T. Rowe Price®

ANNUAL REPORT

May 31, 2023

T. ROWE PRICE

U.S. Treasury Funds

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HIGHLIGHTS

- Amid a sharp rise in interest rates, the T. Rowe Price U.S. Treasury Money Fund posted positive returns and modestly outperformed its Lipper peer group index.
- T. Rowe Price's U.S. Treasury Index Funds produced losses amid high inflation and rapid monetary tightening by the Federal Reserve (Fed). The funds underperformed their respective Bloomberg benchmarks and delivered mixed results versus their Lipper peer group average.
- Within our U.S. Treasury Index Funds, we reduced non-benchmark allocations to Ginnie Mae mortgage-backed securities amid continued headwinds to the mortgage sector.
- We believe that the bulk of the Fed's tightening efforts are behind us, but until there are clear indications that inflation is decisively trending toward 2%, we would expect the Fed to keep short-term rates at current levels or raise them incrementally.

Dear Shareholder

Major global stock and bond indexes produced mixed returns during your fund's fiscal year, the 12-month period ended May 31, 2023. Rising interest rates weighed on returns in the first half of the period, but many sectors rebounded over the past six months as growth remained positive in the major economies and corporate earnings results came in stronger than expected.

For the 12-month period, growth stocks outperformed value shares, and developed market shares generally outpaced their emerging market counterparts. In the U.S., the Russell 1000 Growth Index and Nasdaq Composite Index performed the best. Most currencies weakened versus the U.S. dollar over the period, which weighed on returns for U.S. investors in international securities.

Within the S&P 500 Index, the information technology sector had, by far, the strongest returns. Big tech companies rebounded strongly at the start of 2023, helped in part by growing investor enthusiasm for artificial intelligence applications. Meanwhile, falling prices for various commodities weighed on returns for the materials and energy sectors, and turmoil in the banking sector, which included the failure of three large regional banks, hurt the financials segment. Real estate stocks also came under pressure amid concerns about the ability of some commercial property owners to refinance their debt.

Cheaper oil contributed to slowing inflation during the period, although core inflation readings—which exclude volatile food and energy prices—remained stubbornly high. April's consumer price index data (the latest available in our reporting period) showed a headline inflation rate of 4.9% on a 12-month basis, down from more than 8% at the start of the period but still well above the Fed's long-term 2% inflation target.

In response to persistent inflation, the Fed raised its short-term lending benchmark rate from around 1.00% at the start of the period to a range of 5.00% to 5.25% by the end of May, the highest level since 2007. However, Fed officials have recently suggested that they might soon be ready to pause additional rate hikes as they wait to see how the economy is progressing.

Bond yields increased considerably across the U.S. Treasury yield curve as the Fed tightened monetary policy, with the yield on the benchmark 10-year note climbing from 2.85% at the start of the period to 3.64% at the end of May.

Significant inversions in the yield curve, which are often considered a warning sign of a coming recession, occurred during the period as shorter-maturity Treasuries experienced the largest yield increases. At the end of May, the yield on the three-month Treasury bill was 188 basis points (1.88 percentage point) higher than the yield on the 10-year Treasury note. Increasing yields led to weak results across most of the fixed income market, although high yield bonds, which are less sensitive to rising rates, held up relatively well.

Global economies and markets showed surprising resilience in recent months, but, moving into the second half of 2023, we believe investors could face potential challenges. The economic impact of the Fed's rate hikes has yet to be fully felt in the economy, and while the regional banking turmoil appears to have been contained by the swift actions of regulators, it could continue to have an impact on credit conditions. Moreover, the market consensus still seems to forecast a global recession starting later this year or in early 2024, although it could be a mild downturn.

We believe this environment makes skilled active management a critical tool for identifying risks and opportunities, and our investment teams will continue to use fundamental research to identify securities that can add value to your portfolio over the long term.

Thank you for your continued confidence in T. Rowe Price.

Sincerely,

Robert Sharps
CEO and President

U.S. TREASURY MONEY FUND

INVESTMENT OBJECTIVE

The fund seeks maximum preservation of capital and liquidity and, consistent with these goals, the highest possible current income.

FUND COMMENTARY

How did the fund perform in the past 12 months?

Amid rapidly rising money market interest rates, the U.S. Treasury Money Fund returned 3.26% over the 12-month period ended May 31, 2023. The fund modestly outperformed its Lipper peer group index. (Returns for I and Z Class shares varied, reflecting their different fee structures. *Past performance cannot guarantee future results.*)

PERFORMANCE COMPARISON

Periods Ended 5/31/23	Total Return 6 Months	Total Return 12 Months
U.S. Treasury Money Fund	2.16%	3.26%
U.S. Treasury Money Fund– I Class	2.20	3.33
U.S. Treasury Money Fund– Z Class	2.31	3.57
Lipper U.S. Treasury Money Market Funds Index	2.10	3.10

What factors influenced the fund's performance?

Money market yields rose sharply from near-zero levels in March 2022 when the Federal Reserve (Fed) began to raise the fed funds target rate from the 0.00% to 0.25% range it had adopted when the coronavirus pandemic erupted in March 2020. Fed rate hikes were at times aggressive, as the central bank combated elevated inflation stemming from factors such as a tight labor market; pandemic-related global supply chain disruptions; higher prices of commodities, such as food and energy; and stubbornly high housing costs. Later in the period, the collapse of select regional banks in the U.S. caused significant volatility in U.S. Treasury yields.

In fact, the Fed enacted four 75-basis-point (0.75%) rate increases during the period—a meaningful departure from the 25-basis-point incremental changes typically made to the fed funds rate. The pace of rate hikes decreased, though it remains to be seen when the current rate-hiking cycle will end. By the end of May, the Fed had raised the fed funds target rate to the 5.00 to 5.25% range—a level unseen in over 15 years.

Persistently high inflation and a thus far resilient labor market led to a series of large interest rate hikes and continued hawkish rhetoric from Fed officials who are committed to bringing inflation back down to the central bank's long-term 2% goal. U.S. Treasury yields surged in the first half of our fiscal year and continued to climb more modestly in the second half. In the money market universe, three-month U.S. Treasury bill (T-bill) yields climbed from 1.16% to 5.52%, while six-month T-bill yields advanced from 1.64% to 5.46%. One-year T-bill yields increased from 2.08% to 5.18%.

How is the fund positioned?

For much of our fiscal year, we targeted a fairly short weighted average maturity (WAM) so that we could quickly use the proceeds from maturing money market instruments to purchase newer securities with higher yields. In recent months, however, the size of the Fed's rate hikes decreased. As it became clear that the central bank was approaching the end of its tightening cycle and the federal government drew closer to the debt ceiling, we allowed the portfolio's WAM to begin rising from its lows toward neutral. At the end of May, however, the WAM was marginally lower than it was at the end of November 2022.

Also, as lawmakers scrambled in May to reach an agreement with President Biden to raise or suspend the debt ceiling—the statutory limit on federal government borrowing—because the government was running out of money, we took advantage of a temporary spike in yields of T-bills maturing in late June to capture some very attractive yields for our investors. As always, we try to take advantage of opportunities to buy money market instruments with attractive yields without reducing our high credit quality standards.

Because Fed officials have expressed their preference to keep short-term rates at higher levels for some time, we expect to move the portfolio's WAM closer to neutral until the trajectories of the economy, inflation, and U.S. Treasury yields signal how the Fed may respond.

Consistent with our preference for shorter maturities, over half of the portfolio's net assets as of the period-end were invested in one- to seven-day repurchase agreements fully collateralized by Treasury securities. The remainder of the portfolio was invested largely in T-bills and, to a smaller extent, Treasury notes scheduled to mature within one year.

What is portfolio management's outlook?

After more than one year of aggressive Fed interest rate increases, money market yields are at their highest levels in over 15 years—a welcome change from the near-zero yields that have prevailed for most of that extended period.

As a result, we believe money market funds once again offer investors an attractive risk-adjusted investment alternative to other asset classes.

Year-over-year inflation remains elevated, though it is lower than its mid-2022 peak of 9%. Nevertheless, central bank officials have publicly expressed their commitment to bring inflation back down toward the Fed's long-term goal of 2%. We believe that the bulk of the Fed's tightening efforts are behind us, but until there are clear indications that inflation is decisively trending toward 2%, we would expect the Fed to keep short-term rates at current levels or raise them incrementally.

In addition, as a result of the Fiscal Responsibility Act of 2023, which suspends the debt ceiling until January 2025 and caps non-defense government spending for two years, the U.S. Treasury is likely to issue a significant amount of debt in the months ahead—potentially more than $1 trillion—to replenish its coffers. This additional withdrawal of liquidity could force Treasury yields higher and increase stresses on the banking system that became evident when a few prominent regional banks failed in the last few months.

As we watch the economy evolve and monitor the words and actions of Fed policymakers for clues about the Fed's next steps, we believe that keeping a neutral WAM should enable us to respond quickly to any changes in the interest rate outlook or other factors affecting the money markets.

U.S. TREASURY INTERMEDIATE INDEX FUND

INVESTMENT OBJECTIVE

The fund seeks a high level of income consistent with maximum credit protection and moderate fluctuation in principal.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The U.S. Treasury Intermediate Index Fund returned -2.79% during the past 12 months and underperformed its Bloomberg index benchmark, which also produced negative returns. The fund markedly outperformed its Lipper peer group average, which consists of U.S. Treasury funds that span the maturity spectrum—including long-maturity portfolios that fared worse than intermediate-term funds. (Returns for I and Z Class shares varied, reflecting their different fee structures. *Past performance cannot guarantee future results.*)

What factors influenced the fund's performance?

U.S. Treasuries sold off meaningfully early in the reporting period in the face of persistently high inflation, rapid interest rate hikes by the Federal Reserve (Fed), and hawkish revisions to the Fed's monetary policy outlook. Though remaining at multi-decade highs, inflation readings began to moderate, and the Fed slowed the pace of its rate hikes. Together, these factors led U.S. Treasury yields to come down from their highs while remaining elevated.

PERFORMANCE COMPARISON

	Total Return	
Periods Ended 5/31/23	6 Months	12 Months
U.S. Treasury Intermediate Index Fund	1.26%	-2.79%
U.S. Treasury Intermediate Index Fund– I Class	1.14	-2.83
U.S. Treasury Intermediate Index Fund– Z Class	1.20	-2.53
Bloomberg U.S. 4–10 Year Treasury Bond Index	1.87	-1.71
Lipper General U.S. Treasury Funds Average	1.61	-5.50

Yield curve exposures impeded results, with bouts of extreme rate volatility occasionally undermining our tactical positions. We entered March with a short duration bias ahead of the Fed's March meeting as economic indicators pointed to a U.S. economy that was reaccelerating and very hawkish rhetoric from Fed Chair Jerome Powell increased the likelihood for a larger rate hike. When select regional U.S. banks collapsed, causing ructions in the banking sector, the two-year yield fell by more than a full percentage point from March 8 to March 13. The historic move lower caused our short duration posture to underperform. We shifted neutral as we awaited clarity before ultimately shifting long as it became clear that this event could have negative repercussions for growth. Yields gyrated late in the reporting period. Concerns about debt ceiling negotiations kept short-term Treasury yields elevated. Just after the period, an agreement was made, suspending the debt ceiling and easing yields.

The portfolio's allocation to Ginnie Mae mortgage-backed securities (MBS) detracted modestly as the Fed's quantitative tightening and notable interest rate volatility heavily pressured MBS performance. Late in the period, concerns for additional supply from the balance sheets of banks taken over by the Federal Deposit Insurance Corporation (FDIC) further diminished demand for agency MBS.

Although the U.S. dollar softened and rate volatility lessened in November, the fund's tactical position in Treasury inflation protected securities (TIPS) detracted from performance as break-even spreads tightened on lower-than-expected U.S. inflation readings and a pullback in global crude prices stemming from China's COVID-related lockdowns. We exited this TIPS position by the end of November amid signs of renewed strength in the U.S. dollar.

We maintained a structural bias for on-the-run Treasuries, which are the most recently issued U.S. government debt securities and, for that reason, tend to be more liquid than older off-the-run counterparts from the same tenor. Our bias for newer Treasuries supported relative performance. Recently issued Treasuries outperformed older securities during bouts of volatility in rates, aided by their higher liquidity, which tends to matter most in large risk-off events.

The fund uses derivatives to manage exposure interest rates as well as to manage positioning on the yield curve. During the 12-month period, our interest rate derivatives position detracted from absolute performance. As a result, duration management crimped relative performance on net. (Although the fund invests primarily in cash bonds, we also employ derivatives instruments in the portfolio to manage its duration and exposures to various parts of the Treasury yield curve. These instruments detracted from the fund's absolute returns during the period.)

How is the fund positioned?

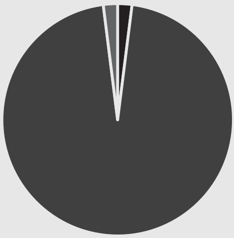
We continued to tactically adjust the fund's overall duration and curve posture based on incoming economic and inflation data, monetary policy signals, and geopolitical developments. We generally favored a neutral to short duration stance, with brief shifts to longer duration, versus the benchmark until March, reflecting our expectations for Fed policy tightening and labor market strength to sustain upward pressure on Treasury yields.

At the end of March, we increased the fund's duration to a relatively neutral stance. Hints of potential softening in the labor market emerged, and inflation began to decelerate, leading markets to believe the Fed was nearing the end of its hiking cycle. While growth has been resilient, a slowdown is still largely anticipated. This combination of factors led us to position the portfolio for a steepening bias.

At the end of the period, approximately 96% of the fund's net assets were invested in U.S. Treasury securities, with the remainder composed of U.S. government-guaranteed Ginnie Mae (GNMA) MBS and cash reserves.

CREDIT QUALITY DIVERSIFICATION

U.S. Treasury Intermediate Index Fund



U.S. Government Agency Securities* 2%

U.S. Treasury Securities** 96%

Reserves 2%

Based on net assets as of 5/31/23.

Sources: Credit ratings for the securities held in the fund are provided by Moody's, Standard & Poor's, and Fitch and are converted to the Standard & Poor's nomenclature. A rating of AAA represents the highest-rated securities, and a rating of D represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated. T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps. The fund is not rated by any agency.

* U.S. government agency securities are issued or guaranteed by a U.S. government agency and may include conventional pass-through securities and collateralized mortgage obligations; unlike Treasuries, government agency securities are not issued directly by the U.S. government and are generally unrated but may have credit support from the U.S. Treasury (e.g., FHLMC and FNMA issues) or a direct government guarantee (e.g., GNMA issues). Therefore, this category may include rated and unrated securities.

** U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

After slightly increasing the fund's non-benchmark allocation to GNMAs early in the period due to attractive valuations and a plunge in mortgage origination, we reduced the fund's GNMA exposure, reflecting relative value considerations and less supportive technical dynamics in the sector. Despite incremental adds to GNMAs late in the period, reflecting the research platform's upgraded outlook for the sector, the portfolio's GNMA allocation stood at its lowest level in several years at the conclusion of the reporting period. We continue to closely monitor valuations, rate volatility, and other technical conditions for potential opportunities to add exposure to the sector.

Within the GNMA universe, we favored floating rate collateralized mortgage obligations, which typically fare better than fixed rate issues when mortgage rates increase. For similar reasons, we maintained a general preference for higher-coupon, shorter-duration MBS. At times, however, we sought to take advantage of attractive valuations in lower-coupon mortgage bonds, which saw a noticeable reduction in prepayment risk given unappealing refinancing conditions for most borrowers.

Although the fund invests primarily in cash bonds, we also regularly employ derivatives, mainly to adjust the fund's duration and manage exposures to different parts of the Treasury yield curve. Such instruments include U.S. Treasury futures and options on Treasury futures, which were held within the fund during the period.

What is portfolio management's outlook?

Year-over-year inflation remains elevated, though it is lower than its mid-2022 peak of 9%. Nevertheless, central bank officials have publicly expressed their commitment to bring inflation back down toward the Fed's long-term goal of 2%. We believe that the bulk of the Fed's tightening efforts are behind us, but until there are clear indications that inflation is decisively trending toward 2%, we would expect the Fed to keep short-term rates at current levels or raise them incrementally.

In addition, as a result of the Fiscal Responsibility Act of 2023, which suspends the debt ceiling until January 2025 and caps non-defense government spending for two years, the U.S. Treasury is likely to issue a significant amount of debt in the months ahead—potentially more than $1 trillion—to replenish its coffers. This additional withdrawal of liquidity could force Treasury yields higher and increase stresses on the banking system that became evident when a few prominent regional banks failed in the last few months. This could lead the Fed to end quantitative tightening sooner than expected, a precursor to eventual rate cuts.

Despite its sell-off last year, we believe that U.S. government debt remains an important tool for asset allocators and a top diversifier for riskier assets, especially now that yields have returned to pre-global financial crisis levels. Moreover, Treasuries have recently demonstrated their ability to rally when growth fears outweigh inflation concerns. To that end, we expect Treasuries to resume their typical, inverse relationship with risk assets as the global economy likely weakens.

As always, we will look for opportunities to make tactical adjustments to the portfolio based on incoming data, movements in Treasury yields, and changes in the macroeconomic landscape.

U.S. TREASURY LONG-TERM INDEX FUND

INVESTMENT OBJECTIVE

The fund seeks to provide high income consistent with maximum credit protection.

FUND COMMENTARY

How did the fund perform in the past 12 months?

The U.S. Treasury Long-Term Index Fund returned -9.29% during the past 12 months and underperformed its Bloomberg benchmark, which also posted steep losses. The fund notably underperformed its Lipper peer group average, which consists of U.S. Treasury funds that span the maturity spectrum—including shorter-term funds that fared much better than long-maturity portfolios. (Returns for I and Z Class shares varied, reflecting their different fee structures. *Past performance cannot guarantee future results.*)

What factors influenced the fund's performance?

U.S. Treasuries sold off meaningfully in the face of persistently high inflation, rapid interest rate hikes by the Federal Reserve (Fed), and hawkish revisions to the Fed's monetary policy outlook. Though remaining at multi-decade highs, inflation readings began to moderate, and the Fed slowed the pace of its rate hikes. Together, these factors led U.S. Treasury yields to come down from their highs while remaining elevated.

PERFORMANCE COMPARISON

Periods Ended 5/31/23	Total Return 6 Months	12 Months
U.S. Treasury Long-Term Index Fund	1.19%	-9.29%
U.S. Treasury Long-Term Index Fund– I Class	1.17	-9.12
U.S. Treasury Long-Term Index Fund– Z Class	1.22	-9.03
Bloomberg U.S. Long Treasury Bond Index	1.97	-8.18
Lipper General U.S. Treasury Funds Average	1.61	-5.50

Yield curve exposures impeded results, with bouts of extreme rate volatility occasionally undermining our tactical positions. We entered March with a short duration bias ahead of the Fed's March meeting as economic indicators pointed to a U.S. economy that was reaccelerating and very hawkish rhetoric from Fed Chair Jerome Powell increased the likelihood for a larger rate hike. When select regional U.S. banks collapsed, causing ructions in the banking sector, Treasury yields dropped and caused our short duration posture to underperform. We shifted neutral as we awaited clarity before ultimately shifting long as it became clear that this event could have negative repercussions for growth. Yields gyrated late in the reporting period. Concerns about debt ceiling negotiations kept short-term Treasury yields elevated. Just after the period, an agreement was made, suspending the debt ceiling and easing yields.

In this environment, the fund's limited, out-of-benchmark exposure to Treasury inflation protected securities (TIPS) in November weighed on relative returns. We initiated this position based on our view that the Fed's signals for smaller rate hikes would enable upside surprises in economic data to generate a positive reaction from investors, who could instead focus on the implications for better nominal growth rather than the need for stronger Fed policy responses. Consequently, we expected this changing dynamic to place a ceiling on interest rate volatility and the U.S. dollar, aiding oil prices and TIPS break-even spreads—a market-based measure of inflation expectations.

Although the U.S. dollar softened and rate volatility lessened in November, the fund's TIPS position detracted from performance as break-even spreads tightened on lower-than-expected U.S. inflation readings and a pullback in global crude prices stemming from China's COVID-related lockdowns. We exited this TIPS position by the end of November amid signs of renewed strength in the U.S. dollar.

The fund uses derivatives to manage exposure interest rates as well as to manage positioning on the yield curve. During the 12-month period, our interest rate derivatives position detracted from absolute performance. As a result, duration management crimped relative performance on net. (Although the fund invests primarily in cash bonds, we also employ derivatives instruments in the portfolio to manage its duration and exposures to various parts of the Treasury yield curve. These instruments detracted from the fund's absolute returns during the period.)

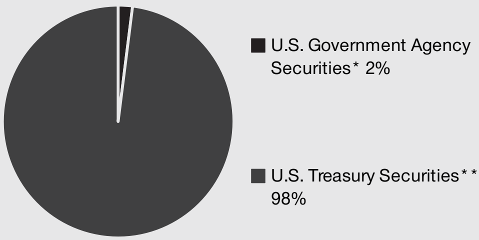
How is the fund positioned?

We continued to tactically adjust the fund's overall duration and curve posture based on incoming economic and inflation data, monetary policy signals, and geopolitical developments. We generally favored a neutral to short duration stance, with brief shifts to longer duration, versus the benchmark until March, reflecting our expectations for Fed policy tightening and labor market strength to sustain upward pressure on Treasury yields.

At the end of March, the fund had a slightly longer-than-benchmark duration that has been maintained through the end of the period. Hints of potential softening in the labor market emerged, and inflation began to decelerate, pointing toward a potential end to the Fed's hiking cycle. While growth has

CREDIT QUALITY DIVERSIFICATION

U.S. Treasury Long-Term Index Fund



Based on net assets as of 5/31/23.

Sources: Credit ratings for the securities held in the fund are provided by Moody's, Standard & Poor's, and Fitch and are converted to the Standard & Poor's nomenclature. A rating of AAA represents the highest-rated securities, and a rating of D represents the lowest-rated securities. If the rating agencies differ, the highest rating is applied to the security. If a rating is not available, the security is classified as Not Rated. T. Rowe Price uses the rating of the underlying investment vehicle to determine the creditworthiness of credit default swaps. The fund is not rated by any agency.

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** U.S. Treasury securities are issued by the U.S. Treasury and are backed by the full faith and credit of the U.S. government. The ratings of U.S. Treasury securities are derived from the ratings on the U.S. government.

been resilient, we continue to anticipate a slowdown. This combination of factors also led us to position the portfolio for a steepening bias in the 5-year/30-year curve segment.

As of May 31, 2023, approximately 98% of the fund's net assets were invested in U.S. Treasury securities, with the remainder largely composed of U.S. government-guaranteed Ginnie Mae (GNMA) mortgage-backed securities (MBS).

After slightly increasing the fund's non-benchmark allocation to GNMAs early in the period due to attractive valuations and a plunge in mortgage origination, we reduced the fund's GNMA exposure, reflecting relative value considerations and less supportive technical dynamics in the sector. Despite incremental adds to GNMAs late in the period, reflecting the research platform's upgraded outlook for the sector, the portfolio's GNMA allocation stood at its lowest level in several years at the conclusion of the reporting period. We continue to closely monitor valuations, rate volatility, and other technical conditions for potential opportunities to add exposure to the sector.

Within the GNMA universe, we favored floating rate collateralized mortgage obligations, which typically fare better than fixed rate issues when mortgage rates increase. For similar reasons, we maintained a general preference for higher-coupon, shorter-duration MBS. At times, however, we sought to take advantage of attractive valuations in lower-coupon mortgage bonds, which saw a noticeable reduction in prepayment risk given unappealing refinancing conditions for most borrowers.

Although the fund invests primarily in cash bonds, we also regularly employ derivatives, mainly to adjust the fund's duration and manage exposures to different parts of the Treasury yield curve. Such instruments include U.S. Treasury futures and options on Treasury futures, which were held within the fund during the period.

What is portfolio management's outlook?

Year-over-year inflation remains elevated, though it is lower than its mid-2022 peak of 9%. Nevertheless, central bank officials have publicly expressed their commitment to bring inflation back down toward the Fed's long-term goal of 2%. We believe that the bulk of the Fed's tightening efforts are behind us, but until there are clear indications that inflation is decisively trending toward 2%, we would expect the Fed to keep short-term rates at current levels or raise them incrementally.

In addition, as a result of the Fiscal Responsibility Act of 2023, which suspends the debt ceiling until January 2025 and caps non-defense government spending for two years, the U.S. Treasury is likely to issue a significant amount of debt in the months ahead—potentially more than $1 trillion—to replenish its coffers. This additional withdrawal of liquidity could force Treasury yields higher and increase stresses on the banking system that became evident when a few prominent regional banks failed in the last few months. This could lead the Fed to end quantitative tightening sooner than expected, a precursor to eventual rate cuts.

Despite its sell-off last year, we believe that U.S. government debt remains an important tool for asset allocators and a top diversifier for riskier assets, especially now that yields have returned to pre-global financial crisis levels. Moreover, Treasuries have recently demonstrated their ability to rally when growth fears outweigh inflation concerns. To that end, we expect Treasuries to resume their typical, inverse relationship with risk assets as the global economy likely weakens.

As always, we will look for opportunities to make tactical adjustments to the portfolio based on incoming data, movements in Treasury yields, and changes in the macroeconomic landscape.

The views expressed reflect the opinions of T. Rowe Price as of the date of this report and are subject to change based on changes in market, economic, or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

RISKS OF INVESTING IN FIXED INCOME SECURITIES

Funds that invest in fixed income securities are subject to price declines due to rising interest rates, with long-term securities generally most sensitive to rate fluctuations. Other risks include credit rating downgrades and defaults on scheduled interest and principal payments, but these are highly unlikely for securities backed by the full faith and credit of the U.S. government. MBS are subject to prepayment risk, particularly if falling rates lead to heavy refinancing activity, and extension risk, which is an increase in interest rates that causes a fund's average maturity to lengthen unexpectedly due to a drop in mortgage prepayments. This would increase the fund's sensitivity to rising interest rates and its potential for price declines.

RISKS OF INVESTING IN GOVERNMENT MONEY MARKET FUNDS

You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

BENCHMARK INFORMATION

Note: Bloomberg®, Bloomberg U.S. 4–10 Year Treasury Bond Index, and Bloomberg U.S. Long Treasury Bond Index are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by T. Rowe Price. Bloomberg is not affiliated with T. Rowe Price, and Bloomberg does not approve, endorse, review, or recommend its products. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to its products.

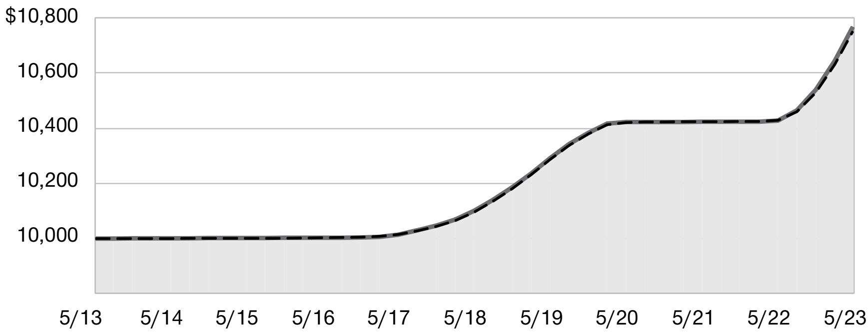
Note: Portions of the mutual fund information contained in this report was supplied by Lipper, a Refinitiv Company, subject to the following:

BENCHMARK INFORMATION (CONTINUED)

GROWTH OF $10,000

This chart shows the value of a hypothetical $10,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

U.S. TREASURY MONEY FUND



	As of 5/31/23
U.S. Treasury Money Fund	$10,767
Lipper U.S. Treasury Money Market Funds Index	10,751

Note: Performance for the I and Z Class shares will vary due to their differing fee structures. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

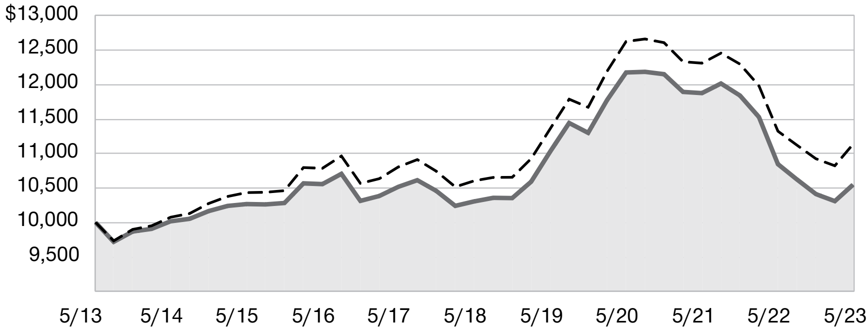
Periods Ended 5/31/23	1 Year	5 Years	10 Years	Since Inception	Inception Date
U.S. Treasury Money Fund	3.26%	1.29%	0.74%	–	–
U.S. Treasury Money Fund– I Class	3.33	1.33	–	1.26%	5/3/17
U.S. Treasury Money Fund– Z Class	3.57	–	–	1.22	3/16/20

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Returns do not reflect taxes that the shareholder may pay on fund distributions. Past performance cannot guarantee future results.

GROWTH OF $10,000

This chart shows the value of a hypothetical $10,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

U.S. TREASURY INTERMEDIATE INDEX FUND



	As of 5/31/23
U.S. Treasury Intermediate Index Fund	$10,545
Bloomberg U.S. 4–10 Year Treasury Bond Index	11,131

Note: Performance for the I and Z Class shares will vary due to their differing fee structures. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

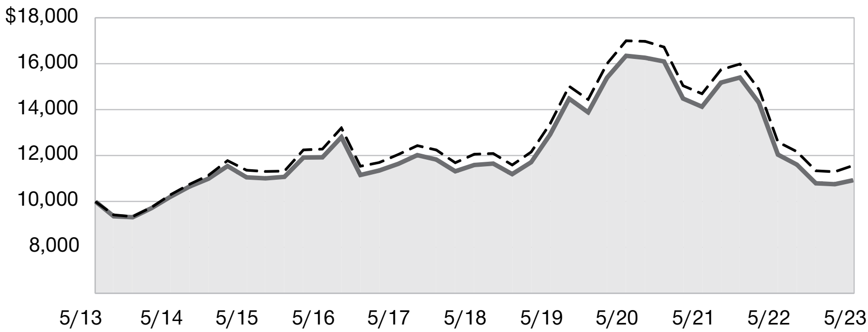
Periods Ended 5/31/23	1 Year	5 Years	10 Years	Since Inception	Inception Date
U.S. Treasury Intermediate Index Fund	-2.79%	0.46%	0.53%	–	–
U.S. Treasury Intermediate Index Fund– I Class	-2.83	0.60	–	0.26%	5/3/17
U.S. Treasury Intermediate Index Fund– Z Class	-2.53	–	–	-5.19	2/22/21

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Returns do not reflect taxes that the shareholder may pay on fund distributions. Past performance cannot guarantee future results.

GROWTH OF $10,000

This chart shows the value of a hypothetical $10,000 investment in the fund over the past 10 fiscal year periods or since inception (for funds lacking 10-year records). The result is compared with benchmarks, which include a broad-based market index and may also include a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

U.S. TREASURY LONG-TERM INDEX FUND



	As of 5/31/23
U.S. Treasury Long-Term Index Fund	$10,935
Bloomberg U.S. Long Treasury Bond Index	11,574

Note: Performance for the I and Z Class shares will vary due to their differing fee structures. See the Average Annual Compound Total Return table.

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 5/31/23	1 Year	5 Years	10 Years	Since Inception	Inception Date
U.S. Treasury Long-Term Index Fund	-9.29%	-1.18%	0.90%	–	–
U.S. Treasury Long-Term Index Fund– I Class	-9.12	-1.01	–	-0.56%	5/3/17
U.S. Treasury Long-Term Index Fund– Z Class	-9.03	–	–	-11.36	3/16/20

This table shows how the fund would have performed each year if its actual (or cumulative) returns for the periods shown had been earned at a constant rate. Returns do not reflect taxes that the shareholder may pay on fund distributions. Past performance cannot guarantee future results.

EXPENSE RATIOS

U.S. Treasury Money Fund	*0.31%*
U.S. Treasury Money Fund–I Class	*0.21*
U.S. Treasury Money Fund–Z Class	*0.19*
U.S. Treasury Intermediate Index Fund	*0.27*
U.S. Treasury Intermediate Index Fund–I Class	*0.11*
U.S. Treasury Intermediate Index Fund–Z Class	*0.11*
U.S. Treasury Long-Term Index Fund	*0.29*
U.S. Treasury Long-Term Index Fund–I Class	*0.08*
U.S. Treasury Long-Term Index Fund–Z Class	*0.07*

The expense ratios shown are as of the funds' most recent prospectus. These numbers may vary from the expense ratios shown elsewhere in this report because they are based on a different time period and, if applicable, include acquired fund fees and expenses but do not include fee or expense waivers.

FUND EXPENSE EXAMPLE

As a mutual fund shareholder, you may incur two types of costs: (1) transaction costs, such as redemption fees or sales loads, and (2) ongoing costs, including management fees, distribution and service (12b-1) fees, and other fund expenses. The following example is intended to help you understand your ongoing costs (in dollars) of investing in the fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of $1,000 invested at the beginning of the most recent six-month period and held for the entire period.

Please note that the fund has three share classes: The original share class (Investor Class) charges no distribution and service (12b-1) fee, I Class shares are also available to institutionally oriented clients and impose no 12b-1 or administrative fee payment, and Z Class shares are offered only to funds advised by T. Rowe Price and other advisory clients of T. Rowe Price or its affiliates that are subject to a contractual fee for investment management services and impose no 12b-1 fee or administrative fee payment. Each share class is presented separately in the table.

Actual Expenses
The first line of the following table (Actual) provides information about actual account values and expenses based on the fund's actual returns. You may use the information on this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000 (for example, an $8,600 account value divided by $1,000 = 8.6), then multiply the result by the number on the first line under the heading "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

FUND EXPENSE EXAMPLE (CONTINUED)

Hypothetical Example for Comparison Purposes
The information on the second line of the table (Hypothetical) is based on hypothetical account values and expenses derived from the fund's actual expense ratio and an assumed 5% per year rate of return before expenses (not the fund's actual return). You may compare the ongoing costs of investing in the fund with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period.

Note: T. Rowe Price charges an annual account service fee of $20, generally for accounts with less than $10,000. The fee is waived for any investor whose T. Rowe Price mutual fund accounts total $50,000 or more; accounts electing to receive electronic delivery of account statements, transaction confirmations, prospectuses, and shareholder reports; or accounts of an investor who is a T. Rowe Price Personal Services or Enhanced Personal Services client (enrollment in these programs generally requires T. Rowe Price assets of at least $250,000). This fee is not included in the accompanying table. If you are subject to the fee, keep it in mind when you are estimating the ongoing expenses of investing in the fund and when comparing the expenses of this fund with other funds.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs, such as redemption fees or sales loads. Therefore, the second line of the table is useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. To the extent a fund charges transaction costs, however, the total cost of owning that fund is higher.

FUND EXPENSE EXAMPLE (CONTINUED)

U.S. TREASURY MONEY FUND

	Beginning Account Value 12/1/22	Ending Account Value 5/31/23	Expenses Paid During Period* 12/1/22 to 5/31/23
Investor Class			
Actual	$1,000.00	$1,021.60	$1.46
Hypothetical (assumes 5% return before expenses)	1,000.00	1,023.49	1.46
I Class			
Actual	1,000.00	1,022.00	1.16
Hypothetical (assumes 5% return before expenses)	1,000.00	1,023.78	1.16
Z Class			
Actual	1,000.00	1,023.10	0.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.93	0.00

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (182), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.29%, the I Class was 0.23%, and the Z Class was 0.00%.

FUND EXPENSE EXAMPLE (CONTINUED)

U.S. TREASURY INTERMEDIATE INDEX FUND

	Beginning Account Value 12/1/22	Ending Account Value 5/31/23	Expenses Paid During Period* 12/1/22 to 5/31/23
Investor Class			
Actual	$1,000.00	$1,012.60	$1.25
Hypothetical (assumes 5% return before expenses)	1,000.00	1,023.68	1.26
I Class			
Actual	1,000.00	1,011.40	0.55
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.38	0.56
Z Class			
Actual	1,000.00	1,012.00	0.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.93	0.00

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (182), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.25%, the I Class was 0.11%, and the Z Class was 0.00%.

FUND EXPENSE EXAMPLE (CONTINUED)

U.S. TREASURY LONG-TERM INDEX FUND

	Beginning Account Value 12/1/22	Ending Account Value 5/31/23	Expenses Paid During Period* 12/1/22 to 5/31/23
Investor Class			
Actual	$1,000.00	$1,011.90	$1.45
Hypothetical (assumes 5% return before expenses)	1,000.00	1,023.49	1.46
I Class			
Actual	1,000.00	1,011.70	0.45
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.48	0.45
Z Class			
Actual	1,000.00	1,012.20	0.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.93	0.00

* Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (182), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.29%, the I Class was 0.09%, and the Z Class was 0.00%.

QUARTER-END RETURNS

Periods Ended 3/31/23	SEC Yield (7-Day Simple) With Waiver[a]	SEC Yield (7-Day Simple) Without Waiver	1 Year	5 Years	10 Years	Since Inception	Inception Date
U.S. Treasury Money Fund	4.53%	4.53%	2.52%	1.18%	0.67%	–	–
U.S. Treasury Money Fund–I Class[b]	4.60	4.57	2.59	1.22	–	1.17%	5/3/17
U.S. Treasury Money Fund–Z Class[c]	4.83	4.64	2.83	–	–	1.03	3/16/20
U.S. Treasury Intermediate Index Fund	–	–	-4.64	0.56	0.45	–	–
U.S. Treasury Intermediate Index Fund–I Class	–	–	-4.50	0.68	–	0.37	5/3/17
U.S. Treasury Intermediate Index Fund–Z Class	–	–	-4.38	–	–	-5.34	2/22/21
U.S. Treasury Long-Term Index Fund	–	–	-17.20	-0.73	0.88	–	–
U.S. Treasury Long-Term Index Fund–I Class	–	–	-17.12	-0.56	–	-0.16	5/3/17
U.S. Treasury Long-Term Index Fund–Z Class	–	–	-17.03	–	–	-11.23	3/16/20

The funds' performance information represents only past performance and is not necessarily an indication of future results. Current performance may be lower or higher than the performance data cited. Share price, principal value, yield, and return will vary, and you may have a gain or loss when you sell your shares. For the most recent month-end performance, please visit our website (troweprice.com) or contact a T. Rowe Price representative at 1-800-225-5132 or, for I and Z Class shares, 1-800-638-8790.

QUARTER-END RETURNS (CONTINUED)

This table provides returns through the most recent calendar quarter-end rather than through the end of the funds' fiscal period. It shows how the funds would have performed each year if their actual (or cumulative) returns for the periods shown had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. When assessing performance, investors should consider both short- and long-term returns. A money fund's yield more closely represents its current earnings than does the total return.

[a]In an effort to maintain a zero or positive net yield for the fund, T. Rowe Price has voluntarily waived all or a portion of the management fee it is entitled to receive from the fund. This voluntary waiver is in addition to any contractual expense ratio limitation in effect for the fund and may be amended or terminated at any time without prior notice. A fee waiver has the effect of increasing the fund's net yield; without it, the fund's 7-day yield would have been lower. Please see the prospectus for more details.

[b]Through September 30, 2023, T. Rowe Price Associates, Inc. (TRPA), has agreed to pay the operating expenses of the fund's I Class excluding management fees; interest; expenses related to borrowings, taxes, and brokerage; nonrecurring, extraordinary expenses; and acquired fund fees and expenses (I Class operating expenses) to the extent the I Class operating expenses exceed a certain portion of the class's average daily net assets. Details are available in the fund's prospectus.

[c]TRPA has contractually agreed to waive and/or bear all of the Z Class's expenses (excluding interest; expenses related to borrowings, taxes, and brokerage; nonrecurring, extraordinary expenses; and acquired fund fees and expenses) in their entirety.

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

202307-2916689 T. Rowe Price Investment Services, Inc. C07-050 7/23

T. Rowe Price®

ANNUAL REPORT | Financial Statements

May 31, 2023

T. ROWE PRICE

PRULX	U.S. Treasury Long-Term Index Fund
PRUUX	U.S. Treasury Long-Term Index Fund– I Class
TRZUX	U.S. Treasury Long-Term Index Fund– Z Class

For more insights from T. Rowe Price investment professionals, go to **troweprice.com**.

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FINANCIAL HIGHLIGHTS For a share outstanding throughout each period

Investor Class

	Year Ended 5/31/23	5/31/22	5/31/21	5/31/20	5/31/19
NET ASSET VALUE					
Beginning of period	$ 9.24	$ 11.04	$ 15.37	$ 13.26	$ 12.22
Investment activities					
Net investment income[1][2]	0.25	0.20	0.21	0.30	0.33
Net realized and unrealized gain/loss	(1.11)	(1.80)	(2.02)	3.00	1.04
Total from investment activities	(0.86)	(1.60)	(1.81)	3.30	1.37
Distributions					
Net investment income	(0.24)	(0.20)	(0.22)	(0.29)	(0.33)
Net realized gain	—	—	(2.30)	(0.90)	—
Total distributions	(0.24)	(0.20)	(2.52)	(1.19)	(0.33)
NET ASSET VALUE					
End of period	**$ 8.14**	**$ 9.24**	**$ 11.04**	**$ 15.37**	**$ 13.26**

FINANCIAL HIGHLIGHTS For a share outstanding throughout each period

Investor Class

	Year Ended 5/31/23	5/31/22	5/31/21	5/31/20	5/31/19
Ratios/Supplemental Data					
Total return[2][3]	**(9.29)%**	**(14.75)%**	**(13.56)%**	**26.47%**	**11.48%**
Ratios to average net assets:[2]					
Gross expenses before waivers/ payments by Price Associates[4]	0.39%	0.29%	0.32%	0.44%	0.30%
Net expenses after waivers/ payments by Price Associates	0.29%	0.29%	0.27%	0.30%	0.30%
Net investment income	2.91%	1.81%	1.58%	2.17%	2.69%
Portfolio turnover rate	96.9%	75.2%	49.1%	157.0%	59.3%
Net assets, end of period (in millions)	$216	$221	$418	$664	$4,266

(1) Per share amounts calculated using average shares outstanding method.
(2) See Note 6 for details of expense-related arrangements with Price Associates.
(3) Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.
(4) See Note 6. Prior to 5/31/20, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

The accompanying notes are an integral part of these financial statements.

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

I Class

	Year Ended 5/31/23	5/31/22	5/31/21	5/31/20	5/31/19
NET ASSET VALUE					
Beginning of period	$ 9.24	$ 11.04	$ 15.38	$ 13.26	$ 12.22
Investment activities					
Net investment income[(1)(2)]	0.26	0.23	0.23	0.32	0.34
Net realized and unrealized gain/loss	(1.10)	(1.80)	(2.03)	3.01	1.05
Total from investment activities	(0.84)	(1.57)	(1.80)	3.33	1.39
Distributions					
Net investment income	(0.26)	(0.23)	(0.24)	(0.31)	(0.35)
Net realized gain	—	—	(2.30)	(0.90)	—
Total distributions	(0.26)	(0.23)	(2.54)	(1.21)	(0.35)
NET ASSET VALUE					
End of period	**$ 8.14**	**$ 9.24**	**$ 11.04**	**$ 15.38**	**$ 13.26**

FINANCIAL HIGHLIGHTS For a share outstanding throughout each period

I Class

	Year Ended 5/31/23	5/31/22	5/31/21	5/31/20	5/31/19
Ratios/Supplemental Data					
Total return[(2)(3)]	**(9.12)%**	**(14.57)%**	**(13.48)%**	**26.73%**	**11.64%**
Ratios to average net assets:[(2)]					
Gross expenses before waivers/ payments by Price Associates[(4)]	0.10%	0.08%	0.15%	0.30%	0.16%
Net expenses after waivers/ payments by Price Associates	0.10%	0.08%	0.11%	0.16%	0.16%
Net investment income	3.10%	2.11%	1.77%	2.32%	2.83%
Portfolio turnover rate	96.9%	75.2%	49.1%	157.0%	59.3%
Net assets, end of period (in thousands)	$351,450	$314,440	$155,860	$91,407	$1,288,533

(1) Per share amounts calculated using average shares outstanding method.
(2) See Note 6 for details of expense-related arrangements with Price Associates.
(3) Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable.
(4) See Note 6. Prior to 5/31/20, the gross expense ratios presented are net of a management fee waiver in effect during the period, as applicable.

The accompanying notes are an integral part of these financial statements.

FINANCIAL HIGHLIGHTS For a share outstanding throughout each period

Z Class

	Year Ended 5/31/23	5/31/22	5/31/21	3/16/20[1] Through 5/31/20
NET ASSET VALUE				
Beginning of period	$ 9.24	$ 11.04	$ 15.38	$ 15.32
Investment activities				
Net investment income[2][3]	0.27	0.24	0.24	0.06
Net realized and unrealized gain/loss	(1.10)	(1.80)	(2.03)	0.06
Total from investment activities	(0.83)	(1.56)	(1.79)	0.12
Distributions				
Net investment income	(0.27)	(0.24)	(0.25)	(0.06)
Net realized gain	—	—	(2.30)	—
Total distributions	(0.27)	(0.24)	(2.55)	(0.06)
NET ASSET VALUE				
End of period	**$ 8.14**	**$ 9.24**	**$ 11.04**	**$ 15.38**

Ratios/Supplemental Data

Total return[3][4]	**(9.03)%**	**(14.50)%**	**(13.39)%**	**0.80%**
Ratios to average net assets:[3]				
Gross expenses before waivers/payments by Price Associates	0.07%	0.07%	0.14%	0.30%[5]
Net expenses after waivers/payments by Price Associates	0.00%	0.00%	0.00%	0.00%[5]
Net investment income	3.20%	2.15%	1.87%	1.89%[5]
Portfolio turnover rate	96.9%	75.2%	49.1%	157.0%
Net assets, end of period (in millions)	$4,343	$3,805	$2,795	$2,019

(1) Inception date
(2) Per share amounts calculated using average shares outstanding method.
(3) See Note 6 for details of expense-related arrangements with Price Associates.
(4) Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.
(5) Annualized

The accompanying notes are an integral part of these financial statements.

PORTFOLIO OF INVESTMENTS‡	Par/Shares	$ Value
(Amounts in 000s)		
U.S. GOVERNMENT & AGENCY MORTGAGE-BACKED SECURITIES 2.3%		
U.S. Government Obligations 2.3%		
Government National Mortgage Assn.		
3.00%, 1/20/35 - 5/20/35	3,652	3,440
4.50%, 10/20/39 - 3/20/47	2,675	2,661
5.00%, 7/20/47 - 12/20/48	6,149	6,168
5.50%, 3/20/49	729	740
6.00%, 8/20/34 - 11/15/39	189	199
6.50%, 8/15/28	—	—
7.00%, 11/20/23 - 1/20/24	—	—
8.50%, 10/20/24	1	1
Government National Mortgage Assn., CMO, 2.50%, 1/20/50	5,749	4,938
Government National Mortgage Assn., TBA (1)		
2.50%, 6/20/53	16,385	14,335
4.50%, 6/20/53	19,720	19,162
5.00%, 6/20/53	19,285	19,045
5.50%, 6/20/53	19,065	19,053
6.00%, 6/20/53	23,790	24,017
Total U.S. Government & Agency Mortgage-Backed Securities (Cost $116,162)		**113,759**
U.S. GOVERNMENT AGENCY OBLIGATIONS (EXCLUDING MORTGAGE-BACKED) 96.9%		
U.S. Treasury Obligations 96.9%		
U.S. Treasury Bonds, 1.125%, 5/15/40	90,546	58,827
U.S. Treasury Bonds, 1.125%, 8/15/40	231,703	149,231
U.S. Treasury Bonds, 1.25%, 5/15/50	19,244	10,795
U.S. Treasury Bonds, 1.375%, 11/15/40	89,210	59,799
U.S. Treasury Bonds, 1.375%, 8/15/50	119,290	69,114
U.S. Treasury Bonds, 1.625%, 11/15/50	122,110	75,651
U.S. Treasury Bonds, 1.75%, 8/15/41	134,590	94,907
U.S. Treasury Bonds, 1.875%, 2/15/41	276,150	201,158
U.S. Treasury Bonds, 1.875%, 2/15/51	95,309	62,963
U.S. Treasury Bonds, 1.875%, 11/15/51	157,100	103,391
U.S. Treasury Bonds, 2.00%, 11/15/41	182,240	133,889
U.S. Treasury Bonds, 2.00%, 2/15/50	117,100	80,177
U.S. Treasury Bonds, 2.00%, 8/15/51 (2)	141,300	96,106
U.S. Treasury Bonds, 2.25%, 5/15/41	102,008	78,865
U.S. Treasury Bonds, 2.25%, 8/15/49	39,240	28,504
U.S. Treasury Bonds, 2.25%, 2/15/52	340,195	245,419
U.S. Treasury Bonds, 2.375%, 2/15/42	527,475	412,420
U.S. Treasury Bonds, 2.375%, 11/15/49	78,500	58,605

	Par/Shares	$ Value
(Amounts in 000s)		
U.S. Treasury Bonds, 2.375%, 5/15/51	73,710	54,776
U.S. Treasury Bonds, 2.875%, 5/15/52	203,910	168,927
U.S. Treasury Bonds, 3.00%, 8/15/52	321,835	273,660
U.S. Treasury Bonds, 3.25%, 5/15/42	233,140	209,316
U.S. Treasury Bonds, 3.375%, 8/15/42	351,518	321,144
U.S. Treasury Bonds, 3.625%, 2/15/53	626,065	601,512
U.S. Treasury Bonds, 3.625%, 5/15/53	191,025	183,891
U.S. Treasury Bonds, 3.875%, 2/15/43	357,940	351,396
U.S. Treasury Bonds, 3.875%, 5/15/43	200,415	196,814
U.S. Treasury Bonds, 4.00%, 11/15/42	247,335	247,490
U.S. Treasury Bonds, 4.00%, 11/15/52	127,980	131,619
Total U.S. Government Agency Obligations (Excluding Mortgage-Backed) (Cost $5,510,991)		**4,760,366**
SHORT-TERM INVESTMENTS 2.7%		
Money Market Funds 2.7%		
T. Rowe Price Treasury Reserve Fund, 5.10% (3)(4)	131,177	131,177
Total Short-Term Investments (Cost $131,177)		**131,177**
Total Investments in Securities 101.9% of Net Assets (Cost $5,758,330)		**$ 5,005,302**

‡ Par/Shares and Notional Amount are denominated in U.S. dollars unless otherwise noted.
(1) See Note 4. To-Be-Announced purchase commitment. Total value of such securities at period-end amounts to $95,612 and represents 1.9% of net assets.
(2) At May 31, 2023, all or a portion of this security is pledged as collateral and/or margin deposit to cover future funding obligations.
(3) Seven-day yield
(4) Affiliated Companies
CMO Collateralized Mortgage Obligation
TBA To-Be-Announced

FUTURES CONTRACTS

($000s)

	Expiration Date	Notional Amount		Value and Unrealized Gain (Loss)
Long, 5,296 U.S. Treasury Notes five year contracts	9/23	577,678	$	(305)
Short, 479 U.S. Treasury Notes ten year contracts	9/23	(54,831)		(135)
Short, 287 Ultra U.S. Treasury Bonds contracts	9/23	(39,283)		(642)
Net payments (receipts) of variation margin to date				**2,256**
Variation margin receivable (payable) on open futures contracts			**$**	**1,174**

AFFILIATED COMPANIES

($000s)

The fund may invest in certain securities that are considered affiliated companies. As defined by the 1940 Act, an affiliated company is one in which the fund owns 5% or more of the outstanding voting securities, or a company that is under common ownership or control. The following securities were considered affiliated companies for all or some portion of the year ended May 31, 2023. Net realized gain (loss), investment income, change in net unrealized gain/loss, and purchase and sales cost reflect all activity for the period then ended.

Affiliate	Net Realized Gain (Loss)	Change in Net Unrealized Gain/Loss	Investment Income
T. Rowe Price Treasury Reserve Fund, 5.10%	$ —	$ —	$ 3,116++
Totals	$ —#	$ —	$ 3,116+

Supplementary Investment Schedule

Affiliate	Value 05/31/22	Purchase Cost	Sales Cost	Value 05/31/23
T. Rowe Price Treasury Reserve Fund, 5.10%	$ 6,768	¤	¤	$ 131,177
Total				$ 131,177^

Capital gain distributions from underlying Price funds represented $0 of the net realized gain (loss).
++ Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 4.
+ Investment income comprised $3,116 of dividend income and $0 of interest income.
¤ Purchase and sale information not shown for cash management funds.
^ The cost basis of investments in affiliated companies was $131,177.

The accompanying notes are an integral part of these financial statements.

May 31, 2023

STATEMENT OF ASSETS AND LIABILITIES

($000s, except shares and per share amounts)

Assets		
Investments in securities, at value (cost $5,758,330)	$	5,005,302
Receivable for shares sold		75,829
Interest receivable		31,741
Cash		27,893
Variation margin receivable on futures contracts		1,174
Due from affiliates		170
Other assets		38
Total assets		5,142,147
Liabilities		
Payable for investment securities purchased		229,515
Payable for shares redeemed		1,920
Investment management fees payable		240
Payable to directors		2
Other liabilities		322
Total liabilities		231,999
NET ASSETS	**$**	**4,910,148**

May 31, 2023

STATEMENT OF ASSETS AND LIABILITIES

($000s, except shares and per share amounts)

Net Assets Consist of:	
Total distributable earnings (loss)	$ (1,424,465)
Paid-in capital applicable to 603,058,315 shares of $0.01 par value capital stock outstanding; 32,000,000,000 shares of the Corporation authorized	6,334,613
NET ASSETS	**$ 4,910,148**
NET ASSET VALUE PER SHARE	
Investor Class	
(Net assets: $215,692; Shares outstanding: 26,496,250)	**$ 8.14**
I Class	
(Net assets: $351,450; Shares outstanding: 43,166,848)	**$ 8.14**
Z Class	
(Net assets: $4,343,006; Shares outstanding: 533,395,217)	**$ 8.14**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF OPERATIONS

($000s)

		Year Ended 5/31/23
Investment Income (Loss)		
Income		
Interest		$ 140,743
Dividend		3,116
Securities lending		77
Other		8
Total income		143,944
Expenses		
Investment management		2,698
Shareholder servicing		
Investor Class	$ 633	
I Class	95	728
Prospectus and shareholder reports		
Investor Class	33	
I Class	3	
Z Class	5	41
Custody and accounting		246
Legal and audit		33
Registration		32
Directors		13
Proxy and annual meeting		7
Miscellaneous		21
Waived / paid by Price Associates		(2,888)
Total expenses		931
Net investment income		143,013

STATEMENT OF OPERATIONS

($000s)

	Year Ended 5/31/23
Realized and Unrealized Gain / Loss	
Net realized gain (loss)	
Securities	(440,739)
Futures	(33,409)
Options written	(4,998)
Net realized loss	(479,146)
Change in net unrealized gain / loss	
Securities	(73,206)
Futures	980
Options written	(15)
Change in net unrealized gain / loss	(72,241)
Net realized and unrealized gain / loss	(551,387)
DECREASE IN NET ASSETS FROM OPERATIONS	**$ (408,374)**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS

($000s)

	Year Ended 5/31/23	5/31/22
Increase (Decrease) in Net Assets		
Operations		
Net investment income	$ 143,013	$ 79,875
Net realized loss	(479,146)	(23,206)
Change in net unrealized gain / loss	(72,241)	(720,587)
Decrease in net assets from operations	(408,374)	(663,918)
Distributions to shareholders		
Net earnings		
Investor Class	(6,105)	(6,850)
I Class	(10,122)	(4,317)
Z Class	(126,722)	(68,397)
Decrease in net assets from distributions	(142,949)	(79,564)
Capital share transactions*		
Shares sold		
Investor Class	106,843	106,877
I Class	120,824	234,188
Z Class	1,295,900	2,180,438
Distributions reinvested		
Investor Class	5,827	6,446
I Class	9,512	4,227
Z Class	126,722	68,397
Shares redeemed		
Investor Class	(90,542)	(264,462)
I Class	(53,259)	(26,372)
Z Class	(400,867)	(594,260)
Increase in net assets from capital share transactions	1,120,960	1,715,479

STATEMENT OF CHANGES IN NET ASSETS

($000s)

	Year Ended 5/31/23	5/31/22
Net Assets		
Increase during period	569,637	971,997
Beginning of period	4,340,511	3,368,514
End of period	**$ 4,910,148**	**$ 4,340,511**
*Share information (000s)		
Shares sold		
Investor Class	12,604	9,542
I Class	14,353	21,995
Z Class	153,911	205,273
Distributions reinvested		
Investor Class	698	578
I Class	1,140	396
Z Class	15,179	6,296
Shares redeemed		
Investor Class	(10,724)	(24,061)
I Class	(6,358)	(2,474)
Z Class	(47,516)	(52,833)
Increase in shares outstanding	133,287	164,712

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price U.S. Treasury Funds, Inc. (the corporation) is registered under the Investment Company Act of 1940 (the 1940 Act). The U.S. Treasury Long-Term Index Fund (the fund) is a diversified, open-end management investment company established by the corporation. The fund seeks to provide high income consistent with maximum credit protection. The fund has three classes of shares: the U.S. Treasury Long-Term Index Fund (Investor Class), the U.S. Treasury Long-Term Index Fund–I Class (I Class) and the U.S. Treasury Long-Term Index Fund–Z Class (Z Class). I Class shares require a $500,000 initial investment minimum, although the minimum generally is waived or reduced for financial intermediaries, eligible retirement plans, and certain other accounts. Prior to November 15, 2021, the initial investment minimum was $1 million and was generally waived for financial intermediaries, eligible retirement plans, and other certain accounts. As a result of the reduction in the I Class minimum, certain assets transferred from the Investor Class to the I Class. This transfer of shares from Investor Class to I Class is reflected in the Statement of Changes in Net Assets within the Capital shares transactions as Shares redeemed and Shares sold, respectively. The Z Class is only available to funds advised by T. Rowe Price Associates, Inc. and its affiliates and other clients that are subject to a contractual fee for investment management services. Each class has exclusive voting rights on matters related solely to that class; separate voting rights on matters that relate to all classes; and, in all other respects, the same rights and obligations as the other classes.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation The fund is an investment company and follows accounting and reporting guidance in the Financial Accounting Standards Board (FASB) *Accounting Standards Codification* Topic 946 (ASC 946). The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), including, but not limited to, ASC 946. GAAP requires the use of estimates made by management. Management believes that estimates and valuations are appropriate; however, actual results may differ from those estimates, and the valuations reflected in the accompanying financial statements may differ from the value ultimately realized upon sale or maturity.

Investment Transactions, Investment Income, and Distributions Investment transactions are accounted for on the trade date basis. Income and expenses are recorded on the accrual basis. Realized gains and losses are reported on the identified cost basis. Premiums and discounts on debt securities are amortized for financial reporting purposes. Paydown gains and losses are recorded as an adjustment to interest income. Inflation adjustments to the principal amount of inflation-indexed bonds are reflected as interest income. Income tax-related interest and penalties, if incurred, are recorded as income tax expense. Dividends received from other investment companies are reflected as dividend income; capital gain distributions are reflected as realized gain/loss. Dividend income and capital gain distributions are recorded on the ex-dividend date. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared by each class daily and paid monthly. A capital gain distribution, if any, may also be declared and paid by the fund annually.

Class Accounting Shareholder servicing, prospectus, and shareholder report expenses incurred by each class are charged directly to the class to which they relate. Expenses common to all classes and investment income are allocated to the classes based upon the relative daily net assets of each class's settled shares; realized and unrealized gains and losses are allocated based upon the relative daily net assets of each class's outstanding shares.

Capital Transactions Each investor's interest in the net assets of the fund is represented by fund shares. The fund's net asset value (NAV) per share is computed at the close of the New York Stock Exchange (NYSE), normally 4 p.m. ET, each day the NYSE is open for business. However, the NAV per share may be calculated at a time other than the normal close of the NYSE if trading on the NYSE is restricted, if the NYSE closes earlier, or as may be permitted by the SEC. Purchases and redemptions of fund shares are transacted at the next-computed NAV per share, after receipt of the transaction order by T. Rowe Price Associates, Inc., or its agents.

New Accounting Guidance The FASB issued Accounting Standards Update (ASU), ASU 2020–04, Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting in March 2020 and ASU 2021-01 in January 2021 which provided further amendments and clarifications to Topic 848. These ASUs provide optional, temporary relief with respect to the financial reporting of contracts subject to certain types of modifications due to the planned discontinuation of the London Interbank Offered Rate (LIBOR), and other interbank-offered based reference rates, through December 31, 2022. In December 2022, FASB issued ASU 2022-06 which defers the sunset date of Topic 848 from December 31, 2022 to December 31, 2024, after which entities will no longer be permitted to apply the relief in Topic 848. Management intends to rely upon the relief provided under Topic 848, which is not expected to have a material impact on the fund's financial statements.

Indemnification In the normal course of business, the fund may provide indemnification in connection with its officers and directors, service providers, and/or private company investments. The fund's maximum exposure under these arrangements is unknown; however, the risk of material loss is currently considered to be remote.

NOTE 2 - VALUATION

Fair Value The fund's financial instruments are valued at the close of the NYSE and are reported at fair value, which GAAP defines as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fund's Board of Directors (the Board) has designated T. Rowe Price Associates, Inc. as the fund's valuation designee (Valuation Designee). Subject to oversight by the Board, the Valuation Designee performs the following functions in performing fair value determinations: assesses and manages valuation risks; establishes and applies fair value methodologies; tests fair value methodologies; and evaluates pricing vendors and pricing agents. The duties and responsibilities of the Valuation Designee are performed by its Valuation Committee. The Valuation Designee provides periodic reporting to the Board on valuation matters.

Various valuation techniques and inputs are used to determine the fair value of financial instruments. GAAP establishes the following fair value hierarchy that categorizes the inputs used to measure fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical financial instruments that the fund can access at the reporting date

Level 2 – inputs other than Level 1 quoted prices that are observable, either directly or indirectly (including, but not limited to, quoted prices for similar financial instruments in active markets, quoted prices for identical or similar financial instruments in inactive markets, interest rates and yield curves, implied volatilities, and credit spreads)

Level 3 – unobservable inputs (including the Valuation Designee's assumptions in determining fair value)

Observable inputs are developed using market data, such as publicly available information about actual events or transactions, and reflect the assumptions that market participants would use to price the financial instrument. Unobservable inputs are those for which market data are not available and are developed using the best information available about the assumptions that market participants would use to price the financial instrument. GAAP requires valuation techniques to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. When multiple inputs are used to derive fair value, the financial instrument is assigned to the level within the fair value hierarchy based on the lowest-level input that is significant to the fair value of the financial instrument. Input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level but rather the degree of judgment used in determining those values.

Valuation Techniques Debt securities generally are traded in the over-the-counter (OTC) market and are valued at prices furnished by independent pricing services or by broker dealers who make markets in such securities. When valuing securities, the independent pricing services consider factors such as, but not limited to, the yield or price of bonds of comparable quality, coupon, maturity, and type, as well as prices quoted by dealers who make markets in such securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. Futures contracts are valued at closing settlement prices. Assets and liabilities other than financial instruments, including short-term receivables and payables, are carried at cost, or estimated realizable value, if less, which approximates fair value.

Investments for which market quotations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Designee. The Valuation Designee has adopted methodologies for determining the fair value of investments for which market quotations are not readily available or deemed unreliable, including the use of other pricing sources. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Designee typically will afford greatest weight to actual prices in arm's length transactions, to the extent they represent orderly transactions between market participants, transaction information can be reliably obtained, and prices are deemed representative of fair value. However, the Valuation Designee may also consider other valuation methods such as market-based valuation multiples; a discount or premium from market value of a similar, freely traded security of the same issuer; discounted cash flows; yield to maturity; or some combination. Fair value determinations are reviewed on a regular basis. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions. Fair value prices determined by the Valuation Designee could differ from those of other market participants, and it is possible that the fair value determined for a security may be materially different from the value that could be realized upon the sale of that security.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on May 31, 2023 (for further detail by category, please refer to the accompanying Portfolio of Investments):

($000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Fixed Income Securities[1]	$ —	$ 4,874,125	$ —	$ 4,874,125
Short-Term Investments	131,177	—	—	131,177
Total	$ 131,177	$ 4,874,125	$ —	$ 5,005,302
Liabilities				
Futures Contracts*	$ 1,082	$ —	$ —	$ 1,082

[1] Includes U.S. Government & Agency Mortgage-Backed Securities and U.S. Government Agency Obligations (Excluding Mortgage-Backed).

* The fair value presented includes cumulative gain (loss) on open futures contracts; however, the net value reflected on the accompanying Portfolio of Investments is only the unsettled variation margin receivable (payable) at that date.

NOTE 3 - DERIVATIVE INSTRUMENTS

During the year ended May 31, 2023, the fund invested in derivative instruments. As defined by GAAP, a derivative is a financial instrument whose value is derived from an underlying security price, foreign exchange rate, interest rate, index of prices or rates, or other variable; it requires little or no initial investment and permits or requires net settlement. The fund invests in derivatives only if the expected risks and rewards are consistent with its investment objectives, policies, and overall risk profile, as described in its prospectus and Statement of Additional Information. The fund may use derivatives for a variety of purposes and may use them to establish both long and short positions within the fund's portfolio. Potential uses include to hedge against declines in principal value, increase yield, invest in an asset with greater efficiency and at a lower cost than is possible through direct investment, to enhance return, or to adjust portfolio duration and credit exposure. The risks associated with the use of derivatives are different from, and potentially much greater than, the risks associated with investing directly in the instruments on which the derivatives are based.

The fund values its derivatives at fair value and recognizes changes in fair value currently in its results of operations. Accordingly, the fund does not follow hedge accounting, even for derivatives employed as economic hedges. Generally, the fund accounts for its derivatives on a gross basis. It does not offset the fair value of derivative liabilities against the fair value of derivative assets on its financial statements, nor does it offset the fair value of derivative instruments against the right to reclaim or obligation to return collateral. The following table summarizes the fair value of the fund's derivative instruments held as of May 31, 2023, and the related location on the accompanying Statement of Assets and Liabilities, presented by primary underlying risk exposure:

($000s)	Location on Statement of Assets and Liabilities	Fair Value*
Liabilities		
Interest rate derivatives	Futures	$ 1,082
Total		$ 1,082

* The fair value presented includes cumulative gain (loss) on open futures contracts; however, the value reflected on the accompanying Statement of Assets and Liabilities is only the unsettled variation margin receivable (payable) at that date.

Additionally, the amount of gains and losses on derivative instruments recognized in fund earnings during the year ended May 31, 2023, and the related location on the accompanying Statement of Operations is summarized in the following table by primary underlying risk exposure:

($000s)	Location of Gain (Loss) on Statement of Operations			
	Securities^	Options Written	Futures	Total
Realized Gain (Loss)				
Interest rate derivatives	$ 1,747	$ (4,998)	$ (33,409)	$ (36,660)
Total	$ 1,747	$ (4,998)	$ (33,409)	$ (36,660)

($000s)	Location of Gain (Loss) on Statement of Operations			
	Securities^	**Options Written**	**Futures**	**Total**
Change in Unrealized Gain (Loss)				
Interest rate derivatives	$ 52	$ (15)	$ 980	$ 1,017
Total	$ 52	$ (15)	$ 980	$ 1,017

^ Options purchased are reported as securities.

Counterparty Risk and Collateral The fund invests in exchange-traded and/or centrally cleared derivative contracts, such as futures, exchange-traded options, and centrally cleared swaps. Counterparty risk on such derivatives is minimal because the clearinghouse provides protection against counterparty defaults. For futures and centrally cleared swaps, the fund is required to deposit collateral in an amount specified by the clearinghouse and the clearing firm (margin requirement), and the margin requirement must be maintained over the life of the contract. Each clearinghouse and clearing firm, in its sole discretion, may adjust the margin requirements applicable to the fund.

Collateral may be in the form of cash or debt securities issued by the U.S. government or related agencies. Cash posted by the fund is reflected as cash deposits in the accompanying financial statements and generally is restricted from withdrawal by the fund; securities posted by the fund are so noted in the accompanying Portfolio of Investments; both remain in the fund's assets. While typically not sold in the same manner as equity or fixed income securities, exchange-traded or centrally cleared derivatives may be closed out only on the exchange or clearinghouse where the contracts were cleared. This ability is subject to the liquidity of underlying positions. As of May 31, 2023, securities valued at $7,328,000 had been posted by the fund for exchange-traded and/or centrally cleared derivatives.

Futures Contracts The fund is subject to interest rate risk in the normal course of pursuing its investment objectives and uses futures contracts to help manage such risk. The fund may enter into futures contracts to manage exposure to interest rate and yield curve movements, security prices, foreign currencies, credit quality, and mortgage prepayments; as an efficient means of adjusting exposure to all or part of a target market; to enhance income; as a cash management tool; or to adjust portfolio duration and credit exposure. A futures contract provides for the future sale by one party and purchase by another of a specified amount of a specific underlying financial instrument at an agreed-upon price, date, time, and place. The fund currently invests only in exchange-traded futures, which generally are standardized as to maturity date, underlying financial instrument, and other contract terms. Payments are made or received by the fund each day to settle daily fluctuations in the value of the contract (variation margin), which reflect changes in the value of the underlying financial instrument. Variation margin is recorded as unrealized gain or loss until the contract is closed. The value of a futures contract included in net assets is the amount of unsettled variation margin; net variation margin receivable is reflected as an asset and net variation margin payable is reflected as a liability on the accompanying Statement of Assets and Liabilities. Risks related to the use of futures contracts include possible illiquidity of the futures markets, contract prices that can be highly volatile and imperfectly correlated to movements in hedged security values and/or interest rates, and potential losses in excess of the fund's initial investment. During the year ended May 31, 2023, the volume of the fund's activity in futures, based on underlying notional amounts, was generally between 2% and 32% of net assets.

Options The fund is subject to interest rate risk in the normal course of pursuing its investment objectives and uses options to help manage such risk. The fund may use options to manage exposure to security prices, interest rates, foreign currencies, and credit quality; as an efficient means of adjusting exposure to all or a part of a target market; to enhance income; as a cash management tool; or to adjust credit exposure. Options are included in net assets at fair value, options purchased are included in Investments in Securities, and options written are separately reflected as a liability on the accompanying Statement of Assets and Liabilities. Premiums on unexercised, expired options are recorded as realized gains or losses; premiums on exercised options are recorded as an adjustment to the proceeds from the sale or cost of the purchase. The difference between the premium and the amount received or paid in a closing transaction is also treated as realized gain or loss. In return for a premium paid, call and put options on futures give the holder the right, but not the obligation, to purchase or sell, respectively, a position in a particular futures contract at a specified exercise price. Risks related to the use of options include possible illiquidity of the options markets; trading restrictions imposed by an exchange or counterparty; possible failure of counterparties to meet the terms of the agreements; movements in the underlying asset values and interest rates; and, for options written, the potential for losses to exceed any premium received by the fund. During the year ended May 31, 2023, the volume of the fund's activity in options, based on underlying notional amounts, was generally between 0% and 6% of net assets.

NOTE 4 - OTHER INVESTMENT TRANSACTIONS

Consistent with its investment objective, the fund engages in the following practices to manage exposure to certain risks and/or to enhance performance. The investment objective, policies, program, and risk factors of the fund are described more fully in the fund's prospectus and Statement of Additional Information.

Mortgage-Backed Securities The fund invests in mortgage-backed securities (MBS or pass-through certificates) that represent an interest in a pool of specific underlying mortgage loans and entitle the fund to the periodic payments of principal and interest from those mortgages. MBS may be issued by government agencies or corporations, or private issuers. Most MBS issued by government agencies are guaranteed; however, the degree of protection differs based on the issuer. MBS are sensitive to changes in economic conditions that affect the rate of prepayments and defaults on the underlying mortgages; accordingly, the value, income, and related cash flows from MBS may be more volatile than other debt instruments.

TBA Purchase, Sale Commitments and Forward Settling Mortgage Obligations The fund enters into to-be-announced (TBA) purchase or sale commitments (collectively, TBA transactions), pursuant to which it agrees to purchase or sell, respectively, mortgage-backed securities for a fixed unit price, with payment and delivery at a scheduled future date beyond the customary settlement period for such securities. With TBA transactions, the particular securities to be received or delivered by the fund are not identified at the trade date; however, the securities must meet specified terms, including rate and mortgage term, and be within industry-accepted "good delivery" standards. The fund may enter into TBA transactions with the intention of taking possession of or relinquishing the underlying securities, may elect to extend the settlement by "rolling" the transaction, and/or may use TBA transactions to gain or reduce interim exposure to underlying securities. Until settlement, the fund maintains liquid assets sufficient to settle its commitment to purchase a TBA or, in the case of a sale commitment, the fund maintains an entitlement to the security to be sold.

To mitigate counterparty risk, the fund has entered into Master Securities Forward Transaction Agreements (MSFTA) with counterparties that provide for collateral and the right to offset amounts due to or from those counterparties under specified conditions. Subject to minimum transfer amounts, collateral requirements are determined and transfers made based on the net aggregate unrealized gain or loss on all TBA commitments and other forward settling mortgage obligations with a particular counterparty (collectively, MSFTA Transactions). At any time, the fund's risk of loss from a particular counterparty related to its MSFTA Transactions is the aggregate unrealized gain on appreciated MSFTA Transactions in excess of unrealized loss on depreciated MSFTA Transactions and collateral received, if any, from such counterparty. As of May 31, 2023, securities valued at $1,257,000 had been posted by the fund to counterparties for MSFTA Transactions. No collateral was pledged by counterparties to the fund for MSFTA Transactions as of May 31, 2023.

LIBOR Transition The fund may invest in instruments that are tied to reference rates, including LIBOR. Over the course of the last several years, global regulators have indicated an intent to phase out the use of LIBOR and similar interbank offered rates (IBOR). While publication for most LIBOR currencies and lesser-used USD LIBOR settings ceased immediately after December 31, 2021, remaining USD LIBOR settings will continue to be published until June 30, 2023. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement rate. Any potential effects of the transition away from LIBOR on the fund, or on certain instruments in which the fund invests, cannot yet be determined. The transition process may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR, a reduction in the value of certain instruments held by the fund, or a reduction in the effectiveness of related fund transactions such as hedges. Any such effects could have an adverse impact on the fund's performance.

Securities Lending The fund may lend its securities to approved borrowers to earn additional income. Its securities lending activities are administered by a lending agent in accordance with a securities lending agreement. Security loans generally do not have stated maturity dates, and the fund may recall a security at any time. The fund receives collateral in the form of cash or U.S. government securities. Collateral is maintained over the life of the loan in an amount not less than the value of loaned securities; any additional collateral required due to changes in security values is delivered to the fund the next business day. Cash collateral is invested in accordance with investment guidelines approved by fund management. Additionally, the lending agent indemnifies the fund against losses resulting from borrower default. Although risk is mitigated by the collateral and indemnification, the fund could experience a delay in recovering its securities and a possible loss of income or value if the borrower fails to return the securities, collateral investments decline in value, and the lending agent fails to perform. Securities lending revenue consists of earnings on invested collateral and borrowing fees, net of any rebates to the borrower, compensation to the lending agent, and other administrative costs. In accordance with GAAP, investments made with cash collateral are reflected in the accompanying financial statements, but collateral received in the form of securities is not. At May 31, 2023, there were no securities on loan.

Other Purchases and sales of U.S. government securities aggregated $5,443,442,000 and $4,288,755,000, respectively, for the year ended May 31, 2023.

NOTE 5 - FEDERAL INCOME TAXES

Generally, no provision for federal income taxes is required since the fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute to shareholders all of its taxable income and gains. Distributions determined in accordance with federal income tax regulations may differ in amount or character from net investment income and realized gains for financial reporting purposes.

The fund files U.S. federal, state, and local tax returns as required. The fund's tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Capital accounts within the financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The permanent book/tax adjustments, if any, have no impact on results of operations or net assets.

The tax character of distributions paid for the periods presented was as follows:

($000s)

	May 31, 2023	May 31, 2022
Ordinary income (including short-term capital gains, if any)	$ 142,949	$ 79,564

At May 31, 2023, the tax-basis cost of investments (including derivatives, if any) and gross unrealized appreciation and depreciation were as follows:

($000s)

Cost of investments	$ 5,793,646
Unrealized appreciation	$ 27,303
Unrealized depreciation	(815,647)
Net unrealized appreciation (depreciation)	$ (788,344)

At May 31, 2023, the tax-basis components of accumulated net earnings (loss) were as follows:

($000s)		
Overdistributed ordinary income	$	(1,867)
Net unrealized appreciation (depreciation)		(788,344)
Loss carryforwards and deferrals		(634,254)
Total distributable earnings (loss)	$	(1,424,465)

Temporary differences between book-basis and tax-basis components of total distributable earnings (loss) arise when certain items of income, gain, or loss are recognized in different periods for financial statement purposes versus for tax purposes; these differences will reverse in a subsequent reporting period. The temporary differences relate primarily to the deferral of losses from wash sales. The loss carryforwards and deferrals primarily relate to capital loss carryforwards. Capital loss carryforwards are available indefinitely to offset future realized capital gains.

NOTE 6 - RELATED PARTY TRANSACTIONS

The fund is managed by T. Rowe Price Associates, Inc. (Price Associates), a wholly owned subsidiary of T. Rowe Price Group, Inc. (Price Group). The investment management agreement between the fund and Price Associates provides for an annual investment management fee equal to 0.06% of the fund's average daily net assets. The fee is computed daily and paid monthly.

The Investor Class is subject to a contractual expense limitation through the expense limitation date indicated in the table below. During the limitation period, Price Associates is required to waive its management fee or pay any expenses (excluding interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses) that would otherwise cause the class's ratio of annualized total expenses to average net assets (net expense ratio) to exceed its expense limitation. The class is required to repay Price Associates for expenses previously waived/paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's net expense ratio (after the repayment is taken into account) to exceed the lesser of: (1) the expense limitation in place at the time such amounts were waived; or (2) the class's current expense limitation. However, no repayment will be made more than three years after the date of a payment or waiver.

The I Class is also subject to an operating expense limitation (I Class Limit) pursuant to which Price Associates is contractually required to pay all operating expenses of the I Class, excluding management fees; interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses, to the extent such operating expenses, on an annualized basis, exceed the I Class Limit. This agreement will continue through the expense limitation date indicated in the table below, and may be renewed, revised, or revoked only with approval of the fund's Board. The I Class is required to repay Price Associates for expenses previously paid to the extent the class's net assets grow or expenses decline sufficiently to allow repayment without causing the class's operating expenses (after the repayment is taken into account) to exceed the lesser of: (1) the I Class Limit in place at the time such amounts were paid; or (2) the current I Class Limit. However, no repayment will be made more than three years after the date of a payment or waiver.

The Z Class is also subject to a contractual expense limitation agreement whereby Price Associates has agreed to waive and/or bear all of the Z Class' expenses (excluding interest; expenses related to borrowings, taxes, and brokerage; non-recurring, extraordinary expenses; and acquired fund fees and expenses) in their entirety. This fee waiver and/or expense reimbursement arrangement is expected to remain in place indefinitely, and the agreement may only be amended or terminated with approval by the fund's Board. Expenses of the fund waived/paid by the manager are not subject to later repayment by the fund.

Pursuant to these agreements, expenses were waived/paid by and/or repaid to Price Associates during the year ended May 31, 2023 as indicated in the table below and remain subject to repayment by the fund. Including this amount, expenses previously waived/paid by Price Associates in the amount of $235,000 remain subject to repayment by the fund at May 31, 2023. Any repayment of expenses previously waived/paid by Price Associates during the period would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

	Investor Class	I Class	Z Class
Expense limitation/I Class Limit	0.29%	0.05%	0.00%
Expense limitation date	09/30/23	09/30/23	N/A
(Waived)/repaid during the period ($000s)	$(200)	$—	$(2,688)

In addition, the fund has entered into service agreements with Price Associates and two wholly owned subsidiaries of Price Associates, each an affiliate of the fund (collectively, Price). Price Associates provides certain accounting and administrative services to the fund. T. Rowe Price Services, Inc. provides shareholder and administrative services in its capacity as the fund's transfer and dividend-disbursing agent. T. Rowe Price Retirement Plan Services, Inc. provides subaccounting and recordkeeping services for certain retirement accounts invested in the Investor Class. For the year ended May 31, 2023, expenses incurred pursuant to these service agreements were $108,000 for Price Associates; $561,000 for T. Rowe Price Services, Inc.; and $24,000 for T. Rowe Price Retirement Plan Services, Inc. All amounts due to and due from Price, exclusive of investment management fees payable, are presented net on the accompanying Statement of Assets and Liabilities.

Mutual funds, trusts, and other accounts managed by Price Associates or its affiliates (collectively, Price Funds and accounts) may invest in the fund. No Price fund or account may invest for the purpose of exercising management or control over the fund. At May 31, 2023, approximately 53% of the I Class's and 100% of the Z Class's outstanding shares were held by Price Funds and accounts.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds (together, the Price Reserve Funds). The Price Reserve Funds are offered as short-term investment options to mutual funds, trusts, and other accounts managed by Price Associates or its affiliates and are not available for direct purchase by members of the public. Cash collateral from securities lending, if any, is invested in the T. Rowe Price Government Reserve Fund. The Price Reserve Funds pay no investment management fees.

The fund may participate in securities purchase and sale transactions with other funds or accounts advised by Price Associates (cross trades), in accordance with procedures adopted by the fund's Board and Securities and Exchange Commission rules, which require, among other things, that such purchase and sale cross trades be effected at the independent current market price of the security. During the year ended May 31, 2023, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

NOTE 7 - OTHER MATTERS

Unpredictable events such as environmental or natural disasters, war, terrorism, pandemics, outbreaks of infectious diseases, and similar public health threats may significantly affect the economy and the markets and issuers in which the fund invests. Certain events may cause instability across global markets, including reduced liquidity and disruptions in trading markets, while some events may affect certain geographic regions, countries, sectors, and industries more significantly than others, and exacerbate other pre-existing political, social, and economic risks.

Since 2020, a novel strain of coronavirus (COVID-19) has resulted in disruptions to global business activity and caused significant volatility and declines in global financial markets.

In February 2022, Russian forces entered Ukraine and commenced an armed conflict leading to economic sanctions being imposed on Russia and certain of its citizens, creating impacts on Russian-related stocks and debt and greater volatility in global markets.

In March 2023, the collapse of some US regional and global banks as well as overall concerns around the soundness and stability of the global banking sector has sparked concerns of a broader financial crisis impacting the overall global banking sector. In certain cases, government agencies have assumed control or otherwise intervened in the operations of certain banks due to liquidity and solvency concerns. The extent of impact of these events on the US and global markets is highly uncertain.

These are recent examples of global events which may have a negative impact on the values of certain portfolio holdings or the fund's overall performance. Management is actively monitoring the risks and financial impacts arising from these events.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of T. Rowe Price U.S. Treasury Funds, Inc. and Shareholders of T. Rowe Price U.S. Treasury Long-Term Index Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the portfolio of investments, of T. Rowe Price U.S. Treasury Long-Term Index Fund (one of the funds constituting T. Rowe Price U.S. Treasury Funds, Inc., referred to hereafter as the "Fund") as of May 31, 2023, the related statement of operations for the year ended May 31, 2023, the statement of changes in net assets for each of the two years in the period ended May 31, 2023, including the related notes, and the financial highlights for each of the periods indicated therein (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of May 31, 2023, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended May 31, 2023 and the financial highlights for each of the periods indicated therein, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM (CONTINUED)

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of May 31, 2023 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Baltimore, Maryland
July 20, 2023

We have served as the auditor of one or more investment companies in the T. Rowe Price group of investment companies since 1973.

TAX INFORMATION (UNAUDITED) FOR THE TAX YEAR ENDED 5/31/23

We are providing this information as required by the Internal Revenue Code. The amounts shown may differ from those elsewhere in this report because of differences between tax and financial reporting requirements.

For shareholders subject to interest expense deduction limitation under Section 163(j), $139,842,000 of the fund's income qualifies as a Section 163(j) interest dividend and can be treated as interest income for purposes of Section 163(j), subject to holding period requirements and other limitations.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

A description of the policies and procedures used by T. Rowe Price funds to determine how to vote proxies relating to portfolio securities is available in each fund's Statement of Additional Information. You may request this document by calling 1-800-225-5132 or by accessing the SEC's website, sec.gov.

The description of our proxy voting policies and procedures is also available on our corporate website. To access it, please visit the following Web page:

https://www.troweprice.com/corporate/us/en/utility/policies.html

Scroll down to the section near the bottom of the page that says, "Proxy Voting Guidelines." Click on the links in the shaded box.

Each fund's most recent annual proxy voting record is available on our website and through the SEC's website. To access it through T. Rowe Price, visit the website location shown above, and scroll down to the section near the bottom of the page that says, "Proxy Voting Records." Click on the Proxy Voting Records link in the shaded box.

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

The fund files a complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The fund's reports on Form N-PORT are available electronically on the SEC's website (sec.gov). In addition, most T. Rowe Price funds disclose their first and third fiscal quarter-end holdings on **troweprice.com**.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT

Each year, the fund's Board of Directors (Board) considers the continuation of the investment management agreement (Advisory Contract) between the fund and its investment adviser, T. Rowe Price Associates, Inc. (Adviser). In that regard, at a meeting held on March 6–7, 2023 (Meeting), the Board, including all of the fund's independent directors, approved the continuation of the fund's Advisory Contract. At the Meeting, the Board considered the factors and reached the conclusions described below relating to the selection of the Adviser and the approval of the Advisory Contract. The independent directors were assisted in their evaluation of the Advisory Contract by independent legal counsel from whom they received separate legal advice and with whom they met separately.

In providing information to the Board, the Adviser was guided by a detailed set of requests for information submitted by independent legal counsel on behalf of the independent directors. In considering and approving the continuation of the Advisory Contract, the Board considered the information it believed was relevant, including, but not limited to, the information discussed below. The Board considered not only the specific information presented in connection with the Meeting but also the knowledge gained over time through interaction with the Adviser about various topics. The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of the T. Rowe Price funds' advisory contracts, including performance and the services and support provided to the funds and their shareholders.

Services Provided by the Adviser

The Board considered the nature, quality, and extent of the services provided to the fund by the Adviser. These services included, but were not limited to, directing the fund's investments in accordance with its investment program and the overall management of the fund's portfolio, as well as a variety of related activities such as financial, investment operations, and administrative services; compliance; maintaining the fund's records and registrations; and shareholder communications. The Board also reviewed the background and experience of the Adviser's senior management team and investment personnel involved in the management of the fund, as well as the Adviser's compliance record. The Board concluded that the information it considered with respect to the nature, quality, and extent of the services provided by the Adviser, as well as the other factors considered at the Meeting, supported the Board's approval of the continuation of the Advisory Contract.

Investment Performance of the Fund

The Board took into account discussions with the Adviser and detailed reports that it regularly receives throughout the year on relative and absolute performance for the T. Rowe Price funds. In connection with the Meeting, the Board reviewed information provided by the Adviser that compared the fund's total returns, as well as a wide variety of other previously agreed-upon performance measures and market data, against relevant benchmark indexes and peer groups of funds with similar investment programs for

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

various periods through December 31, 2022. Additionally, the Board reviewed the fund's relative performance information as of September 30, 2022, which ranked the returns of the fund's Investor Class for various periods against a universe of funds with similar investment programs selected by Broadridge, an independent provider of mutual fund data. In the course of its deliberations, the Board considered performance information provided throughout the year and in connection with the Advisory Contract review at the Meeting, as well as information provided during investment review meetings conducted with portfolio managers and senior investment personnel during the course of the year regarding the fund's performance. The Board also considered relevant factors, such as overall market conditions and trends that could adversely impact the fund's performance, length of the fund's performance track record, and how closely the fund's strategies align with its benchmarks and peer groups. The Board concluded that the information it considered with respect to the fund's performance, as well as the other factors considered at the Meeting, supported the Board's approval of the continuation of the Advisory Contract.

Costs, Benefits, Profits, and Economies of Scale
The Board reviewed detailed information regarding the revenues received by the Adviser under the Advisory Contract and other direct and indirect benefits that the Adviser (and its affiliates) may have realized from its relationship with the fund. In considering soft-dollar arrangements pursuant to which research may be received from broker-dealers that execute the fund's portfolio transactions, the Board noted that the Adviser bears the cost of research services for all client accounts that it advises, including the T. Rowe Price funds. The Board received information on the estimated costs incurred and profits realized by the Adviser from managing the T. Rowe Price funds. The Board also reviewed estimates of the profits realized from managing the fund in particular, and the Board concluded that the Adviser's profits were reasonable in light of the services provided to the fund.

The Board also considered whether the fund benefits under the fee levels set forth in the Advisory Contract or otherwise from any economies of scale realized by the Adviser. Under the Advisory Contract, the fund pays a fee to the Adviser for investment management services based on the fund's average daily net assets and the fund pays its own expenses of operations. The fund's shareholders have benefited from economies of scale through reductions to the fund's management fee and the implementation of expense limitations. The fund's shareholders also benefit from potential economies of scale through a decline in certain operating expenses as the fund grows in size.

The fund also offers a Z Class, which serves as an underlying investment within certain T. Rowe Price fund of funds arrangements. The Adviser waives its advisory fee on the Z Class and waives or bears the Z Class's other operating expenses, with certain exceptions. The Board considered whether the advisory fee and operating expense waivers on the Z Class may present a means for cross-subsidization of the Z Class by

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

other share classes of the fund. In that regard, the Board noted that the Z Class operating expenses are largely covered by the all-inclusive fees charged by the investing T. Rowe Price fund of funds and that any Z Class operating expenses not covered by the investing T. Rowe Price funds of funds' fees are paid by the Adviser and not by shareholders of any other share class of the fund.

In addition, the Board noted that the fund potentially shares in indirect economies of scale through the Adviser's ongoing investments in its business in support of the T. Rowe Price funds, including investments in trading systems, technology, and regulatory support enhancements, and the ability to possibly negotiate lower fee arrangements with third-party service providers. The Board concluded that the advisory fee structure for the fund provides for a reasonable sharing of benefits from any economies of scale with the fund's investors.

Fees and Expenses

The Board was provided with information regarding industry trends in management fees and expenses. Among other things, the Board reviewed data for peer groups that were compiled by Broadridge, which compared: (i) contractual management fees, actual management fees, nonmanagement expenses, and total expenses of the Investor Class of the fund with a group of competitor funds selected by Broadridge (Expense Group) and (ii) actual management fees, nonmanagement expenses, and total expenses of the Investor Class of the fund with a broader set of funds within the Lipper investment classification (Expense Universe). The Board considered the fund's contractual management fee rate, actual management fee rate (which reflects the management fees actually received from the fund by the Adviser after any applicable waivers, reductions, or reimbursements), operating expenses, and total expenses (which reflect the net total expense ratio of the fund after any waivers, reductions, or reimbursements) in comparison with the information for the Broadridge peer groups. Broadridge generally constructed the peer groups by seeking the most comparable funds based on similar investment classifications and objectives, expense structure, asset size, and operating components and attributes and ranked funds into quintiles, with the first quintile representing the funds with the lowest relative expenses and the fifth quintile representing the funds with the highest relative expenses, although the Expense Group did not contain sufficient funds to rank within quintiles. The information provided to the Board indicated that the fund's contractual management fee ranked second out of four funds (Expense Group), the fund's actual management fee rate ranked third out of four funds (Expense Group) and in the third quintile (Expense Universe), and the fund's total expenses ranked fourth out of four funds (Expense Group) and in the fifth quintile (Expense Universe).

The Board also reviewed the fee schedules for other investment portfolios with similar mandates that are advised or subadvised by the Adviser and its affiliates, including separately managed accounts for institutional and individual investors; subadvised funds; and other sponsored investment portfolios, including collective investment trusts and pooled vehicles organized and offered to investors outside the United States.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

Management provided the Board with information about the Adviser's responsibilities and services provided to subadvisory and other institutional account clients, including information about how the requirements and economics of the institutional business are fundamentally different from those of the proprietary mutual fund business. The Board considered information showing that the Adviser's mutual fund business is generally more complex from a business and compliance perspective than its institutional account business and considered various relevant factors, such as the broader scope of operations and oversight, more extensive shareholder communication infrastructure, greater asset flows, heightened business risks, and differences in applicable laws and regulations associated with the Adviser's proprietary mutual fund business. In assessing the reasonableness of the fund's management fee rate, the Board considered the differences in the nature of the services required for the Adviser to manage its mutual fund business versus managing a discrete pool of assets as a subadviser to another institution's mutual fund or for an institutional account and that the Adviser generally performs significant additional services and assumes greater risk in managing the fund and other T. Rowe Price funds than it does for institutional account clients, including subadvised funds.

On the basis of the information provided and the factors considered, the Board concluded that the fees paid by the fund under the Advisory Contract are reasonable.

Approval of the Advisory Contract
As noted, the Board approved the continuation of the Advisory Contract. No single factor was considered in isolation or to be determinative to the decision. Rather, the Board concluded, in light of a weighting and balancing of all factors considered, that it was in the best interests of the fund and its shareholders for the Board to approve the continuation of the Advisory Contract (including the fees to be charged for services thereunder).

ABOUT THE FUND'S DIRECTORS AND OFFICERS

Your fund is overseen by a Board of Directors (Board) that meets regularly to review a wide variety of matters affecting or potentially affecting the fund, including performance, investment programs, compliance matters, advisory fees and expenses, service providers, and business and regulatory affairs. The Board elects the fund’s officers, who are listed in the final table. The directors who are also employees or officers of T. Rowe Price are considered to be “interested” directors as defined in Section 2(a)(19) of the 1940 Act because of their relationships with T. Rowe Price Associates, Inc. (T. Rowe Price), and its affiliates. The business address of each director and officer is 100 East Pratt Street, Baltimore, Maryland 21202. The Statement of Additional Information includes additional information about the fund directors and is available without charge by calling a T. Rowe Price representative at 1-800-638-5660.

INDEPENDENT DIRECTORS[(a)]

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	**Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years**
Teresa Bryce Bazemore (1959) 2018 [210]	President and Chief Executive Officer, Federal Home Loan Bank of San Francisco (2021 to present); Chief Executive Officer, Bazemore Consulting LLC (2018 to 2021); Director, Chimera Investment Corporation (2017 to 2021); Director, First Industrial Realty Trust (2020 to present); Director, Federal Home Loan Bank of Pittsburgh (2017 to 2019)
Melody Bianchetto (1966) 2023 [210]	Advisory Board Member; Vice President for Finance, University of Virginia (2015 to 2023)
Bruce W. Duncan (1951) 2013 [210]	President, Chief Executive Officer, and Director, CyrusOne, Inc. (2020 to 2021); Chair of the Board (2016 to 2020) and President (2009 to 2016), First Industrial Realty Trust, owner and operator of industrial properties; Member, Investment Company Institute Board of Governors (2017 to 2019); Member, Independent Directors Council Governing Board (2017 to 2019); Senior Advisor, KKR (2018 to 2022); Director, Boston Properties (2016 to present); Director, Marriott International, Inc. (2016 to 2020)
Robert J. Gerrard, Jr. (1952) 2013 [210]	Chair of the Board, all funds (July 2018 to present)
Paul F. McBride (1956) 2013 [210]	Advisory Board Member, Vizzia Technologies (2015 to present); Board Member, Dunbar Armored (2012 to 2018)

INDEPENDENT DIRECTORS[(a)] (CONTINUED)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Mark J. Parrell (1966) 2023 [210]	Advisory Board Member; Board of Trustees Member and Chief Executive Officer (2019 to present), President (2018 to present), Executive Vice President and Chief Financial Officer (2007 to 2018), and Senior Vice President and Treasurer (2005 to 2007), EQR; Member and Chair, Nareit Dividends Through Diversity, Equity & Inclusion CEO Council, Nareit 2021 Audit and Investment Committee (2021); Advisory Board, Ross Business School at University of Michigan (2015 to 2016); Member and Chair of the Finance Committee, National Multifamily Housing Council (2015 to 2016); Member, Economic Club of Chicago; Director, Brookdale Senior Living, Inc. (2015 to 2017); Director, Aviv REIT, Inc. (2013 to 2015); Director, Real Estate Roundtable (July 2021 to present) and the 2022 Executive Board Nareit (November 2021 to present); Board of Directors and Chair of the Finance Committee, Greater Chicago Food Depository (July 2017 to present)
Kellye L. Walker (1966) 2021 [210]	Executive Vice President and Chief Legal Officer, Eastman Chemical Company (April 2020 to present); Executive Vice President and Chief Legal Officer, Huntington Ingalls Industries, Inc. (January 2015 to March 2020); Director, Lincoln Electric Company (October 2020 to present)

[(a)] All information about the independent directors was current as of December 31, 2022, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

INTERESTED DIRECTORS[(a)]

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
David Oestreicher (1967) 2018 [210]	Director, Vice President, and Secretary, T. Rowe Price, T. Rowe Price Investment Services, Inc., T. Rowe Price Retirement Plan Services, Inc., and T. Rowe Price Services, Inc.; Director and Secretary, T. Rowe Price Investment Management, Inc. (Price Investment Management); Vice President and Secretary, T. Rowe Price International (Price International); Vice President, T. Rowe Price Hong Kong (Price Hong Kong), T. Rowe Price Japan (Price Japan), and T. Rowe Price Singapore (Price Singapore); General Counsel, Vice President, and Secretary, T. Rowe Price Group, Inc.; Chair of the Board, Chief Executive Officer, President, and Secretary, T. Rowe Price Trust Company; Principal Executive Officer and Executive Vice President, all funds

INTERESTED DIRECTORS[a] (CONTINUED)

Name (Year of Birth) Year Elected [Number of T. Rowe Price Portfolios Overseen]	Principal Occupation(s) and Directorships of Public Companies and Other Investment Companies During the Past Five Years
Eric L. Veiel, CFA (1972) 2022 [210]	Director and Vice President, T. Rowe Price; Vice President, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company; Vice President, Global Funds

[a] All information about the interested directors was current as of December 31, 2022, unless otherwise indicated, except for the number of portfolios overseen, which is current as of the date of this report.

OFFICERS

Name (Year of Birth) Position Held With U.S. Treasury Funds	Principal Occupation(s)
Stephen L. Bartolini, CFA (1977) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Armando (Dino) Capasso (1974) Chief Compliance Officer	Chief Compliance Officer and Vice President, T. Rowe Price and Price Investment Management; Vice President, T. Rowe Price Group, Inc.; formerly, Chief Compliance Officer, PGIM Investments LLC and AST Investment Services, Inc. (ASTIS) (to 2022); Chief Compliance Officer, PGIM Retail Funds complex and Prudential Insurance Funds (to 2022); Vice President and Deputy Chief Compliance Officer, PGIM Investments LLC and ASTIS (to 2019)
Alan S. Dupski, CPA (1982) Principal Financial Officer, Vice President, and Treasurer	Vice President, Price Investment Management, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Gary J. Greb (1961) Vice President	Vice President, Price Investment Management, T. Rowe Price, Price International, and T. Rowe Price Trust Company
Cheryl Hampton, CPA (1969) Vice President	Vice President, T. Rowe Price; formerly, Tax Director, Invesco Ltd. (to 2021); Vice President, Oppenheimer Funds, Inc. (to 2019)
Geoffrey M. Hardin (1971) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Benjamin Kersse, CPA (1989) Vice President	Vice President, T. Rowe Price

Unless otherwise noted, officers have been employees of T. Rowe Price or Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With U.S. Treasury Funds	Principal Occupation(s)
Paul J. Krug, CPA (1964) Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Andrew C. McCormick (1960) President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Cheryl A. Mickel, CFA (1967) Vice President	Director and Vice President, T. Rowe Price Trust Company; Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Fran M. Pollack-Matz (1961) Vice President and Secretary	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Investment Services, Inc., and T. Rowe Price Services, Inc.
Rachel Protzman (1988) Vice President	Assistant Vice President, T. Rowe Price
Shannon H. Rauser (1987) Assistant Secretary	Assistant Vice President, T. Rowe Price
Richard Sennett, CPA (1970) Assistant Treasurer	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Michael K. Sewell (1982) Executive Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Chen Shao (1980) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Jeanny Silva (1975) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Douglas D. Spratley, CFA (1969) Executive Vice President	Vice President, T. Rowe Price, T. Rowe Price Group, Inc., and T. Rowe Price Trust Company
Christopher J. Temple, CFA (1978) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Mitch Unger (1986) Vice President	Vice President, T. Rowe Price and T. Rowe Price Group, Inc.
Blerina Uruci (1984) Vice President	Vice President, T. Rowe Price; formerly, Senior U.S. Economist, Barclays Capital (to 2022)
Megan Warren (1968) Vice President	OFAC Sanctions Compliance Officer and Vice President, Price Investment Management; Vice President, T. Rowe Price, T. Rowe Price Group, Inc., T. Rowe Price Retirement Plan Services, Inc., T. Rowe Price Services, Inc., and T. Rowe Price Trust Company

Unless otherwise noted, officers have been employees of T. Rowe Price or Price International for at least 5 years.

OFFICERS (CONTINUED)

Name (Year of Birth) Position Held With U.S. Treasury Funds	Principal Occupation(s)
Kyeonta Williams (1992) Vice President	Assistant Vice President, T. Rowe Price; formerly, Institutional Salesman, Wells Fargo Securities (to 2021); Sales Assistant, Wells Fargo Securities (to 2018)

Unless otherwise noted, officers have been employees of T. Rowe Price or Price International for at least 5 years.

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T. Rowe Price®

100 East Pratt Street
Baltimore, MD 21202

Call 1-800-225-5132 to request a prospectus or summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

T. Rowe Price Investment Services, Inc.

F67-050 7/23