

T.RowePrice | Charitable

Rethinking How You Give: New Opportunities for Philanthropy

2022

GIVING
REPORT

Together,
we make the good
go further.

FISCAL YEAR 2022—GIVING AT A GLANCE:

3,900
Accounts

\$108M
Granted to Charity

11,800
Charities Supported

TABLE OF CONTENTS

- 05** Charitable Overview
- 06** Interview With Darren Walker
- 08** 2022 Highlights
- 11** Bunching Your Giving
- 15** Interview With Jean Paul Warmoes
- 18** Financial Information



ADAPTIVE PHILANTHROPY

Dear Charitable Donor,

This past year has been fraught with challenges and difficult times, as the ongoing war in Ukraine and our continued emergence from the coronavirus pandemic have made global markets unpredictable and difficult to navigate. Despite continued uncertainty, each year we witness the collective generosity of our donor community grow and shift to meet challenges and invest in solutions.

This year's report showcases the power of philanthropy and growth opportunities for it, including an interview with Darren Walker, president of the Ford Foundation. Our friends at King Baudouin Foundation United States, a partner in international granting, also provide insights on how to extend your giving beyond America's borders to help communities around the globe.

You'll also find a helpful breakdown of how "bunching" your donations can increase your giving power by creating the most tax-advantageous strategy for your situation. As always, we have also included our FY2022 annual financial statement.

As a society, we are presented with new challenges, big and small, every day. Our donors have been there to help as each one arises, and we will continue to support your philanthropic goals as you invest in humanity.

Sincerely,

John Brothers, President

T.RowePrice | Charitable

CHARITABLE OVERVIEW

A Smarter, More Effective Way to Give

T. Rowe Price Charitable is a donor advised fund dedicated to helping you simplify your charitable giving, maximize valuable tax benefits, and increase your impact on the causes you care about most.

Supporting your favorite charities is as easy as:



1. CONTRIBUTE

Make an irrevocable donation of cash, appreciated securities, or noncash assets and receive an immediate, current year tax deduction, up to the allowable IRS limits.



2. INVEST

While you decide which charities to support, your contributions are invested, so they have the opportunity to grow tax free over time potentially increasing the amount you have to give.



3. GIVE

Support your favorite charities at any time by making grant recommendations of \$100 or more. We'll handle the paperwork.

THE OXYGEN OF DEMOCRACY:

Battling Inequality in the U.S. With the Ford Foundation

The coronavirus pandemic and racial violence, including the murder of George Floyd, brought to light many of the inequalities around work, income, and race in the United States. For the Ford Foundation and its president, **Darren Walker**, these inequalities threaten our democracy and serve as an opportunity for philanthropy and individual donors.

The Ford Foundation was founded by Edsel Ford, son of Henry Ford, in 1936, with the organization's original aim to use resources for scientific, educational, and charitable purposes to improve public welfare. However, when Walker joined in 2013 as the foundation's 10th president, he shifted the organization's focus to working on issues of inequality.

A hopeful vision for the future

"Our pivot to working on inequality was a result of the analysis done around our mission, which, in part, is to advance and strengthen democracy in the U.S. and worldwide," said Walker. "Among the greatest threats to our democracy is growing inequality, which correlates with growing social unrest and hopelessness. Hope is the oxygen of democracy, and when a population becomes increasingly hopeless, democracy is at risk."

The Ford Foundation's recently published report, *Reimagine Recovery*, highlights areas of needed reform and critical priorities for philanthropy after the coronavirus pandemic, focusing on work, life, and balance.

"We need to have a more inclusive economy," said Walker. "We need workers who are paid a fair living wage with benefits. Workers need to be owners and own equity in the companies they work for. We need to make sure that everyone has access to health care. And we need to put workers at the center of the future of work."

The importance of philanthropy

According to Walker, philanthropy can play a role by funding the ideas, innovations, and institutions at the forefront of this effort, including labor policy organizations, worker rights organizations, and groups that help companies consider their social and environmental impact.

Individual donors also serve a crucial role in tackling the challenges uncovered by COVID-19, Walker says.

"Every individual donor is a philanthropist, and the role of philanthropy is to help humanity," said Walker. "Some of the most effective philanthropy is undertaken by individual donors or by networks of donors. Donors should ensure they're following their

passion to gain clarity around what they care about and to invest with focus as deeply as they can on those issues."

Walker praised the philanthropic response after recent violence perpetrated against Black people, including the murder of Floyd by a police officer in 2020.

"Every individual donor is a philanthropist, and the role of philanthropy is to help humanity."

–Darren Walker



"In the wake of the murder of George Floyd and others, foundations stepped up to invest in diversity, equity, and inclusion programs. They supported, many for the first time, organizations led by people of color working on issues of social justice and racial reconciliation," said Walker. "Many high-net-worth family offices, family foundations, and large legacy foundations acknowledged that we have a collective challenge in this country, but also a collective opportunity to address some of the underlying, root causes of many of our social challenges today."

Making an impact

In its giving, the Ford Foundation pivoted to unrestricted funding, where nonprofits are free to spend donated dollars any way they feel is best to fulfill their mission. Walker describes it as a "major shift" that allows supported organizations to enjoy the greatest flexibility in deploying the capital the foundation allocates.

"Unrestricted funding is consistent with how a business investment works," explains Walker. "An investor does not tell the company that the investment is limited to one area of the business. Instead, the investor trusts that the business leaders are in the best position to make the decisions about capital allocation."

Walker believes recent developments, including the Supreme Court Dobbs ruling overturning *Roe v. Wade*, challenge social advances. As a result, nonprofits and individual donors need to take an active role in supporting equality.

"This is not a moment to equivocate as a donor," said Walker. "Whatever your position, engagement through philanthropy and giving is more critical than ever."

Walker anticipates opportunities in giving will arise in response to challenges, including new networks and organizations.

"[French political writer Alexis de] Tocqueville reminded us some 200 years ago of the uniqueness of the American experiment. Among the things he found unusual was this idea of associations and civic engagement," said Walker. "I think we're going to see civic engagement mobilize, and philanthropy and individual donors are going to finance much of that mobilization to bring about the kind of engagement of the citizenry in communities that ensures we are a more inclusive, participatory, and successful democracy."

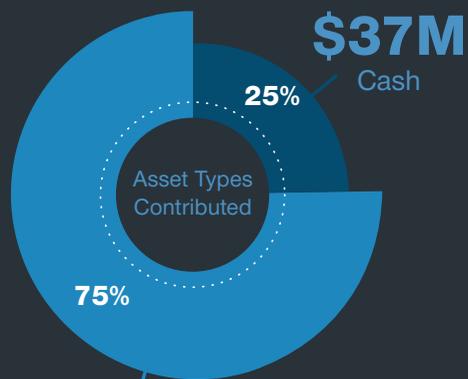
FY 2022 HIGHLIGHTS
As of March 31, 2022

How Our Donors Are Making an Impact



1,700
Active Donors

3,800
Donations Received



\$114M
Appreciated Securities

\$8M
Investment Growth

\$535M
Assets Under Management

11,800
Charities Supported

31,000
of Grants

Top 5 Charities

- 1 Doctors Without Borders
- 2 American Red Cross
- 3 Planned Parenthood
- 4 St. Jude Children's Research Hospital
- 5 Maryland Food Bank



10
Average # of Grants per Account

\$500
Median Grant Amount

\$108M
Total Granted

TAX-SMART GIVING

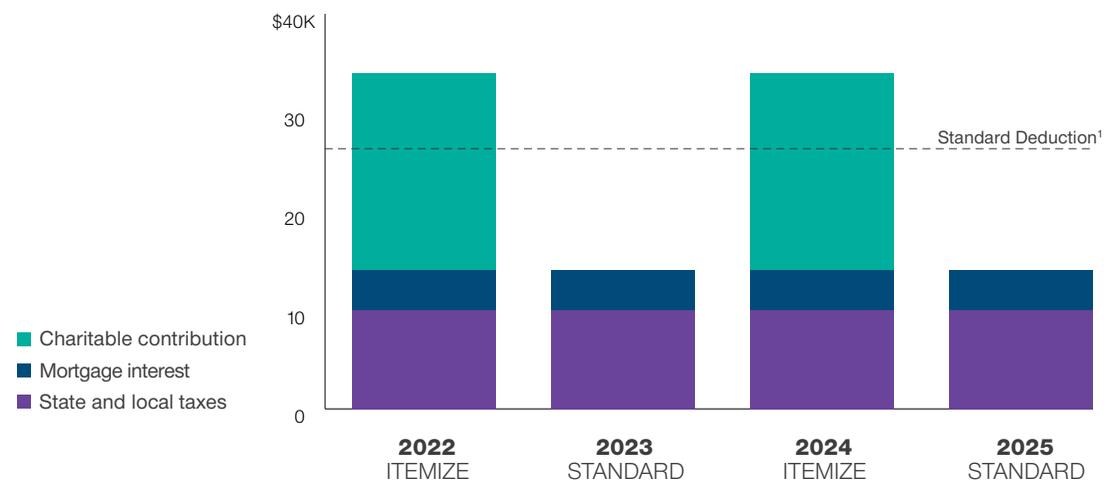
Bunch Your Giving and Your Tax Savings

After the 2017 tax law changes increased the standard tax deduction, many taxpayers no longer benefited from itemized deductions. The good news is that a strategy called “bunching” enables you to realize tax savings from itemization once again.

Rather than make yearly charitable contributions, combine two or more years of contributions into one tax year to increase your itemized deductions for that year above the applicable standard deduction. Then, for the off years, take the standard deduction.

How bunching works

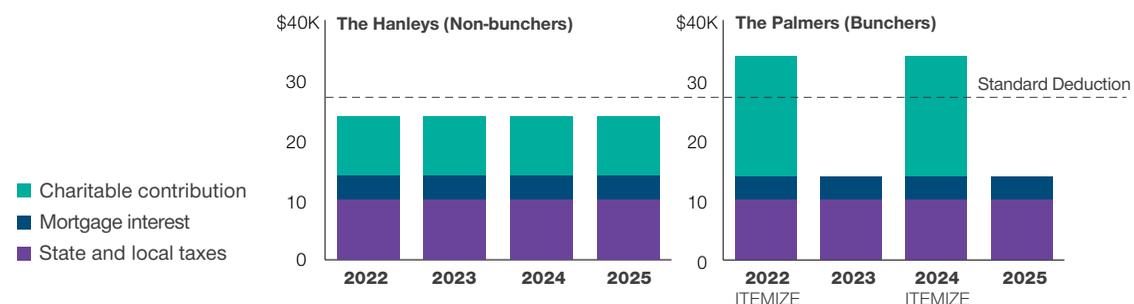
The Palmers pay \$4,000 in mortgage interest and \$10,000 in state and local taxes. By doubling their yearly \$10,000 charitable contribution in 2022 and 2024, they exceed the \$25,900 standard deduction.¹ Thus, the Palmers increase their deductible expenses above the standard deduction by \$8,100 for 2022 and a similar amount for 2024.



¹The standard deduction is \$25,900 for 2022 for married couples filing jointly and adjusts annually for inflation.

The tax benefits of bunching

The Hanleys and the Palmers both typically donate \$10,000 per year. The Hanleys take the standard deduction each year, because their combined deductions do not surpass the standard deduction. Meanwhile, the Palmers bunch their donations into one year and take the standard deduction in the following year. **Over the course of four years, both families donate \$40,000, but the Palmers receive \$16,200² more in deductions compared with the Hanleys.**



²**Assumptions:** This example assumes the annual standard deduction for married couples filing jointly is consistently \$25,900. Please note: In actuality, the IRS adjusts the standard deduction annually for inflation. The federal income tax rate is 35% with a charitable contribution of \$10,000, \$4,000 in mortgage interest, and \$10,000 in state and local taxes.

Gain a triple tax advantage with a donor-advised fund

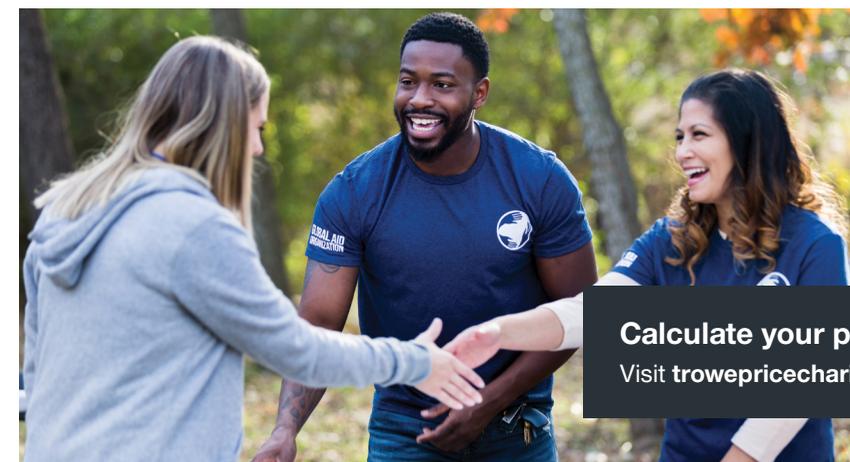
Giving through a donor-advised fund provides a simple way to use the bunching strategy to maximize your tax savings and time your tax deductions for when they are most beneficial to you.

The tax advantages are threefold when you contribute to your donor-advised fund. You'll benefit from:

- A current-year charitable tax deduction for the fair market value of the contributed asset, up to IRS limits.³
- Avoidance of up to 23.8% capital gains tax on contributions of long-term appreciated assets, including stocks, mutual funds, business interests, private stock, real estate, and other assets.
- Tax-free potential growth of invested contributions to fuel future giving.

Flex your giving

Combining the bunching strategy with a donor-advised fund provides maximum flexibility to support your favorite charities. Since you receive a tax deduction in the current year, you can grant money from your fund to charities in any year. Whether you grant money annually or build up your fund to grow your giving potential, you have the flexibility to support your favorite causes conveniently through one account.



Calculate your potential tax savings.
Visit trowepricecharitable.org/resources.

³IRS deductibility limits are up to 60% of adjusted gross income (AGI) for cash contributions and up to 30% of AGI for long-term appreciated asset contributions. All investment pools are subject to risk, including the possible loss of principal.



PHILANTHROPY ARCHITECT

Supporting Communities to Make a Global Impact

After several years of a pandemic and unrest, including the war in Ukraine, many donors are unsure how to best divide their giving between the desire to give to their community versus helping meet the many needs they see worldwide.

Jean Paul Warmoes, executive director of the King Baudouin Foundation United States (KBFUS), is experienced in bridging the divide between local and international giving. The organization was spun off from the Belgium-based King Baudouin Foundation, founded in 1976 and named after Belgium's late head of state. KBFUS, formed in 2002 in New York, helps direct giving from U.S. donors to worthy causes around the world.

After years of primarily serving nonprofits in Europe and Africa, KBFUS recently decided to expand its scope to support giving from the U.S. to anywhere globally, including Latin America and Asia. According to Warmoes, a desire to share the organization's strengths more broadly while serving the needs of donors drove the decision to expand.

"When we launched KBFUS, we decided to focus on Europe and Africa because that's where the parent foundation in Belgium had the expertise," Warmoes said in a recent interview. "But we felt that ultimately we would be stronger and able to provide the same quality services, built on expertise and on-the-ground partnerships, to cover the globe."

T. Rowe Price Charitable operates a donor-advised fund at KBFUS, letting donors support their favorite charitable causes and organizations worldwide. It also serves as one of several asset managers for the foundation's funds.

"If donors from T. Rowe Price were interested in giving to Europe and Latin America, we feel it's our responsibility to develop solutions to address that geographic interest," Warmoes said. "So we've become a one-stop shop for global giving."

Serving the ongoing need in Ukraine

Many donors are currently focusing their interest on giving to help those affected by the war in Ukraine, with KBFUS working to facilitate gifts to Ukrainian citizens and the refugees choosing to leave the country. To direct donor funds, KBFUS launched a Humanitarian Response Fund for Ukraine to pool and then distribute contributions to three local nonprofits working on the frontlines.



"Donors are overwhelmingly moved to support the people of Ukraine," said Warmoes. "They realize it's a humanitarian crisis because they see the images on TV and understand that people in Ukraine need food, shelter, and medical assistance."

Still, donors should realize that the need in Ukraine is unlikely to end anytime soon. "The current focus is the humanitarian aspect, but eventually, we need to provide help to serve the needs on the rebuilding side."

KBFUS calls itself a "philanthropy architect," as it works with individuals, families, corporations, and foundations to help them support their favorite causes around the globe. Donors can contribute through

one-time gifts, recurring donations through donor-advised funds, planned giving with legacy funds, and gifts of artwork to museums overseas.

KBFUS also hosts "American Friends Funds," providing foreign nonprofits with a cost-effective solution to receive tax-deductible gifts from U.S. supporters. As a result, those organizations can bypass the effort and expense required to set up their U.S.-based charity. Organizations helped by these funds include the Nelson Mandela Foundation in South Africa, the University of Nairobi in Kenya, and the Van Gogh Museum in Amsterdam.

Balancing giving locally versus globally

With so much need worldwide, many donors are struggling to find the right balance between supporting their local communities and helping those overseas. Through KBFUS, donors can support their communities, whether that community is local or built on shared history or identity.

"Individuals have a special bond, obviously, and perhaps a personal obligation to be generous to their local communities. That makes sense because that's where they live," said Warmoes. "I grew up in Belgium and then 20 years ago moved to New York. So I have two communities: my native Belgium and my adopted community of New York." He notes that donors to KBFUS also support other communities they align with personally, including the arts, women's rights, and LGBTQ organizations.

"I think how you support your community goes back to defining that community," said Warmoes. "A community is more than the physical space where you live right now." Still, we need to consider needs outside our immediate circle, as what happens worldwide also affects us at home.

Related to the giving locally and globally question, the coronavirus pandemic has taught us that the needs and problems experienced in other places often impact our own communities, Warmoes explains.

"When there's trouble in other parts of the world, it can bring repercussions to our lives," said Warmoes. "It's important to focus on your communities where you live and work, but also to understand that when things go wrong in the community next door, it's likely going to have an impact on the place where you live. We are all connected in a certain way."

Investments in T. Rowe Price Mutual Funds As of March 31, 2022

	GROWTH POOL	MODERATE GROWTH POOL	GIFT PRESERVATION POOL	DIVERSIFIED INCOME POOL	BALANCED INDEX POOL	GLOBAL EQUITY POOL	INTERNATIONAL EQUITY INDEX POOL	INTERNATIONAL EQUITY POOL	TOTAL EQUITY MARKET INDEX POOL	SEPARATELY MANAGED ACCOUNT SECURITY INVESTMENT	PROGRAM ACCOUNT	TOTAL
Short-Term Bond Fund–I Class			\$79,354,449									\$79,354,449
Spectrum Income Fund–I Class		\$28,725,412		\$36,087,142								64,812,554
Equity Index 500 Fund–I Class	\$13,210,042	5,609,290			\$23,245,762	\$5,997,451			\$15,147,932			63,210,477
Equity Income Fund–I Class	26,343,530	15,508,478		11,904,806								53,756,814
Growth Stock Fund–I Class	24,726,286	14,336,907										39,063,193
QM U.S. Bond Index Fund–I Class					29,327,740							29,327,740
International Value Equity Fund–I Class	14,579,539	8,356,235				4,847,068						27,782,842
U.S. Treasury Money Fund–I Class			27,137,693									27,137,693
International Stock Fund–I Class	14,145,877	7,534,954										21,680,831
International Equity Index Fund					12,213,099	6,531,862	\$1,363,360					20,108,321
Real Assets Fund–I Class	6,993,035	3,951,681		1,421,904	2,564,484	2,237,862						17,168,966
Small-Cap Stock Fund–I Class	8,579,426	4,592,317				1,316,122						14,487,865
Balanced Fund–I Class				11,227,040								11,227,040
Emerging Markets Stock Fund–I Class	4,545,941	2,332,462				3,632,661						10,511,064
Mid-Cap Value Fund–I Class	5,650,275	3,294,397				1,106,696						10,051,368
Mid-Cap Growth Fund–I Class	5,006,778	2,678,713				948,775						8,634,266
Global Stock Fund–I Class						8,577,418						8,577,418
Small-Cap Index Fund–I Class					2,953,921				1,867,832			4,821,753
Mid-Cap Index Fund–I Class					2,953,921				1,850,575			4,804,496
Value Fund–I Class						4,743,026						4,743,026
Spectrum International Equity Fund–I Class									\$2,691,703			2,691,703
Government Money Fund											\$868,279	868,279
Separately Managed Account Security Investment										\$11,043,005		11,043,005
	123,780,729	96,920,846	106,492,142	60,640,892	73,258,927	39,938,941	1,363,360	2,691,703	18,866,339	11,043,005	868,279	535,865,163
Other Assets and Liabilities, Net	(43,807)	(22,240)	(27,926)	(25,807)	(28,254)	(3,769)	(562)	(1,131)	(7,761)	(5,163)	677,959	511,539
NET ASSETS Unrestricted	\$123,736,922	\$96,898,606	\$106,464,216	\$60,615,085	\$73,230,673	\$39,935,172	\$1,362,798	\$2,690,572	\$18,858,578	\$11,037,842	\$1,546,238	\$536,376,702
Changes in Net Assets <small>Fiscal Year Ended March 31, 2022</small>												
Donor Contributions [†]	\$22,381,343	\$21,546,695	\$51,021,159	\$16,567,254	\$26,293,209	\$8,442,852	\$416,726	\$431,336	\$9,696,304		\$(5,524,754)	\$151,272,124
Grants	(14,053,434)	(17,745,311)	(40,409,025)	(11,106,680)	(14,073,540)	(6,398,414)	(194,511)	(367,919)	(4,021,833)			(108,370,667)
Net Investment Gain (Loss)	2,802,885	1,840,702	(3,412,119)	1,453,248	1,789,293	305,308	(26,555)	(278,371)	1,069,068	\$(137,178)	2,581,112	7,987,393
Expenses												
Management and general	154,252	100,522	185,794	75,488	34,458	50,883	95	989	5,652	937	237,817	846,887
Fundraising											(99,765)	(99,765)
Program services, excluding grants											(662,386)	(662,386)
Net Transfers Between Pools	6,374,070	(4,088,403)	(2,076,606)	392,654	(13,173,156)	(355,918)	267,522	202,202	1,283,553	11,174,082		
CHANGE IN NET ASSETS During Fiscal 2022	\$17,659,116	\$1,654,205	\$5,309,203	\$7,381,964	\$870,264	\$2,044,711	\$463,277	\$(11,763)	\$8,032,744	\$11,037,841	\$(3,467,976)	\$50,973,586

[†] Contributions received in the form of marketable securities are recognized at fair value on the date of receipt and held in the program account pending disposition. Upon sale of the securities, actual proceeds are deposited into the donor-recommended investment pool, and any gain/loss realized on the sale is recognized in the program account.

Thank you for making the good go further.

For more information about T. Rowe Price Charitable, for answers to your questions, or to open an account, please contact us using the information below.

trowepricecharitable.org

1-800 690 0438

Our service associates are available Monday through Friday, 8 a.m. to 8 p.m. ET.

questions@trowepricecharitable.org

You can expect a reply within one to two business days after your inquiry.

T.RowePrice® | Charitable

This material has been prepared for general and educational purposes only; it is not individualized to the needs of any specific donor and is not intended to suggest any particular investment strategy is appropriate for you. Any tax-related discussion contained in this material, including any attachments/links, is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding any tax penalties or (ii) promoting, marketing, or recommending to any other party any transaction or matter addressed herein. Donors are advised to seek professional tax advice regarding questions related to year-end donations.

© 2022 T. Rowe Price. All Rights Reserved. T. Rowe Price and T. Rowe Price Charitable are trademarks of T. Rowe Price Group, Inc. All other trademarks shown are the property of their respective owners. Use does not imply endorsement, sponsorship, or affiliation of T. Rowe Price with any of the trademark owners.

CCON0124481
202208-2197647