



Investing for
ASSOCIATES

Cultivating the Best Talent for Our Clients

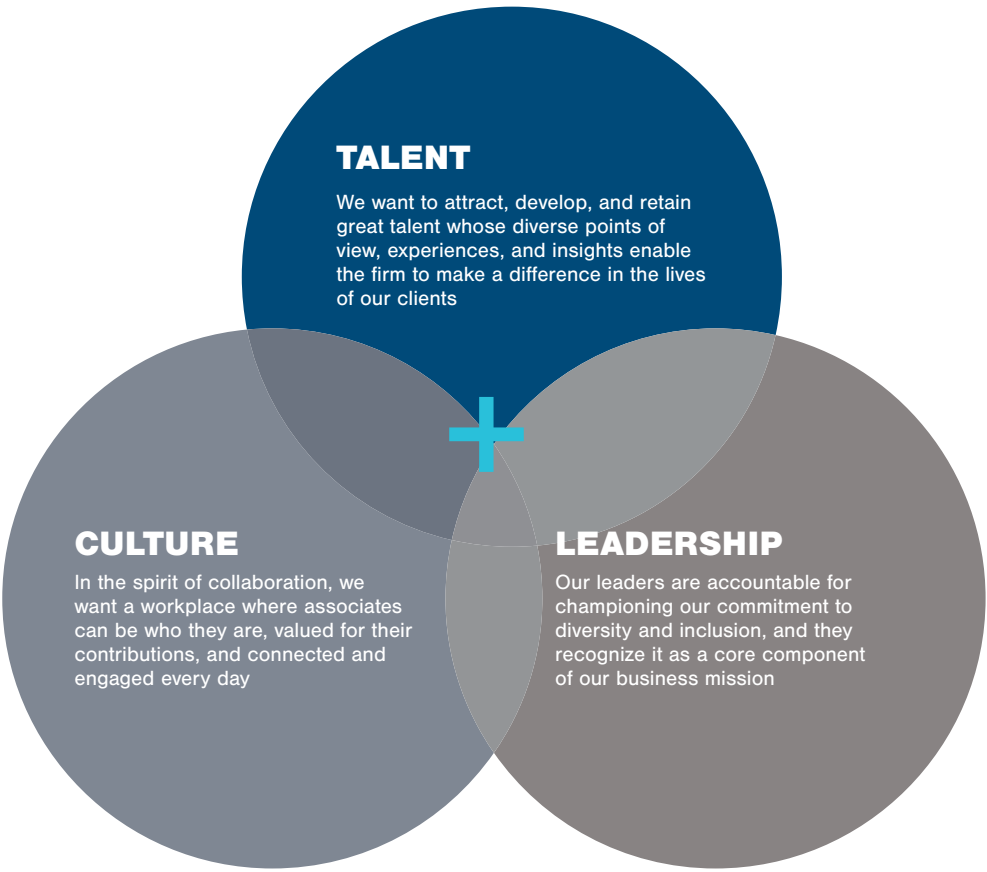
At T. Rowe Price, our people are our greatest asset; they are the building blocks of our success. Our nearly 6,900 associates work in 16 countries, and we are committed to empowering each of them to pursue professional and personal growth. We continually strive to create an environment that supports our associates’ aspirations, where associates can bring their full selves to work—their diverse perspectives, experiences, and passions—and come together to collaborate and contribute to the success of our clients, our firm, and our communities across the globe.

To further advance this vision, in 2014, we conducted an assessment to determine the greatest opportunities for advancing diversity and inclusion at T. Rowe Price. We gathered insights from more than 400 associates, line managers, and senior executives to assess the firm’s progress and identify gaps and measures of success. These insights informed the resulting five-year plan that directly ties into our broader business goals and focuses on three key diversity and inclusion objectives:

- > Holding leaders accountable for diverse talent results
- > Attracting, developing, and retaining exceptional and diverse talent
- > Building on our culture to foster inclusion and enable associates to contribute at their highest levels

We made significant progress in meeting these objectives and established initiatives that will ensure continued success in achieving our talent and business goals.

Our Diversity and Inclusion Objectives



T. ROWE PRICE CEO SIGNS DIVERSITY AND INCLUSION PLEDGE

In 2017, the firm joined more than 250 other companies and their CEOs in a commitment to advance diversity and inclusion in the workplace, through a pledge by President and CEO Bill Stromberg.

By joining the CEO Action for Diversity & Inclusion™ coalition of companies and organizations, T. Rowe Price is committing to three initial goals intended to catalyze further conversation and action around diversity and inclusion within the workplace and foster collaboration among the member organizations:

1. We will continue to make our workplaces trusting places to have complex—and sometimes difficult—conversations about diversity and inclusion.
2. We will expand the firm’s unconscious bias education.
3. We will share our successes as well as our challenges with others.

“Our commitment to diversity and inclusion goes hand in hand with our desire to attract and retain the best talent and provide the best solutions for our clients,” says Mr. Stromberg. “Fulfilling that commitment is a journey, however, not a destination. The CEO Action for Diversity & Inclusion pledge unifies major companies in their efforts to raise awareness on such an important issue and helps foster an environment of greater accountability.”

Strengthening Diversity and Inclusion in Leadership

We restructured our governance for diversity and inclusion to drive greater accountability across the business. We have identified leaders in each business unit to spearhead the execution of this plan and have already seen encouraging results across the firm, particularly at the manager and senior levels*, with 46% diverse senior level new hires.

To further ensure accountability and ongoing focus on these efforts, diversity is tracked and embedded into performance management and succession planning. Annual talent reviews and succession planning for the top three levels of the organization include diversity goals. Also, leadership holds quarterly talent reviews to monitor progress of succession and development actions related to diversity and inclusion.

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



Attracting and Developing Diverse Talent

We invest in attracting, retaining, and optimizing the capabilities of our talent—empowering them to work together in a highly collaborative environment to create value for our clients.

We make a consistent, firmwide effort to increase the diversity of candidates, particularly at the senior level. To enable this, we encourage people managers to seek diverse candidates and explore new recruitment channels and talent sources, so that at least 30% of our senior-level interviewees are diverse candidates. In 2016, we exceeded this goal, as 44% of candidates interviewed for senior-level roles were diverse. This led to an increase in female and minority leadership at T. Rowe Price. Of senior level new hires, 46% were diverse, with 32% female new hires and 23% minority new hires.

Diversity in Recruitment and Talent Sourcing

44%

diverse interviewees for senior-level roles

32%

female senior-level new hires

46%

diverse senior-level new hires

23%

minority senior-level new hires

Data represents the 2016 calendar year

PARTNERSHIPS

T. Rowe Price developed strong partnerships with numerous organizations to find and hire great talent. We are deepening our relationships with universities and other organizations committed to diversity to help open the doors to strong, diverse talent. Our partners include:

- > Catalyst
- > Diversity Best Practices
- > Girls Who Invest
- > Morgan State University
- > Out & Equal
- > Toigo Foundation
- > University of Maryland, Baltimore County
- > University of South Florida Muma College of Business

BENEFITS AND COMPENSATION

At T. Rowe Price, we offer a generous retirement savings plan. Associates are eligible for 401(k) contributions from the firm of 4.5%–10.5% of their eligible compensation, in addition to a company match of 2% for associates who contribute 4%. We also provide competitive benefits that reflect the diversity and unique needs of our associates throughout various stages of their careers and lives. For example, enhanced maternity and parental leave benefits will be rolled out in 2018 and will offer mothers 10 weeks of maternity leave, in addition to the 6 weeks of paid leave that all new parents receive, mothers and fathers alike. Adoptive parents are eligible for 16 weeks of paid leave, in addition to adoption assistance. Health care benefits for LGBT+ and domestic partners are provided. Since 2013, we have offered our associates backup child care and elder care in the U.S., the UK, and Canada after learning that these are two areas in which associates need further support. We also support associates' healthy lifestyles by reimbursing them for their fitness club memberships up to specified limits, offering webinars on healthy living, and providing comprehensive health and dental insurance.

GROWTH AND DEVELOPMENT

Once associates have been hired, we strive to provide the opportunities they need to grow their careers, starting with ensuring that their voices are heard and respected. In 2016, we launched a Leadership Forum to raise awareness of the significance of diversity and inclusion, and drive manager engagement around our efforts.



Fostering a Culture of Collaboration and Inclusion

At T. Rowe Price, our culture is our differentiator. Our goal is to create an inclusive culture and environment in which associates are engaged, connected, and compassionate, bringing their whole selves to work every day, and fostering a high-performing workplace that builds on our diverse perspectives and experiences to create the best value for our clients.

“The fireside chat with our CEO on race in the U.S. following the unrest in Baltimore was among the most valuable conversations I’ve had during my 18 years at T. Rowe Price. By bringing together African American associates from across the firm, our leadership expressed genuine interest in our experiences and gave us a voice and a seat at the table. I feel proud to work for a company that is this dedicated to fostering an inclusive workplace environment.”



PETER J. GRIFFIN III
Assistant Vice President in
Consultant Relations,
T. Rowe Price

Diversity by the Numbers

45%
Female associates

26%
Minority associates
in the U.S. workforce

46%
Board diversity

31%
Female

23%
Minority



Helping Our Associates Reach Their Full Potential

Our business resource groups strengthen and broaden our culture of inclusion. Insights gleaned from these groups have helped build our brand in diverse communities and have contributed to our existing recruitment and talent acquisition strategies. Associates who participate in these groups build their networks, develop their careers, and provide important perspectives that help shape our company.



PRIDE

We launched PRIDE to serve as a resource for LGBT+ associates and allies across the globe and to provide business insights for the firm. Over the last two years, PRIDE:

- > Formed to ensure that all lesbian, gay, bisexual, and transgender associates are comfortable bringing their full selves to work each day.
- > Launched the PRIDE Ally program—a network of volunteer leaders and coworkers who self-identify as allies.
- > Introduced PRIDE for Leaders and Ally training programs to continue to foster an inclusive environment for LGBT+ associates.
- > Established a relationship with Stonewall in the UK to extend support of LGBT+ associates and the community.



WAVE

Since its inception in 2011, the Women’s Roundtable provided a solid foundation for female and male leaders to work together toward gender equality in the workplace by providing career development opportunities and sharing insights on gender-related topics. It served as a platform for leaders to support the firm by increasing its ability to attract, develop, advance, and retain talented and principled women. Examples of the Women’s Roundtable results include our parental leave policies in the U.S., backup care options for associates in the UK, and new approaches to collecting and sharing data on the firm’s gender diversity levels.

While the Women’s Roundtable has seen tremendous success, it became clear that to further its role as an advocate for women, the group needed to consider the perspective and views of all T. Rowe Price associates, regardless of where they are in their careers. In 2017, the Women’s Roundtable officially transitioned into WAVE, a business resource group that extended its membership to all associates. Within just a couple weeks of its launch, WAVE membership quickly grew to over 1,000 associates.

WAVE works to:

- > Create and manage targeted development programs to support women’s advancement.
- > Encourage an open, inclusive culture through firmwide engagement and education.
- > Influence policies and practices to ensure equity for women at the firm.
- > Manage a global communications platform to engage associates firmwide.
- > Consistently gain insight to ensure relevance of firmwide programs and activities.



MOSAIC

In 2012, the Ethnic Diversity Roundtable was established to provide insights on how to attract and retain diverse talent while helping the firm understand issues related to race and ethnicity and build an inclusive culture. The Ethnic Diversity Roundtable strengthened the firm’s diversity and inclusion efforts by supporting M.B.A. and undergraduate recruiting in the Investment division, hosting a fireside chat with the firm’s CEO to discuss race, and developing a process to identify diverse suppliers.

To further the group’s work, it was time for a change—one that would facilitate a new structure and engage all associates in the effort.

In 2017, the Ethnic Diversity Roundtable changed its name to MOSAIC and transitioned to a business resource group, offering opportunities for all associates to get involved.

MOSAIC seeks to:

- > Strengthen the firm’s competitive advantage by attracting and retaining ethnically diverse associates.
- > Promote an inclusive culture that values differences.
- > Develop talent and business practices in support of the firm’s diversity and inclusion strategy.

Supporting Our Associates' Passions

Our associates are at their best when they are engaged and provided with opportunities to succeed and thrive both professionally and personally.

To help ensure our associates are positioned for success, we assess our firm's strengths and development opportunities in leadership, management execution, innovation, and associate engagement through our Associate Engagement Survey. The results of our 2016 survey confirmed that T. Rowe Price is a great place to work and grow. Due in part to strong and encouraging leadership and shared values, T. Rowe Price has a highly motivated workforce who are invested in the company. The survey found that 84% of T. Rowe Price associates feel engaged (up from 77% in 2014), compared with 33% of U.S. employees nationwide according to Gallup's U.S. Employee Engagement Report. Additionally, 84% of associates want to work for T. Rowe Price because of the firm's culture and work environment (up from 73% in 2014). Overall, most associates are proud and motivated to work for T. Rowe Price and believe they have the opportunity to do challenging and interesting work that makes good use of their skills.

Associate Impact in 2016

- **\$7.7M** through workplace giving
- **46,000** volunteer hours
- **313** associates served on **373** nonprofit Boards

Results From Our Associate Engagement Survey

91%

feel T. Rowe Price offers associates the flexibility to participate in activities that will benefit the communities in which it operates.

81%

find it important that T. Rowe Price offers volunteer opportunities and matches charitable contributions.

T. Rowe Price invests in associates' passions and provides numerous opportunities for engaging in the causes they care about. We amplify the impact of our associates' financial support through our Global Matching Gift Program, reward their donated time through volunteer service grants, provide paid volunteer workdays, sponsor their favorite nonprofits' events and initiatives, and enable them to share their expertise with organizations through Board service and pro bono volunteering.



Awards + Rankings

- > Perfect 100 score on the Human Rights Campaign's 2018 and 2017 Corporate Equality Indices
- > America's 50 Most Trustworthy Financial Companies 2017 and 2016 *Forbes*
- > America's Best Midsize Employers 2017 *Forbes*
- > 2017 and 2016 *Fortune's* Most Admired Companies. Ranked first place in Social Responsibility and Financial Soundness categories in Securities and Asset Management Industry of *Fortune's* 2017 Most Admired Companies
- > 2017 Best Places to Work in Money Management *Pensions & Investments*
- > *CollegeGrad.com* 2017 Top Intern Employer
- > 2016 Top Companies for Women Technologists, Anita Borg Institute Leadership Index



Associate Spotlight: ROLF HANS ELSENER

Client Relationship Manager, T. Rowe Price

Fostering Inclusion Through PRIDE @ T. Rowe Price

Rolf Hans Elsener, a client relationship manager in T. Rowe Price's Zurich office and financial industry veteran of more than 30 years, has witnessed an evolution of support for the LGBT+ community. He feels the launch of PRIDE @ T. Rowe Price and the PRIDE Ally program signifies an important commitment by the company to inclusion and proof that our culture embraces differences and enables associates to bring their true selves to work. "I have been out at work for the past 15 years. Working for a company that supports the LGBT+ community makes me proud. By openly embracing and talking about diversity, T. Rowe Price demonstrates their commitment to associates and creating an inclusive environment where they can bring their 'true self' to work."

Collaboration and Strong Relationships Are Key to Our Colorado Springs Associates



Q&A With Jacob Pruitt
Head of Relationship Management
and Site Leader, Colorado Springs,
T. Rowe Price

As a site leader, how do you engage associates in the Colorado Springs office?

We rally around our associates and make sure they have opportunities to develop the skills and experiences they need to grow. As a site leader, my goal is to help associates gain these experiences not only from a work perspective, but also from extracurricular activities, such as volunteering. A great sense of pride is instilled by volunteering in our local community. The local Colorado Springs team helps connect associates with local partners and volunteer opportunities so they can get involved in causes they are passionate about.

How would you describe T. Rowe Price’s culture?

We are collaborative, relationship-oriented, and focused on facilitating a supportive environment for associate growth. Collaborative because we gather insights and opinions across teams to determine the best approach.

Everyone feels like they are part of the decision, leading to great service and exceptional presence in the marketplace. Relationship-oriented because we are each truly dedicated to understanding the unique needs and perspectives of every client and associate by developing strong relationships with them. Supportive of associate growth because we consistently strive to help our associates develop themselves personally and professionally.

How do associates apply T. Rowe Price’s culture to client services?

Our relationship-driven culture permeates our approach with clients. We have many longstanding relationships (several are 30-year relationships), and similar to how we work with one another, we are also deeply focused on understanding our clients’ needs and aspirations, in order to provide the best counsel. We strive to be true client partners in the same collaborative, relationship-based way that we work with one another internally.

ENGAGING WITH CIVIC LEADERS ON LOCAL AND GLOBAL CHALLENGES

To raise awareness among associates about global and local issues, the T. Rowe Price Foundation sponsored a lunch series. In each session, keynote speakers shared their perspectives with associates on separate issues, challenges, and innovations. Topics and speakers included:

- > Charitable Giving in Our Changing Global Environment—Anthony Pipa, senior fellow at the Brookings Institution, and Mona Mourshed, senior partner at McKinsey & Company and president of Generation
- > Generational Differences in Charitable Giving—Marc Freedman, founder and CEO of Encore.org, and Derrick Feldmann, CEO of Achieve, Inc.
- > Baltimore’s Historical Past and Statistical Present—Dr. Elizabeth Nix of the University of Baltimore, and Dr. Seema Iyer of the Baltimore Neighborhood Indicators Alliance
- > Cutting-Edge Ideas to Improve the City—Dr. Sarah Hemminger of Thread; Fagan Harris, CEO and cofounder of Baltimore Corps; and Joe Jones, CEO of the Center for Urban Families
- > The City Government’s Role in Our Communities—Dr. Leana Wen, Baltimore City health commissioner, and Dr. Sonja Santelises, CEO of Baltimore Public Schools

In a post-event survey, the sessions received positive feedback from associates, some of who noted, “[It] gave me a good foundational knowledge on thoughtful, high-impact giving,” and “The speakers were highly interesting... I could have listened to them a lot longer.”



Pedal to Paris 2016

In 2016, 24 T. Rowe Price associates from Europe and the U.S. joined 350 other cyclists for the 21st annual Pedal to Paris charity ride from London to Paris, raising more than £50,000 (USD \$65,000) for the Royal British Legion. Including a corporate sponsorship and additional gift matching, The Royal British Legion, which recognized T. Rowe Price for being the charity’s single largest fundraiser in 2016, provides lifelong support for the armed forces community, serving men, women, veterans, and their families.



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