



# Better **TOGETHER.**

DIVERSITY & INCLUSION REPORT



**OUR DIFFERENCES** empower  
us to discover new opportunities.



We're leveraging the  
**POWER OF DIVERSITY  
& INCLUSION** to create  
value for our clients.





**WILLIAM J. STROMBERG**  
*President and Chief Executive Officer, T. Rowe Price*



**DEANNA R. FIDLER**  
*Chief Human Resources Officer, T. Rowe Price*

T. Rowe Price has made a commitment to diversity and inclusion that is based on a long history of putting clients first. To provide our clients with the best solutions for their investment goals, we must have the best talent—individuals who possess a broad range of experiences, backgrounds, and skills that enable us to anticipate and meet our investors' needs. We must also create an inclusive culture that empowers associates to challenge the status quo and bring their best selves to work every day. Our diversity and inclusion strategy is built upon this foundation and remains a cornerstone for our ongoing efforts to leverage the breadth of our differences to distinguish ourselves in the eyes of our clients, our associates, and our stockholders.

In 2014, T. Rowe Price created a five-year Diversity and Inclusion Strategic Plan that focused on three key objectives:

1. Attracting, developing, and retaining great talent
2. Creating an inclusive culture where associates can contribute at their highest levels
3. Holding leaders accountable for results

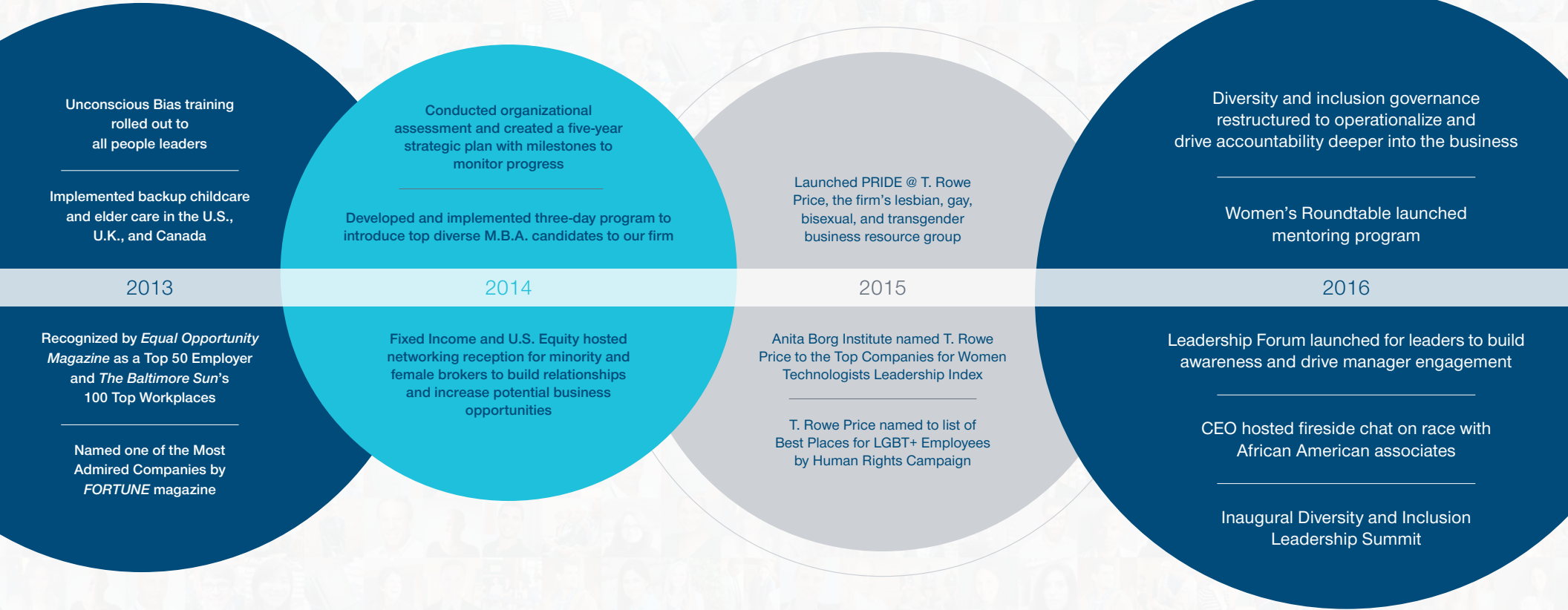
We have made progress toward these three objectives. Our efforts to ensure at least 30% of interviewees for senior-level roles are diverse have resulted in an increase in minority leadership in the firm. Our associate working groups have provided valuable insights into how best to move this work forward, while creating opportunities to engage and develop our associates; and diversity and inclusion goals are now linked to leadership performance. These efforts, along with many local and firmwide initiatives, signify our commitment to leveraging our varied thoughts and perspectives to better serve our clients.

As proud as we are of the progress we have made, we recognize that there is more work to be done. We will continue our focus on retaining great talent, ensuring that we are building a diverse leadership pipeline and building capabilities to uncover the blind spots that are barriers to full inclusion. Meanwhile, we remain steadfast in challenging ourselves to continue pushing boundaries for the good of our clients, associates, stockholders, and the communities we serve.

# DIVERSITY & INCLUSION

We are continually and purposefully creating an environment that encourages and nurtures a spirit of respect.





Unconscious Bias training rolled out to all people leaders

Implemented backup childcare and elder care in the U.S., U.K., and Canada

2013

Recognized by *Equal Opportunity Magazine* as a Top 50 Employer and *The Baltimore Sun's* 100 Top Workplaces

Named one of the Most Admired Companies by *FORTUNE* magazine

Conducted organizational assessment and created a five-year strategic plan with milestones to monitor progress

Developed and implemented three-day program to introduce top diverse M.B.A. candidates to our firm

2014

Fixed Income and U.S. Equity hosted networking reception for minority and female brokers to build relationships and increase potential business opportunities

Launched PRIDE @ T. Rowe Price, the firm's lesbian, gay, bisexual, and transgender business resource group

2015

Anita Borg Institute named T. Rowe Price to the Top Companies for Women Technologists Leadership Index

T. Rowe Price named to list of Best Places for LGBT+ Employees by Human Rights Campaign

Diversity and inclusion governance restructured to operationalize and drive accountability deeper into the business

Women's Roundtable launched mentoring program

2016

Leadership Forum launched for leaders to build awareness and drive manager engagement

CEO hosted fireside chat on race with African American associates

Inaugural Diversity and Inclusion Leadership Summit

WORK/LIFE IN ACTION

## SELINA PATTYRANIE

Client Relationship Manager, London

A few years ago, I would not have imagined that I'd discuss my personal family circumstances with my seniors and that we'd talk about ways to make things work for me, my family, and the firm. It's good to be with a company that is setting an example and willing to explore ways to make rewarding careers available to women at every level of the organization and during every stage of family life.

### OUR COMMITMENT TO WORK/LIFE FLEXIBILITY

We are at our best when our associates are at their best. We strive to create the flexibility needed that allows our associates to pursue their passions while maintaining a healthy quality of life.

In all locations, T. Rowe Price complies with applicable laws regarding leave and benefits. We seek to provide leave and benefit programs that exceed legal requirements whenever possible. For example, in the U.S., new mothers are eligible for up to 12 weeks of paid leave, and new fathers are eligible for up to four weeks of paid leave. T. Rowe Price also provides additional amounts of unpaid parental leave.



# Our Differences Make Us **STRONGER**

## **OUR COMMITMENT:**

Through a strategy that is fully integrated with our firm objectives, we are invested 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.

## **OUR STRATEGY:**

In 2014, we conducted an assessment to determine our greatest opportunity areas 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 to identify gaps and measures of success. Those insights informed the five-year plan that focuses our diversity and inclusion efforts on three strategic areas: talent, culture, and leadership.



# TALENT

The diversity of our talent is one of our greatest differentiators: It enables us to leverage the widest range of perspectives, experiences, and backgrounds to the benefit of our clients.

Having great talent performing at their highest levels is a key factor to achieving our business goals. To remain competitive, we continue to challenge our thinking by being deliberate in our approach and willing to forge new pathways to improve our ability to develop and retain great people.



“By taking a longer-range and more strategic approach to talent acquisition, we’re better able to align our efforts to the firm’s business strategy. That means we’ll have the capabilities our clients need when clients need them. Collaborating with leaders at T. Rowe Price as we plan this strategy is helping us work more purposefully. It’s exciting and rewarding work. As it is integrated across the firm, we’re becoming more targeted around identifying, selecting, and developing top diverse talent, whether that talent is here today or entering our talent pipeline.”

— *Sonserae Toles, Head of Talent Management, Human Resources*

## Expanding Our Reach to Attract Early Career Professionals

Our partnerships with diverse organizations and relationships with core universities have introduced us to new pools of great talent, improving our ability to attract a diverse candidate pipeline. Our internship and fellowship programs not only expose candidates to a career in asset management, these students also get the opportunity to know our firm, our culture, and our people.

- The **Pre-M.B.A. Internship** is a three-week summer program for incoming diverse first-year M.B.A. students.
- **M.B.A. Day** brings diverse groups of candidates from across the country to our global headquarters in Baltimore to spend three days getting to know the people and culture of T. Rowe Price. This experience exposes them to the investment industry and career opportunities at the firm.
- The **Undergraduate Summer Intern Program** is designed to provide college students an opportunity to experience T. Rowe Price through meaningful assignments, engagement with associates, and immersion into the culture.



**The Stock Pitch Workshop for Women** encourages female students to pursue a career in investing. The program offers women opportunities to interact with our investment professionals, to learn effective stock pitch practices, and to increase their awareness of career paths at T. Rowe Price prior to entering the first year of their M.B.A. programs.

TALENT IN ACTION

## JASON POLUN

Director, Equity Research, North America

We can tell graduate students that we want them to succeed in their careers, but when they see our analysts here on a Saturday morning teaching them how to pitch a stock, they know our commitment is real. That's what 40 female M.B.A. students experienced last year. They spent two full days with our investment analysts, getting real-world insights on our industry. It's personally rewarding to bring top diverse talent into our firm and expose them to an industry that they might not have otherwise considered. Our Pre-M.B.A. Internship also allows diverse students to take a three-week dive into our business. They get to experience for themselves the T. Rowe Price culture — collaborative, respectful, challenging, and rewarding. Focusing on candidates' growth and development makes a strong impression; it's what sticks in their minds when making their career decisions. They have seen that we offered a valuable experience and a standard by which they can compare other companies. Our collective efforts are seeing results. We're landing top candidates because they've met and worked with our people. We can all take pride in that.



## Attracting and Developing Talent Is a Key Focus

We want great talent at all levels of the firm, and we want to ensure that our talent is diverse. As we build our capability to identify and develop future leaders, diversity is woven into each of our talent processes and monitored to track our progress.

## Building a Diverse Leadership Pipeline

Over the past two years, we have had a deliberate focus on increasing diversity in our leadership ranks. By expanding our networks and implementing processes that ensure diverse interview slates, we have made progress. In 2016, almost half of our new hires in leadership roles were minorities and/or women.

## Diversity Is Embedded in Our Talent Management Process

Diversity is tracked and embedded in succession and talent reviews with the most senior leadership and business unit leaders. Our rigor around diversity through the talent management process is emphasized by:

- Annual talent reviews and succession planning for the top three levels of the organization
- Quarterly talent reviews to monitor progress against succession and development actions
- Monthly talent dashboards to review key hiring opportunities, evaluate the onboarding process, and identify retention risks



# Building Strong **PARTNERSHIPS**

Great partners help open doors to great talent. Over the past several years, we've built strong partnerships with a variety of organizations, improving our ability to find and hire great talent. We are creating deeper relationships with organizations that are committed to diversity and inclusion.



# CULTURE

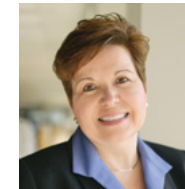
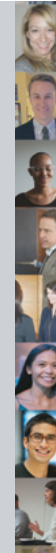
We believe that we have exceptional talent. Our goal is to create an inclusive environment where associates are connected and engaged, fostering a high-performing workplace where we put our clients first.

Our culture is a key differentiator for our firm. We want to create an environment that enables our employees to contribute at their highest levels every day.

74%

## D&I POSITIVITY SCORE

Diversity and inclusion trended positively in our 2016 Associate Satisfaction Survey, up three points from the previous year.



“My Ally Program card is prominently displayed on my desk. It means I’m a safe person for someone from the LGBT+ community to talk to. And more than that, it says that T. Rowe Price is a firm that respects every associate. The founder of our firm is noted for saying, ‘If you take care of your clients, your clients will take care of you.’ What better way to take care of our clients than to have an inclusive culture where we all feel free to bring our best selves to work each day?”

— **Joan Flister**, Assistant Corporate Secretary  
Owings Mills, MD



CULTURE IN ACTION

## JESSE TERPSTRA

Client Services Manager, Colorado Springs

There's a big difference between working for a company that has diversity and inclusion as a cultural value versus having a few supportive colleagues at work who know that you're from the LGBT+ community. PRIDE @ T. Rowe Price is a major indicator of the firm's support of LGBT+ associates and their families. Senior leaders attended launch meetings, sending the message that this was not merely a group getting together to network, but that they were making a commitment to valuing the contributions of all associates.

The firm's participation in PRIDE events globally lets candidates know we are a welcoming and safe environment.

The recent rollout of the Ally Program within the firm says we are respected here.

DEVELOPMENT IN ACTION

## JAVIER ALVAREZ

Supervisor, Special Correspondence Group, Tampa

Taking a leadership role with the Ethnic Diversity Roundtable in Tampa is one of my most rewarding experiences at T. Rowe Price. I'm developing leadership skills that help me in my current job function and prepare me for the future as well. Our team hosts events that broaden our understanding of diversity. We're gaining tools that are helping us move beyond biases so that we can work more collaboratively with every associate in the firm. We've invited leadership from Baltimore and Colorado Springs here to talk about their experiences and why diversity and inclusion as a core value is important for future success.

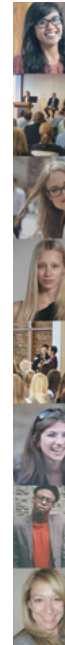
Their presence said that what we do to become a more inclusive environment is backed by the company; it's not just words.



# WORKING GROUPS Reinforce Our Culture of Engagement and Inclusion

Our working groups—the business resource groups and leadership roundtables—were established to identify issues and opportunities relating to talent, business practices, and culture. Since their inception, these groups have focused on programs that foster a sense of community and connection among associates and the firm. Their insights have helped build our brand in diverse communities and have contributed to our existing recruitment and talent acquisition processes.

The experience that our associates gain as members of our working groups goes beyond attending events. They get an opportunity to build networks, develop their careers, and provide perspectives that help the firm foster a diverse and inclusive workplace.



## Working groups help to promote diversity, inclusion, and engagement by:

- Giving insight and actively participating in the recruitment process
- Serving as a referral source for talent
- Building our brand in diverse communities
- Providing professional development opportunities for associates and the firm
- Fostering a sense of community, engagement, and connection among members and to the firm
- Partnering as resources for the firm to gain insights and build awareness that promotes inclusion and engagement
- Creating opportunities to develop professional skills through mentoring programs, PRIDE Ally training, and career development panels

# Helping Our Associates Reach Their **POTENTIAL**

2,500+

associates attended a professional development or networking event hosted by our working groups.

## Business Resource Groups



*Paul Zettl, Head of PRIDE @ T. Rowe Price*

### **PRIDE @ T. Rowe Price**

PRIDE @ T. Rowe Price seeks to increase engagement and promote education for associates and provide business insights to the firm. An associate-led network, it was formed to ensure that all lesbian, gay, bisexual, and transgender associates are comfortable bringing their full selves to work each day.

#### **ACCOMPLISHMENTS**

- Launched PRIDE @ T. Rowe Price to serve as a resource to LGBT+ associates and allies across the globe.
- Launched the PRIDE Ally program, which demonstrated the firm's ongoing commitment to diversity and inclusion by creating a network of volunteer leaders and coworkers who self-identify as allies.
- Identified commercial opportunities and launched campaigns to broaden and diversify T. Rowe Price's marketing base to include LGBT+ individuals and families.



*Donna Anderson, Chair of WAVE @ T. Rowe Price*

## **WAVE @ T. Rowe Price**

WAVE is composed of female leaders from across the firm who provide insights that help T. Rowe Price identify and understand gender-related issues and opportunities. Its speakers series, Diversity Dialogues, and mentoring program offer thought leadership that helps the firm evaluate policies and practices that will help all associates succeed.

### **ACCOMPLISHMENTS**

- Hosted three major leadership development speaker series events in Maryland, London, and Tampa, with approximately 500 women in attendance. These series provided an opportunity for female leaders and emerging talent to learn from well-known female executives and network with leaders across the firm.
- Hosted Diversity Dialogue modules to foster learning and development of mid-level female associates across the firm. Topics included influence, negotiation, networking, and executive presence.
- Launched biannual welcome events for new senior-level female hires to promote networking and retention of senior-level women across the firm.



*Stephon Jackson, Chair of MOSAIC @ T. Rowe Price*

## **MOSAIC @ T. Rowe Price**

MOSAIC brings T. Rowe Price valuable insights that represent the voices of our minority associates. It aims to foster inclusion so that all associates can flourish, adding value for our clients.

### **ACCOMPLISHMENTS**

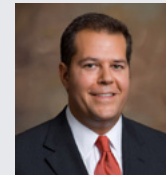
- Hosted community partner brown bag sessions to promote associate support and involvement with local organizations serving diverse communities. Also launched a corporate partnership with the Boys & Girls Club of Gilmore Homes in Baltimore.
- Supported M.B.A. and undergraduate recruiting in investments, resulting in 14 diverse hires out of a total of 23 hires.
- Hosted a fireside chat with the firm's president and chief executive officer and other executive leaders to discuss race and the impact of the national racial divide on associates' experiences.

# LEADERSHIP

Our leaders are **fully committed** to our diversity and inclusion mission, which is core to our values and key to achieving our business objectives.

## Leaders champion our commitment to diversity and inclusion through:

- Quarterly reviews with business line leaders
- The addition of diversity and inclusion goals into performance reviews
- Regular updates with the Management Committee to monitor progress against goals



“At every leadership level, T. Rowe Price is fully engaged with our firm’s commitment to diversity and inclusion. Our leaders initiate the dialogues around this core value, identify and develop diverse talent, build their competencies, and hold themselves accountable to modeling what it looks like for us to be an inclusive culture. Our diversity and inclusion strategy is integrated in every talent management process, and our leaders are successfully using that process. Together we’re acquiring the greater diversity of thought, capabilities, and backgrounds needed to serve our clients today and in the future.”

— *Tom Kazmierczak, Head of Diversity and Inclusion, Human Resources*

2017 Diversity & Inclusion data to be updated in 2018.



# Diversity & Inclusion

## MANAGEMENT STRUCTURE

### MANAGEMENT COMMITTEE

The Management Committee provides strategic direction and focus for our diversity and inclusion efforts. Its members ensure ownership and commitment among business leaders and report progress to the Board of Directors on our stated goals.

### HUMAN RESOURCES / DIVERSITY AND INCLUSION TEAM

Human Resources and the Diversity and Inclusion team enable successful execution of the firm's Diversity and Inclusion strategy by providing tools and resources, establishing metrics to monitor progress, and ensuring accountability.

### DIVERSITY AND INCLUSION OPERATING COUNCIL (DIOC)

The DIOC—which is made up of business leaders, Human Resources, and working group chairs—is responsible for the implementation of the firm's diversity and inclusion strategy, actions, and deliverables. Members also provide insights and recommendations to leadership.

### LEADERSHIP ROUNDTABLES AND BUSINESS RESOURCE GROUPS

These working groups help the firm understand issues and opportunities relating to attracting, retaining, and engaging diverse talent. The roundtables and business resource groups help to ensure that all associates feel comfortable, supported, and valued at work.

LEADERSHIP IN ACTION

## DAVID OESTREICHER

Chief Legal Counsel, Baltimore

A few years ago, I instituted informal meetings in the department where small groups, 8–12 people from every level, get together to share ideas and perspectives about what’s happening in their teams, the department, and the firm. The goal is to encourage honest dialogue—everyone is encouraged to raise their hands and speak their minds. Issues about diversity and inclusion are always part of the discussion. We’re making the topic mainstream and are becoming more comfortable talking about what are, for many, uncomfortable conversations about things like race and ethnicity, gender, and sexual orientation. A large part of what I see as my leadership role is cultivating an environment that invites, expects, and rewards the sharing of different perspectives. Showing a true willingness to listen to others is what helps people gain the courage to bring their ideas to the table and the confidence that they’ll be heard. That’s an environment people want to be part of and where everyone can thrive. The business case is that the mix of multiple points of view, the free flow of ideas, and different backgrounds and approaches bring about better results. That’s been my experience. Opportunities to be challenged by the diverse views on my team have broadened me as a person and given me better perspective as a leader. We all have to be careful about quieting voices that are not like our own.



# Our efforts to make T. Rowe Price a diverse and inclusive culture are **BEING RECOGNIZED.**



2017 Best Places to Work for LGBT Equality

—Human Rights Campaign Foundation



2016 America's 50 Most Trustworthy Financial Companies

—Forbes Magazine



2016 Top Companies for Women Technologists Leadership Index

—Anita Borg Institute



2017 World's Most Admired Companies

—FORTUNE Magazine



2015 Best Places to Work in Money Management

—Pensions & Investments



2015 20% Women on Boards Winning Company

We are proud of the progress  
we have made, and we  
**REMAIN STEADFAST**  
in challenging ourselves to  
continue pushing boundaries.



# T. Rowe Price®

INVEST WITH CONFIDENCE

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T. Rowe Price is an asset management firm focused on delivering global investment management excellence that investors can rely on—now and over the long term. Our 6,000+ associates, in 16 countries worldwide, have one purpose: to help our clients invest confidently to create secure financial futures. Our collaborative culture fosters and values diverse perspectives and solicits challenging opinions to make the best decisions for our clients.