



T. Rowe Price

STRATEGY HIGHLIGHTS | Ticker: PRFDX | CUSIP: 779547108

As of March 31, 2024

Equity Income Fund

Total Large-Cap Value Assets: \$148.1 billion | **Total Strategy Assets:**¹ \$35.7 billion | **Total Fund Assets:** \$18.2 billion

INVESTMENT APPROACH

- Employ a conservative, value-oriented investment approach and typically invest in high quality, dividend-paying large-cap companies with strong brands, franchises, or assets we think are undervalued.
- To identify these companies, we let valuation be our guide and utilize a variety of different metrics and proprietary screens to assess valuation appeal.
- Leverage our global research platform to assist in uncovering companies with strong reward-to-risk characteristics.
- Maintain a long-term orientation to allow for full exploitation of valuation anomalies.
- Construct a diversified portfolio to help manage our risk profile.
- A value approach carries the risk that the market will not recognize a security's intrinsic value for a long time (or at all) or that a stock judged to be undervalued may actually be appropriately priced. Diversification cannot assure a profit or protect against loss in a declining market.

PORTFOLIO CONSTRUCTION

- Bottom-up fundamental approach
- Typically 100-125 issuer portfolio
- Individual positions will typically range from 0.50% to 3.00%-average position size of 0.75% to 1.50%
- Sector weights typically range from 0.5X to 2.0X, the primary value sectors of the Russell 1000 Value Index
- Reserves will typically range from 1% to 3%
- Seeks above average dividend yield relative to the broader equity market.

BENCHMARK

- Russell 1000 Value Index
- S&P 500 Index

PORTFOLIO MANAGEMENT

John Linehan, CFA®

Portfolio Manager

- 34 years of investment experience; 25 years with T. Rowe Price.
- M.B.A., Stanford Graduate School of Business
- B.A., Amherst College

PORTFOLIO SPECIALISTS

Caleb Fritz, CFA®

- 23 years of investment experience; 16 years with T. Rowe Price.
- M.A., University of South Florida
- B.A., University of South Florida

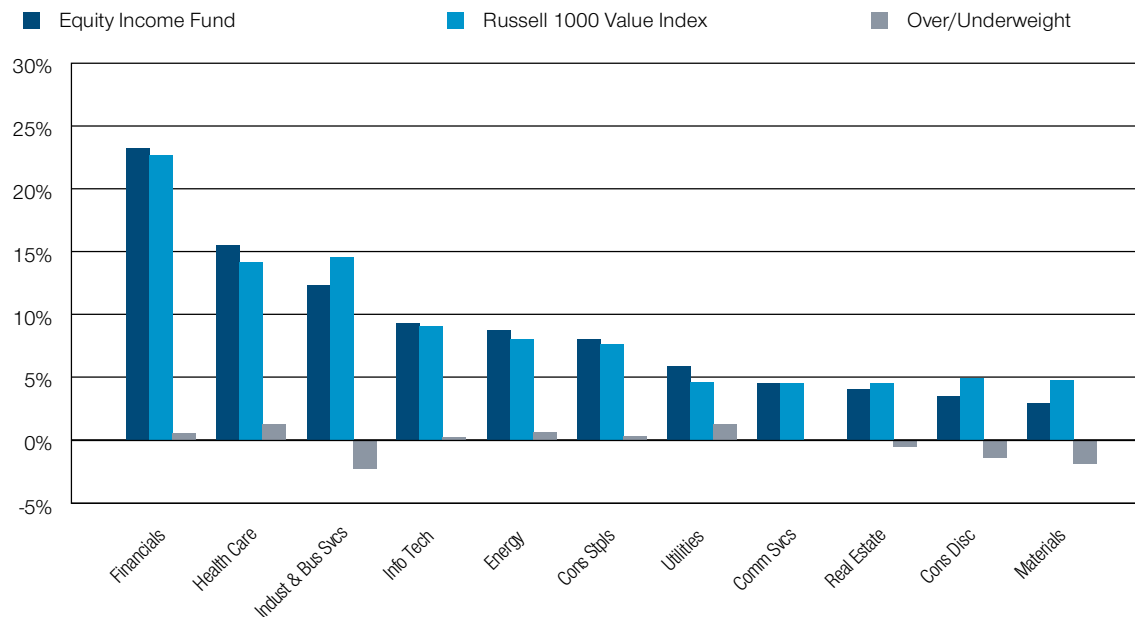
Portfolio Specialists do not assume management responsibilities. For a complete list of the members of the Fund's Investment Advisory Committee, please refer to the Fund's prospectus. CFA® and Chartered Financial Analyst® are registered trademarks owned by CFA Institute.

¹ Includes a U.S.-registered mutual fund, a variable annuity portfolio, a common trust fund, separate accounts, subadvised portfolios, and a college savings portfolio.

TOP 10 ISSUERS

	% of Fund
Qualcomm	3.0%
Wells Fargo	3.0
TotalEnergies	2.5
GE	2.4
Elevance Health	2.4
American International Group	2.4
Southern Company	2.3
News Corp	2.3
Chubb	2.2
CF Industries	1.7
Total	24.2%

SECTOR DIVERSIFICATION



PORTFOLIO CHARACTERISTICS

	Fund	Russell 1000 Value Index
Projected Earnings Growth Rate (3 - 5 Years)*° †	8.4%	8.1%
Price to Earnings (12 Months Forward)*° †	16.2X	18.1X
Return on Equity (Last 12 Months excl. charges)°	15.3%	16.3%
Price to Book (trailing)°	2.3X	2.9X
Investment Weighted Median Market Cap (mm)	\$78,305	\$78,305
Investment Weighted Average Market Cap (mm)	\$165,838	\$158,486
Number of Issuers	111	831
Top 20 Issuers as % of Total	40.1%	25.9%
Portfolio Turnover ††	16.7%	–
Active Share	72.5%	–

°Statistics are based on investment-weighted median.

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†These statistics are based on the Fund's underlying holdings and are not a projection of future portfolio performance. Actual results may vary.

††Portfolio Turnover represents 1 year period ending 12/31/2023.

PERFORMANCE

	Three Months	One Year	Annualized (only pertains to the total return figures)			
			Three Years	Five Years	Ten Years	Fifteen Years
Equity Income Fund	8.82%	20.10%	8.55%	10.88%	8.73%	12.75%
Russell 1000 Value Index	8.99	20.27	8.11	10.32	9.01	13.10
S&P 500 Index	10.56	29.88	11.49	15.05	12.96	15.63
Lipper Equity Income Funds Index	7.85	18.49	8.77	10.64	9.24	12.66
Lipper Equity Income Funds Average	7.73	18.83	8.24	10.27	8.83	12.14
Lipper Ranking	–	204 of 462	213 of 437	181 of 417	187 of 319	74 of 201
Morningstar Large Value Category	8.83	20.70	8.87	10.89	9.09	12.88
Morningstar Ranking	–	666 of 1,204	664 of 1,118	521 of 1,058	472 of 816	272 of 614

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](https://www.troweprice.com). The Fund's total return figures reflect the reinvestment of dividends and capital gains, if any.

The Fund's expense ratio as of the most recent prospectus was **0.67%**. See the prospectus for details.

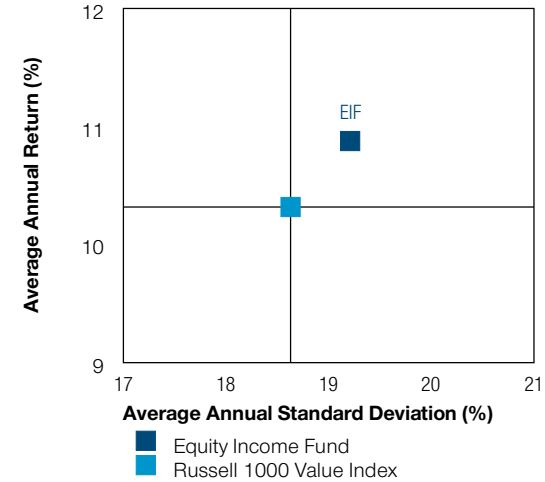
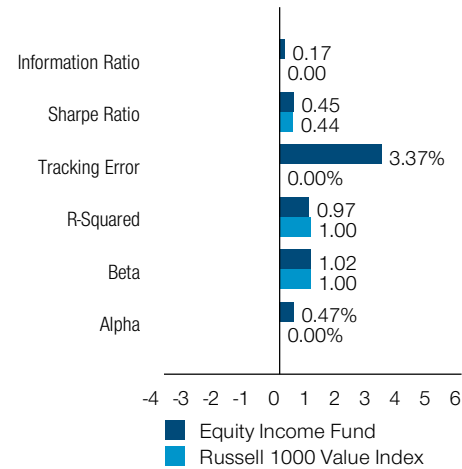
Lipper rankings are based on cumulative total return. The Lipper Average consists of all share classes; each share class is counted separately.

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The fund(s) may have other share classes available that offer different investment minimums and fees. See the prospectus for details.

RISK/RETURN CHARACTERISTICS

Five Years ended March 31, 2024



Past performance is not a reliable indicator of future performance. Figures are calculated using monthly data and are net of fees.

ADDITIONAL DISCLOSURES

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

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

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.

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

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

Fund Assets, holdings-based analytics (excluding portfolio turnover), and portfolio attribution are calculated using T. Rowe Price's internal Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant.

T. Rowe Price uses the current MSCI/S&P Global Industry Classification Standard (GICS) for sector and industry reporting.

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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.

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