



INVESTOR DAY

T. Rowe Price Group, Inc.
February 19, 2020

A copy of this presentation, which includes additional information, is available at troweprice.gcs-web.com/investor-relations.
Data as of December 31, 2019, unless otherwise noted.



10

Opening and T. Rowe Price Overview

Bill Stromberg
PRESIDENT AND CEO

T. ROWE PRICE GROUP, INC. INVESTOR DAY 2020

Forward-looking statements

This presentation, and other statements that T. Rowe Price may make, may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, with respect to T. Rowe Price's future financial or business performance, strategies, or expectations.

Forward-looking statements are typically identified by (1) words or phrases such as “trend,” “potential,” “opportunity,” “pipeline,” “believe,” “comfortable,” “expect,” “anticipate,” “current,” “intention,” “estimate,” “position,” “assume,” “outlook,” “continue,” “remain,” “maintain,” “sustain,” “seek,” “achieve,” and similar expressions or (2) future or conditional verbs such as “will,” “would,” “should,” “could,” “may,” and similar expressions. Forward-looking statements in this presentation may include, without limitation, information concerning future results of our operations, expenses, earnings, liquidity, cash flow and capital expenditures, industry challenges, market conditions, amount or composition of AUM, regulatory developments, demand for and pricing of our products, potential product offerings, stock price, amount and timing of our stock dividends or repurchases, and other aspects of our business or general economic conditions. T. Rowe Price cautions that forward-looking statements are subject to numerous assumptions, risks, and uncertainties, which change over time. Actual results could differ materially from those anticipated in forward-looking statements, and future results could differ materially from historical performance. Forward-looking statements speak only as of the date they are made, and T. Rowe Price assumes no duty to and does not undertake to update forward-looking statements.

We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks and other factors described in our most recent annual, quarterly, and current reports on Form 10-K, Form 10-Q, and Form 8-K, filed with the Securities and Exchange Commission.

Agenda

Opening and T. Rowe Price Overview

Bill Stromberg
PRESIDENT AND CEO

Investments, Performance, and Capabilities

Rob Sharps
HEAD OF INVESTMENTS AND GROUP CIO

Multi-Asset Overview

Sébastien Page
HEAD OF GLOBAL MULTI-ASSET

Global Distribution

Robert Higginbotham
HEAD OF GLOBAL DISTRIBUTION AND PRODUCT

Financial Overview

Céline Dufétel
CHIEF FINANCIAL OFFICER

Closing and Questions

Bill Stromberg
PRESIDENT AND CEO

A global asset management firm focused on client success

Founded in **1937**

Independent Investment Organization

- Focused solely on investment management and related services

1.2 trillion USD
in assets under management¹

Alignment of Interests

- Publicly owned company with substantial employee ownership

661 investment
professionals worldwide

Financial Strength

- No outstanding debt and maintains substantial cash reserves

Local presence in
16 countries

Global Investment Platform

- Full range of equity, fixed income, and multi-asset solutions

7,365
associates worldwide

Stable Investment Leadership

- Global equity and fixed income leaders average 20 years tenure at T. Rowe Price

¹Firmwide AUM includes assets managed by T. Rowe Price Associates, Inc., and its investment advisory affiliates.

Culture is central to our long-term success



Investment Excellence

The heart of everything we do



Clients First

We succeed if our clients succeed



Collegiality and Collaboration

Leveraging our best ideas creates competitive advantage



Trust and Mutual Respect

Essential for a strong community



Long-Term Time Horizon

A true competitive advantage

Performance-driven and collaborative

Diversity & Inclusion are critical to our culture

Our long-held reputation for excellence and reliability is made possible by the diversity of backgrounds, perspectives, skills, and experiences of our associates.

To bring Diversity & Inclusion to life, we:



Retain & attract
diverse talent



Include &
engage our
associates



Develop our
associates &
leaders



Hold ourselves
accountable



Act as an agent
of change

Our vision is to be a premier global active asset manager

By executing on important multiyear strategic objectives



More global and diversified asset manager



Strong process orientation and effective internal controls, while becoming a more adaptive and agile company



Global partner for retirement investors and provider of integrated investment solutions



Destination of choice for top talent with diverse workforce and inclusive culture



Embedding ESG and sustainability principles across the firm

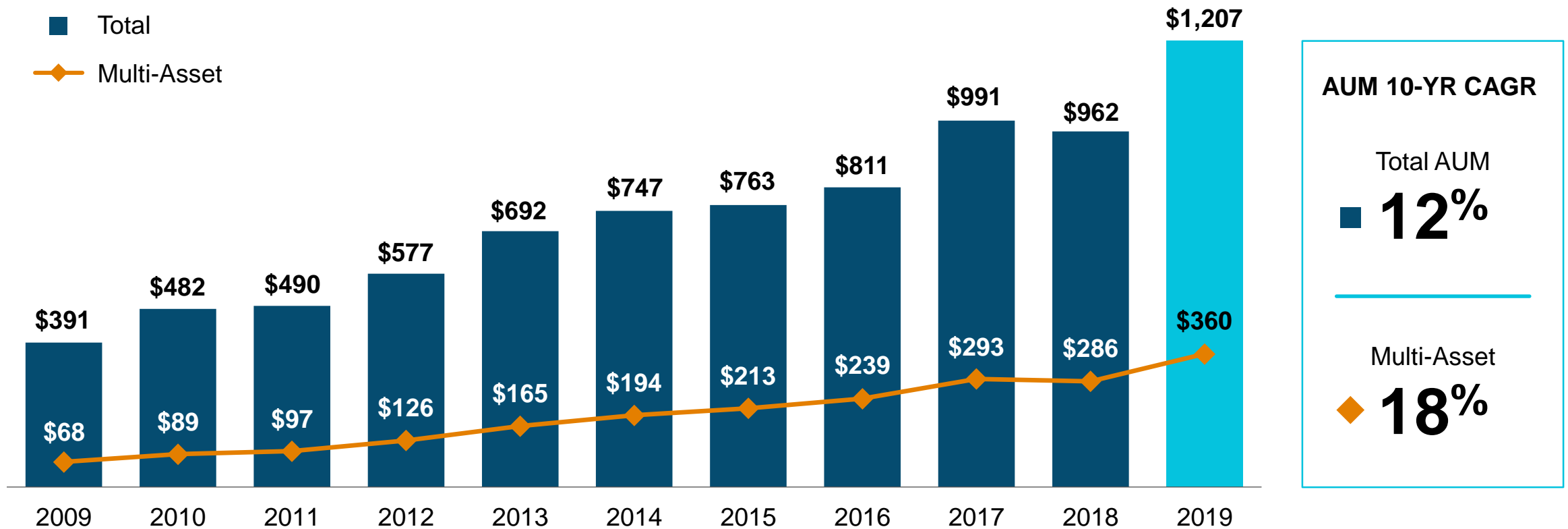


Strong financial results and balance sheet

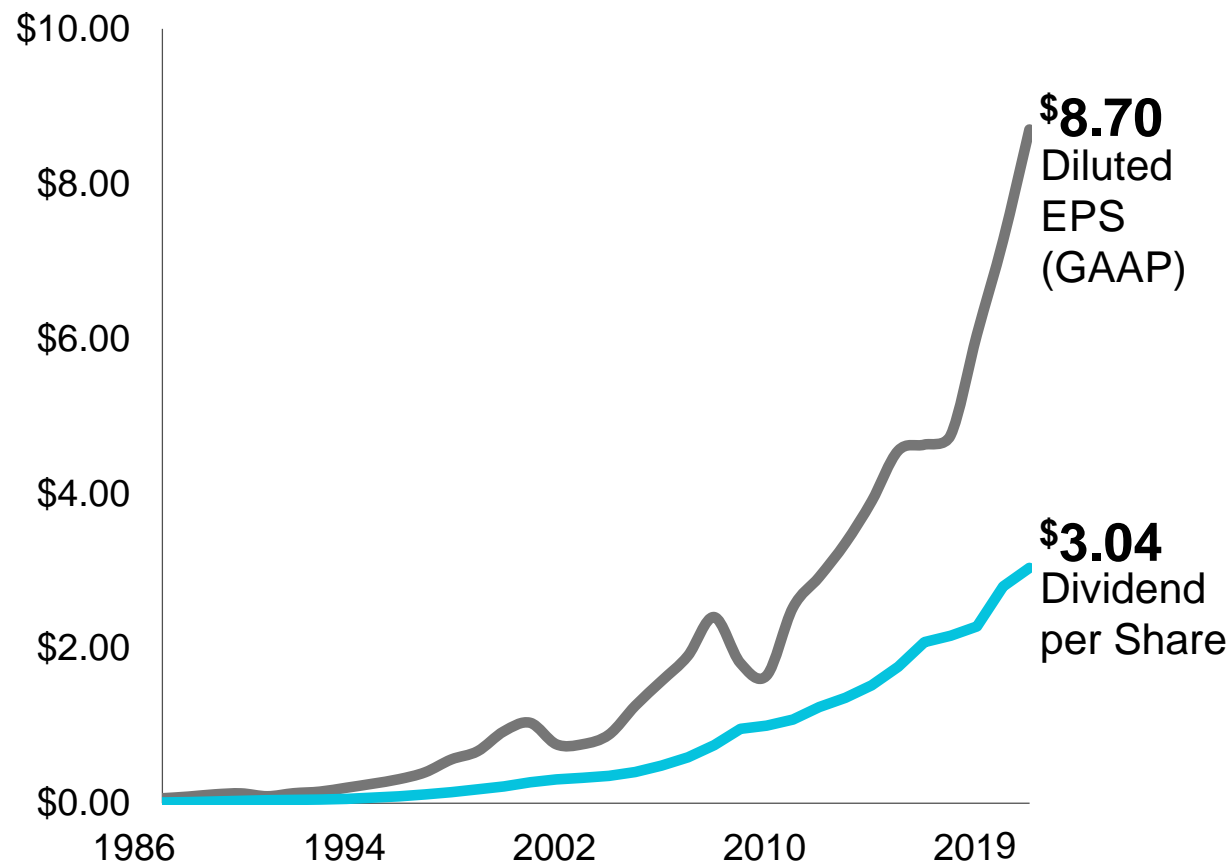
Healthy AUM growth over time

Driven by Market Returns + Alpha + Net Cash Inflows

Assets Under Management 2009–2019 (\$billions)



Consistent results and long-term orientation



	5 years	10 years	20 years	30 years
Net revenues	7%	12%	9%	13%
Diluted EPS (GAAP)	14%	18%	12%	15%
Dividends	12%	12%	14%	17%
Annualized total stock return	11%	12%	12%	17%

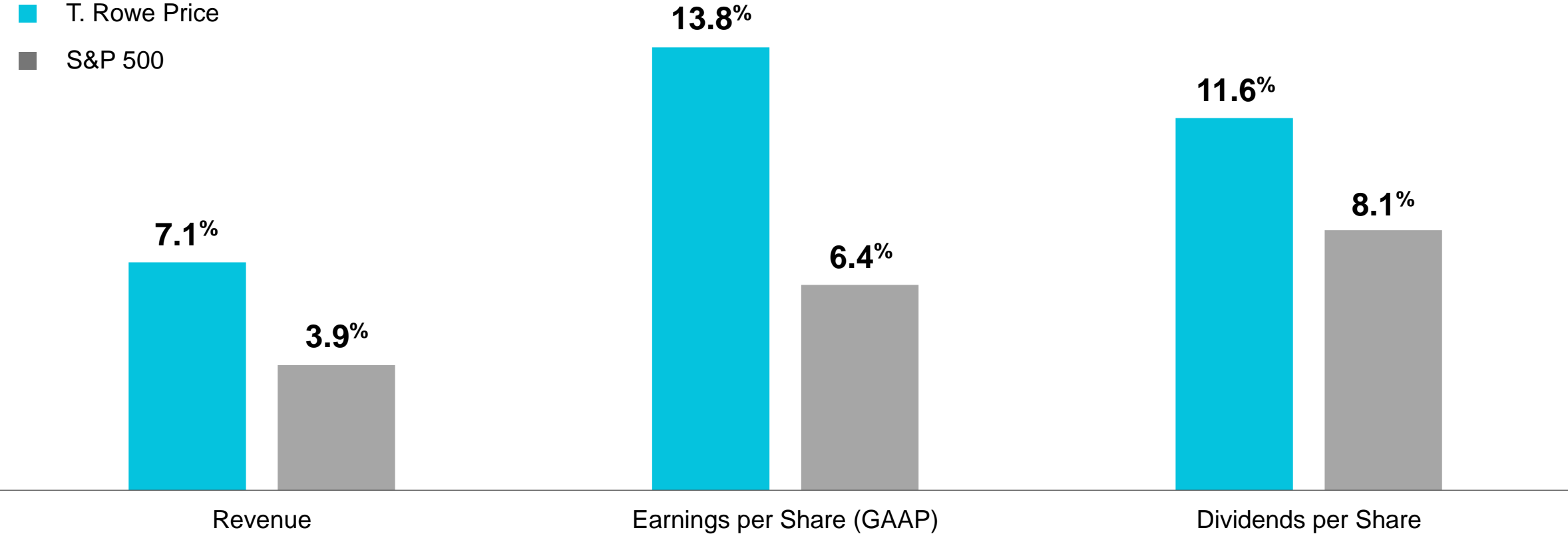
Past performance cannot guarantee future results.

Left chart: Data since April 2, 1986, IPO through December 31, 2019.

Right chart: Compound annualized growth for periods ended December 31, 2019.

Better fundamental growth than the S&P 500

5-Year Revenue, Earnings, and Dividend Growth



Data as of December 31, 2019. Sources: T. Rowe Price Company Filings; S&P via FactSet (refer to page 72 for information about this S&P information). Revenue and earnings growth percentages for the S&P 500 include actual results for companies that reported through January 31, 2020, and consensus estimates for those that have not yet reported. As of January 31, 2020, 45% of S&P 500 companies have reported comparable data that total 61% of the S&P 500 market value.

Industry challenges continue

Market Context



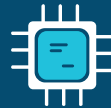
Aging population
around the globe



Low interest rate
environment



Increasing focus (and
transparency) on fees



Technology and
data advancements



Evolving investor
attitudes about ESG



New regulatory
requirements

Impact on Asset Managers

- Passive investments continue to take share from active
- Higher bar on investment performance for active managers
- Increased prevalence of alternatives
- Continued pressure on fees but, in active management, low fee ineffective without performance
- Faster growth occurring outside the U.S.
- Distributors are consolidating relationships, requiring more from partners and negotiating to maintain their economics
- Significant technology investment required to enhance investments, distribution, and client experience capabilities
- ESG capabilities increasingly table stakes

Scale positions us well to address industry challenges

But investment performance guides our strategic decision-making

Benefits of scale...

- Investment platform – Deep, global, collaborative investment teams generate insights across asset classes. Means to pay for talent and external research while investing in data analytics and quantitative tools. Paying hard-dollar globally for research in 2020.
- Distribution reach – Broad distribution channels around the world with analytics and Web capabilities to deliver positive client experience.
- Operating platform – Building a global operating platform that is scalable, efficient, and secure—and can comply with complex regulations.
- Financial – Strong balance sheet and healthy operating model allows reinvestment through cycles.

Scale advantages exist, but it is important to manage capacity to preserve alpha generation

Good progress on our 2019 strategic priorities

1

Investment Capabilities

- Maintained strong longer-term relative investment performance
- Increased investment professional headcount to 661 worldwide, with 32% outside the U.S.
- Launched six new strategies and 20 new products
- Received exemptive relief from the SEC on our application for semi-transparent active ETFs
- Continued to advance ESG capabilities; first sustainable SICAV launched in January 2020

2

Distribution Capabilities

- Achieved \$13.2 billion in net flows (1.4% organic growth)
- Continued to invest across U.S. broker-dealer and defined contribution investment only channels
- Further expanded APAC and EMEA intermediary and institutional presence, growing brand awareness
- Maintained high client satisfaction in Individual Investors and Retirement Plan Services businesses
- Enhanced digital capabilities to improve client experience and generate long-term efficiencies

3

Technology, Finance, and Operations

- Continued to modernize tech platforms across investments, trading, middle office, and performance
- Progressed application decommissioning, execution of multi-tiered storage strategy, and reduction of physical and virtual servers, to help manage expenses
- Managed expense growth at lower end of guidance through continued emphasis on operational effectiveness

Our 2020 priorities

- Deliver excellent investment results
- Attract and retain talent while further advancing our Diversity & Inclusion strategy
- Build/launch new investment strategies and vehicles to meet client needs (e.g., ETFs) and diversify our business
- Enhance our standing as a retirement leader
- Further build our distribution teams/capabilities globally to strengthen brand rankings and diversify our business
- Execute on key operations and technology initiatives to improve efficiency, security, scalability, and agility
- Globalize shared services functions to support growth, improve governance, and meet regulatory needs
- Embed ESG/sustainability principles across the firm to be admirable stewards of client/stockholder capital

Achieve excellent investment results for clients + attractive returns for stockholders over long term



Investments, Performance, and Capabilities

Rob Sharps

HEAD OF INVESTMENTS AND GROUP CIO

T. ROWE PRICE GROUP, INC. INVESTOR DAY 2020

Investment performance overview

Performance across asset classes is strong overall versus both active peers and benchmarks

U.S. mutual funds	Outperforming Morningstar median ¹			Top Morningstar quartile ¹			Outperforming benchmark ²		
	3 years	5 years	10 years	3 years	5 years	10 years	3 years	5 years	10 years
Asset Class									
U.S. Equity	87%	93%	86%	35%	59%	69%	68%	65%	50%
Global and International Equity	64%	68%	87%	48%	41%	60%	70%	70%	86%
Fixed Income	63%	65%	66%	38%	35%	28%	31%	29%	30%
Multi-Asset	85%	94%	95%	59%	65%	74%	21%	29%	63%
Overall	75%	80%	82%	45%	50%	55%	43%	43%	50%

Past performance cannot guarantee future results. As of December 31, 2019.

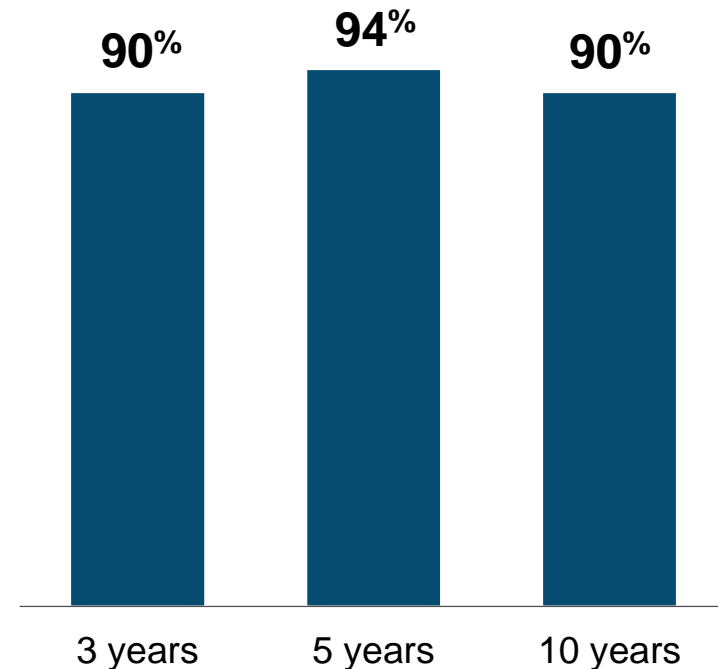
¹Primary share class only. Excludes T. Rowe Price passive funds and fund categories not ranked by Morningstar. Source: Morningstar (refer to page 72 for information about this Morningstar information).

²Primary share class only. Excludes T. Rowe Price passive funds and institutional funds that are a clone of a retail fund. Mutual funds measured against the most appropriate style benchmark used for portfolio manager evaluation, which may not always be the prospectus benchmark. Net=NAV. Source: Morningstar.

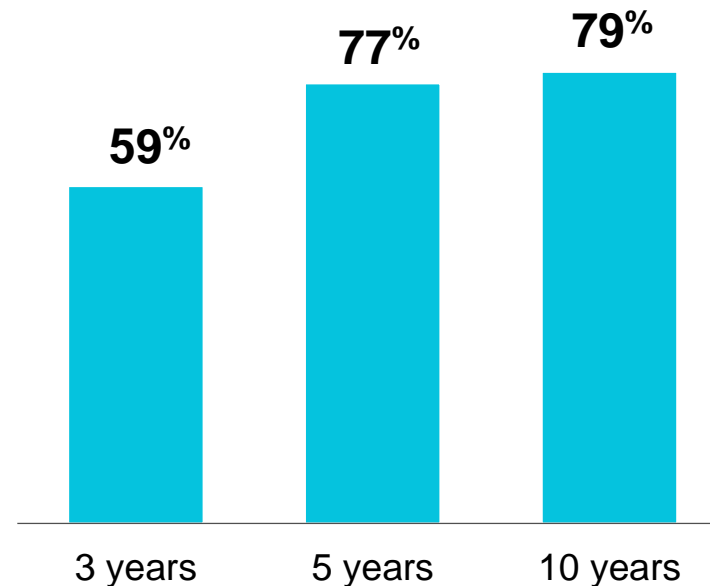
Overall performance—asset-weighted

Asset-weighted results exceed equal-weighted results¹ over all time periods

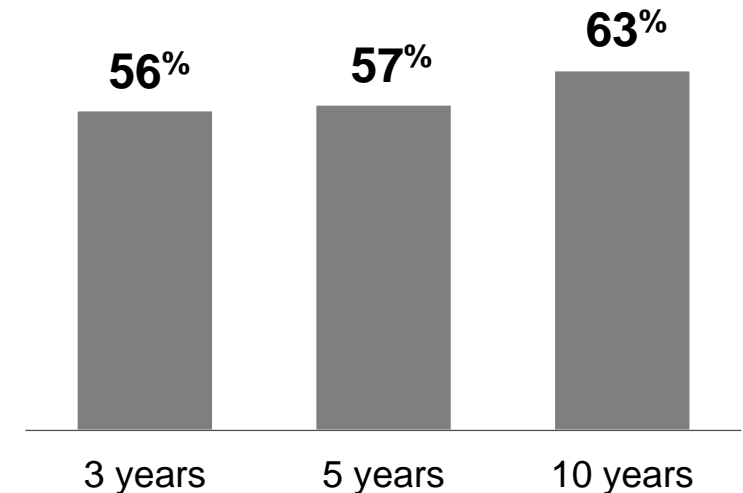
Funds outperforming Morningstar median²



Funds in top Morningstar quartile²



Funds outperforming benchmark³



Past performance cannot guarantee future results. As of December 31, 2019. U.S. mutual funds only.

Asset-weighted results based on end-of-period assets as of December 31, 2019.

¹Equal-weighted results refers to data on the previous slide.

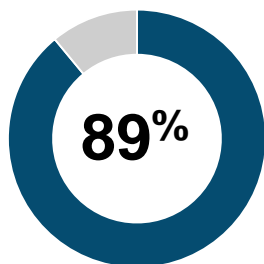
²Primary share class only. Excludes T. Rowe Price passive funds and fund categories not ranked by Morningstar. Source: Morningstar.

³Primary share class only. Excludes T. Rowe Price passive funds and institutional funds that are a clone of a retail fund. Mutual funds measured against the most appropriate style benchmark used for portfolio manager evaluation, which may not always be the prospectus benchmark. Net=NAV. Source: Morningstar.

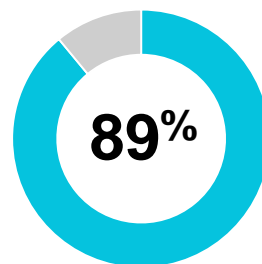
Long-term benefits of our approach to active management in U.S. equity

Percentage of U.S. equity funds with positive active success rates

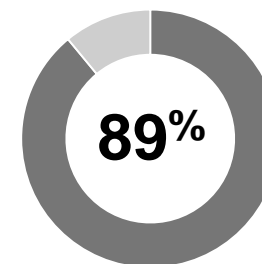
3 years
(205 rolling time periods)



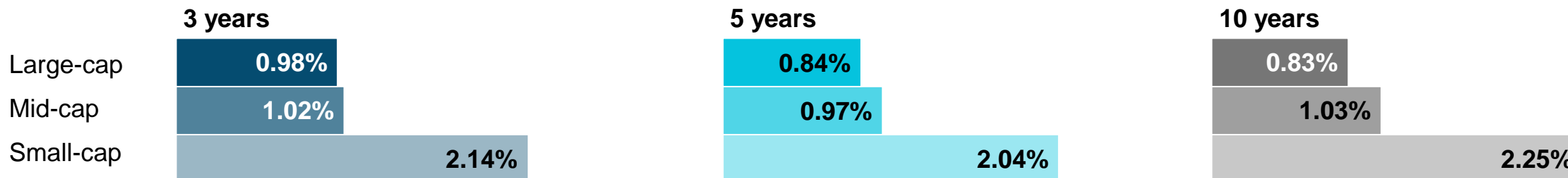
5 years
(181 rolling time periods)



10 years
(121 rolling time periods)



Annualized, time-weighted excess returns, net of fees



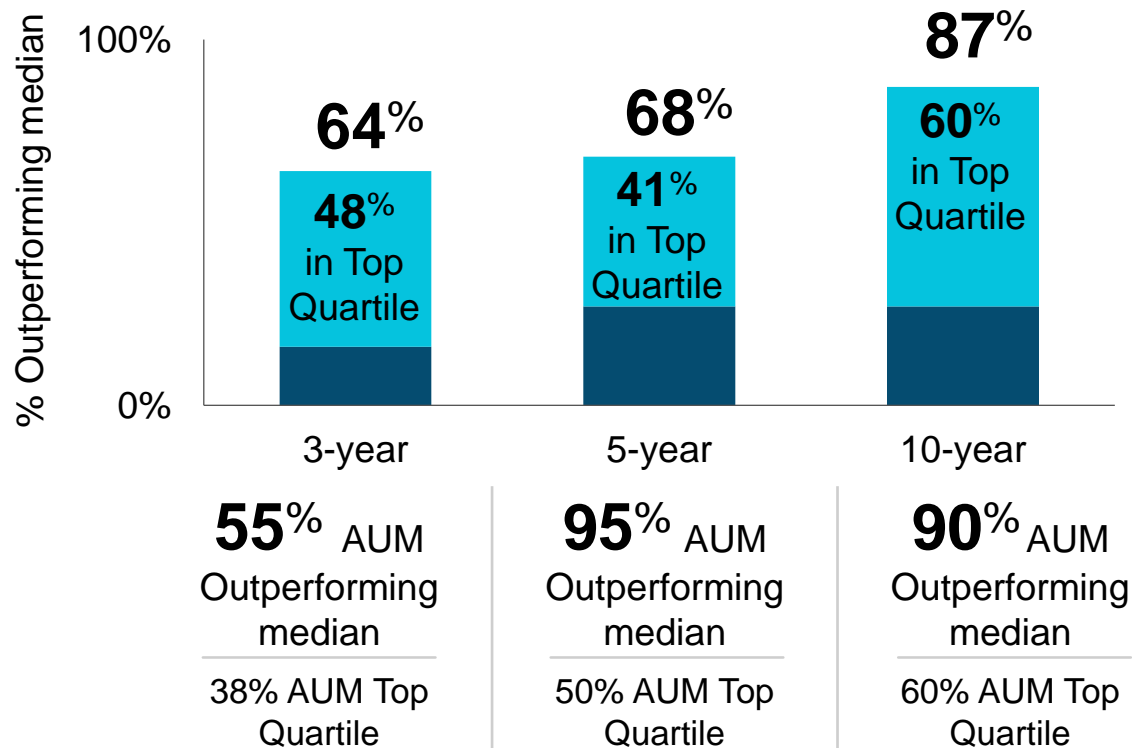
Past performance cannot guarantee future results.

Rolling periods December 31, 1999, through December 31, 2019. Analysis of 18 T. Rowe Price diversified active U.S. equity mutual funds over 20 years or their lifetimes. The active success rate records the percentage of times a fund beat its designated benchmark, net of fees and trading costs, over a specified time period. We've defined a positive active success rate as a fund beating the performance of its designated benchmark in more than half of the periods measured.

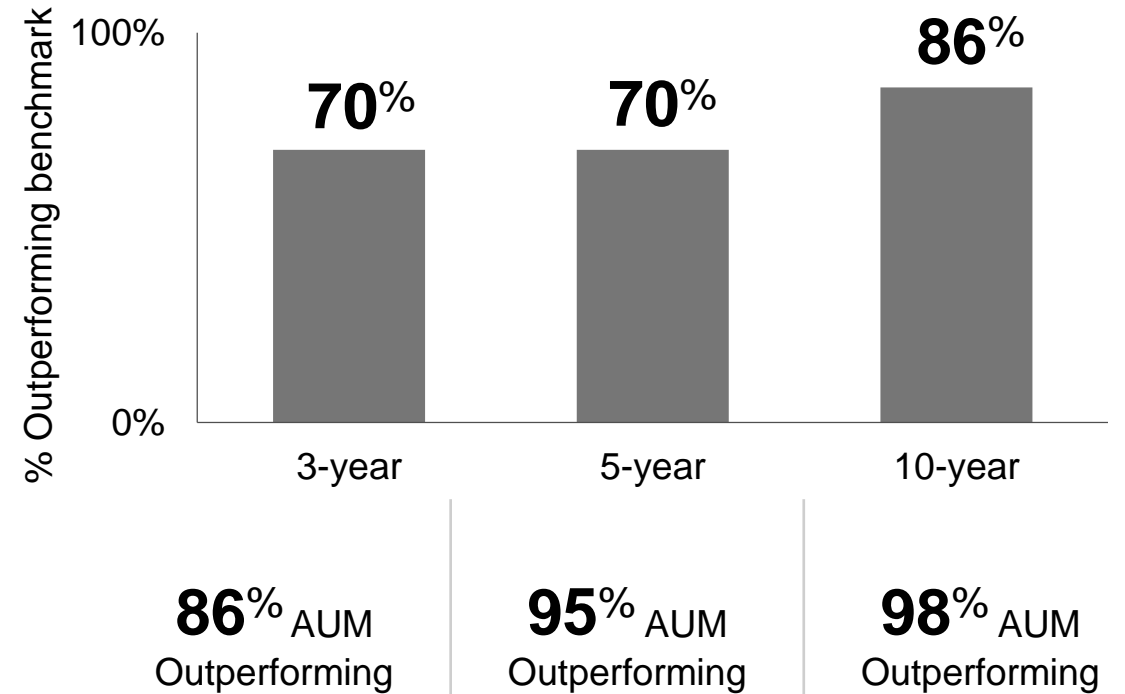
Sources: T. Rowe Price, Russell, and S&P; data analysis by T. Rowe Price. Analysis includes 11 large-cap funds, 3 mid-cap funds, and 4 small-cap funds. For a more detailed discussion of results and methodology, see "The T. Rowe Price Strategic Investing Approach". Available at <https://www.troweprice.com/content/dam/fai/studies/US-Equity-Strategic-Approach.pdf>. Refer to page 72 for information about this Russell information.

Performance against peers and benchmarks is strong in Global and International equity

Morningstar¹



vs. Benchmark²



Past performance cannot guarantee future results. As of December 31, 2019.

Asset-weighted results based on end-of-period assets as of December 31, 2019.

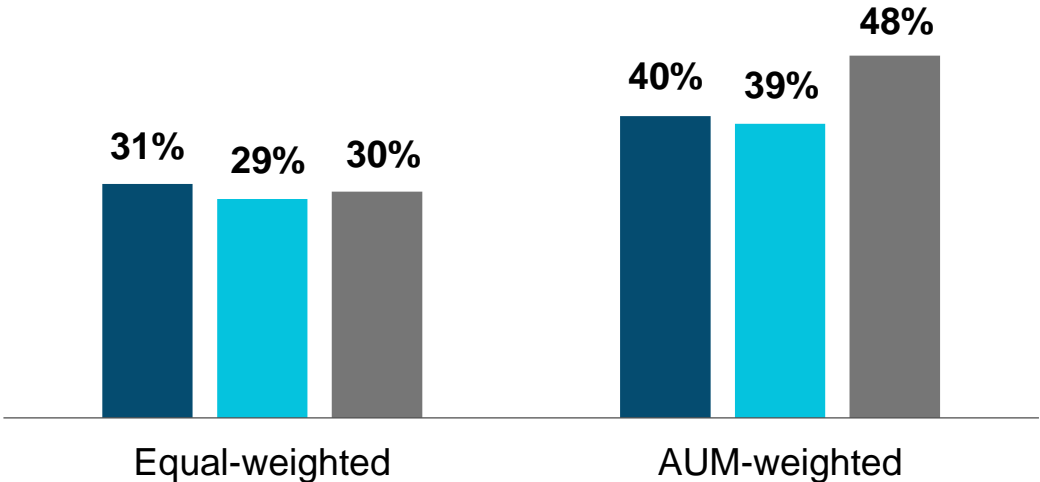
¹Primary share class only. Excludes T. Rowe Price passive funds and fund categories not ranked by Morningstar. Source: Morningstar.

²Primary share class only. Excludes T. Rowe Price passive funds and institutional funds that are a clone of a retail fund. Mutual funds measured against the most appropriate style benchmark used for portfolio manager evaluation, which may not always be the prospectus benchmark. Net=NAV. Source: Morningstar.

Fixed income performance is stronger in composites

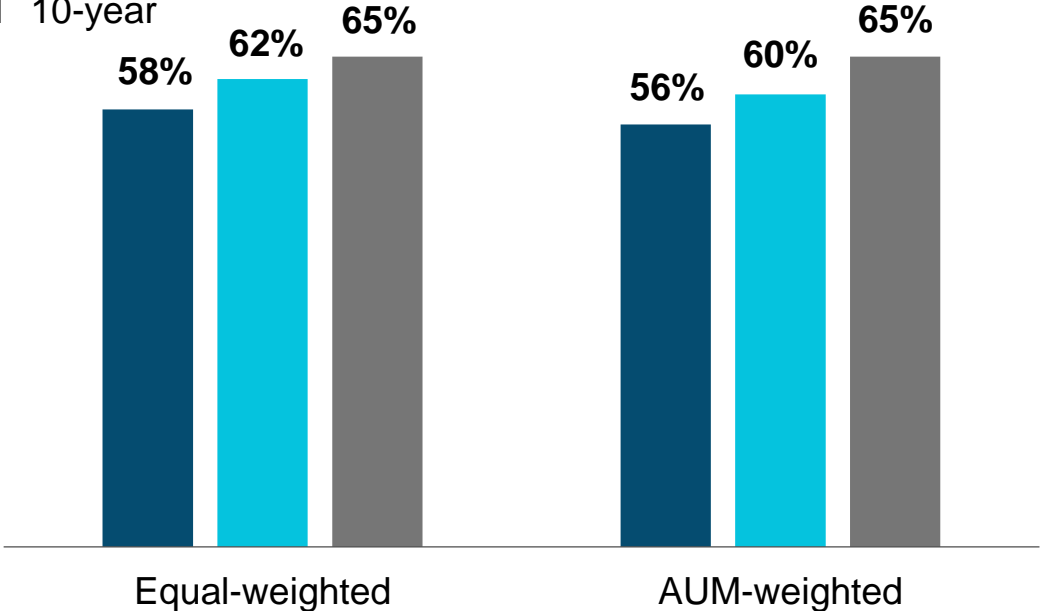
Fixed income funds outperforming benchmark¹

- 3-year
- 5-year
- 10-year



Fixed income composites outperforming benchmark²

- 3-year
- 5-year
- 10-year



Past performance cannot guarantee future results. As of December 31, 2019. U.S. mutual funds only.

Asset-weighted results based on end-of-period assets as of December 31, 2019.

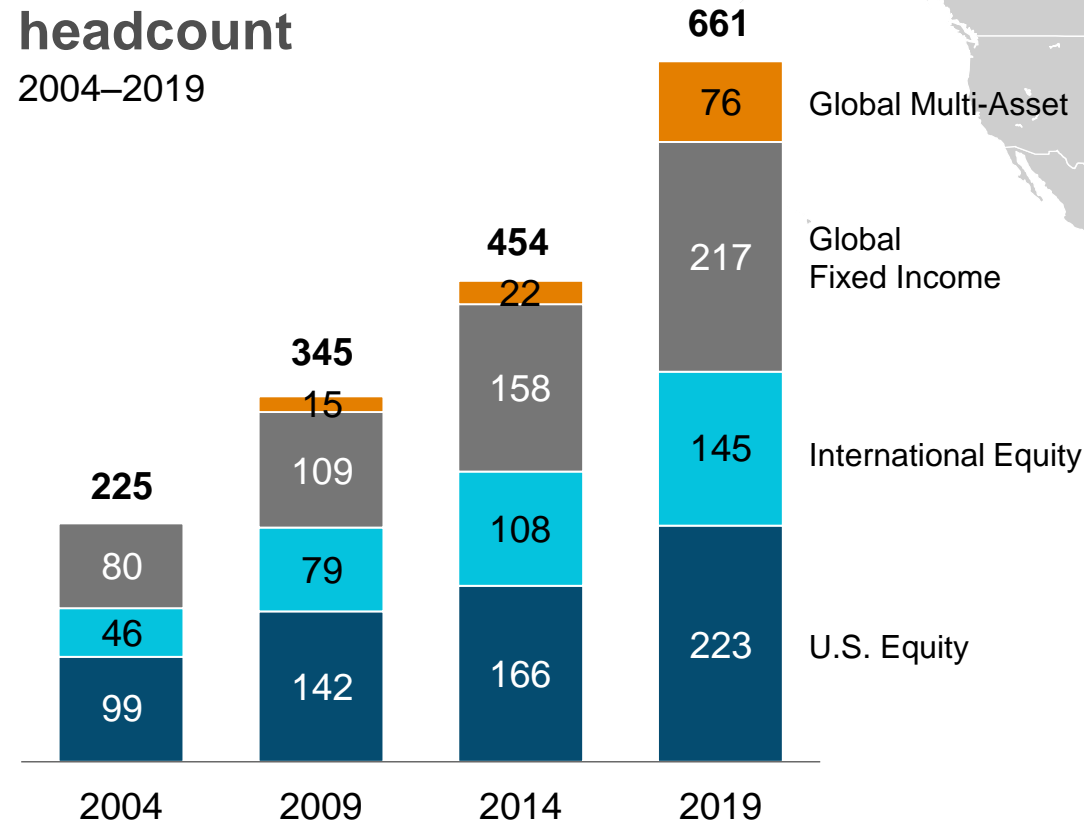
¹Primary share class only. Excludes T. Rowe Price passive funds and institutional funds that are a clone of a retail fund. Mutual funds measured against the most appropriate style benchmark used for portfolio manager evaluation, which may not always be the prospectus benchmark. Net=NAV. Source: Morningstar.

²Composite net returns are calculated using the highest applicable separate account fee schedule. All composites compared with official GIPS composite primary benchmark.

Multiyear investment to grow our investment capabilities globally

Investment professional headcount

2004–2019



661 Investment professionals worldwide

Investing in expanded capabilities

T. Rowe Price's strength in scale



Corporate Access

- Dedicated in-house capabilities
- Supplemental to third-party access
- Structuring unique events

Equity Data Insights

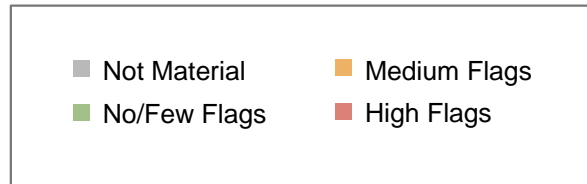
- Improving investment outcomes through data-driven insights
- Quantitative research team dedicated to our fundamental equity effort
- Specializing in “big data” and “machine learning” to provide actionable investment ideas

ESG

- Proprietary quant model on 14,000+ securities
- Factor analysis applied to multiple data inputs to highlight risks
- In-house ESG expertise supporting investors

Embedding ESG considerations into our investment decisions

The Responsible Investing Indicator Model (RIIM)

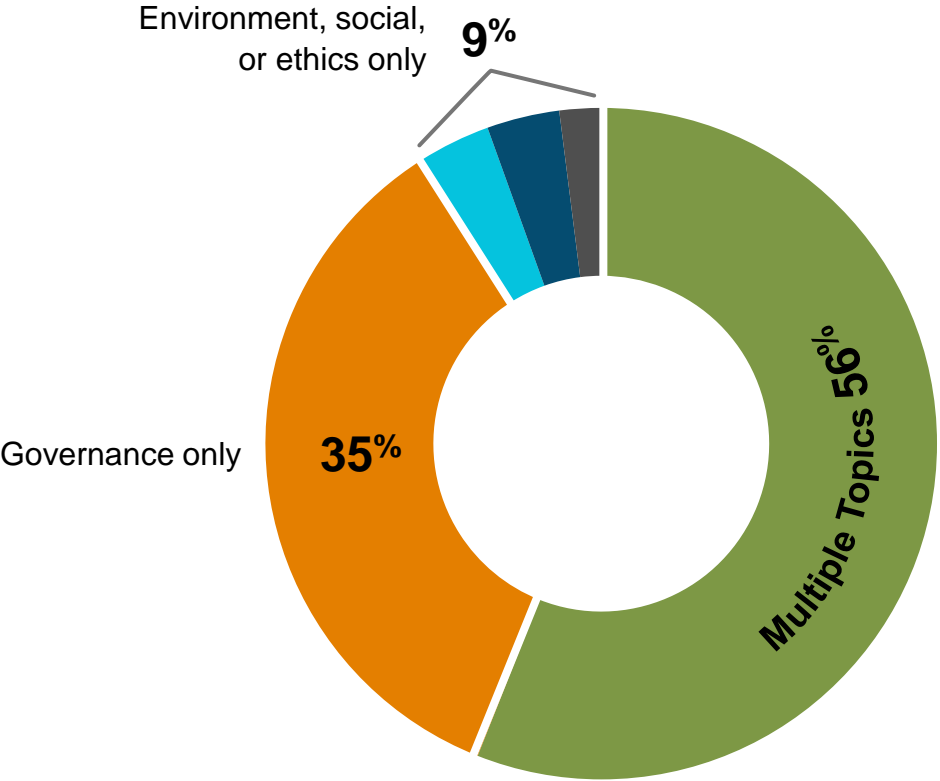


Environment	Operations	Supply chain (environment)
		Raw materials
		Energy and emissions
		Land use
		Water use
		Waste
		General operations
Social	End Product	Product sustainability
		Products and services environmental incidents
	Human Capital	Supply chain (social)
		Employee safety and treatment
		Evidence of meritocracy
	Society	Society and community relations
	End Product	Product sustainability
Product impact on human health and society		
Product quality and customer incidents		
Ethics		Business ethics
		Bribery and corruption
		Lobbying and public policy
		Accounting and taxation
		Board and management conduct
		ESG accountability
Data Incidents		Data privacy incidents

For illustrative purposes only. Note this is not an exhaustive list of ESG factors considered in our analysis.

ESG is integrated into our investment process

Focus of 650+ ESG Engagements in 2019



Top 5 Topics by Pillar:

Environment	Ethics
<ol style="list-style-type: none"> 1. Environmental disclosure 2. Product sustainability 3. GHG emissions 4. Responsible investing 5. Environmental management 	<ol style="list-style-type: none"> 1. Bribery and corruption 2. Lobbying activities 3. Proxy voting ethics 4. Regulatory changes 5. Compliance programs
Social	Governance
<ol style="list-style-type: none"> 1. Social disclosure 2. Employee safety and treatment 3. Proxy voting social 4. Diversity 5. Society and community relations 	<ol style="list-style-type: none"> 1. Executive compensation 2. Board composition 3. Governance structure 4. Shareholder rights 5. Succession

Percentages may not equal 100% due to rounding.

ESG is extending to products

ESG Integration

- Incorporating environmental, social, and governance factors into investment analysis for the purpose of maximizing investment performance
- Fiduciary duty remains top priority
- Can apply across all portfolios

SRI Strategies

- Imposing values-based investment parameters on a portfolio regardless of their potential impact on performance
- Client elects to have value-driven goals supersede financial goals

Impact Strategies

- Investment is meant to effect change either through the direction of investment dollars (e.g., not capitalizing coal companies) or using shareholder status to influence corporate/ issuer outcomes (e.g., pressuring a company to divest coal assets)
- Portfolio performance also includes non-financial objectives

• **Capability**

Products

SRI=Social Responsible Investing

Delivering our investment capabilities through ETFs



New Offering

- Launching semi-transparent active ETFs presents an opportunity to help redefine the ETF industry
- Semi-transparent active ETFs provide an efficient way for investors to access our alpha generation capabilities



Right at the Starting Line

- As an early provider of semi-transparent active ETFs, we have demonstrated our commitment to providing innovative capabilities that meet investors' evolving needs
- With the SEC's approval of semi-transparent active ETFs, the timing is right to enter the ETF space to leverage our firm's strengths in active management



Client Expansion

- ETFs are popular with financial advisors and individual investors because of their tax efficiency, low-cost structure, and convenience
- ETFs provide the ability to leverage existing relationships and to attract new clients



Long-Term Growth

- We plan to deliver a robust ETF product lineup across regions and asset classes in the years to come
- Active ETFs are in their infancy but represent a growth opportunity for active management

Scaling outperforming, high-capacity strategies globally

	Investment strategy	AUM (\$m)	AUM % change yr./yr.	3-year annualized excess returns (bps) ¹	3-year eVestment percentile rank ²	5-year annualized excess returns (bps) ¹	5-year eVestment percentile rank ²
U.S. Equity	U.S. Dividend Growth Equity	\$16,893	69%	110	19	107	10
International Equity	Emerging Markets Discovery Equity	\$280	390%	169	15	N/A	N/A
	Global Focused Growth Equity	\$15,750	93%	731	17	595	13
	Global Growth Equity	\$7,375	25%	572	37	298	39
	International Disciplined Equity	\$461	35%	156	32	227	20
	Japan Equity	\$3,873	97%	569	23	603	17
Global Fixed Income	Emerging Markets Corporate	\$1,048	311%	143	23	122	20
	Global Multi-Sector Bond	\$1,843	26%	181	11	180	16
	Global High Income Bond	\$538	100%	107	11	N/A	N/A
	U.S. High Yield	\$1,158	43%	122	8	152	5
	U.S. Ultra Short-Term Bond	\$1,977	77%	94	6	97	7
Multi-Asset	Global Allocation	\$717	24%	48	14	95	8
	Managed Volatility	\$2,138	21%	189	N/A ³	65	N/A

Past performance cannot guarantee future results. As of December 31, 2019.

The strategies listed may not be available in all jurisdictions nor to all investors. International Disciplined Equity name changed from International Concentrated Equity effective March 1, 2019.

Source: eVestment Alliance, LLC.

¹Excess returns results based on gross composite returns versus primary GIPS composite benchmark.

²Additional information on ranking available in the Appendix.

³eVestment ranking is not applicable as the strategy is only available via separate accounts.

Investment capabilities

Expanding our product lineup globally

	Global Equity	Global Fixed Income	Global Multi-Asset
2018	<ul style="list-style-type: none"> Global Equity Dividend SMA: Large-Cap Core, Equity Income, International Core, Australia 	<ul style="list-style-type: none"> Asia Credit 	<ul style="list-style-type: none"> Retirement Blend Trusts Multi-Strategy Total Return Custom Target Date Funds
2019	<ul style="list-style-type: none"> Global Focused Growth ITM Europe Select Equity China Evolution Equity (Small/Mid) 	<ul style="list-style-type: none"> Dynamic Credit Global Government Bond 	<ul style="list-style-type: none"> Target Allocation Active Models
2020+	<ul style="list-style-type: none"> Semi-Transparent Active ETFs U.S. Select Value Sustainable SICAV Range China Growth Global Select (Core) Global Impact 	<ul style="list-style-type: none"> Low Duration Credit Stable Value Multi-Manager Dynamic Emerging Markets Bond 	<ul style="list-style-type: none"> Multi-Asset Global Income Income Models Macro and Absolute Return Strategy (MARS)

The strategies and capabilities listed are not available in all jurisdictions nor to all investors. There is no guarantee that the capabilities and strategies currently under evaluation will be launched.

Summary



**Evolving
capabilities**



Culture



**Investment
excellence**



Multi-Asset Overview

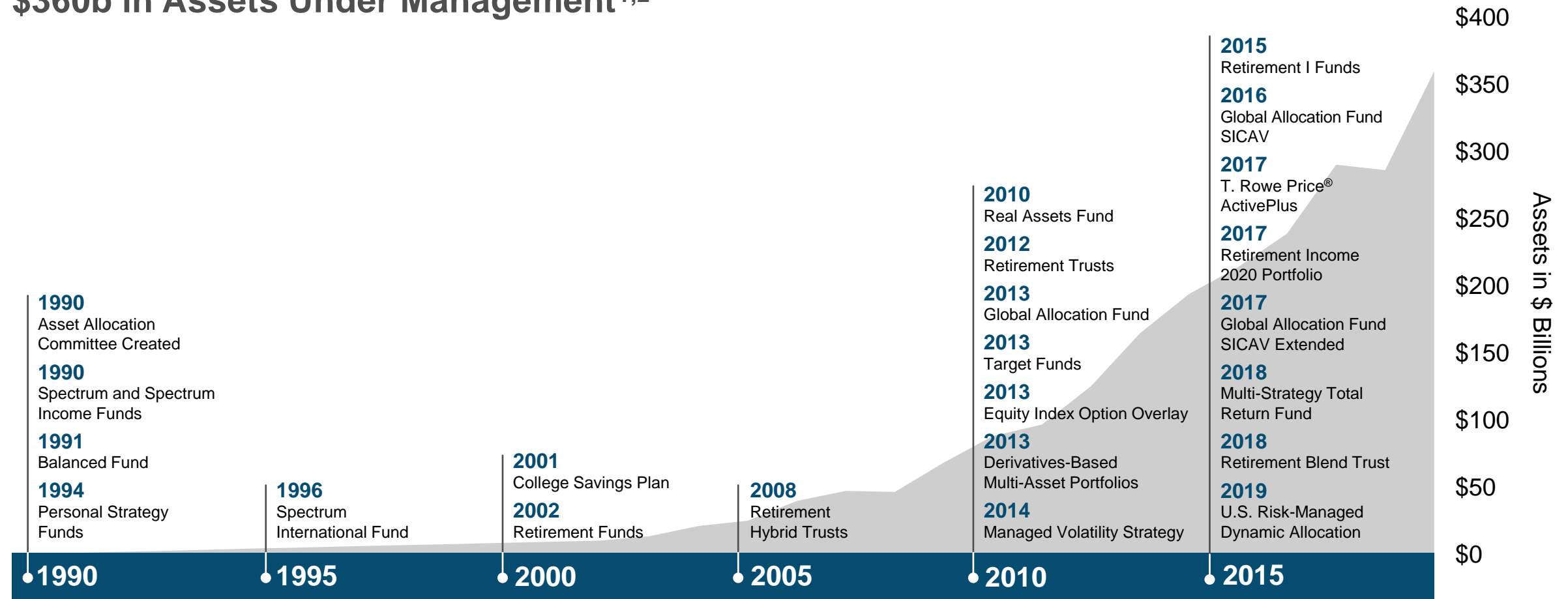
Sébastien Page

HEAD OF GLOBAL MULTI-ASSET

T. ROWE PRICE GROUP, INC. INVESTOR DAY 2020

Over 25 years of delivering multi-asset class solutions

\$360b in Assets Under Management^{1,2}



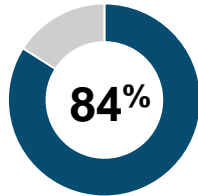
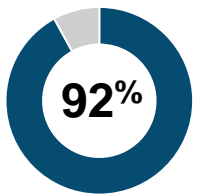
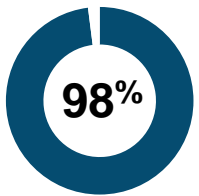
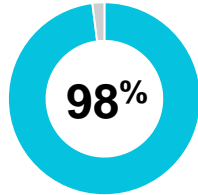
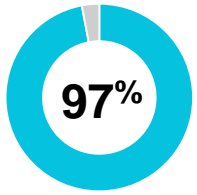

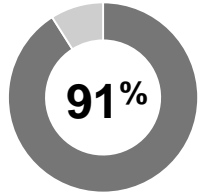
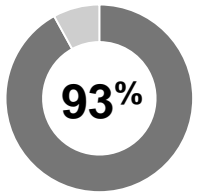
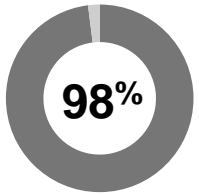
¹The combined multi-asset portfolios managed by T. Rowe Price Associates, Inc., and its applicable affiliates as of December 31, 2019.

²The total assets are adjusted for cases where a particular investment might be represented on a standalone basis as well as a component in a multi-fund portfolio.

The above timeline is intended to show the evolution of when multi-asset strategies and products were launched globally. The strategies and capabilities listed are not available in all jurisdictions nor to all investors.

Strong performance and risk-adjusted outcomes

Versus Morningstar peers

	3-year rolling	5-year rolling	10-year rolling
Top quartile Percent of time Retirement Funds were in top quartile	 84%	 92%	 98%
Top half Percent of time Retirement Funds were in top half	 98%	 97%	 99%
Risk-adjusted outperformance Percent of time Retirement Funds' Sharpe ratios were in top half	 91%	 93%	 98%

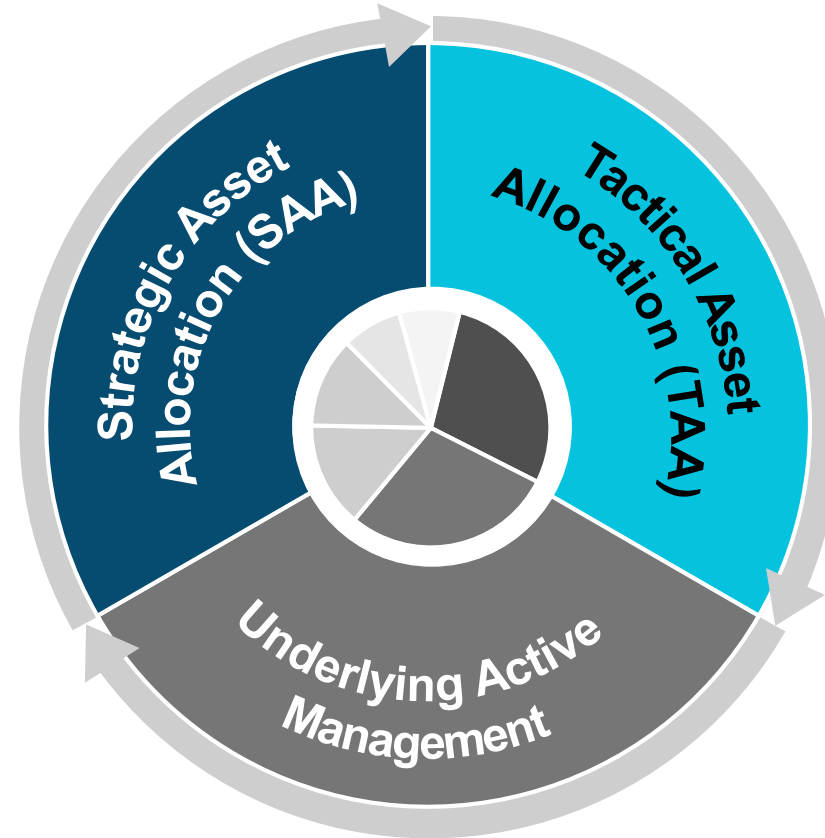
Past performance cannot guarantee future results.

Figures reflect the aggregate performance of the 11 Retirement Funds with a 10-year track record (Retirement 2005 through Retirement 2055 Funds).

Of the 11 Retirement Funds with a 10-year track record (the Retirement 2005 through 2055 Funds), 10 of 11, 10 of 11, and 10 of 11 were in the top quartile for the 3-, 5-, and 10-year periods ended December 31, 2019.

Source: Morningstar.

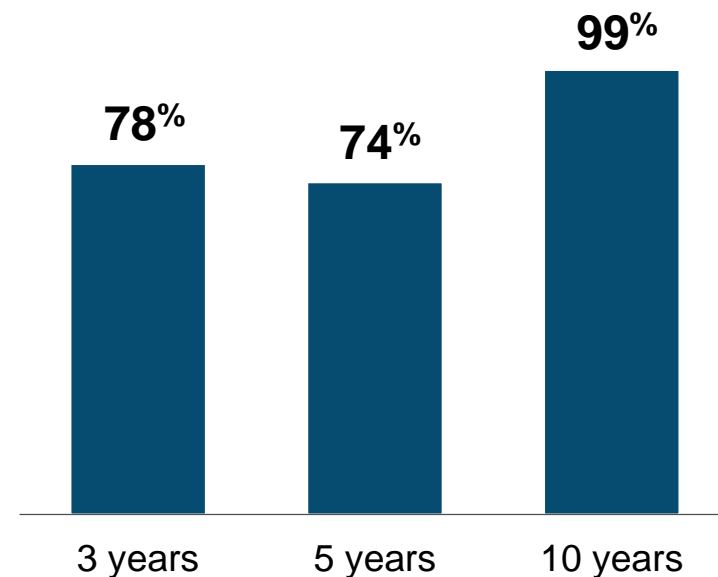
Investment process and sources of value added



Sources of value add have been consistent over time

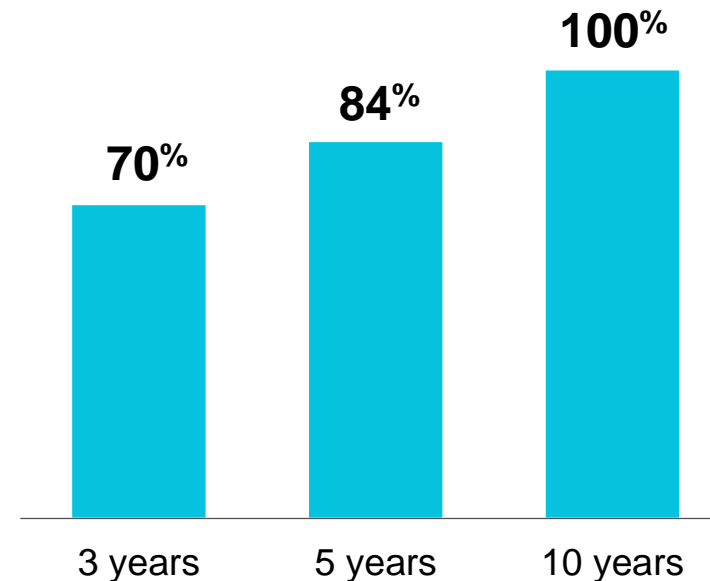
Strategic asset allocation¹

Percent of time added value



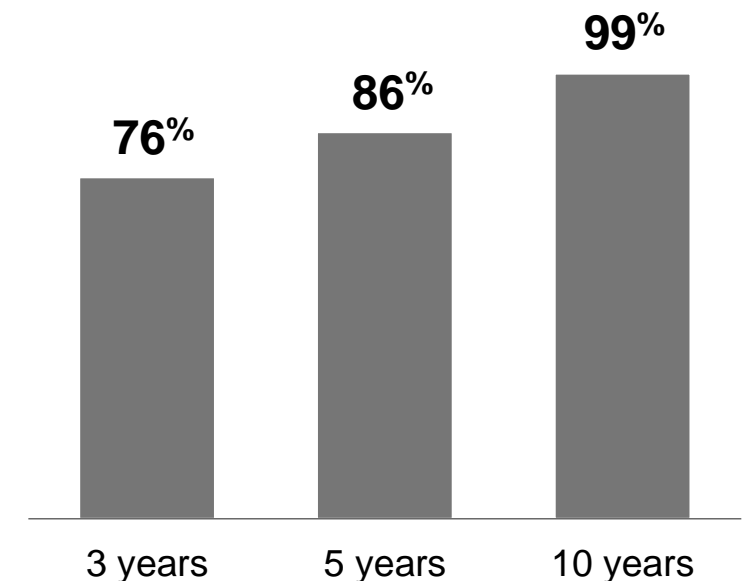
Tactical asset allocation²

Percent of time added value



Underlying active management³

Percent of time added value



Rolling periods (172 three-year periods, 148 five-year periods, 88 ten-year periods) from fund inceptions through December 31, 2019.

Past performance cannot guarantee future results. ¹Value added (net of fees and other costs) is calculated by comparing the returns of the Retirement 2005–2060 Fund's sector-weighted benchmarks versus the respective S&P Target Date Index. Returns were then aggregated to show the total excess returns for each Retirement Fund sector-weighted benchmark. Excess returns were calculated for each rolling period and then averaged across all the periods in each time frame.

²Value added is calculated by comparing the returns of the 11 Retirement Funds with a 10-year track record using each fund's fixed strategic asset allocation versus the returns based on the actual allocation weights.

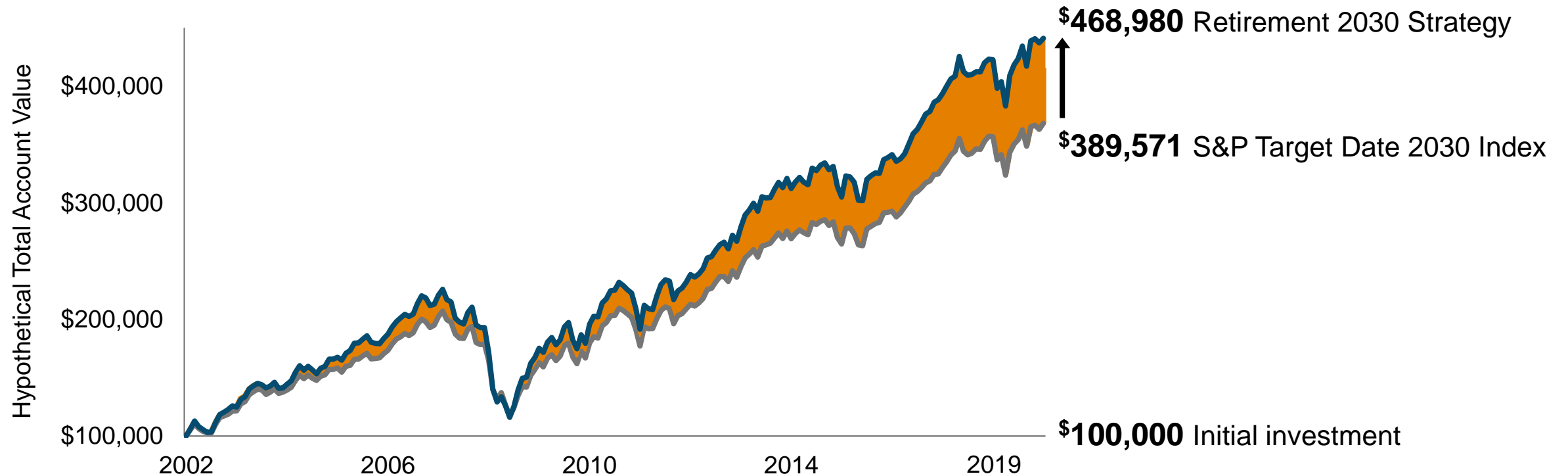
³Value added—net of fees and other costs—is calculated for the underlying funds in the 11 Retirement Funds with a 10-year track record. Returns were calculated relative to each underlying fund's style-specific benchmark. Returns were then aggregated to show the total excess returns for each Retirement Fund. Excess returns were calculated for each rolling period and then averaged across all the periods in each time frame.

^{1,2,3}For each of the 3 design components, to provide a high-level summary, a time-weighted performance average was calculated to determine the percentage of the total rolling periods in each time frame in which the design component made a positive contribution to fund returns. Value added is the return contribution made by each design component. Excess returns were calculated for each rolling period and then averaged across all the periods in each time frame.

What it means for investors

Retirement 2030 Strategy vs. S&P Target Date 2030 Index

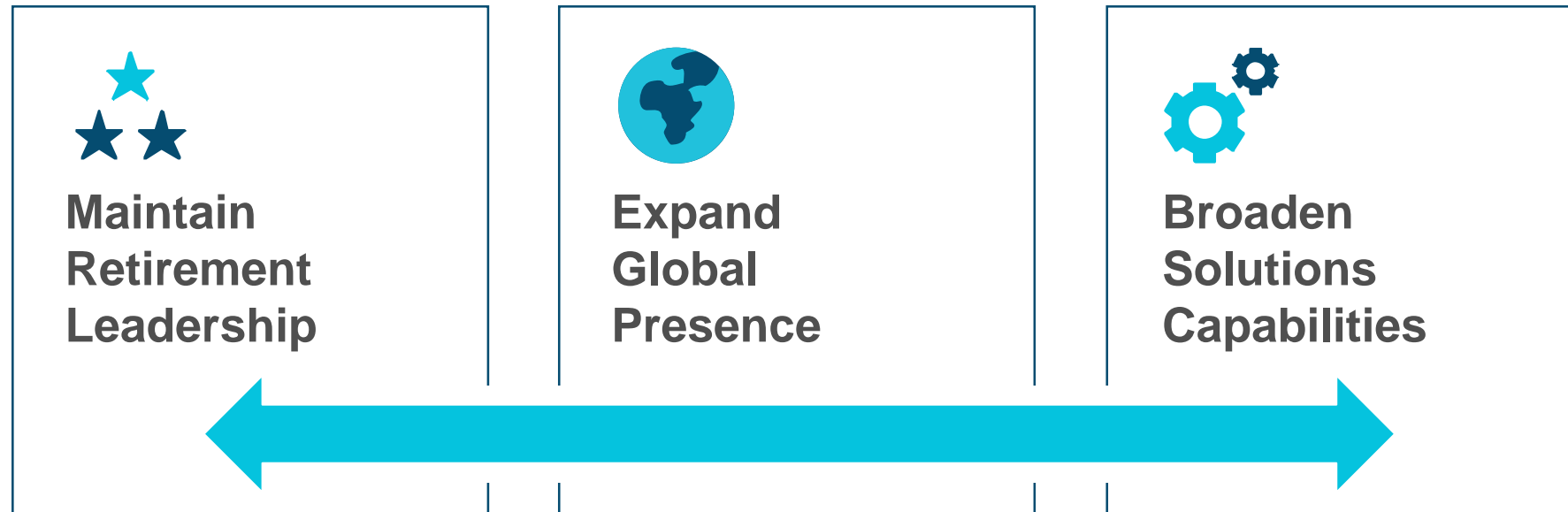
Cumulative growth of \$100,000



As of December 31, 2019. For illustrative purposes only and is not intended to be an endorsement, offer or solicitation for the sale of any product or service.

Past performance cannot guarantee future results. Performance shown is of a representative investment portfolio in the retirement 2030 suite of products. Performance shown is net of fees; it includes changes in the principle value, reinvested dividends, and capital gain distributions. Investors cannot invest directly in an index.

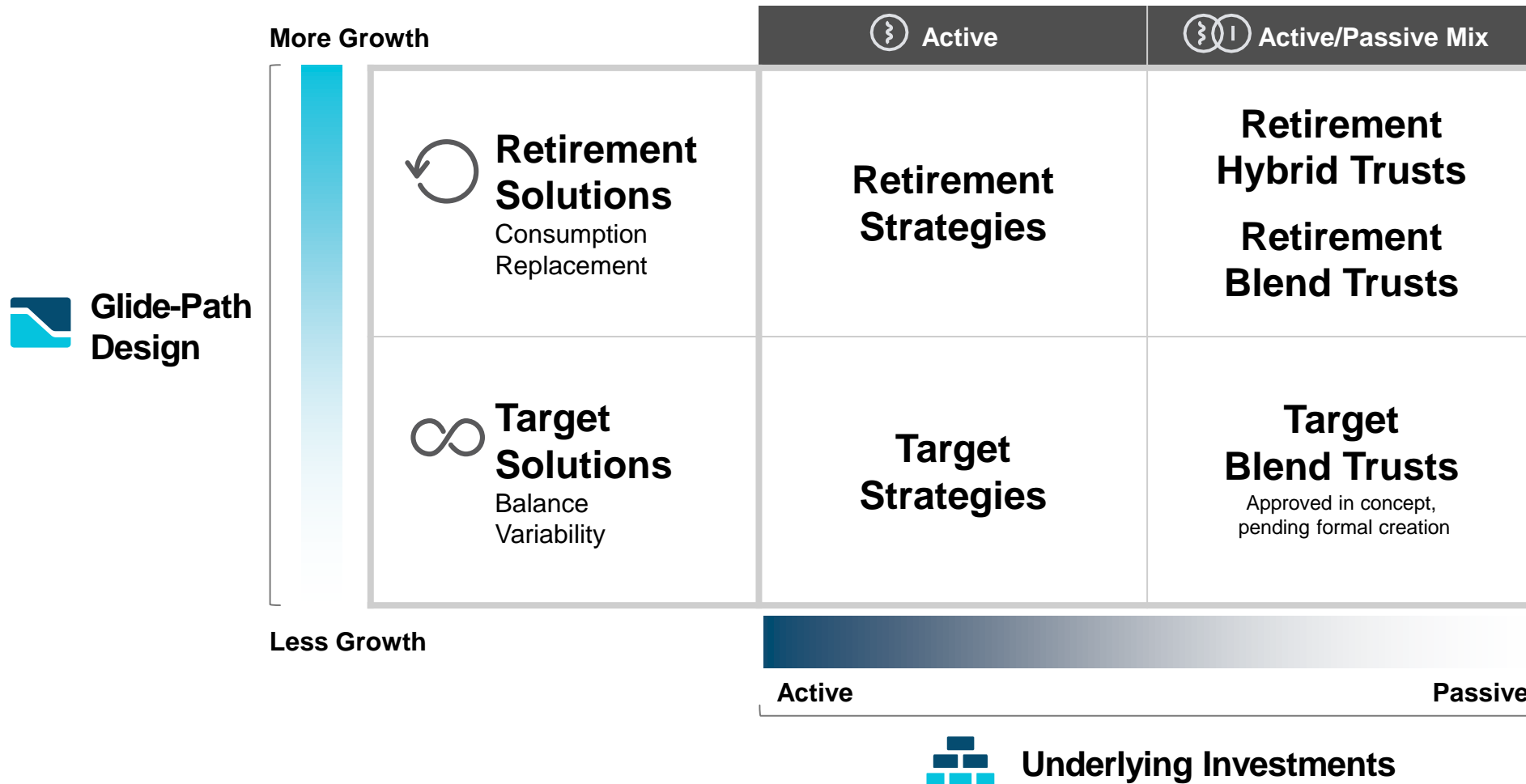
Continued focus on three key initiatives



Retirement: Expanding our product set



Maintain Retirement Leadership



The strategies and vehicles listed are not available in all jurisdictions nor to all investors.

Target date innovation continues

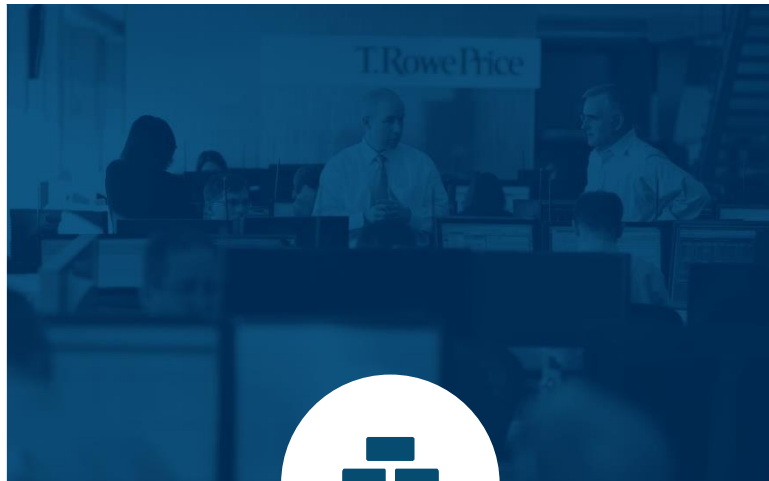
As announced in our February 13 press release



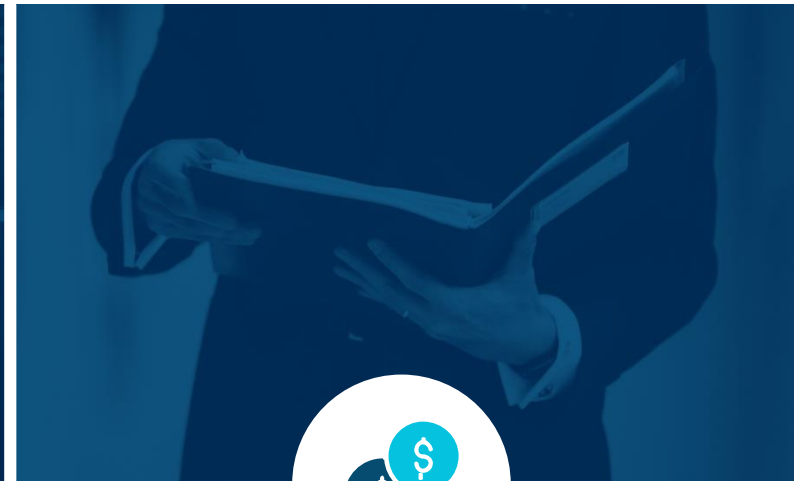
Maintain
Retirement
Leadership



Adjusting our
glide paths



Adding investment
components



Launching top-level
pricing

Globalization: A growing opportunity



Expand
Global
Presence



Established local
Solutions teams in
three countries

Top 1%

Global Allocation
Fund SICAV 3-yr.
peer group percentile¹

We are planting seeds
for growth across a
wide range of markets
outside the U.S.



Launched first
T. Rowe Price multi-
asset strategy in China

+50%

Growth in Korea
TDF AUM in 2019
(to \$324m)



Launching
Multi-Asset Global
Income SICAV (2020)

¹As of December 31, 2019. Global Allocation Fund SICAV, I Class. Morningstar USD Moderate Allocation Category. USD Based Currency. Third percentile among USD Moderate Allocation peers, all base currencies. Source: Morningstar. Past performance cannot guarantee future results.

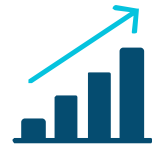
Solutions: Focusing on client needs



Broaden
Solutions
Capabilities

1,500+

Consultative client
engagements



Increased flows
in off-the-shelf
strategies

We are engaging
with clients as a
trusted advisor across
channels and markets

450+

Asset allocation
studies delivered

35

New customized
multi-asset
strategies



Revitalizing our
Target Allocation
franchise (2020)

Figures represent 2017–2019.

Our platform is our competitive advantage

Global Equities					
Fundamental					
Global Global Equity <ul style="list-style-type: none"> Growth and Value Inflation-Sensitive <ul style="list-style-type: none"> Natural Resources Real Estate 	U.S. Size and Style <ul style="list-style-type: none"> Large-, Mid-, and Small-Cap Growth, Core, and Value 	Sector <ul style="list-style-type: none"> Financial Services Global Industrials Media and Telecom Global Real Estate Global Natural Resources Global Technology Health Sciences Science and Technology 	International Size and Style <ul style="list-style-type: none"> Growth, Core, and Value Large- and Small-Cap Size and Style (Developed Markets) <ul style="list-style-type: none"> Large- and Small-Cap Growth, Core, and Value 	Emerging Markets <ul style="list-style-type: none"> Diversified Emerging Markets Europe Asia Latin America Frontier Markets Middle East and Africa 	Regional and Country <ul style="list-style-type: none"> Europe Japan Asia ex-Japan Australia
Quantitative					
	Global Size and Style <ul style="list-style-type: none"> Global Equity Core 		U.S. Size and Style <ul style="list-style-type: none"> Small-Cap Growth Small-Cap and Mid-Cap Core 	<ul style="list-style-type: none"> Value Low Volatility 	
Global Fixed Income					
Corporate <ul style="list-style-type: none"> Global Investment-Grade Credit U.S. Investment-Grade Credit Euro Investment-Grade Credit 	Municipal <ul style="list-style-type: none"> National State High Yield 	Core <ul style="list-style-type: none"> U.S. Global International 	Short Duration <ul style="list-style-type: none"> Short Term Ultra-Short Term Stable Value Money Market 	High Yield <ul style="list-style-type: none"> U.S. High Yield European High Yield Floating Rate Loans 	Emerging Markets <ul style="list-style-type: none"> Hard Currency Bonds Local Currency Bonds Corporate Bonds
Risk Mitigation			Alternative Strategies		
	<ul style="list-style-type: none"> Managed Volatility Equity Index-Option Strategies 		<ul style="list-style-type: none"> Multi-Strategy Total Return Unconstrained Fixed Income Investments in Externally Managed Hedge Funds 	<ul style="list-style-type: none"> Long/Short Equity Macro and Absolute Return (MARS) 	

The strategies and capabilities listed are not available in all jurisdictions nor to all investors.

Summary



**Demonstration
of leadership**



**Dedication to
performance**



**Pursuit of
innovation**



Global Distribution

Robert Higginbotham

HEAD OF GLOBAL DISTRIBUTION AND PRODUCT

T. ROWE PRICE GROUP, INC. INVESTOR DAY 2020

We continue to position ourselves against key client trends

Key client trends

Our positioning

Passive investments continuing to take share from active, leading to higher bar on investment performance for active managers



Continuing focus on excellent, active investment management supporting flow momentum

Institutional and intermediary clients demanding **new vehicle types and fee structures**



Continuing build of new vehicle types (e.g., CIT, SMA, Model Delivery, SICAV, ITM, ETF)

Growing retiree population shifting demand from equities to **income-oriented solutions**



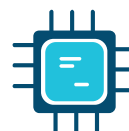
Investing in a range of income-oriented investment capabilities, products, and client solution approaches

Faster growth occurring **outside the U.S.**



Investing in EMEA and APAC client coverage, brand, and operating model buildout

Significant technology investment required to enhance investments, distribution, and client experience capabilities



Developing digital, automation, data, and analytics capabilities supporting global growth

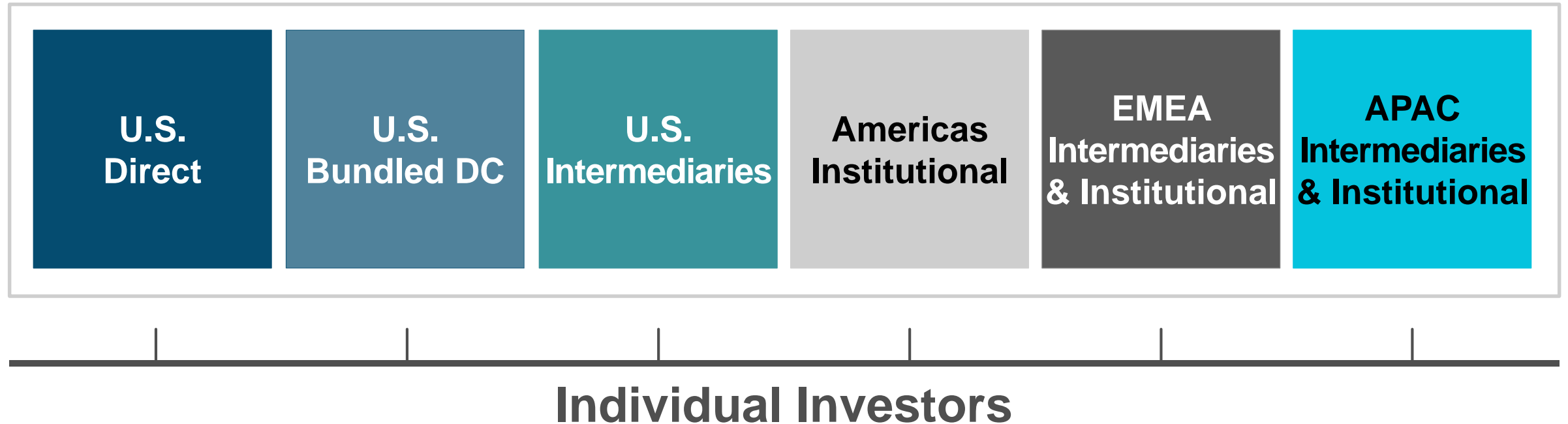
Distributors are consolidating relationships, requiring more from partners and negotiating to maintain their economics



Focusing on strategic partnerships

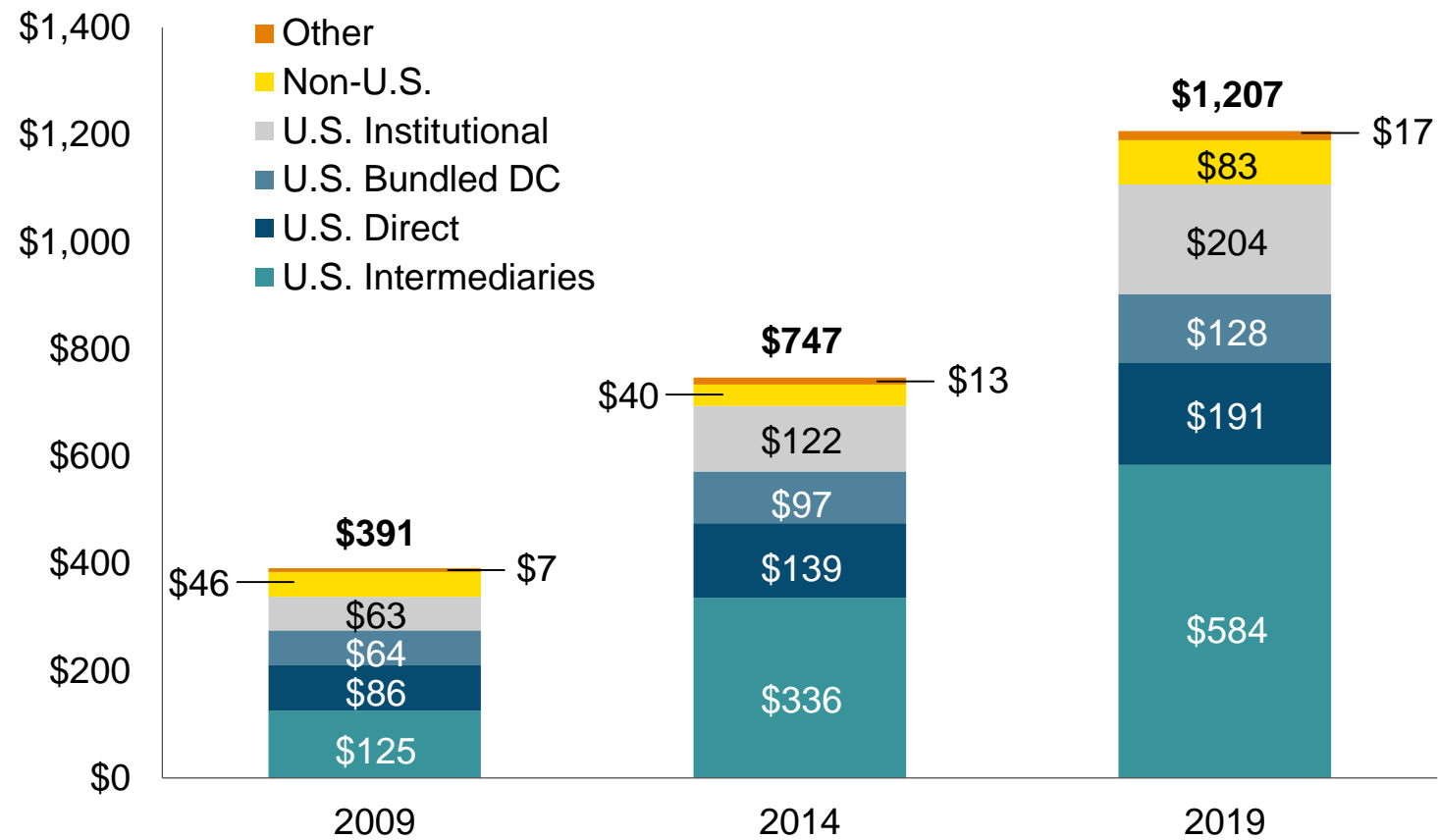
How we access clients

T. Rowe Price Global Distribution



Our diversified access to clients is shown in our AUM

Global AUM

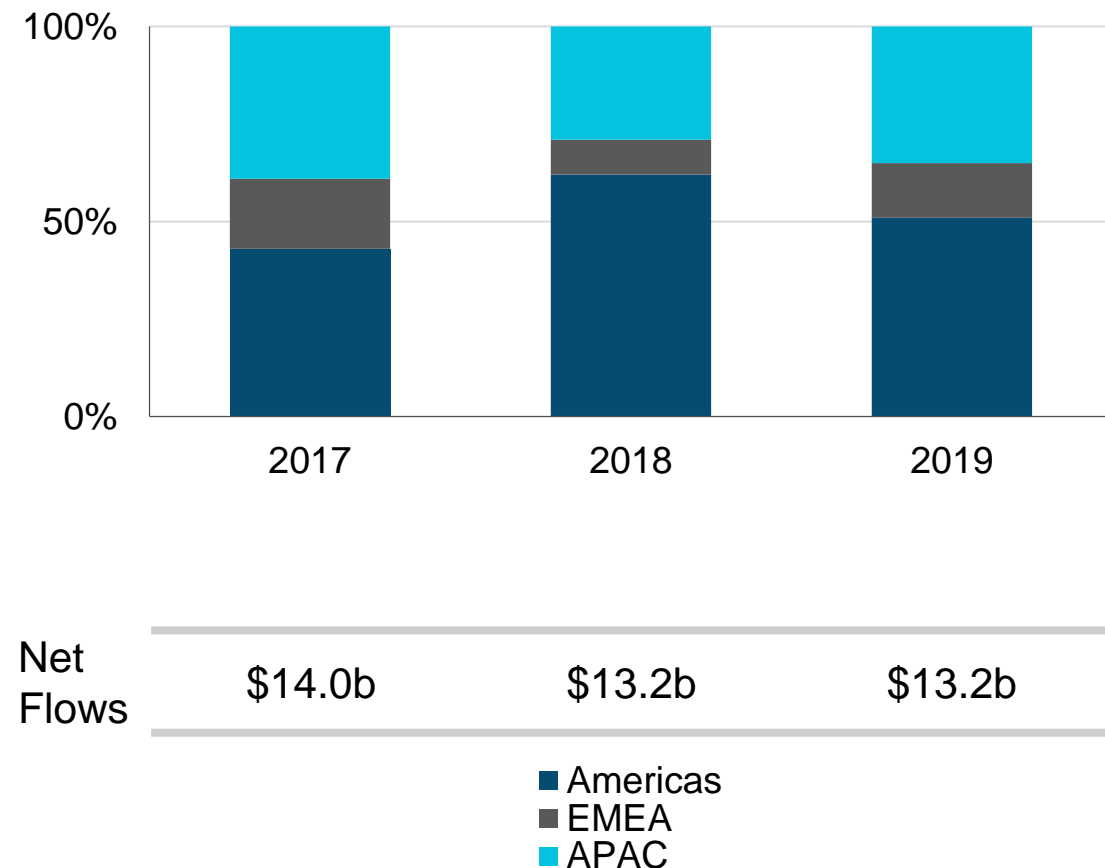


+12.0%
AUM CAGR
2009–2019

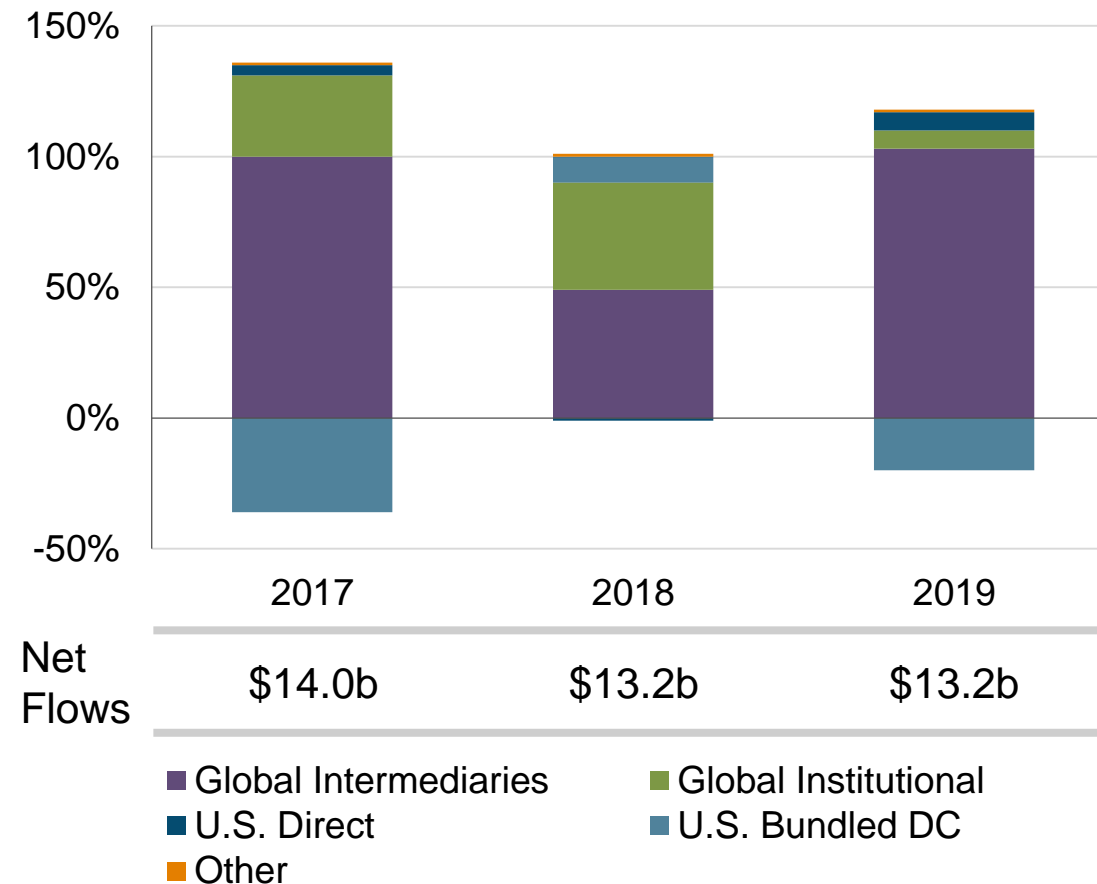
Source: T. Rowe Price. Other includes T. Rowe Price investments in proprietary products, assets of the T. Rowe Price employee benefit plans, and Private Asset Management accounts.

Our 2019 results show continued diversified organic growth

Percentage of Net Flows by Client Geography



Percentage of Net Flows by Channel



Source: T. Rowe Price. Other includes T. Rowe Price investments in proprietary products, assets of the T. Rowe Price employee benefit plans, and Private Asset Management accounts.

Key distribution highlights



Benefit of diversification within U.S. Intermediaries

Diversified growth across subadvisory, broker-dealer, other wealth platforms including direct, and advised defined contribution investment only (DCIO)



Balanced retention

driven by multiple lower churn channels including U.S. Direct, subadvisory in U.S. Intermediaries, and U.S. Institutional



Strong retirement franchise led by DCIO

across retail and institutional and complemented by bundled DC franchise



Diversified asset class growth

in EMEA and APAC with no single product driving growth

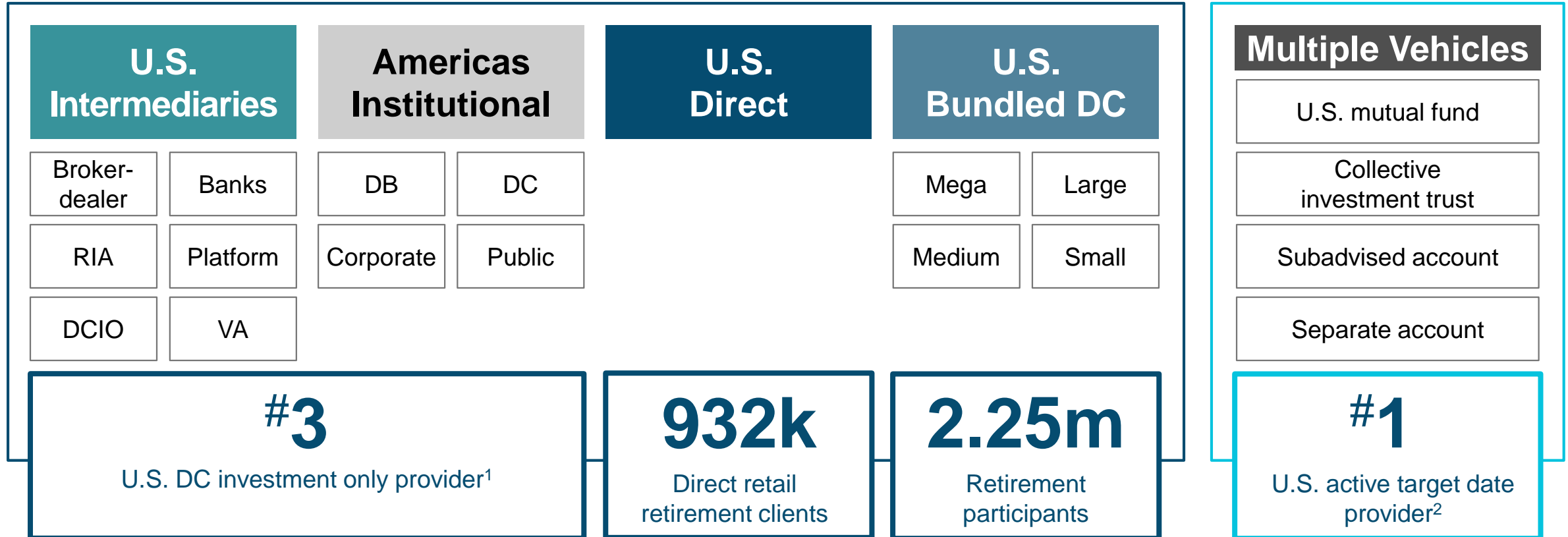


Continued strong market share in active target dates

with some interest in custom with larger clients

A retirement leader in the U.S.

Comprehensive U.S. retirement offering with complementary retirement channels and vehicles



Note: Pensions & Investments rankings include total AUM active and passive.

¹Pension & Investments. Ranking based on AUM. Data as of December 31, 2018. Most recent data available.

²Ranking based on actively managed TDF AUM. Investment News, 10 things to know about TDFs, March 9, 2019 edition.

U.S. Intermediaries drives growth and is diversified

Broker-Dealer

- #10 U.S. active broker-dealer market provider¹
- Continued investment in field territory expansion (+80% increase since 2016)

Banks

- #5 U.S. active bank & trust provider²
- Launched 10 managed account strategies (Retail SMA, Model Delivery SMA) since 2016

RIA

- #5 U.S. active RIA provider³
- Focusing sales coverage to address mega-RIAs while advancing digital marketing capabilities to address long tail of smaller RIAs

Platform

- #4 U.S. active platform direct provider⁴
- Significant placement on recommended lists and strong flows from NTF platforms

DCIO

- #3 U.S. active retirement provider⁵
- Investment in strategic partnerships focused on top-tier recordkeepers and DC aggregators

VA

- #4 U.S. active subadvisory provider⁶
- Evaluating retirement income opportunities

Enhanced and focused value-added services, supporting Portfolio Construction, Client Loyalty, and Retirement Wellness

Creating customized and relevant digital experiences for targeted audiences with the intent to drive increased engagement and identify sales leads

Data as of December 31, 2019.

Note: Strategic Insight Simfund rankings include brokerage and advisory active mutual fund AUM, which excludes passive/index/affiliated fund of funds AUM.

Source for rankings: Strategic Insight Simfund. Ranking based on AUM.

¹Ranked 10 of 614. ²Ranked 5 of 613. ³Ranked 5 of 639. ⁴Ranked 4 of 626. ⁵Ranked 3 of 475. ⁶Ranked 4 of 832.

U.S. Direct and U.S. Bundled DC both provide access to individual investor clients

U.S. Direct

\$191b
AUM

1.38m
Individual Investors

60
Net Promoter Score

Return to positive organic growth, which we believe can be sustained

Maintain strong levels of client satisfaction

Continue to invest in new services, including advice, and improve digital tools and engagement

U.S. Bundled DC

\$128b
AUM

2.25m
Plan Participants

79
Net Promoter Score

Inflows with high proprietary share in the small to mid-market

Outflows in the large and mega market

Maintain strong levels of client satisfaction

Continue to drive for improved operating efficiency and scale, which are critical for this business



2019 Net Promoter Score, Chatham Partners Analysis. The Chatham Partners' Net Promoter Score (NPS) measures clients' likelihood of recommending T. Rowe Price. Respondents are categorized as Promoters, Passives, or Detractors. The NPS is the percentage of Promoters minus the percentage of Detractors. Net Promoter, Net Promoter Score, and NPS are trademarks of Satmetrix Systems, Inc.

We are seeing returns on our investment in EMEA and APAC

EMEA

7.1%

Organic growth¹

12.1%

Increase in headcount²

40%

Improvement in brand ranking³

Regrown a more diversified business with our new markets all making strong contributions

Defined a more focused strategy in UK, Italy, and Germany

Broad local product range with strong seed capital support

Increasing brand penetration



APAC

21.3%

Organic growth¹

13.5%

Increase in headcount²

20%

Improvement in brand ranking³

Saw strong sales and flows momentum, largely driven by the Japanese ITMs

Expanded global consultant relations team with further dedicated APAC coverage

Continue build of marketing team and further invest in brand

¹Organic growth is calculated as 2019 net new flows divided by December 31, 2018 AUM.

²Increase in headcount from 2018 to 2019.

³NMG Consulting Annual Global Brand and Marketing Study for Asset Managers; increase represents change in brand awareness ranking within EMEA and APAC advisor segments from 2017–2018. Most recent data available and used with permission. © NMG Group 2019.

Our product range continues to be critical for success

Our primary vehicle types	Number of products ¹	Target country/region ²
U.S. mutual fund ^{3,4,5}	181	U.S.
Société d'investissement à capital variable (SICAV ⁶)	50	EMEA/APAC
Collective investment trust ^{4,5}	46	U.S.
Open-ended investment company (OEIC)	12	UK
Managed accounts and model delivery ⁵	11	Americas/EMEA/APAC
Canadian pooled fund	8	Canada
Australia unit trust (AUT)	5	Australia
Japan investment trust (ITM)	4	Japan
Fonds commun de placement (FCP)	2	EMEA/APAC
Separate/subadvised account ^{4,5,7}	270	Americas/EMEA/APAC
Total external products	589	

¹Includes products that are operationally ready but not yet funded. ²Products may not be registered for sale in every country within each region. ³Includes VIP, Charitable Giving, and CSP/529 funds. ⁴Excludes internal portfolios. ⁵Retirement/Target Date/Target Allocation Active Series count as 1 product. ⁶Represents total SICAV sub-fund count for SICAV I (46), II (2), and III (2) products. ⁷Represented by active composites. The strategies and capabilities listed are not available in all jurisdictions nor to all investors.

Firmwide product statistics

589 Products offered externally

\$1.3b Seed capital investments

Summary



Continued focus on putting clients first



Well positioned against key global demand pools



Strong, sustainable, diversified growth



Scale is a competitive advantage



Financial Overview

Céline Dufétel

CHIEF FINANCIAL OFFICER

T. ROWE PRICE GROUP, INC. INVESTOR DAY 2020

Creating value for stockholders over time

Organic AUM Growth

1 year
1.4%

5 year
(average)
0.9%

Driving sustainable,
diversified, and profitable
organic growth

Operating Margin¹

1 year
44.0%

5 year
(average)
43.6%

Maintaining a strong
operating margin while
investing for the long term

Return of Capital²

1 year
68%

5 years
(cumulative)
95%

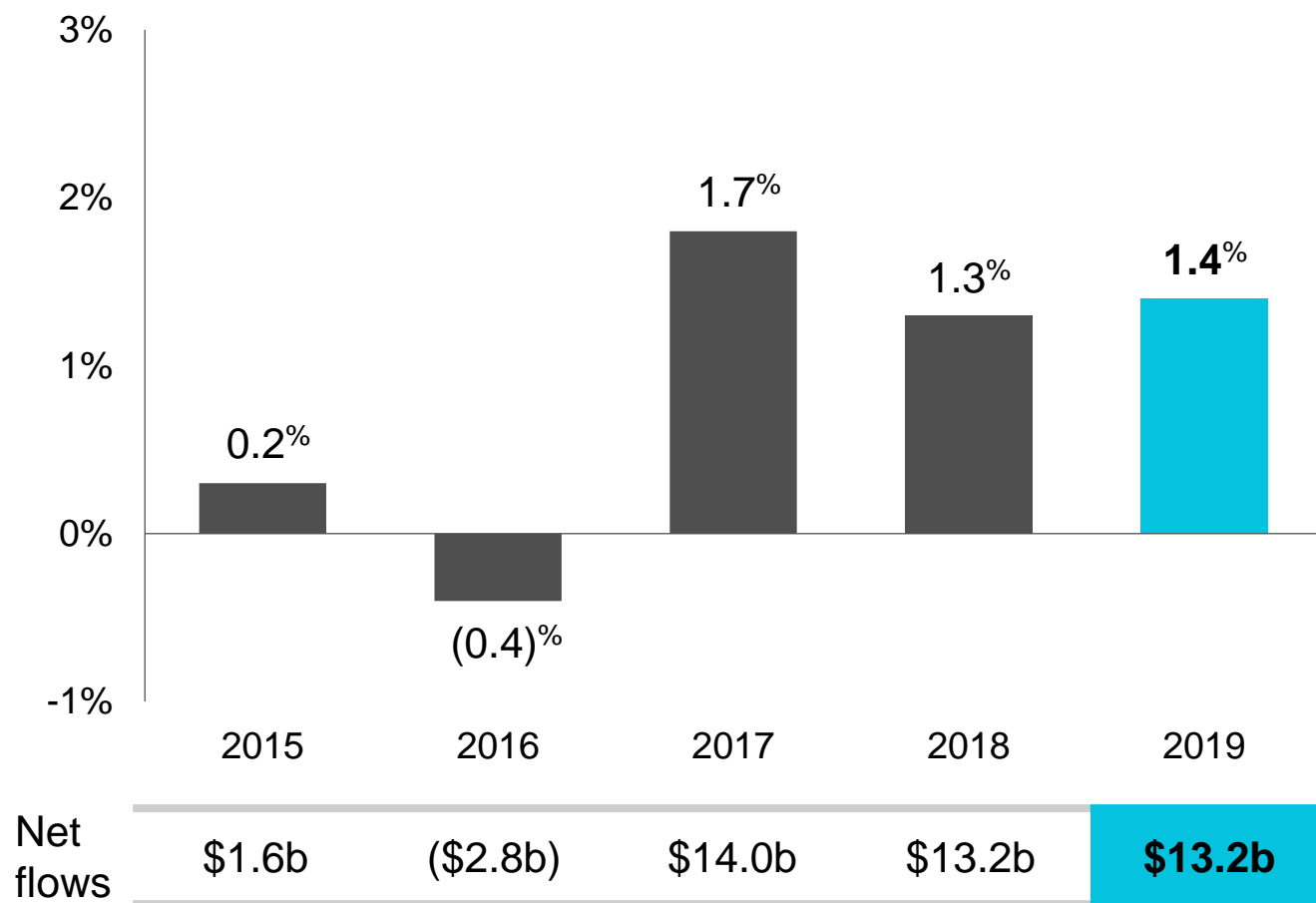
Consistently returning
capital to stockholders
over time

¹Non-GAAP. See the reconciliation between GAAP operating margin and non-GAAP operating margin in the Appendix. See the firm's 2019 Annual Report on Form 10-K for further information.

²Figures represent percent of U.S. GAAP net income attributable to T. Rowe Price Group, Inc., returned to stockholders.

Driving organic AUM growth

Net flows as a percent of prior year's ending AUM



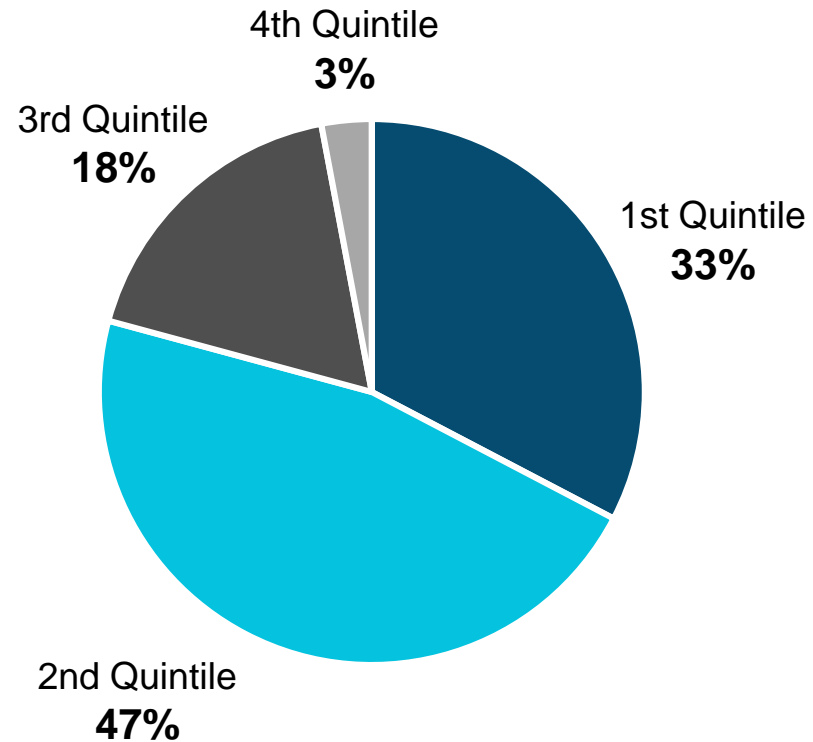
Targeting sustainable, diversified, and profitable organic growth of **1%–3%** per year

Source: T. Rowe Price.

Maintaining a strategic pricing approach

Active U.S. Mutual Funds: Morningstar Fee Level

% of T. Rowe Price US Mutual Fund AUM



Our pricing approach

- Maintain reasonable pricing for alpha generation
- Remain competitive in our positioning
- Treat all clients fairly
- Stay ahead of industry shifts
- Adapt to client preferences across vehicles and pricing structures

Past performance cannot guarantee future results. Excludes index funds. Morningstar ranks a fund's fees against its peers within each comparison group using a fund share class' most recent prospectus net expense ratio. Percentages may not equal 100% due to rounding. Above Source: Morningstar.

Offering vehicles and pricing structures that are mutually beneficial to our clients and us

CITs

- Tiered pricing based on client scale
- No AFP or 12b-1

ETFs

- Similar advisory fee as equivalent mutual fund
- Lower operating expenses leading to a lower total expense ratio
- Increased tax efficiency

TDF Restructure

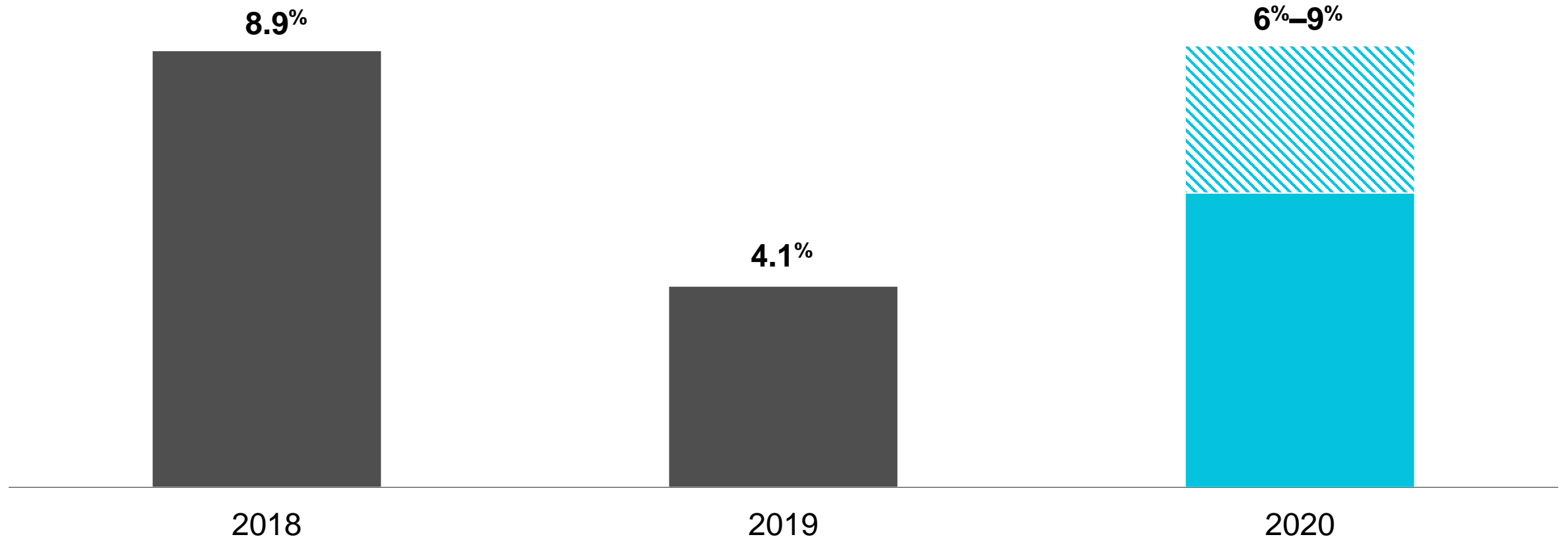
- 2-7 bps lower total expense ratio for the Retirement Date Fund I series¹
- A more predictable fixed fee, independent of building blocks or asset allocation changes

Evolving with client needs and preferences

¹The TDF restructure also included the lowering of total expense ratios for some of the I Class, Investor Class and Advisor Class of the Target Date Funds and the Investor Class of the Retirement Income 2020 Fund. Pricing comparison versus total expense ratio noted in the 2019 semi-annual report.

Investing for the long term

Non-GAAP operating expense growth¹



¹See the reconciliation between 2019 and 2018 GAAP operating expenses and non-GAAP operating expenses in the Appendix. See the firm's 2019 Annual Report on Form 10-K for further information.

Making investments across the firm in 2020



Investments

Building out investment teams globally to sustain and improve the competitiveness of our strategies




Distribution

Expanding our global footprint to strengthen our regional relationships and brand



Technology and operations

Modernizing infrastructure, enhancing client experience, enabling distribution, and supporting alpha generation




Globalized shared services

Strengthening our shared services to support growth, governance, and regulatory needs globally



Research

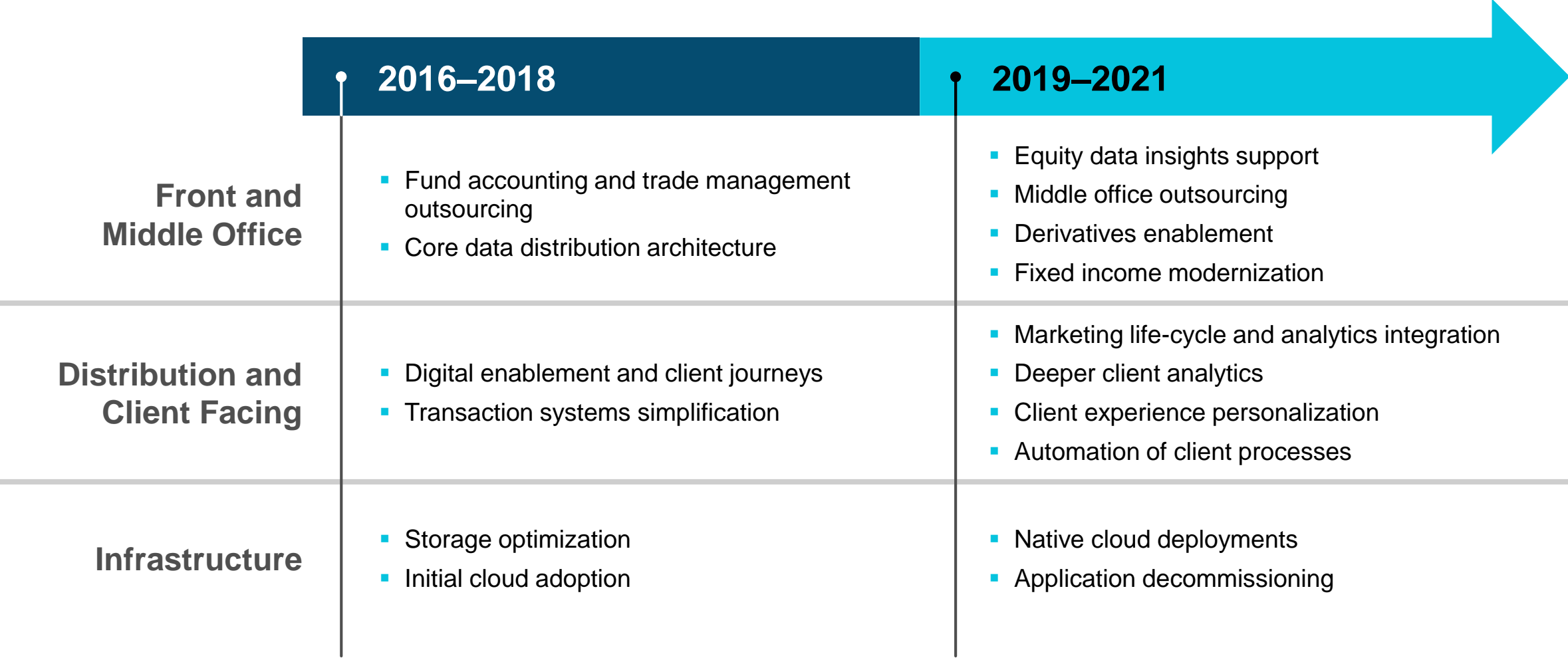
Paying for all third-party research globally driving lower client transaction costs and greater transparency



Compliance with new regulation

Adapting to the ever-changing regulatory landscape

Modernizing our technology over multiple years



Driving efficiencies for reinvestment



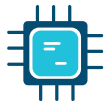
Procured services management

- Renegotiations with top vendors
- Vendor consolidation
- Demand management



Client digitization and automation

- Digitization of client interactions
- Transaction processing automation
- Capacity management



Technology cost optimization

- Storage optimization
- Application decommissioning
- Hyper-converged infrastructure



Middle and back office modernization

- Fund accounting and middle office outsourcing
- Modernization of performance systems, investment compliance, and client reporting processes

Disciplined three-year strategic and financial planning

Strong budget discipline and accountability

Mindset of reassessment and redeployment

Effectively deploying capital



Grow dividend annually and maintain strong payout ratio

- Continued year-on-year dividend increase since IPO
- Strong payout ratio—40% over past five years¹



Buy back stock opportunistically and offset dilution

- 10% decline in shares outstanding over past five years
- Repurchased \$3.9b over past five years at an average share price of \$82.72
 - 10x average P/E²
 - 3.7% dividend yield over 2019 dividend



Remain debt-free and strategically deploy seed capital

- \$3.7b in cash and discretionary investments
- \$1.3b in seed capital deployed against ~70 strategies
 - \$100–\$500m deployed annually³

¹Based on U.S. GAAP. Includes recurring dividends only.

²2019 U.S. GAAP earnings.

³Reflects seed capital deployed annually since 2016 net of recycling.

Our perspective on evaluating inorganic opportunities

Advance our strategy

- New capabilities
- Scale for capabilities not yet scaled
- Diversification

Align with best-in-class investors

- Repeatable source of alpha
- Strong investment performance and culture

Minimize existing business disruption

- Similar culture and business practices
- Minimal overlap with scaled capabilities

Add value to stockholders

- Value creation through distribution and new product development and seeding
- Fair valuation

Summary: Clear objectives to measure our success



**Driving 1%–3%
organic growth
across diversified,
profitable, and
sustainable sources**



**Maintaining a strong
operating margin
while investing for
long-term growth**



**Consistently
returning capital
to stockholders
over time**

Closing thoughts



**Pleased
with 2019
progress**



**Strong Board
and senior
leaders with
focused
business
plans**



**Investing to
grow and
diversify
over the long
term**



**Attractive,
resilient
business
model with
talented,
engaged
associates**



**Consistent,
disciplined
capital
return**



Appendix

Non-GAAP operating income and net revenues reconciliation

	2019	2018	2017	2016	2015
Net Revenues, GAAP basis	\$5,617.9	\$5,372.6	\$4,854.9	\$4,284.8	\$4,200.6
Non-GAAP adjustments:					
Consolidated Investment Products	6.8	6.2	5.6	6.5	-
Net Revenues, Non-GAAP basis	\$5,624.7	\$5,378.8	\$4,860.5	\$4,291.3	\$4,200.6
Operating Expenses, GAAP basis	\$3,230.9	\$3,011.2	\$2,746.1	\$2,551.4	\$2,301.7
Non-GAAP adjustments:					
Consolidated Investment Products	(7.9)	(6.5)	(6.7)	(6.5)	-
Supplemental Savings Plan Liability	(73.2)	5.6	(11.7)	-	-
Nonrecurring Dell		15.2	50.0	(66.2)	-
Operating Expenses, Non-GAAP basis	\$3,149.8	\$3,025.5	\$2,777.7	\$2,478.7	\$2,301.7
Operating Income, GAAP basis	\$2,387.0	\$2,361.4	\$2,108.8	\$1,733.4	\$1,898.9
Non-GAAP adjustments:					
Consolidated Investment Products	14.7	12.7	12.3	13.0	-
Supplemental Savings Plan Liability	73.2	(5.6)	11.7	-	-
Nonrecurring Dell		(15.2)	(50.0)	66.2	-
Operating Income, Non-GAAP basis	\$2,474.9	\$2,353.3	\$2,082.8	\$1,812.6	\$1,898.9
Operating Margin, GAAP basis ¹	42.5%	44.0%	43.4%	40.5%	45.2%
Operating Margin, as adjusted ¹	44.0%	43.8%	42.9%	42.2%	45.2%

¹Operating margin is equal to operating income divided by net revenues.

Additional information

Scaling outperforming, high-capacity strategies globally (p. 28)

	Investment strategy	eVestment Universe	# of Peers
U.S. Equity	US Dividend Growth Equity	US Large Cap Core Equity	913
International Equity	Emerging Markets Discovery Equity	Global Emerging Mkts All Cap Value Equity	78
	Global Focused Growth Equity	Global All Cap Growth Equity	163
	Global Growth Equity	Global Large Cap Growth Equity	187
	International Disciplined Equity	EAFE All Cap Core Equity	119
	Japan Equity	Japan All Cap Growth Equity	85
Global Fixed Income	Emerging Markets Corporate Bond	Global Emerging Mkts Fixed Income - Corporate Debt	118
	Global Multi-Sector Bond	Global Multi-Sector Fixed Income	62
	Global High Income Bond	Global High Yield Fixed Income	142
	U.S. High Yield	US High Yield Fixed Income	418
	U.S. Ultra Short-Term Bond	US Enhanced Cash Management	166
Multi-Asset	Global Allocation Strategy	Global Tactical Asset Allocation	433

Source: eVestment Alliance, LLC. As of December 31, 2019.

Important information

This material, including any statements, information, data and content contained within it and any materials, information, images, links, graphics or recordings provided in conjunction with this material are being furnished by T. Rowe Price for general informational purposes only. Under no circumstances should the material, in whole or part, be copied or distributed without consent from T. Rowe Price. The views contained herein are as of the date of the presentation. The information and data obtained from third-party sources which is contained in the report were obtained from the sources deemed reliable; however, its accuracy and completeness is not guaranteed.

The products and services discussed in this presentation are available via subsidiaries of T. Rowe Price Group as authorized in countries throughout the world. The products and services are not available to all investors or in all countries. Visit troweprice.com to learn more about the products and services available in your country and the T. Rowe Price Group subsidiary which is authorized to provide them. The material is not intended for use by persons in jurisdictions which prohibit or restrict the distribution of the material and in certain countries the material is provided upon specific request. The material does not constitute a distribution, offer, invitation, recommendation or solicitation to sell or buy any securities in any jurisdiction. The material has not been reviewed by any regulatory authority in any jurisdiction. The material does not constitute advice of any nature, and prospective investors are recommended to seek independent legal, financial, and tax advice before making any investment decision.

The “S&P 500 Index” and the “S&P Target Date Indices” are products of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates (“SPDJI”), and has been licensed for use by T. Rowe Price. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC, a division of S&P Global (“S&P”); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”). T. Rowe Price’s product is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P or their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product nor do they have any liability for any errors, omissions, or interruptions of the “S&P 500 Index” and the “S&P Target Date Indices”.

Copyright © 2020, S&P Global Market Intelligence (and its affiliates, as applicable). Reproduction of any information, data or material, including ratings (“Content”) in any form is prohibited except with the prior written permission of the relevant party. Such party, its affiliates and suppliers (“Content Providers”) do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.

©2020 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

London Stock Exchange Group plc and its group undertakings (collectively, the “LSE Group”). © LSE Group 2020. FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company’s express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

© 2020 T. Rowe Price. All Rights Reserved. T. ROWE PRICE, INVEST WITH CONFIDENCE, and the Bighorn Sheep design are, collectively and/or apart, trademarks of T. Rowe Price Group, Inc. All other trademarks are the property of T. Rowe Price or their respective owners.