



**SEMIANNUAL REPORT**

June 30, 2023

PRDSX

T. ROWE PRICE

**Integrated U.S. Small-Cap  
Growth Equity Fund**

TQAAX

**Integrated U.S. Small-Cap  
Growth Equity Fund–  
Advisor Class**

TQAIX

**Integrated U.S. Small-Cap  
Growth Equity Fund–  
I Class**

*(Formerly T. Rowe Price QM U.S. Small-Cap  
Growth Equity Fund)*

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## Dear Shareholder

Most major global stock and bond indexes produced positive returns during the first half of your fund's fiscal year, the six-month period ended June 30, 2023. Despite turmoil in the banking sector and a protracted debt ceiling standoff, markets were resilient as growth remained positive in the major economies and corporate earnings results came in stronger than expected.

For the six-month period, the technology-oriented Nasdaq Composite Index gained more than 30%, the strongest result of the major benchmarks, as tech companies benefited from investor enthusiasm for artificial intelligence applications. Growth stocks outperformed value shares, and developed market stocks generally outpaced their emerging market counterparts. Currency movements were mixed over the period, although a weaker dollar versus major European currencies was beneficial for U.S. investors in European securities.

Within the S&P 500 Index, the information technology, communication services, and consumer discretionary sectors were all lifted by the tech rally and recorded significant gains. Conversely, the defensive utilities sector had the weakest returns in the growth-focused environment, and the energy sector also lost ground amid declining oil prices. The financials sector partly recovered from the failure of three large regional banks during the period but still finished with modest losses.

Cheaper oil contributed to slowing inflation, although core inflation readings—which exclude volatile food and energy prices—remained stubbornly high. In response, the Federal Reserve raised its short-term lending benchmark rate to a target range of 5.00% to 5.25% by early May, the highest level since 2007. The Fed held rates steady at its June meeting, but policymakers indicated that two more rate hikes could come by the end of the year.

In the fixed income market, returns were generally positive across most sectors as investors benefited from the higher interest rates that have become available over the past year. Investment-grade corporate bonds were supported by generally solid balance sheets and were among the strongest performers.

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 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 weigh on credit conditions. Moreover, market consensus still seems to point to a coming recession, although hopes have emerged that such a downturn could be more modest.

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.

You may notice that this report no longer contains the commentary on your fund's performance and positioning that we previously included in the semiannual shareholder letters. The Securities and Exchange Commission (SEC) adopted new rules in January that will require fund reports to transition to a new format known as a Tailored Shareholder Report. This change will require a much more concise summary of performance rather than the level of detail we have provided historically while also aiming to be more visually engaging. As we prepare to make changes to the annual reports to meet the new report regulatory requirements by mid-2024, we felt the time was right to discontinue the optional six-month semiannual fund letter to focus on the changes to come.

While semiannual fund letters will no longer be produced, you may continue to access current fund information as well as insights and perspectives from our investment team on our personal investing website.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Robert M. Sharps". The signature is fluid and cursive, with a large initial "R" and "S".

Robert Sharps  
*CEO and President*

**SECTOR DIVERSIFICATION**

As of 6/30/23	Integrated U.S. Small-Cap Growth Equity Fund	MSCI US Small Cap Growth Index
Health Care	23.5%	22.8%
Industrials and Business Services	22.4	21.5
Information Technology	18.8	18.6
Consumer Discretionary	12.7	13.5
Financials	5.2	6.2
Energy	4.4	4.5
Consumer Staples	4.3	3.7
Materials	4.0	4.2
Communication Services	2.7	3.1
Real Estate	0.8	1.2
Utilities	0.6	0.7
Other and Reserves	0.6	0.0
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

Based on net assets as of 6/30/23.

## PORTFOLIO HIGHLIGHTS

## TWENTY-FIVE LARGEST HOLDINGS

	Percent of Net Assets 6/30/23
Manhattan Associates	1.0%
Saia	1.0
Casella Waste Systems	0.9
SPS Commerce	0.9
Axcelis Technologies	0.8
EMCOR Group	0.8
Comfort Systems USA	0.8
Churchill Downs	0.8
Ensign Group	0.8
Builders FirstSource	0.8
Novanta	0.8
TechnipFMC	0.8
Super Micro Computer	0.8
Inspire Medical Systems	0.8
CACI International	0.8
Curtiss-Wright	0.7
Texas Roadhouse	0.7
World Wrestling Entertainment	0.7
Atkore	0.7
Medpace Holdings	0.7
Iridium Communications	0.7
UFP Industries	0.7
Fair Isaac	0.7
Murphy USA	0.7
Fabrinet	0.7
<b>Total</b>	<b>19.6%</b>

Note: The information shown does not reflect any exchange-traded funds (ETFs), cash reserves, or collateral for securities lending that may be held in the portfolio.

## 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, the Advisor Class shares are offered only through unaffiliated brokers and other financial intermediaries and charge a 0.25% 12b-1 fee, and I Class shares are available to institutionally oriented clients and impose no 12b-1 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.

### 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)**

INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND			
	Beginning Account Value 1/1/23	Ending Account Value 6/30/23	Expenses Paid During Period* 1/1/23 to 6/30/23
<b>Investor Class</b>			
Actual	\$1,000.00	\$1,139.90	\$4.24
Hypothetical (assumes 5% return before expenses)	1,000.00	1,020.83	4.01
<b>Advisor Class</b>			
Actual	1,000.00	1,138.30	5.78
Hypothetical (assumes 5% return before expenses)	1,000.00	1,019.39	5.46
<b>I Class</b>			
Actual	1,000.00	1,140.90	3.50
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.52	3.31
<p>* 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 (181), and divided by the days in the year (365) to reflect the half-year period. The annualized expense ratio of the Investor Class was 0.80%, the Advisor Class was 1.09%, and the I Class was 0.66%.</p>			



T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Investor Class**

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>						
Beginning of period	\$ 34.68	\$ 46.35	\$ 47.73	\$ 39.70	\$ 31.16	\$ 34.89
Investment activities						
Net investment loss <sup>(1)(2)</sup>	(0.05)	(0.09)	(0.20)	(0.09)	(0.06)	(0.08)
Net realized and unrealized gain/loss	4.90	(10.29)	5.30	9.51	10.24	(2.24)
Total from investment activities	4.85	(10.38)	5.10	9.42	10.18	(2.32)
Distributions						
Net realized gain	—	(1.29)	(6.48)	(1.39)	(1.64)	(1.41)
<b>NET ASSET VALUE</b>						
End of period	\$ 39.53	\$ 34.68	\$ 46.35	\$ 47.73	\$ 39.70	\$ 31.16

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Investor Class**

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
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**Ratios/Supplemental Data**

<b>Total return<sup>(2)(3)</sup></b>	<b>13.99%</b>	<b>(22.41)%</b>	<b>11.30%</b>	<b>23.84%</b>	<b>32.76%</b>	<b>(6.86)%</b>
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Ratios to average net assets:<sup>(2)</sup>

Gross expenses before waivers/ payments by Price Associates	0.80% <sup>(4)</sup>	0.80%	0.78%	0.78%	0.79%	0.80%
Net expenses after waivers/payments by Price Associates	0.80% <sup>(4)</sup>	0.80%	0.78%	0.78%	0.79%	0.80%
Net investment loss	(0.29)% <sup>(4)</sup>	(0.25)%	(0.40)%	(0.23)%	(0.16)%	(0.22)%
Portfolio turnover rate	15.4%	30.3%	28.3%	34.5%	21.6%	17.9%
Net assets, end of period (in millions)	\$3,822	\$3,354	\$5,524	\$5,747	\$5,254	\$4,039

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> 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.

<sup>(4)</sup> Annualized

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

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Advisor Class**

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>						
Beginning of period	\$ 34.20	\$ 45.86	\$ 47.43	\$ 39.48	\$ 31.10	\$ 34.79
Investment activities						
Net investment loss <sup>(1)(2)</sup>	(0.11)	(0.19)	(0.36)	(0.21)	(0.18)	(0.18)
Net realized and unrealized gain/loss	4.84	(10.18)	5.27	9.42	10.20	(2.23)
Total from investment activities	4.73	(10.37)	4.91	9.21	10.02	(2.41)
Distributions						
Net realized gain	—	(1.29)	(6.48)	(1.26)	(1.64)	(1.29)
Redemption fees added to paid-in capital <sup>(1)(3)</sup>	—	—	—	—	— <sup>(4)</sup>	0.01
<b>NET ASSET VALUE</b>						
End of period	\$ 38.93	\$ 34.20	\$ 45.86	\$ 47.43	\$ 39.48	\$ 31.10

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**Advisor Class**

6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
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**Ratios/Supplemental Data**

<b>Total return<sup>(2)(5)</sup></b>	<b>13.83%</b>	<b>(22.63)%</b>	<b>10.97%</b>	<b>23.43%</b>	<b>32.30%</b>	<b>(7.09)%</b>
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Ratios to average net assets:<sup>(2)</sup>

Gross expenses before waivers/ payments by Price Associates	1.09% <sup>(6)</sup>	1.08%	1.09%	1.10%	1.11%	1.07%
Net expenses after waivers/payments by Price Associates	1.09% <sup>(6)</sup>	1.08%	1.09%	1.10%	1.11%	1.07%
Net investment loss	(0.59)% <sup>(6)</sup>	(0.52)%	(0.71)%	(0.55)%	(0.49)%	(0.49)%
Portfolio turnover rate	15.4%	30.3%	28.3%	34.5%	21.6%	17.9%
Net assets, end of period (in thousands)	\$15,054	\$17,483	\$28,195	\$32,629	\$24,781	\$24,430

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> The fund charged redemption fees through March 31, 2019.

<sup>(4)</sup> Amounts round to less than \$0.01 per share.

<sup>(5)</sup> 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.

<sup>(6)</sup> Annualized

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

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**I Class**

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>NET ASSET VALUE</b>						
Beginning of period	\$ 34.93	\$ 46.61	\$ 47.89	\$ 39.82	\$ 31.21	\$ 34.94
Investment activities						
Net investment loss <sup>(1)(2)</sup>	(0.03)	(0.03)	(0.13)	(0.04)	(0.01)	(0.02)
Net realized and unrealized gain/loss	4.95	(10.36)	5.33	9.55	10.26	(2.25)
Total from investment activities	4.92	(10.39)	5.20	9.51	10.25	(2.27)
Distributions						
Net realized gain	—	(1.29)	(6.48)	(1.44)	(1.64)	(1.46)
<b>NET ASSET VALUE</b>						
End of period	\$ 39.85	\$ 34.93	\$ 46.61	\$ 47.89	\$ 39.82	\$ 31.21

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**FINANCIAL HIGHLIGHTS**

For a share outstanding throughout each period

**I Class**

	6 Months Ended 6/30/23	Year Ended 12/31/22	12/31/21	12/31/20	12/31/19	12/31/18
<b>Ratios/Supplemental Data</b>						
<b>Total return<sup>(2)(3)</sup></b>	<b>14.09%</b>	<b>(22.31)%</b>	<b>11.47%</b>	<b>24.00%</b>	<b>32.93%</b>	<b>(6.72)%</b>
Ratios to average net assets: <sup>(2)</sup>						
Gross expenses before waivers/ payments by Price Associates	0.66% <sup>(4)</sup>	0.66%	0.64%	0.65%	0.65%	0.66%
Net expenses after waivers/payments by Price Associates	0.66% <sup>(4)</sup>	0.66%	0.64%	0.65%	0.65%	0.66%
Net investment loss	(0.15)% <sup>(4)</sup>	(0.09)%	(0.26)%	(0.10)%	(0.02)%	(0.06)%
Portfolio turnover rate	15.4%	30.3%	28.3%	34.5%	21.6%	17.9%
Net assets, end of period (in millions)	\$3,805	\$3,259	\$4,246	\$4,317	\$3,303	\$2,380

<sup>(1)</sup> Per share amounts calculated using average shares outstanding method.

<sup>(2)</sup> See Note 6 for details of expense-related arrangements with Price Associates.

<sup>(3)</sup> 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.

<sup>(4)</sup> Annualized

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

## T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

June 30, 2023 (Unaudited)

**PORTFOLIO OF INVESTMENTS†**
**Shares**
**\$ Value**

(Cost and value in \$000s)

**COMMON STOCKS 99.4%**
**COMMUNICATION SERVICES 2.6%**
**Diversified Telecommunication Services 0.7%**

Cogent Communications Holdings	56,500	3,802
GCI Liberty, Class A, EC (1)(2)	547,999	—
Iridium Communications	854,100	53,057
		56,859

**Entertainment 1.1%**

Endeavor Group Holdings, Class A (2)	1,217,900	29,132
World Wrestling Entertainment, Class A	513,000	55,645
		84,777

**Interactive Media & Services 0.1%**

Ziff Davis (2)	57,640	4,038
		4,038

**Media 0.7%**

Nexstar Media Group	289,100	48,149
Thryv Holdings (2)	309,500	7,614
		55,763

Total Communication Services		201,437
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**CONSUMER DISCRETIONARY 12.7%**
**Automobile Components 0.5%**

LCI Industries	39,700	5,016
Patrick Industries	105,250	8,420
Visteon (2)	175,500	25,204
		38,640

**Distributors 0.4%**

Pool	82,600	30,945
		30,945

**Diversified Consumer Services 0.6%**

Bright Horizons Family Solutions (2)	83,854	7,752
Carriage Services	143,300	4,653
Grand Canyon Education (2)	304,000	31,376
		43,781

**Hotels, Restaurants & Leisure 5.7%**

Bloomin' Brands	679,800	18,280
Boyd Gaming	705,400	48,934
Cava Group (2)	124,054	5,080
Choice Hotels International (3)	369,000	43,365
Churchill Downs	437,480	60,884
Domino's Pizza	75,087	25,303

	Shares	\$ Value
(Cost and value in \$000s)		
Everi Holdings (2)	906,900	13,114
Hilton Grand Vacations (2)	491,100	22,315
Papa John's International	77,700	5,736
Planet Fitness, Class A (2)	376,600	25,398
Red Rock Resorts, Class A	553,700	25,902
SeaWorld Entertainment (2)	242,900	13,605
Texas Roadhouse	500,800	56,230
Travel + Leisure	349,000	14,079
Vail Resorts	74,030	18,638
Wendy's	1,888,200	41,068
		437,931
<b>Household Durables 1.6%</b>		
Cavco Industries (2)	76,714	22,631
Skyline Champion (2)	346,900	22,705
Tempur Sealy International	793,600	31,799
TopBuild (2)	157,800	41,978
		119,113
<b>Leisure Products 0.6%</b>		
Brunswick	124,340	10,773
Mattel (2)	1,811,000	35,387
		46,160
<b>Specialty Retail 2.4%</b>		
Academy Sports & Outdoors	390,700	21,117
Asbury Automotive Group (2)	70,400	16,926
Burlington Stores (2)	60,300	9,491
Dick's Sporting Goods	211,300	27,932
Floor & Decor Holdings, Class A (2)	14,300	1,487
Murphy USA	165,700	51,551
Penske Automotive Group	97,800	16,296
Valvoline	1,025,500	38,466
		183,266
<b>Textiles, Apparel &amp; Luxury Goods 0.9%</b>		
Crocs (2)	302,900	34,058
Deckers Outdoor (2)	68,100	35,934
		69,992
Total Consumer Discretionary		969,828
<b>CONSUMER STAPLES 4.3%</b>		
<b>Beverages 0.4%</b>		
Coca-Cola Consolidated	51,700	32,882
		32,882
<b>Consumer Staples Distribution &amp; Retail 0.9%</b>		
BJ's Wholesale Club Holdings (2)	234,700	14,789



	Shares	\$ Value
(Cost and value in \$000s)		
Casey's General Stores	76,900	18,754
Performance Food Group (2)	532,700	32,090
		65,633
<b>Food Products 1.3%</b>		
Darling Ingredients (2)	65,700	4,191
Hostess Brands (2)	799,900	20,253
Post Holdings (2)	508,800	44,088
Simply Good Foods (2)	834,000	30,516
		99,048
<b>Personal Care Products 1.7%</b>		
BellRing Brands (2)	834,900	30,557
Coty, Class A (2)	2,017,900	24,800
elf Beauty (2)	277,500	31,699
Inter Parfums	314,300	42,503
		129,559
Total Consumer Staples		327,122
<b>ENERGY 4.4%</b>		
<b>Energy Equipment &amp; Services 1.9%</b>		
ChampionX	751,700	23,333
Nabors Industries (2)	41,800	3,889
TechnipFMC (2)	3,512,500	58,378
Transocean (2)(3)	2,257,400	15,824
Weatherford International (2)	668,000	44,368
		145,792
<b>Oil, Gas &amp; Consumable Fuels 2.5%</b>		
APA	248,200	8,481
Centrus Energy, Class A (2)	128,300	4,177
Denbury (2)	235,100	20,280
Kosmos Energy (2)	2,879,800	17,250
Magnolia Oil & Gas, Class A	1,051,300	21,972
Matador Resources	603,100	31,554
PBF Energy, Class A	140,300	5,744
PDC Energy	172,400	12,265
Range Resources	1,247,300	36,671
SM Energy	604,400	19,117
Southwestern Energy (2)	782,000	4,700
Targa Resources	137,700	10,479
		192,690
Total Energy		338,482
<b>FINANCIALS 5.2%</b>		
<b>Banks 0.4%</b>		
Bancorp (2)	771,500	25,190

	Shares	\$ Value
(Cost and value in \$000s)		
ServisFirst Bancshares (3)	161,300	6,600
		31,790
<b>Capital Markets 1.7%</b>		
Blue Owl Capital	1,654,100	19,270
FactSet Research Systems	62,100	24,881
LPL Financial Holdings	193,800	42,138
MarketAxess Holdings	92,900	24,286
StoneX Group (2)	208,800	17,347
		127,922
<b>Financial Services 0.9%</b>		
Euronet Worldwide (2)	212,700	24,964
EVERTEC	358,100	13,189
Shift4 Payments, Class A (2)(3)	434,900	29,534
		67,687
<b>Insurance 2.2%</b>		
BRP Group, Class A (2)	336,500	8,338
Kinsale Capital Group	91,600	34,277
Palomar Holdings (2)	356,280	20,678
Primerica	193,000	38,168
Ryan Specialty Holdings, Class A (2)	771,700	34,642
Selective Insurance Group	371,600	35,655
		171,758
Total Financials		399,157
<b>HEALTH CARE 23.6%</b>		
<b>Biotechnology 9.1%</b>		
ACADIA Pharmaceuticals (2)	785,812	18,820
Agios Pharmaceuticals (2)	290,281	8,221
Akero Therapeutics (2)	316,656	14,785
Alector (2)	294,326	1,769
Alkermes (2)	1,027,900	32,173
Allogene Therapeutics (2)	365,301	1,816
Amicus Therapeutics (2)	940,700	11,815
Apellis Pharmaceuticals (2)	470,430	42,856
Arcellx (2)	104,000	3,289
Avidity Biosciences (2)	420,774	4,666
Biohaven (2)	461,750	11,045
Biomea Fusion (2)	103,900	2,281
Blueprint Medicines (2)	409,085	25,854
C4 Therapeutics (2)	75,400	207
Catalyst Pharmaceuticals (2)	800,500	10,759
Cerevel Therapeutics Holdings (2)(3)	420,500	13,368
CRISPR Therapeutics (2)(3)	351,358	19,725
Cytokinetics (2)(3)	389,700	12,712

	Shares	\$ Value
(Cost and value in \$000s)		
Day One Biopharmaceuticals (2)(3)	223,020	2,663
Denali Therapeutics (2)	404,200	11,928
Exelixis (2)	1,552,500	29,668
Generation Bio (2)	422,600	2,324
Halozyme Therapeutics (2)	1,175,300	42,393
Horizon Therapeutics (2)	143,692	14,779
Ideaya Biosciences (2)	76,018	1,786
IGM Biosciences (2)(3)	143,152	1,321
ImmunoGen (2)	586,200	11,062
Insmed (2)	1,124,693	23,731
Intellia Therapeutics (2)	333,296	13,592
Ionis Pharmaceuticals (2)	641,100	26,304
Iovance Biotherapeutics (2)	908,758	6,398
Karuna Therapeutics (2)	164,450	35,661
Krystal Biotech (2)	59,400	6,974
Kymera Therapeutics (2)	289,000	6,644
Madrigal Pharmaceuticals (2)	37,100	8,570
Mirati Therapeutics (2)	170,097	6,146
Monte Rosa Therapeutics (2)	65,000	445
Morphic Holding (2)	179,526	10,292
Natera (2)	494,900	24,082
Neurocrine Biosciences (2)	191,326	18,042
Nurix Therapeutics (2)	149,800	1,497
Prothena (2)	308,630	21,073
PTC Therapeutics (2)	456,100	18,550
Relay Therapeutics (2)	448,200	5,629
Replimune Group (2)	468,666	10,883
REVOLUTION Medicines (2)	465,092	12,441
Rhythm Pharmaceuticals (2)	150,100	2,475
Rocket Pharmaceuticals (2)	286,029	5,683
Sage Therapeutics (2)	250,959	11,800
Scholar Rock Holding (2)	377,651	2,848
Scholar Rock Holding, Warrants, 12/31/25, Acquisition Date: 6/17/22, Cost \$— (2)(4)	22,712	88
Seagen (2)	104,200	20,054
Ultragenyx Pharmaceutical (2)	304,141	14,030
Vaxcyte (2)	214,300	10,702
Xencor (2)	468,800	11,706
Zentalis Pharmaceuticals (2)	158,711	4,477
		694,902
<b>Health Care Equipment &amp; Supplies 5.9%</b>		
AtriCure (2)	304,500	15,030
CONMED	211,100	28,686
Embeca	284,300	6,141
Globus Medical, Class A (2)	628,700	37,433

	Shares	\$ Value
(Cost and value in \$000s)		
Haemonetics (2)	358,700	30,540
ICU Medical (2)	100,898	17,979
Inari Medical (2)	299,000	17,384
Inspire Medical Systems (2)	177,400	57,591
iRhythm Technologies (2)	187,400	19,550
Lantheus Holdings (2)	584,200	49,026
Merit Medical Systems (2)	574,500	48,051
Omnicell (2)	284,000	20,922
Penumbra (2)	90,800	31,241
PROCEPT BioRobotics (2)	351,300	12,418
Shockwave Medical (2)	79,999	22,833
STERIS	145,866	32,817
		447,642
<b>Health Care Providers &amp; Services 4.1%</b>		
Acadia Healthcare (2)	151,400	12,058
Addus HomeCare (2)	281,800	26,123
Amedisys (2)	141,700	12,957
AMN Healthcare Services (2)	458,300	50,010
Chemed	22,200	12,025
CorVel (2)	164,966	31,921
Ensign Group	637,000	60,808
Guardant Health (2)	547,264	19,592
ModivCare (2)	74,100	3,350
Molina Healthcare (2)	157,400	47,415
NeoGenomics (2)	394,600	6,341
Option Care Health (2)	908,351	29,512
		312,112
<b>Health Care Technology 0.2%</b>		
Evolent Health, Class A (2)	599,000	18,150
		18,150
<b>Life Sciences Tools &amp; Services 2.7%</b>		
10X Genomics, Class A (2)	415,400	23,196
Adaptive Biotechnologies (2)	407,100	2,732
Bruker	205,600	15,198
Charles River Laboratories International (2)	132,700	27,900
Maravai LifeSciences Holdings, Class A (2)	689,100	8,566
Medpace Holdings (2)	230,900	55,455
Olink Holding, ADR (2)	268,656	5,037
Repligen (2)	190,900	27,005
West Pharmaceutical Services	98,400	37,635
		202,724
<b>Pharmaceuticals 1.6%</b>		
Amphastar Pharmaceuticals (2)	375,800	21,597
Arvinas (2)	248,265	6,162

	Shares	\$ Value
(Cost and value in \$000s)		
Catalent (2)	247,041	10,712
Intra-Cellular Therapies (2)	451,000	28,557
Pacira BioSciences (2)	260,100	10,422
Pliant Therapeutics (2)(3)	191,918	3,478
Prestige Consumer Healthcare (2)	265,800	15,796
Supernus Pharmaceuticals (2)	353,100	10,614
Ventyx Biosciences (2)	369,900	12,133
		119,471
Total Health Care		1,795,001
<b>INDUSTRIALS &amp; BUSINESS SERVICES 22.4%</b>		
<b>Aerospace &amp; Defense 1.6%</b>		
Cadre Holdings	235,500	5,134
Curtiss-Wright	308,300	56,622
Hexcel	421,000	32,004
Leonardo DRS (2)(3)	853,400	14,798
Mercury Systems (2)	119,100	4,120
Moog, Class A	114,200	12,383
		125,061
<b>Air Freight &amp; Logistics 0.5%</b>		
GXO Logistics (2)	606,700	38,113
		38,113
<b>Building Products 2.4%</b>		
AAON	259,500	24,603
Builders FirstSource (2)	444,700	60,479
CSW Industrials	179,000	29,748
Gibraltar Industries (2)	108,100	6,802
Simpson Manufacturing	44,200	6,122
UFP Industries	539,800	52,387
		180,141
<b>Commercial Services &amp; Supplies 2.3%</b>		
Casella Waste Systems, Class A (2)	800,500	72,405
Clean Harbors (2)	312,400	51,368
MSA Safety	107,700	18,736
Rentokil Initial, ADR	863,760	33,695
		176,204
<b>Construction &amp; Engineering 2.1%</b>		
Comfort Systems USA	371,900	61,066
EMCOR Group	335,700	62,031
WillScot Mobile Mini Holdings (2)	781,200	37,333
		160,430
<b>Electrical Equipment 1.1%</b>		
Array Technologies (2)	583,900	13,196

	Shares	\$ Value
(Cost and value in \$000s)		
Atkore (2)	356,343	55,568
Shoals Technologies Group, Class A (2)	748,300	19,127
		87,891
<b>Ground Transportation 2.1%</b>		
Landstar System	164,900	31,750
RXO (2)	455,500	10,326
Saia (2)	216,300	74,063
XPO (2)	753,200	44,439
		160,578
<b>Machinery 4.3%</b>		
Albany International, Class A	167,000	15,578
Federal Signal	523,800	33,539
Graco	76,410	6,598
John Bean Technologies	275,700	33,442
Kadant	174,400	38,734
Lincoln Electric Holdings	177,600	35,276
RBC Bearings (2)	182,025	39,585
SPX Technologies (2)	436,400	37,081
Symbotic (2)	270,500	11,580
Toro	295,600	30,048
Watts Water Technologies, Class A	244,700	44,959
		326,420
<b>Professional Services 4.7%</b>		
ASGN (2)	86,600	6,550
Booz Allen Hamilton Holding	403,100	44,986
Broadridge Financial Solutions	116,500	19,296
CACI International, Class A (2)	168,700	57,500
CBIZ (2)	642,200	34,216
Concentrix	74,700	6,032
ExlService Holdings (2)	318,600	48,128
Exponent	447,816	41,790
Insperty	318,200	37,853
NV5 Global (2)	133,700	14,810
Paylocity Holding (2)	140,800	25,982
SS&C Technologies Holdings	140,800	8,532
Verra Mobility (2)	756,800	14,924
		360,599
<b>Trading Companies &amp; Distributors 1.3%</b>		
Herc Holdings	110,600	15,136
McGrath RentCorp	183,056	16,929
SiteOne Landscape Supply (2)	220,100	36,836

	Shares	\$ Value
(Cost and value in \$000s)		
Watsco (3)	75,000	28,610
		97,511
Total Industrials & Business Services		1,712,948
<b>INFORMATION TECHNOLOGY 18.7%</b>		
<b>Communications Equipment 0.4%</b>		
Extreme Networks (2)	614,000	15,995
Lumentum Holdings (2)(3)	212,700	12,066
		28,061
<b>Electronic Equipment, Instruments &amp; Components 2.7%</b>		
Advanced Energy Industries	255,500	28,476
Fabrinet (2)	396,800	51,536
Littelfuse	64,700	18,848
Novanta (2)	327,900	60,366
Teledyne Technologies (2)	73,530	30,229
Zebra Technologies, Class A (2)	54,600	16,152
		205,607
<b>IT Services 0.5%</b>		
Gartner (2)	45,900	16,079
Perficient (2)	309,700	25,807
		41,886
<b>Semiconductors &amp; Semiconductor Equipment 5.3%</b>		
Axcelis Technologies (2)	350,100	64,184
Cirrus Logic (2)	241,130	19,534
Diodes (2)	377,700	34,933
Entegris	134,600	14,916
FormFactor (2)	470,600	16,104
Kulicke & Soffa Industries	419,000	24,910
Lattice Semiconductor (2)	525,000	50,437
MaxLinear (2)	676,600	21,354
MKS Instruments	118,500	12,810
Monolithic Power Systems	42,007	22,693
Onto Innovation (2)	365,600	42,581
Power Integrations	431,100	40,812
Rambus (2)	486,700	31,232
Synaptics (2)	122,000	10,416
		406,916
<b>Software 8.7%</b>		
A10 Networks	788,200	11,500
ACI Worldwide (2)	496,900	11,513
Agilysys (2)	232,200	15,938
Aspen Technology (2)	48,076	8,058
Blackbaud (2)	241,200	17,169
Box, Class A (2)	1,051,200	30,884

	Shares	\$ Value
(Cost and value in \$000s)		
Descartes Systems Group (2)	637,300	51,054
Digital Turbine (2)	176,200	1,635
DoubleVerify Holdings (2)	879,251	34,221
Envestnet (2)	338,100	20,066
Fair Isaac (2)	64,500	52,194
Fortinet (2)	270,700	20,462
Informatica, Class A (2)	774,400	14,326
Manhattan Associates (2)	401,000	80,152
NCR (2)	583,200	14,697
PowerSchool Holdings, Class A (2)(3)	855,200	16,369
PTC (2)	224,250	31,911
Qualys (2)	278,500	35,974
Rapid7 (2)	314,900	14,259
Sapiens International	687,900	18,298
SPS Commerce (2)	351,500	67,509
Tenable Holdings (2)	518,400	22,576
Teradata (2)	477,400	25,498
Tyler Technologies (2)	72,400	30,152
Workiva (2)	219,900	22,355
		668,770
<b>Technology Hardware, Storage &amp; Peripherals 1.1%</b>		
Pure Storage, Class A (2)	725,800	26,724
Super Micro Computer (2)	232,800	58,025
		84,749
Total Information Technology		1,435,989
<b>MATERIALS 4.0%</b>		
<b>Chemicals 1.4%</b>		
Axalta Coating Systems (2)	1,013,200	33,243
Balchem	121,100	16,325
Element Solutions	684,100	13,135
Livent (2)(3)	898,600	24,649
Olin	452,500	23,254
		110,606
<b>Construction Materials 0.6%</b>		
Eagle Materials	247,900	46,213
		46,213
<b>Containers &amp; Packaging 0.7%</b>		
Graphic Packaging Holding	1,440,100	34,606
Silgan Holdings	322,100	15,103
		49,709
<b>Metals &amp; Mining 0.8%</b>		
Alpha Metallurgical Resources	42,500	6,985
Arconic (2)	256,400	7,584



	Shares	\$ Value
(Cost and value in \$000s)		
ATI (2)	779,200	34,464
Royal Gold	124,000	14,233
		63,266
<b>Paper &amp; Forest Products 0.5%</b>		
Louisiana-Pacific	505,800	37,925
		37,925
Total Materials		307,719
<b>REAL ESTATE 0.9%</b>		
<b>Industrial Real Estate Investment Trusts 0.7%</b>		
First Industrial Realty Trust, REIT	409,700	21,567
Rexford Industrial Realty, REIT	309,500	16,162
Terreno Realty, REIT	203,100	12,206
		49,935
<b>Residential Real Estate Investment Trusts 0.2%</b>		
Equity LifeStyle Properties, REIT	205,400	13,739
		13,739
Total Real Estate		63,674
<b>UTILITIES 0.6%</b>		
<b>Independent Power &amp; Renewable Electricity Producers 0.6%</b>		
Clearway Energy, Class C	416,800	11,904
NextEra Energy Partners (3)	282,000	16,537
Ormat Technologies	181,300	14,587
Total Utilities		43,028
<b>Total Common Stocks (Cost \$5,332,141)</b>		<b>7,594,385</b>
<b>SHORT-TERM INVESTMENTS 0.9%</b>		
<b>Money Market Funds 0.9%</b>		
T. Rowe Price Government Reserve Fund, 5.13% (5)(6)	69,797,827	69,798
<b>Total Short-Term Investments (Cost \$69,798)</b>		<b>69,798</b>

	Shares	\$ Value
(Cost and value in \$000s)		
<b>SECURITIES LENDING COLLATERAL 1.4%</b>		
<b>INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH STATE STREET BANK AND TRUST COMPANY 1.4%</b>		
<b>Money Market Funds 1.4%</b>		
T. Rowe Price Government Reserve Fund, 5.13% (5)(6)	107,336,577	107,337
<b>Total Investments in a Pooled Account through Securities Lending Program with State Street Bank and Trust Company</b>		<b>107,337</b>
<b>Total Securities Lending Collateral (Cost \$107,337)</b>		<b>107,337</b>
<b>Total Investments in Securities 101.7% of Net Assets (Cost \$5,509,276)</b>		
	<b>\$</b>	<b>7,771,520</b>

‡ Shares are denominated in U.S. dollars unless otherwise noted.

(1) See Note 2. Level 3 in fair value hierarchy.

(2) Non-income producing

(3) See Note 3. All or a portion of this security is on loan at June 30, 2023.

(4) Security cannot be offered for public resale without first being registered under the Securities Act of 1933 and related rules ("restricted security"). Acquisition date represents the day on which an enforceable right to acquire such security is obtained and is presented along with related cost in the security description. The fund may have registration rights for certain restricted securities. Any costs related to such registration are generally borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period end amounts to \$88 and represents 0.0% of net assets.

(5) Seven-day yield

(6) Affiliated Companies

ADR American Depositary Receipts

EC Escrow CUSIP; represents a beneficial interest in a residual pool of assets; the amount and timing of future distributions, if any, is uncertain; when presented, interest rate and maturity date are those of the original security.

REIT A domestic Real Estate Investment Trust whose distributions pass-through with original tax character to the shareholder

**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 six months ended June 30, 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		Change in Net		Investment
	Gain (Loss)		Unrealized	Income	
T. Rowe Price Government Reserve Fund, 5.13%	\$	—	\$	—	\$ 1,628++
Totals	\$	—#	\$	—	\$ 1,628+

**Supplementary Investment Schedule**

Affiliate	Value 12/31/22	Purchase Cost	Sales Cost	Value 06/30/23
T. Rowe Price Government Reserve Fund, 5.13%	\$ 105,019	□	□	\$ 177,135
Total			\$	177,135*

<sup>#</sup> Capital gain distributions from underlying Price funds represented \$0 of the net realized gain (loss).

<sup>++</sup> Excludes earnings on securities lending collateral, which are subject to rebates and fees as described in Note 3.

<sup>+</sup> Investment income comprised \$1,628 of dividend income and \$0 of interest income.

□ Purchase and sale information not shown for cash management funds.

<sup>^</sup> The cost basis of investments in affiliated companies was \$177,135.

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

June 30, 2023 (Unaudited)

**STATEMENT OF ASSETS AND LIABILITIES**

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

**Assets**

Investments in securities, at value (cost \$5,509,276)	\$	7,771,520
Receivable for investment securities sold		13,818
Receivable for shares sold		7,550
Dividends receivable		1,594
Other assets		145
Total assets		<u>7,794,627</u>

**Liabilities**

Obligation to return securities lending collateral		107,337
Payable for investment securities purchased		33,821
Payable for shares redeemed		5,494
Investment management fees payable		3,870
Due to affiliates		96
Payable to directors		6
Other liabilities		1,147
Total liabilities		<u>151,771</u>

<b>NET ASSETS</b>	<b>\$</b>	<b><u>7,642,856</u></b>
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T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

June 30, 2023 (Unaudited)

**STATEMENT OF ASSETS AND LIABILITIES**

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

**Net Assets Consist of:**

Total distributable earnings (loss)	\$	2,331,426
Paid-in capital applicable to 192,567,530 shares of \$0.0001 par value capital stock outstanding; 1,000,000,000 shares authorized		5,311,430

<b>NET ASSETS</b>	<b>\$</b>	<b><u>7,642,856</u></b>
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**NET ASSET VALUE PER SHARE**

**Investor Class**

<b>(Net assets: \$3,822,357; Shares outstanding: 96,685,423)</b>	<b>\$</b>	<b><u>39.53</u></b>
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**Advisor Class**

<b>(Net assets: \$15,054; Shares outstanding: 386,690)</b>	<b>\$</b>	<b><u>38.93</u></b>
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**I Class**

<b>(Net assets: \$3,805,445; Shares outstanding: 95,495,417)</b>	<b>\$</b>	<b><u>39.85</u></b>
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The accompanying notes are an integral part of these financial statements.

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**STATEMENT OF OPERATIONS**

(\$000s)

		6 Months Ended 6/30/23
<b>Investment Income (Loss)</b>		
Income		
Dividend (net of foreign taxes of \$45)	\$	18,047
Securities lending		73
Other		1
Total income		18,121
Expenses		
Investment management		22,593
Shareholder servicing		
Investor Class	\$	2,402
Advisor Class		12
I Class		75
Rule 12b-1 fees		
Advisor Class		22
Prospectus and shareholder reports		
Investor Class		261
Advisor Class		4
I Class		138
Proxy and annual meeting		186
Custody and accounting		144
Registration		59
Legal and audit		15
Directors		12
Miscellaneous		21
Total expenses		25,944
Net investment loss		(7,823)
<b>Realized and Unrealized Gain / Loss</b>		
Net realized gain on securities		48,828
Change in net unrealized gain / loss on securities		890,075
Net realized and unrealized gain / loss		938,903
<b>INCREASE IN NET ASSETS FROM OPERATIONS</b>	<b>\$</b>	<b>931,080</b>

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

(Unaudited)

**STATEMENT OF CHANGES IN NET ASSETS**

(\$000s)

	6 Months Ended 6/30/23	Year Ended 12/31/22
<b>Increase (Decrease) in Net Assets</b>		
Operations		
Net investment loss	\$ (7,823)	\$ (12,742)
Net realized gain	48,828	159,530
Change in net unrealized gain / loss	890,075	(2,282,935)
Increase (decrease) in net assets from operations	931,080	(2,136,147)
Distributions to shareholders		
Net earnings		
Investor Class	-	(122,439)
Advisor Class	-	(636)
I Class	-	(117,304)
Decrease in net assets from distributions	-	(240,379)
Capital share transactions*		
Shares sold		
Investor Class	393,542	608,257
Advisor Class	1,309	2,866
I Class	365,154	1,149,059
Distributions reinvested		
Investor Class	-	115,243
Advisor Class	-	636
I Class	-	110,347
Shares redeemed		
Investor Class	(390,073)	(1,583,159)
Advisor Class	(5,810)	(7,822)
I Class	(282,570)	(1,186,327)
Increase (decrease) in net assets from capital share transactions	81,552	(790,900)

T. ROWE PRICE INTEGRATED U.S. SMALL-CAP GROWTH EQUITY FUND

(Unaudited)

**STATEMENT OF CHANGES IN NET ASSETS**

(\$000s)

	6 Months Ended 6/30/23	Year Ended 12/31/22
<b>Net Assets</b>		
Increase (decrease) during period	1,012,632	(3,167,426)
Beginning of period	6,630,224	9,797,650
<b>End of period</b>	<b>\$ 7,642,856</b>	<b>\$ 6,630,224</b>
 *Share information (000s)		
Shares sold		
Investor Class	10,465	15,895
Advisor Class	36	75
I Class	9,755	30,274
Distributions reinvested		
Investor Class	-	3,295
Advisor Class	-	18
I Class	-	3,132
Shares redeemed		
Investor Class	(10,492)	(41,650)
Advisor Class	(160)	(197)
I Class	(7,545)	(31,224)
Increase (decrease) in shares outstanding	2,059	(20,382)

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



**NOTES TO FINANCIAL STATEMENTS**

T. Rowe Price Integrated Equity Funds, Inc. (the corporation), formerly the Quantitative Management Funds, Inc., is registered under the Investment Company Act of 1940 (the 1940 Act). The Integrated U.S. Small-Cap Growth Equity Fund (the fund), formerly the T. Rowe Price QM U.S. Small-Cap Growth Equity Fund, is a diversified, open-end management investment company established by the corporation. The fund seeks long-term growth of capital by investing primarily in common stocks of small growth companies. The fund has three classes of shares: the Integrated U.S. Small-Cap Growth Equity Fund (Investor Class), the Integrated U.S. Small-Cap Growth Equity Fund–Advisor Class (Advisor Class) and the Integrated U.S. Small-Cap Growth Equity Fund–I Class (I Class). Advisor Class shares are sold only through various brokers and other financial intermediaries. 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. The Advisor Class operates under a Board-approved Rule 12b-1 plan pursuant to which the class compensates financial intermediaries for distribution, shareholder servicing, and/or certain administrative services; the Investor and I Classes do not pay Rule 12b-1 fees. 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. 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. Distributions from REITs are initially recorded as dividend income and, to the extent such represent a return of capital or capital gain for tax purposes, are reclassified when such information becomes available. Non-cash dividends, if any, are recorded at the fair market value of the asset received. Proceeds from litigation payments, if any, are included in either net realized gain (loss) or change in net unrealized gain/loss from securities. Distributions to shareholders are recorded on the ex-dividend date. Income distributions, if any, are declared and paid by each class annually. 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, investment income, and realized and unrealized gains and losses are allocated to the classes based upon the relative daily net assets of each class. The Advisor Class pays Rule 12b-1 fees, in an amount not exceeding 0.25% of the class's average daily net assets.

**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** In June 2022, the FASB issued Accounting Standards Update (ASU), ASU 2022-03, Fair Value Measurement (Topic 820) – Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, which clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments under this ASU are effective for fiscal years beginning after December 15, 2023; however, the fund opted to early adopt, as permitted, effective December 1, 2022. Adoption of the guidance did not 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** Equity securities, including exchange-traded funds, listed or regularly traded on a securities exchange or in the over-the-counter (OTC) market are valued at the last quoted sale price or, for certain markets, the official closing price at the time the valuations are made. OTC Bulletin Board securities are valued at the mean of the closing bid and asked prices. A security that is listed or traded on more than one exchange is valued at the quotation on the exchange determined to be the primary market for such security. Listed securities not traded on a particular day are valued at the mean of the closing bid and asked prices for domestic securities.

Investments in mutual funds are valued at the mutual fund's closing NAV per share on the day of valuation. 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 June 30, 2023 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
<b>Assets</b>				
Common Stocks	\$ 7,594,297	\$ 88	\$ —	\$ 7,594,385
Short-Term Investments	69,798	—	—	69,798
Securities Lending Collateral	107,337	—	—	107,337
Total	\$ 7,771,432	\$ 88	\$ —	\$ 7,771,520

### NOTE 3 - 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.

**Restricted Securities** The fund invests in securities that are subject to legal or contractual restrictions on resale. Prompt sale of such securities at an acceptable price may be difficult and may involve substantial delays and additional costs.

**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 June 30, 2023, the value of loaned securities was \$104,009,000; the value of cash collateral and related investments was \$107,337,000.

**Other** Purchases and sales of portfolio securities other than short-term securities aggregated \$1,174,536,000 and \$1,093,672,000, respectively, for the six months ended June 30, 2023.

#### **NOTE 4 - 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. Financial reporting records are adjusted for permanent book/tax differences to reflect tax character but are not adjusted for temporary differences. The amount and character of tax-basis distributions and composition of net assets are finalized at fiscal year-end; accordingly, tax-basis balances have not been determined as of the date of this report.

At June 30, 2023, the cost of investments (including derivatives, if any) for federal income tax purposes was \$5,517,637,000. Net unrealized gain aggregated \$2,253,883,000 at period-end, of which \$2,644,714,000 related to appreciated investments and \$390,831,000 related to depreciated investments.

#### **NOTE 5 - FOREIGN TAXES**

The fund is subject to foreign income taxes imposed by certain countries in which it invests. Additionally, capital gains realized upon disposition of securities issued in or by certain foreign countries are subject to capital gains tax imposed by those countries. All taxes are computed in accordance with the applicable foreign tax law, and, to the extent permitted, capital losses are used to offset capital gains. Taxes attributable to income are accrued by the fund as a reduction of income. Current and deferred tax expense attributable to capital gains is reflected as a component of realized or change in unrealized gain/loss on securities in the accompanying financial statements. To the extent that the fund has country specific capital loss carryforwards, such carryforwards

are applied against net unrealized gains when determining the deferred tax liability. Any deferred tax liability incurred by the fund is included in either Other liabilities or Deferred tax liability on the accompanying Statement of Assets and Liabilities.

## **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, which is computed daily and paid monthly. The fee consists of an individual fund fee, equal to 0.35% of the fund's average daily net assets, and a group fee. The group fee rate is calculated based on the combined net assets of certain mutual funds sponsored by Price Associates (the group) applied to a graduated fee schedule, with rates ranging from 0.48% for the first \$1 billion of assets to 0.260% for assets in excess of \$845 billion. The fund's group fee is determined by applying the group fee rate to the fund's average daily net assets. At June 30, 2023, the effective annual group fee rate was 0.29%.

Effective June 1, 2023, the Advisor Class is subject to a contractual expense limitation through the expense limitation date indicated in the table below. During the limitation period, Price Associates was 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. Each 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.

	<b>Advisor Class</b>	<b>I Class</b>
Expense limitation/I Class Limit	1.24%	0.05%
Expense limitation date	04/30/24	04/30/24
(Waived)/repaid during the period (\$000s)	\$—	\$—

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 and Advisor Class. For the six months ended June 30, 2023, expenses incurred pursuant to these service agreements were \$58,000 for Price Associates; \$458,000 for T. Rowe Price Services, Inc.; and \$66,000 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.

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 six months ended June 30, 2023, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Price Associates has voluntarily agreed to reimburse the fund from its own resources on a monthly basis for the cost of investment research embedded in the cost of the fund's securities trades. This agreement may be rescinded at any time. For the six months ended June 30, 2023, this reimbursement amounted to \$155,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

## **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.

## 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](http://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.

## RESULTS OF PROXY VOTING

A Special Meeting of Shareholders was held on July 24, 2023 for shareholders of record on April 7, 2023, to elect the following director-nominees to serve on the Board of all Price Funds. The newly elected Directors took office effective July 24, 2023.

The results of the voting were as follows:

	Votes For	Votes Withheld
Melody Bianchetto	128,354,769	779,465
Mark J. Parrell	128,220,853	904,678
Kellye L. Walker	128,373,209	779,665
Eric L. Veiel	128,442,156	698,251

Teresa Bryce Bazemore, Bruce W. Duncan, Robert J. Gerrard, Jr., Paul F. McBride and David Oestreicher continue to serve as Directors on the Board of all Price Funds.

## 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](http://sec.gov)). In addition, most T. Rowe Price funds disclose their first and third fiscal quarter-end holdings on **[troweprice.com](https://www.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 composed of two components—a group fee rate based on the combined average net assets of most of the T. Rowe Price funds (including the fund) that declines at certain asset levels and an individual fund fee rate based on the fund's average daily net assets—and the fund pays its own expenses of operations. The group fee rate decreases as total T. Rowe Price fund assets grow, which reduces the management fee rate for any fund that has a group fee component to its management fee, and reflects that certain resources utilized to operate the fund are shared with other T. Rowe Price funds thus allowing shareholders of those funds to share potential economies of scale. The fund's shareholders also benefit from potential economies of scale through a decline in certain operating expenses as the fund grows in size.

**APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)**

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 (Investor Class Expense Group); (ii) actual management fees and total expenses of the Advisor Class of the fund with a group of competitor funds selected by Broadridge (Advisor Class Expense Group); and (iii) 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. The information provided to the Board indicated that the fund's contractual management fee ranked in the first quintile (Investor Class Expense Group), the fund's actual management fee rate ranked in the first quintile (Investor Class Expense Group, Expense Universe, and Advisor Class Expense Group), and the fund's total expenses ranked in the first quintile (Investor Class Expense Group, Expense Universe, and Advisor Class Expense Group).

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. 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

## **APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)**

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).

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# T.RowePrice®

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*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.*