate ESG at T. Rowe Price

We aim to set stringent sustainability goals that will be incorporated into our real estate portfolio. One specific goal is to achieve zero waste in our operations by 2025. Targeting zero waste at a real estate portfolio level requires: (a) diverting all solid waste from landfill, incineration (waste-to-energy), and the environment; (b) achieving 90% or greater average diversion of solid, nonhazardous wastes from landfill, incineration (waste-to-energy), and the environment for the most recent 12 months; and (c) diverting materials to be reduced, reused, recycled, composted, and/or recovered for productive use in nature or the economy.

An additional goal we have set for our operations is to phase out all single-use plastics by 2025. We'll begin this effort by phasing out the limited amount of cutlery in our cafes and pantries that are plastic. In the U.S., most of our disposable cutlery is compostable, while our global offices use reusable cutlery. We believe this can be achieved by the end of 2022. Subsequently, we will be turning our attention to the offerings in our vending machines and our catering relationships.

We are aiming for high environmental standards at our new offices. Our new global headquarters at Harbor Point in Baltimore, which is scheduled to open in 2024 and will feature a water harvesting system that will save approximately 1.55 million gallons of potable water annually, contributes to our goal of achieving LEED Platinum status for commercial interiors. By using rainwater in the flush fixtures of the building, the potable water usage will be reduced by more than 50% and will ultimately create a positive impact on the health of the Chesapeake Bay. At the Warwick Court building in London, where the landlord is refitting the current building and we are fitting out our office space, we are striving for an Excellent standard in Building Research Establishment Environmental Assessment Methodology (BREEAM) through our commitment to maintain zero waste to landfill, including no ash to be sent to landfill from incineration.

Our Global Community

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

4 QUALITY EDUCATION

We are resolved to work toward a world where there is opportunity for all, within both our workforce and the world around us.

OUR ASSOCIATES DRIVE OUR SUCCESS

At T. Rowe Price, our people set us apart. We strive for equity, opportunity, and equality for all associates at the firm. Having a diverse and inclusive workforce and providing an equal opportunity to all associates is a business and cultural imperative in today's dynamic business environment.

Our Management Committee and Board of Directors ensure we are setting ambitious standards for the way we recruit, hire, mentor, and develop talent. We are prioritizing increased hiring, retention, and development of talent from under-represented groups in asset management. This includes both ethnically diverse associates and women.

In 2021, 23% of our investment professionals globally were women (up from 21% during 2020), and firmwide, 66% of new hires were either women or ethnically diverse (up from 63% during 2020). For every open senior role at the firm, our goal is that at least 30% of the candidates interviewed will be ethnically diverse and/or women, and during 2021, 59% of the candidates were ethnically diverse or women.[9]

[9] Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021. Additional information can be found in the related announcement.

Our 2021 priorities have positioned us for success and have provided the framework for the next stages of our diversity, equity, and inclusion (DEI) strategy:

2021
ALIGN AND INSPIRE

- Develop leaders as role models
- Achieve organizational awareness and education
- Understand key priorities and align human resources and business systems to attract, develop, empower, and retain associates to drive business success

2021 Priorities:

- Grow and support our diverse workforce
- Sustain and enhance our inclusive culture
- Engage our associates
- Communicate our commitment and progress to key stakeholders
- Shared accountability for diversity, equity, and inclusion in our business

2022
IMPROVE AND EQUIP

- Focus on leaders as mentors, sponsors, and active allies
- Maximize associate engagement while demonstrating behaviors that attract and retain talent
- Foster an inclusive culture while providing a balanced workforce that accelerates company growth

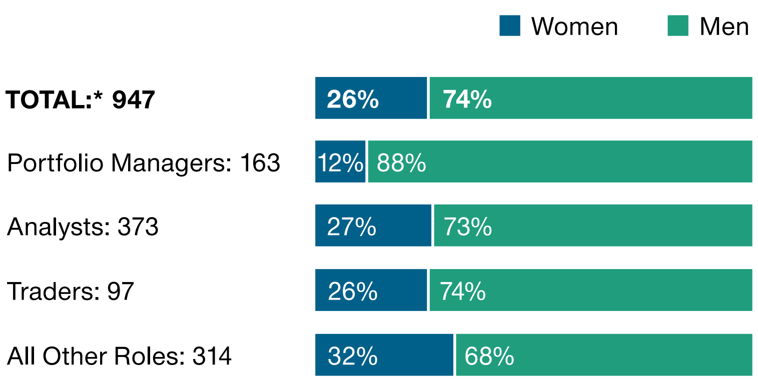
2023
OPTIMIZE AND ACHIEVE

- Be a recognized leader in DEI to positively impact clients and communities
- Extend our market reach to attract and deepen client relationships and achieve brand recognition
- Become an employer of choice for diverse talent

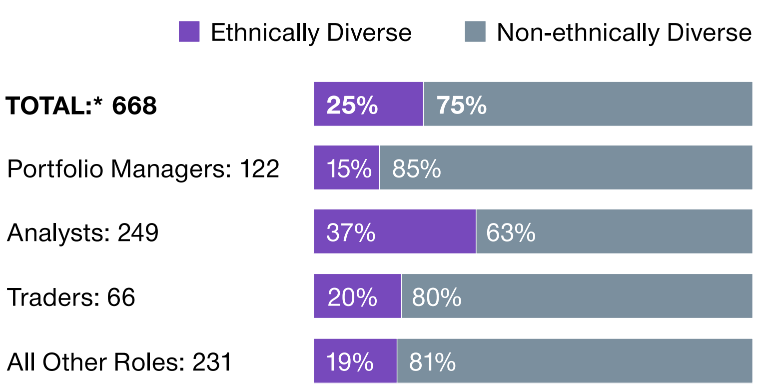
We are committed to sharing our progress toward these goals. This is the second time that, in addition to the EEO-1 data included in our SASB report, we are providing supplementary data on our workforce's global gender representation and ethnic diversity in the U.S. Data are as of December 31, 2021.[10]

INVESTMENTS GROUP DIVERSITY BREAKDOWN

Gender Representation—Global Population



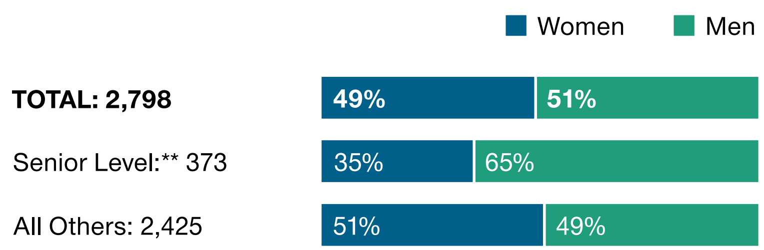
Ethnically Diverse—U.S. Population Only



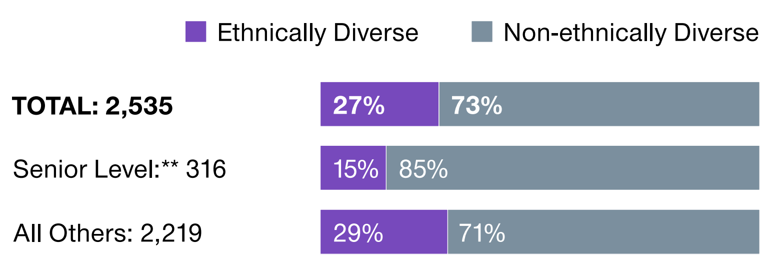
* Investments Group consists of Fixed Income, Global Equity, and Multi-Asset, business units, which are composed of investment professionals and non-investment professionals.

GLOBAL DISTRIBUTION AND GLOBAL PRODUCT GROUP DIVERSITY BREAKDOWN

Gender Representation—Global Population



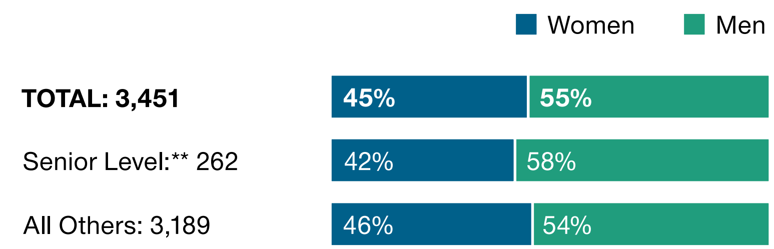
Ethnically Diverse—U.S. Population Only



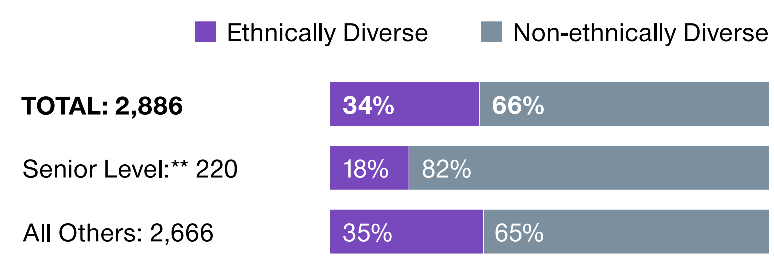
** Senior level is defined as people leaders and individual contributors with significant business or functional responsibility.

CORPORATE FUNCTIONS GROUP DIVERSITY BREAKDOWN

Gender Representation—Global Population



Ethnically Diverse—U.S. Population Only



** Senior level is defined as people leaders and individual contributors with significant business or functional responsibility.
Firmwide administrative support staff is included in all others.

[10] Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021.

44%

of global associates are women[11]

46%

our goal for global female representation by 2025[11]

29%

of U.S. associates are ethnically diverse[11]

17%

of our U.S. associates are Black, Hispanic, and/or Native American[11]

19%

our goal for U.S. representation of Black, Hispanic, and/or Native American by 2025[11]

Attracting, Developing, and Retaining Diverse Talent

We believe a key component of combating racial inequality and injustice is greater representation of ethnically diverse people in all areas of society and business—including at T. Rowe Price.

In 2020, we set goals to increase the representation of women and underrepresented minorities, specifically Black, Hispanic, and/or Native American talent, within our workforce and in senior roles by 2025. Our strategy, programs, and investments have enabled us to make steady progress on our path toward achieving our ambition.

To increase the pipeline of diverse candidates, we have created partnerships with colleges and universities from which we have had success in recruiting diverse talent in the United States and focused on deepening recruiting plans for Black and Hispanic candidates. Other initiatives connect with prospective and future underrepresented and female candidates from high school, through college, and on into graduate school.

We host on-site and virtual mentoring and recruitment initiatives in all U.S. offices and London to encourage diverse candidates to consider careers in asset management. Our signature programs, like M.B.A. Day, Launching Your Legacy, and our Women's Stock Pitch workshop, are a few of the ways that we strive to reach early-career diverse talent, create exposure to our industry, and introduce opportunities for such talent to bring their perspective and insight to the firm.

ANNUAL EMPLOYEE TRAINING HOURS[11]

Year	Total Hours	Average Hours per Associate	% Associates Completing Optional Training
2021	200K	21	85%
2020	140K	18	89%
2019	190K	26	77%

TOTAL ANNUAL EMPLOYEE TURNOVER[11]

Year	Percentage
2021	23.0%[12]
2020	8.5%
2019	13.9%[13]

[11] Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021.
[12] In August 2021, T. Rowe Price transferred its recordkeeping responsibility, which resulted in about 800 operations and technology associates transitioning to FIS. Additional information is available in the announcement.
[13] T. Rowe Price closed its Tampa office in 2019, resulting in the departure of about 400 associates between May 2018, when the announcement was made, and June 2019. Additional information is available in the announcement.

We have partnered with many national organizations, such as National Black MBA, the Association of Latino Professionals for America, Grace Hopper, Afrotech, and others to create access to diverse talent and to assist us in maintaining best practices.

We attract and retain top candidates by developing key talent and succession plans, investing in DEI initiatives, creating opportunities for our associates to learn and grow, and providing competitive benefits. We believe our approach is yielding results. As of December 31, 2021, the average tenure of our associates is eight years, nine years for our investment professionals, and 15 years for our portfolio managers.[14]

We encourage associates to own their career journey and discuss development goals beyond formal performance reviews and have regular conversations with their managers throughout the year. We are committed to continuous learning by providing them access to hundreds of live and self-paced training programs and a generous tuition reimbursement program. Our associates completed approximately 200,000 hours of firm-sponsored training in 2021—which is equivalent to nearly 27 hours per associate. Nurturing leaders is a critical driver of our firm's growth. Approximately 39% of our open positions are filled by internal applicants, and almost all our portfolio managers have been promoted from within.

Our leadership development road map guides associates through custom programs as they progress in their individual journeys. Our firmwide leadership speaker series brings well-known authorities to the organization, and global cohort programs directed by professors from prominent universities focus on developing leadership skills.

Part of the work of board members is to ask good questions. And there's no topic that's gotten better questions and more frequently gone over time than that of inclusivity and diversity. People have a lot of good questions to ask, trying to understand where we are, because they have a sincere interest in how we can be better.

Dr. Freeman Hrabowski III,
Board member of T. Rowe Price Group and former president of the University of Maryland, Baltimore County

Supporting Our Diversity

T. Rowe Price emphasizes a positive, welcoming, and collaborative culture where associates are encouraged to be themselves and bring their whole selves to work. We want our associates to draw from their experiences and take the initiative to help our clients succeed. According to our 2021 associate surveys, 83% of our workforce feels a sense of belonging at T. Rowe Price, and 82% believe that the firm takes a genuine interest in their well-being. Our Diversity, Equity, and Inclusion Steering Committee (DEISC) meets bimonthly to discuss progress on specific diversity and inclusion initiatives and related challenges and concerns.

We all share responsibility for strengthening our culture of inclusion. We created a new "Diverse Connections" initiative to help associates share their experiences and career aspirations with senior leaders through informal, one-on-one conversations. The connections formed through the initiative have continued with some transitioning into formal mentor or sponsor relationships.

Each associate must complete a DEI performance objective, which outlines the expectation and accountability we have in achieving our shared DEI goals. Additionally, we launched two new learning offerings—Managing Inclusion, which is mandatory for people leaders, and Conscious Inclusion for all other associates.

[14] Portfolio managers include portfolio manager, regional portfolio manager, sector portfolio manager, and associate portfolio manager.

Business resource groups provide important perspectives that help shape our company culture, especially in recruitment, talent acquisition, and retention. At the end of 2021, 43% of associates were members of at least one BRG, which represents a 5% increase compared with 2020.

Our BRGs are open to all associates. These groups provide valuable information and support programs to reinforce our inclusive culture, support career development, strengthen our brand in the community, and provide insights on delivering our services in the marketplace. T. Rowe Price also hosts "Diversity Dialogues" to support our associates and create allies in the workplace.

Additionally, our Management Committee formed a Black Leadership Council. Sponsored by CEO Rob Sharps and composed of 16 Black associates serving in leadership roles, the council is charged with four priorities:

- Advise Leadership
- Mentor Talent
- Support DEI Initiatives
- Engage Community

Our BRGs include:

MOSAIC
@ T. Rowe Price

MOSAIC: The group and its underlying heritage communities (the African, Asian, and Latinx heritage communities) seek to strengthen the firm's competitive advantage by attracting and retaining ethnically diverse associates, promoting an inclusive culture that values differences, and developing talent and business practices supporting the firm's diversity, equity, and inclusion strategy.

wave
@ T. Rowe Price

WAVE: The group's mission statement is to champion a culture of confident female leaders who will serve as agents of change to influence firm policy, promote active allyship for gender equity, and nurture a strong talent pipeline, enriching the overall associate experience.

VALOR
@ T. Rowe Price

VALOR: The group's mission is to attract veterans and active reservists to the wide variety of roles available at T. Rowe Price and make sure they and their families are supported.

PRIDE
@ T. Rowe Price

PRIDE: The group's mission is to create an environment where LGBTQ+ associates can bring their full selves to work each day.

Investing in Our Associates

A robust benefits program is table stakes in today's competitive workforce. According to our 2021 associate surveys, 82% of associates believe that the firm takes a genuine interest in their well-being.

In all our global locations, we offer employee benefit solutions, including both health care and retirement benefits (where applicable), fitness club reimbursement, life insurance, and an Employee Assistance Program to support well-being. Benefit competitiveness and design is assessed within the relevant market for a given country, and offerings are aligned with our global principles and local market practice. For example, retirement programs are uniquely designed to support associates in meeting retirement goals while also reflecting regional and country-specific practices in Asia, Europe, and the U.S.

During the coronavirus pandemic, we recognized a need to provide financial support to associates who have experienced a catastrophic event. To that end, we launched the Associate Relief Fund to address their pressing needs. Examples of covered events include infectious disease outbreak (e.g., pandemic/epidemic), domestic violence, and act of nature (e.g., flood, wildfire, etc.). The fund covers costs such as evacuation and quarantining expenses, house repairs, temporary housing, child-care, and medical expenses. It is administered by E4E, a wholly owned subsidiary of the Foundation for the Carolinas, a 501(c)(3) charity. The fund is available to associates in Australia, Canada, Hong Kong, Italy, United Arab Emirates, and the United States.

Our new offices are being designed to meet rigorous standards for our associates' well-being. At our new global headquarters in Baltimore, scheduled to open in 2024, we are pursuing a three-star Fitwel certification—the highest level—for the building's interior. In London, where our building is being retrofitted to meet our needs and will open in 2023, we are pursing a two-star Fitwel certification. Fitwel scorecards use 55+ evidence-based design and operational strategies that enhance buildings by addressing a broad range of health behaviors and risks.

We have always emphasized the importance of spending quality time away from work. In addition to generous vacation time, the firm offers fully paid maternity leave for birth mothers, in addition to fully paid parental leave to all new mothers and fathers. We also provide adoption assistance to associates looking to expand their families. In the U.S., the UK, and Canada, we offer our associates backup child-care and eldercare. The firm also offered wellness days in 2020 and 2021 to ensure associates were taking time off during the pandemic. We have continued offering wellness days throughout 2022.

Providing Flexibility and Safety for Our Associates

We monitored conditions globally throughout 2021 and tailored return-to-office programs locally in consultation with health officials. This resulted in a staggered return to office, allowing us to monitor relevant data and remain in compliance with local ordinances. Vaccinated associates in the U.S. who had been working from home returned to the office two days a week in November 2021 on a rotational schedule to facilitate social distancing. Our 2021 associate surveys found that 89% of associates said they were satisfied with how T. Rowe Price has responded to their needs during the coronavirus pandemic. Our U.S. employees returned to the office full time in March 2022; however, due to the success of our associates' ability to work remotely, we have offered the option of working from home a few days a week. We recognize that different associates have different family and health considerations, and they may work with their managers to determine alternative schedules and remote options.

Since 2017, we have published an annual UK Gender Pay Gap Report. This report details the average and median difference in pay between men and women in our UK office. Our 2021 report can be found here.

Recognition:

Barron's Most Sustainable Companies

T. Rowe Price ranked 14th on Barron's Top 100 Most Sustainable Companies of 2022 list for a second consecutive year. The firm earned the second-highest score among financial services companies. The list is developed by evaluating the largest 1,000 companies in the U.S., based on market value, and scoring them on 230 ESG performance indicators.

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Fortune World's Most Admired Companies

For the 12th consecutive year, T. Rowe Price was named to *Fortune* magazine's "World's Most Admired Companies" list. About 1,500 companies are considered for inclusion on the list, which rates companies in nine different categories: innovation, people management, use of corporate assets, social responsibility, quality of management, long-term investment, financial soundness, quality of products and services, and global competitiveness.[15]

Best Places to Work in Money Management

For the third year in a row, T. Rowe Price was named one of the Best Places to Work in Money Management by *Pensions & Investments*. The firm's ongoing support of associates during the pandemic; its continued commitment to diversity, equity, and inclusion; and its ongoing philanthropic interests were all contributing factors.[16]

Human Rights Campaign Foundation's Corporate Equality Index (CEI)

For the sixth consecutive year, T. Rowe Price received a perfect score of 100 on the Human Rights Campaign Foundation's 2022 CEI, the nation's foremost bench-marking survey and report measuring corporate policies and practices related to LGBTQ+ workplace equality.[17]

Bloomberg Gender Equality Index (GEI)

T. Rowe Price participated in the Bloomberg GEI for the first time during the 2022 cycle. The GEI is a modified market capitalization-weighted index that aims to track the performance of public companies committed to transparency in gender-data reporting. T. Rowe Price obtained an overall GEI score of 80.33 out of 100 (98.59 for Disclosure and 72.5 for Data Excellence).

Investor's Business Daily Most Trusted Financial Companies

The Most Trusted Financial Companies list is based on a survey assessing consumer trust, focusing on the areas of privacy and security of personal data, quality of products and services, ethical business practices and values, fair prices and fees for products and services, and customer service and treatment.

[15] Fortune and World's Most Admired Companies are registered trademarks of Fortune Media IP Limited and is used under license.
[16] *Pensions & Investments*, 2021 Best Places to Work in Money Management, published December 14, 2020 and 2021.
[17] 2022 BEST PLACE TO WORK FOR LGBTQ EQUALITY by Human Rights Campaign Foundation 100% Corporate Equality Index™.

COMMUNITY INVESTMENT

Opportunity for all: We look to empower youth, inspire change agents, and find equitable solutions that drive social good. Our approach to supporting our community focuses on expanding opportunities for everyone.

Advancing Educational Opportunities

We recognize the transformative power of education, particularly within underrepresented populations. We partner with numerous nonprofits and schools across the globe to provide educational opportunities, tutoring, mentoring, career-readiness training, scholarships, work experiences, enrichment programming, and financial education.

We have been working with both educators and parents since 2009 to help them develop children's financial knowledge and capabilities. Overall, we have reached more than 14.9 million people through our financial education programs.[18]

Since 2013, T. Rowe Price has offered the Money Confident Kids® financial education program, which teaches basic financial concepts such as prioritizing spending, asset allocation, and diversification to middle-school-age children age 8 to 14. We expanded the program to the UK and Australia in 2021 and hosted our first transatlantic financial education volunteering event with associates in the U.S. and London.

To help students understand the racial wealth gap, the historical factors that created it, and strategies for building wealth, we developed a classroom lesson plan in partnership with Scholastic as part of our Money Confident Kids program.

Additionally, T. Rowe Price partnered with Careers through Culinary Arts Program (C-CAP) to provide financial education and encourage students in the C-CAP program to open and invest for their education through 529 accounts within the Maryland Senator Edward J. Kasemeyer College Investment Plan, the T. Rowe Price College Savings Plan, and Alaska 529.

This enabled C-CAP's students, who come from under-served communities, to invest using tax-advantaged 529 accounts and put the money toward higher-education expenses, culinary or otherwise. These accounts are owned and controlled by the students receiving the funds, empowering them with hands-on experience to help build their financial independence.

[18] Total reach of websites, online games, apps, exhibits, programs with Scholastic and Junior Achievement, and sponsored events since program inception in 2009.

Continuing Our Commitment to Racial Equality

T. Rowe Price committed USD 2 million to nonprofits fighting racial injustice and announced the recipients of these funds in 2021. Our grant-making effort aims to bridge gaps in funding, build capacity, and create access for national and local organizations already working to address challenges related to racial inequality so that they can better serve their local constituencies. Additionally, Business Volunteers Maryland and T. Rowe Price teamed up to host two scope-a-thons supporting four Baltimore-area grassroots nonprofits focused on racial equity.

During skillCONNECT events, teams of volunteers from T. Rowe Price brought their expertise and ideas to help the nonprofits navigate business challenges related to strategic planning, finance, fundraising, human resources, marketing, and more. Nonprofits selected to participate include Community Law in Action, The Food Project, Infinite Focus Schools, Parity Baltimore, Latino Education Advancement Fund, Centro SOL, Adelante Latina, and Yleana Leadership Foundation.

T. Rowe Price recently joined the Equity Collective, an industry-leading group of wealth management and asset management businesses that have come together to educate, empower, and develop the next generation of diverse leaders in the finance industry. Composed of 24 partners, senior leaders across each member organization have agreed to participate in education and awareness events and initiatives.

Diversifying Our Supplier Relationships

Integrating diversity into our sourcing and supply chain opens opportunities for efficiency, innovation, and sustainability—while also enhancing support for minority-owned businesses and our surrounding communities. To that end, the firm has launched a supplier diversity program that prioritizes our relationships with small and diverse business owners. By 2025, we aim to spend USD 50 million with diverse-owned and small disadvantaged-owned businesses in the U.S. This is an increase from USD 35 million in 2021. Once our U.S.-based program is solidified, we'll then look to expand these practices in Europe and Asia.

I was interested in the skillCONNECT event because it gives me the opportunity to leverage my legal expertise to assist a nonprofit working for racial equity. I have been looking for opportunities the past few years to get more involved in my community to advance racial equity, but I have struggled to find my place since I don't have experience in this area. Being able to assist an organization in this space using the skills that I have learned at T. Rowe Price is the opportunity that I have been looking for.

Terence Baptiste, managing legal counsel at T. Rowe Price

Supporting Communities Through Service and Donations

We proactively support initiatives that associates care about by providing opportunities for them to contribute their time and expertise through:

- Paid volunteer workdays
- Volunteer rewards
- Sponsoring associates' favorite nonprofit events
- Pro bono volunteer opportunities
- Supporting board service

T. Rowe Price's generous Global Matching Gift Program enables our associates to double the impact of their charitable gifts. It also encourages volunteer service by awarding grants to organizations supported by our associates. Our 2021 commitment included:[19]

- Matching gifts: USD 8.7M
- Associate giving: USD 16.2M
- Volunteer hours: 25,000+
- Board service: 365 associates serving on 443 nonprofit boards

[19] Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021.

T. Rowe Price Foundation: Charitable Partnerships and Programs

Founded in 1981, the T. Rowe Price Foundation is steadfastly committed to its mission of pursuing the long-term success of communities through direct grant strategies, matching gifts, and a robust capacity-building program for nonprofits.

Since its inception and through December 2021, the T. Rowe Price Foundation has provided USD 157 million in direct grants and matching gifts. Since 2016, our capacity building program has served 636 nonprofits and 5,821 participants to strengthen organizational health and provide professional development opportunities for the nonprofit community. In 2021, more than 390 unique nonprofits and over 1,000 participants joined the Foundation's capacity building program.

Since 2015, the T. Rowe Price Foundation has granted or has commitments of more than USD 8.8 million in grants that support organizations that empower young people of color and increase access and opportunities for organizations focused on racial equity and racial justice.

In 2021, the T. Rowe Price Foundation launched Moonshot, a networking event to connect innovators of color with key influencers and potential mentors, to advance racial equity in the business and social entrepreneur community.

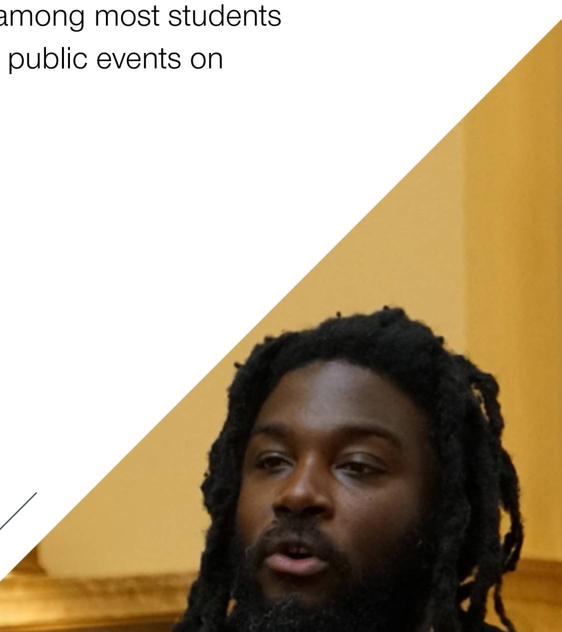
The T. Rowe Price Foundation is also funding an innovative national approach to creating a district-wide framework for effective partnerships between schools and community organizations focused on improving student outcomes over time. Informed by national research, Baltimore's Promise and Baltimore City Public Schools lead this collaborative. It is developing a structure to support school principals and community organizations to cultivate and grow effective partnerships that promote student learning and success.

T. Rowe Price and its community partners successfully delivered the fourth iteration of "One Book Baltimore." This collaboration between T. Rowe Price, Enoch Pratt Free Library, and more than 10 other Baltimore organizations provides opportunities for Baltimore 7th- and 8th-grade students, their families, and community members to connect and engage in dialogue about peace and nonviolence by reading the same book.

Results of a study from Johns Hopkins University School of Medicine's International Arts and Mind Lab evaluating One Book Baltimore's 2019–2020 program showed that the program created safe opportunities for youth to discuss difficult and complex topics.

In Particular, the Findings Reveal That One Book Baltimore:

- Influenced the way more than half of participating students (61%) thought about violence
- Prompted most students (84%) to have conversations with peers and adults about violence
- Encouraged an interest among most students (60%) who wanted more public events on these topics



One Book Baltimore 2019–2020 program featured "Long Way Down" by Jason Reynolds.

Our Governance Framework

Our Board of Directors, elected by our stockholders, sets the strategic direction for the firm and provides oversight and advises the firm's senior management. The Board is made up of a diverse group of leaders who bring a range of diversity of experience, education, skills, and independence. We routinely assess and monitor the capabilities of our existing directors and whether additional capabilities and new independent directors should be added.

We continually assess the needs of the company along with the expertise and backgrounds of our current Board of Directors. We also consider any expected Board departures and retirements in our deliberations when evaluating whether to nominate new directors, who we think could enhance and complement the specific skills and capabilities of our Board.

Our Board and its oversight of sustainability issues impact the creation of long-term value for our clients and stakeholders. Our Board governance encompasses the responsible and proactive management of our ESG issues.

In 2020, amendments were introduced for the NCGC to monitor performance objectives and progress against our goals and targets for climate-related issues. Additionally, the NCGC receives biannual updates on corporate ESG activities.

Of the independent directors, 36% joined the Board within the last five years; the average non-executive director tenure is six years.

Director Engagement

In 2021, the Board held 11 meetings and approved three matters via unanimous written consent. Each director attended at least 75% of the combined total number of meetings of the Board and Board committees of which he or she was a member. Consistent with the company's Corporate Governance Guidelines, the independent directors met in an executive session at each of the Board's regular meetings in 2021. Our Corporate Governance Guidelines provide that all directors are expected to attend the annual meeting of stockholders.

All nominees for director submitted to the stockholders for approval at last year's annual meeting on May 11, 2021, attended that meeting.

Committees of the Board of Directors

Our Board has an Audit Committee, an Executive Compensation and Management Development Committee (Compensation Committee), a Nominating and Corporate Governance Committee (Nominating Committee), and an Executive Committee.

Management Committee

The Management Committee works to ensure that our clients remain first—today and in the future. Profiles of T. Rowe Price's leadership team, which is composed of 15 experts with an average tenure of 15 years at the firm, may be found here.

Committee Charters

Current copies of the charters of the Audit Committee, the Compensation Committee, and the Nominating Committee; our Corporate Governance Guidelines; and our Code of Ethics for Principal Executive and Senior Financial Officers can be found on our website.

Composition of our Board as of December 31, 2021:

11

of 14 members are independent under the Nasdaq Global Select Market standards (79%)

Of our 11 independent directors:

5

are women (45%)

3

were born outside the United States (27%)

4

are ethnically diverse (36%)

3

are veterans (27%)

Steering Committees

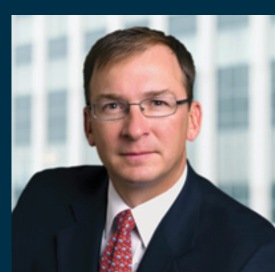
Our Management Committee has established various Steering Committees to assist it in setting the strategic policy and direction for a specific area of the firm. These include Ethics; U.S. Equity; Fixed Income; International Equity; Multi-Asset; Investment Management; Risk and Operational; Diversity, Equity, and Inclusion; Retirement Leadership Council; Corporate Strategy; and Product Strategy.

Improving sustainability disclosures is an ongoing, iterative process that we continue to evaluate and enhance. For the third year, we are following SASB's topical recommendations for our industry. All data presented in this iteration of our SASB index are as of or for the year ended December 31, 2021, unless otherwise noted.

Asset Management and Custody Activities Sustainability Accounting Standard
The contents presented in this section of our ESG Corporate Report should not be interpreted as an opinion on the materiality or financial impact of this information. Please see our Form 10-K filed on February 24, 2022.

T. Rowe Price Group, Inc. Board of Directors

WILLIAM J. STROMBERG
Non-executive Chair of the Board, T. Rowe Price Group, Inc.



ROBERT W. SHARPS
Chief Executive Officer and President, T. Rowe Price Group, Inc.

GLENN R. AUGUST
Chief Executive Officer of Oak Hill Advisors, L.P.

MARK S. BARTLETT
Retired Managing Partner, Ernst & Young

MARY K. BUSH
Chairman, Bush International, LLC

DINA DUBLON
Retired Executive Vice President and Chief Financial Officer, JPMorgan Chase & Co.

DR. FREEMAN A. HRABOWSKI III
Former President, University of Maryland, Baltimore County*

ROBERT F. MACLELLAN
Non-executive Chairman, Northleaf Capital Partners

EILEEN P. ROMINGER
Former Senior Advisor, CamberView Partners

OLYMPIA J. SNOWE
Chair and Chief Executive Officer, Olympia Snowe, LLC**

ROBERT J. STEVENS
Retired Chairman, President, and Chief Executive Officer, Lockheed Martin Corporation

RICHARD R. VERMA
General Counsel and Head of Global Public Policy, Mastercard Incorporated

SANDRA S. WIJNBERG
Former Partner and Chief Administrative Officer, Aquiline Holdings LLC

ALAN D. WILSON
Lead Independent Director, Retired Executive Chairman, McCormick & Company, Inc.

* Dr. Freeman A. Hrabowski III retired from the University of Maryland, Baltimore County, on July 31, 2022.
** Olympia J. Snowe retired from T. Rowe Price Group Board of Directors on May 10, 2022.

Sustainability Accounting Standards Board (SASB) Report

T. Rowe Price is committed to providing stakeholders with meaningful, relevant, and decision-useful sustainability information. Therefore, we use SASB standards to provide industry-specific disclosures of material ESG issues.

TRANSPARENT INFORMATION AND FAIR ADVICE FOR CUSTOMERS

FN – AC – 270A.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings

Twelve of our registered representatives (covered employees[20]) employed as of December 31, 2021, had disclosures of investment-related investigations, client-initiated complaints, private civil litigations, or other regulatory proceedings.[21] This represents 0.9% of our total "covered employee" population as of year-end.

FN – AC – 270A.2	Total amount of monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers

For the year ended December 31, 2021, T. Rowe Price did not sustain any monetary losses as a result of legal proceedings associated with marketing and communication of financial product-related information to new and returning customers.

FN – AC – 270A.3	Description of approach to informing customers about products and services

We are considered a fiduciary to many of our clients. They always expect us to act in their best interests. It's critical that we provide timely information to our clients and prospects.

Every communication must be:

- Accurate
- Balanced
- Clear
- Not misleading in any way

We distribute this information through troweprice.com to 29 country-specific websites. Communications are tailored to each country's audience, which may include:

- Institutional clients
- Retail clients
- Consultants
- Financial intermediaries

Email and regular mail messages, along with in-person or virtual meetings, are the foundation of our communication strategy. In addition to our website, we provide ongoing communications through our social media channels.

Our sales and marketing communications are reviewed by specially trained associates to ensure the communications comply with local regulatory requirements and firm policies for the intended audience. These associates also confirm that risks are clearly stated—not minimized—and that content is not too complex for the intended audience. All communications are produced in the appropriate language. We are committed to ensuring our data collection, use, and disclosure practices are transparent by publishing updated Privacy Notices on our websites, applicable for each region.

[20] "Covered employees" is defined by SASB as employees subject to filing the following forms: Form U4, Form U5, Form U6, Form BD, and Form BDW, which are filed with the Central Registration Depository of the Financial Industry Regulatory Authority (FINRA).
[21] Covered employees with the identified disclosures referenced above on their Form U4 or Form U5 were included, regardless of date of the event or whether they were employed by T. Rowe Price at the date of incident.

We recognize that availability is key. Therefore, we've made the following product-specific documents available in many jurisdictions on our websites and through links in product-related communications:

- Prospectuses
- Key investor information documents
- Annual reports
- Other legal documents relevant to the products and the countries where they're distributed

We maintain written policies and procedures that form our Compliance Manual. This applies to all T. Rowe Price advisers. Depending on an associate's responsibilities and/or location, he or she may need to register with the relevant securities authority (for example, in the U.S., as a securities representative and/or a principal, with Financial Industry Regulatory Authority (FINRA) and appropriate state regulatory agencies through our broker-dealer, T. Rowe Price Investment Services, Inc.).

We also maintain written supervisory procedures (WSPs) to stay in compliance with applicable rules and regulations. These WSPs require certain associates to:

- Submit their fingerprints to FINRA
- File an application for registration as an agent (Form U4)
- Pass all qualifying examinations
- File all required registration updates in a timely manner

In the UK and EU, associates may be subject to minimum knowledge and competence standards and/or other fitness and propriety standards to engage clients. These requirements stem from Markets in Financial Instruments Directive (MiFID) and, from a UK perspective, are contained in the Financial Conduct Authority (FCA) Handbook.

Because we have always believed that honesty, candor, and fairness are the best approach, we maintain a robust Code of Ethics and Conduct, which includes firmwide expectations on how to treat clients. It ensures that we avoid conflicts of interest and that we comply with local regulations and industry best practices everywhere we do business.

Additional information

Advisory clients of U.S.-registered accounts can also find our ADV forms at adviserinfo.sec.gov. Certain T. Rowe Price advisers are registered with the U.S. SEC, and their Form ADVs are publicly available.

Our Code of Ethics and Conduct sets out basic principles to guide employee conduct. Our code is supported by other policies, programs, and employee training.

EMPLOYEE DIVERSITY AND INCLUSION

FN – AC – 330A.1 Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees

Building on progress accomplished, we have continued to look across our entire organization for ways to reach higher in diversifying our organization and working for racial equity and justice. With that in mind, we made significant progress on our DEI efforts, particularly in attracting and retaining diverse associates and fostering an inclusive culture for all.

Investing in these efforts is in the best interest of our associates, clients, and the communities where we work and live. Our diversity makes us stronger and more resilient for the future. And we will continue to do more.

While we acknowledge that the SASB seeks to measure diversity and inclusion, we want to reference our journey and highlight that we have deliberately chosen to add "equity" to our global DEI vernacular. We have always had a mindset of equity in our strategies and programs, and it is important that we formally enunciate our commitment. For more detailed information on our policies and programs for fostering equitable employee representation across our global operations, please refer to the "Our Global Community" section of this report.

The table below shows a breakdown of representation for U.S. employees.[22]

	Men								Women							
EEO Classification	Hispanic or Latino	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	Total Men	Hispanic or Latino	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or More Races	Total Women
1.1 Executive/Senior Level Officials and Managers	1	62	4	-	7	-	-	74	2	35	6	-	3	-	1	47
1.2 First/Mid-level Officials and Managers	21	524	31	3	42	-	11	632	20	477	60	-	35	-	13	605
2 Professionals	62	1,397	138	4	379	4	41	2,025	45	874	153	1	164	-	37	1,274
3 Technicians	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Sales Workers	23	201	37	-	11	-	10	282	4	78	18	-	4	-	-	104
5 Administrative Support Workers	14	248	87	-	15	2	13	379	39	340	250	2	18	-	28	677
Total	**121**	**2,432**	**297**	**7**	**454**	**6**	**75**	**3,392**	**110**	**1,804**	**487**	**3**	**224**	**0**	**79**	**2,707**

[22] Definitions are based on the U.S. Equal Employment Opportunity Commission's EEO-1 Survey. As of December 31, 2021, our U.S. associate population (regular associate population, excluding interns, fixed terms, and contingent workers) represents 84.6% of our global workforce. Unless otherwise noted, the information provided in this report and related materials does not include content relating to Oak Hill Advisors, L.P. (OHA), an alternative credit manager that T. Rowe Price Group, Inc., acquired on December 29, 2021.

INCORPORATION OF ESG FACTORS IN INVESTMENT MANAGEMENT AND ADVISORY

FN – AC – 410 A.1 Amount of assets under management, by asset class, that employ (1) integration of ESG issues, (2) sustainability themed investing, and (3) screening

Virtually all strategies at T. Rowe Price incorporate ESG risk considerations into the fundamental investment analysis used to build strategy portfolios; therefore, nearly all our assets utilize ESG integration.

As of December 31, 2021, USD 95 billion assets were deemed to be socially responsible, accounting for 5.7% of our USD 1.69 trillion in assets under management.[23] Our criteria for an account to be deemed socially responsible is that it needs to apply exclusion lists aimed at ESG considerations. Many of these assets are separate accounts, which allow our clients to choose specific exclusions that align with their values.

ASSET CLASSES OF SOCIALLY RESPONSIBLE INVESTMENT ASSETS UNDER MANAGEMENT[24]

Equity	75%
Fixed Income	22%
Multi-Asset	3%
Total	**USD 95 billion**

We have a range of responsible strategies that seek to outperform their broad market comparator benchmarks while also excluding companies that do not align with the values commonly identified by our clients. We impose values-based parameters to these portfolios via the overlay of our proprietary Responsible Exclusion List. The list includes controversial weapons, tobacco, coal, assault-style weapons for civilian use, adult entertainment, and gambling, as well as companies that we place on the conduct-based component of the list.

FN – AC – 410 A.2 Description of approach to incorporation of ESG factors in investment and/or wealth management processes and strategies

ESG analysis is integrated into our fundamental investment process. ESG factors are considered along with such traditional criteria as financials, valuation, macroeconomics, and industry category. Our analysts and portfolio managers are responsible for incorporating ESG into their investment decisions.

Our in-house ESG resources comprise responsible investing (RI), which covers environmental and social factors, governance, and regulatory research. Together, these teams help our investors identify, analyze, and integrate the ESG factors most likely to have a material impact on an investment's long-term performance. We have 18 investment staff dedicated to ESG research.

[23] Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates. The acquisition of Oak Hill Advisors (OHA) completed on December 29, 2021, included USD 46.9 billion of fee-basis AUM, which are reflected in the firm's AUM at December 31, 2021.
[24] Data as of December 31, 2021. Asset categories presented in accordance with TRPG 10-K Financial Statements. Socially responsible investment accounts include accounts that apply screens to avoid specific companies or sectors associated with one or more objectionable activities as determined by the client. Not all accounts apply the same screens. Total assets under management in socially responsible investments are unaudited estimates and may vary due to currency fluctuations.

Responsible Investing[25]

Our dedicated RI team conducts analysis on the environmental and social profiles of individual securities and portfolios. The team also assists with company engagement and supports our investment professionals by providing research on sustainability topics. Our RI resources have been in place since 2017. Prior to developing our own in-house research, our analysts and portfolio managers were able to leverage ESG research from Sustainalytics, which had been embedded in our research management systems since 2014.

We also have a technology team dedicated to supporting our ESG efforts. It plays a key role in the enhancement and expansion of our proprietary research tools for analysts and portfolio managers to leverage across more asset classes.

Our proprietary Responsible Investing Indicator Model is a valuable component of our deep, fundamental research. RIIM builds an environmental, social, and ethical profile of corporate entities using nonfinancial data and incident history—data not traditionally used in mainstream investing. We rolled out our proprietary RIIM framework for corporate securities (both equity and credit) in 2018, followed by similar frameworks for sovereigns in 2019 and for municipal bonds and securitized bonds in 2020.

Governance

T. Rowe Price has had dedicated governance resources since 2007. The team assesses governance issues among existing and potential investments and provides insights for analysts and portfolio managers. It assists with company engagement, facilitates proxy voting, and participates on leading governance initiatives in the asset management industry.

Accountability

Accountability for the firm's corporate ESG activities starts with the T. Rowe Price Board of Directors. The Board's Nominating and Corporate Governance Committee oversees ESG activities and receives annual updates.

Additional research and insights into our approach to sustainable investing may be accessed here.

FN – AC – 410 A.3	Description of proxy voting and investee engagement policies and procedures

Proxy voting is an investment function within T. Rowe Price and is subject to the oversight of the Boards of Directors of the various T. Rowe Price investment advisers. T. Rowe Price advisers have fiduciary responsibilities. Our view is that proxy voting is a key element of the stewardship responsibilities we execute on behalf of our clients. It is a responsibility we take seriously, centered on investments. In casting votes on behalf of clients, our goal is to foster long-term success for the company and its investors.

Portfolio managers are ultimately responsible for making the voting decisions within the strategies they manage. To fulfill this responsibility, they receive recommendations and support from a range of sources, including:

- The T. Rowe Price ESG Committee
- Our global industry analysts
- Our corporate governance and responsible investing specialists
- Insights from our proprietary Responsible Investing Indicator Model
- Institutional Shareholder Services, our external proxy advisory firm

The T. Rowe Price ESG Committee is made up of experienced investment professionals, including analysts and portfolio managers from both our Equity and Fixed Income Divisions, our head of Global Equity, and our head of International Equity. The ESG Committee meets twice a year. The first meeting in the first quarter focuses on proxy voting activity from the year before, reassess the suitability of our voting guidelines, and considers amendments to the guidelines. The second meeting, which is held in the third quarter, focuses on environmental and social issues.

[25] On November 19, 2020, T. Rowe Price announced plans to establish T. Rowe Price Investment Management, Inc. ("TRPIM"), a separate, U.S.-based SEC-registered investment adviser. TRPIM has a distinct investment platform with independent research and stewardship teams. TPRIM also has its own, independent ESG Committee. TRPIM makes proxy voting decisions separately from other parts of T. Rowe Price. The separation of TRPIM's investment platform became effective July 1, 2022.

Where proxy voting is concerned, our overarching objective is to vote our clients' shares in a thoughtful, investment-centered way—in support of the path most likely to foster long-term, sustainable success for the company and its investors.

In 2021, the T. Rowe Price portfolios voted on 1,098 shareholder resolutions across all markets. Of those, 403 were situations where shareholders were nominating directors to a company's board. Another 372 were resolutions asking companies to adopt a specific corporate governance practice, and 323 were social and environmental resolutions.

We offer extensive public disclosure around proxy voting. Under U.S. securities regulation, the voting policies, procedures, and decisions of T. Rowe Price's U.S.-regulated mutual fund portfolios are required to be disclosed on an annual basis. The disclosures are updated on or around August 31 of each year, covering the date range of July of the prior year through June of the current year. In addition, we publish a report for our clients each autumn, highlighting important corporate governance trends from the prior 12 months and aggregating our proxy voting decisions into categories. Upon their request, we also make available to our institutional clients a customized record of their portfolios' voting activities.

Last, we have an update on two key changes made in 2021 to our vote reporting:

- In the first quarter of 2021, we started disclosing each U.S.-regulated mutual fund's full proxy voting record semi-annually instead of annually. Vote disclosures for the first and second halves of each year will be posted eight weeks after the period-end.
- For the first time, we provided not only vote decisions, but rationales for key votes. These included votes against management, votes on shareholder proposals, and any other votes we deemed controversial, illuminating, or significant.

Our proxy voting program is one element of our overall relationship with corporate issuers. We use our voting power in a way that complements the other aspects of our relationship with these companies.

For example, other contexts in which we might use our influence include:

- Regular, ongoing investment diligence
- Engagement with management on ESG issues
- Meetings with senior management, offering our candid feedback
- Meetings with members of the Board of Directors
- Decisions to increase or decrease the weight of an investment in a portfolio
- Decisions to initiate or eliminate an investment
- On rare occasions, issuing a public statement about a company—either to support the management team or to encourage it to change course in the long-term best interests of the company

However, in an environment where large institutional shareholders are often rated by third parties according to how frequently they vote against board recommendations, we wish to be clear—it is not our objective to use our vote to create conflict with the companies in which our clients are invested. Instead, our objective is to use our influence—through the various avenues listed above—to increase the probability that the company will outperform its peers, helping enable our clients to achieve their investment goals. A proxy vote is an important shareholder right, but its power is limited to the one day per year when a company convenes its annual meeting. Influence—earned over time and applied thoughtfully—is a tool we use every day.

Our investment-driven engagement program frequently identifies targets through our proprietary RIIM analysis, governance screening, and analysts' fundamental research. ESG engagement meetings are carried out by portfolio managers and analysts from our equity and fixed income teams, as well as by our ESG specialists.

While we engage with companies in a variety of investment contexts, ESG engagement focuses on learning about, influencing, or exchanging perspectives on the environmental practices, corporate governance, or social issues affecting their businesses.

Throughout the course of 2021, we engaged with companies on 788 separate occasions, sometimes more than once with the same company. We classify these meetings as ESG engagements, as they contained a notable discussion on ESG issues.

BUSINESS ETHICS

FN – AC – 510 A.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations

For the year ended December 31, 2021, T. Rowe Price did not sustain any monetary losses as a result of legal proceedings associated with fraud, insider trading, antitrust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations.

FN – AC – 510 A.2	Description of whistleblower policies and procedures

Any associate worldwide can report potential or actual violations of laws or regulations, regardless of where he or she works. Questionable conduct can be reported:

- Directly to their line manager. Managers should escalate issues to the Legal, Compliance, and Audit department as necessary;
- Anonymously, via the Whistleblower Hotline (administered by an independent, external third party); or
- To the general counsel, respective chief compliance officer, senior compliance manager, or regional head of Human Resources verbally or in writing.

Reports from the hotline go to our Legal, Compliance, and Audit department, which promptly investigates matters and provides an annual summary of all complaints to our Audit Committee. No adverse action will be taken against anyone who in good faith reports a violation, or a potential violation, of a law, a regulation, or our Code of Ethics and Conduct.

ACTIVITY METRICS

FN – AC – 000.A	(1) Total registered and (2) total unregistered assets under management (AUM) as of December 31, 2021

Total Registered AUM[26]:	**USD 1,454.008 Billion**
Total Unregistered AUM[27]:	**USD 233.901 Billion**
Total AUM[28]:	**USD 1,687.909 Billion**

[26] Registered AUM is defined in the SASB Asset Management & Custody Activities Standard. For our purposes, registered AUM includes a variety of pooled investment funds, including U.S. common trust funds, Luxembourg SICAVs and FCPs, non-U.S. unit investment trusts, other non-U.S. subadvised funds as well as U.S. mutual funds, variable insurance product funds, Canadian pooled funds, and UK open-ended investment companies.

[27] Total unregistered AUM is total AUM minus total registered AUM. This includes AUM of accounts classified as separate accounts, distribution management services, and alternative investment funds. Some of these accounts may be subject to regulations of the Investment Company Act of 1940, managed under the Employee Retirement Income Security Act of 1974, subject to non-U.S. regulations like UCITS or managed under the Commodity Futures Trading Commission regulations.

[28] The acquisition of Oak Hill Advisors (OHA), completed on December 29, 2021, included USD 46.9 billion of fee-basis AUM, which are reflected in the firm's AUM at December 31, 2021. We have renamed this metric to Total AUM from total assets under custody and supervisions because assets under management is a more relevant activity metric for asset managers.

To Find Out More

Additional information on T. Rowe Price's ESG-related programs and policies and our commitment to our clients, associates, and communities is available in the following sections on the T. Rowe Price corporate website.

Corporate Responsibility >

Leadership >

Diversity, Equity, and Inclusion >

Policies >

ESG Investment Approach >

Memberships and Associations >

Final Verification Statement

Cventure LLC | May 4, 2022

REPORTING ENTITY: T. Rowe Price	**CONTACT:** William Sell	**LEAD VERIFIER:** Kevin L. Johnson, Cventure LLC	Kevin L. Johnson

Emissions Inventory:

Global, corporate-wide FY2021 (January 1, 2021 – December 31, 2021) GHG emissions inventory: Scope 1 direct emissions from fuel combustion, mobile sources, and refrigerant losses; Scope 2 emissions from imported electricity and steam; and Scope 3 emissions associated with employee business travel and waste. Boundaries include owned/leased facilities over which T. Rowe Price maintains operational control. CO_2, CH_4, and N_2O direct combustion, electricity consumption, and mobile source combustion emissions, and HFC refrigerant gas and waste CO2 equivalent emissions, were all calculated; T. Rowe Price has no SF_6, PFC, or NF_3 emissions.

Greenhouse Gas Management Plan:

T. Rowe Price 2021 GHG emissions inventory and methodology were developed by ICF, according to ICF's 2021 Corporate GHG Inventory excel workbook tool. Raw data collection activities for boundary determinations and GHG emissions sources' characteristic and activity data were performed by T. Rowe Price and Jones Lang LaSalle. T. Rowe Price's GHG inventory was developed according to generally accepted GHG accounting standards: The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, Revised Edition, WRI/WBCSD, March 2004.

Verification Approach:

Tier II of the ERT Standard: "Corporate GHG Verification Guideline" by ERT, a CDP-approved verification standard. Tier II-level verification is appropriate for basic reporting purposes including stakeholder and other external communications, and voluntary efforts for which there are no imminent requirements for GHG emissions compliance. This verification effort covered T. Rowe Price's FY2021 GHG emissions inventory. Cventure was not directly involved in the FY2021 GHG emissions inventory's data collection, management, or reporting; nor associated emissions calculations or estimates, and any subsequent assertions made by T. Rowe Price. Cventure has not provided any services to T. Rowe Price which could compromise Cventure's independence as a 3rd party verifier. Cventure disclaims any liability for any decision made by third parties based on this verification statement. Cventure's conclusion is based on the findings described below.

The Tier II review was designed to provide a limited level of assurance that the GHG emissions assertion is materially correct. Reviews of methodologies, calculations, and data management processes used in T. Rowe Price's GHG inventory were conducted. All T. Rowe Price facilities and GHG emissions Scopes reported within the operational boundary determination were subject to the verification process. Twelve (12) facilities were selected for detailed reviews and data sampling, representing over 90% of T. Rowe Price's total building-related GHG emissions, with purchased electricity and natural gas monthly billing records being examined for each of them. Root audit data records were also reviewed for travel agent-booked employee business air travel, and for waste management vendors. Error checking tests were performed on the data to assess the information collected, including missing data, limits and reasonableness, units of measure (UOM), and select re-computation crosschecks. No material errors or omissions were identified by Cventure during this verification project. Several minor, immaterial discrepancies between root data documentation and the GHG inventory report were identified; these were corrected by T. Rowe Price/ICF at that time. Boundary checks included a review of the 2021 lease management reports. Emissions aggregation and select inventory spreadsheet calculation checks were also made, and compared against inventory reported data. No material errors or discrepancies were found in those types of verification review checks. We believe that our work provides a sound basis for our verification conclusion.

Conclusion:

This effort included sampling and testing of GHG emissions data and underlying root data and information, resulting in a limited level of assurance. Based on its verification review of T. Rowe Price's FY2021 GHG emissions inventory, Cventure has found no evidence that T. Rowe Price's GHG assertion is not presented fairly and accurately. Cventure found that the GHG inventory emissions estimates conform to generally accepted GHG accounting standards, and are generally consistent with the WRI/WBCSD GHG accounting and reporting protocol. GHG emissions estimates were calculated in a consistent, transparent manner, and found to be a fair and accurate representation of T. Rowe Price's actual conditions, and to be free from material misstatements or omissions. Cventure verified a total of 20,232 metric tons of CO_2 equivalent emissions (877 Scope 1, 18,887 Scope 2, and 468 Scope 3), with a limited level of assurance.

IMPORTANT INFORMATION

This material is provided for informational purposes only and is not intended to be investment advice or a recommendation to take any particular investment action.