



T. ROWE PRICE

RESPONSIBLE EXCLUSION LIST POLICY

NOVEMBER 2022

T. Rowe Price UK Limited recognizes that some investors have concerns related to investment in certain corporate or sovereign securities that do not align with their environmental, social, or ethical values. The T. Rowe Price Responsible Funds Range Exclusion List incorporates both category and conduct based exclusions. The nature of categories chosen to be excluded may change over time as market demands and trends evolve.

The T. Rowe Price Responsible Funds Range Exclusion List currently consists of the following categories:

- **Controversial Weapons:** companies with direct exposure to anti-personnel land mines, cluster munitions, incendiary weapons, biological weapons, chemical weapons and/or nuclear weapons
- **Tobacco:** companies that produce tobacco or key components of tobacco products
- **Coal:** companies that generate >5% of revenues from the production of coal
- **Assault-style Weapons:** companies that manufacture or retail semi-automatic weapons for civilian use
- **Adult Entertainment:** companies that generate >5% of revenues from adult entertainment
- **Gambling:** companies that generate >5% of revenues from direct gambling operations
- **Conduct-based:** corporate or sovereign issuers that, in the opinion of the investment manager, have been involved in an extreme environmental, social, ethical or governance breach as determined in reference to the UN Global Compact principles and are not taking adequate steps to remediate the issue.

The following table provides more detail on the parameters for exclusion within each category:

Category	Detail for exclusion
Controversial Weapons	Companies that have direct exposure to anti-personnel land mines, cluster munitions, incendiary weapons, biological weapons, chemical weapons and/or nuclear weapons; which is defined as either: <ol style="list-style-type: none"> 1. The company is developing, producing, maintaining, distributing, storing or providing another service for a cluster munition, anti-personnel land mine, incendiary, biological, chemical and/or nuclear weapon; 2. The company is developing, producing or providing another service for a component primarily developed for use in a cluster munition, anti-personnel land mine, incendiary, biological, chemical and/or nuclear weapon; 3. The company is developing, producing or providing another service specialized or customized for the deployment of a cluster munition, anti-personnel land mine, incendiary, biological, chemical and/or nuclear weapon; or 4. The company has an ownership stake of more than 50% in a company with direct exposure to cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons.
Tobacco	Companies that have direct exposure to the manufacturing of tobacco and/or key tobacco components.
Coal	Companies that derive more than 5% of their revenues through the production of thermal coal.
Assault-style Weapons	Companies that manufacture or retail semi-automatic or "assault-style" weapons.
Adult Entertainment	Companies that derive more than 5% of their revenues through the retail or production of adult entertainment.
Gambling	Companies that derive more than 5% of their revenues from direct gambling operations.
Conduct-based	Corporate or sovereign issuers that, in the opinion of the investment manager, have been involved in an extreme environmental, social, ethical or governance breach as determined in reference to the UN Global Compact principles and are not taking adequate steps to remediate the issue.

There may be circumstances where a fund has indirect exposure to a corporate or sovereign issuer involved in the excluded categories. Examples of these circumstances could include an investment in an instrument that gives exposure to an index, or an investment in a fund managed by an unaffiliated investment manager.

The Board of Directors of T. Rowe Price UK Limited has delegated the responsibility for the creation, analysis and maintenance of the list of excluded issuers to the funds' investment manager and its specialists in environmental, social and governance ("ESG") issues. Considerations taken into account in determining the exclusion list include the conclusions of external research providers, engagements with the company, the direct, indirect or ongoing nature of any involvement in a specific category or incident and evidence of exclusion by other investors. In conducting their analysis, the ESG specialists rely on a variety of sources for information about corporate issuers including:

- Sustainalytics
- MSCI ESG Research
- Company reports
- Research by non-governmental organizations (NGOs)
- T. Rowe Price's global team of equity and fixed income analysts
- UN Convention on Cluster Munitions data
- UN Anti-Personnel Mine Ban Convention
- Government reports
- UN Global Compact principles
- Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights



Important Information

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