

Letter From THE CEO



Our commitment to clients is unwavering, and so is our desire to bring about positive change in our communities. On behalf of our nearly 6,900 associates worldwide, I am proud and excited to share with you the results of our Corporate Social Responsibility (CSR) program. Through this report, I hope you'll see that our CSR program reflects our values and is woven into our culture. In other words, CSR is not just an extension of our core business, but rather an integral part of the firm's ethos.

Over the past two years, as president and CEO, I have been inspired by our associates' long-term commitment to giving back to our communities. It speaks volumes about who we are and what we stand for. Our investment in responsible business practices benefits from the same discipline we bring to investing on behalf of clients. For example:

- Our commitment to attracting and retaining a diverse workforce and empowering an inclusive culture is yielding results. We have seen an increase in diverse leadership at the firm as a result of our efforts to ensure that at least 30% of interviewees for senior roles are diverse.
- The T. Rowe Price Foundation concluded a yearlong listening tour to understand the greatest needs of our hometown community of Baltimore. As a result, the Foundation is making a \$1.3 million grant over three years to strengthen West Baltimore and hosted a capacity building workshop series for nonprofits. This series was attended by 665 participants from more than 170 organizations in the past two years. It is just one example of how we worked to strengthen the nonprofits that support the community.
- Continuing our founder's mission to educate investors, we remain committed to helping children build financial capabilities. In 2016, we reached 1.4 million people through our Money Confident Kids® program. We launched a teacher edition of the Star Banks Adventure® game, a free app and online experience designed to teach kids financial concepts while having fun. The teacher edition of the award-winning game, which has been downloaded 423,000 times since it launched in 2015, was created to strengthen its ability to serve as a classroom tool for teachers.
- Our efforts to reduce our carbon footprint and find cost-effective methods to power our facilities led to the installation of 7,000 solar panels at our Owings Mills, Maryland, campus, and reduced our carbon

footprint by 3% in 2016. We expect continued progress in future years.

- We hired Maria Elena Drew to serve in the newly created role of director of research, responsible investing. Based in London, she and her team of analysts will partner with Donna Anderson, head of corporate governance, to further strengthen the firm's research on environmental, social, and governance (ESG) considerations, which play a growing role in our portfolio managers' investment decisions.

Thank you for your interest in learning more about our CSR initiatives and activities. We remain committed to investing responsibly and to giving back to our communities—and collectively we are making a real difference.

Sincerely,

A handwritten signature in black ink that reads "William J. Stromberg".

William J. Stromberg
President and Chief Executive Officer



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