



Engagement Policy Statement

Updated as of April 2026

This document reflects the Engagement Policy Statement of T. Rowe Price Associates, Inc. (TRPA), and its investment advisory affiliates, including T. Rowe Price Investment Management, Inc. (TRPIM), and T. Rowe Price (Luxembourg) Management S.à r.l., collectively referred to as “T. Rowe Price.”

TRPIM was established as a separately registered U.S. investment adviser, with a separate ESG team from TRPA. Decisions for TRPA and TRPIM ESG teams are made completely independently, but use a similar approach, framework, and philosophy.

Issuers may request meetings by emailing the appropriate adviser team:

- To arrange an engagement meeting for a holding disclosed by TRPA, please contact engagement@troweprice.com.
- To arrange a meeting for a holding disclosed by TRPIM, please contact engagement.trpim@troweprice.com.

Issuers should not feel obligated to initiate engagement with T. Rowe Price if they do not find it useful or if there are no particular areas of concern at the present time. There is no expectation on our part that outreach should be conducted on a particular frequency, such as annually. Communication with the managements of the companies in our clients' portfolios is a core component of our process as active managers; additional engagement on ESG matters is not necessary in every case.

Defining engagement

This policy statement covers interactions between T. Rowe Price and an issuer of corporate securities with the intent of learning about, or exchanging perspectives on the company's corporate governance, environmental practices or social issues affecting the business.

Generally, we have three possible objectives when initiating engagement:

- 1 to discuss a proxy voting issue;
- 2 to share our perspective with an issuer on a particular matter relating to corporate governance or sustainability; or
- 3 to request that the company address a specific issue.

Note: This policy statement is focused on engagements where we enter into a dialogue with an issuer of corporate securities in which our clients have an investment. Corporate securities include equity instruments, high yield, and investment-grade debt.

Stewardship philosophy

We approach stewardship through a fiduciary lens with the objective of supporting long-term value creation consistent with the mandates given to us by our clients. Engagement, proxy voting activities, and the assessment of a broad range of investment considerations – including governance and sustainability factors – are integrated into T. Rowe Price's investment processes, where they are financially material.

Our engagement program is conducted by our portfolio managers, industry-focused analysts, and in-house specialists in governance and sustainability, and leverages their expertise on specific companies, industries, or issues of an environmental, social, or governance nature. Our engagement approach is driven by investment issues such as:

- Who represents shareholders on a company's board? Is the board a strategic asset for the company? Are multiple perspectives represented?
- Which factors drive the executive compensation program and, therefore, the incentives of management?
- How robust are shareholders' rights and investor protection at the company?

- How well is the company managing environmental and social issues that may pose a financially material risk, such as human capital, facilities management, stakeholder relations, and long-term access to critical resources?
- Are there governance or sustainability risks that could negatively affect the interests of bondholders during the period before the instrument matures?

The central focus of our engagement program is at the company level. We believe this company-specific approach results in the highest impact because it is aligned with our core investment approach: active management rooted in fundamental investment analysis.

Because the assets of T. Rowe Price's clients are predominantly actively managed, in most cases we have the option not to purchase or to sell the security. When a company is exhibiting poor business practices around financially material governance or sustainability issues, our first step is often to assess whether we believe our engagement efforts will be successful. If we do not believe engagement will yield a positive outcome, we may choose not to purchase, or to underweight or sell the shares and/or bonds. Decisions on whether to initiate investment, reduce position sizes or divest are made by the portfolio manager based on the risk the issue poses to the investment thesis and the mandate of the strategy.

In the case of equity investments, we have an additional tool at our disposal – the proxy vote. We see proxy voting as a crucial link in the chain of stewardship responsibilities we execute on behalf of our clients. From our perspective, the vote represents both the privileges and the responsibilities that come with owning a company's equity instruments. We take our fiduciary responsibility to vote our clients' shares in a thoughtful, investment-centered way very seriously – taking into account both high-level principles of corporate governance and company-specific circumstances.

Most of our assets under management at T. Rowe Price have a sole mandate to deliver financial performance. For these portfolios, we integrate governance and sustainability considerations into our investment analysis with the aim of maximizing investment performance. Our objective for these assets is to engage and vote in support of what we believe to be the path most likely to foster long-term, sustainable financial success for the company and its investors.

Separately, some of our clients have goals that are not purely financial. As such, we offer a separate set of investment products that seek to invest in ways that align with our clients' values, promote environmental and social characteristics or the delivery of environmental and/or social objectives. In some instances, the portfolio managers of these select strategies may engage on different topics than our mainstream funds. Additionally, they may adhere to a separate proxy voting policy that reflects their dual mandate of financial and sustainable objectives. Information on the investment processes for these products can be found in their product specific disclosures.

Engagement in practice

At the base of our engagement program is an assessment of the securities held within our investment portfolios. This occurs through security analysis with engagement candidates identified through fundamental research, proprietary in-house ESG research tools such as our Responsible Investing Indicator Models (RIIM) and through portfolio reviews. This bottom-up approach is the predominant driver of our engagement program as we believe it helps identify the financially material governance and sustainability issues most relevant to our investment portfolios.

Our engagement program takes place across multiple formats, including private meetings with issuers in our offices, site visits, video conference calls, and formal letters to Boards of Directors. Additionally, in some instances, we conduct meetings alongside or in conjunction with other investors.

Our focus during engagements is to share our perspectives as experienced active investors because we believe these will prove helpful to the company in dealing with a specific governance or sustainability concern. We also provide views on what we see across our investment universe as best practices or emerging practices to consider. Our engagement process is to identify financially material governance and sustainability concerns, share our views on why they could be problematic to the investment case, and discuss ways the company could address them. We believe it is the role of the management team and Board of Directors to determine and approve corporate strategy, and they should be best positioned to decide on the right solution for their company. We would also note that, as outside investors, we do not have access to the same level of information as the management team and Board of Directors.

Over the course of our investment, we have a responsibility to our clients to carefully monitor an issuer's performance and strategy, and to exercise our voting rights in a thoughtful manner. Engagement on financially material governance and sustainability matters is an important element of how we carry out that responsibility. In this respect, we aim to be viewed by the company as an active and constructive partner in its success.

Types of Engagements

Engagements can serve a variety of purposes, which tend to fall into four broad categories: governance and/or sustainability focused dialogues, company-specific issue or controversy-led engagements, thematic engagements, and pre-annual shareholder meeting engagements.

— Governance & sustainability dialogues

Many of our engagements take the form of a constructive dialogue on governance and/or sustainability topics. These meetings allow us to provide our view on best practices and provide feedback on specific governance and sustainability topics. Typically, in these meetings, we cover all the governance or sustainability topics where we have concerns and may encourage the company to adopt specific measures – e.g. changes to the executive compensation framework, reporting of sustainability data to enable an adequate assessment of the company's climate risks, etc.

Many of these governance and sustainability dialogues occur at a regular cadence (i.e. annually or bi-annually). These regular dialogues allow T. Rowe Price and the company to have a free-flowing discussion where both parties are able to share their perspectives on a particular governance or sustainability topic as well as any other relevant information.

— **Company-specific issue or controversy-led engagements**

When a company has been involved in a significant controversy or business practice related to governance or sustainability issues that we believe could inhibit our ability to reach our clients' investment goals, we speak to management to understand their perspective and to gain a better understanding of the situation. The engagement provides us with an improved understanding of the company's practices and the context of the incident. In these cases, we may identify room for improvement and encourage the company to strengthen its approach.

— **Thematic engagements**

While most of our engagement is driven by our company-specific, bottom-up approach, we also typically run several thematic engagement programs, which represent situations where the investment team has identified a financially material risk that spans across many companies, sectors or asset classes (i.e. management of risks related to artificial intelligence, deforestation, etc.). Engaging on the same topic across various issuers allows us to build our knowledge of developing practice on this topic. Thematic engagements often reflect material long-term themes, which generally represent structural shifts or imbalances taking place in the economy.

— **Pre-annual shareholder meeting engagements**

Another form of engagement is focused on proxy voting. Often, we seek additional information in the weeks before a company's shareholder meeting to ensure we can make a fully informed voting decision. In other cases, companies request this form of engagement with us to offer a perspective that supplements what was provided in the meeting materials.

Escalated Engagements

Some of our engagements are classified as escalated engagements. These engagements can include a variety of governance or sustainability topics but usually are focused on a single issue or a set of issues emanating from a distinct source. Almost always, these escalated engagements follow a period of dialogue on a governance or sustainability topic where the company has not addressed what we view as a financially material concern. On these occasions, where a more intensive, in-depth exchange with a company management or board becomes necessary, the objective is to share our perspective about what we view as a potentially significant impediment to our ability to meet our investment goals and to explore ways to work constructively with the issuer to address the concern. In our experience, such engagement is most effective when it is directly led by our portfolio managers and reflects their view that a serious concern is present but potentially may be ameliorated through cooperation between companies and their investors – either equity holders, fixed income investors, or both. These are situations where we concentrate our investment of time and resources because we believe they have the highest probability of meaningful and successful outcomes for our clients.

Contested Elections

In the event of a proxy voting contest, where there are more candidates for election than available board seats, we endeavor to meet with both parties in the contest in cases where T. Rowe Price is a significant investor in the company and the dissident has raised concerns of a material nature. The specific purpose of these meetings is to enable us to make a fully informed voting decision.

Collaborative Engagement

Occasionally, we participate with other investors in industry-level initiatives aimed at improving disclosure or business practices on a regional or market-wide level. To facilitate such opportunities for collaborative engagement, T. Rowe Price has joined or led various initiatives to bring investors together for purposes of advocacy or engagement.

Tracking engagement

Engagement meetings are carried out by portfolio managers and analysts from our equity and fixed income teams as well as our governance and sustainability specialists. In order to ensure we are leveraging insights from these engagements across our investment professionals, we retain notes on these meetings on our internal research platforms (TRPA and TRPIM) alongside our other investment research.

We also systematically track engagement milestones with our investee companies. We typically monitor progress on measurable and action-oriented engagement topics, and report on aggregate progress annually within our Stewardship Report.

Sovereign, municipal, and securitized bond issuers¹

While this policy statement covers engagement with corporate issuers, we also engage with representatives of sovereign, municipal, and securitized bond issuers to communicate views and expectations and, where appropriate, to request specific action on governance and sustainability matters that we believe may impact the ability and/or willingness of an issuer to repay debt.

Sovereign Bonds

Our sovereign governance and sustainability engagements take place with Debt Management Office officials, central bankers, representatives of key ministries such as the Ministry of Finance or the Ministry of Environment, and other sovereign representatives. Over and above one-on-one meetings, we also participate in small-group sovereign meetings and collaborative sovereign engagements.

We believe sovereign engagements on governance and sustainability topics are valuable both for the sovereign issuer and for investors such as T. Rowe Price, as they enable us to highlight and provide feedback on issues that we believe could evolve to become material credit risks and ultimately affect their cost of capital or, in some cases, their access to capital.

¹ As applicable to the investment portfolios that invest in sovereign, municipal, and/or securitized bond issuers.

Engagement with sovereign issuers has been less common than for corporate credit and equity for a variety of reasons. First, sovereign issuance tends to have less explicit covenants and default clauses and more limited recourse available for investors in the event of default. Second, management of governance and sustainability issues tends to be spread across a varied set of institutions and is, more often than not, impacted by political cycles. Both factors have made engagement with investors less pertinent for sovereign issuers historically; however, this is changing due to the emergence of robust labeled bond markets and the heightened importance providers of capital have started to place on governance and sustainability factors in the evaluation of sovereign issues.

Municipal Bonds

The municipal bond market is very broad, encompassing sub-sovereign issuers such as states and counties, through to nonprofit and private issuers, which are much closer to corporate issuers, such as nonprofit hospitals. In instances where the issuer is closer in nature to corporates, we follow an engagement process similar to that for corporate issuers, which is already discussed in this document.

Other municipal bond issuers are more similar to sovereign issuers, in that we are engaging with a government entity or quasi-government entity. In these cases, the impact of our perspective is more limited, as elected officials are prioritizing the views of voters and/or taxpayers over providers of capital.

Securitized Bonds

The securitized bond market cuts across agency and non-agency issuers of mortgage-backed securities (MBS) through to asset-backed securities (ABS) issuers. In instances where ABS are issued by corporate entities – for example, automobile ABS – we will engage with the originator of the underlying asset pools, following an engagement process similar to that for corporate issuers, which is already discussed in this document. Over and above such corporate-like engagements, we also engage with securitized sponsors, servicers, and managers on governance and sustainability matters we believe are relevant for bondholders.

Managing potential conflicts of interest

With regard to voting and engagement activities, T. Rowe Price has adopted safeguards to ensure that these activities are not influenced by interests other than those of our clients.

Generally speaking, the ownership structure of our company serves to reduce certain categories of potential conflicts of interest with regard to our stewardship activities. T. Rowe Price Group, Inc., the parent company of our regional wholly owned investment advisers, is a publicly traded issuer, listed on the NASDAQ exchange in the United States. Our primary line of business is focused on active investment management and related services.

Consequently, our ownership structure helps mitigate conflicts of interest related to transactional relationships with issuers of corporate securities across various divisions of our firm that we might encounter if we had a different ownership structure.

We have been in the investment management business since 1937 and have operated as a publicly traded corporation since 1986. The firm's size provides a solid financial foundation to support our clients' needs. Our strong balance sheet and considerable financial resources are conservatively managed and have made our firm one of the strongest in the industry. Without preoccupation regarding stability and viability, we are able to focus on serving the investment management needs of our clients.

A discussion of managing conflicts of interest is available in our proxy voting guidelines. To learn more about our proxy voting guidelines: Click [here](#) for TRPA or [here](#) for TRPIM.

With respect to personal conflicts of interest, T. Rowe Price's Code of Ethics and Conduct requires all employees to avoid placing themselves in a compromising position in which their interests may conflict with those of our clients, and it restricts their ability to engage in certain outside business activities. Investment professionals with a personal conflict of interest regarding a particular issuer must recuse themselves and not participate in any decisions with respect to that engagement.

All of our proactive, outbound engagements are initiated by T. Rowe Price investment professionals, including analysts, portfolio managers, or our governance and sustainability specialists. Engagement plans are assessed and executed as described elsewhere in this policy without regard to any business relationship between the issuer and T. Rowe Price.

Principal Adverse Impacts Policy

T. Rowe Price Associates, Inc., and its investment advisory affiliates, including T. Rowe Price Investment Management, Inc. (collectively, "T. Rowe Price"), have adopted a Principal Adverse Impacts (PAI) Policy in accordance with the European Union Sustainable Finance Disclosure Regulation (SFDR). T. Rowe Price considers and, where appropriate, incorporates into its investment and engagement processes the PAI of investment decisions. The policy explains how we integrate PAI into our investment process at the security level and how we employ an annual assessment to inform our engagement process and, where appropriate, engage with investee companies on specific PAI metrics.

[For more information, please see our PAI Policy.](#)

Conclusion

As a significant investor in many of the world's leading companies, we are in a position to encourage governance and sustainability practices that we believe will yield more robust future earnings and investment returns. As noted in this policy, some of our engagements seek to encourage a specific change in a company's

practices, while other engagements are conducted to build our knowledge of a company's exposure to and management of governance and sustainability issues. We believe that making financially material governance and sustainability topics a core part of our overall investment discussion with companies helps ensure that management teams understand these factors are important investment considerations.

Frequently asked questions

Q: Does T. Rowe Price publish the results of its engagements with companies?

A: We publish high-level engagement statistics in our Stewardship Report, which is publicly available. Additionally, we regularly publish a sampling of illustrative case studies highlighting the facts and outcomes of select engagements. Issuers should note that, in the interest of transparency for our advisory clients, we disclose the names of all issuers who engage with a T. Rowe Price entity during the year. A subset of engagements is selected as case studies, and the general details, including name of issuer, general summary of topics discussed, any follow-up or action items expected, and related voting decisions (if any), are also made public. The purpose of these disclosures is to demonstrate, at a high level, the nature of our engagement with companies on governance and sustainability topics.

Q: Under what circumstances does T. Rowe Price participate in engagement initiated by a company?

A: Generally, we are interested in engaging on financially material governance and sustainability matters with any issuers in our clients' portfolios who wish to initiate such a dialogue. We prioritize engagement with companies in which we hold a sizable stake in one or more actively managed, fundamentally-oriented portfolios. We are not generally available to engage with companies where we do not hold a significant position in the security.

Q: How should issuers contact T. Rowe Price if they are interested in engagement?

A: Issuers may request meetings by emailing the appropriate adviser team:

T. Rowe Price Associates, Inc.
engagement@troweprice.com

T. Rowe Price Investment Management, Inc.
engagement.trpim@troweprice.com

It is helpful if the company provides:

- a clear, specific request (“We are requesting a conference call” is preferred over “We are checking in to see if you would like to provide any feedback”);
- a general description of the topics the company's management would like to discuss;
- the desired time frame and nature (conference call, video call or in person) of the meeting; and
- contact details for the person responsible for arranging the meeting.

Email requests are directed to the appropriate governance or sustainability specialist, and a member of the team will respond to arrange the meeting.

Note: Issuers should not feel obligated to initiate engagement with T. Rowe Price if they do not find it useful or if there are no particular areas of concern at the present time. There is no expectation on our part that outreach should be conducted on a particular frequency, such as annually. Communication with the managements of the companies in our clients' portfolios is a core component of our process as active managers; additional engagement on ESG matters is not necessary in every case.

Q: Who should attend an engagement meeting from the issuer side? Who participates from the T. Rowe Price side?

A: For routine engagement, it is generally best to have the appropriate members of management (general counsel, chief human resources officer, investor relations officer, corporate secretary, head of sustainability) on the call, speaking with the T. Rowe Price governance or sustainability specialist. The agenda for the meeting should dictate the list of participants.

On occasion, T. Rowe Price may seek to initiate a higher-level discussion with a company when we believe there is an issue of governance or sustainability that has not been sufficiently addressed by management and may impede our ability to achieve our investment objectives. These discussions generally begin at the management level, but we may request a subsequent meeting with one or more members of the Board of Directors. For these meetings, the optimal set of participants includes members of company management, directors, our corporate governance or sustainability specialist, our industry analyst, and the portfolio managers who hold the security in their clients' portfolios.

Q: What types of materials and preparation are useful in an engagement context?

A: It is not necessary to send materials in advance of a call, but we find summary presentations to be particularly useful as we build and maintain a history of the dialogue between each issuer and T. Rowe Price. Useful summary presentations generally contain:

- an overview of the company's performance highlights for the past year,
- a high-level description of the management incentive plan,
- a table describing the board members and their particular skills and experience,
- a description of any environmental or social key performance indicators the company considers material, and
- a list of key company contacts.

Issuers may also wish to review the T. Rowe Price Proxy Voting Guidelines for TRPA or TRPIM and the Governance & Sustainability Policy Statement in advance of a call. The guidelines and policies are located here: troweprice.com/esg.

From our side of the table, we endeavor to prepare for each engagement call by reviewing the company's most recent proxy filing, voting results from the most recent shareholder meeting, recent internal analyst reports, the corporate sustainability report, and company news. In our experience, engagement meetings are more productive when each participant has the proper context ahead of time.

Q: Can engagement meetings be arranged by proxy solicitors or other third-party advisors?

A: Third parties may email the appropriate adviser team to schedule a meeting on behalf of their clients:

T. Rowe Price Associates, Inc.
engagement@troweprice.com

T. Rowe Price Investment Management, Inc.
engagement.trpim@troweprice.com

Q: How do I contact T. Rowe Price regarding a market sounding?

A: Companies wanting to engage in a market sounding with T. Rowe Price should contact our Compliance team via our Market Soundings shared inbox, Market_Soundings@troweprice.com.

Please keep the following guidance in mind:

- Our policy is that third-party advisors and proxy solicitors are not permitted to join T. Rowe Price engagement calls.
- All participants on an engagement call should introduce themselves at the beginning of the call. It is unacceptable to listen in on the call without announcing your presence.
- Proxy solicitors should not use the email address above for purposes other than arranging meetings.
- Proxy solicitors should not contact T. Rowe Price investment analysts or portfolio managers directly under any circumstances.

INVEST WITH CONFIDENCE™

T. Rowe Price focuses on delivering investment management excellence that investors can rely on—now and over the long term.

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. The information contained herein is as of April 2026 and is subject to change without notice. The information provided in this material does not include content relating to Oak Hill Advisors, L.P., an alternative credit manager, which T. Rowe Price Group, Inc., acquired on December 29, 2021. This information is not intended to reflect a current or past recommendation, investment advice of any kind, or a solicitation of an offer to buy or sell any securities or investment services. The opinions and commentary provided do not take into account the investment objectives or financial situation of any particular investor or class of investor. Investors will need to consider their own circumstances before making an investment decision. Information contained herein is based upon sources we consider to be reliable; we do not, however, guarantee its accuracy.

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