



UK Tax Strategy

Introduction

This tax strategy is published by T. Rowe Price International Ltd (“TRPIL”) to satisfy requirements under Part 2 of Schedule 19 of the Finance Act 2016. The strategy addresses the following:

1. Governance arrangements and approach to risk management;
2. Level of risk acceptance;
3. Attitude towards tax planning; and
4. Relationship with tax authorities.

TRPIL is a wholly-owned UK subsidiary of our ultimate holding company, T. Rowe Price Group, Inc. (“Group” or “TRP”), a publicly owned company in the United States of America. This strategy applies to all Group companies and TRP sponsored funds.

1. Governance Arrangements and Approach to Risk Management

TRP tax functions comprise the Global Tax Department part of the Chief Financial Officer Group (“CFO Group”) and the Investment Tax Group, part of the Chief Operating Officer Group (“COO Group”). Global Tax oversees Group’s tax compliance, reporting for income taxes, as well as examination and inquiry activity by the tax authorities globally. Investment Tax is focused on the tax operations, compliance, and reporting with respect to TRP-managed Investment Funds. Global Tax and Investment Tax support each other and the groups’ responsibilities regarding overall tax management and compliance. To supplement its internal expertise, Global Tax and Investment Tax work with external advisors to address complex and specialised tax issues.

The CFO is responsible for the tax strategy, the supporting governance, and management of tax risk for all Group companies and the COO is responsible for these areas for all TRP sponsored funds. TRP’s Board of Directors and Management Committee ensure that TRP’s tax strategy is aligned with Group’s business purpose and overall approach to risk management.

The TRP Head of Global Tax is responsible for day-to-day operations of the Global Tax Department, ensures that the CFO of Group is regularly updated on applicable US, international, state, and local tax matters, and provides a periodic tax update to the Audit Committee of the TRP Board of Directors. The Global Tax Department also provides periodic updates to boards of UK group companies, which include updates of the Global Tax Department and the Investment Tax Group.

TRP has an existing and mature internal control framework that is geared towards the identification, management, and mitigation of tax risks. Control owners, who are appropriately qualified, experienced and trained, are required to attest to the design and operating effectiveness of controls specific to corporate tax, VAT, and PAYE. Where gaps or deficiencies in controls are identified, remediation plans are put in place promptly that include, where appropriate, a full analysis of the impact of those deficiencies on our business

and our clients and, where relevant, appropriate disclosures to tax authorities. TRP's corporate control team conducts testing periodically to identify key risks, mitigating controls, and compliance. The results of periodic testing are reported to the Audit Committee of the TRP Board of Directors through the CFO.

2. Level of Tax Risk Acceptance

TRP is subject to financial, reputational, transactional, and tax compliance risks. TRP has a low tax-risk appetite and does not engage in tax planning that does not support business and economic activities. Global Tax and Investment Tax provide support to the business regarding tax issues that could impact Group's corporate tax position or the tax profile of its sponsored products. Global Tax and Investment Tax engage external advisors where appropriate to support the business with respect to relevant tax issues. Various oversight functions exist to support and supplement the management of tax risks, specifically Internal Audit and Enterprise Risk, which are engaged on a periodic basis related to business changes and organisational activities which may or may not impact tax risks and the associated mitigation strategies.

TRP is regulated by the Financial Conduct Authority in the UK as well as by financial service regulators in other countries in which it operates, including the Securities and Exchange Commission in the United States. TRPIL has been compliant with the Senior Accounting Officer requirements in the UK. The need to comply with this additional oversight ensures TRP that tax risk management is embedded as part of our wider Enterprise Risk Management procedures.

3. Tax Planning

TRP's goal is to operate within the existing tax law framework and to maintain its responsibilities to its stakeholders and shareholders while protecting its corporate reputation. TRP's Global Tax Department reviews and analyses key business transactions from both a tax efficiency and compliance perspective to ensure that we manage the tax costs to shareholders, while ensuring compliance with all applicable tax laws and regulations. TRP's Global Tax Department regularly monitors and assesses the potential impact of applicable tax legislation, regulations, and judicial and administrative updates in the jurisdictions where Group companies operate and do business and where TRP sponsored funds are domiciled and invest. TRP's Global Tax Department reviews group entities and fund structures and, as necessary, involves internal legal counsel and engages external legal counsel and advisors to obtain advice with respect to the expected tax treatment of transactions entered into by TRP entities and funds under applicable law and regulations.

4. Relationship with Tax Authorities

TRP maintains a transparent and productive relationship with tax authorities in all countries in which it operates, including HM Revenue and Customs ("HMRC") in the UK. TRP is committed to compliance with local tax laws and regulations, tax filings, and tax payment obligations. TRP strives to appropriately disclose all relevant tax issues on submitted tax returns and to respond in a timely manner to formal information requests associated with tax examinations and informal enquiries. Wherever possible, TRP discloses and seeks to resolve a known issue prior to the filing of the relevant tax returns. TRP promptly amends its tax

return filings if any inadvertent errors are identified.

TRP seeks to identify the applicable law, to correctly interpret its meaning, and to correctly apply the law based on Group's facts and circumstances. If a dispute arises, TRP works constructively and proactively with the tax authorities to reach a mutual agreement on the treatment of the disputed issue.