



**T. ROWE PRICE GROUP, INC.**

**BOARD COMMITTEE CHARTER**

**EXECUTIVE COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE**

The Executive Compensation and Management Development Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of T. Rowe Price Group, Inc. (the “**Corporation**”) has the responsibilities, authority and duties described in this Charter.

**Purpose**

The Committee has the responsibility and authority to review and oversee the affairs of the Corporation as related to compensation and to talent development and succession planning. With regard to compensation, the Committee reviews and approves firm-wide compensation policies as well as specific compensation levels of the chief executive officer and other executive officers of the Corporation, compensation policies and plans and general salary and incentive compensation levels for other senior officers, and the Corporation’s incentive and stock compensation plans. With regard to talent development and succession planning, the Committee annually reviews succession and talent development plans for key senior roles across the firm.

**Composition**

Each member of the Committee shall be “independent” as defined by The Nasdaq Stock Market, the SEC, the Corporation’s Corporate Governance Guidelines and applicable law. In addition, at least two members of the Committee (such members, the “**Non-employee Directors**”) shall also be a “non-employee director” within the meaning of Rule 16b-3 (“**Rule 16b-3**”) under the Securities Exchange Act of 1934, as amended. To the extent necessary to comply with Rule 16b-3, the Non-employee Directors, acting as a subcommittee, have the authority to act on behalf of the Committee. The Board shall designate one member as Committee Chairperson.

**Meetings**

The Committee shall hold meetings at least four times each year, and shall hold such additional meetings as deemed necessary or desirable by the Chairperson of the Committee and as may be required to perform the functions described under “Duties and Powers” below.

## Duties and Powers

The following shall be the principal recurring functions and responsibilities of the Committee. The functions and responsibilities are set forth as a guide with the understanding that the Committee may modify or supplement them as appropriate. The Committee will report to the Board on its activities on a regular basis.

- Determine the compensation of the chief executive officer and the other executive officers of the Corporation based on all relevant and available information, including in the case of the chief executive officer, the results of the annual performance review by the lead director and independent directors. The chief executive officer and the other executive officers may not be present during deliberations or voting concerning their compensation;
- Review and approve the compensation policies and general levels of compensation for the Corporation's remaining senior officers, for whom individual compensation determinations shall be made by a management-level compensation committee;
- Establish performance criteria for performance-based restricted stock and stock unit awards, and determine whether or the extent to which such performance criteria have been met for the performance period;
- Administer the Corporation's stock option, stock incentive, and other stock compensation plans as required by Rule 16b-3;
- Oversee the Corporation's Annual Incentive Compensation Pool;
- Assist management in developing, and, when appropriate, recommending to the Board, the design of compensation policies and plans;
- Take into account whether the Corporation's compensation policies, plans and practices are reasonably designed in coordination with the Corporation's risk oversight policies to not create incentives for unnecessary and excessive risk taking;
- Review and discuss with management the disclosures in the Corporation's "Compensation Discussion and Analysis" and any other related disclosures to be included in the Corporation's public filings or shareholder reports;
- Following its review and discussion with management discussed above, and after incorporation of all input provided by members of the Committee, recommend to the Board that the Compensation Discussion and Analysis should be included in the Corporation's proxy statement, Form 10-K, or information statement, as applicable,

and review and approve the related Committee report required by the rules of the Securities and Exchange Commission;

- Oversee the Corporation's compliance with SEC rules and regulations regarding stockholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the rules of the Nasdaq Stock Market that, with limited exceptions, stockholders approve equity compensation plans.

## **DEVELOPMENT**

- Review and provide feedback/guidance at least once per year on succession plans and development actions for key strategic leadership roles;
- Review and provide feedback/guidance at least once per year regarding Diversity and Inclusion efforts within the firm;
- Engage in dialogue and business discussions with high potential leadership talent in order to gain exposure to current and future talent.

## **Resources and Authority**

The Committee shall have the resources and authority appropriate to discharge its responsibilities, including sole authority to appoint, compensate, oversee and terminate compensation consultants, legal counsel, and other advisors. In selecting its advisors, the Committee will consider the independence factors listed in Nasdaq Rule 5605(d)(3), and may select such advisors that the Committee deems appropriate after considering such factors. The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such advisors.

## **Annual Review**

The Committee shall review on at least an annual basis (i) this Charter and the scope of responsibilities of this Committee and (ii) the Committee's performance of its duties. Any proposed changes to this Charter or the Committee's scope of responsibilities, where indicated, shall be referred to the Board for appropriate action.

## **Operating Procedures**

Formal actions to be taken by the Committee shall be by unanimous written consent or by a majority of the persons present (in person or by conference telephone) at a meeting at which a quorum is present. A quorum shall consist of at least 50% of the members of the Committee.

*Last Reviewed and Approved: April 26, 2018*