

T. Rowe Price Environmental Policy Statement

As a global investment manager, T. Rowe Price's guiding philosophy is to act in the best interest of our clients and their long-term financial success. The same philosophy guides our approach to environmental sustainability through careful risk management, ensuring our operations minimize their environmental impact and support the long-term well-being of our clients, associates, and communities.

This policy articulates the firm's position on the environmental management of our operations. It does not cover our position or policies regarding sustainable investment, which is found in our [ESG Investment Policy](#) and our [Investment Policy on Climate Change](#).

POSITIONS ON KEY ISSUES

Climate Change

We recognize that climate change poses a significant risk to the global economy and the stability of financial markets. We support the goals of the Paris Climate Agreement to limit the increase of global temperature to 1.5°C because we believe a smooth climate transition will create a more stable economic environment, reduce uncertainty, and enable business investment. Our goal is to achieve net zero in Scope 1 and 2 greenhouse gas (GHG) emissions¹ by 2040.

Responsible Consumption and Waste Management

We support responsible consumption and waste management. Within our operations, we aim to reduce our sources of waste by seeking out circular economy options. As part of this endeavor, we embrace the need to shift from managing waste once it is created to designing out waste before it is generated. We are evaluating the feasibility of targeting zero waste and phasing out single-use plastics across our facilities.

Biodiversity and Nature Restoration

We recognize the importance of biodiversity and its economic value (e.g., as food, medicine, clean air, raw materials, and tourism). Additionally, we acknowledge the importance of nature for enhancing health and cultural and spiritual aspects of society. Accordingly, we seek to protect natural habitats through our land use and to reverse the effects of biodiversity loss. To achieve this, we have worked with organizations such as the Waterfront Partnership of Baltimore to maintain oyster gardens next to our headquarters.

Water Conservation

We recognize that water is a finite resource and impacted by climate change. We seek to minimize water usage both inside our buildings and throughout our landscape by using low-flow water fixtures and sourcing plant species that demand less water.

OUR APPROACH

To achieve our environmental reduction goals and put our values into practice, we focus on the following areas:

- **Green buildings:** As the need arises to upgrade our existing facilities and seek new locations to support our operations, we invest in new technologies and pursue high environmental standards for our properties. By year-end 2025, we are aiming to have 60% of our global real estate environmentally certified. The relocation of our headquarters in Baltimore and our office in London have provided an opportunity to pursue additional environmental impact measures. For example, our new Baltimore headquarters will feature a water harvesting system that will save approximately 1.55 million gallons of potable water annually—a savings that will help us achieve our goal of securing LEED Platinum status for commercial interiors. By using rainwater in flush fixtures of the building, the potable water usage should be reduced by more than 50%.

¹ Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from the generation of purchased electricity, steam, or cooling).

- **Renewable energy:** Within our owned real properties, we are seeking to convert to green power all remaining utility contracts utilizing brown power. Concurrently, as our leased properties come up for renewal, we will work with landlords or evaluate alternative locations that can provide green energy.
- **Offsetting emissions:** We share the view of the Net Zero Asset Managers initiative that long-term carbon removal should only be used where there aren't any technologically and/or financially viable alternatives to eliminate emissions. Our GHG emissions from business travel (Scope 3.6) constitute a notable source of emissions with which we have limited ability to reduce without impacting essential business operations. To address GHG emissions from business travel, we invest in carbon credits/long-term carbon removal.

We believe that long-term carbon removal will need to be part of the solution to address climate change. However, carbon removal technologies are nascent, with limited availability and comparatively high costs. We are interested in supporting efforts to help these technologies scale over time. Our consideration for partnering with prospective providers includes permanence of the carbon removal, investment in supporting emerging technologies, immediacy of impact or abatement, external verification, pricing, and third-party accolades.

- **Associate engagement:** We value our associates' commitment to sustainability and support their active involvement in:
 - **Community-based volunteer events:** We provide associates with environmentally focused volunteer opportunities in support of causes important to our local communities. Examples of this include regular stream/beach cleanup events and tending our on-site corporate produce gardens at our U.S. campuses. Each year, we grow and harvest produce in our corporate gardens and then donate it to local nonprofits.
 - **Sustainability Networks:** We encourage participation in our Sustainability Networks to empower associates, foster teamwork, and reduce our collective environmental impact. Located at most of our major offices worldwide, these teams develop and propose environmental initiatives to Corporate Sustainability and Corporate Real Estate & Workplace Services. Examples of key initiatives include hosting an electronic recycling drive for associates, promoting the use of reusables, and celebrating Earth Week.
- **Sustainable Procurement:** We seek partnerships with suppliers to support our environmental commitments, including our efforts to report on the environmental impact of our value chain when applicable.

GOVERNANCE AND MANAGEMENT

The Nominating and Corporate Governance Committee (NCGC) of the Board of Directors oversees environmental, social, and governance (ESG) across the firm. As a result, the NCGC receives at least semiannual updates from the head of ESG Enablement on climate and sustainability issues and closely monitors progress against climate goals.

The ESG Enablement team drives ESG activities across the firm and includes Corporate Sustainability; ESG Product, Strategy, and Analytics; ESG Marketing and Communications; and ESG Operations.

REPORTING AND DISCLOSURE

We are committed to providing timely and accurate information to our stakeholders. As members of the IFRS Sustainability Alliance, which oversees the Sustainability Accounting Standards Board (SASB) and supporters of the Task Force on Climate-Related Financial Disclosures (TCFD), we utilize these frameworks to serve as the foundation of our ESG disclosures, as published in our annual [Sustainability Report](#). We believe that both frameworks provide investors and preparers a helpful understanding of what ESG issues are most material.

The annual Sustainability Report is part of our suite of publications. Our objective is to provide a thoughtful and comprehensive view of our commitment to ESG and sustainability across several publications, such as our [Annual Report and Proxy Statement](#). We also publish an [ESG Investing Annual Report](#), which is focused on our approach to responsible investing. Additionally, as members of the United Nations Global Compact, we report our progress on supporting its Ten Principles, three of which are focused on the environment, in our annual [Communication on Progress](#).

More information is available at troweprice.com/CorporateESG.

Updated in March 2024. This policy was reviewed and approved by the firm's ESG Oversight Committee.

CCON0179891