



STRATEGY HIGHLIGHTS

As of 30 June 2019

US Diversified Small-Cap Value Equity Strategy

Total Strategy Assets:¹ \$12.1 billion²

Figures shown in U.S. Dollars

INVESTMENT APPROACH

- Invest in small-capitalization stocks with an emphasis on stocks with a market capitalization that is within or below the range of companies in the Russell 2000 Index. The strategy is the broadest product offering to focus on the small-cap value space.
- Employ a long-term focused, contrarian bottom-up approach.
- Rely on fundamentally driven, valuation conscious research to identify companies that are under-appreciated by the market.
- Broadly diversify holdings to manage portfolio risk profile.
- Employ a low turnover and patient trading strategy to promote full value realization.

PORTFOLIO CONSTRUCTION

- Typically 275-325 securities
- Position sizes typically range between 0.25% to 2.50%
- Benchmark aware – sector diversification is the result of opportunistic relative valuation opportunities
- Fully invested strategy, reserves typically 5% or less

BENCHMARK

- Russell 2000 Index
- Russell 2000 Value Index

PORTFOLIO MANAGEMENT

David Wagner, CFA[®]

- 20 years of investment experience; 19 years with T. Rowe Price.
- M.B.A., University of Virginia, Darden School of Business
- B.A., The College of William and Mary

Frank Alonso

- 19 years of investment experience; 19 years with T. Rowe Price.
- B.S., Miami University

PORTFOLIO SPECIALISTS

Michele Ward, CFA[®]

- 35 years of investment experience; 4 years with T. Rowe Price.
- M.B.A., Yale School of Management
- B.A., Yale University

Portfolio Specialists do not assume management responsibilities.

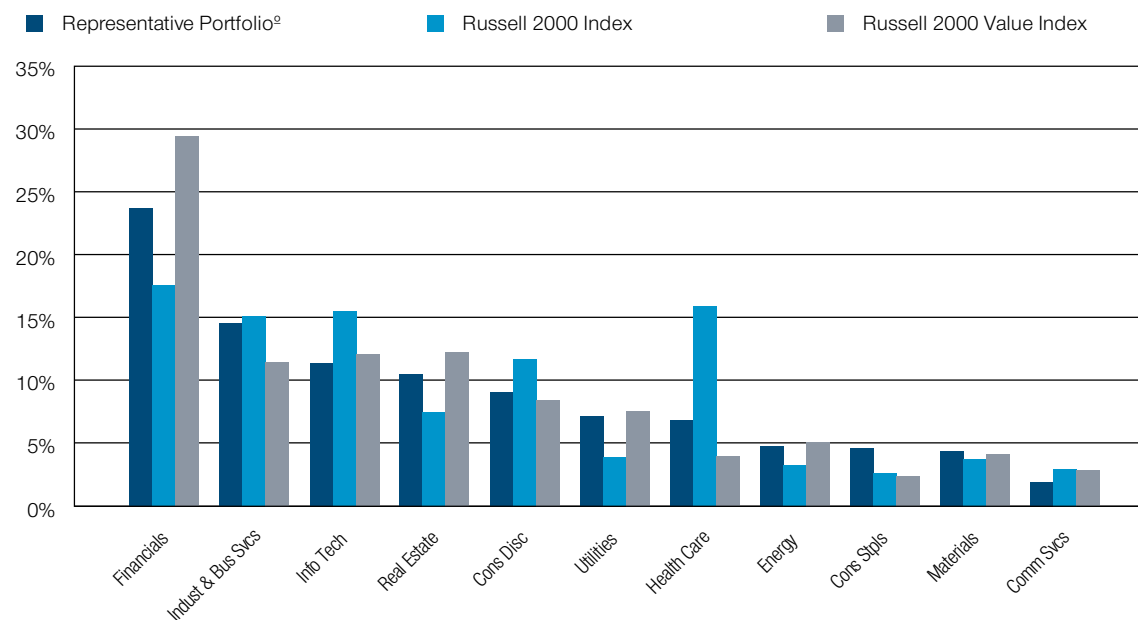
¹ Includes a U.S.-registered mutual fund and common trust funds.

² Assets reported are as of 31 March 2019.

TOP 10 ISSUERS

	% of Representative Portfolio ²
Belden	1.5%
PNM Resources	1.2
ONE Gas	1.2
Nomad Foods	1.2
Home Bancshares	1.1
Strategic Education	1.0
Tableau Software	1.0
Triumph Group	1.0
Atrion	0.9
Southwest Gas Holdings	0.9
Total	10.9%

SECTOR DIVERSIFICATION



PORTFOLIO CHARACTERISTICS

	Representative Portfolio ²	Russell 2000 Index	Russell 2000 Value Index
Projected Earnings Growth Rate (IBES) ^o †	10.4%	12.0%	8.0%
Price to Earnings (12 Months Forward) (IBES) ^o †	19.9X	21.0X	15.7X
Return on Equity (Last 12 Months excl. charges) ^o	10.2%	10.7%	9.4%
Price to Book ^o	2.2X	2.6X	1.6X
Investment Weighted Median Market Cap (mm)	\$2,599	\$2,273	\$2,011
Investment Weighted Average Market Cap (mm)	\$3,142	\$2,614	\$2,216
Number of Holdings	310	2,000	1,341
Top 20 Holdings as % of Total	19.5%	5.9%	9.6%
Portfolio Turnover ††	18.5%	-	-
Active Share	85.0%	-	-

^oInvestment Weighted Median.

†Based on the Representative Portfolio's underlying holdings and is not a projection of future portfolio performance.

²Please see Additional Disclosures section for further information.

††Portfolio Turnover represents 1 year period ending 12/31/18.

PERFORMANCE

	Three Months	Year-to-Date	One Year	Annualized			
				Three Years	Five Years	Ten Years	Fifteen Years
US Diversified Small-Cap Value Equity Composite (Gross)	4.74%	18.35%	0.79%	13.24%	8.11%	14.21%	9.97%
US Diversified Small-Cap Value Equity Composite (Net)	4.55	17.92	0.03	12.40	7.31	13.36	9.16
Russell 2000 Index	2.10	16.98	-3.31	12.30	7.06	13.45	8.15
Value Added (Gross)	2.64	1.37	4.10	0.94	1.05	0.76	1.82
Value Added (Net)	2.45	0.94	3.34	0.10	0.25	-0.09	1.01
Russell 2000 Value Index	1.38	13.47	-6.24	9.81	5.39	12.40	7.28
Value Added (Gross)	3.36	4.88	7.03	3.43	2.72	1.81	2.69
Value Added (Net)	3.17	4.45	6.27	2.59	1.92	0.96	1.88

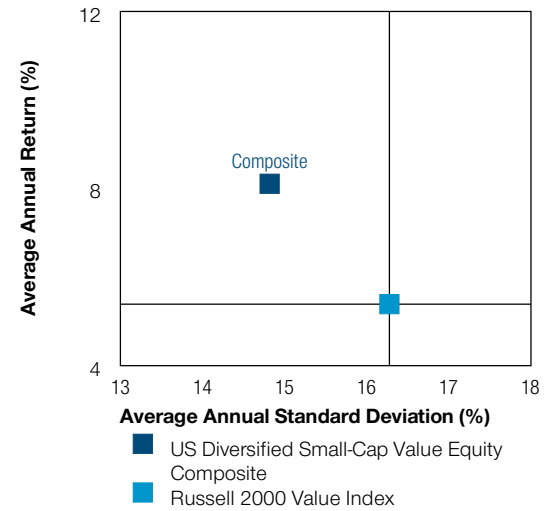
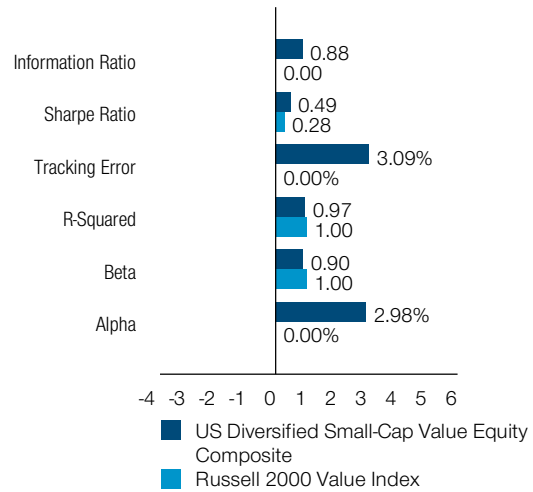
Past performance is not a reliable indicator of future performance.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of all non-reclaimable withholding taxes on dividends, interest income, and capital gains.

Supplemental information. Please see the GIPS® Disclosure page for additional information on the composite. Monthly Composite performance is available upon request.

RISK/RETURN CHARACTERISTICS

Five Years ended 30 June 2019



Past performance is not a reliable indicator of future performance. Statistics based on monthly gross returns. Returns would have been lower as the result of the deduction of applicable fees.

FEE SCHEDULE**US Diversified Small-Cap Value Equity Composite**

The US Diversified Small-Cap Value Equity Composite seeks long-term capital appreciation primarily through investment in small-cap companies that appear to be undervalued. (Created June 2006) (Formerly known as US Small-Cap Value IV Equity Composite)

First \$20 million	75 basis points
Above \$20 million	60 basis points
Minimum separate account size	\$50 million

GIPS® Disclosure

US Diversified Small-Cap Value Equity Composite

Period Ended June 30, 2019

Figures Shown in U.S. dollar

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD 2019
Gross Annual Returns (%)	28.00	26.29	0.21	18.71	33.80	0.95	-3.93	29.99	14.25	-10.85	18.35
Net Annual Returns (%) ¹	27.06	25.36	-0.54	17.84	32.83	0.19	-4.66	29.04	13.40	-11.52	17.92
Russell 2000 Value Index (%) ²	20.58	24.50	-5.50	18.05	34.52	4.22	-7.47	31.74	7.84	-12.86	13.47
Composite 3-Yr St. Dev.	22.71	25.35	23.43	18.49	15.13	11.74	12.57	13.92	12.30	14.16	15.42
Russell 2000 Value Index 3-Yr St. Dev.	25.62	28.37	26.05	19.89	15.82	12.79	13.46	15.50	13.97	15.76	17.08
Composite Dispersion	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Comp. Assets (Millions)	5,609.7	7,079.0	6,845.1	7,936.0	10,756.6	10,038.6	7,206.8	11,065.5	12,060.2	10,510.5	12,538.8
# of Accts. in Comp.	2	2	2	3	3	3	1	3	3	4	4
Total Firm Assets (Billions)	395.2	485.0	493.1	579.8	696.3	749.6	772.4	817.2	1,000.2	972.7	1,136.4 ³

¹Reflects deduction of highest applicable fee schedule without benefit of breakpoints. Investment return and principal value will vary. Past performance is not a reliable indicator of future performance. Monthly composite performance is available upon request. **See below for further information related to net of fee calculations.**

²Primary benchmark for the composite is the Russell 2000 Value Index. Prior to March 1, 2016, the primary benchmarks for the composite were the Russell 2000 Index and Russell 2000 Value Index. The change was made because the firm viewed the new benchmark to be a better representation of the investment strategy of the composite. Historical benchmark representations have not been restated.

³Preliminary - subject to adjustment.

T. Rowe Price (TRP) has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®). TRP has been independently verified for the 22-year period ended June 30, 2018 by KPMG LLP. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. TRP is a U.S. investment management firm with various investment advisers registered with the U.S. Securities and Exchange Commission, the U.K. Financial Conduct Authority, and other regulatory bodies in various countries and holds itself out as such to potential clients for GIPS purposes. TRP further defines itself under GIPS as a discretionary investment manager providing services primarily to institutional clients with regard to various mandates, which include U.S., international, and global strategies but excluding the services of the Private Asset Management group. The minimum asset level for equity portfolios to be included in composites is \$5 million and prior to January 2002 the minimum was \$1 million. The minimum asset level for fixed income and asset allocation portfolios to be included in composites is \$10 million; prior to October 2004 the minimum was \$5 million; and prior to January 2002 the minimum was \$1 million. Valuations are computed and performance reported in U.S. dollars.

Gross performance returns are presented before management and all other fees, where applicable, but after trading expenses. Net of fees performance reflects the deduction of the highest applicable management fee that would be charged based on the fee schedule contained within this material, without the benefit of breakpoints. Gross and net performance returns reflect the reinvestment of dividends and are net of nonreclaimable withholding taxes on dividends, interest income, and capital gains. Effective June 30, 2013, portfolio valuation and assets under management are calculated based on the closing price of the security in its respective market. Previously portfolios holding international securities may have been adjusted for after-market events. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request. Dispersion is measured by the standard deviation across asset-weighted portfolio returns represented within a composite for the full year. Dispersion is not calculated for the composites in which there are five or fewer portfolios.

Some portfolios may trade futures, options, and other potentially high-risk derivatives which generally represent less than 10% of a portfolio.

Benchmarks are taken from published sources and may have different calculation methodologies, pricing times, and foreign exchange sources from the composite.

Composite policy requires the temporary removal of any portfolio incurring a client initiated significant cash inflow or outflow greater than or equal to 10% of portfolio assets. The temporary removal of such an account occurs at the beginning of the measurement period in which the significant cash flow occurs and the account re-enters the composite on the last day of the current month after the cash flow. Additional information regarding the treatment of significant cash flows is available upon request.

The firm's list of composite descriptions and/or a presentation that adheres to the GIPS® standards are available upon request.

A portfolio management change occurred effective July 1, 2014. There were no changes to the investment program or strategy related to this composite.

ADDITIONAL DISCLOSURES

Portfolio Construction: There is no guarantee that the investment will remain within the anticipated ranges of exposure.

Active Share is a holdings based measure of active management representing the percentage of a portfolio's holdings that differ from those in its benchmark. Compared to tracking error, which measures the standard deviation of the difference in a manager's returns versus the Benchmark returns, Active Share allows investors to get a clearer understanding of what a manager is doing to drive performance, rather than drawing conclusions from observed returns. The greater the difference between the asset composition of a product and its benchmark, the greater the active share is.

Unless indicated otherwise the source of all data is T. Rowe Price.

The specific securities identified and described do not represent all of the securities purchased or sold for this Composite. This information is not intended to be a recommendation to take any particular investment action and is subject to change. No assumption should be made that the securities identified and discussed were or will be profitable.

Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

The index weights shown in sector diversification exhibits exclude the annual Russell rebalancing which occurred on June 28, 2019. If attribution is shown, the index weights include the annual Russell rebalancing

Unless otherwise noted, returns are shown with gross dividends reinvested.

The information shown does not reflect any Exchange Traded Funds (ETFs) that may be held in the portfolio.

Source for Sector Diversification: T. Rowe Price uses the MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all future updates to GICS for prospective reporting.

Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.

The representative portfolio is an account in the composite we believe most closely reflects current portfolio management style for the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio shown may differ from those of other accounts in the strategy. Please see the GIPS Disclosure page for additional information on the composite.

Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.

Risks

The following risks are materially relevant to the portfolio.

General Portfolio Risks

Capital risk - The value of your investment will vary and is not guaranteed. It will be affected by changes in the exchange rate between the base currency of the portfolio and the currency in which you subscribed, if different. **Equity risk** - In general, equities involve higher risks than bonds or money market instruments. **Geographic concentration risk** - To the extent that a portfolio invests a large portion of its assets in a particular geographic area, its performance will be more strongly affected by events within that area. **Hedging risk** - A portfolio's attempts to reduce or eliminate certain risks through hedging may not work as intended. **Investment portfolio risk** - Investing in portfolios involves certain risks an investor would not face if investing in markets directly. **Management risk** - The investment manager or its designees may at times find their obligations to a portfolio to be in conflict with their obligations to other investment portfolios they manage (although in such cases, all portfolios will be dealt with equitably). **Operational risk** - Operational failures could lead to disruptions of portfolio operations or financial losses.

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