T. Rowe Price®
INVEST WITH CONFIDENCE

QUARTERLY REVIEW

Dividend Growth Fund

As of June 30, 2020

PORTFOLIO HIGHLIGHTS

The portfolio posted strong absolute gains but underperformed the S&P 500 Index during the three-month period ended June 30, 2020.

Relative performance drivers:

- Stock selection and an underweight allocation to the consumer discretionary sector detracted from relative performance.
- An underweight allocation and security selection to information technology hurt our comparison with the benchmark.
- Stock selection in the health care sector contributed to relative returns.

Additional highlights:

- We found compelling opportunities in the information technology sector and especially in IT services and semiconductors and semiconductor equipment companies. We also added to our holdings in health care where we continue to uncover compelling risk/reward opportunities.
- Although equity markets face significant near-term economic uncertainty, we are encouraged by the Federal Reserve's swift and significant monetary and fiscal actions to avoid a worst-case scenario. Volatility in the months ahead could produce attractive buying opportunities for long-term investors, and we stand ready to add to the portfolio when valuations are appropriate.

FUND INFORMATION

Symbol	PRDGX
CUSIP	779546100
Inception Date of Fund	December 30, 1992
Benchmark	S&P 500 Index
Expense Information (as of the most recent Prospectus)	0.62%
Fiscal Year End	December 31
12B-1 Fee	–
Total Assets (all share classes)	$14,903,847,482
Percent of Portfolio in Cash	4.9%

PERFORMANCE

(NAV, total return)

				Annualized			
	Three Months	**Year-to-Date**	**One Year**	**Three Years**	**Five Years**	**Ten Years**	**Fifteen Years**
Dividend Growth Fund	15.92%	-5.70%	3.04%	10.05%	10.46%	13.48%	8.91%
S&P 500 Index	20.54	-3.08	7.51	10.73	10.73	13.99	8.83
Lipper Large-Cap Core Funds Index	20.09	-4.60	5.10	9.03	9.33	12.53	7.91
NASDAQ US Broad Dividend Achievers Index	15.00	-6.84	1.13	8.23	9.38	12.12	7.34

CALENDAR YEAR PERFORMANCE

(NAV, total return)

	Inception Date	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Dividend Growth Fund	Dec 30 1992	13.26%	3.53%	14.85%	30.35%	12.34%	2.36%	11.62%	19.32%	-1.06%	31.02%
S&P 500 Index		15.06	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-4.38	31.49
Lipper Large-Cap Core Funds Index		12.77	0.09	15.32	31.82	11.33	-0.67	12.28	20.90	-5.13	29.00
NASDAQ US Broad Dividend Achievers Index		15.59	9.71	11.42	26.31	11.76	-2.58	15.22	18.02	-3.94	27.53

Performance data quoted represents past performance and is not a reliable indicator of future performance. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month-end performance, visit troweprice.com. Consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7780 or visit troweprice.com. Read it carefully. The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.
Dividend-paying stocks may lag shares of smaller, faster-growing companies. Also, stocks that appear temporarily out of favor may remain out of favor for a long time.
The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details. For Sourcing Information, please see Additional Disclosures.

PERFORMANCE REVIEW

U.S. stocks post best quarter in two decades
Stocks rebounded in the second quarter, with the S&P 500 Index recording its best quarterly performance since 1998. Consumer discretionary, technology, and energy shares led with total returns in excess of 30%, while utilities and consumer staples shares recorded much smaller gains. The tech-heavy Nasdaq Composite Index reached record highs and easily outperformed the other benchmarks, and the Russell 1000 Growth Index nearly doubled the return of its value counterpart.

Progress in the battle against the coronavirus boosted markets early in the quarter, with infection rates, hospitalizations, and deaths beginning to decline in early April in New York and other hard-hit areas. The turnaround encouraged the nation's governors to begin the gradual reopening of businesses and public facilities, while automakers and other major firms resumed manufacturing operations in late April.

Throughout the quarter, markets appeared to react to reports of progress in developing treatments and a vaccine for the coronavirus. Anthony Fauci, the nation's top infectious diseases official, later told a congressional committee that a vaccine was a matter of "when and not if" and that he was "cautiously optimistic" that one would arrive by the end of the year.

Stock selection and an underweight allocation to consumer discretionary hurt relative performance.

- Not owning Amazon.com, which accounts for more than 40% of the sector in the benchmark, detracted as the shares rallied strongly during the coronavirus lockdown. Investors bid up the stock, which is thriving thanks to growing demand for online shopping beginning in early March, particularly for household staples and other essential products.
- Our large position and an overweight allocation to off-price retailer Ross Stores generated poor absolute and relative performance during the coronavirus shutdown. While Ross started opening its stores in mid-May, and sales trends have been encouraging due to pent-up demand, reduced customer capacity in its stores remains a negative for short-term revenues and earnings. Although we have trimmed our near-term earnings and price targets due to the pandemic, we still believe in the company's long-term merit and our investment thesis.

The information technology sector detracted due to an underweight and stock picking.

- Fidelity National Information Services posted double-digit gains but underperformed its information technology sector peers. The global financial services operator reported modest growth in diluted earnings after adjusting for its recent Worldpay acquisition. The pandemic hurt transaction volumes, and organic growth was little changed versus the year-ago period. We believe the company can benefit over the longer term from revenue and expense synergies.
- We hold a large position in Apple; this reflects the company's strong and growing position in its market, the company's solid fundamental underpinnings, and the potential for dividend growth and additional share repurchases. While Apple remains among our largest holdings, our underweight allocation detracted from our relative results. We like the company's long-term revenue and earnings growth potential, but we believe that it is not prudent to hold a larger stake in the company at current levels.

Stock selection in health care contributed to relative returns

- Diversified medical conglomerate Danaher rallied following the Food and Drug Administration's emergency approval of the company's test for COVID-19 (the disease caused by the coronavirus) in March. We continue to favor Danaher for its highly diversified business model, healthy exposure to end markets with secular growth or low cyclicality, and strong management team. We are also encouraged by the company's strong demand trends and solid fundamentals.
- Thermo Fisher Scientific is a vertically integrated company in the life science tools industry, providing medical equipment and tools to help diagnose diseases and run clinical trials. Shares rebounded from a sharp first-quarter sell-off, as the company reported solid revenue growth, due in part to the sale of materials and services related to the pandemic response. We like the company for its excellent management team and attractive business mix, which has shifted toward higher-growth markets through both organic investment and acquisitions.

Favorable stock selection was offset by an overweight in industrials

- Equifax, a multinational consumer credit reporting agency, provides information solutions and business-process outsourcing services for businesses, governments, and consumers. The shares surged in the quarter on solid revenue and net income gains driven by strength in the mortgage market and a pickup in refinancings that exceeded analysts' expectations.
- Shares of Roper Technologies surged over the period. Investors gravitated to companies with strong balance sheets and the ability to generate steady free cash flow, as concerns over the near-term impacts of weak economic activity remained high. Roper has proven adept at acquiring asset-light, high-margin businesses to drive revenue growth and has built an attractive portfolio of high-quality assets.

PORTFOLIO POSITIONING AND ACTIVITY

At the end of the second quarter, markets were encouraged as local governments began to roll back shutdown orders and pharmaceutical companies focused on developing treatments and a vaccine for the coronavirus. While we are hopeful that a recovery has begun, it is difficult to gauge just how long the acute economic disruption might last. We found compelling opportunities in the information technology sector and especially in IT services and semiconductors and semiconductor equipment companies. We added to our holdings in health care, where we continue to uncover compelling risk/reward opportunities.

Information technology
Information technology is a significant underweight position but remains one of our top absolute allocations. Some companies are poised for strong secular growth. Our holdings are largely focused on IT services and software companies that should benefit from increasing demand for business technology solutions. We favor

companies with durable businesses that address large and growing markets, including electronic payment processing and public cloud computing services.

- We added to our recently initiated a position in Applied Materials, a leading provider of semiconductor capital equipment. Over the long term, we believe the company will benefit from rising capital intensity and more rational capital expenditure cycles in the semiconductor industry. Growing demand for semiconductors related to the so-called internet of things, hyper-scale data centers, and artificial intelligence should act as another secular tailwind. We believe that Applied Materials' undemanding valuation and signs of a bottom in the memory market create a compelling risk/reward setup for the stock.
- We initiated a substantial position in IT service provider Broadridge Financial, a provider of investor communications and technology solutions to corporate issuers, institutional investors, and broker-dealers. We believe the company offers steady earnings growth and potential for multiple expansion. The firm is committed to paying a dividend and has consistently increased it.

Health Care

We have long been overweight health care, our second-largest allocation. Among the traditionally defensive sectors of the market, it appears to offer the best combination of fundamentals and valuation.

- We added to our position in AbbVie, one of the world's largest biopharmaceutical companies. The company has leading franchises are in immunology and inflammation (Humira) and oncology. We view the current risk/reward trade-off in AbbVie as favorable.

Financials

We remain overweight to financials, a cyclical sector that underperformed in the second quarter. Within financials, we favor holdings in insurance, capital markets, and banks. We are mindful of the current focus on Federal Reserve interest rate policy; many of the investments within the sector are particularly sensitive to interest rate movements.

- We eliminated our long-held position in US Bancorp, the nation's fifth-largest bank. We believed the company's premium valuation, which had been earned and deserved over the years, presented us with an opportunity to shift assets into other financials with more conservative risk/reward characteristics.
- We closed out our position in State Street in favor of other competing opportunities in the sector and because we felt that trust banks could lag in the recovery as the Fed may not raise interest rates for longer than expected. In our view, State Street has little room to cut its expenses to maintain margins, which are expected to decline given the low interest rate environment.

Industrials and business services

Our allocation to the sector remains one of our largest overweights compared with the benchmark. Investors have generally bid up the space over the past few years on views that the current economic environment will provide the necessary tailwinds for strong performance amid the pro-growth agenda of the current administration, including limiting regulation and cutting taxes. Our largest allocations are within the industrial conglomerates, machinery, and road and rail industries.

- Stanley Black & Decker, which has excellent brands and solid operations, significantly underperformed in the initial stages of the pandemic sell-off, and we decided to eliminate the position. In our view, the company faced a difficult backdrop from tariffs, declining cash flow, and an inventory buildup.

Communication services

The communication services sector includes a wide range of media and entertainment and telecommunication services companies. The sector remained a significant underweight relative to the S&P 500 Index, as several of the largest positions in the benchmark do not pay dividends.

- We trimmed our longtime holding in AT&T, although the stock continues to provide portfolio ballast and an above-average dividend payout. We reduced the position size and reallocated assets into companies that offered stronger long-term total return potential.

MANAGER'S OUTLOOK

We remain positive on the longer-term outlook for the U.S. economy and think company fundamentals look relatively healthy. Although equity markets face significant near-term economic uncertainty, we are encouraged by the Federal Reserve's swift and significant monetary and fiscal actions to avoid a worst-case scenario. After the strong second-quarter recovery, we think further broad market gains could be relatively limited without news of significant progress related to a coronavirus vaccine. Overall, the companies in the portfolio did a good job negotiating the economic downturn through cost-containment efforts in the face of declining revenues and earnings. Nevertheless, the volatility may continue due to several factors, including the impact of slowing earnings growth caused by the coronavirus, the U.S. presidential election, uncertainty regarding monetary policy, and the U.S.-China trade dispute.

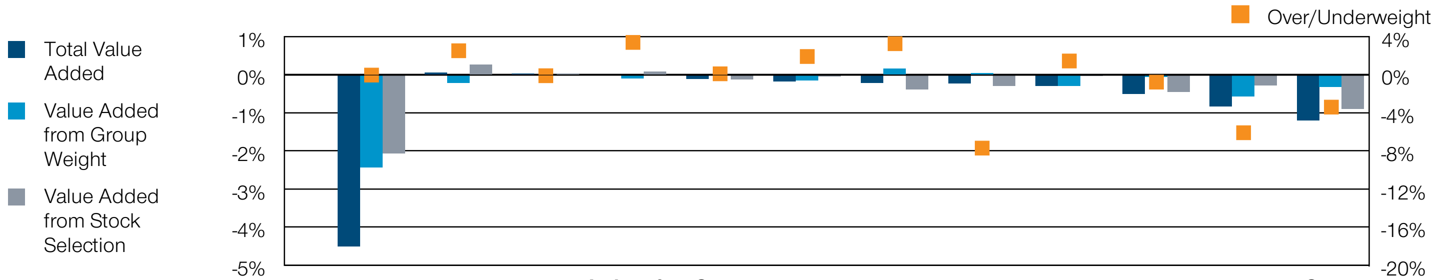
We expect stock selection to be our primary relative performance driver over the long term. Our focus is on owning companies that can control costs effectively and generate reasonable revenue and cash flow growth. Although high unemployment could restrain credit-dependent purchases, we expect consumer spending to improve modestly. We selectively added to consumer discretionary stocks that lagged in the second quarter. We also added to our exposure in information technology and health care.

We remain focused on investing in durable dividend-paying companies with strong prospects for dividend growth. Volatility in the months ahead could produce attractive buying opportunities for long-term investors, and we stand ready to add to the portfolio when valuations are appropriate. The portfolio will continue to reflect a collection of high-quality, larger-capitalization, primarily U.S.-based companies with strong earnings and cash flows that offer a combination of capital appreciation and income growth for our shareholders.

QUARTERLY ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. S&P 500 INDEX

(3 months ended June 30, 2020)



	Total	Health Care	Real Estate	Indust & Bus Svcs	Consumer Staples	Financials	Materials	Comm Svcs	Utilities	Energy	Info Tech	Consumer Disc
Over/Underweight	0.00%	2.57%	-0.04%	3.45%	0.13%	1.93%	3.32%	-7.66%	1.50%	-0.77%	-6.02%	-3.39%
Fund Performance	16.07	15.14	15.27	18.28	6.74	12.44	19.35	12.06	2.74	9.39	28.98	19.83
Index Performance	20.55	13.59	13.22	17.04	8.18	12.20	26.41	20.04	2.73	30.51	30.53	32.86
Value Add - Group Weight	-2.42	-0.20	0.00	-0.08	0.01	-0.13	0.17	0.06	-0.28	-0.04	-0.56	-0.31
Value Add - Stock Selection	-2.06	0.26	0.03	0.08	-0.11	-0.04	-0.37	-0.28	-0.01	-0.44	-0.27	-0.89
Total Contribution	-4.48	0.06	0.03	0.00	-0.11	-0.17	-0.20	-0.23	-0.29	-0.49	-0.83	-1.20

TOP 5 RELATIVE CONTRIBUTORS VS. S&P 500 INDEX

(3 months ended June 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Danaher Corporation	2.4%	52
Thermo Fisher Scientific Inc.	2.0	37
Accenture Plc	1.8	35
Dollar General Corporation	1.6	35
Roper Technologies, Inc.	1.5	34

TOP 5 RELATIVE DETRACTORS VS. S&P 500 INDEX

(3 months ended June 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Amazon.Com, Inc.	0.0%	-158
Apple Inc.	4.1	-72
Alphabet Inc.	0.0	-71
Facebook, Inc.	0.0	-68
Paypal Holdings, Inc.	0.0	-43

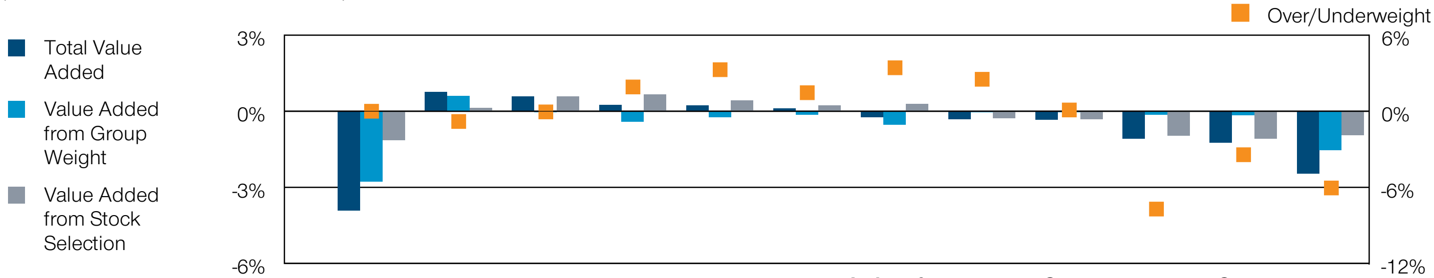
Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

Past performance is not a reliable indicator of future performance. Numbers may not total due to rounding; all other numbers are percentages. Analysis represents the total performance of the portfolio as calculated by the FactSet attribution model and is inclusive of other assets that will not receive a classification assignment in the detailed structure shown. Returns will not match official T. Rowe Price performance because FactSet uses different exchange rate sources and does not capture intra-day trading. Performance for each security is obtained in the local currency and, if necessary, is converted using an exchange rate determined by an independent third party. Figures are shown with gross dividends reinvested. Sources: Financial data and analytics provider FactSet. Copyright 2020 FactSet. All Rights Reserved. MSCI/S&P GICS Sectors; Analysis by T. Rowe Price Associates, Inc. T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all updates to GICS for prospective reporting. Figures are shown gross of fees. Returns would be lower as a result of the deduction of such fees. Performance returns are in USD. For Sourcing Information, please see Additional Disclosures.

12-MONTH ATTRIBUTION

SECTOR ATTRIBUTION DATA VS. S&P 500 INDEX

(12 months ended June 30, 2020)



	Total	Energy	Real Es-tate	Finan-cials	Materi-als	Utilities	Indust & Bus Svcs	Health Care	Con-sumer Staples	Comm Svcs	Con-sumer Disc	Info Tech
Over/Underweight	0.00%	-0.77%	-0.04%	1.93%	3.32%	1.50%	3.45%	2.57%	0.13%	-7.66%	-3.39%	-6.02%
Fund Performance	3.58	-31.24	22.44	-9.35	6.76	2.98	-6.39	8.86	-0.70	-12.11	-3.67	29.09
Index Performance	7.48	-35.98	-2.00	-13.87	-0.88	-2.10	-8.97	10.86	3.47	11.03	12.54	35.74
Value Add - Group Weight	-2.76	0.61	0.00	-0.40	-0.21	-0.11	-0.52	-0.01	-0.01	-0.11	-0.14	-1.52
Value Add - Stock Selection	-1.13	0.15	0.60	0.66	0.44	0.24	0.29	-0.27	-0.30	-0.95	-1.07	-0.92
Total Contribution	-3.90	0.76	0.59	0.26	0.23	0.12	-0.22	-0.28	-0.31	-1.06	-1.21	-2.44

TOP 5 RELATIVE CONTRIBUTORS VS. S&P 500 INDEX

(12 months ended June 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Exxon Mobil Corporation	0.0%	50
Dollar General Corporation	1.6	45
Danaher Corporation	2.4	41
Thermo Fisher Scientific Inc.	2.0	29
Berkshire Hathaway Inc.	0.0	28

TOP 5 RELATIVE DETRACTORS VS. S&P 500 INDEX

(12 months ended June 30, 2020)

Security	% of Equities	Net Contribution (Basis Points)
Amazon.Com, Inc.	0.0%	-150
Apple Inc.	4.1	-108
Alphabet Inc.	0.0	-83
Nvidia Corporation	0.0	-55
Facebook, Inc.	0.0	-34

Net contribution is calculated versus a specific benchmark. It is the difference between the security's absolute contribution to the portfolio and the security's absolute contribution to the benchmark. This reflects the amount the security has impacted relative return.

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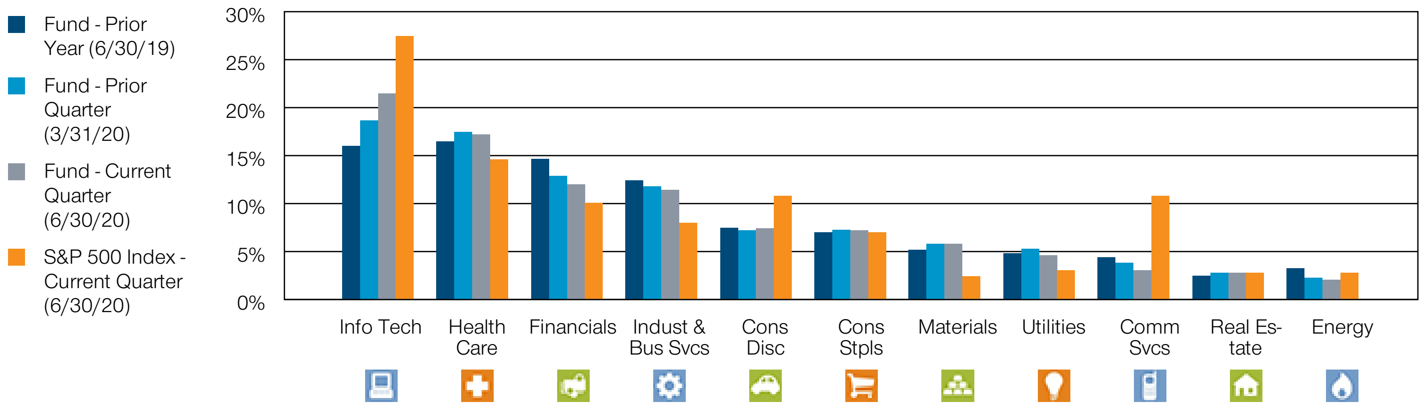
PORTFOLIO POSITIONING

SECTOR DIVERSIFICATION – CHANGES OVER TIME



LARGEST PURCHASES

Issuer	Sector	% of Fund Current Quarter 6/30/20	% of Fund Prior Quarter 3/31/20
AbbVie		1.3%	0.7%
Ross Stores		1.0	1.0
Philip Morris International		0.9	1.0
Morgan Stanley		0.8	0.5
Applied Materials		0.6	0.2
Broadridge Financial Solutions (N)		0.5	0.0
Colgate-Palmolive		0.5	0.2
Equity Residential		0.5	0.3
PNC Financial Services Group (N)		0.4	0.0
Cintas (N)		0.3	0.0

LARGEST SALES

Issuer	Sector	% of Fund Current Quarter 6/30/20	% of Fund Prior Quarter 3/31/20
Danaher		2.4%	2.3%
Walt Disney		1.0	1.3
Crown Castle International		1.0	1.2
AT&T		0.7	1.1
Eversource Energy		0.4	0.6
Boeing		0.3	0.6
U.S. Bancorp (E)		0.0	0.6
State Street (E)		0.0	0.4
Stanley Black & Decker (E)		0.0	0.3
MGM Resorts International (E)		0.0	0.2

(N) New Position
(E) Eliminated

For Sourcing Information, please see Additional Disclosures.

HOLDINGS

TOP 10 ISSUERS

Issuer	Industry	% of Fund	% of S&P 500 Index
Microsoft	Software	5.7%	6.0%
Apple	Technology Hardware, Storage & Peripherals	4.1	5.8
Visa	IT Services	3.0	1.3
Danaher	Health Care Equip & Supplies	2.4	0.4
JPMorgan Chase	Banks	2.3	1.1
UnitedHealth Group	Health Care Providers & Svcs	2.0	1.1
Thermo Fisher Scientific	Life Sciences Tools & Services	2.0	0.6
Accenture	IT Services	1.8	0.5
Becton, Dickinson & Company	Health Care Equip & Supplies	1.6	0.3
Dollar General	Multiline Retail	1.6	0.2

TOP 5 OVER/UNDERWEIGHT POSITIONS VS. S&P 500 INDEX

Issuer	Industry	% of Fund	% of S&P 500 Index	Over/Underweight
Danaher	Health Care Equip & Supplies	2.4%	0.4%	2.0%
Visa	IT Services	3.0	1.3	1.8
Thermo Fisher Scientific	Life Sciences Tools & Services	2.0	0.6	1.4
Dollar General	Multiline Retail	1.6	0.2	1.4
Roper Technologies	Industrial Conglomerates	1.5	0.2	1.4
Amazon.com	Internet & Direct Marketing Retail	0.0	4.5	-4.5
Alphabet	Interactive Media & Services	0.0	3.3	-3.3
Facebook	Interactive Media & Services	0.0	2.1	-2.1
Apple	Technology Hardware, Storage & Peripherals	4.1	5.8	-1.7
Berkshire Hathaway	Diversified Financial Services	0.0	1.4	-1.4

PORTFOLIO MANAGEMENT

Portfolio Manager:
Thomas Huber

Managed Fund Since:
2000

Joined Firm:
1994

For Sourcing Information, please see Additional Disclosures.

Additional Disclosures

Source for Lipper data: Lipper Inc.
Lipper Data (excluding Performance and Risk Return exhibits) is estimated by T. Rowe Price based on information provided by Lipper, Inc., and LionShares. T. Rowe Price identifies the funds that compose the Lipper index and builds an aggregate portfolio for the index based on each fund's holdings as provided by LionShares. Please note that the portfolio holdings for each fund within the index are based on the most recent public information that is available, and since the funds have different reporting periods, some of this information may not be current.
Source for S&P data: S&P. "Standard & Poor's®", "S&P®", "S&P 500®", "Standard & Poor's 500", and "500" are trademarks of Standard & Poor's, and have been licensed for use by T. Rowe Price. The fund is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the fund.
Source for NASDAQ data: NASDAQ
Unless otherwise noted, index returns are shown with gross dividends reinvested.
The manager's views and portfolio holdings are historical and subject to change. This material should not be deemed a recommendation to buy or sell any of the securities mentioned. The specific securities identified and described do not represent all of the securities purchased, sold, or recommended for the Fund and no assumptions should be made that the securities identified and discussed were or will be profitable.
The information shown does not reflect any Exchange Traded Funds (ETFs) that may be held in the portfolio.
Source for Sector Diversification: T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting. T. Rowe Price will adhere to all future updates to GICS for prospective reporting.
Diversification exhibits may not add to 100% due to exclusion or inclusion of cash.
Certain numbers in this report may not equal stated totals due to rounding. Unless otherwise stated, data is as of the report date.
Unless indicated otherwise the source of all data is T. Rowe Price.
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