



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

DIVISION OF  
CORPORATION FINANCE

January 10, 2018

Randy W. Fickel  
T. Rowe Price Group, Inc.  
randy\_fickel@troweprice.com

Re: T. Rowe Price Group, Inc.

Dear Mr. Fickel:

This letter is in regard to your correspondence dated January 10, 2018 concerning the shareholder proposal (the "Proposal") submitted to T. Rowe Price Group, Inc. (the "Company") by the Janet Axelrod 1997 Revocable Trust et al. (the "Proponents") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders. Your letter indicates that the Proponents have withdrawn the Proposal and that the Company therefore withdraws its December 18, 2017 request for a no-action letter from the Division. Because the matter is now moot, we will have no further comment.

Copies of all of the correspondence related to this matter will be made available on our website at <http://www.sec.gov/divisions/corpfin/cf-noaction/14a-8.shtml>. For your reference, a brief discussion of the Division's informal procedures regarding shareholder proposals is also available at the same website address.

Sincerely,

Kasey L. Robinson  
Attorney-Adviser

cc: Pat Tomaino  
Zevin Asset Management, LLC  
pat@zevin.com



LEGAL DEPARTMENT

January 10, 2018

**VIA E-MAIL ([shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov))**

Office of Chief Counsel  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**Re:** T. Rowe Price Group, Inc.  
Shareholder Proposal of Zevin Asset Management, LLC, et.al.

Dear Ladies and Gentlemen:

We refer you to our letter, dated December 18, 2017 (the “No-Action Request”), pursuant to which we requested that the Staff of the Division of Corporation Finance of the Securities and Exchange Commission concur with our view the T. Rowe Price Group, Inc. (the “Company”) may omit the shareholder proposal (the “Proposal”) and statements in support thereof received from Zevin Asset Management, LLC (“Zevin”), on behalf of Janet Axelrod 1997 Revocable Trust, Walden Asset Management, Unitarian Universalist Association, and Portico Benefit Services (collectively, the “Proponents”) from the Company’s proxy materials for its 2018 Annual Meeting of shareholders.

Attached hereto as Exhibit A is a letter, dated January 10, 2018 (the “Withdrawal Letter”), from Zevin, in which Zevin, acting on the behalf of all of the Proponents, agrees to withdraw the Proposal. In reliance on the Withdrawal Letter, the Company hereby withdraws its No-Action Request.

If you have any questions or need additional information, please feel free to contact me at (410) 577-4922.

Sincerely,

Randy W. Fickel  
Vice President, Senior Counsel

cc: Pat Miguel Tomaino, Zevin Asset Management, LLC ([pat@zevin.com](mailto:pat@zevin.com))  
Timothy Smith, Walden Asset Management ([tsmith@bostontrust.com](mailto:tsmith@bostontrust.com))  
Kurt Kreienbrink, Portico Benefit Services ([kkreienbrink@PorticoBenefits.org](mailto:kkreienbrink@PorticoBenefits.org))  
Timothy Brennan, Unitarian Universalist Association  
David Oestreicher, T. Rowe Price Group, Inc. ([David\\_Oestreicher@troweprice.com](mailto:David_Oestreicher@troweprice.com))  
Pamela Conover, T. Rowe Price Group, Inc. ([Pamela\\_Conover@troweprice.com](mailto:Pamela_Conover@troweprice.com))  
Robert W. Smith, Jr., DLA Piper ([jay.smith@dlapiper.com](mailto:jay.smith@dlapiper.com))  
Sanjay Shirodkar, DLA Piper ([sanjay.shirodkar@dlapiper.com](mailto:sanjay.shirodkar@dlapiper.com))

**T.RowePrice®**

**EXHIBIT A  
WITHDRAWAL LETTER**

# Zevin Asset Management, LLC

PIONEERS IN SOCIALLY RESPONSIBLE INVESTING

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January 10, 2018

**VIA ELECTRONIC MAIL**

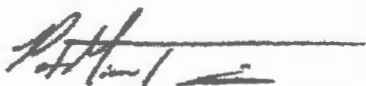
David Oestreicher  
Corporate Secretary & Chief Legal Officer  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

RE: Withdrawal of Shareowner Proposal

Dear Mr. Oestreicher,

This letter confirms that I agree to withdraw the shareowner proposal on climate change proxy voting submitted to T. Rowe Price Group, Inc (the "Company") for consideration at the Company's 2018 Annual Meeting of Shareowners. I hereby withdraw the proposal in its entirety as of the date of this letter on behalf of Zevin Asset Management, the primary filer of the proposal on behalf of our client Janet Axelrod 1997 Revocable Trust, and each co-filer of the proposal (Walden Asset Management, Unitarian Universalist Association, and Portico Benefit Services). I understand that withdrawal of this proposal means that it will not be voted on by shareowners at the Company's 2018 Annual Meeting.

Sincerely,



Pat Miguel Tomaino  
Director of Socially Responsible Investing  
Zevin Asset Management, LLC.

cc: Division of Corporation Finance, U.S. Securities and Exchange Commission  
Tim Smith, Walden Asset Management  
Tim Brennan, Unitarian Universalist Association  
Kurt Kreienbrink, Portico Benefit Services  
Pamela Conover, T. Rowe Price  
Donna Anderson, T. Rowe Price  
Randy Fickel, T. Rowe Price



LEGAL DEPARTMENT

December 18, 2017

**VIA E-MAIL ([shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov))**

Office of Chief Counsel  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

**Re:** T. Rowe Price Group, Inc.  
Shareholder Proposal of Zevin Asset Management, LLC

Dear Ladies and Gentlemen:

T. Rowe Price Group, Inc., a Maryland corporation (the "Company"), hereby requests confirmation that the staff of the Division of Corporate Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "Commission") will not recommend enforcement action to the Commission if, in reliance on Rule 14a-8(i)(7) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company omits the enclosed shareholder proposal (the "Proposal") and statements in support thereof received from Zevin Asset Management, LLC, on behalf of Janet Axelrod 1997 Revocable Trust, Walden Asset Management, Unitarian Universalist Association, and Portico Benefit Services (collectively, the "Proponents") from the Company's proxy materials (the "2018 Proxy Materials") for its 2018 Annual Meeting of shareholders (the "2018 Annual Meeting of Shareholders") which the Company intends to file with the Commission more than 80 days after the date of this letter.

In accordance with Staff Legal Bulletin No. 14D (November 7, 2008) ("SLB No. 14D"), this submission is being delivered by email to [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). Pursuant to Rule 14a-8(j), a copy of this submission is also being sent to the Proponents as notification of the Company's intention to omit the Proposal from its 2018 Proxy Materials. Rule 14a-8(k) and SLB No 14D provide that a shareholder proponent is required to send to the company a copy of any correspondence that the proponent elects to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponents that, if any of them elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent(s) should concurrently furnish a copy of that correspondence to the undersigned.

**I. THE PROPOSAL**

Between October 30, 2017 and November 15, 2017, the Company received a letter from each of the Proponents submitting the Proposal for inclusion in the 2018 Proxy Materials.<sup>1</sup> The Proposal, as submitted by each of the Proponents, reads as follows:

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<sup>1</sup> Specifically, the Proposal from Zevin Asset Management, LLC, on behalf of Janet Axelrod 1997 Revocable Trust, was received by the Company on October 30, 2017; the Proposal from Walden Asset Management was received by the Company on November 3, 2017; the Proposal from Portico Benefit Services was received by the Company on November 14, 2017; and the Proposal from Unitarian Universalist Association was received by the Company on November 15, 2017.

**Resolved:** Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.

The letters submitting the Proposal and their related attachments are attached as Exhibit A.

## II. BACKGROUND

### A. The Company

The Company, whose common stock is listed on the NASDAQ Global Select Market under the ticker symbol TROW, is a financial services holding company that provides global investment management services through its subsidiaries (the "Price Advisers") to individual and institutional investors.

The Company itself is not a registered investment adviser, but rather a corporate holding company. The public filings of the Company make this clear. For example, Item 1 of the Company's 2017 Form 10-K clearly states that "T. Rowe Price Group, Inc. is a financial services holding company that provides global investment management services **through its subsidiaries** to investors worldwide." Emphasis added. While the Company derives the vast majority of its consolidated net revenue and net income from investment Advisory services provided by the Price Advisers, the Company does not manage assets, nor does it vote any proxies, and accordingly does not maintain any proxy voting policies at the Company level.

The asset management and proxy voting functions are all undertaken by the Price Advisers (primarily T. Rowe Price Associates, Inc. and T. Rowe Price International Ltd., which are registered with the Commission under the Investment Advisers Act of 1940, as amended (the "Advisers Act")). The Price Advisers maintain their own proxy voting policies that are administered by the Proxy Group for the Price Advisers. As a result, while the Company's corporate responsibility and environmental positions help inform policies regarding what contributions it can make, the Company, in which the Proponents holds an investment, does not, itself, have any "voting policies and practices related to climate change."

### B. The Price Advisers

#### 1. In General

The Price Advisers organize and serve as an investment adviser to the T. Rowe Price family of mutual funds (the "Funds") and other investment portfolios.<sup>2</sup> Investment Advisory services are provided by the Price Advisers to each Fund under individual investment management agreements. The boards of the respective Funds must approve the investment management agreements annually. In addition, Fund shareholders must approve material changes to these investment management agreements.

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<sup>2</sup> The Funds are distributed in the United States. Other investment portfolios include separately managed accounts, sub-advised funds, and other sponsored investment portfolios, including collective investment trusts, target-date retirement trusts, Luxembourg- and UK-based funds offered to investors outside the United States, and portfolios offered to insurance companies through variable annuity and variable life insurance separate accounts in the United States.

Investment management agreements for other clients are subject to specific terms as negotiated and agreed between the parties.

As global investment managers, the Price Advisers are responsible for managing Clients' (as defined herein) assets in light of potential risks and opportunities in the market and in light of the investment objectives, policies, and restrictions specified by the Clients. A fundamental part of an investment adviser's role involves voting shares of companies in which its Clients invest (the "Portfolio Companies"). "Clients" refers to those investors or Funds to whom the Price Advisers provide investment management services.

## **2. Proxy Voting**

### **a. Clients have the Legal Right to Vote Securities**

The legal right to vote securities of Portfolio Companies resides with the Clients as owners of those securities. Those Clients may, however, delegate proxy voting authority to the Price Advisers under their Advisory contracts. See, e.g., *Proxy Voting by Investment Advisers, Investment Advisers Act Release IA-2106* (Jan. 31, 2003) (the "Adviser Proxy Voting Release") at n. 10 (Rule 206(4)-6 applies even when the Advisory contract is silent but the adviser's voting authority is implied by an overall delegation of discretionary authority). Accordingly, the proxies delegated to Price Advisers ultimately belong to Price Advisers' Clients, who have delegated their proxy voting authority to the Price Advisers, based in part on the Price Advisers' publically disclosed proxy voting policies.

### **b. Price Advisers' Proxy Voting Policies**

The Price Advisers' investment management operations are subject to the Advisers Act. Section 206 of the Advisers Act, as interpreted by the U.S. Supreme Court in *SEC v. Capital Gains Research Bureau, Inc.*, 375 U.S. 180, 191 (1963) ("Capital Gains"), imposes a fiduciary duty on investment advisers. Citing *Capital Gains*, in connection with the adoption of Rule 206(4)-6 under the Advisers Act relating to investment advisers' proxy voting obligations to their clients, the Commission stated that "an adviser is a fiduciary that owes each of its clients duties of care and loyalty with respect to all services undertaken on the client's behalf, including proxy voting." See *Adviser Proxy Voting Release*.<sup>3</sup>

In advising pension funds and similar entities, the Price Advisers are also subject to the legal obligations imposed on investment advisers under Title I of the Employee Retirement Income Security Act ("ERISA") with respect to proxy voting, to the extent the Price Advisers are assigned that role by ERISA plan clients. In that regard, the Department of Labor has given the following guidance:

The fiduciary duties described at ERISA Sec. 404(a)(1)(A) and (B), require that, in voting proxies, regardless of whether the vote is made pursuant to a statement of investment policy, the responsible fiduciary shall consider only those factors that relate

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<sup>3</sup> In the *Adviser Proxy Voting Release*, the Commission further stated:

The duty of care requires an adviser with proxy voting authority to monitor corporate events and to vote the proxies. To satisfy its duty of loyalty, the adviser must cast the proxy votes in a manner consistent with the best interest of its client and must not subrogate client interests to its own.

to the economic value of the plan's investment and shall not subordinate the interests of the participants and beneficiaries in their retirement income to unrelated objectives. Votes shall only be cast in accordance with a plan's economic interests. *Interpretive Bulletin Relating to Exercise of Shareholder Rights* (Oct. 17, 2008), 29 C.F.R. pt. 2509.

Item 17(A) of Form ADV, Part 2A provides that where investment advisers have authority to vote client securities, they are required to disclose the policies by which client securities will be voted.<sup>4</sup> These disclosures are required to be provided to the investment adviser's clients when entering into an Advisory contract, and updated amendments must be provided to clients annually thereafter.<sup>5</sup>

Similarly, if registered investment companies have delegated proxy voting authority to their investment advisers, they are required to describe those proxy voting policies. For example, an open-end investment company is required to describe in its Statement of Additional Information ("SAI"), "any policies and procedures of the Fund's investment adviser . . . that the Fund uses, or that are used on the Fund's behalf, to determine how to vote proxies relating to portfolio securities." *Form N-1A, Item 17(f)*.

In compliance with these requirements, the Price Advisers describe their proxy voting policies in Part II of their Form ADVs. Similarly, the Price Advisers' proxy voting policies for the Funds are summarized in the SAI of each Fund's registration statement under the 1940 Act and made available on the Company's website. Moreover, the boards of directors/trustees of the Funds, which are comprised of a majority of directors/trustees who are not affiliated with the Price Advisers, annually review and approve the Price Advisers' proxy voting policies. Any material changes to those policies are also reported to the boards annually. These legal disclosure and approval requirements evidence the Commission's recognition of the role of proxy voting in the contractual relationship between client and adviser, or, as here, Clients and Price Advisers.

### **c. Proxy Voting is an Investment Management Service**

Accordingly, the Price Advisers' proxy voting policies constitute an integral part of the investment management services that the Price Advisers provide to their Clients under their Advisory contracts, and are the basis on which Clients (including the Funds and their boards) contractually agree to delegate proxy voting authority to the Price Advisers. Any Client may retain the authority to vote certain types of proxies or may revoke a Price Adviser's authority to vote proxies of Portfolio Companies, and vote its own proxies in accordance with any criteria it chooses. See *Staff Legal Bulletin No. 20 (IM/CF)*. In the absence of specific direction from their Clients, however, the Price Advisers and their Clients are entitled to contractually rely on the Price Advisers to vote the proxies of Portfolio Companies solely in accordance with the Price Advisers' disclosed proxy voting policies.

### **3. The Proxy Voting Policies are not the Company's**

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<sup>4</sup> *Item 17(A) of Form ADV, Part 2A* provides:

If you [*i.e.*, the investment adviser] have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

<sup>5</sup> See *Advisers Act Rule 204-3*.



The proxy voting policies the Proposal references ultimately belong to the Price Advisers' Clients, who have contractually retained the Price Advisers to manage their assets, and who have delegated their proxy voting authority to the Price Advisers, based in part on the Price Advisers' publicly disclosed proxy voting policies. Clients often review and monitor the Price Advisers' proxy voting activities and retain the power to direct the Price Advisers' in their exercise of voting authority. The Company is not a party to those contracts, and the Price Advisers may require Client consent to impose new terms or revised voting policies. The Company, its shareholders and its board of directors (the "Board") do not have any power or authority regarding the terms of a Client's delegation of proxy voting authority to the Price Advisers.

### **III. Rule 14a-8(i)(7) The Proposal Concerns the Company's Ordinary Business Operations**

#### **A. The Exclusion**

Rule 14a-8(i)(7) permits a company to exclude from its proxy materials a shareholder proposal that "deals with a matter relating to the company's ordinary business operations." According to the Commission, the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholder meeting." Exchange Act Release No. 34-40018, Amendments to Rules on Shareholder Proposals, Fed. Sec. L. Rep. (CCH) 11 86,018, at 80,539 (May 21, 1998) (the "1998 Release"). In the 1998 Release, the Commission explained that the ordinary business exclusion rests on two central considerations: first, that "certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight"; and second, that degree to which the proposal attempts to "micromanage" a company by "probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment."

As explained, in the 1998 Release, under the first consideration, a proposal that raises matters that are "so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight" may be excluded, unless the proposal raises policy issues that are sufficiently significant to transcend day-to-day business matters. On November 1, 2017, the Staff published SLB No. 14I, which announced a new Staff policy regarding the application of Rule 14a-8(i)(7). The Staff stated in SLB No. 14I that the applicability of the significant policy exception "depends, in part, on the connection between the significant policy issue and the company's business operations." The Staff noted further that whether a policy issue is of sufficient significance to a particular company to warrant exclusion of a proposal that touches on that issue may involve a "difficult judgment call" that the company's board of directors "is generally in a better position to determine," at least in the first instance. A well-informed board, the Staff said, exercising its fiduciary duty to oversee management and the strategic direction of the company, "is well situated to analyze, determine and explain whether a particular issue is sufficiently significant because the matter transcends ordinary business and would be appropriate for a shareholder vote."

Where the board concludes that the proposal does not raise a policy issue that transcends the company's ordinary business operations, the Staff said, the company's letter notifying the Staff of the

company's intention to exclude the proposal should set forth the board's analysis of "the particular policy issue raised and its significance" and describe the "processes employed by the board to ensure that its conclusions are well-informed and well-reasoned."

Consistent with the Staff's guidance, the discussion below reflects the Board's and management's analysis and includes a description of the Board's process in conducting its analysis.

## **B. The Proposal Relates to Matters That Squarely Fall Within the Company's**

### **Ordinary Business Operations**

The general rule articulated by the Commission in its 1976 Release (*Exchange Act Release 34-12999* (Nov. 22, 1976)), and reiterated by the Commission in the *1998 Release*, is that registrants may exclude shareholder proposals that relate to "ordinary business" matters, subject to an exception for proposals that raise "significant social policy issues." The Staff addressed the social policy exception in 2009, clarifying in what circumstances shareholder proposals that raise significant social policy issues may be properly excluded. Specifically, in Section B of *Staff Legal Bulletin No. 14E* (Oct. 27, 2009) (the "SLB 14E"), the Staff stated:

In those cases in which a proposal's underlying subject matter transcends the day-to-day business matters of the company and raises policy issues so significant that it would be appropriate for a shareholder vote, the proposal generally will not be excludable under Rule 14a-8(i)(7) as long as a sufficient nexus exists between the nature of the proposal and the company. Conversely, in those cases in which a proposal's underlying subject matter involves an ordinary business matter to the company, the proposal generally will be excludable under Rule 14a-8(i)(7). In determining whether the subject matter raises significant policy issues and has a sufficient nexus to the company, as described above, we will apply the same standards that we apply to other types of proposals under Rule 14a-8(i)(7).

Therefore, under the SLB 14E, where the underlying subject matter of a shareholder proposal involves an ordinary business matter to the company, the shareholder proposal may be excluded from a registrant's proxy materials, even though it involves environmental matters or other significant policy issues. Accordingly, not every significant social policy issue takes management functions out of the ordinary business exclusion. See *College Retirement Equities Fund* (May 6, 2011) at n. 13 (permitting exclusion of a social policy proposal where an investment company argued that investing assets in accordance with its investment objectives was a core management function).

As described above, voting proxies solely in the best interest of Clients is unquestionably part of the core investment process and business operations of the Price Advisers. As the Commission stated in the *Adviser Proxy Voting Release*, an investment advisers' fiduciary duty under the Advisers Act requires it to monitor corporate events and vote proxies consistent with the best interests of its clients. To that end, the Price Advisers' existing proxy voting policy for their Clients, as summarized in each Price Adviser's Form ADV, states that the Price Advisers vote proxies "solely in the best interests of the Clients." With respect to environmental, social, and governance (ESG) issues, the Price Advisers' voting policies state that they "will generally give management discretion with regard to social, environmental and corporate responsibility issues, unless the issue has substantial investment implications for the company's business or operations which have not been adequately addressed by

management. T. Rowe Price supports well-targeted shareholder proposals on environmental and other public policy issues that are particularly relevant to a company's business." The Fund SAI(s) includes comparable language.<sup>6</sup> Thus, each issue, including those related to ESG issues, is considered on its own merits, and the Price Advisers make proxy voting determinations on behalf of their Clients based on the effect of their vote on the value of Portfolio Company securities. These proxy voting determinations are a core part of the Price Advisers' day-to-day management of their Clients' assets and are subject to monitoring, modification and potential revocation by Price Advisers' Clients in the normal course of business.

### **C. The Underlying Subject Matter of the Requested Report Involves Ordinary Business Matters**

A shareholder proposal requesting the preparation of a report is excludable when the underlying subject matter of the requested report involves ordinary business matters. In SLB 14E, the Staff stated:

On a going-forward basis, rather than focusing on whether a proposal and supporting statement relate to the company engaging in an evaluation of risk, we will instead focus on the subject matter to which the risk pertains or that gives rise to the risk. The fact that a proposal would require an evaluation of risk will not be dispositive of whether the proposal may be excluded under Rule 14a-8(i)(7). Instead, similar to the way in which we analyze proposals asking for the preparation of a report, the formation of a committee or the inclusion of disclosure in a Commission-prescribed document - where we look to the underlying subject matter of the report, committee or disclosure to determine whether the proposal relates to ordinary business - we will consider whether the underlying subject matter of the risk evaluation involves a matter of ordinary business to the company.

Consistent with this approach, the Staff has permitted the exclusion of a proposal requesting that a company's board of directors conduct an independent oversight review of certain risks and publish an annual report to shareholders based on the independent review. See *Sempra Energy* (Jan 12, 2012). In doing so, the Staff indicated that "although the proposal requests the board to conduct an independent oversight review of Sempra's management of particular risks, the underlying subject matter of these risks appears to involve ordinary business matters." See also, *The Boeing Company* (Feb. 8, 2012) (permitting exclusion of proposal requesting that the board annually prepare a report disclosing its assessment of the financial, reputational and commercial effects of changes to tax laws and policies that pose risk to shareholder value "as relating to Boeing's ordinary business operations"); *The Walt Disney Company* (Dec. 12, 2011) (permitting exclusion of proposal requesting a report regarding the board's compliance with the company's code of business conduct and ethics for

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<sup>6</sup> For example, the SAI for a large cross section of Funds states that "Proxies are voted solely in the interests of the client, Price Fund shareholders or, where employee benefit plan assets are involved, in the interests of plan participants and beneficiaries." And, with respect to ESG issues, the SAI states that Price Advisers "generally votes with a company's management on social, environmental, and corporate responsibility issues unless they have substantial investment implications for the company's business and operations that have not been adequately addressed by management. T. Rowe Price supports well-targeted shareholder proposals on environmental and other public policy issues that are particularly relevant to a company's businesses."

directors) and *ACE Ltd.* (Mar. 19, 2007) (permitting exclusion of proposal requesting a report regarding the company's strategy and actions relating to climate change).

As explained above, the underlying subject matter of the report (proxy voting) falls squarely within the Company's ordinary business operations.

#### **D. The Board**

Both the Nominating and Governance Committee of the Board and the Board are regularly updated on the Company's business operations, including Price Advisers proxy voting practices, especially in the area of shareholder proposals regarding ESG issues. With respect to the Proposal, in order to make an informed decision about whether it raises a significant policy issue that transcends the Company's ordinary business, after the Proposal was received by the Company, the Board was presented with information prepared by management that included:

- Price Advisers' approach to voting ESG issues. The information (i) included reiteration of the core belief that ESG issues are fundamentally investment issues and that the votes on ESG matters should be determined within the context of the overall investment view of the company, and (ii) noted that the key question is always would we, as investors, find the proposed disclosure useful.
- A snapshot of ESG proposals for the 2016 and 2017 proxy seasons. The snapshot included, among other information, the number of proposals submitted, the number withdrawn, the number ultimately submitted to shareholders, the average support, and the number that actually passed.
- Price Advisers' voting history with respect to ESG proposals for the 2016 and 2017 proxy seasons and the environmental proposals that Price Advisers supported.
- A comparison of Price Advisers' voting history on ESG proposals for the 2016 and 2017 proxy seasons with the market, which showed that, with respect to environmental proposals, Price Advisers vote with the mainstream of investors.
- 2017 Highlights of Price Advisers' initiatives in connection with ESG issues. These included:
  - Hiring a Director of Research for Responsible Investing and allocating additional staff to the responsible investing initiative.
  - Working on developing a custom ESG scoring tool.

- Improving ESG disclosures including adding responsible investment guidelines and engagement policy to the Company's web site and amending the Stewardship Code disclosures.
- Providing additional training regarding ESG proposals and voting.
- A discussion of Client inquiries regarding ESG issues.

The Board was aware that it has previously considered the issues raised by the Proposal in performing its duties as a Board, since the Proposal was submitted to the Company in its present form in the past two proxy cycles and has made its position regarding the subject matter of the Proposal known to shareholders in connection with its prior recommendations against the prior proposals. Additionally, the Board has determined that (i) Price Advisers' approach to proxy voting in general and to ESG voting in particular, including Price Advisers' current initiatives in the area of ESG initiatives, and (ii) senior management's focus on reviewing, improving, and implementing policies designed to address the Price Advisers' approach to voting ESG proposals make these matters an integral part of the Company's ordinary business and operations, and the issue presented in the Proposal, as a whole, fits squarely within the Company's ordinary business operations in connection with Price Advisers' providing investment advice to its Clients. The Board also considered the Company's and the Price Advisers' existing policies, practices and disclosures and concluded that the Proposal, even if submitted to shareholders at the 2018 Annual Meeting of Shareholders, would not call for the Company to consider facts, issues or policies that the Company does not regularly consider in the course of its day-to-day operations, and therefore does not transcend the Company's ordinary business. The Board also considered the fact that it, along with management, is regularly kept apprised of Price Advisers' general proxy voting policies and practices and their ESG proxy voting policies and practices and management's initiatives with respect to those policies and practices.

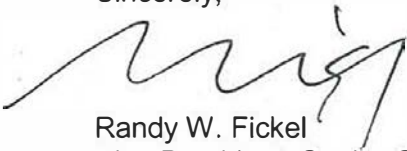
Based on the foregoing, the Board concluded that the Proposal does not transcend the Company's ordinary business or its day-to-day operations and authorized management to submit this request to the Staff. Accordingly, the Board does not believe that the Proposal is an appropriate matter for a vote by shareholders at the 2018 Annual Meeting of Shareholders.

## CONCLUSION

For the reasons discussed above, the Company believes that it may omit the Proposal from its 2018 Proxy Materials in reliance on Rule 14a-8(i)(7). We respectfully request that the Staff concur with the Company's view and confirm that it will not recommend enforcement action to the Commission if the Company excludes the Proposal from its 2018 Proxy Materials.

If you have any questions or need additional information, please feel free to contact me at (410) 577-4922.

Sincerely,



Randy W. Fickel  
Vice President, Senior Counsel

cc: Pat Miguel Tomaino, Zevin Asset Management, LLC ([pat@zevin.com](mailto:pat@zevin.com))  
Timothy Smith, Walden Asset Management ([tsmith@bostontrust.com](mailto:tsmith@bostontrust.com))  
Kurt Kreienbrink, Portico Benefit Services ([kkreienbrink@PorticoBenefits.org](mailto:kkreienbrink@PorticoBenefits.org))  
Timothy Brennan, Unitarian Universalist Association  
David Oestreicher, T. Rowe Price Group, Inc. ([David\\_Oestreicher@troweprice.com](mailto:David_Oestreicher@troweprice.com))  
Pamela Conover, T. Rowe Price Group, Inc. ([Pamela\\_Conover@troweprice.com](mailto:Pamela_Conover@troweprice.com))  
Robert W. Smith, Jr., DLA Piper ([jay.smith@dlapiper.com](mailto:jay.smith@dlapiper.com))  
Sanjay Shirodkar, DLA Piper ([sanjay.shirodkar@dlapiper.com](mailto:sanjay.shirodkar@dlapiper.com))

EXHIBIT A

INITIAL SUBMISSIONS

# Zevin Asset Management, LLC

PIONEERS IN SOCIALLY RESPONSIBLE INVESTING

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October 27, 2017

VIA UPS

David Oestreicher  
Corporate Secretary & Chief Legal Officer  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

Re: Shareholder Proposal for 2018 Annual Meeting

Dear Mr. Oestreicher:

I write to file the enclosed proposal to be included in the proxy statement of T. Rowe Price Group Inc (the "Company") for its 2018 annual meeting of stockholders.

Zevin Asset Management is a socially responsible investment manager which integrates financial and environmental, social, and governance (ESG) research in making investment decisions on behalf of our clients. We are filing the attached proposal asking for a review of proxy voting because we remain concerned that T. Rowe Price funds' voting practices discount dramatically the investment risks associated with climate change and other environmental and social issues.

I was grateful for a chance to review some of these concerns with you, Donna Anderson, Pam Conover, and Joan Flister in September. I valued Ms. Anderson's account of the proxy voting process and some of the particular factors that are captured by the "case-by-case" analysis conducted by her team and the Price Advisers. It was encouraging to note that the Company acknowledges the need for better public reporting on that process, on its views regarding material environmental and social issues, and on its reasoning for voting important shareholder proposals at high-risk companies and across high-risk sectors.

However, investors remain concerned that the Company does not have a timeline for improving its approach. In contrast, as I noted to you in our meeting, BlackRock, JPMorgan and Vanguard received similar shareholder proposals in 2017 and each committed to revising and enhancing their company engagement and proxy voting policies. Examples of steps taken included new publications addressing climate change and climate risk to investors as well as commitments to further engage companies on climate risk.

Given that T. Rowe Price is already considering various changes to disclosure, we hope that the Company will consider publicly announcing any commitments to improve reporting and review its proxy voting approach, preferably prior to the 2018 proxy season. This will



give the Company's investors and trusted stakeholders an opportunity to review such changes and offer feedback along the way.

We are filing this shareholder resolution on behalf of Janet Axelrod 1997 Revocable Trust (the Proponent), which has continuously held, for at least one year of the date hereof, 1,500 shares of the Company's stock which would meet the requirements of Rule 14a-8 under the Securities Exchange Act of 1934, as amended. A letter verifying ownership of TROW shares from our client's custodian is enclosed.

Zevin Asset Management, LLC has complete discretion over the Proponent's shareholding account which means that we have complete discretion to buy or sell investments as well as submit shareholder proposals at the direction of our client (the Proponent) to companies in the Proponent's portfolio. Let this letter serve as confirmation that the Proponent intends to continue to hold the requisite number of shares through the date of the Company's 2018 annual meeting of stockholders.

Zevin Asset Management, LLC is the primary filer for this resolution. We will send a representative to the stockholders' meeting to move the shareholder proposal as required by the SEC rules. We may be joined by one or more co-filers.

Please direct any communications to me at 617-742-6666 or pat@zevin.com. I look forward to continued productive dialogue with you and your colleagues alongside the proposal process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Pat Miguel Tomaino", enclosed in a blue oval.

Pat Miguel Tomaino  
Associate Director of Socially Responsible Investing  
Zevin Asset Management, LLC

CC: Joan Flister, Assistant Corporate Secretary, T. Rowe price  
Pam Conover, Managing Counsel, T. Rowe Price  
Donna Anderson, Head of Corporate Governance, T. Rowe Price

**Whereas:** T. Rowe Price (TROW) is a respected leader in financial services. TROW's "ESG Policy" describes how environmental, social, and governance (ESG) "risk considerations" are incorporated into investment decisions. That policy expresses TROW's belief that ESG issues can influence investment risk and return, thus affirming that such issues need to be addressed with due care by TROW.

TROW subsidiaries invest money on behalf of clients and, as fiduciaries, are responsible for voting proxies of public equities. Proxy voting is a primary mechanism for investors to express to management their opinions on many policies and practices.

One of the important issues investors face is climate change. Yet the voting practices of TROW funds appear to discount this risk dramatically.

Joining numerous global leaders highlighting climate risk, Mark Carney, Governor of the Bank of England, stated "the combination of the weight of scientific evidence and the dynamics of the financial system suggest that, in the fullness of time, climate change will threaten financial resilience and longer-term prosperity." BlackRock has also published an important paper on climate risk highlighting challenges for investors.

However, publicly reported proxy voting records for TROW funds reveal consistent votes against the vast majority of climate-related and social resolutions even when there is a strong financial case for support. These include requests for enhanced disclosure or greenhouse gas reduction goals.

In contrast, funds managed by firms such as AllianceBernstein, Deutsche, Goldman Sachs, Morgan Stanley, and Wells Fargo supported the majority of these resolutions.

TROW funds appear reluctant to exercise proxy votes supporting reasonable shareholder proposals on climate and environmental risk. And TROW may soon fall further behind. Fidelity, Vanguard, and BlackRock have begun to revise their proxy voting and to report comprehensively on the way they analyze shareholder proposals focused on high-risk sectors and how they engage companies on climate risk. TROW's peers are also expanding their websites and client communications to explain their voting in more detail.

Proxy voting practices that consistently discount climate change fail to recognize significant company-specific and economy-wide risks associated with negative impacts of climate change. For example, companies effectively addressing climate changes that impact business are acting to protect long-term shareholder value.

TROW has signed the United Nations Principles for Responsible Investment. Signatories pledge to "be active owners and incorporate ESG issues into...ownership policies and practices." We believe a voting pattern opposing the vast majority of social or environmental shareholder proposals contradicts this principle and undermines TROW's efforts to engage with companies regarding ESG risks.

Thus, we believe it is the duty of TROW and subsidiaries to review how climate change impacts our economy and portfolio companies, evaluate how shareholder resolutions on climate may impact shareholder value, and vote accordingly.

**Resolved:** Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.

# Zevin Asset Management, LLC

PIONEERS IN SOCIALLY RESPONSIBLE INVESTING

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October 27, 2017

To Whom It May Concern:

Please find attached UBS Financial Services custodial proof of ownership statement of T. Rowe Price Group Inc (TROW) from the Janet Axelrod 1997 Revocable Trust. Zevin Asset Management, LLC is the investment advisor to the Janet Axelrod 1997 Revocable Trust and filed a shareholder resolution on behalf of the Janet Axelrod 1997 Revocable Trust.

This letter serves as confirmation that the Janet Axelrod 1997 Revocable Trust is the beneficial owner of the above referenced stock.

Sincerely,



Pat Miguel Tomaino  
Associate Director of Socially Responsible Investing  
Zevin Asset Management, LLC



UBS Financial Services Inc.  
One Post Office Square  
Boston, MA 02109  
Tel. 617-439-8227  
Fax 855-833-0369  
Toll Free 800-225-2385  
[www.ubs.com/team/kwbwm](http://www.ubs.com/team/kwbwm)

**Kolton Wood Brown Wealth Management**

[www.ubs.com](http://www.ubs.com)

October 27, 2017

To Whom It May Concern:

This is to confirm that DTC participant (number 0221) UBS Financial Services Inc is the custodian for 1,500 shares of common stock of T. Rowe Price Group Inc (TROW) owned by Janet Axelrod 1997 Revocable Trust.

We confirm that the above account has beneficial ownership of at least \$2,000 in market value of the voting securities of TROW. Such beneficial ownership existed on October 27, 2017 and for one or more years prior to that date in accordance with Rule 14a-8(a)(1) of the Securities Exchange Act of 1934, as amended.

The shares are held at Depository Trust Company under the Nominee name of UBS Financial Services.

This letter serves as confirmation that Janet Axelrod 1997 Revocable Trust is the beneficial owner of the above referenced stock.

Zevin Asset Management, LLC is the investment advisor to Janet Axelrod 1997 Revocable Trust and will file a shareholder resolution on behalf of the Trust.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelley A. Bowker".

Kelley A. Bowker  
The Kolton Wood Brown Group



**Walden Asset Management**

*Advancing sustainable business practices since 1975*

October 31, 2017

Mr. David Oestreicher  
Corporate Secretary  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

Dear Mr. Oestreicher,

Boston Trust & Investment Management Company, including our socially responsive investment practice Walden Asset Management, incorporates environmental, social and governance (ESG) analysis into investment decision-making. We also strive to strengthen corporate ESG policies, performance, and accountability through shareholder engagement.

Representing clients who hold more than 440,000 shares of T. Rowe Price, Boston Trust and Walden recognize the important benefits of corporate leadership on good governance. We are pleased that T. Rowe Price also recognizes the business case for excellence in governance, including voting proxies for clients as a responsible fiduciary.

Walden Asset management is filing the enclosed shareholder proposal for inclusion in the 2018 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. We have been a continuous owner of at least \$2,000 of T. Rowe Price stock for over a year and will continue to be a holder of the requisite number of shares for filing a resolution through the 2018 stockholders meeting. We are the beneficial owners, as defined in Rule 13d-3 of the Securities Exchange Act of 1934, and will act as the primary sponsor of this resolution. Proof of ownership is forthcoming from our sub-custodian, U.S. Bank, a DTC participant. The resolution is being co-filed, as we did last year, with Zevin Asset Management who will act as the primary filer. We deputize them to withdraw this resolution on our behalf.

We welcome a constructive dialogue that would lead to the withdrawal of this resolution. I can be reached directly at 617-726-7155 or [tsmith@bostontrust.com](mailto:tsmith@bostontrust.com).

Sincerely,

Timothy Smith  
Senior Vice President  
Director of ESG Shareholder Engagement

Cc: Zevin Asset Management

**Whereas:** T. Rowe Price (TROW) is a respected leader in financial services. TROW's "ESG Policy" describes how environmental, social, and governance (ESG) "risk considerations" are incorporated into investment decisions. That policy expresses TROW's belief that ESG issues can influence investment risk and return, thus affirming that such issues need to be addressed with due care by TROW.

TROW subsidiaries invest money on behalf of clients and, as fiduciaries, are responsible for voting proxies of public equities. Proxy voting is a primary mechanism for investors to express to management their opinions on many policies and practices.

One of the important issues investors face is climate change. Yet the voting practices of TROW funds appear to discount this risk dramatically.

Joining numerous global leaders highlighting climate risk, Mark Carney, Governor of the Bank of England, stated "the combination of the weight of scientific evidence and the dynamics of the financial system suggest that, in the fullness of time, climate change will threaten financial resilience and longer-term prosperity." BlackRock has also published an important paper on climate risk highlighting challenges for investors.

However, publicly reported proxy voting records for TROW funds reveal consistent votes against the vast majority of climate-related and social resolutions even when there is a strong financial case for support. These include requests for enhanced disclosure or greenhouse gas reduction goals.

In contrast, funds managed by firms such as AllianceBernstein, Deutsche, Goldman Sachs, Morgan Stanley, and Wells Fargo supported the majority of these resolutions.

TROW funds appear reluctant to exercise proxy votes supporting reasonable shareholder proposals on climate and environmental risk. And TROW may soon fall further behind. Fidelity, Vanguard, and BlackRock have begun to revise their proxy voting and to report comprehensively on the way they analyze shareholder proposals focused on high-risk sectors and how they engage companies on climate risk. TROW's peers are also expanding their websites and client communications to explain their voting in more detail.

Proxy voting practices that consistently discount climate change fail to recognize significant company-specific and economy-wide risks associated with negative impacts of climate change. For example, companies effectively addressing climate changes that impact business are acting to protect long-term shareholder value.

TROW has signed the United Nations Principles for Responsible Investment. Signatories pledge to "be active owners and incorporate ESG issues into...ownership policies and practices." We believe a voting pattern opposing the vast majority of social or environmental shareholder proposals contradicts this principle and undermines TROW's efforts to engage with companies regarding ESG risks.

Thus, we believe it is the duty of TROW and subsidiaries to review how climate change impacts our economy and portfolio companies, evaluate how shareholder resolutions on climate may impact shareholder value, and vote accordingly.

**Resolved:** Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.



Institutional Trust and Custody  
425 Walnut Street  
Cincinnati, OH 45202

usbank.com

Date: October 31, 2017

To Whom It May Concern:

U.S. Bank has acted as sub-custodian for Boston Trust & Investment Management Company (Boston Trust) since July 18, 2016. Walden Asset Management is the investment division of Boston Trust dealing with environmental, social and governance matter.

We are writing to confirm that Boston Trust has had beneficial ownership of a least \$2,000 in market value of the voting securities of **T. Rowe Price Group Inc. (Cusip#74144T108)** for more than one year.

U.S. Bank serves as the sub-custodian for Boston Trust and Investment Management Company. U. S. Bank is a DTC participant.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne MacVey".

Joanne MacVey  
Officer, Client Service Manager  
Institutional Trust & Custody



Benefit Services | A Ministry of the ELCA



VIA OVERNIGHT DELIVERY

November 13, 2017

David Oestreicher  
Corporate Secretary & Chief Legal Officer  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

Dear Mr. Oestreicher,

As a faith-based retirement plan and institutional investor, Portico Benefit Services, a ministry of the Evangelical Lutheran Church in America (ELCA) believes it is possible to positively impact shareholder value while at the same time aligning with the values, principles and mission of the ELCA. We believe that corporations need to promote positive corporate policies including proxy voting policies and practices related to climate change.

Portico Benefit Services is beneficial owner of almost 2,500 shares of T. Rowe Price Group common stock. A letter of ownership verification from the custodian of our portfolio will follow under separate cover. We have been a shareholder of more than \$2,000 of common stock for over one year, and we intend to maintain a requisite ownership position through the 2018 annual meeting of shareholders.

Enclosed is a shareholder proposal requesting that T. Rowe Price Group initiate a review and issue a report on proxy voting policies and practices related to climate change. According to SEC Rule 14a-8, we ask that this resolution be included in the proxy materials for the 2018 annual meeting of shareholders. Should the Board of Directors choose to oppose the resolution, we ask that our supporting statement be included as well in the proxy materials. Zevin Asset Management (Zevin) is the primary filer on this resolution.

Zevin will continue as the lead shareholder, and is prepared to assemble the dialogue team as quickly as convenient. If you have any questions, please contact Pat Zerega, Consultant to ELCA on Corporate Social Responsibility, at <sup>\*\*\*</sup>, or via email at <sup>\*\*\*</sup>. Also, please copy Pat on all related correspondence with the primary filer.

Sincerely,

Kurt Kreienbrink, CFA  
Manager, Socially Responsible Investing & Investor Advocacy  
Portico Benefit Services  
[kkreienbrink@PorticoBenefits.org](mailto:kkreienbrink@PorticoBenefits.org)

CC: Pat Zerega  
Consultant to ELCA on CSR  
<sup>\*\*\*</sup>

Kelli Dever – BNY  
Mellon Asset Servicing  
135 Santilli Highway  
Everett, MA 02149



**Whereas:** T. Rowe Price (TROW) is a respected leader in financial services. TROW's "ESG Policy" describes how environmental, social, and governance (ESG) "risk considerations" are incorporated into investment decisions. That policy expresses TROW's belief that ESG issues can influence investment risk and return, thus affirming that such issues need to be addressed with due care by TROW.

TROW subsidiaries invest money on behalf of clients and, as fiduciaries, are responsible for voting proxies of public equities. Proxy voting is a primary mechanism for investors to express to management their opinions on many policies and practices.

One of the important issues investors face is climate change. Yet the voting practices of TROW funds appear to discount this risk dramatically.

Joining numerous global leaders highlighting climate risk, Mark Carney, Governor of the Bank of England, stated "the combination of the weight of scientific evidence and the dynamics of the financial system suggest that, in the fullness of time, climate change will threaten financial resilience and longer-term prosperity." BlackRock has also published an important paper on climate risk highlighting challenges for investors.

However, publicly reported proxy voting records for TROW funds reveal consistent votes against the vast majority of climate-related and social resolutions even when there is a strong financial case for support. These include requests for enhanced disclosure or greenhouse gas reduction goals.

In contrast, funds managed by firms such as AllianceBernstein, Deutsche, Goldman Sachs, Morgan Stanley, and Wells Fargo supported the majority of these resolutions.

TROW funds appear reluctant to exercise proxy votes supporting reasonable shareholder proposals on climate and environmental risk. And TROW may soon fall further behind. Fidelity, Vanguard, and BlackRock have begun to revise their proxy voting and to report comprehensively on the way they analyze shareholder proposals focused on high-risk sectors and how they engage companies on climate risk. TROW's peers are also expanding their websites and client communications to explain their voting in more detail.

Proxy voting practices that consistently discount climate change fail to recognize significant company-specific and economy-wide risks associated with negative impacts of climate change. For example, companies effectively addressing climate changes that impact business are acting to protect long-term shareholder value.

TROW has signed the United Nations Principles for Responsible Investment. Signatories pledge to "be active owners and incorporate ESG issues into...ownership policies and practices." We believe a voting pattern opposing the vast majority of social or environmental shareholder proposals contradicts this principle and undermines TROW's efforts to engage with companies regarding ESG risks.

Thus, we believe it is the duty of TROW and subsidiaries to review how climate change impacts our economy and portfolio companies, evaluate how shareholder resolutions on climate may impact shareholder value, and vote accordingly.

**Resolved:** Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.



BNY MELLON

November 13, 2017

David Oestreicher  
Corporate Secretary & Chief Legal Officer  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

Dear Mr. Oestreicher,

This letter is to confirm that BNY Mellon, custodian for Portico Benefit Services, a ministry of the Evangelical Lutheran Church in America (ELCA), has continuously held 2,486 shares of T. Rowe Price Group common stock from November 13, 2016 thru November 13, 2017.

As of this date, Portico Benefit Services intends to hold its shares of T. Rowe Price Group common stock through the date of your next annual meeting.

BNY Mellon is a DTC participant.

If you have any questions, please call me at (617) 382-6624.

Sincerely,

Kelli Dever  
Vice President

CC: Kurt Kreienbrink, CFA  
Manager, Socially Responsible Investing & Investor Advocacy  
Portico Benefit Services  
800 Marquette Ave., Suite 1050  
Minneapolis, MN 55402-2892

November 7, 2017

David Oestreicher  
Corporate Secretary and Chief Legal Officer  
T. Rowe Price Group, Inc.  
100 East Pratt Street  
Mail Code BA-1360  
Baltimore, MD 21202

Re: Shareholder proposal for 2018 Annual Meeting

Dear Mr. Oestreicher:



Timothy Brennan  
*Treasurer and  
Chief Financial Officer*

The Unitarian Universalist Association (UUA), a holder of 560 shares in T. Rowe Price, is hereby submitting the enclosed resolution for consideration at the upcoming annual meeting. The proposal is asking for a review of proxy voting because we remain concerned that T. Rowe Price funds' voting practices discount dramatically the investment risks associated with climate change and other environmental and social issues.

We are joining with the Zevin Asset Management, LLC which is the lead filer and we delegate to Zevin Asset Management, the authority to act on behalf of the UUA in all respects with regard to this filing including withdrawal of the resolution.

The Unitarian Universalist Association (UUA) is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately \$184 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

We submit the enclosed resolution for inclusion in the proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 for consideration and action by the shareowners at the upcoming annual meeting. We have held at least \$2,000 in market value of the company's common stock for more

than one year as of the filing date and will continue to hold at least the requisite number of shares for filing proxy resolutions through the stockholders' meeting.

Verification that we are beneficial owners of the requisite shares of T. Rowe Price Group, Inc. is enclosed. If you have questions or wish to discuss the proposal, please contact Pat Tomaino at 617-742-6666 or [pat@zevin.com](mailto:pat@zevin.com).

Yours very truly,



Timothy Brennan

Enclosure: Shareholder resolution  
Proof of ownership

**Whereas:** T. Rowe Price (TROW) is a respected leader in financial services. TROW's "ESG Policy" describes how environmental, social, and governance (ESG) "risk considerations" are incorporated into investment decisions. That policy expresses TROW's belief that ESG issues can influence investment risk and return, thus affirming that such issues need to be addressed with due care by TROW.

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One of the important issues investors face is climate change. Yet the voting practices of TROW funds appear to discount this risk dramatically.

Joining numerous global leaders highlighting climate risk, Mark Carney, Governor of the Bank of England, stated "the combination of the weight of scientific evidence and the dynamics of the financial system suggest that, in the fullness of time, climate change will threaten financial resilience and longer-term prosperity." BlackRock has also published an important paper on climate risk highlighting challenges for investors.

However, publicly reported proxy voting records for TROW funds reveal consistent votes against the vast majority of climate-related and social resolutions even when there is a strong financial case for support. These include requests for enhanced disclosure or greenhouse gas reduction goals.

In contrast, funds managed by firms such as AllianceBernstein, Deutsche, Goldman Sachs, Morgan Stanley, and Wells Fargo supported the majority of these resolutions.

TROW funds appear reluctant to exercise proxy votes supporting reasonable shareholder proposals on climate and environmental risk. And TROW may soon fall further behind. Fidelity, Vanguard, and BlackRock have begun to revise their proxy voting and to report comprehensively on the way they analyze shareholder proposals focused on high-risk sectors and how they engage companies on climate risk. TROW's peers are also expanding their websites and client communications to explain their voting in more detail.

Proxy voting practices that consistently discount climate change fail to recognize significant company-specific and economy-wide risks associated with negative impacts of climate change. For example, companies effectively addressing climate changes that impact business are acting to protect long-term shareholder value.

TROW has signed the United Nations Principles for Responsible Investment. Signatories pledge to "be active owners and incorporate ESG issues into...ownership policies and practices." We believe a voting pattern opposing the vast majority of social or environmental shareholder proposals contradicts this principle and undermines TROW's efforts to engage with companies regarding ESG risks.

Thus, we believe it is the duty of TROW and subsidiaries to review how climate change impacts our economy and portfolio companies, evaluate how shareholder resolutions on climate may impact shareholder value, and vote accordingly.

**Resolved:** Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.



All of **us** serving you<sup>®</sup>

November 7, 2017

To Whom It May Concern:

The Unitarian Universalist Association currently holds 560 shares of T. Rowe Price, CUSIP 74144T108.

The Unitarian Universalist Association holds 560 shares in account \*\*\*

The shares have been held in custody for more than a one year period preceding and including November 7, 2017, previously with State Street Bank and now with US Bank NA since 3/9/17.

The Unitarian Universalist Association is the beneficial owner of the shares. US Bank's DTC participant number is 2803.

Please contact me if you have any questions or require further information

Thank you,

Lynn S. Shotwell  
Assistant Vice President | Account Manager  
p. 302.576.3711 | f. 302.576.3718 | [lynn.shotwell@usbank.com](mailto:lynn.shotwell@usbank.com)

U.S. Bank Institutional Trust & Custody  
300 Delaware Avenue, Suite 901 | Wilmington, DE 19801 | [www.usbank.com](http://www.usbank.com)