T. Rowe Price U.S. Large-Cap Core Growth Equity Non-Reg. Pool – ESG Report

Providing transparency on Environment, Social and Governance aspects of the fund

As of 30 June 2022

ESG INTEGRATION APPROACH

- The US Large Cap Core Growth Equity Non-Reg Pool uses ESG integration as part of its investment process. This means incorporating environmental, social and governance factors to enhance investment decisions. Our philosophy is that ESG factors are a component of the investment decision—meaning that they are not the sole driver of an investment decision, nor are they considered separately from more traditional analysis.

- The process of ESG integration takes place on two levels: first, with our research analysts as they incorporate environmental, social, and governance factors into company valuations and ratings; and, second, with the portfolio manager as he balances these ESG factor exposures at the portfolio level. Both the analysts and portfolio manager are able to leverage dedicated, in-house resources to assist them in analyzing ESG criteria.

- Our ESG specialist teams provide investment research on ESG issues at the company level and on thematic topics. Additionally, they have built tools to help pro-actively and systematically analyze the environmental, social and governance factors that could impact our investments. The foundation of the analysis is a proprietary flagging tool called the Responsible Investing Indicator Model (RIIM). It covers approximately 15,000 securities and pulls from data sets that are not in the wheelhouse of traditional financial analysis. These data sets include:
  - ESG performance data (i.e. number of accidents, carbon emissions, strength of whistle-blower programs);
  - ESG targets (i.e. plans to reduce carbon emissions, increase diversity, etc.)
  - ESG incidents and controversies (i.e. environmental fines paid, local community controversies/protests against a company, etc.)

- The portfolio is constructed on the basis of identifying high-quality large-cap growth companies that we believe can generate durable earnings and free cash flow growth that drive investment returns over time. As such, our primary emphasis is on company fundamentals, which include the consideration of environmental, social, and governance factors. We also screen the portfolio using T. Rowe Price's proprietary RIIM analysis at regular intervals. This helps us understand the ESG characteristics of the portfolio and makes us aware of any elevated exposures to specific ESG factors. This analysis is a valuable input to the portfolio construction process.

RECENT COMPANY ENGAGEMENTS

We maintain a regular dialogue with the management teams of companies represented across the portfolio. Our investment-driven engagement program frequently identifies targets through our proprietary RIIM analysis, governance screening and analysts' fundamental research. While we engage with companies in a variety of different contexts, ESG engagement focuses on learning about, influencing or exchanging perspectives on the environmental practices, corporate governance or social issues affecting their business.

While most of the meetings we hold with company managements will include some discussion of ESG topics, we differentiate meetings held with a heavy focus on ESG, meaning ESG issues were the sole items on the agenda or made up a meaningful part of the meeting. Agenda items are classified as "meaningful" when they take up a significant portion of the meeting or are a significant factor in the investment case.

The following are selected examples of recent engagements with companies held in or considered for the portfolio. The examples are not meant to be representative of every engagement held, but to illustrate the types of ESG engagements we are having with the managements of our investment companies.

Spotify (2nd Quarter 2022 Engagement)

Focus	Social, Governance
Company Description	Spotify, a leading streaming audio service.
Engagement Objective	We engaged with the company on its content moderation and talent retention efforts.
Participants	From Spotify: Head, Investor Relations; Head, Trust and Safety; Manager, Global Sustainability From T. Rowe Price: Equity Portfolio Managers (3); Investment Analyst; Responsible Investing Analyst
	The purpose of our engagement with Spotify was to discuss content moderation transparency, company culture, and talent attraction and retention. We view content moderation as a complex issue and wanted to understand how the company is managing it. Our concern is that being behind the curve on content moderation transparency could lead to reputational damage and potential challenges in talent development. (For background, Spotify and other content platforms enjoy First Amendment rights, and the company is not bound by legal precedent to moderate content. While there is proposed legislation that addresses content moderation (i.e., the Platform Accountability and Consumer Transparency Act), it is not expected to pass anytime soon given that content moderation is an area where both political parties disagree.) Regarding transparency of content moderation, Spotify lags Meta, Alphabet, and Twitter, which have set the standard on disclosing statistics on content removal by cause, requester type, and geography. By contrast, Spotify has disclosed its platform rules but does not provide transparency on the content it removes from the platform. From an ESG perspective, the key risk regarding content moderation (or lack thereof) is the reputational damage and its impact on the company's ability to attract talent. Despite being behind the curve on content moderation, Spotify has built a diverse team to promote safety on the platform. The company plans to launch a Safety Advisory Council to facilitate collaboration among people specializing in online harm, hate speech, inclusion and self-expression. It invests in internal training on the impact of its enforcement actions, and the Trust and Safety team studies trends on other platforms and helps Spotify prepare for them as they appear in podcasts. However, Spotify needs to build its teams and content moderation tools to scale. Management said it will likely be another two quarters before it can release a timeline to publish a transparency report. On the talent acquisition and retention front, Spotify has taken steps to build consensus across a workforce that is more activist in nature. The company is working on internal training on bias and other topics, but we were not able to ascertain the depth or rigor of the program. Spotify holds "listening tours" with employees and creator talent, in which the Trust and Safety team explains why it has removed or kept certain content. However, the frequency of the meetings with employee groups is low. In terms of recruitment, Spotify's position as the leading audio platform assures a long line of job applicants. But high attrition is a risk to developing quality talent and building out content moderation capabilities. The engagement informed our understanding of Spotify's approach to content moderation. We requested that the company provide a timeline of when it can create tools to moderate content at scale and publish transparency reports.

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund, and no assumption should be made that the securities identified and discussed were or will be profitable. T. Rowe Price may have ongoing business and/or client relationships with the companies mentioned in this report.

Stryker (2nd Quarter 2022 Engagement)

Focus	Environment, Social, Governance
Company Description	Stryker is a U.S. medical device manufacturer.
Engagement Objective	We met with Stryker for a broad discussion on ESG issues with a focus on disclosure of patient lives impacted.
Participants	From Stryker: Vice President, Investor Relations, Director of Corporate Responsibility From T. Rowe Price: Investment Analyst, Responsible Investing Analyst
Engagement Outcome	The purpose of our engagement with Stryker was threefold. We sought to understand the company's new disclosure of patient lives impacted; request annual disclosure of this data in greater detail; and impart our view on other areas of the company's ESG strategy. In its 2021 ESG reporting, Stryker disclosed that it impacted more than 100 million patients a year, a figure based on capital, implant, and disposable products used on all patients. The company said it tried to be as rigorous as possible in arriving at this figure and based it on assumptions to reduce redundancies. However, the 100 million figure was based on 2019 data. We asked that Stryker disclose this metric annually. Going forward, we requested additional divisional level granularity in future reporting, though the company expressed reservations about getting overly caught up in patient numbers. We also asked Stryker to include more case studies from clinical studies showing the impact of its products. In 2021, Stryker introduced a new corporate responsibility strategy based on three pillars (stronger people, healthier planet, and good business). The company said it planned to add new targets over time when we asked if management planned to set quantitative goals associated with the strategy. Stryker has historically scored weaker against its peers in product quality due to past recalls. However, quality is a key focus within the good business pillar, and the company has disclosed increasingly detailed information (e.g., ISO standards) in its ESG reporting. Stryker continues to work toward measuring scope 3 emissions[1] and acknowledged the need to set science-based targets across its value chain. The engagement allowed us to impart our views on best practices on impact measurement and to request additional ESG disclosures. The meeting also informed our understanding of Stryker's approach to product quality, emissions, and other topics. Over the next year, we will monitor for annual disclosure of the patients-impacted metric and greater granularity of the components of the total; the inclusion of clinical study examples, and scope 3 disclosure.

[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).

The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund, and no assumption should be made that the securities identified and discussed were or will be profitable. T. Rowe Price may have ongoing business and/or client relationships with the companies mentioned in this report.

IMPORTANT INFORMATION

This material is being furnished for general informational and/or marketing purposes only. The material does not constitute or undertake to give any advice of any nature, including fiduciary investment advice, nor is it intended to serve as the primary basis for an investment decision. Prospective investors are recommended to seek independent legal, financial and tax advice before making any investment decision. T. Rowe Price group of companies including T. Rowe Price Associates, Inc. and/or its affiliates receive revenue from T. Rowe Price investment products and services. **Past performance is not a reliable indicator of future performance.** The value of an investment and any income from it can go down as well as up. Investors may get back less than the amount invested.

The material does not constitute a distribution, an offer, an invitation, a personal or general recommendation or solicitation to sell or buy any securities in any jurisdiction or to conduct any particular investment activity. The material has not been reviewed by any regulatory authority in any jurisdiction.

Information and opinions presented have been obtained or derived from sources believed to be reliable and current; however, we cannot guarantee the sources' accuracy or completeness. There is no guarantee that any forecasts made will come to pass. The views contained herein are as of the date noted on the material and are subject to change without notice; these views may differ from those of other T. Rowe Price group companies and/or associates. Under no circumstances should the material, in whole or in part, be copied or redistributed without consent from T. Rowe Price.

The material is not intended for use by persons in jurisdictions which prohibit or restrict the distribution of the material and in certain countries the material is provided upon specific request.

It is not intended for distribution to retail investors in any jurisdiction.

The Fund is an open-end unit trust under the laws of the Province of Ontario pursuant to a trust agreement between CIBC Mellon Trust Company (the "Trustee") and T. Rowe Price (Canada), Inc. (the "Manager"). The Fund is offered on the basis of the offering memorandum and is available only to Accredited Investors as defined under National Instrument 45-106.

Canada- Issued in Canada by T. Rowe Price (Canada), Inc. T Rowe Price (Canada), Inc's investment management services are only available to Accredited Investors as defined under National Instrument 45-10. T. Rowe Price (Canada), Inc. enters into written delegation agreements with affiliates to provide investment management services.

202006-1214597

202204-2157514

202207-2290323