



CONTROVERSIAL WEAPONS POLICY

T. Rowe Price (Luxembourg) Management S.à r.l. has adopted a policy not to finance companies deemed by the funds' investment manager 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. T. Rowe Price (Luxembourg) Management S.à r.l. periodically reviews its policy, together with the sources and methodologies utilized by the investment manager in the compilation of the list of securities for exclusion.

T. Rowe Price (Luxembourg) Management S.à r.l. recognizes the investment community's concern related to the use of certain types of military weapons and their potential for harm to civilians and infrastructure following conflict. In establishing the policy to exclude certain investments related to the manufacture and trade of controversial weapons, its objective is to serve the best interests of the investment clients of the funds to which it acts as management company, while maintaining the highest standards of ethical business practice and adherence to local laws and codes of conduct.

The Board of Managers of T. Rowe Price (Luxembourg) Management S.à r.l. has delegated the responsibility for creation, analysis and maintenance of the list of excluded companies to the funds' investment manager and its specialists in environmental, social and governance ("ESG") issues.

Considerations taken into account in the analysis include the conclusions of our external research providers, the direct, indirect or on-going nature of any involvement in controversial weapons, company disclosures, the presence of any technological features in the weapons that may mitigate the potential for collateral harm to civilians, and evidence of exclusion by other investors.

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 a cluster munition, anti-personnel land mine, incendiary weapon, biological weapon and/or chemical 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 weapon, biological weapon and/or chemical 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 weapon, biological weapon and/or chemical weapon.
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.

There may be circumstances where a fund has indirect exposure to a company involved in controversial weapons. Examples of these circumstances could include an investment which is required to be made to track an index or an investment fund managed by an unaffiliated investment manager.

In conducting their analysis, the ESG specialists rely on a variety of sources for information about corporate issuers involved in cluster munitions, anti-personnel land mines, incendiary weapons, biological weapons and chemical weapons, 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

T. Rowe Price (Luxembourg) Management S.à r.l. welcomes dialogue with its clients about this important issue. If you would like to arrange a discussion about its exclusions policy with regard to controversial weapons, please contact your T. Rowe Price client service professional.

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