



T. ROWE PRICE

EXCLUSION POLICY

AS OF AUGUST 2023

At T. Rowe Price¹ we implement limited sets of exclusions on our portfolios. The vast majority of our assets under management are only subject to a set of firmwide exclusions, which target genocide and/or crimes against humanity. For some of our assets under management, additional exclusions are applied to vehicles in specific regions where market preferences exist, and to specific strategies that have Environmental, Social and Governance (ESG)-related objectives. For some of our assets under management in separate accounts, our clients may implement their own exclusion criteria.

I. EXCLUSIONS

1. T. Rowe Price firmwide² exclusions:

1.1. Human Rights violators:

We maintain a firmwide exclusion list on certain corporate securities that, in our opinion, pose high risk due to their exposure to supporting governments carrying out genocide and/or crimes against humanity. The policy targets companies that exhibit a blatant disregard for due diligence on genocide and/or crimes against humanity and have repeatedly been involved in supporting governments carrying out these events.

■ See [Schedule 1](#)

2. Investment advisory and investment vehicle-specific exclusions:

2.1. Controversial weapons exclusions:

For all vehicles and accounts managed by certain of T. Rowe Price investment advisory affiliates³, we maintain an exclusion policy on certain corporate issuers deemed to be engaged in the manufacture, production, or assembly of controversial weapons, which includes anti-personnel land mines, biological and chemical weapons, cluster munitions and incendiary weapons.

■ See [Schedule 2](#)

2.2. Tobacco exclusions:

For Australian unit trusts, we maintain an exclusion policy on issuers engaged in the manufacture of tobacco products.

■ See [Schedule 3](#)

3. Strategy-specific exclusions:

3.1. Responsible exclusions:

For select ESG enhanced funds we maintain an exclusion policy that is aligned with our clients' most common ESG concerns. This includes the following categories:

- Adult entertainment
- Assault-style weapons for civilian use
- Controversial weapons (including nuclear weapons)
- Gambling
- Thermal coal
- Tobacco
- Conduct-based exclusion

■ See [Schedule 4](#)

¹ This policy excludes Oak Hill Advisors, L.P. (OHA) a subsidiary of T. Rowe Price Group, Inc., which operates as a stand-alone business.

² Excluding OHA.

³ T. Rowe Price (Luxembourg) Management S.à r.l, T. Rowe Price UK Limited and T. Rowe Price (Canada), Inc.

3.2. Impact exclusions:

For our impact strategies, we maintain a more extensive exclusion policy of issuers that do not align with our strategies' philosophy of generating positive environmental or social impact. This includes the following categories:

- Adult entertainment
 - Alcohol
 - Assault-style weapons for civilian use
 - Controversial weapons (including nuclear weapons)
 - Conventional weapons
 - For-profit prisons
 - Fossil fuels
 - Gambling
 - Tobacco
 - Conduct-based exclusions
- See [Schedule 5](#)

II. DELEGATION AND CONSIDERATIONS

The responsibility for the creation, analysis, and maintenance of the list of excluded issuers has been delegated to ESG specialists at T. Rowe Price Associates, Inc. (TRPA) and its investment advisory affiliates, including T. Rowe Price Investment Management, Inc. (TRPIM), as appropriate to the relevant investment strategy. In conducting their analysis, the ESG specialists rely on a variety of sources for information about issuers, including:

1. Sustainalytics
2. MSCI ESG Research
3. Company reports
4. Research by non-governmental organizations
5. T. Rowe Price's global team of equity and fixed income analysts
6. Government reports
7. UN Global Compact Principles
8. The Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
9. UN Guiding Principles on Business and Human Rights

Considerations taken into account in the analysis include the conclusions of our third-party data providers; the direct, indirect, or ongoing nature of any involvement with the exclusion category; corporate disclosures; and evidence of exclusion by other investors.

While we utilize reputable third-party data providers, such data has inherent limitations, and is provided with no guarantee of completeness, accuracy, or timeliness and without warranty of any kind. As such, a T. Rowe Price portfolio may invest in certain securities that fall outside the coverage of the sources utilized to determine exposure to an excluded category in certain instances that may lead to direct or indirect exposure on a temporary basis to issuers that are outside of the universe considered by third-party data providers used by T. Rowe Price.

This policy is reviewed periodically together with the sources and methodologies utilized in the compilation of the list of securities for exclusion. As each investment advisory affiliate may use its own internal research to identify whether issuers are exposed to any of the exclusion categories, the individual issuers on exclusion lists may differ over time.

There may be circumstances where a T. Rowe Price portfolio has indirect exposure to an issuer on any of its exclusion lists. Examples of these circumstances could include an investment that is required to be made to track an index or an investment fund managed by an unaffiliated investment manager.

III. OTHER LEGALLY REQUIRED EXCLUSIONS

In addition to the exclusions mentioned above, all portfolios can be subject to legally required exclusions. For example, at any point in time, a portfolio may be prohibited from investing in certain sovereign or corporate instruments associated with targeted U.S. or international sanctions. Investment restrictions in sanctioned securities are not managed by the ESG specialists.

SCHEDULE 1 – HUMAN RIGHTS VIOLATORS EXCLUSIONS

Applicable to: All portfolios

T. Rowe Price has adopted a policy to refrain from investing in certain corporate securities that, in our opinion, pose high risk due to their exposure to supporting governments carrying out genocide and/or crimes against humanity. The policy targets companies that exhibit a blatant disregard for due diligence on genocide and/or crimes against humanity and that have repeatedly been involved in supporting governments carrying out these events.

An important determinant for whether a company should be placed on the exclusion list is the nature of its partnership with or funding of a government carrying out genocide and/or crimes against humanity. This can include, but is not limited to:

- Sale of military equipment
- Involvement in the oil and gas industry
- Mineral extraction
- Export of products
- Complicity in the genocide or crime against humanity

SCHEDULE 2 – CONTROVERSIAL WEAPONS EXCLUSIONS

Applicable to: All portfolios managed by T. Rowe Price UK Limited, T. Rowe Price (Luxembourg) Management S.à r.l. and T. Rowe Price (Canada), Inc.

T. Rowe Price recognizes the investment community's concern, in certain jurisdictions in which it operates, related to the use of certain types of military weapons and their potential for harm to civilians and infrastructure following conflict. As such, T. Rowe Price has adopted a policy not to finance companies deemed to be involved in the manufacturing, producing or assembling of controversial weapons – specifically those subject to the UN Convention on Cluster Munitions and the UN Anti-Personnel Mine Ban Convention as well as incendiary, biological and chemical weapons.

An important determinant for whether a company should be placed on the excluded companies list is the nature of its exposure to cluster munitions, anti-personnel land mines, incendiary weapons, biological weapons, or chemical weapons. To qualify for placement on the excluded companies list, a company must have direct exposure meaning it meets at least one of these four criteria:

1. The company is developing, producing, maintaining, distributing, storing or providing another service for cluster munitions, anti-personnel land mines, incendiary weapons, biological weapons and/or chemical weapons.
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 weapons, biological weapons and/or chemical weapons.
3. The company is developing, producing or providing another service specialized or customized for the deployment of a cluster munition, anti-personnel land mines, incendiary weapons, biological weapons and/or chemical weapons.
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 weapons, biological weapons and/or chemical weapons.

SCHEDULE 3 – TOBACCO EXCLUSIONS

Applicable to: All Australian unit trusts managed by T. Rowe Price Australia Limited

T. Rowe Price recognizes that some investors have concerns related to investment in companies whose business activities relate to the manufacture of tobacco. As such, T. Rowe Price has adopted a policy not to finance companies that have direct exposure to the manufacturing of tobacco or key tobacco components.

SCHEDULE 4 – RESPONSIBLE EXCLUSIONS

Applicable to: ESG enhanced⁴ strategies

T. Rowe Price 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 Exclusion List incorporates both categories 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 Exclusion List currently consists of the following categories:

Category	Detail for exclusion
Controversial Weapons (including nuclear)	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 cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 2. The company is developing, producing or providing another service for a component primarily developed for use in cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 3. The company is developing, producing or providing another service specialized or customized for the deployment of cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 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 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.

⁴ ESG enhanced strategies promote specific ESG characteristics alongside financial returns. They incorporate binding environmental and/or social commitments that will vary by product type, such as values- and conduct-based exclusions, alignment to sustainable investments, supporting the transition to net zero, or positive tilt to our proprietary ESG rating system, the Responsible Investing Indicator Model (RIIM), scores.

SCHEDULE 5 – IMPACT EXCLUSIONS

Applicable to: All Impact strategies

T. Rowe Price recognizes that investment in certain corporate or sovereign securities may be contradictory to the firm's impact philosophy of delivering positive environmental and/or social impacts. The T. Rowe Price Impact Exclusion List, therefore, incorporates both category and conduct based exclusions that align with common environmental, social and ethical values. The nature of categories chosen to be excluded may change over time as market demands and trends evolve.

The T. Rowe Price Impact Exclusion List currently consists of the following categories:

Category	Detail for exclusion
Adult Entertainment	Companies that derive more than 5% of their revenues through the retail or production of adult entertainment.
Alcohol	Companies that derive more than 5% of their revenues through the production of alcohol.
Assault-style Weapons	Companies that manufacture or retail semi-automatic or "assault-style" weapons.
Controversial Weapons (including nuclear)	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 cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 2. The company is developing, producing or providing another service for a component primarily developed for use in cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 3. The company is developing, producing or providing another service specialized or customized for the deployment of cluster munitions, anti-personnel land mines, incendiary, biological, chemical and/or nuclear weapons; 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.
Conventional Weapons	Companies that derive more than 5% of their revenues through the production of conventional weapons.
For-profit Prisons	Companies that derive more than 5% of their revenues through for-profit prisons.
Fossil Fuels	Companies that derive more than 5% of their revenues through the production of thermal coal and companies that are identified within the Oil or Gas industry through the Global Industry Classification Standard (GICS) and/or Bloomberg Industry Classification Systems (BICS) classification.
Gambling	Companies that derive more than 5% of their revenues through gaming (gambling) activities or casinos.
Tobacco	Companies that have direct exposure to the manufacturing of tobacco and/or key tobacco components.
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.

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