**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended September 30, 2024**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from to**

**Commission File Number: 000-32191**

# T. ROWE PRICE GROUP, INC.

**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Maryland** | **52-2264646** |
| **(State of incorporation)** | **(I.R.S. Employer Identification No.)** |

**100 East Pratt Street , Baltimore , Maryland 21202**
**(Address, including Zip Code, of principal executive offices)**

**( 410 ) 345-2000**
**(Registrant’s telephone number, including area code)**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common Stock, $0.20 par value per share** | **TROW** | **The NASDAQ Stock Market LLC** |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| | | Emerging growth company | ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).☐ Yes ☒ No

The number of shares outstanding of the issuer’s common stock ($0.20 par value), as of the latest practicable date, October 29, 2024, is 222,159,470 .

The exhibit index is at Item 6 on page 44.

**PART I – FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**
**(in millions, except share data)**

| | 9/30/2024 | 12/31/2023 |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 3,173.5 | $ 2,066.6 |
| Accounts receivable and accrued revenue | 890.0 | 807.9 |
| Investments | 2,966.0 | 2,554.7 |
| Assets of consolidated sponsored investment products ($ 1,419.4 million at September 30, 2024 and $ 1,204.4 million at December 31, 2023, related to variable interest entities) | 1,857.2 | 1,959.3 |
| Operating lease assets | 228.5 | 241.1 |
| Property, equipment and software, net | 930.1 | 806.6 |
| Intangible assets, net | 395.2 | 507.3 |
| Goodwill | 2,642.8 | 2,642.8 |
| Other assets | 622.6 | 692.5 |
| Total assets | $ 13,705.9 | $ 12,278.8 |
| **LIABILITIES** | | |
| Accounts payable and accrued expenses | $ 359.1 | $ 409.5 |
| Liabilities of consolidated sponsored investment products ($ 38.0 million at September 30, 2024 and $ 35.2 million at December 31, 2023, related to variable interest entities) | 57.8 | 54.2 |
| Operating lease liabilities | 288.4 | 308.5 |
| Accrued compensation and related costs | 801.6 | 240.8 |
| Supplemental savings plan liability | 969.6 | 895.0 |
| Contingent consideration liability | — | 13.4 |
| Income taxes payable | 13.3 | 66.2 |
| Total liabilities | 2,489.8 | 1,987.6 |
| Commitments and contingent liabilities | | |
| Redeemable non-controlling interests | 763.4 | 594.1 |
| **STOCKHOLDERS' EQUITY** | | |
| Preferred stock, undesignated, $ 0.20 par value – authorized and unissued 20,000,000 shares | — | — |
| Common stock, $ 0.20 par value—authorized 750,000,000 ; issued 222,143,000 shares at September 30, 2024 and 223,938,000 at December 31, 2023 | 44.4 | 44.8 |
| Additional capital in excess of par value | 359.1 | 431.7 |
| Retained earnings | 9,885.3 | 9,076.1 |
| Accumulated other comprehensive loss | ( 39.5 ) | ( 47.5 ) |
| Total stockholders' equity attributable to T. Rowe Price Group, Inc. | 10,249.3 | 9,505.1 |
| Non-controlling interests in consolidated entities | 203.4 | 192.0 |
| Total stockholders' equity | 10,452.7 | 9,697.1 |
| Total liabilities, redeemable non-controlling interests, and stockholders' equity | $ 13,705.9 | $ 12,278.8 |

The accompanying notes are an integral part of these statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(in millions, except per-share amounts)**

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Revenues | | | | |
| Investment advisory fees | $ 1,632.9 | $ 1,463.9 | $ 4,772.5 | $ 4,286.5 |
| Capital allocation-based income | 4.6 | 66.1 | 51.8 | 121.7 |
| Administrative, distribution, and servicing fees | 148.1 | 140.7 | 444.8 | 410.3 |
| Net revenues | 1,785.6 | 1,670.7 | 5,269.1 | 4,818.5 |
| Operating expenses | | | | |
| Compensation and related costs | 678.3 | 636.4 | 2,048.4 | 1,938.1 |
| Distribution and servicing | 91.6 | 74.9 | 261.2 | 214.2 |
| Advertising and promotion | 20.8 | 21.1 | 79.4 | 69.8 |
| Product and recordkeeping related costs | 75.0 | 73.1 | 223.0 | 222.9 |
| Technology, occupancy, and facility costs | 164.0 | 159.7 | 474.8 | 461.0 |
| General, administrative, and other | 104.2 | 85.7 | 305.5 | 293.2 |
| Change in fair value of contingent consideration | ( 13.4 ) | — | ( 13.4 ) | ( 72.8 ) |
| Acquisition-related amortization and impairment costs | 51.5 | 38.5 | 125.3 | 93.1 |
| Total operating expenses | 1,172.0 | 1,089.4 | 3,504.2 | 3,219.5 |
| Net operating income | 613.6 | 581.3 | 1,764.9 | 1,599.0 |
| Non-operating income (loss) | | | | |
| Net gains (losses) on investments | 119.0 | 30.7 | 318.5 | 213.7 |
| Net gains (losses) on consolidated sponsored investment products | 85.9 | ( 24.4 ) | 166.7 | 45.4 |
| Other gains (losses), including foreign currency gains (losses) | 7.6 | ( 3.5 ) | ( 3.5 ) | ( 14.7 ) |
| Total non-operating income (loss) | 212.5 | 2.8 | 481.7 | 244.4 |
| Income before income taxes | 826.1 | 584.1 | 2,246.6 | 1,843.4 |
| Provision for income taxes | 185.7 | 144.9 | 527.5 | 481.3 |
| Net income | 640.4 | 439.2 | 1,719.1 | 1,362.1 |
| Less: net income (loss) attributable to redeemable non-controlling interests | 37.4 | ( 14.0 ) | 58.9 | 11.0 |
| Net income attributable to T. Rowe Price Group, Inc. | $ 603.0 | $ 453.2 | $ 1,660.2 | $ 1,351.1 |
| Earnings per share on common stock of T. Rowe Price Group, Inc. | | | | |
| Basic | $ 2.64 | $ 1.98 | $ 7.25 | $ 5.88 |
| Diluted | $ 2.64 | $ 1.97 | $ 7.23 | $ 5.86 |

The accompanying notes are an integral part of these statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**(in millions)**

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Net income | $ 640.4 | $ 439.2 | $ 1,719.1 | $ 1,362.1 |
| Other comprehensive income (loss) | | | | |
| Currency translation adjustments | | | | |
| Consolidated T. Rowe Price investment products - variable interest entities | 16.9 | ( 10.8 ) | 13.1 | 7.7 |
| Reclassification (gains) losses recognized in non-operating income upon deconsolidation of certain T. Rowe Price investment products | 0.6 | ( 0.7 ) | 0.6 | ( 0.7 ) |
| Total currency translation adjustments of consolidated T. Rowe Price investment products - variable interest entities | 17.5 | ( 11.5 ) | 13.7 | 7.0 |
| Equity method investments | 0.1 | 8.4 | 0.6 | 8.4 |
| Total currency translation adjustments | 17.6 | ( 3.1 ) | 14.3 | 15.4 |
| | | | | |
| Other comprehensive income (loss) before income taxes | 17.6 | ( 3.1 ) | 14.3 | 15.4 |
| Net deferred tax (expense) benefits | ( 0.5 ) | 0.8 | ( 0.1 ) | ( 0.9 ) |
| Total other comprehensive income (loss) | 17.1 | ( 2.3 ) | 14.2 | 14.5 |
| | | | | |
| Total comprehensive income | 657.5 | 436.9 | 1,733.3 | 1,376.6 |
| Less: comprehensive income (loss) attributable to redeemable non-controlling interests | 44.8 | ( 17.9 ) | 65.1 | 18.7 |
| Total comprehensive income attributable to T. Rowe Price Group, Inc. | $ 612.7 | $ 454.8 | $ 1,668.2 | $ 1,357.9 |

The accompanying notes are an integral part of these statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(in millions)**

| | Nine months ended | |
|---|---|---|
| | 9/30/2024 | 9/30/2023 |
| Cash flows from operating activities | | |
| Net income | $ 1,719.1 | $ 1,362.1 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Depreciation, amortization and impairment of property, equipment and software | 188.4 | 181.6 |
| Amortization and impairment of acquisition-related assets and retention arrangements | 196.5 | 165.6 |
| Fair value remeasurement of contingent consideration liability | ( 13.4 ) | ( 72.8 ) |
| Stock-based compensation expense | 162.2 | 169.7 |
| Net gains recognized on investments | ( 332.1 ) | ( 300.4 ) |
| Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | 29.8 | 101.3 |
| Net change in securities held by consolidated sponsored investment products | ( 517.9 ) | ( 779.9 ) |
| Other changes in assets and liabilities | 534.9 | 549.3 |
| Net cash provided by operating activities | 1,967.5 | 1,376.5 |
| | | |
| Cash flows from investing activities | | |
| Purchases of sponsored investment products | ( 89.4 ) | ( 35.8 ) |
| Dispositions of sponsored investment products | 303.1 | 370.7 |
| Net cash of sponsored investment products on deconsolidation | ( 15.7 ) | ( 35.6 ) |
| Additions to property, equipment and software | ( 310.4 ) | ( 226.0 ) |
| Other investing activity | ( 42.6 ) | ( 35.2 ) |
| Net cash (used in) provided by investing activities | ( 155.0 ) | 38.1 |
| | | |
| Cash flows from financing activities | | |
| Repurchases of common stock | ( 269.1 ) | ( 141.2 ) |
| Common share issuances under stock-based compensation plans | 28.1 | 25.5 |
| Dividends paid to common stockholders of T. Rowe Price Group, Inc. | ( 851.0 ) | ( 842.0 ) |
| Net contributions (distributions) to non-controlling interests in consolidated entities | 2.6 | ( 3.2 ) |
| Net subscriptions from redeemable non-controlling interest holders | 361.2 | 343.7 |
| Net cash used in financing activities | ( 728.2 ) | ( 617.2 ) |
| | | |
| Effect of exchange rate changes on cash and cash equivalents of consolidated T. Rowe Price investment products | 0.5 | ( 1.8 ) |
| | | |
| Net change in cash and cash equivalents during period | 1,084.8 | 795.6 |
| Cash and cash equivalents at beginning of period, including $ 77.2 million at December 31, 2023, and $ 119.1 million at December 31, 2022, held by consolidated sponsored investment products | 2,143.8 | 1,874.7 |
| Cash and cash equivalents at end of period, including $ 55.1 million at September 30, 2024, and $ 91.6 million at September 30, 2023, held by consolidated sponsored investment products | $ 3,228.6 | $ 2,670.3 |

The accompanying notes are an integral part of these statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
**(shares in thousands; dollars in millions)**

| | Three months ended 9/30/2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI[1] | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Non-controlling interests in consolidated entities | Total stockholders' equity | Redeemable non-controlling interests |
| Balances at June 30, 2024 | 222,612 | $ 44.5 | $ 368.8 | $ 9,564.6 | $ ( 49.2 ) | $ 9,928.7 | $ 205.3 | $ 10,134.0 | $ 689.0 |
| Net income (loss) | — | — | — | 603.0 | — | 603.0 | ( 2.0 ) | 601.0 | 37.4 |
| Other comprehensive income (loss), net of tax | — | — | — | — | 9.7 | 9.7 | — | 9.7 | 7.4 |
| Dividends declared ($ 1.24 per share) | — | — | — | ( 282.2 ) | — | ( 282.2 ) | — | ( 282.2 ) | — |
| Shares issued upon option exercises | 187 | — | 12.1 | — | — | 12.1 | — | 12.1 | — |
| Net shares issued upon vesting of restricted stock units | 8 | — | ( 0.2 ) | — | — | ( 0.2 ) | — | ( 0.2 ) | — |
| Stock-based compensation expense | — | — | 49.5 | — | — | 49.5 | — | 49.5 | — |
| Restricted stock units issued as dividend equivalents | — | — | 0.1 | ( 0.1 ) | — | — | — | — | — |
| Common shares repurchased | ( 664 ) | ( 0.1 ) | ( 71.2 ) | — | — | ( 71.3 ) | — | ( 71.3 ) | — |
| Net contributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | 0.1 | 0.1 | — |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | 190.2 |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | ( 160.6 ) |
| Balances at September 30, 2024 | 222,143 | $ 44.4 | $ 359.1 | $ 9,885.3 | $ ( 39.5 ) | $ 10,249.3 | $ 203.4 | $ 10,452.7 | $ 763.4 |

| | Three months ended 9/30/2023 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI[1] | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Non-controlling interests in consolidated entities | Total stockholders' equity | Redeemable non-controlling interests |
| Balances at June 30, 2023 | 224,281 | $ 44.8 | $ 520.6 | $ 8,746.2 | $ ( 47.8 ) | $ 9,263.8 | $ 202.1 | $ 9,465.9 | $ 985.2 |
| Net income (loss) | — | — | — | 453.2 | — | 453.2 | 19.9 | 473.1 | ( 14.0 ) |
| Other comprehensive income (loss), net of tax | — | — | — | — | 1.6 | 1.6 | — | 1.6 | ( 3.9 ) |
| Dividends declared ($ 1.22 per share) | — | — | — | ( 279.9 ) | — | ( 279.9 ) | — | ( 279.9 ) | — |
| Shares issued upon option exercises | 227 | 0.1 | 13.5 | — | — | 13.6 | — | 13.6 | — |
| Restricted shares issued, net of shares withheld for taxes | 3 | — | — | — | — | — | — | — | — |
| Net shares issued upon vesting of restricted stock units | 7 | — | ( 0.4 ) | — | — | ( 0.4 ) | — | ( 0.4 ) | — |
| Stock-based compensation expense | — | — | 54.2 | — | — | 54.2 | — | 54.2 | — |
| Restricted stock units issued as dividend equivalents | — | — | 0.1 | ( 0.1 ) | — | — | — | — | — |
| Common shares repurchased | ( 978 ) | ( 0.2 ) | ( 106.0 ) | — | — | ( 106.2 ) | — | ( 106.2 ) | — |
| Net distributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | ( 0.5 ) | ( 0.5 ) | — |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | 59.0 |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | ( 466.1 ) |
| Balances at September 30, 2023 | 223,540 | $ 44.7 | $ 482.0 | $ 8,919.4 | $ ( 46.2 ) | $ 9,399.9 | $ 221.5 | $ 9,621.4 | $ 560.2 |

[1] *Accumulated other comprehensive income*

The accompanying notes are an integral part of these statements.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**
**(shares in thousands; dollars in millions)**

| | Nine months ended 9/30/2024 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI[1] | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Non-controlling interests in consolidated entities | Total Stockholders' equity | Redeemable non-controlling interests |
| Balances at December 31, 2023 | 223,938 | $ 44.8 | $ 431.7 | $ 9,076.1 | $ ( 47.5 ) | $ 9,505.1 | $ 192.0 | $ 9,697.1 | $ 594.1 |
| Net income (loss) | — | — | — | 1,660.2 | — | 1,660.2 | 8.8 | 1,669.0 | 58.9 |
| Other comprehensive income, net of tax | — | — | — | — | 8.0 | 8.0 | — | 8.0 | 6.2 |
| Dividends declared ($ 3.72 per share) | — | — | — | ( 850.7 ) | — | ( 850.7 ) | — | ( 850.7 ) | — |
| Shares issued upon option exercises | 482 | 0.1 | 30.4 | — | — | 30.5 | — | 30.5 | — |
| Restricted shares issued, net of shares withheld for taxes | 7 | — | ( 0.3 ) | — | — | ( 0.3 ) | — | ( 0.3 ) | — |
| Net shares issued upon vesting of restricted stock units | 64 | — | ( 2.0 ) | — | — | ( 2.0 ) | — | ( 2.0 ) | — |
| Stock-based compensation expense | — | — | 162.2 | — | — | 162.2 | — | 162.2 | — |
| Restricted stock units issued as dividend equivalents | — | — | 0.3 | ( 0.3 ) | — | — | — | — | — |
| Common shares repurchased | ( 2,348 ) | ( 0.5 ) | ( 263.2 ) | — | — | ( 263.7 ) | — | ( 263.7 ) | — |
| Net contributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | 2.6 | 2.6 | — |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | 361.0 |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | ( 256.8 ) |
| Balances at September 30, 2024 | 222,143 | $ 44.4 | $ 359.1 | $ 9,885.3 | $ ( 39.5 ) | $ 10,249.3 | $ 203.4 | $ 10,452.7 | $ 763.4 |

| | Nine months ended 9/30/2023 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Common shares outstanding | Common stock | Additional capital in excess of par value | Retained earnings | AOCI[1] | Total stockholders' equity attributable to T. Rowe Price Group, Inc. | Non-controlling interests in consolidated entities | Total Stockholders' equity | Redeemable non-controlling interests |
| Balances at December 31, 2022 | 224,310 | $ 44.9 | $ 437.9 | $ 8,409.7 | $ ( 53.0 ) | $ 8,839.5 | $ 190.7 | $ 9,030.2 | $ 656.7 |
| Net income (loss) | — | — | — | 1,351.1 | — | 1,351.1 | 34.0 | 1,385.1 | 11.0 |
| Other comprehensive income (loss), net of tax | — | — | — | — | 6.8 | 6.8 | — | 6.8 | 7.7 |
| Dividends declared ($ 3.66 per share) | — | — | — | ( 841.1 ) | — | ( 841.1 ) | — | ( 841.1 ) | — |
| Shares issued upon option exercises | 486 | 0.1 | 28.4 | — | — | 28.5 | — | 28.5 | — |
| Restricted shares issued, net of shares withheld for taxes | 57 | — | — | — | — | — | — | — | — |
| Net shares issued upon vesting of restricted stock units | 85 | — | ( 3.2 ) | — | — | ( 3.2 ) | — | ( 3.2 ) | — |
| Stock-based compensation expense | — | — | 169.7 | — | — | 169.7 | — | 169.7 | — |
| Restricted stock units issued as dividend equivalents | — | — | 0.3 | ( 0.3 ) | — | — | — | — | — |
| Common shares repurchased | ( 1,398 ) | ( 0.3 ) | ( 151.1 ) | | — | ( 151.4 ) | — | ( 151.4 ) | — |
| Net distributions to non-controlling interests in consolidated entities | — | — | — | — | — | — | ( 3.2 ) | ( 3.2 ) | — |
| Net subscriptions into T. Rowe Price investment products | — | — | — | — | — | — | — | — | 345.0 |
| Net deconsolidations of T. Rowe Price investment products | — | — | — | — | — | — | — | — | ( 460.2 ) |
| Balances at September 30, 2023 | 223,540 | $ 44.7 | $ 482.0 | $ 8,919.4 | $ ( 46.2 ) | $ 9,399.9 | $ 221.5 | $ 9,621.4 | $ 560.2 |

[1] *Accumulated other comprehensive income*

The accompanying notes are an integral part of these statements.

**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 – THE COMPANY AND BASIS OF PREPARATION.**

T. Rowe Price Group, Inc. derives its consolidated revenues and net income primarily from investment advisory services that its subsidiaries provide to individual and institutional investors that invest in a broad range of investment solutions across equity, fixed income, multi-asset, and alternative capabilities. We also provide certain investment advisory clients with related administrative services, including distribution, mutual fund transfer agent, accounting, and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; brokerage; trust services; and non-discretionary advisory services through model delivery.

The investment solutions are provided in a number of vehicles, including the T. Rowe Price U.S. mutual funds ("U.S. mutual funds"), subadvised funds, separately managed accounts, collective investment trusts, and other T. Rowe Price products. The other T. Rowe Price products include: open-ended investment products offered to investors outside the U.S., exchange-traded funds, products offered through variable annuity life insurance plans in the U.S., affiliated private investment funds and collateralized loan obligations.

Investment advisory revenues depend largely on the total value and composition of assets under our management. Accordingly, fluctuations in financial markets and in the composition of assets under management impact our revenues and results of operations.

***BASIS OF PRESENTATION.***

These unaudited condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. These principles require the use of estimates and reflect all adjustments that are, in the opinion of management, necessary for a fair statement of our results for the interim periods presented. All such adjustments are of a normal recurring nature. Actual results may vary from our estimates.

The unaudited financial information contained in these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements contained in our 2023 Annual Report.

***NEWLY ISSUED BUT NOT YET ADOPTED ACCOUNTING GUIDANCE.***

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-07 - *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*. As required by the guidance, we will adopt the annual disclosures of significant segment expenses that are regularly provided to the chief operating decision maker in our 2024 year-end reporting. Interim segment reporting will become effective under the amendment on January 1, 2025.

In December 2023, the FASB issued Accounting Standards Update No. 2023-09 - *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures,* which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. This amendment is effective for the firm on January 1, 2025 using prospective adoption method. We do not expect the additional disclosure requirements under the ASU to have material impact on our consolidated financial statements.

We have considered all other newly issued accounting guidance that is applicable to our operations and the preparation of our unaudited condensed consolidated statements, including those we have not yet adopted. We do not believe that any such guidance has or will have a material effect on our financial position or results of operations.

**NOTE 2 – INFORMATION ABOUT RECEIVABLES, REVENUES, AND SERVICES.**

Net revenues earned in the three- and nine-month periods ended September 30, 2024 and 2023, are included in the table below along with details of investment advisory revenues earned from clients by their underlying asset class. We also included average assets under management by asset class, on which we earn the investment advisory revenues.

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Investment advisory fees | | | | |
| Equity | $ 978.5 | $ 885.0 | $ 2,877.0 | $ 2,581.2 |
| Fixed income, including money market | 104.1 | 100.9 | 304.9 | 303.3 |
| Multi-asset | 465.8 | 405.5 | 1,340.3 | 1,182.8 |
| Alternatives | 84.5 | 72.5 | 250.3 | 219.2 |
| Total investment advisory fees | $ 1,632.9 | $ 1,463.9 | $ 4,772.5 | $ 4,286.5 |
| Capital allocation-based income | 4.6 | 66.1 | 51.8 | 121.7 |
| Total administrative, distribution, and servicing fees | 148.1 | 140.7 | 444.8 | 410.3 |
| Net revenues | $ 1,785.6 | $ 1,670.7 | $ 5,269.1 | $ 4,818.5 |
| | | | | |
| Average AUM (in billions): | | | | |
| Equity | $ 813.1 | $ 725.0 | $ 791.4 | $ 705.3 |
| Fixed income, including money market | 183.3 | 169.0 | 175.9 | 169.6 |
| Multi-asset | 542.3 | 453.8 | 519.9 | 438.5 |
| Alternatives | 50.8 | 45.8 | 49.0 | 44.8 |
| Average AUM | $ 1,589.5 | $ 1,393.6 | $ 1,536.2 | $ 1,358.2 |

Total net revenues earned from our sponsored products, primarily our sponsored U.S. mutual funds and collective investment trusts, aggregate $ 1,486.5 million and $ 1,387.5 million for the three months ended September 30, 2024 and 2023, respectively. Total net revenues earned during the nine months ended September 30, 2024 and 2023 aggregate $ 4,359.5 million and $ 3,979.9 million, respectively. Accounts receivable from our sponsored products aggregate to $ 613.3 million at September 30, 2024 and $ 533.9 million at December 31, 2023.

Investors that we serve are primarily domiciled in the U.S.; investment advisory clients outside the U.S. account for 8.6 % at September 30, 2024, June 30, 2024, and December 31, 2023 of our assets under management.

**NOTE 3 – INVESTMENTS.**

The carrying values of our investments that are not consolidated sponsored investment products are as follows:

| (in millions) | 9/30/2024 | 12/31/2023 |
|---|---|---|
| Investments held at fair value | | |
| T. Rowe Price investment products | | |
| Discretionary investments | $ 261.0 | $ 246.4 |
| Seed capital | 297.6 | 247.8 |
| Supplemental savings plan liability economic hedges | 901.9 | 806.6 |
| Investment partnerships and other investments | 105.7 | 69.7 |
| Investments in affiliated collateralized loan obligations | 7.6 | 8.4 |
| Equity method investments | | |
| T. Rowe Price investment products | | |
| Discretionary investments | 60.9 | 5.3 |
| Seed capital | 196.2 | 91.1 |
| Supplemental savings plan liability economic hedges | 67.2 | 21.0 |
| 23 % Investment in UTI Asset Management Company Limited (India) | 166.3 | 164.5 |
| Investments in affiliated private investment funds - carried interest | 499.7 | 519.9 |
| Investments in affiliated private investment funds - seed/co-investment | 286.1 | 253.4 |
| Investments in partnerships and other investments | 1.7 | 2.2 |
| Held to maturity | | |
| Investments in affiliated collateralized loan obligations | 80.6 | 94.1 |
| Certificates of deposit | 32.5 | 23.3 |
| U.S. Treasury note | 1.0 | 1.0 |
| Total | $ 2,966.0 | $ 2,554.7 |

The investment partnerships held at fair value are valued using net asset value (“NAV”) per share as a practical expedient. Our interests in these partnerships are generally not redeemable and are subject to significant transferability restrictions. The underlying investments of these partnerships have contractual terms through 2029, though we may receive distributions of liquidating assets over a longer term. The investment strategies of these partnerships include growth equity, buyout, venture capital, and real estate.

During the three- and nine-months ended September 30, 2024, net gains on investments included $ 44.3 million and $ 129.3 million, respectively, of net unrealized gains related to investments carried at fair value that were still held at September 30, 2024. For the same periods of 2023, net gains on investments included $ 46.1 million of net unrealized losses and and $ 28.9 million of net unrealized gains, respectively, related to investments carried at fair value that were still held at September 30, 2023.

During the nine months ended September 30, 2024 and 2023, certain sponsored investment products in which we provided initial seed capital at the time of formation were deconsolidated, as we no longer had a controlling interest. Depending on our ownership interest, we report our residual interests in these sponsored investment products as either an equity method investment or an investment held at fair value. The net impact of these changes on our unaudited condensed consolidated balance sheets and statements of income as of the dates the products were deconsolidated is detailed below.

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Net increase (decrease) in assets of consolidated sponsored investment products | $ ( 371.7 ) | $ ( 568.7 ) | $ ( 643.5 ) | $ ( 650.1 ) |
| Net increase (decrease) in liabilities of consolidated sponsored investment products | $ ( 14.6 ) | $ ( 10.4 ) | $ ( 19.5 ) | $ ( 43.5 ) |
| Net increase (decrease) in redeemable non-controlling interests | $ ( 160.6 ) | $ ( 466.1 ) | $ ( 256.8 ) | $ ( 460.2 ) |
| Gains recognized upon deconsolidation | $ ( 0.6 ) | $ 0.7 | $ ( 0.6 ) | $ 0.7 |

**INVESTMENTS IN AFFILIATED COLLATERALIZED LOAN OBLIGATIONS.**

There is debt associated with our long-term investments in affiliated collateralized loan obligations (“CLOs”). This debt is carried at $ 75.8 million at September 30, 2024 and $ 89.4 million at December 31, 2023, and is reported in accounts payable and accrued expenses in our unaudited condensed consolidated balance sheets. The debt includes outstanding repurchase agreements of € 59.4 million (equivalent to $ 66.3 million at September 30, 2024 and $ 72.3 million at December 31, 2023 at the respective EUR spot rates) that are collateralized by the CLO investments. The debt also includes outstanding note facilities of € 8.5 million (equivalent to $ 9.5 million at September 30, 2024 and $ 17.1 million at December 31, 2023, at the respective EUR spot rates) that are collateralized by first priority security interests in the assets of a consolidated subsidiary that is party to the notes. These note facilities bear interest at rates based on EURIBOR plus the initial margin, which equals all-in rates ranging from 1.15 % to 12.60 % as of September 30, 2024. The debt matures on various dates through 2035 or if the investments are paid back in full or cancelled, whichever is sooner.

**VARIABLE INTEREST ENTITIES.**

Our investments at September 30, 2024 and December 31, 2023 include interests in variable interest entities that we do not consolidate as we are not deemed the primary beneficiary. Our maximum risk of loss related to our involvement with these entities is as follows:

| (in millions) | 9/30/2024 | 12/31/2023 |
|---|---|---|
| Investment carrying values | $ 886.1 | $ 919.3 |
| Unfunded capital commitments | 117.3 | 94.1 |
| Accounts receivable | 85.2 | 92.1 |
| | $ 1,088.6 | $ 1,105.5 |

The unfunded capital commitments, totaling $ 117.3 million at September 30, 2024 and $ 94.1 million at December 31, 2023, relate primarily to the affiliated private investment funds and the investment partnerships in which we have an existing investment. In addition to such amounts, a percentage of prior distributions may be called under certain circumstances.

Certain of the investments in affiliated funds represent interests in the general partners of affiliated private investment funds that are entitled to a disproportionate allocation of income or carried interest. The entities holding such interests are considered variable interest entities and are consolidated as we were determined to be the primary beneficiary.

The total assets, liabilities, and non-controlling interests of these consolidated variable interest entities are as follows:

| (in millions) | 9/30/2024 | 12/31/2023 |
|---|---|---|
| Assets | $ 566.5 | $ 564.7 |
| Liabilities | $ 0.2 | $ 1.9 |
| Non-controlling interest | $ 203.4 | $ 192.0 |

**NOTE 4 – FAIR VALUE MEASUREMENTS.**

We determine the fair value of our cash equivalents and investments held at fair value using the following broad levels of inputs as defined by related accounting standards:

Level 1 – quoted prices in active markets for identical securities.
Level 2 – observable inputs other than Level 1 quoted prices including, but not limited to, quoted prices for similar securities, interest rates, prepayment speeds, and credit risk. These inputs are based on market data obtained from independent sources.
Level 3 – unobservable inputs reflecting our own assumptions based on the best information available. The inputs into the determination of fair value require significant management judgment or estimation. Investments in this category generally include investments for which there is not an actively-traded market.

These levels are not necessarily an indication of the risk or liquidity associated with our investments. The following table summarizes our investments and liabilities that are recognized in our unaudited condensed consolidated balance sheets using fair value measurements determined based on the differing levels of inputs. This table excludes investments held by the consolidated sponsored investment products which are presented separately in our unaudited condensed consolidated balance sheets and are detailed in Note 5.

| | 9/30/2024 | | | 12/31/2023 | | |
|---|---|---|---|---|---|---|
| (in millions) | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| T. Rowe Price investment products | | | | | | |
| Cash equivalents held in money market funds | $ 2,735.3 | $ — | $ — | $ 1,678.1 | $ — | $ — |
| Discretionary investments | 261.0 | — | — | 246.4 | — | — |
| Seed capital | 240.1 | 57.5 | — | 206.0 | 41.8 | — |
| Supplemental savings plan liability economic hedges | 901.9 | — | — | 806.6 | — | — |
| Other investments | 0.1 | — | 42.2 | 0.7 | — | — |
| Investments in affiliated collateralized loan obligations | — | 7.6 | — | — | 8.4 | — |
| Total | $ 4,138.4 | $ 65.1 | $ 42.2 | $ 2,937.8 | $ 50.2 | $ — |
| Contingent consideration liability | $ — | $ — | $ — | $ — | $ — | $ 13.4 |

The fair value hierarchy level table above does not include the investment partnerships and other investments for which fair value is estimated using their NAV per share as a practical expedient. The carrying value of these investments as disclosed in Note 3 were $ 63.4 million at September 30, 2024, and $ 69.0 million at December 31, 2023.

The Level 3 investments' fair value is derived from inputs that are unobservable and that reflect our own determinations about the assumptions that market participants would use in pricing the investments, including assumptions about risk. These inputs are developed based on our data, which is adjusted if information indicates that market participants would use different assumptions. For the nine months ended September 30, 2024, the change in Level 3 fair values were solely attributable to the purchases of new investments and there were no transfers into or out of Level 3. The following table provides information about the significant Level 3 inputs:

| | Fair value measurements as of September 30, 2024 | | | |
|---|---|---|---|---|
| (in millions) | Fair value | Valuation techniques | Unobservable inputs | Interest rate input |
| Other investments | $ 42.2 | Market Yield (Comparables) | Yield | 8.9 % |

**Contingent Consideration**

As part of the purchase consideration for our acquisition of OHA in December 2021, there is contingent consideration in the amount of up to $ 900 million, payable in cash, that may be due as part of an earnout payment starting in 2025 and ending in 2027 upon satisfying or exceeding certain defined revenue targets. These defined revenue targets will be evaluated on a cumulative basis beginning at the end of 2024, with the ability to extend two additional years if the defined revenue targets are not achieved. About 22 % of the earnout is conditioned upon continued service with T. Rowe Price Group, Inc. and was excluded from the purchase consideration and deemed compensatory. The fair value of the earnout, deemed compensatory, is remeasured each reporting period and recognized in compensation expense over the related service period.

As of September 30, 2024, the fair value of the contingent consideration, including the portion deemed compensatory, was zero . The change in the contingent consideration liability measured at fair value for which we used Level 3 inputs to determine fair value is as follows:

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Balance at beginning of period | $ 13.4 | $ 23.0 | $ 13.4 | $ 95.8 |
| Unrealized gains, included in earnings | ( 13.4 ) | — | ( 13.4 ) | ( 72.8 ) |
| Balance at end of period | $ — | $ 23.0 | $ — | $ 23.0 |

The fair value of the contingent consideration was measured using the Monte Carlo simulation methodology of valuation. The most significant assumptions used relate to the discount rates and from changes pertaining to the achievement of the defined financial targets.
In addition, simultaneously with the OHA acquisition, a Value Creation Agreement was entered into whereby certain employees of OHA will receive incentive payments in the aggregate equal to 10 % of the appreciated value of the OHA business, subject to an annualized preferred return to T. Rowe Price Group, Inc., on the fifth anniversary of the acquisition date. This arrangement is treated as a post-combination compensation expense. This arrangement will be remeasured at fair value at each reporting date and recognized as part of compensation expense over the related service period. For the three- and nine-months ended September 30, 2024 and 2023, the amounts recognized were immaterial.

**NOTE 5 – CONSOLIDATED SPONSORED INVESTMENT PRODUCTS.**

The sponsored investment products that we consolidate in our unaudited condensed consolidated financial statements are generally those products we provided initial seed capital at the time of their formation and have a controlling interest. Our U.S. mutual funds and certain other sponsored products are considered voting interest entities, while those regulated outside the U.S. are considered variable interest entities.

The following table details the net assets of the consolidated sponsored investment products:

| | 9/30/2024 | | | 12/31/2023 | | |
|---|---|---|---|---|---|---|
| (in millions) | Voting interest entities | Variable interest entities | Total | Voting interest entities | Variable interest entities | Total |
| Cash and cash equivalents [1] | $ 5.8 | $ 49.3 | $ 55.1 | $ 25.7 | $ 51.5 | $ 77.2 |
| Investments [2] | 418.6 | 1,348.3 | 1,766.9 | 718.0 | 1,129.0 | 1,847.0 |
| Other assets | 13.4 | 21.8 | 35.2 | 11.2 | 23.9 | 35.1 |
| Total assets | 437.8 | 1,419.4 | 1,857.2 | 754.9 | 1,204.4 | 1,959.3 |
| Liabilities | 19.8 | 38.0 | 57.8 | 19.0 | 35.2 | 54.2 |
| Net assets | $ 418.0 | $ 1,381.4 | $ 1,799.4 | $ 735.9 | $ 1,169.2 | $ 1,905.1 |
| | | | | | | |
| Attributable to T. Rowe Price Group, Inc. | $ 319.3 | $ 716.7 | $ 1,036.0 | $ 589.9 | $ 721.1 | $ 1,311.0 |
| Attributable to redeemable non-controlling interests | 98.7 | 664.7 | 763.4 | 146.0 | 448.1 | 594.1 |
| | $ 418.0 | $ 1,381.4 | $ 1,799.4 | $ 735.9 | $ 1,169.2 | $ 1,905.1 |

*[1] Cash and cash equivalents includes $ 5.2 million at September 30, 2024, and $ 16.2 million at December 31, 2023, of investments in T. Rowe Price money market mutual funds.*
*[2] Investments include $ 6.5 million at September 30, 2024, and $ 6.2 million at December 31, 2023 of other sponsored investment products.*

Although we can redeem our interest in these consolidated sponsored investment products at any time, we cannot directly access or sell the assets held by these products to obtain cash for general operations. Additionally, the assets of these investment products are not available to our general creditors.

Since third party investors in these investment products have no recourse to our credit, our overall risk related to the net assets of consolidated sponsored investment products is limited to valuation changes associated with our interest. We, however, are required to recognize the valuation changes associated with all underlying investments held by these products in our unaudited condensed consolidated statements of income and disclose the portion attributable to third party investors as net income attributable to redeemable non-controlling interests.

The operating results of the consolidated sponsored investment products for the three- and nine-months ended September 30, 2024 and 2023, are reflected in our unaudited condensed consolidated statements of income as follows:

| | Three months ended | | | | | |
|---|---|---|---|---|---|---|
| | 9/30/2024 | | | 9/30/2023 | | |
| (in millions) | Voting interest entities | Variable interest entities | Total | Voting interest entities | Variable interest entities | Total |
| Operating expenses reflected in net operating income | $ (0.5) | $ (1.9) | $ (2.4) | $ (0.5) | $ (0.9) | $ (1.4) |
| Net investment income (loss) reflected in non-operating income (loss) | 27.3 | 58.6 | 85.9 | (11.6) | (12.8) | (24.4) |
| Impact on income before taxes | $ 26.8 | $ 56.7 | $ 83.5 | $ (12.1) | $ (13.7) | $ (25.8) |
| | | | | | | |
| Net income (loss) attributable to T. Rowe Price Group, Inc. | $ 19.2 | $ 26.9 | $ 46.1 | $ (8.6) | $ (3.2) | $ (11.8) |
| Net income (loss) attributable to redeemable non-controlling interests | 7.6 | 29.8 | 37.4 | (3.5) | (10.5) | (14.0) |
| | $ 26.8 | $ 56.7 | $ 83.5 | $ (12.1) | $ (13.7) | $ (25.8) |

| | Nine months ended | | | | | |
|---|---|---|---|---|---|---|
| | 9/30/2024 | | | 9/30/2023 | | |
| (in millions) | Voting interest entities | Variable interest entities | Total | Voting interest entities | Variable interest entities | Total |
| Operating expenses reflected in net operating income | $ (2.0) | $ (5.3) | $ (7.3) | $ (3.0) | $ (5.8) | $ (8.8) |
| Net investment income (loss) reflected in non-operating income (loss) | 57.0 | 109.7 | 166.7 | 1.1 | 44.3 | 45.4 |
| Impact on income before taxes | $ 55.0 | $ 104.4 | $ 159.4 | $ (1.9) | $ 38.5 | $ 36.6 |
| | | | | | | |
| Net income (loss) attributable to T. Rowe Price Group, Inc. | $ 42.0 | $ 58.5 | $ 100.5 | $ (0.5) | $ 26.1 | $ 25.6 |
| Net income (loss) attributable to redeemable non-controlling interests | 13.0 | 45.9 | 58.9 | (1.4) | 12.4 | 11.0 |
| | $ 55.0 | $ 104.4 | $ 159.4 | $ (1.9) | $ 38.5 | $ 36.6 |

The operating expenses of the consolidated investment products are reflected in general, administrative and other expenses. In preparing our unaudited condensed consolidated financial statements, we eliminated operating expenses of $ 1.3 million and $ 0.7 million for the three months ended September 30, 2024 and 2023, respectively, against the investment advisory and administrative fees earned from these products. Operating expenses eliminated for the nine months ended September 30, 2024 and 2023, were $ 3.0 million and $ 1.6 million, respectively. The net investment income (loss) reflected in non-operating income (loss) includes dividend and interest income as well as realized and unrealized gains and losses on the underlying securities held by the consolidated sponsored investment products.

The table below details the impact of these consolidated investment products on the individual lines of our unaudited condensed consolidated statements of cash flows for the nine months ended September 30, 2024 and 2023.

| | Nine months ended | | | | | |
|---|---|---|---|---|---|---|
| | 9/30/2024 | | | 9/30/2023 | | |
| (in millions) | Voting interest entities | Variable interest entities | Total | Voting interest entities | Variable interest entities | Total |
| Net cash provided by (used in) operating activities | $ ( 170.5 ) | $ ( 182.3 ) | $ ( 352.8 ) | $ ( 417.5 ) | $ ( 314.0 ) | $ ( 731.5 ) |
| Net cash provided by (used in) investing activities | ( 14.7 ) | ( 1.0 ) | ( 15.7 ) | ( 12.3 ) | ( 23.3 ) | ( 35.6 ) |
| Net cash provided by (used in) financing activities | 165.3 | 180.6 | 345.9 | 441.0 | 300.4 | 741.4 |
| Effect of exchange rate changes on cash and cash equivalents of consolidated sponsored investment products | — | 0.5 | 0.5 | — | ( 1.8 ) | ( 1.8 ) |
| Net change in cash and cash equivalents during period | ( 19.9 ) | ( 2.2 ) | ( 22.1 ) | 11.2 | ( 38.7 ) | ( 27.5 ) |
| Cash and cash equivalents at beginning of year | 25.7 | 51.5 | 77.2 | 16.2 | 102.9 | 119.1 |
| Cash and cash equivalents at end of period | $ 5.8 | $ 49.3 | $ 55.1 | $ 27.4 | $ 64.2 | $ 91.6 |

For the nine months ended September 30, 2024, the net cash provided by or used in financing activities includes $ 15.3 million of net redemptions we made from the consolidated sponsored investment products and dividends received. For the nine months ended September 30, 2023, the net cash provided by or used in financing activities included $ 397.7 million of net subscriptions we made into the consolidated sponsored investment products, net of dividends received. These cash flows were eliminated in consolidation.

**FAIR VALUE MEASUREMENTS.**

We determine the fair value of investments held by consolidated sponsored investment products using the following broad levels of inputs as defined by related accounting standards:

Level 1 – quoted prices in active markets for identical securities.
Level 2 – observable inputs other than Level 1 quoted prices including, but not limited to, quoted prices for similar securities, interest rates, prepayment speeds, and credit risk. These inputs are based on market data obtained from independent sources.
Level 3 – unobservable inputs reflecting our own assumptions based on the best information available. The inputs into the determination of fair value require significant management judgment or estimation. Investments in this category generally include investments for which there is not an actively-traded market.

These levels are not necessarily an indication of the risk or liquidity associated with these investment holdings. The following table summarizes the investment holdings held by our consolidated sponsored investment products using fair value measurements determined based on the differing levels of inputs.

| | 9/30/2024 | | | 12/31/2023 | |
|---|---|---|---|---|---|
| (in millions) | Level 1 | Level 2 | | Level 1 | Level 2 |
| Assets | | | | | |
| Cash equivalents | $ 5.8 | $ 3.6 | | $ 17.2 | $ 8.0 |
| Equity securities | 325.3 | 266.9 | | 365.1 | 213.6 |
| Fixed income securities | — | 1,151.7 | | — | 1,241.9 |
| Other investments | 1.4 | 21.6 | | 3.6 | 22.8 |
| | $ 332.5 | $ 1,443.8 | $— | $ 385.9 | $ 1,486.3 |
| | | | | | |
| Liabilities | $ ( 1.1 ) | $ ( 13.0 ) | | $ ( 5.1 ) | $ ( 16.2 ) |

**NOTE 6 - GOODWILL AND INTANGIBLE ASSETS.**

Goodwill and intangible assets consist of the following:

| (in millions) | 9/30/2024 | 12/31/2023 |
|---|---|---|
| Goodwill | $ 2,642.8 | $ 2,642.8 |
| Indefinite-lived intangible assets - trade name | 86.0 | 117.1 |
| Indefinite-lived intangible assets - investment advisory agreements | 65.6 | 65.6 |
| Definite-lived intangible assets - investment advisory agreements | 243.6 | 324.6 |
| Total | $ 3,038.0 | $ 3,150.1 |

Amortization and impairment expense for the definite-lived intangible assets was $ 28.3 million and $ 81.0 million for the three- and nine-months ended September 30, 2024, respectively. For the three- and nine-months ended September 30, 2023, amortization and impairment expense for the definite-lived intangible assets was $ 35.0 million and $ 87.4 million, respectively. Estimated amortization expense for the definite-lived intangible assets for the five succeeding years is as follows:

| (in millions) | |
|---|---|
| Remaining 2024 | $ 24.3 |
| 2025 | 78.9 |
| 2026 | 62.6 |
| 2027 | 43.2 |
| 2028 | 12.7 |

Impairment

Our indefinite-lived intangible assets are tested for impairment annually, in the fourth quarter, or more frequently if events or changes in circumstances indicate that it is more likely than not that the intangible asset is impaired. Based on a review of qualitative factors, primarily the future outlook, we determined it was necessary to perform a quantitative impairment test on the trade name intangible asset during the three months ended September 30, 2024 and June 30, 2024. The quantitative impairment tests resulted in the carrying amount of the trade name intangible asset exceeding its fair value and we recognized impairment charges of $ 18.8 million and $ 31.1 million for the three- and nine-months ended September 30, 2024, respectively. Fair value was determined using a discounted cash flow analysis where estimated future cash flows were discounted to arrive at a single present value amount. This approach included inputs that required significant management judgment, the most relevant of which include revenue growth, discount rate, and effective tax rate.

We evaluate the carrying amount of goodwill in our unaudited condensed consolidated balance sheets for possible impairment on an annual basis in the fourth quarter or if triggering events occur that require us to evaluate for impairment earlier. No triggering events arose during the nine months ended September 30, 2024.

**NOTE 7 – STOCK-BASED COMPENSATION.**

**STOCK OPTIONS.**

The following table summarizes the status of, and changes in, our stock options during the nine months ended September 30, 2024.

| | Options | Weighted-average exercise price |
|---|---|---|
| Outstanding at December 31, 2023 | 1,476,104 | $ 75.39 |
| Exercised | ( 683,555 ) | $ 76.68 |
| Expired | ( 1,768 ) | $ 76.75 |
| Outstanding and exercisable at September 30, 2024 | 790,781 | $ 74.28 |

**RESTRICTED SHARES AND STOCK UNITS.**

The following table summarizes the status of, and changes in, our nonvested restricted shares and restricted stock units during the nine months ended September 30, 2024.

| | Restricted shares | Restricted stock units | Weighted-average fair value |
|---|---|---|---|
| Nonvested at December 31, 2023 | 56,740 | 6,485,253 | $ 127.74 |
| Time-based grants | 8,970 | 63,578 | $ 110.50 |
| Dividend equivalents granted to non-employee directors | — | 2,836 | $ 115.62 |
| Vested | ( 20,160 ) | ( 72,659 ) | $ 109.41 |
| Forfeited | — | ( 195,333 ) | $ 128.23 |
| Nonvested at September 30, 2024 | 45,550 | 6,283,675 | $ 127.80 |

Nonvested at September 30, 2024, includes performance-based restricted stock units of 334,548 . These nonvested performance-based restricted stock units include 108,775 units for which the performance period has lapsed, and the performance threshold has been met.

**FUTURE STOCK-BASED COMPENSATION EXPENSE.**

The following table presents the compensation expense to be recognized over the remaining vesting periods of the stock-based awards outstanding at September 30, 2024. Estimated future compensation expense will change to reflect future grants of restricted stock awards and units, future option grants, changes in the probability of performance thresholds being met, and adjustments for actual forfeitures.

| (in millions) | |
|---|---|
| Fourth quarter 2024 | 49.6 |
| 2025 | 117.2 |
| 2026 through 2029 | 87.6 |
| Total | $ 254.4 |

**NOTE 8 – EARNINGS PER SHARE CALCULATIONS.**

The following table presents the reconciliation of net income attributable to T. Rowe Price Group, Inc. to net income allocated to our common stockholders and the weighted-average shares that are used in calculating the basic and diluted earnings per share on our common stock. Weighted-average common shares outstanding assuming dilution reflects the potential dilution, determined using the treasury stock method, that could occur if outstanding stock options were exercised and non-participating stock awards vested. No outstanding stock options had an anti-dilutive impact on the diluted earnings per common share calculation in the periods presented.

| (in millions) | Three months ended 9/30/2024 | Three months ended 9/30/2023 | Nine months ended 9/30/2024 | Nine months ended 9/30/2023 |
|---|---|---|---|---|
| Net income attributable to T. Rowe Price Group, Inc. | $ 603.0 | $ 453.2 | $ 1,660.2 | $ 1,351.1 |
| Less: net income allocated to outstanding restricted stock and stock unit holders | 15.5 | 10.6 | 44.2 | 32.7 |
| Net income allocated to common stockholders | $ 587.5 | $ 442.6 | $ 1,616.0 | $ 1,318.4 |
| | | | | |
| Weighted-average common shares | | | | |
| Outstanding | 222.3 | 224.1 | 223.0 | 224.3 |
| Outstanding assuming dilution | 222.8 | 224.8 | 223.5 | 225.1 |

**NOTE 9 – OTHER COMPREHENSIVE INCOME AND ACCUMULATED OTHER COMPREHENSIVE LOSS.**

The changes in currency translation adjustments included in accumulated other comprehensive income (loss) for the three months ended September 30, 2024 and 2023 are presented in the table below.

| | Three months ended 9/30/2024 | | | Three months ended 9/30/2023 | | |
|---|---|---|---|---|---|---|
| (in millions) | Equity method investments | Consolidated T. Rowe Price investment products - variable interest entities | Total currency translation adjustments | Equity method investments | Consolidated T. Rowe Price investment products - variable interest entities | Total currency translation adjustments |
| Balances at beginning of period | $ ( 51.5 ) | $ 2.3 | $ ( 49.2 ) | $ ( 50.5 ) | $ 2.7 | $ ( 47.8 ) |
| Other comprehensive income (loss) before reclassifications and income taxes | 0.1 | 9.5 | 9.6 | 8.4 | ( 6.9 ) | 1.5 |
| Reclassification adjustments recognized in non-operating income | — | 0.6 | 0.6 | — | ( 0.7 ) | ( 0.7 ) |
| | 0.1 | 10.1 | 10.2 | 8.4 | ( 7.6 ) | 0.8 |
| Net deferred tax benefits (income taxes) | 1.8 | ( 2.3 ) | ( 0.5 ) | ( 1.0 ) | 1.8 | 0.8 |
| Other comprehensive income (loss) | 1.9 | 7.8 | 9.7 | 7.4 | ( 5.8 ) | 1.6 |
| Balances at end of period | $ ( 49.6 ) | $ 10.1 | $ ( 39.5 ) | $ ( 43.1 ) | $ ( 3.1 ) | $ ( 46.2 ) |

The other comprehensive income (loss) in the table above excludes other comprehensive gains of $ 7.4 million for the 2024 period and net losses of $ 3.9 million for the 2023 period, related to redeemable non-controlling interests held in our consolidated products.

The changes in currency translation adjustments included in accumulated other comprehensive income (loss) for the nine months ended September 30, 2024 and 2023, are presented in the table below.

| | Nine months ended 9/30/2024 | | | Nine months ended 9/30/2023 | | |
|---|---|---|---|---|---|---|
| (in millions) | Equity method investments | Consolidated T. Rowe Price investment products - variable interest entities | Total currency translation adjustments | Equity method investments | Consolidated T. Rowe Price investment products - variable interest entities | Total currency translation adjustments |
| Balances at beginning of period | $ ( 51.9 ) | $ 4.4 | $ ( 47.5 ) | $ ( 50.5 ) | $ ( 2.5 ) | $ ( 53.0 ) |
| Other comprehensive income (loss) before reclassifications and income taxes | 0.6 | 6.9 | 7.5 | 8.4 | — | 8.4 |
| Reclassification adjustments recognized in non-operating income | — | 0.6 | 0.6 | — | ( 0.7 ) | ( 0.7 ) |
| | 0.6 | 7.5 | 8.1 | 8.4 | ( 0.7 ) | 7.7 |
| Net deferred tax benefits (income taxes) | 1.7 | ( 1.8 ) | ( 0.1 ) | ( 1.0 ) | 0.1 | ( 0.9 ) |
| Other comprehensive income (loss) | 2.3 | 5.7 | 8.0 | 7.4 | ( 0.6 ) | 6.8 |
| Balances at end of period | $ ( 49.6 ) | $ 10.1 | $ ( 39.5 ) | $ ( 43.1 ) | $ ( 3.1 ) | $ ( 46.2 ) |

The other comprehensive income (loss) in the table above excludes net gains of $ 6.2 million and $ 7.7 million of other comprehensive income related to redeemable non-controlling interests held in our consolidated products for the 2024 and 2023 periods, respectively.

**NOTE 10 – COMMITMENTS AND CONTINGENCIES.**

**COMMITMENTS.**

T. Rowe Price Group, Inc. has committed $ 319 million for investment in future OHA product launches through 2026.

**CONTINGENCIES.**

Various claims against us arise in the ordinary course of business, including employment-related claims. In the opinion of management, after consultation with counsel, the likelihood of an adverse determination in one or more of these pending ordinary course of business claims that would have a material adverse effect on our financial position or results of operations is remote.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
T. Rowe Price Group, Inc.:

*Results of Review of Interim Financial Information*

We have reviewed the condensed consolidated balance sheet of T. Rowe Price Group, Inc. and subsidiaries ("the Company") as of September 30, 2024, the related condensed consolidated statements of income and comprehensive income, and stockholders' equity for the three- and nine-month periods ended September 30, 2024 and 2023, the related condensed consolidated statements of cash flows for the nine months ended September 30, 2024 and 2023, and the related notes (collectively, the consolidated interim financial information). Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial information for it to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2023, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 16, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2023, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

*Basis for Review Results*

This consolidated interim financial information is the responsibility of the Company's management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our reviews in accordance with the standards of the PCAOB. A review of consolidated interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

/s/ KPMG LLP
Baltimore, Maryland
November 1, 2024

**Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

***OVERVIEW.***

Our revenues and net income are derived primarily from investment advisory services provided to individual and institutional investors in a broad range of investment solutions across equity, fixed income, multi-asset, and alternative capabilities. We also provide certain investment advisory clients with related administrative services, including distribution, mutual fund transfer agent, accounting, and shareholder services; participant recordkeeping and transfer agent services for defined contribution retirement plans; brokerage; trust services; and non-discretionary advisory services through model delivery.

Investment advisory revenues depend largely on the total value and composition of assets under our management. Accordingly, fluctuations in financial markets and in the composition of assets under management affect our revenues and results of operations.

We incur significant expenditures to develop new products and services and improve and expand our capabilities and distribution channels in order to attract new investment advisory clients and additional investments from our existing clients. These efforts often involve costs that precede any future revenues that we may recognize from an increase to our assets under management.

The investment management industry has been evolving and industry participants are facing several challenging trends including passive investments taking market share from traditional active strategies; continued downward fee pressure; demand for new investment vehicles to meet client needs; and an ever-changing regulatory landscape. In this regard, we have ample liquidity and resources that allow us to take advantage of attractive growth opportunities. We are investing in key capabilities, including investment professionals, distribution professionals, technologies, and new product offerings in order to provide our clients with strong investment management expertise and service.

***MARKET TRENDS.***

Major U.S. stock market indexes rose in the third quarter of 2024. Shares were supported by generally favorable corporate earnings and expectations that a softening labor market and easing inflation pressures would enable the Federal Reserve to begin reducing short-term interest rates. Volatility increased considerably at times, but the market finished the quarter on a positive note, as Fed Chair Jerome Powell declared in late August at the central bank’s annual economic symposium that “the time has come” for policymakers to adjust short-term rates. On September 18, the central bank reduced the fed funds target rate by 50 basis points—which was more than some investors expected—and Fed officials noted the potential for “additional adjustments” as they “carefully assess incoming data, the evolving outlook, and the balance of risks.”

Developed non-U.S. equity markets generally outperformed large-cap U.S. stocks in U.S. dollar terms, as a weaker dollar versus major non-U.S. currencies lifted overseas returns in dollar terms. In Europe, equity markets were mostly positive. Several markets produced double-digit gains, while UK shares climbed about 8%. Developed Asian markets were broadly positive. Hong Kong shares surged more than 24%, lifted in part by Chinese stimulus measures intended to bolster the Chinese economy.

Emerging equity markets outperformed stocks in developed non-U.S. markets in dollar terms. Emerging Asian markets were mostly positive; a few rose more than 20%. Chinese shares surged more than 23%, while the A shares market climbed more than 21%, thanks to brisk gains in September stemming from new Chinese economic stimulus measures. Markets in Latin America and in the emerging Europe, Middle East, and Africa (EMEA) region were largely positive in dollar terms.

Returns of several major equity market indexes were as follows:

| Index | Three months ended 9/30/2024 | Nine months ended 9/30/2024 |
|---|---|---|
| S&P 500 Index | 5.9% | 22.1% |
| NASDAQ Composite Index [1] | 2.6% | 21.2% |
| Russell 2000 Index | 9.3% | 11.2% |
| MSCI EAFE (Europe, Australasia, and Far East) Index | 7.3% | 13.5% |
| MSCI Emerging Markets Index | 8.9% | 17.2% |

[1] *Returns exclude dividends*

Global bond returns were broadly positive in the third quarter of 2024. In the U.S., Treasury bill yields and shorter-term bond yields declined as the Fed reduced the fed funds target rate to the 4.75% to 5.00% range and signaled the potential for more rate cuts. Longer-term U.S. Treasury yields fell to a lesser degree. The 10-year U.S. Treasury note yield declined from 4.36% to 3.81% during the quarter.

In the U.S. investment-grade universe, sector performance was broadly positive. Corporate bonds and mortgage-backed securities fared best. Treasuries and non-agency commercial mortgage-backed securities also did well. Asset-backed securities underperformed, but still produced solid gains. Tax-free municipal bonds lagged the broad taxable bond market, as municipal bond yields generally did not fall as much as comparable Treasury yields. High yield corporate bonds performed mostly in line with the investment-grade market.

Bonds in developed non-U.S. markets produced positive returns in dollar terms. Bond prices rose and yields declined in many European countries, as central banks in the UK and the eurozone reduced short-term interest rates, and a weaker dollar versus various currencies lifted overseas returns in dollar terms. In Japan, the central bank unexpectedly increased its benchmark interest rate in late July, resulting in a significant strengthening of the yen versus the dollar. In the emerging markets fixed income universe, local currency bonds outperformed dollar-denominated bonds in U.S. dollar terms, as the dollar weakened versus many developing markets currencies.

Returns of several major bond market indexes were as follows:

| Index | Three months ended 9/30/2024 | Nine months ended 9/30/2024 |
|---|---|---|
| Bloomberg U.S. Aggregate Bond Index | 5.2% | 4.5% |
| JPMorgan Global High Yield Index | 4.8% | 8.6% |
| Bloomberg Municipal Bond Index | 2.7% | 2.3% |
| Bloomberg Global Aggregate Ex-U.S. Dollar Bond Index | 8.5% | 2.8% |
| JPMorgan Emerging Markets Bond Index Plus | 6.6% | 9.3% |
| ICE Bank of America U.S. High Yield Index | 5.3% | 8.0% |
| Credit Suisse Leveraged Loan Index | 2.1% | 6.6% |

***ASSETS UNDER MANAGEMENT.***[(1)]

Assets under management ended the third quarter of 2024 at $1,630.9 billion, an increase of $61.8 billion from June 30, 2024. The increase in assets under management during the third quarter of 2024 was driven by market appreciation and income, net of distributions not reinvested, of $74.0 billion, offset by net cash outflows of $12.2 billion.

For the nine months ended September 30, 2024, the increase in assets under management was driven by market appreciation, net of distributions not reinvested, of $210.3 billion, offset by net cash outflows of $23.9 billion.

The following tables detail changes in our assets under management, by asset class, during the three- and nine-month periods ended September 30, 2024:

| | Three months ended 9/30/2024 | | | | | Nine months ended 9/30/2024 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| (in billions) | Equity | Fixed income, including money market | Multi-asset[(1)] | Alternatives[(2)] | Total | Equity | Fixed income, including money market | Multi-asset[(1)] | Alternatives[(2)] | Total |
| Assets under management at beginning of period | $ 810.3 | $ 179.9 | $ 529.1 | $ 49.8 | $ 1,569.1 | $ 743.6 | $ 170.0 | $ 483.0 | $ 47.9 | $ 1,444.5 |
| Net cash flows prior to manager-driven distributions | (16.1) | 1.1 | 1.9 | 1.7 | (11.4) | (43.8) | 9.1 | 9.0 | 4.7 | (21.0) |
| Manager-driven distributions | — | — | — | (0.8) | (0.8) | — | — | — | (2.9) | (2.9) |
| Net cash flows | (16.1) | 1.1 | 1.9 | 0.9 | (12.2) | (43.8) | 9.1 | 9.0 | 1.8 | (23.9) |
| Net market appreciation (depreciation) and income[(3)] | 37.8 | 5.3 | 29.9 | 1.0 | 74.0 | 132.2 | 7.2 | 68.9 | 2.0 | 210.3 |
| Change during the period | 21.7 | 6.4 | 31.8 | 1.9 | 61.8 | 88.4 | 16.3 | 77.9 | 3.8 | 186.4 |
| Assets under management at September 30, 2024 | $ 832.0 | $ 186.3 | $ 560.9 | $ 51.7 | $ 1,630.9 | $ 832.0 | $ 186.3 | $ 560.9 | $ 51.7 | $ 1,630.9 |

*(1) The underlying assets under management of the multi-asset portfolios have been aggregated and presented in this category and not reported in the equity and fixed income columns.*

*(2) The alternatives asset class includes strategies authorized to invest more than 50% of its holdings in private credit, leveraged loans, mezzanine, real assets/CRE, structured products, stressed / distressed, non-investment grade CLOs, special situations, or have absolute return as its investment objective. Generally, only those strategies with longer than daily liquidity are included. Unfunded capital commitments were $14.5 billion at September 30, 2024, $11.3 billion at June 30, 2024, and $11.6 billion at December 31, 2023, and are not reflected in fee basis AUM above.*

*(3) Includes net distributions not reinvested for the three- and nine-month periods ended September 30, 2024 of $0.2 billion and $1.1 billion, respectively.*

Investment advisory clients outside the United States account for 8.6% of our assets under management at September 30, 2024, June 30, 2024, and December 31, 2023.

Assets under management in our target date retirement products, which are included in the multi-asset totals shown above, were $482.1 billion at September 30, 2024, $452.6 billion at June 30, 2024, and $408.4 billion at December 31, 2023. Net flows into these portfolios were $3.6 billion and $14.1 billion in the three- and nine-month periods ended September 30, 2024.

We also provide strategic investment advice solutions for certain portfolios. These advice solutions, primarily overseen by our multi-asset division, may include strategic asset allocation, and in certain portfolios, asset selection and/or tactical asset allocation overlays. We also offer advice solutions through retail separately managed accounts and separately managed accounts model delivery. As of September 30, 2024, total assets in these solutions were $582 billion, of which $567 billion are included in our reported assets under management in the tables above.

We provide participant accounting and plan administration for retirement plans that primarily invest in the firm's U.S. mutual funds, collective investment trusts and funds outside of the firm's complex. As of September 30, 2024, our assets under administration were $286 billion, of which nearly $163 billion are assets we manage.

***INVESTMENT PERFORMANCE.***[(1)]

Strong investment performance and brand awareness is a key driver to attracting and retaining assets—and to our long-term success. Our performance disclosures include specific asset classes, assets under management weighted performance, mutual fund performance against passive peers and composite performance against benchmarks. The following tables present investment performance for the one-, three-, five-, and 10-years ended September 30, 2024. Past performance is not a reliable indicator of future performance.

**% of U.S. funds that outperformed Morningstar median**[(2),(3)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 59% | 45% | 51% | 71% |
| Fixed Income | 43% | 50% | 53% | 66% |
| Multi-Asset | 54% | 47% | 67% | 68% |
| All Funds | 53% | 47% | 56% | 68% |

**% of U.S. funds that outperformed passive peer median**[(2),(4)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 50% | 42% | 47% | 53% |
| Fixed Income | 36% | 45% | 58% | 58% |
| Multi-Asset | 45% | 44% | 68% | 54% |
| All Funds | 45% | 44% | 56% | 54% |

**% of composites that outperformed benchmarks**[(5)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 49% | 26% | 43% | 63% |
| Fixed Income | 53% | 31% | 55% | 66% |
| All Composites | 51% | 28% | 48% | 64% |

**AUM Weighted Performance**

**% of U.S. funds AUM that outperformed Morningstar median**[(2),(3)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 50% | 39% | 52% | 85% |
| Fixed Income | 55% | 65% | 60% | 82% |
| Multi-Asset | 77% | 55% | 90% | 93% |
| All Funds | 57% | 44% | 61% | 86% |

**% of U.S. funds AUM that outperformed passive peer median**[(2),(4)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 45% | 33% | 42% | 50% |
| Fixed Income | 41% | 60% | 84% | 72% |
| Multi-Asset | 67% | 56% | 95% | 94% |
| All Funds | 50% | 40% | 58% | 62% |

**% of composites AUM that outperformed benchmarks**[(5)]

| | 1 year | 3 years | 5 years | 10 years |
|---|---|---|---|---|
| Equity | 60% | 28% | 38% | 57% |
| Fixed Income | 57% | 22% | 47% | 48% |
| All Composites | 60% | 27% | 40% | 55% |

As of September 30, 2024, 69 of 142 (48.6%) of the firm's rated U.S. mutual funds (across primary share classes) received an overall rating of 4 or 5 stars. By comparison, 32.5% of Morningstar's fund population is given a rating of 4 or 5 stars[5]. In addition, 67%[6] of AUM in the firm's rated U.S. mutual funds (across primary share classes) ended September 30, 2024 with an overall rating of 4 or 5 stars.

[1] *The investment performance reflects that of T. Rowe Price sponsored mutual funds, ETFs and composites AUM and not of OHA's products.*

[2] *Source: © 2024 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.*

[3] *Source: Morningstar. Primary share class only. Excludes money market mutual funds, funds with an operating history of less than one year, T. Rowe Price passive funds, and T. Rowe Price funds that are clones of other funds. The top chart reflects the percentage of T. Rowe Price funds with 1-, 3-, 5-, and 10-year track record that are outperforming the Morningstar category median. The bottom chart reflects the percentage of T. Rowe Price funds AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes $332B for 1 year, $329B for 3 years, $328B for 5 years, and $327B for 10 years.*

[4] *Passive Peer Median was created by T. Rowe Price using data from Morningstar. Primary share class only. Excludes money market mutual funds, funds with an operating history of less than one year, funds with fewer than three peers, T. Rowe Price passive funds, and T. Rowe Price funds that are clones of other funds. This analysis compares T. Rowe Price active funds to the applicable universe of passive/index open-end funds and ETFs of peer firms. The top chart reflects the percentage of T. Rowe Price funds with 1-, 3-, 5-, and 10-year track record that are outperforming the passive peer universe. The bottom chart reflects the percentage of T. Rowe Price funds AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes $315B for 1 year, $312B for 3 years, $272B for 5 years, and $267B for 10 years.*

[5]*Composite net returns are calculated using the highest applicable separate account fee schedule. Excludes money market composites. All composites compared with the official GIPS composite primary benchmark. The top chart reflects the percentage of T. Rowe Price composites with 1-, 3-, 5-, and 10-year track record that are outperforming their benchmarks. The bottom chart reflects the percentage of T. Rowe Price composite AUM that has outperformed for the time periods indicated. Total AUM included for this analysis includes $1,457B for 1 year, $1,452B for 3 years, $1,444B for 5 years, and $1,392B for 10 years.*

[6] *The Morningstar Rating™ for funds is calculated for funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. Morningstar gives its best ratings of 5 or 4 stars to the top 32.5% of all funds (of the 32.5%,10% get 5 stars and 22.5% get 4 stars). The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with a fund's 3-, 5-, and 10-year (if applicable) Morningstar Rating™ metrics.*

***RESULTS OF OPERATIONS.***

The following table and discussion sets forth information regarding our consolidated financial results for the three- and nine-month periods ended September 30, 2024 and 2023 on a U.S. GAAP basis and a non-GAAP basis. The non-GAAP basis adjusts for the impact of our consolidated sponsored investment products, the impact of market movements on the supplemental savings plan liability and related economic hedge, investment income related to certain other investments, acquisition-related amortization and costs, impairment charges, and certain nonrecurring charges and gains.

| | Three months ended | | | | Nine months ended | | | |
|---|---|---|---|---|---|---|---|---|
| (in millions, except per-share data) | 9/30/2024 | 9/30/2023 | $ change | % change[1] | 9/30/2024 | 9/30/2023 | $ change | % change[1] |
| **U.S. GAAP basis** | | | | | | | | |
| Investment advisory fees | $ 1,632.9 | $ 1,463.9 | $ 169.0 | 11.5 % | $ 4,772.5 | $ 4,286.5 | $ 486.0 | 11.3 % |
| Capital allocation-based income[2] | $ 4.6 | $ 66.1 | $ (61.5) | n/m | $ 51.8 | $ 121.7 | $ (69.9) | n/m |
| Net revenues | $ 1,785.6 | $ 1,670.7 | $ 114.9 | 6.9 % | $ 5,269.1 | $ 4,818.5 | $ 450.6 | 9.4 % |
| Operating expenses | $ 1,172.0 | $ 1,089.4 | $ 82.6 | 7.6 % | $ 3,504.2 | $ 3,219.5 | $ 284.7 | 8.8 % |
| Net operating income | $ 613.6 | $ 581.3 | $ 32.3 | 5.6 % | $ 1,764.9 | $ 1,599.0 | $ 165.9 | 10.4 % |
| Non-operating income (loss) | $ 212.5 | $ 2.8 | $ 209.7 | n/m | $ 481.7 | $ 244.4 | $ 237.3 | n/m |
| Net income attributable to T. Rowe Price Group, Inc. | $ 603.0 | $ 453.2 | $ 149.8 | 33.1 % | $ 1,660.2 | $ 1,351.1 | $ 309.1 | 22.9 % |
| Diluted earnings per common share | $ 2.64 | $ 1.97 | $ 0.67 | 34.0 % | $ 7.23 | $ 5.86 | $ 1.37 | 23.4 % |
| Weighted average common shares outstanding assuming dilution | 222.8 | 224.8 | $ (2.0) | (0.9) % | 223.5 | 225.1 | $ (1.6) | (0.7) % |
| | | | | | | | | |
| **Adjusted non-GAAP basis[3]** | | | | | | | | |
| Operating expenses | $ 1,099.0 | $ 1,061.3 | $ 37.7 | 3.6 % | $ 3,276.2 | $ 3,110.0 | $ 166.2 | 5.3 % |
| Net operating income | $ 718.4 | $ 635.9 | $ 82.5 | 13.0 % | $ 2,065.7 | $ 1,760.5 | $ 305.2 | 17.3 % |
| Non-operating income (loss) | $ 51.2 | $ 28.7 | $ 22.5 | 78.4 % | $ 114.4 | $ 91.3 | $ 23.1 | 25.3 % |
| Net income attributable to T. Rowe Price Group, Inc. | $ 586.5 | $ 499.5 | $ 87.0 | 17.4 % | $ 1,654.7 | $ 1,355.4 | $ 299.3 | 22.1 % |
| Diluted earnings per common share | $ 2.57 | $ 2.17 | $ 0.40 | 18.4 % | $ 7.21 | $ 5.88 | $ 1.33 | 22.6 % |
| | | | | | | | | |
| **Assets under management** (in billions) | | | | | | | | |
| Average assets under management | $ 1,589.5 | $ 1,393.6 | $ 195.9 | 14.1 % | $ 1,536.2 | $ 1,358.2 | $ 178.0 | 13.1 % |
| Ending assets under management | $ 1,630.9 | $ 1,346.5 | $ 284.4 | 21.1 % | $ 1,630.9 | $ 1,346.5 | $ 284.4 | 21.1 % |

*(1) n/m - The percentage change is not meaningful.*

*(2) Capital allocation-based income represents the change in accrued carried interest.*

*(3) See the reconciliation to the comparable U.S. GAAP measures at the end of the Results of Operations section of this Management's Discussion and Analysis.*

**Results Overview - Quarter ended September 30, 2024**

*Net revenues* consist of investment advisory revenues; administrative, distribution, and servicing fees; and capital allocation-based income. More than 90% of our net revenues are related to investment advisory fees. Total net revenues were $1,785.6 million in the third quarter of 2024, a 6.9% increase over $1,670.7 million in the third quarter of 2023. The increase was primarily driven by an 11.5% increase in investment advisory fee revenue as higher overall markets increased average assets under management by 14.1%. This increase was partially offset by a $61.5 million decrease in capital allocation-based income (change in accrued carried interest) earned from investments in certain affiliated funds.

Investment advisory fees are generally earned based on the value and composition of our assets under management, which change based on fluctuations in financial markets and net cash flows. As our average assets under management increase or decrease in a given period, the level of our investment advisory fee revenue for that same period generally fluctuates in a similar manner. Our annualized effective fee rates can be impacted by market or cash flow related shifts among asset classes and products, including those with tiered-fee structures, along with price changes we make in existing products.

Capital allocation-based income will fluctuate quarter-to-quarter to reflect the adjustment to accrued carried interest for the change in value of certain affiliated funds assuming the funds' underlying investments were realized as of the end of the period.

*Operating expenses* on a U.S. GAAP basis were $1,172.0 million in the third quarter of 2024, a 7.6% increase over the comparable 2023 period. On a non-GAAP basis, operating expenses were $1,099.0 million, a 3.6% increase over the comparable 2023 period.

In comparison to the third quarter of 2023, about 70% of the increase in U.S. GAAP operating expenses was due to a market-related increase of $43.4 million in the supplemental savings liability in the third quarter of 2024, compared to a decrease of $14.2 million in the supplemental savings liability in the 2023 period.

Also contributing to the increase in U.S. GAAP operating expenses and the primary drivers of the increase in non-GAAP operating expenses were higher general, administrative and other costs due to a $20 million cost recovery recognized in Q3 2023 that didn't recur in Q3 2024, higher distribution and servicing costs on higher average assets under management distributed through intermediaries, and higher compensation and related benefits. These increases were partially offset by lower accrued carried interest-related compensation.

*Operating margin* in the third quarter of 2024 was 34.4% on a U.S. GAAP basis, compared to 34.8% earned in the third quarter of 2023. The decrease in our U.S. GAAP operating margin for the third quarter of 2024 compared to the 2023 period was driven by operating expense growth outpacing net revenue growth primarily due to changes in the supplemental savings plan liability and lower capital allocation-based income.

*Diluted earnings per share* was $2.64 for the third quarter of 2024 compared to $1.97 for the third quarter of 2023. The increase was primarily driven by higher operating income, higher net investment gains, and a lower effective tax rate compared to the 2023 period.

On a non-GAAP basis, diluted earnings per share was $2.57 for the third quarter of 2024 as compared to $2.17 for the third quarter of 2023. The increase was primarily due to higher adjusted operating income, higher adjusted net investment gains, and a lower effective tax rate compared to the 2023 period.

**Results Overview - Year-to-Date ended September 30, 2024**

*Net revenues* consist of investment advisory revenues; administrative, distribution, and servicing fees; and capital allocation-based income. More than 90% of our net revenues for the nine months ended September 30, 2024 are related to investment advisory fees. Total net revenues were $5,269.1 million in the nine months ended September 30, 2024, a 9.4% increase over $4,818.5 million in the 2023 period. The increase was primarily driven by a 11.3% increase in investment advisory fee revenue as average assets under management increased by 13.1%, partially offset by a $69.9 million decrease in capital allocation-based income (change in accrued carried interest) earned from investments in certain affiliated funds.

*Operating expenses* were $3,504.2 million in the nine months ended September 30, 2024 compared with $3,219.5 million in the 2023 period. On a non-GAAP basis, our operating expenses for the nine months ended September 30, 2024 increased 5.3% to $3,276.2 million compared to the 2023 period.

In comparison to the nine months ended September 30, 2023, about 40% of the increase in U.S. GAAP operating expenses was driven by the change in remeasurement of the contingent consideration liability, as the 2023 period reflected a $72.8 million reduction in the liability compared to a $13.4M reduction in the 2024 period. Additionally, a market-related increase in the supplemental savings plan liability, and higher amortization and impairments related to acquisition-related intangibles, were also primary contributors to the increase in U.S. GAAP operating expenses.

Also contributing to the increase in U.S. GAAP operating expenses and the primary drivers of the increase in non-GAAP operating expenses were higher compensation and related benefits, including the interim bonus accrual, salaries and benefits, distribution and servicing costs, and general, administrative and other costs.

*Operating margin* in the nine months ended September 30, 2024 was 33.5% on a U.S. GAAP basis, compared to 33.2% earned in the 2023 period. The increase in our U.S. GAAP operating margin for the nine months ended September 30, 2024 compared to the 2023 period was primarily driven by net revenue growth outpacing operating expense growth.

*Diluted earnings per share* was $7.23 for the nine months ended September 30, 2024 compared to $5.86 for the nine months ended September 30, 2023. The 23.4% increase was driven by higher net investment gains, higher operating income, and a lower effective tax rate in the nine months ended September 30, 2024, as compared to the comparable 2023 period.

On a non-GAAP basis, adjusted diluted earnings per share was $7.21 for the nine months ended September 30, 2024 as compared to $5.88 for the 2023 period. The 22.6% increase was primarily due to higher adjusted operating income and a lower effective tax rate.

**Net revenues**

| | Three months ended | | | | Nine months ended | | | |
|---|---|---|---|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | $ change | % change[1] | 9/30/2024 | 9/30/2023 | $ change | % change[1] |
| **Investment advisory fees** | | | | | | | | |
| Equity | $ 978.5 | $ 885.0 | $ 93.5 | 10.6 % | $ 2,877.0 | $ 2,581.2 | $ 295.8 | 11.5 % |
| Fixed income | 104.1 | 100.9 | 3.2 | 3.2 % | 304.9 | 303.3 | 1.6 | 0.5 % |
| Multi-asset | 465.8 | 405.5 | 60.3 | 14.9 % | 1,340.3 | 1,182.8 | 157.5 | 13.3 % |
| Alternatives | 84.5 | 72.5 | 12.0 | 16.6 % | 250.3 | 219.2 | 31.1 | 14.2 % |
| | 1,632.9 | 1,463.9 | 169.0 | 11.5 % | 4,772.5 | 4,286.5 | 486.0 | 11.3 % |
| **Capital allocation-based income** | | | | | | | | |
| Change in accrued carried interest | 35.1 | 91.9 | (56.8) | n/m | 121.6 | 172.1 | (50.5) | n/m |
| Acquisition-related amortization and impairments | (30.5) | (25.8) | (4.7) | n/m | (69.8) | (50.4) | (19.4) | n/m |
| | 4.6 | 66.1 | (61.5) | n/m | 51.8 | 121.7 | (69.9) | n/m |
| **Administrative, distribution, and servicing fees** | | | | | | | | |
| Administrative fees | 125.4 | 119.4 | 6.0 | 5.0 % | 378.4 | 347.7 | 30.7 | 8.8 % |
| Distribution and servicing fees | 22.7 | 21.3 | 1.4 | 6.6 % | 66.4 | 62.6 | 3.8 | 6.1 % |
| | 148.1 | 140.7 | 7.4 | 5.3 % | 444.8 | 410.3 | 34.5 | 8.4 % |
| **Net revenues** | $ 1,785.6 | $ 1,670.7 | $ 114.9 | 6.9 % | $ 5,269.1 | $ 4,818.5 | $ 450.6 | 9.4 % |
| **Average assets under management** (in billions) | | | | | | | | |
| Equity | $ 813.1 | $ 725.0 | $ 88.1 | 12.2 % | $ 791.4 | $ 705.3 | $ 86.1 | 12.2 % |
| Fixed income | 183.3 | 169.0 | 14.3 | 8.5 % | 175.9 | 169.6 | 6.3 | 3.7 % |
| Multi-asset | 542.3 | 453.8 | 88.5 | 19.5 % | 519.9 | 438.5 | 81.4 | 18.6 % |
| Alternatives | 50.8 | 45.8 | 5.0 | 10.9 % | 49.0 | 44.8 | 4.2 | 9.4 % |
| **Average assets under management** | $ 1,589.5 | $ 1,393.6 | $ 195.9 | 14.1 % | $ 1,536.2 | $ 1,358.2 | $ 178.0 | 13.1 % |
| **Investment advisory annualized effective fee rate (bps)** | 40.9 | 41.7 | (0.8) | (1.9) % | 41.5 | 42.2 | (0.7) | (1.7) % |
| **Investment advisory annualized effective fee rate excluding performance-based fees (bps)** | 40.7 | 41.6 | (0.9) | (2.2) % | 41.2 | 42.1 | (0.9) | (2.1) % |

*[1] n/m - The percentage change is not meaningful.*

*Investment advisory fees* in the third quarter of 2024 increased 11.5% over the comparable 2023 quarter as average assets under management increased $195.9 billion or 14.1%, to $1,589.5 billion. For the nine months ended September 30, 2024, investment advisory revenues increased 11.3% over the comparable 2023 period as average assets under management increased $178.0 billion, or 13.1%, to $1,536.2 billion. Investment advisory fees includes performance fees of $5.6 million and $40.0 million for the three- and nine-month periods ended September 30, 2024, respectively, compared to $2.1 million and $13.0 million in the same respective 2023 periods. Performance fees earned in 2024 and 2023 were primarily from equity and alternative products.

The average annualized effective fee rate earned for the three- and nine-month periods ended September 30, 2024 declined from the comparable 2023 periods due to client flows and transfers creating a mix shift in assets under management toward lower fee products and asset classes. The 2024 year-to-date annualized effective fee rate was favorably impacted by higher performance based fees of about 0.2 basis points.

*Capital allocation-based income* includes the change in accrued carried interest along with acquisition-related amortization and impairments. In the third quarter of 2024, the change in accrued carried interest increased net revenues by $35.1 million compared to $91.9 million in the 2023 period. For the nine months ended September 30, 2024, the change in accrued carried interest increased net revenues by $51.8 million compared to $121.7 million for the 2023 period. The decrease in the change in accrued carried interest for both periods was due to lower relative performance. We also recognized higher acquisition-related amortization and impairment changes in the 2024 periods.

A portion of the capital allocation-based income was passed through to certain associates as compensation and the related expense was recognized in compensation and related costs with the unpaid amount reported as non-controlling interest on the unaudited condensed consolidated balance sheet.

*Administrative, distribution, and servicing fees* in the third quarter of 2024 were $148.1 million, an increase of $7.4 million, or 5.3%, from the comparable 2023 quarter. For the nine months ended September 30, 2024, these fees were $444.8 million, an increase of $34.5 million, or 8.4%, from the 2023 period. The increases for both periods were primarily due to higher average assets on which we earn administrative revenue for non-discretionary advisory services. For the nine months ended September 30, 2024, higher retail transfer agent servicing activities provided to the T. Rowe Price mutual funds also contributed to the increase.

Our net revenues reflect the elimination of advisory and administrative fee revenue earned from our consolidated sponsored investment products. The corresponding expenses recognized by these products, and consolidated in our financial statements, were also eliminated from operating expenses. For the third quarter, we eliminated net revenue of $1.3 million in 2024 and $0.7 million in 2023. For the nine months ended September 30, we eliminated net revenue of $3.0 million in 2024 and $1.6 million in 2023.

**Operating expenses**

| | Three months ended | | | | Nine months ended | | | |
|---|---|---|---|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | $ change | % change[(1)] | 9/30/2024 | 9/30/2023 | $ change | % change[(1)] |
| Compensation, benefits and related costs | $ 632.9 | $ 617.0 | $ 15.9 | 2.6 % | $ 1,898.0 | $ 1,801.3 | $ 96.7 | 5.4 % |
| Acquisition-related retention agreements | 4.0 | 13.7 | (9.7) | (70.8) % | 30.6 | 41.5 | (10.9) | (26.3) % |
| Capital allocation-based income compensation | (2.0) | 19.9 | (21.9) | n/m | 8.8 | 34.0 | (25.2) | n/m |
| Supplemental savings plan[(2)] | 43.4 | (14.2) | 57.6 | n/m | 111.0 | 61.3 | 49.7 | n/m |
| Total compensation and related costs | 678.3 | 636.4 | 41.9 | 6.6 % | 2,048.4 | 1,938.1 | 110.3 | 5.7 % |
| Distribution and servicing | 91.6 | 74.9 | 16.7 | 22.3 % | 261.2 | 214.2 | 47.0 | 21.9 % |
| Advertising and promotion | 20.8 | 21.1 | (0.3) | (1.4) % | 79.4 | 69.8 | 9.6 | 13.8 % |
| Product and recordkeeping related costs | 75.0 | 73.1 | 1.9 | 2.6 % | 223.0 | 222.9 | 0.1 | — % |
| Technology, occupancy, and facility costs | 164.0 | 159.7 | 4.3 | 2.7 % | 474.8 | 461.0 | 13.8 | 3.0 % |
| General, administrative, and other | 104.2 | 85.7 | 18.5 | 21.6 % | 305.5 | 293.2 | 12.3 | 4.2 % |
| Change in fair value of contingent consideration | (13.4) | — | (13.4) | n/m | (13.4) | (72.8) | 59.4 | (81.6) % |
| Acquisition-related amortization and impairment costs | 51.5 | 38.5 | 13.0 | 33.8 % | 125.3 | 93.1 | 32.2 | 34.6 % |
| Total operating expenses | $ 1,172.0 | $ 1,089.4 | $ 82.6 | 7.6 % | $ 3,504.2 | $ 3,219.5 | $ 284.7 | 8.8 % |

*[(1)] n/m - The percentage change is not meaningful.*

*[(2)] The impact of the market on the supplemental savings plan liability drives the expense recognized each period.*

*Compensation, benefits, and related costs* were $632.9 million in the third quarter of 2024, an increase of $15.9 million, or 2.6%, compared to the 2023 quarter. For the nine months ended September 30, 2024, these costs were $1,898.0 million, an increase of $96.7 million, or 5.4%, compared to the 2023 period. The increases in both periods were primarily due to a higher interim bonus accrual, and higher salaries and related benefits, as base salary modestly increased in January 2024 and we increased our headcount. These increases were partially offset by higher labor capitalization and lower stock-based compensation compared to the 2023 periods. The 2023 periods included severance costs related to the July 2023 workforce action.

The firm employed 8,104 associates at September 30, 2024, an increase of 2.5% from the end of 2023 and an increase of 3.3% from September 30, 2023.

*Distribution and servicing costs* were $91.6 million for the third quarter of 2024, an increase of $16.7 million, or 22.3%, from $74.9 million recognized in the 2023 quarter. For the nine months ended September 30, 2024, these costs were $261.2 million, an increase of 21.9%, from $214.2 million recognized in the comparable 2023 period. The increases in both periods were primarily driven by higher average assets under management distributed through intermediaries.

The costs in this expense category primarily include amounts paid to third-party intermediaries that source the assets of certain share classes of our U.S. mutual funds, ETFs and our international products, such as our Japanese ITMs and SICAVs. These costs were offset entirely by the distribution revenue we earn and report in net revenues: 12b-1 revenue is recognized in administrative, distribution, and servicing fees for the Advisor and R share classes of the U.S. mutual funds and investment advisory fee revenue for our international products and ETFs.

*Advertising and promotion costs* were $20.8 million in the third quarter of 2024, a decrease of $0.3 million, or 1.4%, compared to the $21.1 million recognized in the 2023 quarter. For the nine months ended September 30, 2024, these costs were $79.4 million, an increase of $9.6 million, or 13.8%, compared to the 2023 period. For the nine months ended September 30, 2024, the increase was primarily driven by higher media spend and increased investment in our brand.

*Technology, occupancy, and facility costs* were $164.0 million in the third quarter of 2024, an increase of $4.3 million, or 2.7%, compared to the $159.7 million recognized in the 2023 quarter. For the nine months ended September 30, 2024, these costs were $474.8 million, an increase of $13.8 million, or 3.0%, compared with the 2023 period. The increases in both periods were primarily related to higher costs from the firm's ongoing investment in its technology capabilities, primarily hosted solution licenses. Specific to the nine months ended comparison, these increases were offset by lower office facility costs, as the 2023 period included the rent cost of two UK facilities until we occupied our new building in the second half of 2023, and the first quarter of 2024 included a non-recurring cost benefit related to the UK facility.

*General, administrative, and other expenses* were $104.2 million in the third quarter of 2024, an increase of $18.5 million, or 21.6%, compared to the $85.7 million recognized in the 2023 quarter. For the nine months ended September 30, 2024, these costs were $305.5 million, an increase of $12.3 million, or 4.2%, compared with the 2023 period. The increases in both periods were primarily due to a cost recovery recognized in 2023 that didn't recur in 2024, higher professional fees, and higher travel and entertainment. These increases were partially offset by lower research fee expense as the firm changed its approach to paying for research, consistent with regulations and general industry practice.

*Change in fair value of contingent consideration.* The contingent consideration represents the earnout arrangement related to our acquisition of OHA in which additional purchase price may be due upon satisfying or exceeding certain defined revenue targets. Every reporting period, we record the potential amount due under this arrangement at fair value. For the three months ended September 30, 2024, we recognized a $13.4 million reduction in the liability in 2024 compared to no change in the 2023 period. During the nine months ended September 30, 2024 and 2023, we recognized reductions of the contingent consideration liability of $13.4 million and $72.8 million, respectively. Challenging market conditions have reduced revenue expectations below the defined revenue targets resulting in a reduction of the contingent consideration liability to zero as of September 30, 2024.

*Acquisition-related amortization and impairment costs.* As part of the purchase accounting for our acquisitions, we identified and separately recognized, at fair value, certain intangible assets. During the three- and nine-month periods ended September 30, 2024, we recognized $51.5 million and $125.3 million, respectively, in amortization and impairments related to the definite and indefinite-lived intangible assets. These amounts include impairment charges of $25.6 million and $59.7 million, respectively, recognized on certain definite and indefinite-lived intangibles as reduced growth expectations reduced their fair value. For the comparable 2023 periods, amortization and impairment costs were of $38.5 million and $93.1 million, respectively. Should conditions that led us to recognize the impairment charges deteriorate further, additional impairments may be recognized in future periods.

**Non-operating income (loss)**

Non-operating income for the third quarter of 2024 was $212.5 million compared to $2.8 million in the 2023 quarter. The following table details the components of non-operating income for both the three- and nine-month periods ended September 30, 2024 and 2023.

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Net gains (losses) from non-consolidated T. Rowe Price investment products | | | | |
| Cash and discretionary investments | | | | |
| Dividend income | $ 37.4 | $ 30.3 | $ 98.8 | $ 76.0 |
| Market-related gains (losses) and equity in earnings (losses) | 5.9 | 2.2 | 6.2 | 19.1 |
| **Total cash and discretionary investments** | **43.3** | **32.5** | **105.0** | **95.1** |
| Seed capital investments | | | | |
| Dividend income | 0.5 | 0.3 | 0.8 | 1.2 |
| Market-related gains (losses) and equity in earnings (losses) | 21.3 | (4.5) | 60.1 | 25.0 |
| Net gains (losses) recognized upon deconsolidation | (0.6) | 0.7 | (0.6) | 0.7 |
| Investments used to hedge the supplemental savings plan liability | 41.1 | (19.7) | 105.6 | 58.6 |
| **Total net gains (losses) from non-consolidated T. Rowe Price investment products** | **105.6** | **9.3** | **270.9** | **180.6** |
| Other investment income | 13.4 | 21.4 | 47.6 | 33.1 |
| **Net gains (losses) on investments** | **119.0** | **30.7** | **318.5** | **213.7** |
| Net gains (losses) on consolidated sponsored investment products | 85.9 | (24.4) | 166.7 | 45.4 |
| Other gains (losses), including foreign currency gains (losses) | 7.6 | (3.5) | (3.5) | (14.7) |
| **Non-operating income (loss)** | **$ 212.5** | **$ 2.8** | **$ 481.7** | **$ 244.4** |

Higher investment gains earned by our investment portfolio during the three- and nine-month periods ended September 30, 2024 compared to the 2023 periods were primarily due to overall stronger market returns and higher dividend income over both periods.

The table above includes the net investment income of the underlying portfolios included in the consolidated sponsored investment products and not just the net investment income related to our ownership interest in the products. The table below shows the impact that the consolidated sponsored investment products had on the individual lines of our unaudited condensed consolidated statements of income and the portion attributable to our interest:

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| (in millions) | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Operating expenses reflected in net operating income | $ (2.4) | $ (1.4) | $ (7.3) | $ (8.8) |
| Net investment income (loss) reflected in non-operating income | 85.9 | (24.4) | 166.7 | 45.4 |
| Impact on income before taxes | $ 83.5 | $ (25.8) | $ 159.4 | $ 36.6 |
| Net income (loss) attributable to our interest in the consolidated T. Rowe Price investment products | $ 46.1 | $ (11.8) | $ 100.5 | $ 25.6 |
| Net income (loss) attributable to redeemable non-controlling interests (unrelated third-party investors) | 37.4 | (14.0) | 58.9 | 11.0 |
| | $ 83.5 | $ (25.8) | $ 159.4 | $ 36.6 |

**Provision for income taxes**

The GAAP effective tax rate for the third quarter of 2024 was 22.5% compared with 24.8% in the third quarter of 2023. These quarterly rates were the result of an overall year-to-date rate of 23.5% for 2024 and 26.1% for 2023. The following table reconciles the statutory federal income tax rate to our effective tax rate on a U.S. GAAP basis for the nine months ended September 30, 2024 and 2023:

| | Nine months ended | |
|---|---|---|
| | 9/30/2024 | 9/30/2023 |
| Statutory U.S. federal income tax rate | 21.0 % | 21.0 % |
| State income taxes for current year, net of federal income tax benefits [1] | 2.7 | 3.0 |
| Net (income) losses attributable to redeemable non-controlling interests [2] | (0.6) | (0.2) |
| Net excess tax benefits from stock-based compensation plans activity | (0.2) | (0.3) |
| Valuation allowance | 0.3 | 2.7 |
| Other items | 0.3 | (0.1) |
| Effective income tax rate | 23.5 % | 26.1 % |

*[1] State income tax benefits are reflected in the total benefits for net income attributable to redeemable non-controlling interests and stock-based compensation plans activity.*

*[2] Net income attributable to redeemable non-controlling interests represents the portion of earnings held in the firm's consolidated investment products, which are not taxable to the firm despite being included in pre-tax income.*

The non-GAAP effective tax rate primarily adjusts for the impact of the consolidated investment products, including the net income attributable to the redeemable non-controlling interests. Our non-GAAP effective tax rate was 23.8% in the third quarter of 2024 compared with 24.8% in the third quarter of 2023. Our non-GAAP effective tax rate was 24.1% for the nine months ended September 30, 2024 compared to 26.8% for the 2023 period. The year-to-date 2024 U.S. GAAP and non-GAAP effective tax rates decreased compared to 2023 rates primarily due to lower valuation allowances recognized. In the first nine months of 2023, we recognized a full valuation allowance against all UK-based deferred tax assets recorded at the time.

We currently estimate that our effective tax rate for the full year 2024, on a U.S. GAAP basis, will be in the range of 23.5% to 26.5%. On a non-GAAP basis, the range is 23.5% to 25.5%.

Our effective tax rate will continue to experience volatility in future periods as the tax benefits recognized from stock-based compensation are impacted by market fluctuations in our stock price and the timing of option exercises. The rate also experiences volatility from the remeasurement of the contingent consideration liability, as well as changes in deferred tax asset valuation allowances, primarily in foreign jurisdictions, based on the sufficiency of taxable income in future periods. Our U.S. GAAP rate will also be impacted by changes in the proportion of net income that is attributable to our redeemable non-controlling interests and non-controlling interests reflected in permanent equity.

***NON-GAAP INFORMATION AND RECONCILIATION.***

We believe the non-GAAP financial measures below provide relevant and meaningful information to investors about our core operating results. These measures have been established in order to increase transparency for the purpose of evaluating our core business, for comparing current results with prior period results, and to enable more appropriate comparison with industry peers. However, non-GAAP financial measures should not be considered a substitute for financial measures calculated in accordance with U.S. GAAP and may be calculated differently by other companies.

The following schedules reconcile certain U.S. GAAP financial measures for the three months ended September 30, 2024 and 2023.

| | Three months ended 9/30/2024 | | | | | |
|---|---|---|---|---|---|---|
| | Operating expenses | Net operating income | Non-operating income (loss) | Provision (benefit) for income taxes[5] | Net income attributable to T. Rowe Price Group, Inc. | Diluted earnings per share[6] |
| **U.S. GAAP Basis (FS line item)** | $ 1,172.0 | $ 613.6 | $ 212.5 | $ 185.7 | $ 603.0 | $ 2.64 |
| Non-GAAP adjustments: | | | | | | |
| Acquisition-related: | | | | | | |
| Investment and NCI amortization and impairments[1] (Capital allocation-based income and Compensation and related costs) | 13.6 | 16.9 | — | 2.3 | 14.6 | 0.06 |
| Acquisition-related retention arrangements[1] (Compensation and related costs) | (4.0) | 4.0 | — | 0.5 | 3.5 | 0.02 |
| Contingent consideration[1] | 13.4 | (13.4) | — | (1.8) | (11.6) | (0.05) |
| Intangible assets amortization and impairments[1] | (51.5) | 51.5 | — | 7.0 | 44.5 | 0.19 |
| Total acquisition-related | (28.5) | 59.0 | — | 8.0 | 51.0 | 0.22 |
| Supplemental savings plan liability[2] (Compensation and related costs) | (43.4) | 43.4 | (41.1) | 0.3 | 2.0 | 0.01 |
| Consolidated T. Rowe Price investment products[3] | (1.1) | 2.4 | (85.9) | (6.3) | (39.8) | (0.17) |
| Other non-operating income[4] | — | — | (34.3) | (4.6) | (29.7) | (0.13) |
| **Adjusted Non-GAAP Basis** | $ 1,099.0 | $ 718.4 | $ 51.2 | $ 183.1 | $ 586.5 | $ 2.57 |

| | Three months ended 9/30/2023 | | | | | |
|---|---|---|---|---|---|---|
| | Operating expenses | Net operating income | Non-operating income (loss) | Provision (benefit) for income taxes[5] | Net income attributable to T. Rowe Price Group, Inc. | Diluted earnings per share[6] |
| **U.S. GAAP Basis (FS line item)** | $ 1,089.4 | $ 581.3 | $ 2.8 | $ 144.9 | $ 453.2 | $ 1.97 |
| Non-GAAP adjustments: | | | | | | |
| Acquisition-related: | | | | | | |
| Investment and NCI amortization and impairments[1] (Capital allocation-based income and Compensation and related costs) | 10.6 | 15.2 | — | 4.6 | 10.6 | 0.04 |
| Acquisition-related retention arrangements[1] (Compensation and related costs) | (13.7) | 13.7 | — | 4.2 | 9.5 | 0.04 |
| Intangible assets amortization and impairments[1] | (38.5) | 38.5 | — | 11.7 | 26.8 | 0.12 |
| Total acquisition-related | (41.6) | 67.4 | — | 20.5 | 46.9 | 0.20 |
| Supplemental savings plan liability[2] (Compensation and related costs) | 14.2 | (14.2) | 19.7 | 1.7 | 3.8 | 0.02 |
| Consolidated T. Rowe Price investment products[3] | (0.7) | 1.4 | 24.4 | 3.6 | 8.2 | 0.03 |
| Other non-operating income[4] | — | — | (18.2) | (5.6) | (12.6) | (0.05) |
| **Adjusted Non-GAAP Basis** | $ 1,061.3 | $ 635.9 | $ 28.7 | $ 165.1 | $ 499.5 | $ 2.17 |

The following schedules reconcile certain U.S. GAAP financial measures for the nine months ended September 30, 2024 and 2023.

| | Nine months ended 9/30/2024 | | | | | |
|---|---|---|---|---|---|---|
| | Operating expenses | Net operating income | Non-operating income (loss) | Provision (benefit) for income taxes[5] | Net income attributable to T. Rowe Price Group, Inc. | Diluted earnings per share[6] |
| **U.S. GAAP Basis (FS line item)** | $ 3,504.2 | $ 1,764.9 | $ 481.7 | $ 527.5 | $ 1,660.2 | $ 7.23 |
| Non-GAAP adjustments: | | | | | | |
| Acquisition-related: | | | | | | |
| Investment and NCI amortization and impairments[1] (Capital allocation-based income and Compensation and related costs) | 29.8 | 40.0 | — | 7.8 | 32.2 | 0.14 |
| Acquisition-related retention arrangements[1] (Compensation and related costs) | (30.6) | 30.6 | — | 7.2 | 23.4 | 0.10 |
| Contingent consideration[1] | 13.4 | (13.4) | — | (1.8) | (11.6) | (0.05) |
| Intangible assets amortization and impairments[1] | (125.3) | 125.3 | — | 24.9 | 100.4 | 0.44 |
| Total acquisition-related | (112.7) | 182.5 | — | 38.1 | 144.4 | 0.63 |
| Supplemental savings plan liability[2] (Compensation and related costs) | (111.0) | 111.0 | (105.6) | 1.2 | 4.2 | 0.02 |
| Consolidated T. Rowe Price investment products[3] | (4.3) | 7.3 | (166.7) | (21.2) | (79.3) | (0.35) |
| Other non-operating income[4] | — | — | (95.0) | (20.2) | (74.8) | (0.32) |
| **Adjusted Non-GAAP Basis** | $ 3,276.2 | $ 2,065.7 | $ 114.4 | $ 525.4 | $ 1,654.7 | $ 7.21 |

| | Nine months ended 9/30/2023 | | | | | |
|---|---|---|---|---|---|---|
| | Operating expenses | Net operating income | Non-operating income (loss) | Provision (benefit) for income taxes[5] | Net income attributable to T. Rowe Price Group, Inc. | Diluted earnings per share[6] |
| **U.S. GAAP Basis (FS line item)** | $ 3,219.5 | $ 1,599.0 | $ 244.4 | $ 481.3 | $ 1,351.1 | $ 5.86 |
| Non-GAAP adjustments: | | | | | | |
| Acquisition-related: | | | | | | |
| Investment and NCI amortization and impairments[1] (Capital allocation-based income and Compensation and related costs) | 20.8 | 29.6 | — | 6.2 | 23.4 | 0.10 |
| Acquisition-related retention arrangements[1] (Compensation and related costs) | (41.5) | 41.5 | — | 7.2 | 34.3 | 0.15 |
| Contingent consideration[1] | 72.8 | (72.8) | — | (8.0) | (64.8) | (0.28) |
| Intangible assets amortization and impairments[1] | (93.1) | 93.1 | — | 17.7 | 75.4 | 0.33 |
| Total acquisition-related | (41.0) | 91.4 | — | 23.1 | 68.3 | 0.30 |
| Supplemental savings plan liability[2] (Compensation and related costs) | (61.3) | 61.3 | (58.6) | 1.4 | 1.3 | 0.01 |
| Consolidated T. Rowe Price investment products[3] | (7.2) | 8.8 | (45.4) | (0.5) | (25.1) | (0.11) |
| Other non-operating income[4] | — | — | (49.1) | (8.9) | (40.2) | (0.18) |
| **Adjusted Non-GAAP Basis** | $ 3,110.0 | $ 1,760.5 | $ 91.3 | $ 496.4 | $ 1,355.4 | $ 5.88 |

(1) These non-GAAP adjustments remove the impact of acquisition-related amortization and costs including intangible assets and acquired assets amortization and impairments, contingent consideration liability fair value remeasurements, amortization and impairments of acquired investments and non-controlling interest basis differences, and amortization of compensation-related arrangements. Management believes adjusting for these charges helps the reader's ability to understand our core operating results and to increase comparability period to period.

(2) This non-GAAP adjustment removes the compensation expense impact from market valuation changes in the supplemental savings plan liability and the related net gains (losses) on investments designated as an economic hedge against the related liability. Amounts deferred under the supplemental savings plan are adjusted for appreciation (depreciation) of hypothetical investments chosen by participants. We use T. Rowe Price investment products to economically hedge the exposure to

these market movements. Management believes it is useful to offset the non-operating investment income (loss) realized on the economic hedges against the related compensation expense and remove the net impact to help the reader's ability to understand our core operating results and to increase comparability period to period.

(3) These non-GAAP adjustments remove the impact that the consolidated T. Rowe Price investment products have on our U.S. GAAP consolidated statements of income. Specifically, we add back the operating expenses and subtract the investment income of the consolidated T. Rowe Price investment products. The adjustment to operating expenses represents the operating expenses of the consolidated products, net of the elimination of related management and administrative fees. The adjustment to net income attributable to T. Rowe Price Group, Inc. represents the net income of the consolidated products, net of redeemable non-controlling interests. Management believes the consolidated T. Rowe Price investment products may impact the reader's ability to understand our core operating results.

(4) This non-GAAP adjustment represents the other non-operating income (loss) and the net gains (losses) earned on our investment portfolio that are not designated as economic hedges of the supplemental savings plan liability, and that are not part of the cash and discretionary investment portfolio. We retain in our non-GAAP measures the investment gains recognized on the cash and discretionary investments as these assets and related income (loss) are considered part of our core operations. Management believes adjusting for these non-operating income (loss) items helps the reader's ability to understand our core operating results and increases comparability to prior years. Additionally, management does not emphasize the impact of the portion of non-operating income (loss) removed when managing and evaluating our performance.

(5) The income tax impacts were calculated in order to achieve an overall year-to-date non-GAAP effective tax rate of 24.1% in 2024 and 26.8% in 2023. As such, the non-GAAP effective tax rate for the three months ended September 30, 2024 and 2023 was 23.8% and 24.8%, respectively.

(6) This non-GAAP measure was calculated by applying the two-class method to adjusted net income attributable to T. Rowe Price Group, Inc. divided by the weighted-average common shares outstanding assuming dilution. The calculation of adjusted net income allocated to common stockholders is as follows:

| | Three months ended | | Nine months ended | |
|---|---|---|---|---|
| | 9/30/2024 | 9/30/2023 | 9/30/2024 | 9/30/2023 |
| Adjusted net income attributable to T. Rowe Price Group, Inc. | $ 586.5 | $ 499.5 | $ 1,654.7 | $ 1,355.4 |
| Less: adjusted net income allocated to outstanding restricted stock and stock unit holders | 15.0 | 11.7 | 44.1 | 32.8 |
| Adjusted net income allocated to common stockholders | $ 571.5 | $ 487.8 | $ 1,610.6 | $ 1,322.6 |

***CAPITAL RESOURCES AND LIQUIDITY.***

**Sources of Liquidity**

We have ample liquidity, including cash and investments in T. Rowe Price products, as follows:

| (in millions) | 9/30/2024 | 12/31/2023 |
|---|---|---|
| Cash and cash equivalents | $ 3,173.5 | $ 2,066.6 |
| Discretionary investments | 471.8 | 463.7 |
| Total cash and discretionary investments | 3,645.3 | 2,530.3 |
| Redeemable seed capital investments | 1,379.9 | 1,370.9 |
| Investments used to hedge the supplemental savings plan liability | 969.1 | 894.6 |
| Total cash and investments in T. Rowe Price products | $ 5,994.3 | $ 4,795.8 |

Our discretionary investment portfolio is comprised of short duration bond funds, which typically yield higher than money market rates. Our subsidiaries outside the United States held cash and discretionary investments of $771.5 million at September 30, 2024 and $699.0 million at December 31, 2023. Given the availability of our financial resources and cash expected to be generated through future operations, we do not maintain an available external source of additional liquidity.

Our seed capital investments are redeemable, although we generally expect to be invested for several years for the products to build an investment performance history and until unrelated third-party investors substantially reduce our relative ownership percentage.

The cash and investment presentation on the unaudited condensed consolidated balance sheet is based on the accounting treatment for the cash equivalent or investment item. The following table details how T. Rowe Price Group, Inc.'s interests in cash and investments relate to where they are presented on the unaudited condensed consolidated balance sheet as of September 30, 2024.

| (in millions) | Cash and cash equivalents | Investments | Net assets of consolidated T. Rowe Price investment products[1] | Total |
|---|---|---|---|---|
| Cash and discretionary investments | $ 3,173.5 | $ 321.9 | $ 149.9 | $ 3,645.3 |
| Seed capital investments | — | 493.8 | 886.1 | 1,379.9 |
| Investments used to hedge the supplemental savings plan liability | — | 969.1 | — | 969.1 |
| Total cash and investments in T. Rowe Price products attributable to T. Rowe Price Group, Inc. | 3,173.5 | 1,784.8 | 1,036.0 | 5,994.3 |
| Investments in affiliated private investment funds [2] | — | 785.8 | — | 785.8 |
| Investments in CLOs | — | 88.2 | — | 88.2 |
| Investment in UTI and other investments | — | 307.2 | — | 307.2 |
| Total cash and investments attributable to T. Rowe Price Group, Inc. | 3,173.5 | 2,966.0 | 1,036.0 | 7,175.5 |
| Redeemable non-controlling interests | — | — | 763.4 | 763.4 |
| As reported on unaudited condensed consolidated balance sheet at September 30, 2024 | $ 3,173.5 | $ 2,966.0 | $ 1,799.4 | $ 7,938.9 |

*(1) The consolidated T. Rowe Price investment products are generally those products we provided seed capital at the time of their formation and we have a controlling interest. These products generally represent U.S. mutual funds, ETFs, and funds regulated outside the U.S. The $1,036.0 million represents the total value at September 30, 2024 of our interest in the consolidated T. Rowe Price investment products. The total net assets of the T. Rowe Price investment products at September 30, 2024 of $1,799.4 million includes assets of $1,857.2 million, less liabilities of $57.8 million as reflected in our unaudited condensed consolidated balance sheets.*

*(2) Includes $203.4 million of non-controlling interests in consolidated entities and represents the portion of these investments, held by related parties, that we cannot sell in order to obtain cash for general operations.*

Our unaudited condensed consolidated balance sheet reflects the cash and cash equivalents, investments, other assets and liabilities of those sponsored investment products we consolidate, as well as redeemable non-controlling interests for the portion of these sponsored investment products that are held by unrelated third-party investors. Although we can redeem our net interest in these sponsored investment products at any time, we cannot directly access or sell the assets held by the products to obtain cash for general operations. Additionally, the assets of these sponsored investment products are not available to our general creditors. Our interest in these sponsored investment products was generally used as initial seed capital and is recategorized as discretionary when it is determined by management that the seed capital is no longer needed. We assess the discretionary investment products and, when we decide to liquidate our interest, we seek to do so in a way as to not impact the product and, ultimately, the unrelated third-party investors.

**Uses of Liquidity**

We increased our quarterly recurring dividend per common share in February 2024 by 1.6% to $1.24 per common share from $1.22 per common share. Further, we expended $263.7 million in the first nine months of 2024 to repurchase 2.3 million shares of our outstanding common stock, at an average price of $112.30 per share. These dividends and repurchases were expended using existing cash balances and cash generated from operations. While opportunistic in our approach to stock buybacks, we will generally repurchase our common stock over time to offset the dilution created by our equity-based compensation plans.

Since the end of 2021, we have returned nearly $4.5 billion to stockholders through stock repurchases and regular quarterly dividends, as follows:

| (in millions) | Recurring dividend | Stock repurchases | Total cash returned to stockholders |
|---|---|---|---|
| 2022 | $ 1,108.8 | $ 855.3 | $ 1,964.1 |
| 2023 | 1,121.9 | 254.3 | 1,376.2 |
| Nine months ended 9/30/2024 | 850.7 | 263.7 | 1,114.4 |
| Total | $ 3,081.4 | $ 1,373.3 | $ 4,454.7 |

We anticipate property, equipment, software and other capital expenditures, including internal labor capitalization, for the full-year 2024 to be about $460 million of which approximately 60% is planned for technology initiatives with the remaining primarily related to the build out of our new Baltimore headquarters. We expect to fund our anticipated capital expenditures with operating cash flows and other available resources.

**Cash Flows**

The following table summarizes the cash flows for the nine months ended September 30, 2024 and 2023, that are attributable to T. Rowe Price Group, Inc., our consolidated sponsored investment products, and the related eliminations required in preparing the statement.

| | Nine months ended | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 9/30/2024 | | | | 9/30/2023 | | | |
| (in millions) | Cash flow attributable to T. Rowe Price Group, Inc. | Cash flow attributable to consolidated sponsored investment products | Elims | As reported | Cash flow attributable to T. Rowe Price Group, Inc. | Cash flow attributable to consolidated sponsored investment products | Elims | As reported |
| Cash flows from operating activities | | | | | | | | |
| Net income (loss) | $ 1,660.2 | $ 159.4 | $ (100.5) | $ 1,719.1 | $ 1,351.1 | $ 36.6 | $ (25.6) | $ 1,362.1 |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities | | | | | | | | |
| Depreciation, amortization and impairments of property, equipment and software | 188.4 | — | — | 188.4 | 181.6 | — | — | 181.6 |
| Amortization and impairment of acquisition-related assets and retention agreements | 196.5 | — | — | 196.5 | 165.6 | — | — | 165.6 |
| Fair value remeasurement of contingent liability | (13.4) | — | — | (13.4) | (72.8) | — | — | (72.8) |
| Stock-based compensation expense | 162.2 | — | — | 162.2 | 169.7 | — | — | 169.7 |
| Net (gains) losses recognized on investments | (432.6) | — | 100.5 | (332.1) | (326.0) | — | 25.6 | (300.4) |
| Total non-cash adjustments | 101.1 | — | 100.5 | 201.6 | 118.1 | — | 25.6 | 143.7 |
| Net redemptions in sponsored investment products used to economically hedge supplemental savings plan liability | 29.8 | — | — | 29.8 | 101.3 | — | — | 101.3 |
| Net change in trading securities held by consolidated sponsored investment products | — | (517.9) | — | (517.9) | — | (779.9) | — | (779.9) |
| Other changes | 548.3 | 5.7 | (19.1) | 534.9 | 546.8 | 11.8 | (9.3) | 549.3 |
| Net cash provided by (used in) operating activities | 2,339.4 | (352.8) | (19.1) | 1,967.5 | 2,117.3 | (731.5) | (9.3) | 1,376.5 |
| Net cash provided by (used in) investing activities | (143.1) | (15.7) | 3.8 | (155.0) | (333.3) | (35.6) | 407.0 | 38.1 |
| Net cash provided by (used in) financing activities | (1,089.4) | 345.9 | 15.3 | (728.2) | (960.9) | 741.4 | (397.7) | (617.2) |
| Effect of exchange rate changes on cash and cash equivalents of consolidated sponsored investment products | — | 0.5 | — | 0.5 | — | (1.8) | — | (1.8) |
| Net change in cash and cash equivalents during period | 1,106.9 | (22.1) | — | 1,084.8 | 823.1 | (27.5) | — | 795.6 |
| Cash and cash equivalents at beginning of year | 2,066.6 | 77.2 | — | 2,143.8 | 1,755.6 | 119.1 | — | 1,874.7 |
| Cash and cash equivalents at end of period | $ 3,173.5 | $ 55.1 | $ — | $ 3,228.6 | $ 2,578.7 | $ 91.6 | $ — | $ 2,670.3 |

*Operating Activities*

Operating activities attributable to T. Rowe Price Group, Inc. during the first nine months of 2024 provided cash flows of $2,339.4 million, an increase of $222.1 million from $2,117.3 million provided during the 2023 period. The increase was primarily driven by a $309.1 million increase in net income and a $1.5 million increase in cash flows related to timing differences associated with the cash settlement of our assets and liabilities. These increases to operating cash flows were offset in part by a $17.0 million decrease in the add-back for non-cash items as detailed in the table above. Additionally, in 2024, proceeds received from net redemptions of investments that economically hedge our supplemental savings plan liability decreased $71.5 million as compared to the 2023 period. The remaining change in reported cash flows from operating activities was attributable to the net change in trading securities held in our consolidated investment products' underlying portfolios.

Our interim operating cash flows does not include the cash impact of variable compensation that is accrued throughout the year before being substantially paid out in December.

*Investing Activities*

Net cash used in investing activities that were attributable to T. Rowe Price Group, Inc. totaled $143.1 million in 2024 compared with $333.3 million in 2023. During 2024, we had net proceeds from the sale of investments of $209.9 million compared to net purchases of investments totaling $72.1 million during the 2023 period. In 2024, we increased our property and equipment expenditures by $84.4 million and other investing activity by $7.4 million compared to the 2023 period. We eliminate our capital in those sponsored investment products we consolidate in preparing our consolidated statements of cash flows. The remaining change in reported cash flows from investing activities of $19.9 million is primarily related to the net cash removed from our unaudited condensed consolidated balance sheet from consolidating and deconsolidating investment products.

*Financing Activities*

Net cash used in financing activities attributable to T. Rowe Price Group, Inc. totaled $1,089.4 million in 2024 compared with $960.9 million in 2023. During 2024, we used $269.1 million to repurchase 2.3 million shares compared to $151.4 million to repurchase 1.4 million shares in 2023. The $9.0 million increase in dividends paid in 2024 was a result of the 1.6% increase in our quarterly dividend per share over prior year. In addition, cash flows generated from common stock issued under stock compensation plans increased by $2.6 million during 2024 compared to 2023. The remaining change in reported cash flows from financing activities was primarily attributable to a $17.5 million increase in net subscriptions from redeemable non-controlling interest holders of our consolidated investment products during 2024.

## ***CRITICAL ACCOUNTING POLICIES.***

The preparation of financial statements often requires the selection of specific accounting methods and policies from among several acceptable alternatives. Further, significant estimates and judgments may be required in selecting and applying those methods and policies in the recognition of the assets and liabilities in our unaudited condensed consolidated balance sheets, the revenues and expenses in our unaudited condensed consolidated statements of income, and the information that is contained in our significant accounting policies and notes to unaudited condensed consolidated financial statements. Making these estimates and judgments requires the analysis of information concerning events that may not yet be complete and of facts and circumstances that may change over time. Accordingly, actual amounts or future results can differ materially from those estimates that we include currently in our unaudited condensed consolidated financial statements, significant accounting policies, and notes.

There have been no material changes in the critical accounting policies previously identified in our 2023 Annual Report on Form 10-K.

## ***NEWLY-ISSUED BUT NOT YET ADOPTED ACCOUNTING GUIDANCE.***

See *Note 1 - The Company and Basis of Preparation* note within *Item 1. Financial Statements* for a discussion of newly issued but not yet adopted accounting guidance.

***FORWARD-LOOKING INFORMATION.***

From time to time, information or statements provided by or on behalf of T. Rowe Price Group, Inc., including those within this report, may contain certain forward-looking information, including information or anticipated information relating to: our revenues, net income, and earnings per share of common stock; changes in the amount and composition of our assets under management; our expense levels; our tax rate; legal or regulatory developments; geopolitical instability; interest rates and currency fluctuations; and our expectations regarding financial markets, future transactions, dividends, stock repurchases, investments, new products and services, capital expenditures, changes in our effective fee rate, and other industry or market conditions. Readers are cautioned that any forward-looking information provided by or on behalf of T. Rowe Price Group, Inc. is not a guarantee of future performance. Actual results may differ materially from those in forward-looking information because of various factors including, but not limited to, those discussed below and in Item 1A, Risk Factors, included in our Form 10-K Annual Report for 2023. Further, forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of unanticipated events.

Our future revenues and results of operations will fluctuate primarily due to changes in the total value and composition of assets under our management. Such changes result from many factors, including, among other things: client-related cash inflows and outflows in our products, performance fees, capital allocation-based income, fluctuations in global financial markets that result in appreciation or depreciation of the assets under our management, our introduction of new investment products, and changes in retirement savings trends relative to participant-directed investments and defined contribution plans.

The ability to attract and retain investors' assets under our management is dependent on investor sentiment and confidence; the relative investment performance of the T. Rowe Price mutual funds and other managed investment products as compared with competing offerings and market indexes; the ability to maintain our investment management and administrative fees at appropriate levels; the impact of changes in interest rates and inflation; competitive conditions in the mutual fund, asset management, and broader financial services sectors; our level of success in implementing our strategy to expand our business; and our ability to attract and retain key personnel. Our revenues are substantially dependent on fees earned under contracts with the T. Rowe Price funds and could be adversely affected if the independent directors of one or more of the T. Rowe Price funds terminated or significantly altered the terms of the investment management or related administrative services agreements. Non-operating investment income will also fluctuate primarily due to the size of our investments, changes in their market valuations, and any other-than-temporary impairments that may arise or, in the case of our equity method investments, our proportionate share of the investees' net income.

Our future results are also dependent upon the level of our expenses, which are subject to fluctuation for the following or other reasons: changes in the level of our advertising and promotion expenses in response to market conditions, including our efforts to expand our investment advisory business to investors outside the U.S. and to further penetrate our distribution channels within the U.S.; the pace and level of spending to support key strategic priorities; variations in the level of total compensation expense due to, among other things, bonuses, restricted stock units and other equity grants, other incentive awards, our supplemental savings plan, changes in our employee count and mix, and competitive factors; any goodwill, intangible asset or other asset impairment that may arise; fluctuation in foreign currency exchange rates applicable to the costs of our international operations; expenses and capital costs, such as technology assets, depreciation, amortization, and research and development, incurred to maintain and enhance our administrative and operating services infrastructure; the timing of the assumption of all third party research payments, unanticipated costs that may be incurred to protect investor accounts and the goodwill of our clients; and disruptions of services, including those provided by third parties, such as fund and product recordkeeping, facilities, communications, power, and the mutual fund transfer agent and accounting systems, as a result of extreme events, cyberattacks or otherwise.

Our business is also subject to substantial governmental regulation, and changes in legal, regulatory, accounting, tax, and compliance requirements may have a substantial effect on our operations and results, including, but not limited to, effects on costs that we incur and effects on investor interest in sponsored investment products and investing in general or in particular classes of mutual funds or other investments.

**Item 3.  Quantitative and Qualitative Disclosures About Market Risk.**

There has been no material change in our market risks from those provided in Item 7A of the Form 10-K Annual Report for 2023.

**Item 4.  Controls and Procedures.**

Our management, including our principal executive and principal financial officers, has evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2024. Based on that evaluation, our principal executive and principal financial officers have concluded that our disclosure controls and procedures as of September 30, 2024, are effective at the reasonable assurance level to ensure that the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, including this Form 10-Q quarterly report, is recorded, processed, summarized, and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms, and to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Our management, including our principal executive and principal financial officers, has evaluated any change in our internal control over financial reporting that occurred during the third quarter of 2024, and has concluded that there was no change during the third quarter of 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

## PART II – OTHER INFORMATION

**Item 1. Legal Proceedings.**

For information about our legal proceedings, please see our Commitments and Contingencies footnote to our unaudited condensed consolidated financial statements in Part 1 of this Form 10-Q.

**Item 1A. Risk Factors.**

There have been no material changes in the information provided in Item 1A of our Form 10-K Annual Report for 2023.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

(c) Repurchase activity during the third quarter of 2024 is as follows:

| Month | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Program | Maximum Number of Shares that May Yet Be Purchased Under the Program |
|---|---|---|---|---|
| July | 84,805 | $ 113.97 | 80,000 | 4,584,419 |
| August | 422,228 | $ 106.60 | 398,799 | 4,185,620 |
| September | 225,995 | $ 103.68 | 185,131 | 4,000,489 |
| Total | 733,028 | $ 106.56 | 663,930 | |

Shares repurchased by us in a quarter may include repurchases conducted pursuant to publicly announced board authorization, outstanding shares surrendered to us to pay the exercise price in connection with swap exercises of employee stock options, and shares withheld to cover the minimum tax withholding obligation associated with the vesting of restricted stock awards. Of the total number of shares purchased during the third quarter of 2024, 69,098 were related to shares surrendered in connection with employee stock option exercises and no shares were withheld to cover tax withholdings associated with the vesting of restricted stock awards.

The following table details the changes in and status of the Board of Directors' outstanding publicly announced board authorizations.

| Authorization Dates | Maximum Number of Shares that May Yet Be Purchased at 7/1/2024 | Total Number of Shares Purchased | Maximum Number of Shares that May Yet Be Purchased at 9/30/2024 |
|---|---|---|---|
| March 2020 | 4,664,419 | (663,930) | 4,000,489 |

**Item 3. Defaults Upon Senior Securities.**

Not applicable.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**Item 5. Other Information.**

No t applicable.

**Item 6. Exhibits.**

The following exhibits required by Item 601 of Regulation S-K are furnished herewith.

| | |
|---|---|
| 3(i) | Charter of T. Rowe Price Group, Inc., as reflected by Articles of Restatement dated June 20, 2018. (Incorporated by reference from Form 10-Q Quarterly Report filed on July 25, 2018.) |
| 3(ii) | Amended and Restated By-Laws of T. Rowe Price Group, Inc. as of February 9, 2021. (Incorporated by reference from Form 10-K Annual Report filed on February 11, 2021.) |
| 10.1 | 2020 Long Term Incentive Plan (Amended and Restated July 30, 2024). |
| 15 | Report from KPMG LLP, independent registered public accounting firm, re unaudited interim financial information. |
| 31(i).1 | Rule 13a-14(a) Certification of Principal Executive Officer. |
| 31(i).2 | Rule 13a-14(a) Certification of Principal Financial Officer. |
| 32 | Section 1350 Certifications. |
| 101 | The following series of unaudited XBRL-formatted documents are collectively included herewith as Exhibit 101. The financial information is extracted from T. Rowe Price Group, Inc.'s unaudited condensed consolidated interim financial statements and notes that are included in this Form 10-Q Report. |
| 101.INS | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | XBRL Taxonomy Extension Schema Document |
| 101.CAL | XBRL Taxonomy Calculation Linkbase Document |
| 101.LAB | XBRL Taxonomy Label Linkbase Document |
| 101.PRE | XBRL Taxonomy Presentation Linkbase Document |
| 101.DEF | XBRL Taxonomy Definition Linkbase Document |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on November 1, 2024.

T. Rowe Price Group, Inc.

By: /s/ Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer

**T. ROWE PRICE GROUP, INC.**
**2020 LONG-TERM INCENTIVE PLAN**
**(Amended and Restated July 30, 2024)**

TABLE OF CONTENTS

**TABLE OF CONTENTS**
(continued)

**T. ROWE PRICE GROUP, INC.**
**2020 LONG-TERM INCENTIVE PLAN**

## 1. History; Effective Date.

T. ROWE PRICE GROUP, INC., a Maryland corporation ("*Price Group*"), has established the T. ROWE PRICE GROUP, INC. 2020 LONG-TERM INCENTIVE PLAN, as set forth herein, and as the same may be amended from time to time (the "*Plan*"). The Plan was adopted by the Board of Directors of Price Group (the "*Board*") on February 11, 2020 as a successor plan to Price Group's 2012 Long-Term Incentive Plan, and is effective as of the date that it is approved by the stockholders of Price Group (the "*Effective Date*"). No awards will be made under Price Group's 2012 Long-Term Incentive Plan after the Effective Date of this Plan.

## 2. Purposes of the Plan.

The Plan enables Price Group to continue to grant stock-based and cash-based incentive awards which the Board believes provide Price Group with a competitive advantage in recruiting, retaining and motivating key individuals whose efforts contribute to the growth, profitability and long-term success of Price Group. Incentive awards enable such individuals to acquire or increase, and benefit from, equity ownership in Price Group or receive compensation upon achievement of specified performance objectives, thereby strengthening their commitment to the success of Price Group and stimulating their efforts on behalf of Price Group. Toward this objective, the Administrator may grant Stock Options, Stock Appreciation Rights, stock awards, stock units, performance shares, performance units, and other stock-based awards to eligible individuals on the terms and subject to the conditions set forth in the Plan.

## 3. Terminology.

Except as otherwise specifically provided in an Award Agreement, capitalized words and phrases used in the Plan or an Award Agreement shall have the meaning set forth in the glossary at Section 17 of the Plan or as defined the first place such word or phrase appears in the Plan.

## 4. Administration.

(a) *Administration of the Plan.* The Plan shall be administered by the Administrator.

(b) *Powers of the Administrator*.

The Administrator shall, except as otherwise provided under the Plan, have plenary authority, in its sole and absolute discretion, to make Determinations as provided herein in connection with the granting of Awards pursuant to the terms of the Plan to Eligible Individuals and to take all other actions necessary or desirable to carry out the purpose and intent of the Plan. Among other things, the Administrator shall have the authority, in its sole and absolute discretion, subject to the terms and conditions of the Plan to:

(i) determine the Eligible Individuals to whom, and the time or times at which, Awards shall be granted;

(ii) determine the types of Awards to be granted any Eligible Individual;

(iii) determine, to the extent applicable, the number of shares of Common Stock to be covered by or used for reference purposes for each Award or the value to be transferred pursuant to any Award;

(iv) determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (A) the purchase price of any shares of Common Stock, (B) the method of payment for shares purchased pursuant to any Award, (C) the method for satisfaction of any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of shares of Common Stock, (D) subject to Section 7(b), the timing, terms and conditions of the exercisability, vesting or payout of any Award or any shares acquired pursuant thereto, (E) the Performance Goals applicable to any Award and the extent to which such Performance Goals have been attained, (F) the time of the expiration of any Award, (G) the effect of the Participant's Termination of Service on any of the foregoing, and (H) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto as the Administrator shall consider to be appropriate and not inconsistent with the terms of the Plan;

(v) subject to Sections 7(f), 10(c) and 15, modify, amend or adjust the terms and conditions of any Award;

(vi) subject to Section 7(b), accelerate or otherwise change the time at or during which an Award may be exercised or becomes payable and waive or accelerate the lapse, in whole or in part, of any restriction, condition or risk of forfeiture with respect to such Award; *provided*, *however*, that, except in connection with death, disability or a Change in Control, no such change, waiver or acceleration shall be made to any Award that is considered "deferred compensation" within the meaning of section 409A of the Code if the effect of such action is inconsistent with section 409A of the Code;

(vii) determine whether an Award will be paid or settled in cash, shares of Common Stock, or in any combination thereof and whether, to what extent and under what circumstances cash or shares of Common Stock payable with respect to an Award shall be deferred either automatically or at the election of the Participant;

(viii) for any purpose, including but not limited to, qualifying for preferred tax treatment, accommodating the customs or otherwise complying with the regulatory requirements of local or foreign (non-United States) jurisdictions, adopt, amend, modify, administer or terminate sub-plans and special provisions applicable to Awards regulated by the laws of a jurisdiction outside of the United States, which sub-plans and special provisions may take precedence over other provisions of the Plan, and prescribe, amend and rescind rules and regulations relating to such sub-plans and special provisions.

(ix) establish any "blackout" period, during which transactions affecting Awards may not be effectuated, that the Administrator in its sole discretion deems necessary or advisable;

(x) determine the Fair Market Value of shares of Common Stock or other property for any purpose under the Plan or any Award;

(xi) administer, construe and interpret the Plan, Award Agreements and all other documents relevant to the Plan and Awards issued thereunder, and decide all other matters to be determined in connection with an Award;

(xii) establish, amend, rescind and interpret such administrative rules, regulations, agreements, guidelines, instruments and practices for the administration of the Plan and for the conduct of its business as the Administrator deems necessary or advisable;

(xiii) correct any defect, supply any omission or reconcile any inconsistency in the Plan or in any Award or Award Agreement in the manner and to the extent the Administrator shall deem it desirable to carry it into effect; and

(xiv) otherwise administer the Plan and all Awards granted under the Plan.

(c) *Delegation of Administrative Authority.* The Administrator may designate officers and employees of Price Group or any Affiliate, including any committee of officers and employees, to assist the Administrator in the administration of the Plan and, to the extent permitted by applicable law and exchange rules, may grant authority to officers or other employees to execute agreements or other documents on behalf of the Administrator; *provided, however,* that such delegation of authority shall not extend to the exercise of discretion with respect to Awards to Eligible Individuals who are officers under Section 16 of the Exchange Act.

(d) *Non-Uniform Determinations*. The Administrator's Determinations under the Plan (including without limitation, Determinations of the persons to receive Awards, the form, amount and timing of such Awards, the terms and provisions of such Awards and the Award Agreements evidencing such Awards, and the ramifications of a Change in Control upon outstanding Awards) need not be uniform and may be made by the Administrator selectively among Awards or persons who receive, or are eligible to receive, Awards under the Plan, whether or not such persons are similarly situated.

(e) *Limited Liability*. To the maximum extent permitted by law, no member of the Administrator or any agent or delegate of the Administrator shall be liable for any action taken or decision made in good faith relating to the Plan or any Award thereunder.

(f) *Indemnification*. To the maximum extent permitted by law, by Price Group's charter and by-laws, and by any directors' and officers' liability insurance coverage which may be in effect from time to time, the members of the Administrator and any agent or delegate of the Administrator who is an employee of Price Group or an Affiliate shall be indemnified by Price Group against any and all liabilities and expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan.

(g) *Effect of Administrator's Decision*. All actions taken and Determinations made by the Administrator on all matters relating to the Plan or any Award pursuant to the powers vested in it hereunder shall be in the Administrator's sole and absolute discretion, unless in contravention of any express term of the Plan, including, without limitation, any determination involving the appropriateness or equitableness of any action. All Determinations made by the Administrator shall be conclusive, final and binding on all parties concerned, including Price Group, its stockholders, any Participants and any other employee, consultant, or director of Price Group and its Affiliates, and their respective successors in interest. Notwithstanding the foregoing, following a Change in Control, any Determination by the Administrator as to whether "Cause" or "Good Reason" exists shall be subject to *de novo* review by a court of competent jurisdiction.

**5. Shares Issuable Pursuant to Awards.**

(a) *Initial Share Pool*. As of the Effective Date, the number of shares of Common Stock issuable pursuant to Awards granted under the Plan (the "*Share Pool*") shall be equal to 11,000,000 shares.

(b) *Adjustments to Share Pool*. On and after the Effective Date, the Share Pool shall be adjusted, in addition to any adjustments to be made pursuant to Section 10 of the Plan, as follows:

(i) The Share Pool shall be reduced by one share for each share of Common Stock made subject to an Award granted under the Plan;

(ii) The Share Pool shall be increased by the number of unissued shares of Common Stock underlying or used as a reference measure for any Award or portion of an Award that is cancelled, forfeited, expired, terminated unearned or settled in cash, in any such case without the issuance of shares, and by the number of shares of Common Stock used as a reference measure for any Award that are not issued upon settlement of such Award;

(iii) The Share Pool shall be increased by the number of shares of Common Stock that are forfeited back to Price Group after issuance due to a failure to meet an Award contingency or condition with respect to any Award or portion of an Award;

(iv) The Share Pool shall be increased by the number of shares of Common Stock withheld by or surrendered (either actually or through attestation) to Price Group in payment of the exercise price of any Award;

(v) The Share Pool shall be increased by the number of shares of Common Stock withheld by or surrendered (either actually or through attestation) to Price Group in payment of the statutory minimum Tax Withholding Obligation that arises in connection with any Award; and

(vi) The Share Pool shall be increased by the amount of any shares of Common Stock reacquired by Price Group on the open market or otherwise using the cash proceeds received by Price Group in payment of the exercise price and/or the statutory minimum Tax Withholding Obligation that arises in connection with the exercise of Stock Options, *provided*, *however*, that the maximum number of shares that may be so added to the Share Pool, irrespective of the date of purchase, shall be equal to (A) the amount of the cash proceeds received by Price Group, divided by (B) the Fair Market Value of the Common Stock on the date of the exercise that generated such proceeds.

(c) *Individual Limits*. Subject to adjustment as provided in Section 10 of the Plan:

(i) the maximum number of shares of Common Stock that may be made subject to Awards granted under the Plan during a calendar year to any one person in the form of Stock Options or Stock Appreciation Rights, is, in the aggregate, 1,000,000 shares;

(ii) the maximum number of shares of Common Stock that may be made subject to Awards granted under the Plan during a calendar year to any one person in the form of Restricted Stock or Restricted Stock Units that are not Performance Awards is, in the aggregate, 1,000,000 shares;

(iii) the maximum number of shares of Common Stock that may be made subject to Awards granted under the Plan during a calendar year to any one person in the form of Performance Shares or Performance Units is, in the aggregate, 1,000,000 shares;

(iv) the maximum number of shares of Common Stock that may be made subject to Awards granted under the Plan during a calendar year to any one person in the form of Performance Awards that are not Performance Shares or Performance Units is, in the aggregate, 1,000,000 shares;

(v) in connection with Awards granted under the Plan during a calendar year to any one person in the form of Performance Shares, the maximum cash amount payable thereunder is the amount equal to the number of shares made subject to the Award, as limited by Sections 5(c)(iii) or 5(c)(iv), multiplied by the Fair Market Value as determined as of the payment date; and

(vi) in connection with Awards granted under the Plan during a calendar year to any one person in the form of Performance Units or Restricted Fund Units, the maximum cash amount payable under such Performance Units or under Restricted Fund Units as of the date of grant is $15,000,000;

*provided, however,* that each of the limitations set forth above in clauses (i), through (v) of this Section 5(c) shall be multiplied by two when applied to Awards granted to any individual during the calendar year in which such individual first commences service with Price Group or an Affiliate; and *provided, further,* that the limitations set forth above in clauses (iii), (iv) and (v) of this Section 5(c) shall be multiplied by the number of calendar years over which the applicable Performance Period spans (in whole or in part), if the Performance Period is longer than 12 months' duration, when applied to Performance Awards. If an Award is terminated, surrendered or canceled in the same year in which it was granted, such Award nevertheless will continue to be counted against the limitations set forth above in this Section 5(c) for the calendar year in which it was granted.

(d) *ISO Limit*. Subject to adjustment pursuant to Section 10 of the Plan, the maximum number of shares of Common Stock that may be issued pursuant to Stock Options granted under the Plan that are intended to qualify as Incentive Stock Options within the meaning of section 422 of the Code shall be 11,000,000 shares.

(e) *Source of Shares*. The shares of Common Stock with respect to which Awards may be made under the Plan shall be shares authorized for issuance under Price Group's charter but unissued, including without limitation shares purchased in the open market or in private transactions.

## 6. Participation.

Participation in the Plan shall be open to all Eligible Individuals, as may be selected by the Administrator from time to time. The Administrator may also grant Awards to Eligible Individuals in connection with hiring, recruiting or otherwise, prior to the date the individual first performs services for Price Group or an Affiliate; *provided*, *however*, that such Awards shall not become vested or exercisable, and no shares shall be issued to such individual, prior to the date the individual first commences performance of those services.

## 7. Awards.

(a) *Awards, In General*. The Administrator, in its sole discretion, shall establish the terms of all Awards granted under the Plan consistent with the terms of the Plan. Awards may be granted individually or in tandem with other types of Awards, concurrently with or with respect to outstanding Awards. All Awards are subject to the terms and conditions provided in the Award Agreement, which shall be delivered to the Participant receiving such Award upon, or as promptly as is reasonably practicable following, the grant of such Award. Unless otherwise specified by the Administrator, in its sole discretion, or otherwise provided in the Award Agreement, an Award shall not be effective unless the Award Agreement is signed or otherwise accepted by Price Group and the Participant receiving the Award (including by electronic delivery and/or electronic signature).

(b) *Minimum Restriction Period for Full Value Awards.* Except as provided below and notwithstanding any provision of the Plan to the contrary, each Full Value Award granted under the Plan shall be subject to a minimum Restriction Period of 12 months from the date of grant if vesting of or lapse of restrictions on such Award is based on the satisfaction of Performance Goals and a minimum Restriction Period of 36 months from the date of grant, applied in either pro rata installments or a single installment, if vesting of or lapse of restrictions on such Award is based solely on the Participant's satisfaction of specified service requirements with Price Group and its Affiliates. If the grant of a Performance Award is conditioned on satisfaction of Performance Goals, the Performance Period shall not be less than 12 months' duration, but no additional minimum Restriction Period need apply to such Award. Except as provided below and notwithstanding any provision of the Plan to the contrary, the Administrator shall not have discretionary authority to waive the minimum Restriction Period applicable to a Full Value Award, except in the case of death, disability, retirement, or a Change in Control. The provisions of this Section 7(b) shall not apply and/or may be waived, in the Administrator's discretion, with respect to up to the number of Full Value Awards that is equal to five percent (5%) of the aggregate Share Pool as of the Effective Date.

(c) *Stock Options*. The Administrator may grant Stock Options alone or in addition to other Awards granted under this Plan to any Eligible Individual. The Administrator shall determine (A) whether each Stock Option will be granted as an Incentive Stock Option or a Non-Qualified Stock Option, and (B) the provisions, terms, and conditions of each Stock Option including, but not limited to, the vesting schedule, the number of shares of Common Stock subject to the Stock Option, the exercise price of the Stock Option, the period during which the Stock Option may be exercised, repurchase provisions, forfeiture provisions, methods for payment of the exercise price of the Stock Option, acceleration of vesting, if any, in connection with certain termination events, and all other terms and conditions of the Stock Option, subject to the following:.

(i) *Form of Stock Option Grant*. Each Stock Option granted under the Plan will be evidenced by an Award Agreement (which need not be the same for each recipient of a Stock Option Award) that is not inconsistent with the Plan, including any provisions that may be necessary to assure that any Stock Option that is intended to be an Incentive Stock Option will comply with section 422 of the

Code.

(ii) *Exercise Period*. Unless a shorter or longer period is otherwise provided in an Award Agreement and permitted by applicable law and subject to the provisions of Section 7(c)(vi) below, each Stock Option will expire and all rights to purchase shares of Common Stock thereunder will cease ten years after the Grant Date.

(iii) *Exercise Price and Terms*. The exercise price per share subject to a Stock Option granted under the Plan shall not be less than 100% of the Fair Market Value of one share of Common Stock on the Grant Date, except as provided under applicable law or with respect to Stock Options that are granted in substitution of similar types of awards of a company acquired by Price Group or an Affiliate or with which Price Group or an Affiliate combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) to preserve the intrinsic value of such awards, and during its term the Stock Option will be exercisable only on the event or events and under the terms determined by the Administrator and set forth in the Award Agreement.

(iv) *Limitations on Incentive Stock Options*. The aggregate Fair Market Value (determined as of the Grant Date of a Stock Option) of Common Stock that any Participant is first eligible to purchase during any calendar year by exercise of Incentive Stock Options granted under the Plan and by exercise of Incentive Stock Options (within the meaning of section 422 of the Code) granted under any other plan of Price Group (and its parent and subsidiary corporations, within the meaning of section 424(e) and 424(f) of the Code, as may exist from time to time) may not exceed $100,000. If the Fair Market Value of stock with respect to which all Incentive Stock Options described in the preceding sentence held by any one Participant that are exercisable for the first time by that Participant during any calendar year exceeds $100,000, or any other applicable amount, the Stock Options that are intended to be Incentive Stock Options on the Grant Date thereof for the first $100,000 worth of shares of Common Stock to become exercisable in such year will be considered to constitute Incentive Stock Options within the meaning of section 422 of the Code and the Stock Options that are intended to be Incentive Stock Options on the Grant Date thereof for the shares of Common Stock in the amount in excess of $100,000 that become exercisable in that calendar year will be treated as Non-Qualified Stock Options. For this purpose, the Incentive Stock Options will be taken into account in the order in which they are granted. Price Group may designate the shares of Common Stock that are to be treated as stock acquired pursuant to the exercise of Incentive Stock Options and the shares of Common Stock that are to be treated as stock acquired pursuant to the exercise of Non-Qualified Stock Options by issuing separate certificates for the shares and identifying the certificates as such in the stock transfer records of Price Group or by any other appropriate notation in the records of Price Group. If the Code or the Treasury regulations promulgated thereunder are amended after the effective date of the Plan to provide for a different rules and/or limits governing Incentive Stock Options than those described in this Section 7(c)(iv), such different rules and/or limit will be incorporated herein and will apply to any Incentive Stock Options granted after the effective date of such amendment.

(v) *Dividend and Dividend Equivalents*. No grant of a Stock Option may provide for dividends, dividend equivalents, or other similar distributions to be paid in connection with the exercise of the Stock Option.

(vi) *Tolling of Stock Option Exercise Period*. Notwithstanding any other provision of this Plan to the contrary, if, by its terms, a Stock Option, other than an Incentive Stock Option, would expire when trading in shares of Common Stock is otherwise prohibited by law or by the Company's insider trading policy, as such may be amended from time to time, the expiration of the Stock Option shall be tolled and the term of the Stock Option will be automatically extended until the close of trading on the 30th day following the expiration of any such prohibition.

(vii) *Vesting Period*. The Administrator will determine the types of Stock Option Awards made and any terms and conditions applicable to the Awards as it considers appropriate, including any vesting conditions necessary to comply with any applicable law. Notwithstanding the foregoing and subject to Section 7(b), no portion of a Stock Option may be scheduled to vest in less than 12 months from the Grant Date.

(viii) *Termination of Service*. Except as provided in the applicable Award Agreement or otherwise determined by the Administrator, to the extent Stock Options are not vested and exercisable, a Participant's Stock Options shall be forfeited upon his or her Termination of Service.

(ix) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/orlimitations, if any, of any Award of Stock Options, *provided* they are not inconsistent with the Plan.

(x) *Notice of Exercise*. Subject to the conditions of Section 7(c)(xii) and such Determinations regarding administration as the Administrator may from time to time adopt, Stock Options may be exercised only by delivery to the Administrator, or its designee, notice, in such form as is permitted by the Administrator or its designee, stating the number of shares of Common Stock being purchased, the method of payment, and such other matters as may be considered appropriate by the Price Group or the Administrator in connection with the issuance of shares of Common Stock upon exercise of the Stock Option, together with payment in full of the exercise price for the number of shares of Common Stock being purchased. The effective date of exercise of a Stock Option (which in no event may be beyond the expiration date of the Stock Option) will be, unless otherwise provided in Determinations adopted by the Administrator:

A. in connection with a sell order for the underlying stock that is a "Sell-to-Cover Order," a "Same-Day-Sale Exercise Order," a Limit Order, a "Good-till" Cancelled Order or the like, the date on which such sell order is actually executed.

B. in connection with an "Exercise and Hold" (cash exercise) transaction, the date the requisite funds are received by the Payroll and Stock Transaction Group of Price Group, or its successor by title or with respect to duties and responsibilities, at its home office in Baltimore, Maryland or such other location as Price Group may designate, or by a third party duly designated by Price Group at the offices of such third party, in the manner determined by the Administrator.

Provided, however, that if the date of exercise, as otherwise determined pursuant to this Section 7(x), including any Determinations adopted by the Administrator, is not a Trading Date, the date of exercise will be deemed to be the next Trading Date. Further, if an exercise instruction is received after the close of the national securities exchange that is the principal trading market for the Common Stock on a particular day, it will be deemed received as of the opening of the next Trading Date. If a Stock Option is granted in tandem with any other Award, there will be surrendered and cancelled from the related Award at the time of exercise of the Stock Option, in lieu of exercise of the related Award, that number of shares of Common Stock as equals the number of shares of Common Stock with respect to which the tandem Stock Option will have been exercised.

(xi) *Payment*. Payment equal to the aggregate exercise price for the shares subject to a Stock Option and for which notice of exercise has been provided by a Participant, including a Participant that has terminated Service, to Price Group, along with any applicable withholding taxes as described in Section 8, will be tendered in full, with the notice of exercise, in cash (including wire or fund transfers, check, bank draft, postal or express money order payable to the of Price Group or other cash equivalent acceptable to the Administrator in its discretion, in each case in a currency acceptable to the Administrator) or, unless otherwise prohibited (x) by Determinations adopted by the Administrator, (y) in a specific Award Agreement, or (z) by law or applicable regulation, by:

A. the actual or constructive transfer to Price Group of nonforfeitable, non-restricted shares of Common Stock that have been owned by the Participant for more than six months, or such shorter time as may be permitted by applicable law, prior to the date of exercise;

B. using the net proceeds (after paying all selling fees) from the sale of some (the "Sell-to-Cover Exercise Method") or all (the "Same-Day-Sale Exercise Method"), of the shares of Common Stock received on the exercise of the Stock Option, or from any arrangement pursuant to which a Participant, including those Participants who have terminated Service, irrevocably instructs a broker-dealer to sell a sufficient portion of such shares to pay the exercise price and any withholding obligation, as described in Section 8, and related fees thereon and deliver the sale proceeds directly to Price Group. The value of the shares of Common Stock used in payment of the exercise price under the Sell-to-Cover Exercise Method or the Same-Day-Sale Exercise Method will be the price at which the Common Stock was sold by the broker-dealer functioning under the Sell-to-Cover Exercise Method or the Same-Day-Sale Exercise Method on the effective date of exercise as described in Section 7(x). The amount of the proceeds to be delivered to Price Group by the broker-dealer functioning under the Sell-to-Cover Exercise Method or the Same-Day-Sale Exercise Method will be credited to the Common Stock account of Price Group as consideration for the shares of Common Stock to be issued in accordance with the Sell-to-Cover Exercise or the Same-Day-Sale Exercise Method;

C. by surrender for cancellation of shares of Common Stock at the Fair Market Value per share at the time of exercise under a "net exercise" arrangement; provided, however, that use of a "net exercise" arrangement cannot result in the Stock Option being settled either in whole or in part for cash payable to the Participant;

D. in accordance with such other procedures or in such other forms as the Administrator will from time to time determine; or

E. any combination of the above.

On payment of all amounts due from the Participant, Price Group will cause certificates for the Common Stock then being purchased to be delivered as directed by the Participant (or the person exercising the Participant's Stock Option in the event of his death) at its principal business office promptly after the date of exercise. If the Participant has exercised an Incentive Stock Option Price Group may at its option retain physical possession of the certificate evidencing the shares acquired on exercise until the expiration of the holding periods described in section 422(a)(1) of the Code. The obligation of Price Group to deliver shares of Common Stock will, however, be subject to the condition that if at any time the Administrator will determine in its discretion that the listing, registration or qualification of the Stock Option or the Common Stock upon any securities exchange or inter-dealer quotation system or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the Stock Option or the issuance or purchase of shares of Common Stock thereunder, the Stock Option may not be exercised in whole or in part unless such listing, registration, qualification, consent or approval will have been effected or obtained free of any conditions not acceptable to the Administrator.

(xii) *Automatic Exercise***.** As a convenience and as a protection against inadvertent expiration of a Stock Option, at close of business on the Final Exercise Date (or the preceding Trading Date if the Final Exercise Date is not a Trading Date), if the Exercise Spread Test (defined below) is met, any vested Stock Option held by a Participant will be automatically exercised using the "net exercise" method described above, without regard to the notice requirement and with additional shares retained for purposes of satisfying the minimum applicable tax withholdings (the "Automatic Exercise"*)*. The Stock Option satisfies the "Exercise Spread Test" if the per share spread between the closing price of the Common Stock and the exercise price on the Grant Date (the "*Exercise Spread*") on the Final Exercise Date is at least one dollar. If the Exercise Spread Test is not satisfied, the unexercised portion of the Stock Option will expire as of close of business on the Final Exercise Date. For avoidance of doubt, a Participant may exercise any exercisable portion of a Stock Option prior to the time of an Automatic Exercise and no portion of the Stock Option may or will be exercised at or after a Participant's termination for Cause.

(d) *Limitation on Reload Options*. Other than to fulfill Price Group's obligation under any outstanding Award granted under a Prior Plan, the Administrator shall not grant Stock Options under this Plan that contain a reload or replenishment feature pursuant to which a new Stock Option would be granted upon receipt of delivery of Common Stock to Price Group in payment of the exercise price orany tax withholding obligation under any other Stock Option.

(e) *Stock Appreciation Rights*. The Administrator may grant Stock Appreciation Rights alone or in tandem with other Awards granted under this Plan to any Eligible Individual. The Administrator will determine the provisions, terms and conditions of each Stock Appreciation Right including, but not limited to, the vesting schedule, the number of shares of Common Stock subject to the Stock Appreciation Right, the exercise price of the Stock Appreciation Right, the period during which the Stock Appreciation Right may be exercised, repurchase provisions, forfeiture provisions, acceleration of vesting, if any, in connection with certain termination events, and all other terms and conditions of the Stock Appreciation Right, subject to the following:

(i) *Form of Stock Appreciation Right.* Each Stock Appreciation Right granted under the Plan will be evidenced by an Award Agreement (which need not be the same for each recipient of a Stock Appreciation Right) that is not inconsistent with the Plan.

(ii) *Exercise Period*. Unless a shorter or longer period is otherwise provided in an Award Agreement and permitted by applicable law and subject to the provisions of Section 7(e)(x), each Stock Appreciation Right will expire and all rights thereunder will cease ten years after the Grant date.

(iii) *Exercise Price and Terms.* The exercise price of a Stock Appreciation Right will be not less than 100% of the Fair Market Value of a share of the Common Stock on the Grant Date of the Stock Appreciation Right and during its term the Stock Appreciation Right will be exercisable only as set forth in the Award Agreement.

(iv) *Dividend and Dividend Equivalents*. No grant of a Stock Appreciation Right may provide for dividends, dividend equivalents, or other similar distributions to be paid in connection with the exercise of the Stock Appreciation Right.

(v) *Exercise*. The grant of a Stock Appreciation Right entitles the Participant to receive, subject to the provisions of the Plan and the Award Agreement, that number of shares of Common Stock, or, at the discretion of the Administrator or is designee, cash having an aggregate value equal to the product of (i) the excess of (A) the Fair Market Value on the exercise date of one share of Common Stock over (B) the exercise price per share specified in the Award Agreement, times (ii) the number of shares of Common Stock specified by the Stock Appreciation Right, or portion thereof, which is exercised. The exercise price per share specified in the Award Agreement shall not be less than the lower of the Fair Market Value on the Grant date or the exercise price of any tandem Stock Option to which the Stock Appreciation Right is related, or with respect to Stock Appreciation Rights that are granted in substitution of similar types of awards of a company acquired by Price Group or an Affiliate or with which Price Group or an Affiliate combines (whether in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock, or otherwise) such exercise price as is necessary to preserve the intrinsic value of such awards

(vi) *Tandem Stock Appreciation Rights*. A Stock Appreciation Right granted in tandem with an Incentive Stock Option (i) may be exercised at, and only at, the times and to the extent the related Incentive Stock Option is exercisable, (ii) will expire upon the termination or expiration of the related Incentive Stock Option, (iii) may not result in a Participant realizing more than 100% of the difference between the exercise price of the related Incentive Stock Option and the Fair Market Value of the shares of Common Stock subject to the related Incentive Stock Option at the time the Stock Appreciation Right is exercised, and (iv) may be exercised at, and only at, such times as the Fair Market Value of the shares of Common Stock subject to the related Incentive Stock Option exceeds the exercise price of the related Incentive Stock Option. A Stock Appreciation Right granted in tandem with a Non-Qualified Stock Option will be exercisable as provided by the Administrator and will have such other terms and conditions as the Administrator may determine. A Stock Appreciation Right may be transferred at, and only at, the times and to the extent the related Stock Option is transferable. If a Stock Appreciation Right is granted in tandem with any other Equity Award, there will be surrendered and cancelled from the related Equity Award at the time of exercise of the Stock Appreciation Right, in lieu of exercise of the related Equity Award, that number of shares of Common Stock as will equal the number of shares of Common Stock with respect to which the tandem Stock Appreciation Right will have been exercised.

(vii) *Certain Limitations on Non-Tandem Stock Appreciation Rights*. A stand-alone Stock Appreciation Right will be exercisable as provided by the Administrator and will have such other terms and conditions as the Administrator may determine at the time of grant and included in the Award Agreement. A stand-alone Stock Appreciation Right is subject to such acceleration of vesting rights as the Administrator may determine.

(viii) *Limited Stock Appreciation Rights*. The Administrator may grant Stock Appreciation Rights which will become exercisable only upon the occurrence of such events as the Administrator may designate at the time of grant and include in the Award Agreement. Such a Stock Appreciation Right may be issued either as a stand-alone Stock Appreciation Right or in tandem with a Stock Option.

(ix) *Method of Exercise*. Subject to the conditions of this Section 7(e)(ix) and such Determinations regarding administration as the Administrator may from time to time adopt, a Stock Appreciation Right may be exercised only by delivery to the Company, or its designee, of notice, in such form as is permitted by the Administrator or its designee, stating the number of shares of Common Stock with respect to which the Stock Appreciation Right is to be exercised. Unless otherwise provided in Determinations adopted by the Administrator, the effective date of exercise of a Stock Appreciation Right will be the date of receipt of the written notice by Price Group at its home office in Baltimore, Maryland or such other location as Price Group may designate, or by a third party duly designated by the Administrator, in the manner determined by the Administrator or its designee. If the date of receipt of written notice of exercise is not a Trading Date, the date of exercise will be deemed to be the next Trading Date. Further, if notice of exercise is received after the close of the NASDAQ on a particular day it will be deemed received as of the opening of the next Trading Date.

(x) *Tolling of Stock Appreciation Right Exercise Period*. Notwithstanding any other provision of this Plan to the contrary, if, by its terms, a Stock Appreciation Right would expire when trading in shares of Common Stock is otherwise prohibited by law or by the Company's insider trading policy, as such may be amended from time to time, the expiration of the Stock Appreciation Right shall be tolled and the term of the Stock Appreciation Right will be automatically extended until the close of trading on the 30th day following the expiration of any such prohibition.

(xi) *Automatic Exercise*. As a convenience and as a protection against inadvertent expiration of a Stock Appreciation Right, at close of business on the Final Exercise Date (or the preceding Trading Date if the Final Exercise Date is not a Trading Date), if the Exercise Spread Test (defined below) is met, any vested Stock Appreciation Right held by a Participant will be automatically exercised without regard to the notice requirement and with additional shares retained for purposes of satisfying the minimum applicable tax withholdings (the "Automatic Exercise"). The Stock Appreciation Right satisfies the "Exercise Spread Test" if the per share spread between the closing price of the Common Stock and the exercise price on the Grant Date (the "*Exercise Spread*") on the Final Exercise Date is at least one dollar. If the Exercise Spread Test is not satisfied, the unexercised portion of the Stock Appreciation Right will expire as of close of business on the Final Exercise Date. For avoidance of doubt, a Participant may exercise any exercisable portion of a Stock Appreciation Right prior to the time of an Automatic Exercise and no portion of the Stock Appreciation Right may or will be exercised at or after a Participant's termination for Cause.

(xii) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/orlimitations, if any, of any Award of Stock Appreciation Rights, *provided* they are not inconsistent with the Plan.

(f) *Prohibition on Repricing.* Notwithstanding anything herein to the contrary, after the date of grant the terms of stock Options and Stock Appreciation Rights granted under the Plan may not be amended to reduce the exercise price of the Stock Options or Stock Appreciation Rights except in connection with a corporate transaction involving Price Group (including, without limitation, any stock dividend, stock split, special cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), unless such action is approved by Price Group's stockholders pursuant to Section 15(b).

(g) *Exercise Periods for Stock Options and Stock Appreciation Rights on a Termination of Service*. Unless (x) otherwise modified pursuant to Determinations adopted by the Administrator before or after the granting of an Award, or (y) a more generous post-termination exercise period is otherwise provided with respect to a particular termination event listed in this Section 7(g) (A) in any written agreement between a Participant and the Company that may at any time be in effect, or (B) in the absence of an agreement between a Participant and the Company (as determined by the Administrator, or its designee) that may at any time be in effect, in an applicable Award Agreement, and subject to the Award's original expiration or termination date, a Participant will have the right to exercise a Stock Option or a Stock Appreciation Right following a Termination of Service as follows:

(i) *Voluntary Termination of Service and Termination of Service Without Cause.* If a Participant voluntarily terminates Service with the Company, or the Participant's Service with the Company is terminated involuntarily without Cause, and the termination of the Participant's Service would not otherwise qualify the Participant for any of the post-termination exercise periods described in Section 7(g)(v), any vested but unexercised Stock Options or Stock Appreciation Rights will be exercisable through the earlier of (x) 90 days after the date on which the Participant's Service terminates, and (y) the Award's original expiration or termination date. Any Stock Options or Stock Appreciation Rights that are not vested or exercisable on the effective date of the Participant's voluntary Termination of Service or involuntary Termination of Service other than for Cause shall, unless eligible for post-termination vesting pursuant to Section 7(q), immediately expire, terminate, or be forfeited and cancelled as of the effective date of the Participant's relevant Termination of Service.

(ii) *Termination of Service with Cause*. If the Participant's Service with the Company is terminated for Cause, then, notwithstanding any other provision of the Plan or any applicable Award Agreement, all Stock Options or Stock Appreciation Rights granted to the Participant, whether vested, exercisable or otherwise, will immediately expire, terminate, or be forfeited and cancelled as of the effective date of the Participant's Termination of Service.

*(iii) Termination of Service as a Result of Total and Permanent Disability*. If the Participant's Service with the Company is terminated as a result of the Participant's Total and Permanent Disability, any Stock Options or Stock Appreciation Rights that were vested, but unexercised on the date of the Participant's Termination of Service will continue to be exercisable through the earlier of (x) the later of (A) 13 months following the effective date of the Participant's Termination of Service as a result of the Participant's Disability, and (B) the date specified in any applicable post-termination exercise period described in Section 7(g)(v), and (y) the Award's original expiration or termination date.

(iv) *Termination of Service as a Result of Death or Death during Post-termination Exercise Period*. If the Participant's Service with the Company is terminated as a result of the Participant's death, or if the Participant dies during any of the post-termination exercise periods described in Section 7(g)(i) or (v), any Stock Options or Stock Appreciation Rights that were vested, but unexercised as of the date of the Participant's death will continue to be exercisable by the Participant's personal representative, or any beneficiary or legatee to whom the Stock Options or Stock Appreciation Rights have been transferred through the earlier of (x) the later of (A) 13 months following the effective date of the Participant's death, and (B) the date specified in any applicable post-termination exercise period described in Section 7(g)(v), and (y) the Award's original expiration or termination date. If a Participant is eligible for post-termination exercise benefits under this Section 7(g)(iv) and the post-termination vesting benefits under Section 7(q), then this Section 7(g)(iv) shall apply to all Stock Option and Stock Appreciation Rights that are vested as of the date of the Participant's Termination of Service and Section 7(q) shall apply to all Stock Option and Stock Appreciation Rights that vest as a result of that Section. Any person seeking to exercise a Participant's Stock Options or Stock Appreciation Rights following the Participant's death must provide to the Administrator or its designee all documentation that the Administrator or its designee may request to establish (x) the Participant's death and (y) that person's right to exercise the Stock Options or Stock Appreciation Rights.

(v) *Termination of Service Following satisfaction of Specified Age and Service Requirements.* If when a Participant terminates Service with the Company the Participant has attained the age and cumulative years of Service credit with the Company, including service with any successor to the Company, described in this Section 7(g)(v) then the period during which a Participant may exercise any Stock Options or Stock Appreciation Rights that were vested, but unexercised as of the date of the Participant's Termination of Service will be determined as follows:

A. *Termination after Attaining Age 55 with 10 Years of Service*. If, as of the date of the Participant's Termination of Service, the Participant has attained age 55, but not yet attained age 58, and the Participant has at least ten years of Service credit with the Company (as determined by the Administrator), including Service with any successor to the Company, the Participant's vested Stock Options and Stock Appreciation Rights will terminate as of the earlier of (x) 13 months after the date on which the Participant's Service terminates, and (y) the Award's original expiration or termination date.

B. *Termination after Attaining Age 58 with 10 Years of Service*. If, as of the date of the Participant's Termination of Service, the Participant has attained age 58, but not yet attained age 60, and has at least ten years of Service credit with the Company (as determined by the Administrator), including Service with any successor to the Company, the Participant's vested Stock Options and Stock Appreciation Rights will terminate as of the earlier of (x) 36 months after the date on which the Participant's Service terminates, and (ii) the Award's original expiration or termination date.

(h) *Stock Awards.*

(i) *Grants*. The Administrator may from time to time grant to Eligible Individuals Awards of unrestricted Common Stock or Restricted Stock (collectively, "*Stock Awards*") on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Administrator shall determine, subject to the limitations set forth in Section 7(b). Stock Awards shall be evidenced in such manner as the Administrator may deem appropriate, including via book-entry registration.

(ii) *Vesting*. Restricted Stock shall be subject to such vesting, restrictions on transferability and other restrictions, if any, and/or risk of forfeiture as the Administrator may impose at the date of grant or thereafter. The Restriction Period to which such vesting, restrictions and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of Performance Goals, in such installments, or otherwise, as the Administrator may determine. Subject to the provisions of the Plan and the applicable Award Agreement, during the Restriction Period, the Participant shall not be permitted to sell, assign, transfer, pledge or otherwise encumber shares of Restricted Stock.

(iii) *Rights of a Stockholder; Dividends*. Except to the extent restricted under the Award Agreement relating to the Restricted Stock, a Participant granted Restricted Stock shall have all of the rights of a stockholder of Common Stock including, without limitation, the right to vote Restricted Stock. Dividends declared payable on Restricted Stock shall be paid either at the dividend payment date or deferred for payment to such later date as determined by the Administrator, and shall be paid in cash or as unrestricted shares of Common Stock having a Fair Market Value equal to the amount of such dividends or may be reinvested in additional shares of Restricted Stock; *provided*, *however*, that dividends declared payable on Restricted Stock that is granted as a Performance Award shall be held by Price Group and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such shares of Restricted Stock. Stock distributed in connection with a stock split or stock dividend, and other property distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Common Stock or other property has been distributed. As soon as is practicable following the date on which restrictions on any shares of Restricted Stock lapse, Price Group shall deliver to the Participant the certificates for such shares or shall cause the shares to be registered in the Participant's name in book-entry form, in either case with the restrictions removed, provided that the Participant shall have complied with allconditions for delivery of such shares contained in the Award Agreement or otherwise reasonably required by Price Group.

(iv) *Termination of Service*. Except as provided in Determinations adopted by the Administrator or the applicable Award Agreement, upon Termination of Service during the applicable Restriction Period, Restricted Stock and any accrued but unpaid dividends that are at that time subject to restrictions shall be forfeited; *provided* that, subject to the limitations set forth in Section 7(b), the Administrator may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of terminations resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of Restricted Stock.

(v) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/orlimitations, if any, of any Award of Restricted Stock, *provided* they are not inconsistent with the Plan.

(i) *Stock Units*.

(i) *Grants*. The Administrator may from time to time grant to Eligible Individuals Awards of unrestricted stock Units or Restricted Stock Units on such terms and conditions, and for such consideration, including no consideration or such minimum consideration as may be required by law, as the Administrator shall determine, subject to the limitations set forth in Section 7(b). Restricted Stock Units represent a contractual obligation by Price Group to deliver a number of shares of Common Stock, an amount in cash equal to the Fair Market Value of the specified number of shares subject to the Award, or a combination of shares of Common Stock and cash, in accordance with the terms and conditions set forth in the Plan and any applicable Award Agreement.

(ii) *Vesting and Payment*. Restricted Stock Units shall be subject to such vesting, risk of forfeiture and/or payment provisions as the Administrator may impose at the date of grant. The Restriction Period to which such vesting and/or risk of forfeiture apply may lapse under such circumstances, including without limitation upon the attainment of Performance Goals, in such installments, or otherwise, as the Administrator may determine. Shares of Common Stock, cash or a combination of shares of Common Stock and cash, as applicable, payable in settlement of Restricted Stock Units shall be delivered to the Participant as soon as administratively practicable, but no later than 30 days, after the date on which payment is due under the terms of the Award Agreement *provided* that the Participant shall have complied with all conditions for delivery of such shares or payment contained in the Award Agreement or otherwise reasonably required by Price Group, or in accordance with an election of the Participant, if the Administrator so permits, that meets the requirements of section 409A of the Code.

(iii) *No Rights of a Stockholder; Dividend Equivalents*. Until shares of Common Stock are issued to the Participant in settlement of stock Units, the Participant shall not have any rightsof a stockholder of Price Group with respect to the stock Units or the shares issuable thereunder. The Administrator may grant to the Participant the right to receive Dividend Equivalents on stock Units, on a current, reinvested and/or restricted basis, subject to such terms as the Administrator may determine *provided*, *however*, that Dividend Equivalents payable on stock Units that are granted as a Performance Award shall, rather than be paid on a current basis, be accrued and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such stock Units.

(iv) *Termination of Service*. Upon Termination of Service during the applicable deferral period or portion thereof to which forfeiture conditions apply, or upon failure to satisfy any other conditions precedent to the delivery of shares of Common Stock or cash to which such Restricted Stock Units relate, all Restricted Stock Units and any accrued but unpaid Dividend Equivalents with respect to such Restricted Stock Units that are then subject to deferral or restriction shall be forfeited; *provided* that, subject to the limitations set forth in Section 7(b), the Administrator may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock Units will be waived in whole or in part in the event of termination resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of Restricted Stock Units.

(v) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of stock Units, *provided* they are not inconsistent with the Plan.

(j) *Performance Shares and Performance Units*.

(i) *Grants*. The Administrator may from time to time grant to Eligible Individuals Awards in the form of Performance Shares and Performance Units. Performance Shares, as that term is used in this Plan, shall refer to shares of Common Stock or Units that are expressed in terms of Common Stock, the issuance, vesting, lapse of restrictions on or payment of which is contingent on attainment of a Performance Goal as measured against a Performance Metric over a specified Performance Period. Performance Units, as that term is used in this Plan, shall refer to dollar-denominated Units valued by reference to designated criteria established by the Administrator, other than Common Stock, the issuance, vesting, lapse of restrictions on or payment of which is contingent on attainment of a Performance Goal as measured against a Performance Metric over a specified Performance Period. The applicable Award Agreement shall specify whether Performance Shares and Performance Units will be settled or paid in cash or shares of Common Stock or a combination of both, or shall reserve to the Administrator or the Participant the right to make that determination prior to or at the payment or settlement date.

(ii) *Performance Criteria*. The Administrator shall, prior to or at the time of grant, condition the grant, vesting or payment of, or lapse of restrictions on, an Award of Performance Shares or Performance Units upon (A) the attainment of Performance Goal(s) based on a Performance Metric over a Performance Period or (B) the attainment of Performance Goal(s) based on a Performance Metric over a Performance Period and the continued service of the Participant. The length of the Performance Period, the Performance Metric to be used, the Performance Goal(s) to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goal(s) have been attained shall be conclusively determined by the Administrator in the exercise of its absolute discretion. Performance Goals may include minimum, maximum and target levels of performance, with the size of the Award or payout of Performance Shares or Performance Units or the vesting or lapse of restrictions with respect thereto based on the level attained. Performance Goals may be based on the Company's consolidated results or on the results of any segment or other subset of the Company's business and may be based solely on the Company's performance or on the Company's performance relative to a Peer Company or a group of Peer Companies. An Award of Performance Shares or Performance Units shall be settled as and when the Award vests or at a later time specified in the Award Agreement or in accordance with an election of the Participant, if the Administrator so permits, that meets the requirements of section 409A of the Code.

(iii) *Certification and Payment*. Following completion of the applicable Performance Period, and prior to any, as applicable, grant, vesting, lapse of restrictions on or payment of a Performance Shares or Performance Units, the Administrator shall determine based on the terms of the Award (i) whether the applicable Performance Goal(s) were achieved, or the level of such achievement, and (ii) the amount, if any, of the Performance Shares or the Performance Units earned by the Participant based on such performance and shall certify all such determinations in writing. For this purpose, approved minutes of the meeting of the Administrator at which certification is made shall be sufficient to satisfy the requirement of a written certification. No Performance Shares or Performance Units will be granted, become vested, have restrictions lapse or be paid, as applicable, for a Performance Period until such certification is made by the Administrator. The amount of an Award of Performance Shares or Performance Units actually granted, vested, or paid to a Participant, or with respect to which restrictions shall lapse, may be less than the amount determined by the applicable Performance Goal formula, at the discretion of the Administrator to take into account additional factors that the Administrator may deem relevant to the assessment of individual or corporate performance for the Performance Period or otherwise, subject to the terms and conditions of the applicable Award Agreement

(iv) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/orlimitations, if any, of any Award of Performance Shares or Performance Units, *provided* they are not inconsistent with the Plan.

(k) *Restricted Fund Units*.

(i) *Grants*. The Administrator may from time to time grant to Eligible Individuals Awards of Restricted Fund Units on such terms and conditions and subject to such Performance Goals as the Administrator may determine. Restricted Fund Units represent a contractual obligation by Price Group to deliver an amount in cash equal to the Fair Market Value of the Restricted Fund Units subject to the Award, in accordance with the terms and conditions set forth in the Plan, any relevant Determinations and any applicable Award Agreement.

(ii) *Award Value*. A Participant's Award of Restricted Fund Units shall, unless otherwise determined by the Administrator, or its authorized designee, initially be valued in United States dollars. In any calendar year in which a Participant receives an Award of Restricted Fund Units, the Participant shall select the Measurement Fund(s) in which the value of the Participant's Restricted Fund Unit Award shall be notionally invested for the purpose of crediting or debiting hypothetical investment earnings (gains and losses) on such Award. A Participant's Measurement Fund election with respect to a particular Restricted Fund Unit Award shall be irrevocable for the life of that Restricted Fund Unit Award. The dollar value of the Participant's Restricted Fund Unit Award shall be notionally invested in the Measurement Fund(s) selected by the Participant based on the (i) the Participant's percentage allocation of the value of the Participant's Restricted Fund Unit Award among the various Measurement Fund(s) selected by the Participant and (ii) the closing Net Asset Value Per Share of the Measurement Fund(s) selected by the Participant on the Grant Date.

(iii) *Measurement Funds and Notional Investment*. The Administrator, or its authorized designee, shall select the menu of Measurement Fund(s) from among which a Participant may choose to notionally invest his/her Restricted Fund Unit Award. The Administrator, or its authorized designee, shall monitor each Measurement Fund and shall make such changes in the menu of Measurement Funds available to Participants as the Administrator, or its authorized designee, sees fit, in its sole and absolute discretion. If a particular Measurement Fund ceases to be available as a notional investment offering, the Administrator, or its authorized designee, may identify an alternate Measurement Fund with a similar risk/return profile as the Measurement Fund that ceased to be available to Participants in which to notionally invest all or the relevant portion of the Participant's Restricted Fund Unit Award(s). Absent such action by the Administrator, or its authorized designee, the portion of a Participant's Restricted Fund Unit Award previously allocated to the Measurement Fund that is no longer available as a notional investment will be reallocated on a pro rata basis among the remaining Measurement Fund(s) in which the Participant's Restricted Fund Unit Award is notionally invested based on the remaining Measurement Funds' relative proportional contribution to the overall Award value. If a Participant fails to select a Measurement Fund in which the Participant's Restricted Fund Unit Award will be notionally invested or if a Measurement Fund ceases to be available as a notional investment offering and no other Measurement Fund(s) are selected or designated by the Participant or the Administrator, or its authorized representative, as a substitute for the Measurement Fund that ceased to be available, then the value of the Participant's Restricted Fund Unit Award(s) shall be notionally invested in the Default Measurement Fund.

Notwithstanding any other provision of this Plan that may be interpreted to the contrary, the Measurement Funds are to be used for measurement purposes only, and the calculation of hypothetical investment earnings and the crediting or debiting of such earnings to a Participant's Restricted Fund Unit Award and shall not be considered or construed in any manner as an actual investment of Participant's Restricted Fund Unit Award in any such Measurement Fund.

(iv) *Crediting or Debiting Method*. The performance of the Restricted Fund Unit Awards, either positive or negative, will be determined by the Administrator, or its authorized designee, in its sole discretion, based on the performance of the Measurement Fund(s) in which the Restricted Fund Unit Award is notionally invested. Any distribution (e.g., dividends) by a Measurement Fund during any period in which a Participant's Restricted Fund Unit Award is notionally invested in such Measurement Fund shall be deemed notionally reinvested in the same Measurement Fund. A Participant's Restricted Fund Unit Award shall be credited or debited with earnings on a daily basis based on the performance of each Measurement Fund(s) in which the Participant's Restricted Fund Unit Award is notionally invested, or as otherwise determined by the Administrator in its sole discretion, as though (i) the value of a Participant's Restricted Fund Unit Award was invested in the Measurement Fund(s) selected by the Participant, as of the Grant Date of the Participant's Restricted Fund Unit Award, based on the closing Net Asset Value Per Share of the applicable Measurement Fund(s) on that date; and (ii) the value of any amount distributed to a Participant that decreases the dollar value of a Participant's Restricted Fund Unit Award ceased being invested in the Measurement Fund(s) selected by the Participant, in the percentages applicable on the day on which the relevant tranche of the Restricted Fund Unit Award vests, the relevant risk of forfeiture lapses, and/or any other payment provisions imposed by the Administrator, including the satisfaction of any applicable Performance Goal, is satisfied.

(v) *Vesting and Payment*. Restricted Fund Units shall be subject to such vesting, risk of forfeiture and/or payment provisions as the Administrator may impose as of the Grant Date. The period over which such vesting and/or risk of forfeiture provisions may lapse and under such circumstances, including without limitation upon the attainment of Performance Goals, in such installments, or otherwise, as the Administrator may determine. Cash payable in settlement of Restricted Fund Units shall be delivered to the Participant in the Participant's local currency (based on a conversion rate determined by the Administrator, or the Administrator's authorized designee, and consistent with established policy) as soon as administratively practicable after any applicable portion of the Restricted Fund Unit Award vests, any applicable risk of forfeiture lapses, and/or any applicable Performance Goal is attained and the Participant earns a nonforfeitable right to such payment under the terms of the applicable Award Agreement, but no later than the 15th day of the third month of the calendar year following the calendar year in which the Participant earns such nonforfeitable right to the payment *provided* that the Participant shall have complied with all conditions for delivery of such payment contained in the Award Agreement or otherwise reasonably required by Price Group, or in accordance with an election of the Participant, if the Administrator so permits, that meets the requirements of section 409A of the Code.

(vi) *Termination of Service*. Upon Termination of Service during the applicable deferral period or portion thereof to which forfeiture conditions apply, or upon failure to satisfy any other conditions precedent to the delivery of cash to which such Award of Restricted Fund Units relate, all Restricted Fund Units that are then subject to deferral or restriction shall be forfeited; *provided* that, the Administrator may provide, by rule or regulation or in any Award Agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to all or any portion of an Award of Restricted Fund Units will be waived in whole or in part in the event of termination resulting from specified causes, and the Administrator may in other cases waive in whole or in part the forfeiture of Restricted Fund Units.

(vii) *Additional Terms and Conditions*. The Administrator may, by way of the Award Agreement or otherwise, determine such other terms, conditions, restrictions, and/or limitations, if any, of any Award of Restricted Fund Units, *provided* they are not inconsistent with the Plan.

(l) *Other Stock-Based Awards*. The Administrator may from time to time grant to Eligible Individuals Awards in the form of Other Stock-Based Awards, which may be Performance Awards. Other

Stock-Based Awards in the form of Dividend Equivalents may be (A) awarded on a free-standing basis or in connection with another Award other than a Stock Option or Stock Appreciation Right, (B) paid currently or credited to an account for the Participant, including the reinvestment of such credited amounts in Common Stock equivalents, to be paid on a deferred basis, and (C) settled in cash or Common Stock as determined by the Administrator; *provided*, *however*, that Dividend Equivalents payable on Other Stock-Based Awards that are granted as a Performance Award shall, rather than be paid on a current basis, be accrued and made subject to forfeiture at least until achievement of the applicable Performance Goal related to such Other Stock- Based Awards. Any such settlements, and any such crediting of Dividend Equivalents, may be subject to such conditions, restrictions and contingencies as the Administrator shall establish.

(m) *Awards to Participants Outside the United States.* The Administrator may grant Awards to Eligible Individuals who are foreign nationals, who are located outside the United States or who are not compensated from a payroll maintained in the United States, or who are otherwise subject to (or could cause Price Group or an Affiliate to be subject to) tax, legal or regulatory provisions of countries or jurisdictions outside the United States, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Administrator, be necessary or desirable in order that any such Award shall conform to laws, regulations, and customs of the country or jurisdiction in which the Participant is then resident or primarily employed or to foster and promote achievement of the purposes of the Plan.

(n) *Limitation on Dividend Reinvestment and Dividend Equivalents*. Reinvestment of dividends in additional Restricted Stock at the time of any dividend payment, and the payment of shares of Common Stock with respect to dividends to Participants holding Awards of stock Units, shall only be permissible if sufficient shares are available under the Share Pool for such reinvestment or payment (taking into account then outstanding Awards). In the event that sufficient shares are not available under the Share Pool for such reinvestment or payment, such reinvestment or payment shall be made in the form of a grant of stock Units equal in number to the shares of Common Stock that would have been obtained by such payment or reinvestment, the terms of which stock Units shall provide for settlement in cash and for Dividend Equivalent reinvestment in further stock Units on the terms contemplated by this Section 7(m).

(o) *Special Vesting Rules*. Unless (x) otherwise modified pursuant to Determinations adopted by the Administrator before or after the granting of an Award, or (y) a more generous vesting provision is otherwise provided with respect to a particular termination event in (A) in any written agreement between a Participant and the Company that may at any time be in effect, or (B) in the absence of an agreement between a Participant and the Company (as determined by the Administrator, or its designee) that may at any time be in effect, in an applicable Award Agreement, all unvested Awards will be immediately forfeited for no consideration on the date of a Participant's Termination of Service.

(p) *Vesting upon Death or Total and Permanent Disability*. All outstanding awards that have not already vested or been previously forfeited will vest and become nonforfeitable on a Participant's death or Termination of Service due to Total and Permanent Disability.

(q) *Post-Service Vesting Continuation*. Unless (x) otherwise modified pursuant to Determinations adopted by the Administrator before or after the granting of an Award, or (y) a more generous vesting provision is otherwise provided with respect to a particular termination event listed in this Section 7(q) (A) in any written agreement between a Participant and the Company that may at any time be in effect, or (B) in the absence of an agreement between a Participant and the Company (as determined by the Administrator, or its designee) that may at any time be in effect, in an applicable Award Agreement:

(i) *Awards Before December 6, 2021*. With respect to Awards made under the Plan before December 6, 2021, if as of the date of a Participant's Termination of Service other than for Cause, death, or Total and Permanent Disability the Participant satisfies any of the combinations of age and years of Service detailed in the table below then any then-unvested Awards that have not been previously forfeited and that are scheduled to vest during the period immediately following the Participant's eligible Termination of Service will vest and become exercisable as provided in the table below on their scheduled vesting dates set forth in the corresponding Award Agreement notwithstanding the Participant's Termination of Service.

| **Age and Years of Service as of Termination of Service** | **Nonforfeited, Unvested Awards That Will Vest on Their Scheduled Vesting Date Following Termination of Service** |
|---|---|
| Age 58 with at least 7 but less than 20 years of Service | Unvested Awards that will by their terms vest in the two years immediately following the date of the Termination of Service |
| Age 58 with 20 or more years of Service | Unvested Awards that will by their terms vest in the three years immediately following the date of the Termination of Service |
| Age 60 with 10 or more years of Service | All unvested Awards that will vest following Termination of Service |

(ii) *Awards On or After December 6, 2021*. with respect to Awards made under the Plan on or after December 6, 2021, if as of the date of a Participant's Termination of Service other than for Cause, death, or Total and Permanent Disability the Participant satisfies the Rule of 65 then all then-unvested Awards that have not been previously forfeited and that are scheduled to vest during the period immediately following the Participant's eligible Termination of Service will vest and become exercisable on their scheduled vesting dates set forth in the corresponding Award Agreement notwithstanding the Participant's Termination of Service.

Any Stock Options or Stock Appreciation Rights that become vested pursuant to this Section 7(q) following a Participant's Termination of Service will terminate and become non-exercisable as of the earlier of (x) 3 months after the date on which the last of the Stock Options and Stock Appreciation Rights subject to this Section 7(q) would otherwise, under the terms of their corresponding Award Agreement, vest, and (y) the Stock Option's or Stock Appreciation Right's original expiration or termination date.

Notwithstanding the provisions of this Section 7(q) to the contrary, unless the Administrator determines otherwise, upon the occurrence of any Prohibited Action, the following shall occur with respect to a Participant's Awards: (i) no further Awards will become vested and any then-unvested Awards will terminate immediately and be forfeited for no consideration, and (ii) all Stock Options and Stock Appreciation Rights that were vested as of the date on which the Participant's Termination of Service occurred and any Stock Options and Stock Appreciation Rights that became vested pursuant to this Section 7(q) after the Participant's Termination of Service occurred that remain unexercised as of the date of the Prohibited Action shall terminate as of the earlier of (x) the later of (A) 90 days after the date on which the Participant's Termination of Service occurred, and (B) the date on which the Prohibited Action occurred, and (y) the Stock Options' and Stock Appreciation Rights' original expiration or termination date. For clarity, unless the Administrator determines otherwise, the Stock Options and Stock Appreciation Rights described in clause (ii) of the immediately preceding sentence will terminate immediately if a Prohibited Action occurs later than the 90th day after the date on which the Participant's Termination of Service occurred. As a condition of this post-employment vesting provision, for as long as a Participant has outstanding, unvested Awards the Participant shall be required to disclose to the Company the identity of any new employer within two business days of being employed or engaged by such new employer, and in advance of the settlement of any Stock Award or the exercise of any Stock Options or Stock Appreciation Rights the Participant will provide to the Company information sufficient to confirm that the Participant has not engaged in any Prohibited Actions.

**8. Withholding of Taxes.**

Participants and holders of Awards shall pay to Price Group or its Affiliate, or make arrangements satisfactory to the Administrator for payment of, any Tax Withholding Obligation in respect of Awards granted under the Plan no later than the date of the event creating the tax or social insurance contribution liability. The obligations of Price Group under the Plan shall be conditional on such payment or arrangements. Unless otherwise determined by the Administrator, Tax Withholding Obligations may be settled in whole or in part with shares of Common Stock, including unrestricted outstanding shares surrendered to Price Group and unrestricted shares that are part of the Award that gives rise to the Tax Withholding Obligation, having a value, determined using the Fair Market Value as of the date established by the Administrator or its designee (which may be the closing price as of the day prior to the date any such Award vests or otherwise becomes subject to a Tax Withholding Obligation), equal to the statutory minimum amount (and not any greater amount) required to be withheld for tax or social insurance contribution purposes, all in accordance with such procedures as the Administrator establishes. Price Group or its Affiliate may deduct, to the extent permitted by law, any such Tax Withholding Obligations from any payment of any kind otherwise due to the Participant or holder of an Award.

**9. Transferability of Awards.**

Except as otherwise determined by the Administrator, and in any event in the case of an Incentive Stock Option or a tandem Stock Appreciation Right granted with respect to an Incentive Stock Option, no Award granted under the Plan shall be transferable by a Participant otherwise than by will or the laws of descent and distribution. The Administrator shall not permit any transfer of an Award for value. An Award may be exercised during the lifetime of the Participant, only by the Participant or, during the period the Participant is under a legal disability, by the Participant's guardian or legal representative, unless otherwise determined by the Administrator. Awards granted under the Plan shall not be subject in any manner to alienation, anticipation, sale, transfer, assignment, pledge, or encumbrance, except as otherwise determined by the Administrator; *provided, however,* that the restrictions in this sentence shall not apply to the shares of Common Stock received in connection with an Award after the date that the restrictions on transferability of such shares set forth in the applicable Award Agreement have lapsed.

**10. Adjustments for Corporate Transactions and Other Events.**

(a) *Mandatory Adjustments*. In the event of a merger, consolidation, stock rights offering, liquidation, statutory share exchange or similar event affecting Price Group (each, a "*Corporate Event*") or a stock dividend, stock split, reverse stock split, separation, spinoff, reorganization, extraordinary dividend of cash or other property, share combination or subdivision, or recapitalization or similar event affecting the capital structure of Price Group (each, a "*Share Change*"), the Administrator shall make equitable and appropriate substitutions or proportionate adjustments to (i) the aggregate number and kind of shares of Common Stock or other securities on which Awards under the Plan may be granted to Eligible Individuals, (ii) the maximum number of shares of Common Stock or other securities with respect to which Awards may be granted during any one calendar year to any individual, (iii) the maximum number of shares of Common Stock or other securities that may be issued with respect to Incentive Stock Options granted under the Plan, (iv) the number of shares of Common Stock or other securities covered by each outstanding Award and the exercise price or other price per share, if any, and other relevant terms of each outstanding Award, and (v) all other numerical limitations relating to Awards, whether contained in this Plan or in Award Agreements; *provided*, *however*, that any fractional shares resulting from any such adjustment shall be eliminated.

(b) *Discretionary Adjustments*. In the case of Corporate Events, the Administrator may make such other adjustments to outstanding Awards as it determines to be appropriate and desirable, which adjustments may include, without limitation, (i) the cancellation of outstanding Awards in exchange for payments of cash, securities or other property or a combination thereof having an aggregate value equal to the value of such Awards, as determined by the Administrator in its sole discretion (it being understood that in the case of a Corporate Event with respect to which stockholders of Price Group receive consideration other than publicly traded equity securities of the ultimate surviving entity, any such determination by the Administrator that the value of a Stock Option or Stock Appreciation Right shall for this purpose be deemed to equal the excess, if any, of the value of the consideration being paid for each share of Common Stock pursuant to such Corporate Event over the exercise price of such Stock Option or Stock Appreciation Right shall conclusively be deemed valid and that any Stock Option or Stock Appreciation Right may be cancelled for no consideration upon a Corporate Event if its exercise price does not exceed the value of the consideration being paid for each share of Common Stock pursuant to such Corporate Event), (ii) the substitution of securities or other property (including, without limitation, cash or other securities of Price Group and securities of entities other than Price Group) for the shares of Common Stock subject to outstanding Awards, and (iii) the substitution of equivalent awards, as determined in the sole discretion of the Administrator, of the surviving or successor entity or a parent thereof ("*Substitute Awards*").

(c) *Adjustments to Performance Goals*. The Administrator may, in its discretion, adjust the Performance Goals applicable to any Awards to reflect any unusual or non-recurring events and other unusual or non-recurring items, impact of charges for restructurings, discontinued operations and the cumulative effects of accounting or tax changes, each as defined by generally accepted accounting principles or as identified or disclosed in Price Group's financial statements, notes to the financial statements, management's discussion and analysis or other Price Group filings with the Securities and Exchange Commission. If the Administrator determines that a change in the business, operations, corporate structure or capital structure of Price Group or the applicable subsidiary, business segment or other operational unit of Price Group or any such entity or segment, or the manner in which any of the foregoing conducts its business, or other events or circumstances, render the Performance Goals to be unsuitable, the Administrator may modify such Performance Goals or the related minimum acceptable level of achievement, in whole or in part, as the Administrator deems appropriate and equitable.

(d) *Statutory Requirements Affecting Adjustments*. Notwithstanding the foregoing: (A) any adjustments made pursuant to Section 10 to Awards that are considered "deferred compensation" within the meaning of section 409A of the Code shall be made in compliance with the requirements of section 409A of the Code; (B) any adjustments made pursuant to Section 10 to Awards that are not considered "deferred compensation" subject to section 409A of the Code shall be made in such a manner as to ensure that after such adjustment, the Awards either (1) continue not to be subject to section 409A of the Code or (2) comply with the requirements of section 409A of the Code; (C) in any event, the Administrator shall not have the authority to make any adjustments pursuant to Section 10 to the extent the existence of such authority would cause an Award that is not intended to be subject to section 409A of the Code at the date of grant to be subject thereto; and (D) any adjustments made pursuant to Section 10 to Awards that are Incentive Stock Options shall be made in compliance with the requirements of section 424(a) of the Code.

(e) *Dissolution or Liquidation*. Unless the Administrator determines otherwise, all Awards outstanding under the Plan shall terminate upon the dissolution or liquidation of Price Group.

**11. Change in Control Provisions.**

(a) *Termination of Awards*. Notwithstanding the provisions of Section 11(b), in the event that any transaction resulting in a Change in Control occurs, outstanding Awards will terminate upon the effective time of such Change in Control unless provision is made in connection with the transaction for the continuation or assumption of such Awards by, or for the issuance of Substitute Awards of, the surviving or successor entity or a parent thereof. In the event of such termination, (i) the outstanding Awards that will terminate upon the effective time of the Change in Control shall, immediately before the effective time of the Change in Control, become fully exercisable, be considered to be earned and payable in full, any deferral or other restriction thereon shall lapse, and any Restriction Period thereon shall terminate, (ii) the holders of Stock Options, Stock Appreciation Rights and other Awards granted under the Plan that are exchangeable for or convertible into Common Stock will be permitted, immediately before the Change in Control, to exercise or convert all portions of such Awards, and (iii) the Administrator may take any of the actions set forth in Section 10 with respect to any or all Awards granted under the Plan. Implementation of the provisions of the immediately foregoing sentence shall be conditioned upon consummation of the Change in Control.

(b) *Continuation, Assumption or Substitution of Awards*. Unless otherwise provided in the applicable Award Agreement, if a Change in Control occurs under which provision is made in connection with the transaction for the continuation or assumption of outstanding Awards by, or for the issuance of Substitute Awards of, the surviving or successor entity or a parent thereof, then upon a Participant's

Termination of Service during the 18-month period following a Change in Control, (x) by Price Group, an Affiliate, or a successor to Price Group or an Affiliate other than for Cause, Total and Permanent Disability or death or (y) by the Participant for Good Reason:

(i) any outstanding Stock Options and Stock Appreciation Rights granted under the Plan to the Participant or any such Substitute Awards which are not then exercisable and vested shall become fully exercisable and vested;

(ii) the restrictions and deferral limitations applicable to any shares of Restricted Stock granted under the Plan to the Participant or any such Substitute Awards shall lapse and such shares of Restricted Stock shall become free of all restrictions and become fully vested and transferable;

(iii) all Restricted Stock Units, Performance Shares and Performance Units granted under the Plan to the Participant or any such Substitute Awards shall be considered to be earned and payable at target level, any deferral or other restriction thereon shall lapse, any Restriction Period thereon shall terminate, and such Restricted Stock Units, Performance Shares and Performance Units or any such Substitute Awards shall be settled in cash or shares of Common Stock (consistent with the terms of the Award Agreement after taking into account the effect of the Change in Control transaction on the shares) as promptly as is practicable;

(iv) each outstanding award of Performance Shares or Performance Units granted under the Plan to the Participant or any such Substitute Award shall be deemed to satisfy any applicable Performance Goals as set forth in the applicable Award Agreement; and

(v) subject to Section 15, the Administrator may also make additional adjustments and/or settlements of outstanding Awards granted to the Participant or any Substitute Awards as it deems appropriate and consistent with the Plan's purposes.

(c) *Section 409A Savings Clause*. Notwithstanding the foregoing, if any Award is considered a "nonqualified deferred compensation plan" within the meaning of section 409A of the Code, this Section 11 shall apply to such Award only to the extent that its application would not result in the imposition of any tax or interest or the inclusion of any amount in income under section 409A of the Code.

**12. Substitution of Awards in Mergers and Acquisitions.**

Awards may be granted under the Plan from time to time in substitution for assumed awards held by employees, officers, consultants or directors of entities who become employees, officers, consultants or directors of Price Group or an Affiliate as the result of a merger or consolidation of the entity for which they perform services with Price Group or an Affiliate, or the acquisition by Price Group or an Affiliate of the assets or stock of the such entity. The terms and conditions of any Awards so granted may vary from the terms and conditions set forth herein to the extent that the Administrator deems appropriate at the time of grant to conform the Awards to the provisions of the assumed awards for which they are substituted and to preserve their intrinsic value as of the date of the merger, consolidation or acquisition transaction. To the extent permitted by applicable law and marketplace or listing rules of the primary securities market or exchange on which the Common Stock is listed or admitted for trading, any available shares under a stockholder-approved plan of an acquired company (as appropriately adjusted to reflect the transaction) may be used for Awards granted pursuant to this Section 12 and, upon such grant, shall not reduce the Share Pool.

**13. Compliance with Securities Laws; Listing and Registration.**

(a) The obligation of Price Group to sell or deliver Common Stock with respect to any Award granted under the Plan shall be subject to all applicable laws, rules and regulations, including all applicable federal and state securities laws, and the obtaining of all such approvals by governmental agencies as may be deemed necessary or appropriate by the Administrator. If at any time the Administrator determines that the delivery of Common Stock under the Plan is or may be unlawful under the laws of any applicable jurisdiction, or Federal, state or foreign (non-United States) securities laws, the right to exercise an Award or receive shares of Common Stock pursuant to an Award shall be suspended until the Administrator determines that such delivery is lawful. If at any time the Administrator determines that the delivery of Common Stock under the Plan is or may violate the rules of any exchange on which Price Group's securities are then listed for trade, the right to exercise an Award or receive shares of Common Stock pursuant to an Award shall be suspended until the Administrator determines that such delivery would not violate such rules. If the Administrator determines that the exercise or nonforfeitability of, or delivery of benefits pursuant to, any Award would violate any applicable provision of securities laws or the listing requirements of any stock exchange upon which any of Price Group's equity securities are listed, then the Administrator may postpone any such exercise, nonforfeitability or delivery, as applicable, but Price Group shall use all reasonable efforts to cause such exercise, nonforfeitability or delivery to comply with all such provisions at the earliest practicable date.

(b) Each Award is subject to the requirement that, if at any time the Administrator determines, in its absolute discretion, that the listing, registration or qualification of Common Stock issuable pursuant to the Plan is required by any securities exchange or under any state or federal law, or the consent or approval of any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the grant of an Award or the issuance of Common Stock, no such Award shall be granted or payment made or Common Stock issued, in whole or in part, unless listing, registration, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Administrator.

(c) In the event that the disposition of Common Stock acquired pursuant to the Plan is not covered by a then current registration statement under the Securities Act of 1933, as amended (the "*Securities Act*"), and is not otherwise exempt from such registration, such Common Stock shall be restricted against transfer to the extent required by the Securities Act or regulations thereunder, and the Administrator may require a person receiving Common Stock pursuant to the Plan, as a condition precedent to receipt of such Common Stock, to represent to Price Group in writing that the Common Stock acquired by such person is acquired for investment only and not with a view todistribution and that such person will not dispose of the Common Stock so acquired in violation of Federal, state or foreign securities laws and furnish such information as may, in the opinion of counsel for the Company, be appropriate to permit the Company to issue the Common Stock in compliance with applicable Federal, state or foreign securities laws.

**14. Section 409A Compliance.**

All Awards under the Plan are intended to comply with, or otherwise be exempt from, section 409A of the Code and all Awards shall be administered, interpreted and construed in a manner consistent with this intent. Should any provision of an Award be found not to comply with, or otherwise be exempt from, the provisions of section 409A of the Code, it shall be modified and given effect, in the sole discretion of the Administrator and without requiring a participant's consent, in such manner as the Administrator determines to be necessary or appropriate to comply with, or to effectuate an exemption from, section 409A of the Code. Notwithstanding the foregoing, neither Price Group nor any of its Affiliates nor any of its or their directors, officers, employees, agents or other service providers will be liable for any taxes, penalties or interest imposed on any Participant or other person with respect to any amounts paid or payable (whether in cash, shares of Common Stock or other property) under any Award, including any taxes, penalties or interest imposed under or as a result of section 409A of the Code. Any payments described in an Award that are due within the "short term deferral period" as defined in section 409A of the Code shall not be treated as deferred compensation unless applicable law requires otherwise. For purposes of any Award, each amount to be paid or benefit to be provided to a Participant that constitutes deferred compensation subject to section 409A of the Code shall be construed as a separate identified payment for purposes of section 409A of the Code. For purposes of section 409A of the Code, the payment of Dividend Equivalents under any Award shall be construed as earnings and the time and form of payment of such Dividend Equivalents shall be treated separately from the time and form of payment of the underlying Award. Notwithstanding any other provision of the Plan to the contrary, with respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of section 409A of the Code, any payments (whether in cash, shares of Common Stock or other property) to be made with respect to the Award that become payable on account of the Participant's separation from service, within the meaning of section 409A of the Code, while the Participant is a "specified employee" (as determined in accordance with the uniform policy adopted by the Administrator with respect to all of the arrangements subject to section 409A of the Code maintained by Price Group and its Affiliates) and which would otherwise be paid within six months after the Participant's separation from service shall be accumulated (without interest) and paid on the first day of the seventh month following the Participant's separation from service or, if earlier, within 15 days after the appointment of the personal representative or executor of the Participant's estate following the Participant's death. Notwithstanding anything in the Plan or an Award Agreement to the contrary, in no event shall the Administrator exercise its discretion to accelerate the payment or settlement of an Award where such payment or settlement constitutes deferred compensation within the meaning of Code section 409A unless, and solely to the extent that, such accelerated payment or settlement is permissible under Treasury Regulation section 1.409A-3(j)(4).

**15. Plan Duration; Amendment and Discontinuance.**

(a) *Plan Duration*. The Plan shall remain in effect, subject to the right of the Board or the ECMDC to amend or terminate the Plan at any time, until the earlier of (a) the earliest date as of which all Awards granted under the Plan have been satisfied in full or terminated and no shares of Common Stock approved for issuance under the Plan remain available to be granted under new Awards or (b) February 12, 2030. No Awards shall be granted under the Plan after such termination date. Subject to other applicable provisions of the Plan, all Awards made under the Plan on or before February 12, 2030, or such earlier termination of the Plan, shall remain in effect until such Awards have been satisfied or terminated in accordance with the Plan and the terms of such Awards.

(b) *Amendment and Discontinuance of the Plan*. The Board or the ECMDC may amend, alter or discontinue the Plan, but no amendment, alteration or discontinuation shall be made which would materially impair the rights of a Participant with respect to a previously granted Award without such Participant's consent, except to the extent that amendment was made to comply with applicable law or rule of any securities exchange or market on which the Common Stock is listed or admitted for trading or to prevent adverse tax or accounting consequences to Price Group or the Participant. Notwithstanding the foregoing, no such amendment shall be made without the approval of Price Group's stockholders to the extent such amendment would (A) materially increase the number of shares of Common Stock which may be issued under the Plan or to a Participant, (B) materially expand the eligibility for participation in the Plan, (C) eliminate or modify the prohibition set forth in Section 7(f) on repricing of Stock Options and Stock Appreciation Rights, (D) lengthen the maximum term or lower the minimum exercise price permitted for Stock Options and Stock Appreciation Rights, (E) modify the limitation on the issuance of reload or replenishment options, (F) reduce the exercise price of a Stock Option or Stock Appreciation Right or permit outstanding Stock Options or Stock Appreciation Rights to be canceled in exchange for (i) cash, (ii) Stock Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original outstanding Stock Options or Stock Appreciation Rights, or (iii) other Awards. Except as otherwise determined by the Board or ECMDC, termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

(c) *Amendment of Awards*. Subject to Section 7(f), the Administrator may unilaterally amend the terms of any Award theretofore granted, but no such amendment shall materially impair the rights of any Participant with respect to an Award without the Participant's consent, except such an amendment made to cause the Plan or Award to comply with applicable law, applicable rule of any securities exchange on which the Common Stock is listed or admitted for trading, or to prevent adverse tax or accounting consequences for the Participant or the Company or any of its Affiliates.

## 16. General Provisions.

(a) *Non-Guarantee of Employment or Service*. Nothing in the Plan or in any Award Agreement thereunder shall confer any right on an individual to continue in the service of Price Group or any Affiliate or shall interfere in any way with the right of Price Group or any Affiliate to terminate such service at any time with or without cause or notice and whether or not such termination results in (i) the failure of any Award to vest or become payable; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under any Award or the Plan.

(b) *No Trust or Fund Created*. Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between Price Group and a Participant or any other person. To the extent that any Participant or other person acquires a right to receive payments from Price Group pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of Price Group.

(c) *Status of Awards.* Awards shall be special incentive payments to the Participant and shall not be taken into account in computing the amount of salary or compensation of the Participant for purposes of determining any pension, retirement, death, severance or other benefit under (a) any pension, retirement, profit-sharing, bonus, insurance, severance or other employee benefit plan of Price Group or any Affiliate now or hereafter in effect under which the availability or amount of benefits is related to the level of compensation or (b) any agreement between Price Group or any Affiliate and the Participant, except as such plan or agreement shall otherwise expressly provide.

(d) *Affiliate Employees*. In the case of a grant of an Award to an Eligible Individual who provides services to any Affiliate, Price Group may, if the Administrator so directs, issue or transfer the shares of Common Stock, if any, covered by the Award to the Affiliate, for such lawful consideration as the Administrator may specify, upon the condition or understanding that the Affiliate will transfer the shares of Common Stock to the Eligible Individual in accordance with the terms of the Award specified by the Administrator pursuant to the provisions of the Plan. All shares of Common Stock underlying Awards that are forfeited or canceled after such issue or transfer of shares to the Affiliate shall revert to Price Group.

(e) *Governing Law and Interpretation.* The validity, construction and effect of the Plan, of any Award Agreement entered into pursuant to the Plan, and of any rules, regulations, Determinations, interpretations, or decisions made by the Administrator relating to the Plan or any Award Agreement, and the rights of any and all persons having or claiming to have any interest therein or thereunder, shall be determined exclusively in accordance with applicable federal laws and the laws of the State of Maryland, without regard to its conflict of laws principles. As a condition of receiving an Award under the Plan a Participant is bound by the terms of this Plan, which include the requirement that the Participant will (i) not bring any action arising under, as a result of, pursuant or relating to, this Plan or any Award Agreement in any court other than a federal or state court in the districts that include Baltimore, Maryland, (ii) submit to the personal jurisdiction of any federal court located in the district that includes Baltimore, Maryland or any state court in the district that includes Baltimore, Maryland, and (iii) not deny or attempt to defeat that personal jurisdiction or object to venue by motion or other request for leave from any such court.

(f) *Headings and Captions*. The headings and captions of the Plan are for reference purposes only, are not part of the provisions hereof, and shall have no force or effect or affect the meaning or interpretation of this Plan.

(g) *Use of English Language.* The Plan, each Award Agreement, and all other documents, notices and legal proceedings entered into, given or instituted pursuant to an Award shall be written in English, unless otherwise determined by the Administrator. If a Participant receives an Award Agreement, a copy of the Plan or any other documents related to an Award translated into a language other than English, and if the meaning of the translated version is different from the English version, the English version shall control.

(h) *Recovery of Amounts Paid.* Except as otherwise provided by the Administrator, Awards granted under the Plan shall be subject to Price Group's Policy for Recoupment of Incentive Compensation or any successor thereto (the "Recoupment Policy") and/or to any provisions set forth in the applicable Award Agreement under which Price Group may recover from current and former Participants any amounts paid or shares of Common Stock issued under an Award and any proceeds therefrom under such circumstances as the Administrator determines appropriate. The Administrator may apply the Recoupment Policy to Awards granted before the policy is adopted to the extent required by applicable law or rule of any securities exchange or market on which shares of Common Stock are listed or admitted for trading, as determined by the Administrator in its sole discretion.

(i) *Resolution of Disputes*. Any dispute or disagreement that shall arise under, or as a result of, or pursuant to or relating to, this Plan or any Award Agreement shall be determined by the Administrator in good faith in its absolute and uncontrolled discretion, and any such determination or any other determination by the Administrator under or pursuant to this Plan or any Award Agreement and any interpretation by the Administrator of the terms of this Plan or any Award Agreement, will be final, binding and conclusive on all persons affected thereby. As part of accepting an Award a Participant agrees that before the Participant may bring any legal action arising under, as a result of, pursuant to or relating to, this Plan or an Award Agreement the Participant will first exhaust the Participant's administrative remedies before the Administrator. A Participant further agrees that in the event that the Administrator does not resolve any dispute or disagreement arising under, as a result of, pursuant to or relating to, this Plan or an Award Agreement to the Participant's satisfaction, no legal action may be commenced or maintained relating to this Plan or an Award Agreement more than 24 months after the Administrator's decision.

(j) *Notices*. All notices and other communications made or given pursuant to this Plan or any Award Agreement shall be in writing and shall be sufficiently made or given if hand delivered or mailed by certified mail, addressed to the Participant at the address contained in the records of the Company, or addressed to the Administrator, care of the Company for the attention of its Payroll and Stock Transaction Group of Price Group, or its successor by title or with respect to duties and responsibilities, at its home office in Baltimore, Maryland or such other location as Price Group may designate, or by a third party duly designated by Price Group at the offices of such third party, in the manner determined by the Administrator or, if the receiving party consents in advance, transmitted and received via telecopy or via such other electronic transmission mechanism as may be available to the parties.

(k) *Electronic Delivery of Documents*. The Company may from time to time electronically deliver information with respect to the Plan or an Award, any amendments to an Award Agreement, and any reports of the Company provided generally to the Company's stockholders. A Participant may receive from the Company, at no cost to the Participant, a paper copy of any electronically delivered documents by contacting the Payroll and Stock Transaction Group of Price Group, or its successor by title or with respect to duties and responsibilities, at its home office in Baltimore, Maryland or such other location as Price Group may designate, or by a third party duly designated by Price Group at the offices of such third party, in the manner determined by the Administrator.

(l) *Consent to Electronic Delivery*. By accepting an Award pursuant to an Award Agreement a Participant is (i) consenting to the electronic delivery of the Award Agreement, all information with respect to the Plan and the Award and any reports of the Company provided generally to the Company's stockholders; (ii) acknowledging that the Participant may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company; (iii) further acknowledge that the Participant may revoke the Participant's consent to the electronic delivery of documents at any time by notifying the Company of such revoked consent by postal service or electronic mail; and (iv) further acknowledge that s/he understands that the Participant is not required to consent to electronic delivery of documents.

(m) *Invalid Provision*. If any of the provisions or terms of this Plan is construed by a court of competent jurisdiction to be invalid or unenforceable, it shall not affect the remainder of this Plan or any Award Agreement, which shall be given full force and effect without regard to the invalid provision. Any invalid or unenforceable provision shall be reformed to the maximum time, geographic and/or customer limitations permitted by the applicable laws, so as to be valid and enforceable.

(n) *Country-Specific Terms and Conditions*. Notwithstanding any provisions in this Plan, the grant of an Award shall be subject to any special terms and conditions for any country set forth in any appendix to this Plan (the "***Appendix***") in which a Participant resides. Moreover, if a Participant relocates to one of the countries included in the Appendix, the special terms and conditions for that country contained in the Appendix will apply to any Awards granted to that Participant to the extent the Price Group or the Administrator determines that the application of those terms to and conditions to an Award is necessary or advisable for legal or administrative reasons. The Appendix constitutes an integral part of the Plan and the terms and conditions applicable to a particular country are incorporated into the terms of any Award to the extent applicable under this Section 16(n).

**17. Glossary.**

Under this Plan, except where the context otherwise indicates, the following definitions apply:

(a) *"Administrator"* means the Executive Compensation and Management Development Committee ("ECMDC"), or such other committee(s) or officer(s) duly appointed by the Board or the ECMDC to administer the Plan or delegated limited authority to perform administrative actions under the Plan, and having such powers as shall be specified by the Board or the ECMDC; *provided, however,* that at any time the Board may serve as the Administrator in lieu of or in addition to the ECMDC or such other committee(s) or officer(s) to whom administrative authority has been delegated. With respect to any Award to which Section 16 of the Exchange Act applies, the Administrator shall be a committee consisting of two or more directors each of whom is, to the extent required by Rule 16b-3 of the Exchange Act, a "non-employee director" as defined in Rule 16b-3 of the Exchange Act and to the extent required by the rules of the national securities exchange that is the principal trading market for the Common Stock an "independent director." Any member of the Administrator who does not meet the foregoing requirements shall abstain from any decision regarding an Award intended to comply with Rule 16b-3 of the Exchange Act and shall not be considered a member of the Administrator to the extent required to comply with Rule 16b-3 of the Exchange Act or the rules of the national securities exchange that is the principal trading market for the Common Stock.

(b) *"Affiliate"* means any entity, whether previously, now or hereafter existing, in which Price Group, directly or indirectly, at the relevant time has a proprietary interest by reason of stock ownership or otherwise (including, but not limited to, joint ventures, limited liability companies, and partnerships) or any entity that provides services to Price Group or a subsidiary or affiliated entity of Price Group; *provided, however,* that solely for purposes of determining whether a Participant has a Termination of Service that is a "separation from service" within the meaning of section 409A of the Code, an "Affiliate" of a corporation or other entity means all other entities with which such corporation or other entity would be considered a single employer under Sections 414(b) or 414(c) of the Code.

(c) "*Award*" means any Stock Option, Stock Appreciation Right, stock award, stock unit, Performance Share, Performance Unit, Other Stock-Based Award, and/or Restricted Fund Unit Award whether granted under this Plan or any Prior Plan.

(d) *"Award Agreement"* means the written document(s) establishing the grant of an Award to an Eligible Individual in such form and delivered by such means as the Administrator or its designee may establish from time to time, including an electronic writing acceptable to the Administrator, that sets out the grant and terms of an Award and including any notice, addendum or supplement thereto, memorializing the terms and conditions of an Award granted pursuant to the Plan and which shall incorporate the terms of the Plan.

(e) "*Board*" means the Board of Directors of Price Group.

(f) "*Cause*" means (i) "cause" as that term may be defined in any written employment agreement between a Participant and the Company or an Affiliate that may at any time be in effect, (ii) in the absence of a definition in a then-effective written employment agreement between a Participant and the Company or an Affiliate (as determined by the Administrator), "cause" as that term may be defined in any Award Agreement under the Plan, or (iii) in the absence of a definition in a then-effective written employment agreement between a Participant and the Company or an Affiliate (as determined by the Administrator), or any Award Agreement under the Plan, termination of a Participant's employment with the Company or a Subsidiary on the occurrence of one or more of the following events:

(A) the Participant's plea of guilty or *nolo contendere* (or a similar plea) to, or conviction of, (A) a felony (or its equivalent in a non-United States jurisdiction) or (B) other conduct of a criminal nature that has or is likely to have a material adverse effect on the reputation or standing in the community of Price Group, any of its Affiliates or a successor to Price Group or an Affiliate, as determined by the Administrator in its sole discretion, or that legally prohibits the Participant from working for Price Group, any of its Affiliates or a successor to Price Group or an Affiliate;

(B) a breach by the Participant of a regulatory rule that adversely affects the Participant's ability to perform the Participant's employment duties to Price Group, any of its Affiliates or a successor to Price Group or an Affiliate, in any material respect; or

(C) the Participant's failure, in any material respect, as determined by the Administrator, to (w) perform the Participant's employment duties, (x) comply with the applicable policies of Price Group, or of its Affiliates, or a successor to Price Group or an Affiliate, including the Company's Code of Ethics and Conduct, as such may be amended from time to time, (y) results in the assessment of a criminal penalty against Price Group, or of its Affiliates, or a successor to Price Group or an Affiliate, or (z) comply with covenants contained in any contract or Award Agreement to which the Participant is a party; provided, however, that, to the extent applicable, the Participant shall be provided a written notice describing in reasonable detail the facts which are considered to give rise to a breach described in this clause (C) and the Participant shall have 30 days following receipt of such written notice (the "*Cure Period*") during which the Participant may remedy the condition and, if so remedied, no Cause for Termination of Service shall exist.

(g) "*Change in Control*" means, unless modified pursuant to Determinations adopted by the Administrator, any of the following events:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, other than an employee benefit plan or related trust sponsored or maintained by Price Group or by an entity controlled by Price Group or an underwriter of the Common Stock in a registered public offering) (a "*Person*"), during any 12-month period ending on the date of the most recent acquisition by such Person, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of shares representing thirty percent (30%) or more of the combined voting power (without regard to any limitations contained in the Price Group charter) of the then outstanding voting securities of Price Group entitled to vote generally in the election of directors (the "*Outstanding Price Group Voting Securities*"); *provided*, *however*, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change in Control: (1) any acquisition directly from Price Group; (2) any acquisition by Price Group or a wholly-owned subsidiary of Price Group; or (3) any acquisition pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) below; or

(ii) individuals who, as of the Effective Date, constitute the Board (the "*Incumbent Board*") cease for any reason, within any 12-month period, to constitute at least a majority of the Board; *provided*, *however*, that any individual becoming a director subsequent to the Effective Date whose appointment or election was endorsed by a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) consummation of a reorganization, merger, tender offer, share exchange, consolidation or other business combination, acquisition of Price Group equity securities, or sale or other disposition of all or substantially all of the assets of Price Group or the acquisition of assets of another entity (each of the transactions described in romanettes (i) through (iii), a "*Corporate Transaction*"), unless, following any Corporate Transaction, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Price Group Shares and Outstanding Price Group Voting Securities immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation or other entity resulting from the Corporate Transaction (including, without limitation, a corporation or other entity which as a result of such transaction owns Price Group or all or substantially all of Price Group's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to the Corporate Transaction, of the Outstanding Price Group Shares and Outstanding Price Group Voting Securities, as the case may be, (B) no Person (excluding such corporation or other entity resulting from such Corporate Transaction) beneficially owns, directly or indirectly, thirty percent (30%) or more of, respectively, the then outstanding shares of the corporation or other entity resulting from the Corporate Transaction or the combined voting power of the then outstanding voting securities of the corporation or other entity, and (C) at least a majority of the members of the board of directors of the corporation (or other governing board of a non-corporate entity) resulting from the Corporate Transaction were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for the Corporate Transaction.

Notwithstanding the foregoing, an event described above shall be a Change in Control with respect to an Award that constitutes a "nonqualified deferred compensation plan" within the meaning of section 409A of the Code only if the event is also a change in the ownership or effective control of Price Group or a change in the ownership of a substantial portion of the assets of Price Group within the meaning of section 409A of the Code to the extent necessary to avoid the imposition of any tax or interest or the inclusion of any amount in income pursuant to section 409A of the Code.

(h) *"Code"* means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, the Treasury Regulations thereunder and other relevant interpretive guidance issued by the Internal Revenue Service or the Treasury Department. Reference to any specific section of the Code shall be deemed to include such regulations and guidance, as well as any successor section, regulations and guidance.

(i) *"Common Stock"* means shares of common stock of Price Group, par value twenty cents ($0.20) per share and any capital securities into which they are converted.

(j) "*Company*" means Price Group and its Affiliates, except where the context otherwise requires. For purposes of determining whether a Change in Control has occurred, Company shall mean only Price Group.

(k) "*Default Measurement Fund*" means the default fund selected by the Administrator, or the Administrator's authorized designee, to be used, as provided in Section 7(k)(iii), as a Measurement Fund for any Participant that receives a Restricted Fund Unit Award but does not select a Measurement Fund, as such may be revised from time to time.

(l) "*Determinations*" means all determinations of the Administrator that are specified in or permitted by the Plan or deemed necessary or desirable for the Plan's administration or for the conduct of the Administrator in carrying out its duties and responsibilities under the Plan.

(m) "*Dividend Equivalent*" means a right, granted to a Participant, to receive cash, Common Stock, stock Units or other property equal in value to dividends paid with respect to a specified number of shares of Common Stock.

(n) "*Effective Date*" means the date on which adoption of the Plan is approved by the stockholders of Price Group.

(o) "*Eligible Individuals*" means officers and employees of, and other individuals, excluding non-employee directors, providing bona fide services to or for, Price Group or any of its Affiliates, and prospective officers, employees and service providers who have accepted offers of employment or other service relationship from Price Group or its Affiliates.

(p) "*Exchange Act*" means the Securities Exchange Act of 1934, as amended from time to time, and any successor thereto. Reference to any specific section of the Exchange Act shall be deemed to include such regulations and guidance issued thereunder, as well as any successor section, regulations and guidance.

(q) "*Fair Market Value*" means, unless otherwise determined by the Administrator, as of any date:

(i) if the principal market for the Common Stock (as determined by the Administrator if the Common Stock is listed or admitted to trading on more than one exchange or market) is a national securities exchange or an established securities market, the official closing price per share of Common Stock for the regular market session on that date on the principal exchange or market on which the Common Stock is then listed or admitted to trading or, if no sale is reported for that date, on the last preceding day on which a sale was reported, all as reported by such source as the Administrator may select;

(ii) if the principal market for the Common Stock is not a national securities exchange or an established securities market, the average of the highest bid and lowest asked prices for the Common Stock on that date as reported on a national quotation system or, if no prices are reported for that date, on the last preceding day on which prices were reported, all as reported by such source as the Administrator may select; or

(iii) if the Common Stock is neither listed or admitted to trading on a national securities exchange or an established securities market, nor quoted by a national quotation system, the value determined by the Administrator in good faith by the reasonable application of a reasonable valuation method.

Notwithstanding the foregoing, if an award is subject to section 409A of the Code, the determination of Fair Market Value shall be made in accordance with the requirements of Treasury Regulation section 1.409A-1(b)(5)(iv), or any successor rule or regulation.

(r) "*Final Exercise Date*" means the last day a Stock Option or Stock Appreciation Right can be exercised under the terms of this Plan and the applicable Award Agreement.

(s) "*Full Value Award*" means an Award that results in Price Group transferring the full value of a share of Common Stock under the Award, whether or not an actual share of stock is issued. Full Value Awards shall include, but are not limited to, stock awards, stock units, Performance Shares, Performance Units that are payable in Common Stock, and Other Stock-Based Awards for which Price Group transfers the full value of a share of Common Stock under the Award, but shall not include Dividend Equivalents.

(t) "*Good Reason*" means, unless modified pursuant to Determinations adopted by the Administrator, with respect to a Participant, during the 18-month period following a Change in Control, actions taken by Price Group or any of its Affiliates or any successor corporation or other entity in a Corporate Transaction resulting in a material negative change in the employment relationship of the Participant who is an officer or an employee in one or more of the following ways:

(i) the assignment to the Participant of duties materially inconsistent with the Participant's position (including offices, titles and reporting requirements), authority, duties or responsibilities, or a material diminution in such position, authority, duties or responsibilities, in each case from those in effect immediately prior to the Change in Control;

(ii) a material reduction of the Participant's aggregate annual compensation, including, without limitation, base salary and annual bonus and incentive compensation opportunity, from that in effect immediately prior to the Change in Control; or

(iii) a change in the Participant's principal place of employment that increases the Participant's commute by 75 or more miles as compared to the Participant's commute immediately prior to the Change in Control.

In order to invoke a Termination of Service for Good Reason, a Participant must provide written notice to Price Group, its Affiliate or any successor corporation or other entity in a Corporate Transaction with respect to which the Participant is employed or providing services (as applicable, the "*Service Recipient*") of the existence of one or more of the conditions constituting Good Reason within 90 days following the Participant's knowledge of the initial existence of the condition or conditions, specifying in reasonable detail the condition(s) constituting Good Reason, and the Service Recipient shall have 30 days following receipt of the written notice (the "*Cure Period*") during which it may remedy the condition. In the event that the Service Recipient fails to remedy the condition(s) constituting Good Reason during the applicable Cure Period, the Participant's Termination of Service must occur, if at all, within the 90 day period immediately following the expiration of Cure Period in order for Participant's termination as a result of the condition(s) to constitute a Termination of Service for Good Reason.

(u) "*Grant Date*" means the "date of grant" specified in the Award Agreement with respect to an Award, which will be a date not prior to the date on which the Administrator takes all actions necessary to grant the Award.

(v) "*Incentive Stock Option*" means any Stock Option that is designated, in the applicable Award Agreement or the resolutions of the Administrator under which the Stock Option is granted, as an "incentive stock option" within the meaning of section 422 of the Code and otherwise meets the requirements to be an "incentive stock option" set forth in section 422 of the Code.

(w) "*Measurement Fund*" means the investment vehicle in which a Participant's Restricted Fund Unit Award may be notionally invested, as provide in Section 7(k)(iii).

(x) "*Net Asset Value Per Share*" means with respect to a Measurement Fund the closing market value of all securities owned in the portfolio plus all other assets such as cash, minus all liabilities, divided by the total number of shares outstanding as published by the Measurement Fund on any day the applicable financial markets are open.

(y) "*Nonqualified Option*" means any Stock Option that is not an Incentive Stock Option (including, without limitation, any Stock Option to purchase Common Stock originally designated as or intended to qualify as an Incentive Stock Option but which does not (for whatever reason) qualify as an Incentive Stock Option).

(z) "*Other Stock-Based Award*" means an Award of Common Stock or any other Award that is valued in whole or in part by reference to, or is otherwise based upon, shares of Common Stock, including without limitation Dividend Equivalents and convertible debentures.

(aa) "*Peer Company*" or collectively "*Peer Companies*" means, unless modified pursuant to Determinations adopted by the Administrator, each of the entities listed on the correlating Award

Agreement as a peer company and each Peer Company's successor; so long as each Peer Company has a class of common securities listed for public trade on a national securities exchange or market from the beginning through the end of any applicable Performance Period or otherwise files financial statements with the Securities and Exchange Commission, as defined on the correlating Award Agreement.

(bb) "*Participant*" means an Eligible Individual to whom an Award is or has been granted.

(cc) "*Performance Award*" means a Full Value Award, the grant, vesting, lapse of restrictions or settlement of which is conditioned upon the achievement of performance objectives over a specified Performance Period and includes, without limitation, Performance Shares and Performance Units.

(dd) "*Performance Goals*" means the performance goals established by the Administrator in connection with the grant of Awards based on Performance Metrics or other performance criteria selected by the Administrator.

(ee) "*Performance Period*" means that period established by the Administrator during which any Performance Goals specified by the Administrator with respect to a Performance Award are to be measured.

(ff) "*Performance Metrics*" means criteria established by the Administrator relating to any of the following, as it may apply to an individual, one or more business units, divisions, or Affiliates, one or more mutual funds or investment portfolios, or on a company-wide basis, and in absolute terms, relative to a base period, or relative to the performance of one or more comparable companies, peer groups, mutual funds or investment portfolios, or an index covering multiple companies, mutual funds or investment portfolios:

(i) *Earnings or Profitability Metrics*: any derivative of investment advisory revenue; mutual fund servicing revenue; earnings/loss (gross, operating, net, or adjusted); earnings/loss before interest and taxes ("EBIT"); earnings/loss before interest, taxes, depreciation and amortization ("EBITDA"); profit margins; operating margins; expense levels or ratios; provided that any of the foregoing metrics may be adjusted to eliminate the effect of any one or more of the following: interest expense, asset impairments or investment losses, early extinguishment of debt or stock-based compensation expense, and other non-GAAP adjustments made and disclosed by Price Group in its management's discussion and analysis or other Price Group filings with the SEC and approved by the Administrator;

(ii) *Return Metrics*: any derivative of return on investment, assets, equity or capital (total or invested);

(iii) *Investment Metrics:* relative risk-adjusted investment performance; investment performance of assets under management;

(iv) *Cash Flow Metrics*: any derivative of operating cash flow; cash flow sufficient to achieve financial ratios or a specified cash balance; free cash flow; cash flow return on capital; net cash provided by operating activities; cash flow per share; working capital;

(v) *Liquidity Metrics*: any derivative of debt leverage (including debt to capital, net debt-to-capital, debt-to-EBITDA or other liquidity ratios); and/or

(vi) *Stock Price and Equity Metrics*: any derivative of return on stockholders' equity; total stockholder return; stock price; stock price appreciation; market capitalization; earnings/loss per share (basic or diluted) (before or after taxes).

(vii) Any other metric(s) chosen by the Administrator in its sole discretion.

(gg) "*Performance Shares*" means a grant of stock or stock Units the issuance, vesting or payment of which is contingent on performance as measured against predetermined objectives over a specified Performance Period.

(hh) "*Performance Units*" means a grant of dollar-denominated Units the value, vesting or payment of which is contingent on performance against predetermined objectives over a specified Performance Period.

(ii) "*Plan*" means this T. Rowe Price Group, Inc. 2020 Long-Term Incentive Plan, as set forth herein and as hereafter amended from time to time.

(jj) "*Price Group*" means T. Rowe Price Group, Inc., a Maryland corporation.

(kk) *"Prior Plan"* means Price Group's 2001 Stock Incentive Plan, 2004 Stock Incentive Plan, and/or 2012 Long-Term Incentive Plan.

(ll) *"Prohibited Action"* means, whether engaged in by a Participant directly or indirectly, either as an employee, employer, consultant, or in any other capacity the Participant's:

(i) engaging in any Competing Business. "***Competing Business***" shall be defined as the business of investment advisory services to individual and/or institutional investors, retirement plan services, discount brokerage, trust services, and any other business that is competitive with the business activities of the Company;

(ii) soliciting, encouraging, or inducing any customers or clients of the Company who were current or prospective customers or clients as of the date on which the Participant's Termination of Service occurred, to terminate or reduce his, her or its relationship with the Company or not to proceed with, or enter into, any business relationship with the Company, or otherwise interfering with any such business relationship with the Company, including by encouraging or suggesting any investment management client of the Company (A) to withdraw any funds for which the Company provides investment management or advisory services, or (B) not to engage the Company to provide investment management or advisory services for any funds;

(iii) (A) soliciting, encouraging, or inducing any officer, director, employee, agent, partner, consultant or independent contractor of the Company to terminate, modify or reduce his or her relationship with the Company, (B) hiring, employing, supervising, managing or engaging any such individual, or (C) otherwise attempting to disrupt or interfere with the Company's relationship with any such individual;

(iv) using, reproducing, or disclosing any Confidential Information of the Company. "***Confidential Information***" shall be defined as client and customer lists, information with respect to the name, address, contact persons or requirements of any customer or client, other information relating to clients and prospective clients from whom the Company has solicited business or plans to solicit business, information relating to business plans and business that is conducted or anticipated to be conducted, research, technology, computer software, processes, products, pricing, costs, business methods, business objectives or strategies, marketing plans and finances;

(v) pleading guilty or *nolo contendere* (or a similar plea) to, or being convicted of, (A) a felony (or its equivalent in a non-United States jurisdiction) or (B) other conduct of a criminal nature that has or is likely to have a material adverse effect on the reputation or standing in the community of the Company, as determined by the Administrator in its sole discretion, or that legally prohibits a Participant from working for the Company;

(vi) breaching a regulatory rule that adversely affects a Participant's ability to perform his employment duties to the Company in any material respect; and

(vii) failing, in any material respect, to (A) perform the Participant's employment duties, (B) comply with the applicable policies of the Company, (C) follow reasonable directions received from the Company or (D) comply with covenants contained in any contract with the Company to which the Participant is a party.

(mm) "*Restricted Fund Unit"* means a right granted to a Participant to receive cash at the end of a specified deferral period, which right may be conditioned on the satisfaction of certain requirements (including the satisfaction of certain Performance Goals) where during any applicable deferral period the Award may be notionally invested in a Measurement Fund(s). An Award of a Restricted Fund Unit represents an unfunded and unsecured promise by the Company to make a payment to a Participant in the future in accordance with the terms of an applicable Award Agreement. Any Participant that receives the Award of a Restricted Fund Unit shall have the status of a general unsecured creditor of the Company as a result of receiving the Award.

(nn) ""*Restricted Stock*" means an Award of shares of Common Stock to a Participant thatmay be subject to certain transferability and other restrictions and to a risk of forfeiture (including by reason of not satisfying certain Performance Goals).

(oo) "*Restricted Stock Unit*" means a right granted to a Participant to receive shares of Common Stock or cash at the end of a specified deferral period, which right may be conditioned onthe satisfaction of certain requirements (including the satisfaction of certain Performance Goals). A Restricted Stock Unit represents an unfunded and unsecured promise by the Company to make a payment or issue a share of Common Stock in the future in accordance with the terms of an applicable Award Agreement. Any Participant that receives the Award of a Restricted Stock Unit shall have the status of a general unsecured creditor of the Company as a result of receiving the Award.

(pp) "*Restriction Period*" means, with respect to Full Value Awards, the period commencingon the date of grant of such Award to which vesting or transferability and other restrictions and a risk of forfeiture apply and ending upon the expiration of the applicable vesting conditions, transferability and other restrictions and lapse of risk of forfeiture and/or the achievement of the applicable Performance Goals (it being understood that the Administrator may provide that vesting shall occur and/or restrictions shall lapse with respect to portions of the applicable Award during the Restriction Period in accordance with Section 7(b)).

(qq) "*Rule of 65*" means that the sum of an Employee's age and years of credited service totals at least 65. For purposes of determining if an Employee satisfies the Rule of 65 the Employee must at a minimum have (i) celebrated his $55^{th}$ birthday, and (ii) completed at least 5 full years (60 months) of credited service with an Employer(s). For purposes of calculating the Rule of 65 an Employee shall receive credit for all calendar months in which the Employee worked at least one day for purposes of calculating the Employee's years of credited service with an Employer(s) and for purposes of calculating the Employee's age, after the employee has turned age 55.

(rr) "*Service*" means the period of a Participant's employment with the Company. A Participant's Service will be considered to have ceased with the Company if, immediately after a sale, merger or other corporate transaction, the trade, business or entity with which the Participant is employed is not Price Group, Inc. or its successor or an Affiliate of Price Group, Inc. or its successor.

(ss) "Stock Appreciation Right" means a right to receive, on exercise of that right, an amount, in shares of Common Stock, or, at the discretion of the Administrator or is designee, cash equal to the value of such shares of Common Stock, equal to the difference between the Fair Market Value of a share of Common Stock as of the date of exercise of the Stock Appreciation

Right and the Fair Market Value of a share of Common Stock as determined under Section 17(p).

(tt) "Stock Option" means a right to purchase from the Company pursuant to the terms of the Award Agreement one share of Common Stock for an exercise price not less than the Fair Market Value of a share of Common Stock on the Grant Date, subject to such terms and conditions established under Section 7(c) hereof. Stock Options may either be Incentive Stock Options or Non-Qualified Stock Options.

(uu) "*Tax Withholding Obligation*" means any federal, state, local or foreign (non-United States) income, employment or other tax or social insurance contribution required by applicable law tobe withheld in respect of Awards.

(vv) "*Termination of Service*" means the termination of the Participant's employment or consultancy with, or performance of services for, Price Group and its Affiliates. Temporary absences from employment because of illness, vacation or leave of absence and transfers among Price Group and its Affiliates shall not be considered Terminations of Service. With respect to any Award that constitutes a "nonqualified deferred compensation plan" within the meaning of section 409A of the Code, "Termination of Service" shall mean a "separation from service" as defined under section 409A of the Code to the extent required by section 409A of the Code to avoid the imposition of any tax or interest or the inclusion of any amount in income pursuant to section 409A of the Code. A Participant has a separation from service within the meaning of section 409A of the Code if the Participant terminates employment with Price Group and all Affiliates for any reason. A Participant will generally be treated as having terminated employment with Price Group and all Affiliates as of a certain date if the Participant and the entity that employs the Participant reasonably anticipate that the Participant will perform no further services for Price Group or any Affiliate after such date or that the level of bona fide services that the Participant will perform after such date (whether as an employee or an independent contractor) will permanently decrease to no more than 20 percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services if the Participant has been providing services for fewer than 36 months); *provided, however,* that the employment relationship is treated as continuing while the Participant is on military leave, sick leave or other bona fide leave of absence if the period of leave does not exceed six months or, if longer, so long as the Participant retains the right to reemployment with Price Group or any Affiliate. Notwithstanding the foregoing, the Administrator has discretion to determine that a Termination of Service has occurred if, for six continuous months, a Participant is absent or otherwise unable for any reason to perform substantially all the essential duties of the Participant's position, as determined by the Administrator in its sole discretion. The Administrator has discretion to determine the date upon which a Participant incur a Termination of Service.

(ww) "*Total and Permanent Disability*" means, with respect to a Participant, except as otherwise provided in the relevant Award Agreement, for any Award subject to section 409A of the Code, "Total and Permanent Disability" as defined in section 409A(a)(2)(C) of the Code. For any Award not subject to section 409A of the Code, "Total and Permanent Disability" means disability as defined in any then effective long-term disability plan maintained by the Company that covers the Participant or if a long-term disability plan does not exist at any relevant time, "Total and Permanent Disability" means the permanent and total disability of a person within the meaning of section 22(e)(3) of the Code. For purposes of determining the time during which an Incentive Stock Option may be exercised under the terms of an Award Agreement, "Total and Permanent Disability" means the permanent and total disability of a person within the meaning of section 22(e)(3) of the Code. Section 22(e)(3) of the Code provides that an individual is totally and permanently disabled if he is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months. To the extent necessary, the Administrator shall have sole authority to determine whether a Participant has suffered a Total and Permanent Disability and may require such medical or other evidence as it deems necessary to judgethe nature and permanency of the Participant's condition. With respect to any jurisdiction other than the United States "Total and Permanent Disability" means a Participant is determined to be totally disabled by any governmental or quasi-governmental body that administers a comparable social insurance program similar to Social Security in which the Participant participates and that conditions the right to receive benefits under the program on the Participant's being unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to last until the Participant's death or result in death.

(xx) "*Trading Date*" means a day on which Price Group's Common Stock trades on a national securities exchange or market.

(yy) "*Unit*" means a bookkeeping entry used by Price Group to record and account for the grant of the following Awards until such time as the Award is paid, settled, cancelled, forfeited or terminated, as the case may be: stock units, Restricted Stock Units, Performance Units, and Performance Shares that are expressed in terms of units of Common Stock. A Unit represents an unfunded and unsecured promise by the Company to make payments and issue shares of Common Stock in the future in accordance with the terms of an Award Agreement. Any Participant that receives the Award of a Unit shall have the status of a general unsecured creditor of the Company as a result of receiving the Award.

EXHIBIT 15 Letter from KPMG LLP, independent registered public accounting firm, re unaudited interim financial information

November 1, 2024

T. Rowe Price Group, Inc.
Baltimore, Maryland

Re: Registration Statements No. 033-7012, No. 333-59714, No. 333-120882, No. 333-120883, No. 333-142092, No. 333-167317, No. 333-180904, No. 333-199560, No. 333-212705 , No. 333-217483, No. 333-238319, and No. 333-273601.

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated November 1, 2024 related to our review of interim financial information.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such report is not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP

Baltimore, Maryland

EXHIBIT 31(i).1 Rule 13a-14(a) Certification of Principal Executive Officer

I, Robert W. Sharps, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended September 30, 2024 of T. Rowe Price Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 1, 2024

/s/ Robert W. Sharps
Chief Executive Officer and President

EXHIBIT 31(i).2 Rule 13a-14(a) Certification of Principal Financial Officer

I, Jennifer B. Dardis, certify that:

1. I have reviewed this Form 10-Q Quarterly Report for the quarterly period ended September 30, 2024 of T. Rowe Price Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

November 1, 2024

/s/ Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer

EXHIBIT 32 Section 1350 Certifications

We certify, to the best of our knowledge, based upon a review of the Form 10-Q Quarterly Report for the quarterly period ended September 30, 2024, of T. Rowe Price Group, Inc., that:

(1) The Form 10-Q Quarterly Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-Q Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of T. Rowe Price Group, Inc.

November 1, 2024

/s/ Robert W. Sharps
Chief Executive Officer and President

/s/ Jennifer B. Dardis
Vice President, Chief Financial Officer and Treasurer