



SEMIANNUAL REPORT

June 30, 2021

PRSVX

T. ROWE PRICE

Small-Cap Value Fund

PASVX

**Small-Cap Value Fund-
Advisor Class**

PRVIX

**Small-Cap Value Fund-
I Class**

TRZVX

**Small-Cap Value Fund-
Z Class**

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HIGHLIGHTS

- The Small-Cap Value Fund delivered a strong absolute return in the first half of 2021 but underperformed the Russell 2000 Value Index, which benefited from low-quality, highly speculative, and heavily shorted stocks that do not fit our investment philosophy.
- The consumer discretionary and communication services sectors detracted the most from relative results, while our holdings in the industrials and business services sector added value.
- While each investment decision is derived from our rigorous bottom-up stock selection process, we used strength in some of our long-term winners to fund ideas with more economic sensitivity, as we believe that significant upside remains in these names.
- We are mindful that there is significant uncertainty in the markets, but we remain bullish on the overall economic outlook and on the small-cap value asset class. From a relative valuation perspective, we believe small-cap and value stocks appear attractive.

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Dear Shareholder

Global stock markets produced strong returns during the first half of 2021, while rising yields weighed on returns in some bond sectors. Investor sentiment was buoyed by the reopening of developed market economies, unprecedented fiscal and monetary stimulus, and expectations that the economy would benefit from a release of pent-up demand.

All major global and regional equity benchmarks recorded positive results during the period. Developed market stocks generally outperformed emerging markets, while in the U.S., small-cap equities outpaced large-caps and value performed better than growth. The large-cap S&P 500 Index returned 15% and finished the period at a record high. The energy sector, which was the worst performer in 2020, was the leader for the six-month period amid a sharp increase in oil prices. Financial stocks also produced strong results as banks benefited from an increase in long-term interest rates, while the real estate sector was helped by a rollback in many pandemic-related restrictions. Utilities underperformed with slight gains.

Fiscal and monetary support remained a key factor in providing a positive backdrop for markets. President Joe Biden signed the \$1.9 trillion American Rescue Plan Act into law in March, and the Federal Reserve kept its short-term lending rates near zero. However, as a result of strong economic growth, central bank policymakers revised their outlook in a somewhat less dovish direction near the end of the period and indicated that rate hikes could commence in 2023, which was earlier than previously expected.

The economic recovery was evident in a variety of indicators. According to the latest estimate, U.S. gross domestic product grew at an annualized rate of 6.4% in the first quarter of 2021 following 4.3% growth in the fourth quarter of 2020. Weekly jobless claims declined throughout the period to new pandemic-era lows, although the monthly nonfarm payroll report disappointed at times as employers struggled to fill positions. Meanwhile, overall profits for companies in the S&P 500 rose by nearly 53% year over year in the first quarter, according to FactSet—the best showing since late 2009.

However, less favorably, inflation concerns led to some volatility in the equity market and caused a sharp rise in longer-term Treasury yields in the first quarter. (Bond prices and yields move in opposite directions.) While inflation measures were above the Fed's 2% long-term inflation target toward the end of our reporting period—core consumer prices, for example, recorded their largest annual increase (3.8%) since 1992 in May—investors seemed to accept the Fed's determination that rising price pressures were due to transitory factors arising from the reopening of the global economy.

Longer-term Treasury yields trended lower as inflation expectations began to wane later in the period, but they still finished significantly higher than they were at the end of 2020. Rising yields were a headwind for many fixed income investors; however, high yield bonds, which are less sensitive to interest rate changes, produced solid results, and investment-grade corporate bonds also performed well amid solid corporate fundamentals.

As we look ahead, the central question for investors—assuming the economy’s recovery from the pandemic continues apace—is whether the returns on financial assets will be as robust. Valuations are elevated in nearly all asset classes, and, in some areas, there are clear signs of speculation. That said, a transformed global economic landscape is generating potential opportunities as well as risks. Post-pandemic trends have the potential to create both winners and losers, giving active portfolio managers greater scope to seek excess returns. It is not an easy environment to invest in, but our investment teams remain rooted in company fundamentals and focused on the long term, and they will continue to apply strong fundamental analysis as they seek out the best investments for your portfolio.

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, stylized "S" at the end.

Robert Sharps
Group Chief Investment Officer

INVESTMENT OBJECTIVE

The fund seeks long-term capital growth by investing primarily in small companies whose common stocks are believed to be undervalued.

FUND COMMENTARY

How did the fund perform in the last six months?

The Small-Cap Value Fund returned 18.28% in the first half of 2021, trailing the Russell 2000 Value Index benchmark. The fund also underperformed its peer group, the Lipper Small-Cap Core Funds Index, as well as the Lipper Small-Cap Value Funds Index. (Returns for the Advisor, I, and Z Class shares varied slightly, reflecting their different fee structures. *Past performance cannot guarantee future results.*)

PERFORMANCE COMPARISON

Six-Month Period Ended 6/30/21	Total Return
Small-Cap Value Fund	18.28%
Small-Cap Value Fund-Advisor Class	18.10
Small-Cap Value Fund-I Class	18.35
Small-Cap Value Fund-Z Class	18.72
Russell 2000 Value Index	26.69
Russell 2000 Index	17.54
Lipper Small-Cap Value Funds Index	28.15
Lipper Small-Cap Core Funds Index	21.10

What factors influenced the fund's performance?

It was not surprising that we trailed the benchmark during the period given the rapidly rising market, especially in the first half of the period, and the strong performance of low-quality, highly speculative, and heavily shorted stocks that do not fit our investment philosophy.

The consumer discretionary and communication services

sectors detracted the most from relative results; both sectors were hurt by “meme-based” stock investing. Retail investors were driven to invest in certain names based on social media mentions rather than company fundamentals. GameStop, within the consumer discretionary sector, and AMC Entertainment Holdings, within the communication services sector, were beneficiaries of this movement, and not holding those stocks, which do not meet our investment criteria, weighed on relative returns.

Other stocks held by the fund, also within those two sectors, hindered relative performance. In consumer discretionary, our holdings in Lumber Liquidators and Strategic Education detracted. Shares of specialty flooring retailer Lumber Liquidators, which had a strong 2020 as a beneficiary of the pandemic-driven

increase in home improvement spending, pulled back as softer sales—partially attributed to adverse weather and inventory shortages—along with a lack of forward guidance given lingering uncertainty resulting from the pandemic may have dampened investor sentiment. We believe that rebranding efforts and a favorable housing backdrop should prove beneficial to longer-term performance. Shares of for-profit educator Strategic Education declined on several factors, including poor enrollment trends, increasing competition in the space, and the potential for greater regulatory scrutiny. Within communication services, Cable One was a notable detractor. Shares receded early in the period following an optically messy quarterly earnings report that reflected the sale of its Anniston, Alabama, operations to Hargray, a company that Cable One recently announced it would be acquiring. We believe the company stands to benefit from this acquisition, as well as other recent additions. Broadband price increases and a mix shift to high-speed data/commercial services provide additional means of generating free cash flow growth. (Please refer to the portfolio of investments for a complete list of holdings and the amount each represents in the portfolio.)

On the positive side, stock choices in the industrials and business services sector contributed the most to relative results. Shares of Triumph Group, a global supplier of aerospace components and systems, which were pressured last year by the pandemic-related fall in air traffic and the grounding of Boeing's 737 MAX, rallied on positive sentiment toward progress the company has made in its turnaround efforts, including the divestiture of non-core assets. Shares of Aegion, an infrastructure maintenance company, soared on the announcement that the company would be taken private by New Mountain Capital. A subsequent unsolicited bid on the company sent shares even higher, and we exited our position on strength. Upwork, the largest global online marketplace for freelancers, benefited from a shift to remote work accelerated by the pandemic. New client additions and the growth of core clients have supported strong revenue growth. We believe this is a best-in-class company in the early innings of the adoption of freelance labor in the business world.

How is the fund positioned?

While each investment decision is derived from our rigorous bottom-up stock selection process, we used strength in some of our long-term winners to fund ideas with more economic sensitivity, as we believe that significant upside remains in these names. We also trimmed names that performed well, were acquired, or moved beyond the small-cap market capitalization range. While trades spanned the various sectors, some of the largest purchases and sales occurred within financials and industrials and business services, our two largest allocations, as well as materials, a smaller sector position.

Our largest absolute allocation is the financials sector. PennyMac Financial Services has been a strong performer for the fund, benefiting from low interest rates and high mortgage volumes over the past year. We trimmed the portfolio's position as slowing refinance activity and elevated industry capacity may inhibit near-term performance, but we maintain a positive view of the company. We deployed proceeds into other ideas, including U.S.-focused property and casualty underwriter James River Group Holdings. We opportunistically increased our position in the company on recent share price weakness. Fallout from the larger-than-expected losses incurred by legacy claims related to Uber drivers, resolved via a dilutive offering, pressured the stock. We view this as a transitory issue and believe the company is well positioned in the attractive excess and surplus niche.

The industrials and business services sector offers a diverse group of investment opportunities that can excel in different market environments. We added new positions in Regal Beloit, a manufacturer of electric motors, electrical motion controls, power generation, and power transmission products, and ABM Industries, a facility management provider. We view the latter as a longer-term recovery story, supported by a return to schools and offices. Having survived the hit to its janitorial business, we believe it's now well positioned to gain market share as one of the larger survivors within this business segment. Sales within the sector included the acquisition-based eliminations of Cubic and Aegion, a reduction in our stake in Clarivate Analytics on market capitalization considerations, and a trim to Ryder System following strong share price appreciation.

Within materials, we reduced commodity-driven names like Alcoa, a producer of bauxite, alumina, and aluminum, and timber company West Fraser following strong performance. We added a position in Atotech, a supplier of process chemicals used in the production of printed circuit boards and various industrial applications. The company occupies a niche position within an attractive industry, and we believe the risk/reward trade-off is favorable at current valuations.

SECTOR DIVERSIFICATION

	Percent of Net Assets	
	12/31/20	6/30/21
Financials	28.5%	25.3%
Industrials and Business Services	16.3	16.3
Consumer Discretionary	10.2	10.6
Health Care	8.0	9.4
Real Estate	7.7	8.6
Information Technology	8.6	7.6
Energy	4.4	6.4
Materials	5.9	5.5
Utilities	3.9	4.0
Consumer Staples	3.2	2.9
Communication Services	2.4	2.4
Other and Reserves	0.9	1.0
Total	100.0%	100.0%

Historical weightings reflect current industry/sector classifications.

What is portfolio management's outlook?

U.S. equities produced robust returns, lifted by the continued rollout of coronavirus vaccines, reduced local restrictions, favorable economic growth, and additional fiscal stimulus as Congress passed a \$1.9 trillion coronavirus relief bill in March. Small-cap value stocks performed especially well; nevertheless, there were periods of volatility driven by a marked factor rotation as investors ping-ponged between favoring growth and value stocks, as well as concerns about increasing inflation and Federal Reserve monetary policy.

While we are mindful that there is significant uncertainty in the markets, we remain bullish on the overall economic outlook and on the small-cap value asset class. From a relative valuation perspective, we believe small-cap and value stocks appear attractive. Despite continued market strength, we have been able to find compelling businesses where we believe the market is underappreciating the long-term investment opportunity. While we have focused on adding names with more cyclicality to the portfolio, we have not wavered from our investment philosophy of buying great companies when the market loses sight of what makes them great. Our focus, as always, remains on long-term performance, and we believe that our contrarian approach will ultimately serve the best interests of our shareholders.

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

RISKS OF INVESTING IN THE FUND

The fund's value approach to investing could cause it to underperform other stock funds that employ a different investment style. The intrinsic value of a stock with value characteristics may not be fully recognized by the market for a long time, or a stock judged to be undervalued may actually be appropriately priced at a low level. Investing primarily in issuers within the same market capitalization category carries the risk that the category may be out of favor due to current market conditions or investor sentiment. Because the fund invests primarily in securities issued by small-cap companies and, to a lesser extent, micro-cap companies, the fund is likely to be more volatile than a fund that focuses on securities issued by larger companies. Small- and micro-cap companies often have less experienced management, narrower product lines, more limited financial resources, and less publicly available information than larger companies. In addition, smaller companies are typically more sensitive to changes in overall economic conditions, and their securities may be difficult to trade. Micro-cap stocks may be even more thinly traded, making it difficult for the fund to buy, sell, and value their shares.

BENCHMARK INFORMATION

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PORTFOLIO HIGHLIGHTS

TWENTY-FIVE LARGEST HOLDINGS

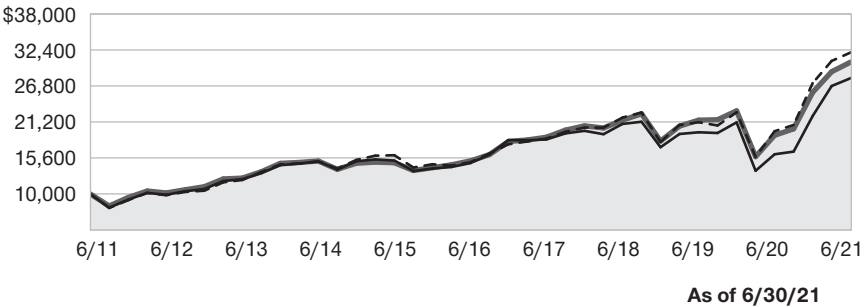
	Percent of Net Assets 6/30/21
Western Alliance Bancorp	1.4%
Belden	1.0
Select Medical Holdings	0.9
Pinnacle Financial Partners	0.9
Live Oak Bancshares	0.9
BankUnited	0.9
Hannon Armstrong Sustainable Infrastructure Capital	0.9
Home Bancshares	0.8
Terreno Realty	0.8
Littelfuse	0.8
Figs	0.8
Triumph Group	0.8
Constellium	0.7
Harmonic	0.7
WSFS Financial	0.7
Beacon Roofing Supply	0.7
Rexnord	0.7
Devon Energy	0.7
UFP Industries	0.7
Chesapeake Utilities	0.7
Stericycle	0.7
ONE Gas	0.6
Meritage	0.6
ChampionX	0.6
South State	0.6
Total	19.6%

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.

GROWTH OF \$10,000

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

SMALL-CAP VALUE FUND



Small-Cap Value Fund	\$30,508
Russell 2000 Value Index	28,010
Russell 2000 Index	32,005

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

AVERAGE ANNUAL COMPOUND TOTAL RETURN

Periods Ended 6/30/21	1 Year	5 Years	10 Years	Since Inception	Inception Date
Small-Cap Value Fund	59.58%	15.05%	11.80%	-	-
Small-Cap Value Fund- Advisor Class	59.10	14.74	11.49	-	-
Small-Cap Value Fund- I Class	59.73	15.19	-	14.35%	8/28/15
Small-Cap Value Fund- Z Class	60.80	-	-	77.73	3/16/20

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

This table shows how the fund would have performed each year if its actual (or cumulative) returns had been earned at a constant rate. Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. Returns do not reflect taxes that the shareholder may pay on fund distributions or the redemption of fund shares. When assessing performance, investors should consider both short- and long-term returns.

EXPENSE RATIO

Small-Cap Value Fund	0.80%
Small-Cap Value Fund–Advisor Class	1.10
Small-Cap Value Fund–I Class	0.70
Small-Cap Value Fund–Z Class	0.68

The expense ratio shown is as of the fund's most recent prospectus. This number may vary from the expense ratio shown elsewhere in this report because it is based on a different time period and, if applicable, includes acquired fund fees and expenses but does not include fee or expense waivers.

FUND EXPENSE EXAMPLE

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

Please note that the fund has four share classes: The original share class (Investor Class) charges no distribution and service (12b-1) fee, Advisor Class shares are offered only through unaffiliated brokers and other financial intermediaries and charge a 0.25% 12b-1 fee, I Class shares are available to institutionally oriented clients and impose no 12b-1 or administrative fee payment, and Z Class shares are offered only to funds advised by T. Rowe Price and other advisory clients of T. Rowe Price or its affiliates that are subject to a contractual fee for investment management services and impose no 12b-1 fee or administrative fee payment. Each share class is presented separately in the table.

Actual Expenses

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

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.

FUND EXPENSE EXAMPLE (CONTINUED)

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.

SMALL-CAP VALUE FUND

	Beginning Account Value 1/1/21	Ending Account Value 6/30/21	Expenses Paid During Period* 1/1/21 to 6/30/21
Investor Class			
Actual	\$1,000.00	\$1,182.80	\$4.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.12	3.71
Advisor Class			
Actual	1,000.00	1,181.00	5.68
Hypothetical (assumes 5% return before expenses)	1,000.00	1,019.59	5.26
I Class			
Actual	1,000.00	1,183.50	3.46
Hypothetical (assumes 5% return before expenses)	1,000.00	1,021.62	3.21
Z Class			
Actual	1,000.00	1,187.20	0.00
Hypothetical (assumes 5% return before expenses)	1,000.00	1,024.79	0.00

*Expenses are equal to the fund's annualized expense ratio for the 6-month period, multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (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 0.74%, the Advisor Class was 1.05%, the I Class was 0.64%, and the Z Class was 0.00%.

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Investor Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE						
Beginning of period	\$ 52.79	\$ 47.91	\$ 39.85	\$ 49.06	\$ 45.13	\$ 36.32
Investment activities						
Net investment income ⁽¹⁾⁽²⁾	0.08	0.23	0.21	0.22	0.19	0.33
Net realized and unrealized gain/loss	9.57	5.72	10.05	(5.66)	5.81	10.18
Total from investment activities	9.65	5.95	10.26	(5.44)	6.00	10.51
Distributions						
Net investment income	—	(0.19)	(0.29)	(0.17)	(0.21)	(0.39)
Net realized gain	—	(0.88)	(1.91)	(3.60)	(1.86)	(1.31)
Total distributions	—	(1.07)	(2.20)	(3.77)	(2.07)	(1.70)
NET ASSET VALUE						
End of period	\$ 62.44	\$ 52.79	\$ 47.91	\$ 39.85	\$ 49.06	\$ 45.13

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Investor Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
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Ratios/Supplemental Data

Total return⁽²⁾⁽³⁾	18.28%	12.50%	25.84%	(11.49)%	13.37%	28.97%
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Ratios to average net assets:⁽²⁾

Gross expenses before waivers/ payments by Price Associates	0.74% ⁽⁴⁾	0.76%	0.77%	0.78%	0.79%	0.80%
Net expenses after waivers/payments by Price Associates	0.74% ⁽⁴⁾	0.76%	0.77%	0.78%	0.79%	0.80%
Net investment income	0.28% ⁽⁴⁾	0.53%	0.45%	0.45%	0.41%	0.84%
Portfolio turnover rate	15.5%	28.0%	22.3%	19.3%	17.1%	22.3%
Net assets, end of period (in millions)	\$7,351	\$6,301	\$8,019	\$6,710	\$8,158	\$8,301

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.

⁽⁴⁾ Annualized

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

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Advisor Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE						
Beginning of period	\$ 52.64	\$ 47.80	\$ 39.75	\$ 48.81	\$ 44.89	\$ 36.16
Investment activities						
Net investment income (loss) ⁽¹⁾⁽²⁾	(0.01)	0.11	0.07	0.09	0.03	0.19
Net realized and unrealized gain/loss	9.54	5.66	10.02	(5.55)	5.78	10.11
Total from investment activities	9.53	5.77	10.09	(5.46)	5.81	10.30
Distributions						
Net investment income	—	(0.05)	(0.13)	—	(0.03)	(0.26)
Net realized gain	—	(0.88)	(1.91)	(3.60)	(1.86)	(1.31)
Total distributions	—	(0.93)	(2.04)	(3.60)	(1.89)	(1.57)
NET ASSET VALUE						
End of period	\$ 62.17	\$ 52.64	\$ 47.80	\$ 39.75	\$ 48.81	\$ 44.89

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Advisor Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
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Ratios/Supplemental Data

Total return⁽²⁾⁽³⁾	18.10%	12.14%	25.47%	(11.57)%	13.01%	28.51%
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Ratios to average net assets:⁽²⁾

Gross expenses before waivers/ payments by Price Associates	1.05% ⁽⁴⁾	1.06%	1.08%	1.03%	1.13%	1.15%
Net expenses after waivers/payments by Price Associates	1.05% ⁽⁴⁾	1.06%	1.08%	1.03%	1.13%	1.15%
Net investment income (loss)	(0.02)% ⁽⁴⁾	0.25%	0.15%	0.18%	0.06%	0.48%
Portfolio turnover rate	15.5%	28.0%	22.3%	19.3%	17.1%	22.3%
Net assets, end of period (in millions)	\$103	\$97	\$105	\$108	\$792	\$720

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.

⁽⁴⁾ Annualized

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

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

I Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
NET ASSET VALUE						
Beginning of period	\$ 52.76	\$ 47.89	\$ 39.84	\$ 49.06	\$ 45.12	\$ 36.31
Investment activities						
Net investment income ⁽¹⁾⁽²⁾	0.11	0.27	0.26	0.28	0.26	0.34
Net realized and unrealized gain/loss	9.57	5.72	10.05	(5.67)	5.82	10.22
Total from investment activities	9.68	5.99	10.31	(5.39)	6.08	10.56
Distributions						
Net investment income	—	(0.24)	(0.35)	(0.23)	(0.28)	(0.44)
Net realized gain	—	(0.88)	(1.91)	(3.60)	(1.86)	(1.31)
Total distributions	—	(1.12)	(2.26)	(3.83)	(2.14)	(1.75)
NET ASSET VALUE						
End of period	\$ 62.44	\$ 52.76	\$ 47.89	\$ 39.84	\$ 49.06	\$ 45.12

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

I Class

	6 Months Ended 6/30/21	Year Ended 12/31/20	12/31/19	12/31/18	12/31/17	12/31/16
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Ratios/Supplemental Data

Total return⁽²⁾⁽³⁾	18.35%	12.59%	25.97%	(11.40)%	13.55%	29.12%
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Ratios to average net assets:⁽²⁾

Gross expenses before waivers/ payments by Price Associates	0.64% ⁽⁴⁾	0.66%	0.66%	0.66%	0.66%	0.65%
Net expenses after waivers/payments by Price Associates	0.64% ⁽⁴⁾	0.66%	0.66%	0.66%	0.66%	0.65%
Net investment income	0.39% ⁽⁴⁾	0.63%	0.56%	0.56%	0.55%	0.84%
Portfolio turnover rate	15.5%	28.0%	22.3%	19.3%	17.1%	22.3%
Net assets, end of period (in millions)	\$2,071	\$1,507	\$2,305	\$1,674	\$1,392	\$704

⁽¹⁾ Per share amounts calculated using average shares outstanding method.

⁽²⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽³⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.

⁽⁴⁾ Annualized

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

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

FINANCIAL HIGHLIGHTS

For a share outstanding throughout each period

Z Class

	6 Months Ended 6/30/21	3/16/20 ⁽¹⁾ Through 12/31/20
NET ASSET VALUE		
Beginning of period	\$ 52.83	\$ 30.66
Investment activities		
Net investment income ⁽²⁾⁽³⁾	0.30	0.43
Net realized and unrealized gain/loss	9.59	23.08
Total from investment activities	9.89	23.51
Distributions		
Net investment income	—	(0.46)
Net realized gain	—	(0.88)
Total distributions	—	(1.34)
NET ASSET VALUE		
End of period	\$ 62.72	\$ 52.83

Ratios/Supplemental Data

Total return⁽³⁾⁽⁴⁾	18.72%	76.84%
Ratios to average net assets: ⁽³⁾		
Gross expenses before waivers/payments by Price Associates	0.64% ⁽⁵⁾	0.64% ⁽⁵⁾
Net expenses after waivers/payments by Price Associates	0.00% ⁽⁵⁾	0.00% ⁽⁵⁾
Net investment income	1.02% ⁽⁵⁾	1.26% ⁽⁵⁾
Portfolio turnover rate	15.5%	28.0%
Net assets, end of period (in millions)	\$3,953	\$3,420

⁽¹⁾ Inception date

⁽²⁾ Per share amounts calculated using average shares outstanding method.

⁽³⁾ See Note 5 for details of expense-related arrangements with Price Associates.

⁽⁴⁾ Total return reflects the rate that an investor would have earned on an investment in the fund during each period, assuming reinvestment of all distributions, and payment of no redemption or account fees, if applicable. Total return is not annualized for periods less than one year.

⁽⁵⁾ Annualized

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

T. ROWE PRICE SMALL-CAP VALUE FUND

June 30, 2021 (Unaudited)

PORTFOLIO OF INVESTMENTS*

Shares

\$ Value

(Cost and value in \$000s)

COMMON STOCKS 95.5%

COMMUNICATION SERVICES 2.4%

Interactive Media & Services 0.1%

Genius Sports (1)	1,017,279	19,094
		19,094

Media 2.3%

Advantage Solutions (1)	4,044,523	43,640
Advantage Solutions, Warrants, 12/31/26 (1)	400,000	996
Boston Omaha, Class A (1)(2)	1,805,558	57,254
Cable One	34,900	66,757
Liberty Broadband, Class C (1)	201,442	34,982
Saga Communications, Class A (2)	460,900	9,979
Scholastic	1,168,800	44,286
Thryv Holdings (1)	1,306,875	46,747
		304,641
Total Communication Services		323,735

CONSUMER DISCRETIONARY 10.1%

Auto Components 1.8%

Dorman Products (1)	569,900	59,082
Goodyear Tire & Rubber (1)	1,523,400	26,126
Horizon Global (1)(2)	3,287,690	27,880
LCI Industries	440,600	57,904
Strattec Security (1)(2)	358,760	15,950
Visteon (1)	413,100	49,960
		236,902

Distributors 0.3%

Pool	88,100	40,408
		40,408

Diversified Consumer Services 1.1%

Alclear Holdings, Acquisition Date: 12/13/18, Cost \$9,877 (1)(2) (3)(4)	877,243	33,335
American Public Education (1)(2)	1,310,591	37,142
Perdoceo Education (1)	2,617,091	32,112
Strategic Education	644,012	48,984
		151,573

Hotels, Restaurants & Leisure 2.0%

Bally's (1)	317,334	17,171
BJ's Restaurants (1)	1,049,416	51,568
Marriott Vacations Worldwide (1)	424,466	67,617
Papa John's International	629,700	65,766
Planet Fitness, Class A (1)	514,900	38,746

	Shares	\$ Value
(Cost and value in \$000s)		
Red Robin Gourmet Burgers (1)	569,728	18,864
Torchys Holdings, Class A, Acquisition Date: 11/13/20, Cost \$12,311 (1)(3)(4)(5)	1,439,856	12,311
		272,043
Household Durables 1.2%		
Cavco Industries (1)	349,200	77,589
Meritage Homes (1)	895,164	84,217
		161,806
Internet & Direct Marketing Retail 0.6%		
Big Sky Growth Partners (1)	1,330,647	13,293
Deliveroo Holdings, Acquisition Date: 9/12/17 - 5/16/19, Cost \$10,632 (GBP) (1)(4)	5,985,000	22,683
Framebridge, EC, Acquisition Date: 5/19/20, Cost \$908 (1)(4)(5)	907,892	233
Poshmark, Class A (1)(6)	407,224	19,441
ThredUp, Class A (1)(6)	694,539	20,197
		75,847
Leisure Products 0.0%		
RAD Power Bikes, Class A, Acquisition Date: 1/22/21, Cost \$5,494 (1)(4)(5)	1,138,910	5,494
		5,494
Specialty Retail 2.0%		
Aaron's	815,372	26,084
Hibbett Sports (1)	496,500	44,501
Lumber Liquidators Holdings (1)(2)	2,371,605	50,041
Monro	880,800	55,939
Petco Health & Wellness (1)	1,733,552	38,849
Winmark (2)	264,732	50,850
		266,264
Textiles, Apparel & Luxury Goods 1.1%		
Allbirds, Acquisition Date: 10/10/18 - 12/21/18, Cost \$6,158 (1) (4)(5)	561,510	6,492
Bombas, Acquisition Date: 2/12/21, Cost \$14,601 (1)(4)(5)	3,303,766	14,601
Hanesbrands	2,330,500	43,510
On Holding, Acquisition Date: 2/25/20, Cost \$9,961 (CHF) (1)(4)(5)	1,095	17,866
Steven Madden	1,591,362	69,638
		152,107
Total Consumer Discretionary		1,362,444
CONSUMER STAPLES 2.7%		
Beverages 0.6%		
Boston Beer, Class A (1)	23,947	24,445
Coca-Cola Consolidated	125,674	50,537
		74,982

	Shares	\$ Value
(Cost and value in \$000s)		
Food & Staples Retailing 0.2%		
Grocery Outlet Holding (1)(6)	699,106	24,231
		24,231
Food Products 1.8%		
Nomad Foods (1)	2,759,900	78,022
Post Holdings (1)	545,954	59,220
Post Holdings Partnering (1)	913,704	9,493
Simply Good Foods (1)	1,292,604	47,193
Utz Brands (6)	2,403,003	52,362
		246,290
Household Products 0.1%		
Oil-Dri (2)	282,500	9,656
		9,656
Total Consumer Staples		355,159
ENERGY 6.4%		
Energy Equipment & Services 2.8%		
Aspen Aerogels (1)	359,005	10,741
Cactus, Class A	1,505,183	55,270
ChampionX (1)	3,231,300	82,883
Dril-Quip (1)	343,100	11,607
Enerflex (CAD)	3,779,400	25,580
Energy Reservoir Holdings, Class A-1, Acquisition Date: 4/30/19, Cost \$20,875 (1)(2)(3)(4)(5)	20,874,541	20,875
Frank's International (1)	7,825,157	23,710
Liberty Oilfield Services, Class A (1)	3,107,900	44,008
NexTier Oilfield Solutions (1)	6,695,702	31,872
Ranger Energy Services (1)(2)	1,006,920	8,055
SEACOR Marine Holdings (1)	947,698	4,179
TechnipFMC (1)	4,068,025	36,816
TETRA Technologies (1)	3,664,400	15,904
		371,500
Oil, Gas & Consumable Fuels 3.6%		
Advantage Energy (CAD) (1)(2)(6)	13,606,321	55,540
ARC Resources (CAD) (6)	8,997,294	76,574
Devon Energy	3,093,847	90,309
International Seaways	1,352,246	25,936
Kimbell Royalty Partners	1,567,559	20,143
Magnolia Oil & Gas, Class A (1)	4,364,923	68,224
Matador Resources	2,209,560	79,566
REX American Resources (1)(2)	369,600	33,331
Venture Global LNG, Series B, Acquisition Date: 3/8/18, Cost \$1,314 (1)(4)(5)	435	1,997

	Shares	\$ Value
(Cost and value in \$000s)		
Venture Global LNG, Series C, Acquisition Date: 5/25/17 - 3/8/18, Cost \$26,302 (1)(4)(5)	7,197	33,035
		484,655
Total Energy		856,155
FINANCIALS 25.1%		
Banks 14.7%		
American Business Bank (1)	255,959	10,801
Atlantic Capital Bancshares (1)	782,771	19,929
BankUnited	2,785,499	118,913
Burke & Herbert Bank & Trust	9,213	18,956
Columbia Banking System	2,045,935	78,891
CrossFirst Bankshares (1)	1,183,454	16,272
Dime Community Bancshares	568,765	19,122
Dogwood State Bank, Non-Voting Shares, Acquisition Date: 5/6/19, Cost \$2,923 (1)(4)(5)	292,336	3,508
Dogwood State Bank, Voting Shares, Acquisition Date: 5/6/19, Cost \$1,436 (1)(4)(5)	143,582	1,723
Dogwood State Bank, Warrants, 5/6/24, Acquisition Date: 5/6/19, Cost \$— (1)(4)(5)	43,592	173
East West Bancorp	630,599	45,208
Eastern Bankshares	1,677,400	34,504
Farmers & Merchants Bank of Long Beach	2,562	21,008
FB Financial	1,397,980	52,173
First Bancshares	692,523	25,921
Glacier Bancorp	1,099,900	60,582
Grasshopper Bancorp, Acquisition Date: 10/12/18 - 5/2/19, Cost \$5,034 (1)(4)(5)	503,404	2,290
Grasshopper Bancorp, Warrants, 10/12/28, Acquisition Date: 10/12/18, Cost \$— (1)(4)(5)	100,220	—
HarborOne Bancorp (2)	3,523,673	50,529
Heritage Financial	1,009,833	25,266
Home BancShares	4,527,096	111,729
Howard Bancorp (1)(2)	1,288,385	20,782
Independent Bank	423,851	32,001
Independent Bank Group	794,580	58,783
John Marshall Bancorp (1)(2)	1,039,056	18,469
Live Oak Bancshares	2,054,286	121,203
National Bank Holdings, Class A (2)	1,714,359	64,700
Origin Bancorp	809,780	34,383
Pacific Premier Bancorp	1,215,800	51,416
Pinnacle Financial Partners	1,400,833	123,680
Popular	1,026,500	77,039
Preferred Bank (2)	809,158	51,195
Professional Holding, Class A (1)	638,157	11,500
Prosperity Bancshares	725,700	52,105

	Shares	\$ Value
(Cost and value in \$000s)		
Sandy Spring Bancorp	687,230	30,327
South State	1,012,054	82,746
Southern First Bancshares (1)	340,596	17,425
SVB Financial Group (1)	82,200	45,739
Texas Capital Bancshares (1)	761,800	48,367
Towne Bank	2,503,475	76,156
Webster Financial	1,193,773	63,676
Western Alliance Bancorp	1,982,054	184,034
		1,983,224
Capital Markets 2.2%		
AssetMark Financial Holdings (1)	505,084	12,657
Bluescape Opportunities Acquisition (1)	938,214	9,781
Hercules Capital (6)	1,364,200	23,273
Houlihan Lokey	889,027	72,714
Main Street Capital (6)	477,500	19,620
Open Lending, Class A (1)	343,105	14,784
OTC Markets Group, Class A (6)	451,985	23,820
StepStone Group, Class A	1,346,375	46,315
Virtus Investment Partners	281,242	78,121
		301,085
Consumer Finance 1.2%		
Green Dot, Class A (1)	1,090,000	51,066
Nerdwallet, Class A, Acquisition Date: 3/18/20, Cost \$10,575 (1)		
(4)(5)	1,510,726	16,467
PRA Group (1)	537,564	20,680
PROG Holdings	1,516,073	72,969
		161,182
Diversified Financial Services 0.1%		
Payoneer Global (1)(6)	608,700	6,312
Payoneer Global, Acquisition Date: 3/15/21, Cost \$7,128 (1)(4)	712,791	7,022
Stash Financial, Acquisition Date: 1/6/21 - 1/26/21, Cost \$1,244 (1)(4)(5)	38,630	1,935
		15,269
Insurance 2.0%		
BRP Group, Class A (1)(2)	2,402,200	64,019
James River Group Holdings	1,762,853	66,142
Palomar Holdings (1)	528,186	39,857
ProAssurance	1,917,500	43,623
Safety Insurance Group	73,000	5,714
Selective Insurance Group	211,000	17,123
State Auto Financial	1,770,759	30,315
		266,793

	Shares	\$ Value
(Cost and value in \$000s)		
Mortgage Real Estate Investment Trusts 1.6%		
Blackstone Mortgage Trust, Class A, REIT	548,257	17,484
Capstead Mortgage, REIT	3,608,977	22,159
Hannon Armstrong Sustainable Infrastructure Capital, REIT (6)	2,076,200	116,579
PennyMac Mortgage Investment Trust, REIT	2,569,635	54,116
		210,338
Thriffs & Mortgage Finance 3.3%		
Columbia Financial (1)	868,100	14,949
FS Bancorp (2)	283,500	20,205
Kearny Financial	3,070,753	36,696
Meridian Bancorp	2,353,018	48,143
PCSB Financial (2)	1,022,246	18,574
PDL Community Bancorp (1)(2)	1,040,275	14,210
PennyMac Financial Services	1,046,394	64,583
Provident Bancorp (2)	1,204,307	19,642
Radian Group	3,634,658	80,871
Walker & Dunlop	308,896	32,243
WSFS Financial	2,035,088	94,815
		444,931
Total Financials		3,382,822
HEALTH CARE 9.0%		
Biotechnology 3.0%		
ACADIA Pharmaceuticals (1)	367,800	8,971
Accelaron Pharma (1)	221,159	27,753
Apellis Pharmaceuticals (1)	136,900	8,652
Avidity Biosciences (1)	364,361	9,003
Blueprint Medicines (1)	206,982	18,206
C4 Therapeutics (1)	528,536	20,000
Denali Therapeutics (1)	306,600	24,050
Fate Therapeutics (1)	208,400	18,087
IGM Biosciences (1)	129,693	10,790
Insmed (1)	601,482	17,118
Karuna Therapeutics (1)	138,358	15,771
Kodiak Sciences (1)	235,541	21,905
Kymera Therapeutics (1)	220,000	10,670
Monte Rosa Therapeutics (1)	181,482	4,120
Nurix Therapeutics (1)(6)	525,756	13,948
Progenic Pharmaceuticals, CVR (1)(6)	1,146,000	—
Prothena (1)	299,213	15,383
Radius Health (1)	1,010,248	18,427
Replimune Group (1)	414,198	15,914
Rocket Pharmaceuticals (1)	386,928	17,137
Sage Therapeutics (1)	110,600	6,283
Turning Point Therapeutics (1)	270,289	21,088

	Shares	\$ Value
(Cost and value in \$000s)		
Twist Bioscience (1)	139,263	18,557
Ultragenyx Pharmaceutical (1)	293,999	28,033
Xencor (1)	500,085	17,248
Zentalis Pharmaceuticals (1)	239,564	12,745
		399,859
Health Care Equipment & Supplies 2.5%		
Atrion	86,323	53,601
Avanos Medical (1)	196,131	7,133
Envista Holdings (1)	1,487,789	64,287
Figs, Acquisition Date: 10/23/20, Cost \$17,528 (1)(4)	2,050,542	97,596
Figs, Class A (1)	109,391	5,481
JAND, Class A, Acquisition Date: 3/9/18, Cost \$4,644 (1)(4)(5)	295,474	7,248
Lantheus Holdings (1)	724,939	20,037
Mesa Laboratories	47,515	12,885
Ortho Clinical Diagnostics Holdings (1)	1,334,838	28,579
Pax Labs, Class A, Acquisition Date: 4/18/19, Cost \$9,910 (1)(4)		
(5)	2,631,808	4,421
Quidel (1)	119,729	15,340
Utah Medical Products (2)	183,872	15,636
		332,244
Health Care Providers & Services 2.8%		
Agiliti (1)	1,552,975	33,964
Alignment Healthcare, Acquisition Date: 2/28/20, Cost \$8,625 (1)		
(4)	1,068,671	23,726
Covetrus (1)	221,862	5,990
Ensign Group	788,306	68,323
Innovage Holding (1)	396,022	8,439
Molina Healthcare (1)	57,454	14,539
Option Care Health (1)	2,571,580	56,241
Pennant Group (1)	998,827	40,852
Select Medical Holdings	2,939,834	124,237
		376,311
Health Care Technology 0.5%		
Certara (1)	500,178	14,170
Multipan (1)	903,143	8,598
Phreesia (1)	775,324	47,527
		70,295
Life Sciences Tools & Services 0.1%		
Seer (1)(6)	381,016	12,490
		12,490

	Shares	\$ Value
(Cost and value in \$000s)		
Pharmaceuticals 0.1%		
Arvinas (1)	196,097	15,099
		15,099
Total Health Care		1,206,298
INDUSTRIALS & BUSINESS SERVICES 15.9%		
Aerospace & Defense 1.1%		
Parsons (1)	1,021,560	40,208
Triumph Group (1)(2)	4,925,486	102,204
		142,412
Airlines 0.3%		
Allegiant Travel (1)	90,607	17,578
Aspirational Consumer Lifestyle SPAC/Wheels Up PIPE (1)(7)	1,457,300	13,089
Sun Country Airlines Holdings (1)	386,427	14,302
		44,969
Building Products 1.8%		
CSW Industrials	467,400	55,368
Insteel Industries	914,585	29,404
JELD-WEN Holding (1)	1,677,800	44,059
Resideo Technologies (1)	955,981	28,680
UFP Industries	1,206,900	89,721
		247,232
Commercial Services & Supplies 2.1%		
ABM Industries	653,100	28,965
Brady, Class A	1,192,500	66,828
MSA Safety	299,900	49,658
Stericycle (1)	1,225,900	87,713
Tetra Tech	170,300	20,783
UniFirst	109,300	25,646
		279,593
Construction & Engineering 0.5%		
Ameresco, Class A (1)	327,700	20,553
Valmont Industries	214,800	50,704
		71,257
Electrical Equipment 1.0%		
Array Technologies (1)	527,049	8,222
Regal Beloit	276,900	36,969
Shoals Technologies Group, Class A (1)	1,078,829	38,298
Thermon Group Holdings (1)	1,585,723	27,021
Vertiv Holdings	780,573	21,310
		131,820

	Shares	\$ Value
(Cost and value in \$000s)		
Machinery 4.6%		
Alamo Group	225,700	34,460
Blue Bird (1)	1,171,600	29,126
Chart Industries (1)	131,500	19,241
CIRCOR International (1)(2)	1,319,635	43,020
Enerpac Tool Group	1,909,200	50,823
ESCO Technologies	611,200	57,337
Helios Technologies	888,334	69,335
Hillenbrand	624,100	27,510
Hydrofarm Holdings Group (1)	130,657	7,723
John Bean Technologies	112,200	16,002
RBC Bearings (1)	78,182	15,591
Rexnord	1,849,000	92,524
SPX (1)	828,700	50,617
Timken	576,800	46,484
Xometry, Acquisition Date: 7/20/20 - 9/4/20, Cost \$5,711 (1)(4)	561,828	46,643
Xometry, Class A (1)	123,283	10,774
		617,210
Marine 0.2%		
Matson	532,400	34,074
		34,074
Professional Services 1.6%		
ASGN (1)	190,000	18,417
Clarivate (1)	250,637	6,900
FTI Consulting (1)	165,400	22,595
Huron Consulting Group (1)	386,300	18,987
Kelly Services, Class A (1)	345,310	8,277
Kforce	118,200	7,438
Korn Ferry	987,000	71,607
ManTech International, Class A	78,800	6,819
Upwork (1)	972,946	56,713
		217,753
Road & Rail 0.8%		
Landstar System	445,700	70,430
Ryder System	360,900	26,826
U.S. Xpress Enterprises, Class A (1)	1,139,800	9,802
		107,058
Trading Companies & Distributors 1.9%		
Air Lease	714,600	29,828
Beacon Roofing Supply (1)	1,739,300	92,618
McGrath RentCorp	649,802	53,004
Rush Enterprises, Class A	585,550	25,319

	Shares	\$ Value
(Cost and value in \$000s)		
Univar Solutions (1)	2,405,550	58,647
		259,416
Total Industrials & Business Services		2,152,794
INFORMATION TECHNOLOGY 5.8%		
Communications Equipment 0.7%		
Harmonic (1)(2)	11,434,690	97,424
		97,424
Electronic Equipment, Instruments & Components 2.1%		
Belden (2)	2,550,300	128,969
Knowles (1)	1,535,400	30,309
Littelfuse	419,500	106,884
PAR Technology (1)	192,603	13,471
		279,633
IT Services 0.6%		
I3 Verticals, Class A (1)(2)	1,096,254	33,129
Megaport (AUD) (1)	3,505,176	48,592
Themis Solutions, Acquisition Date: 4/14/21, Cost \$3,039 (1)(4)(5)	135,360	3,039
		84,760
Semiconductors & Semiconductor Equipment 1.5%		
Entegris	599,200	73,684
Lattice Semiconductor (1)	559,369	31,425
MaxLinear (1)	1,149,400	48,838
Onto Innovation (1)	394,071	28,783
Semtech (1)	310,996	21,396
		204,126
Software 0.9%		
Apiture, Acquisition Date: 7/1/20, Cost \$7,412 (1)(4)(5)	467,672	7,412
Ceridian HCM Holding (1)	526,557	50,507
Checkr, Acquisition Date: 6/29/18, Cost \$866 (1)(4)(5)	70,474	1,726
DoubleVerify Holdings (1)	163,762	6,934
nCino (1)	341,674	20,473
Toast, Acquisition Date: 9/14/18 - 11/14/18, Cost \$1,094 (1)(4)(5)	40,202	6,030
Workiva (1)	120,200	13,382
Zenpayroll, Acquisition Date: 8/18/20 - 11/9/20, Cost \$7,474 (1)(4)(5)	559,515	14,548
		121,012
Total Information Technology		786,955
MATERIALS 5.4%		
Chemicals 2.5%		
AgroFresh Solutions (1)(2)	5,825,644	12,117
American Vanguard	1,269,000	22,220

	Shares	\$ Value
(Cost and value in \$000s)		
Atotech (1)	1,927,838	49,218
Element Solutions	2,017,300	47,165
Hawkins	780,100	25,548
Minerals Technologies	730,900	57,500
Orion Engineered Carbons (1)(2)	3,111,691	59,091
Quaker Chemical	258,300	61,266
		334,125
Containers & Packaging 0.3%		
Myers Industries (2)	1,994,283	41,880
		41,880
Metals & Mining 2.1%		
Alcoa (1)	375,600	13,837
Carpenter Technology	1,649,033	66,324
Constellium (1)	5,186,445	98,283
ERO Copper (CAD) (1)	2,726,666	57,212
Reliance Steel & Aluminum	308,400	46,538
		282,194
Paper & Forest Products 0.5%		
Clearwater Paper (1)(2)	1,385,479	40,137
West Fraser Timber (CAD) (6)	456,400	32,765
		72,902
Total Materials		731,101
MISCELLANEOUS 0.1%		
Miscellaneous 0.1%		
Integral Ad Science Holding (1)	653,320	13,445
Total Miscellaneous		13,445
REAL ESTATE 8.6%		
Equity Real Estate Investment Trusts 7.1%		
American Campus Communities, REIT	938,017	43,824
Apartment Investment & Management, Class A, REIT	4,317,100	28,968
Cedar Realty Trust, REIT (2)	1,801,694	30,340
CubeSmart, REIT	1,019,400	47,219
EastGroup Properties, REIT	443,000	72,851
Essential Properties Realty Trust, REIT	1,466,145	39,644
Healthcare Realty Trust, REIT	2,501,092	75,533
IQHQ (1)(5)	1,105,380	18,460
JBG SMITH Properties, REIT	2,565,142	80,828
Pebblebrook Hotel Trust, REIT	2,332,500	54,930
PotlatchDeltic, REIT	1,173,646	62,379
PS Business Parks, REIT	472,400	69,953
Safehold, REIT	571,036	44,826
Saul Centers, REIT (2)	1,326,306	60,281

	Shares	\$ Value
(Cost and value in \$000s)		
Sunstone Hotel Investors, REIT (1)	5,214,910	64,769
Terreno Realty, REIT	1,692,400	109,194
Washington Real Estate Investment Trust, REIT	2,351,156	54,077
		958,076
Real Estate Management & Development 1.5%		
FirstService	460,400	78,848
Opendoor Technologies, Class A (1)(6)	2,863,597	50,772
St. Joe	1,707,338	76,164
		205,784
Total Real Estate		1,163,860
UTILITIES 4.0%		
Electric Utilities 1.3%		
IDACORP	590,100	57,535
MGE Energy	769,870	57,309
PNM Resources	567,975	27,700
Portland General Electric	619,900	28,565
		171,109
Gas Utilities 1.5%		
Chesapeake Utilities	741,080	89,174
ONE Gas	1,146,400	84,971
RGC Resources (2)(6)	443,971	11,193
Southwest Gas Holdings	332,100	21,982
		207,320
Independent Power & Renewable Electricity Producers 0.3%		
NextEra Energy Partners	589,700	45,030
		45,030
Multi-Utilities 0.3%		
NorthWestern	576,873	34,739
		34,739
Water Utilities 0.6%		
California Water Service Group	608,200	33,779
Middlesex Water	327,337	26,753
SJW Group	293,406	18,573
		79,105
Total Utilities		537,303
Total Common Stocks (Cost \$7,692,035)		12,872,071

	Shares	\$ Value
(Cost and value in \$000s)		

CONVERTIBLE PREFERRED STOCKS 3.6%**CONSUMER DISCRETIONARY 0.7%****Hotels, Restaurants & Leisure 0.5%**

Cava Group, Series E, Acquisition Date: 6/23/20 - 3/26/21, Cost \$17,572 (1)(4)(5)	695,708	26,180
Cava Group, Series F, Acquisition Date: 3/26/21, Cost \$14,389 (1) (4)(5)	382,387	14,389
Sweetgreen, Series G, Acquisition Date: 8/15/16 - 2/27/18, Cost \$10,075 (1)(4)(5)	1,119,428	16,993
Sweetgreen, Series I, Acquisition Date: 9/13/19, Cost \$3,143 (1) (4)(5)	183,785	2,790
Torchys Holdings, Acquisition Date: 11/13/20, Cost \$2,539 (1)(3) (4)(5)	282,711	2,539
		62,891

Internet & Direct Marketing Retail 0.1%

1661, Series F, Acquisition Date: 5/28/21, Cost \$12,383 (1)(4)(5)	2,127,647	12,383
Minted, Series E, Acquisition Date: 10/30/18, Cost \$5,471 (1)(4)(5)	406,249	2,600
		14,983

Leisure Products 0.0%

RAD Power Bikes, Series C, Acquisition Date: 1/22/21, Cost \$5,494 (1)(4)(5)	1,138,910	5,494
		5,494

Textiles, Apparel & Luxury Goods 0.1%

Allbirds, Series A, Acquisition Date: 10/10/18, Cost \$2,022 (1)(4) (5)	184,315	2,131
Allbirds, Series B, Acquisition Date: 10/10/18, Cost \$355 (1)(4)(5)	32,380	375
Allbirds, Series C, Acquisition Date: 10/9/18, Cost \$3,394 (1)(4)(5)	309,470	3,578
Allbirds, Series E, Acquisition Date: 9/22/20, Cost \$7,403 (1)(4)(5)	640,264	7,403
Allbirds, Series Seed, Acquisition Date: 10/10/18, Cost \$1,086 (1) (4)(5)	99,030	1,145
		14,632
Total Consumer Discretionary		98,000

CONSUMER STAPLES 0.2%**Food Products 0.2%**

Farmers Business Network, Series D, Acquisition Date: 11/3/17, Cost \$15,529 (1)(4)(5)	841,026	27,720
Farmers Business Network, Series E, Acquisition Date: 2/11/19, Cost \$3,362 (1)(4)(5)	144,247	4,754
Farmers Business Network, Series F, Acquisition Date: 7/31/20, Cost \$881 (1)(4)(5)	26,661	879
Total Consumer Staples		33,353

	Shares	\$ Value
(Cost and value in \$000s)		
FINANCIALS 0.3%		
Diversified Financial Services 0.3%		
Stash Financial, Series F, Acquisition Date: 4/24/20, Cost \$11,157 (1)(4)(5)	445,224	22,297
Stash Financial, Series G, Acquisition Date: 1/26/21, Cost \$12,559 (1)(4)(5)	335,107	16,782
Total Financials		39,079
HEALTH CARE 0.5%		
Health Care Equipment & Supplies 0.1%		
JAND, Series E, Acquisition Date: 3/9/18, Cost \$5,729 (1)(4)(5)	364,498	8,941
JAND, Series F, Acquisition Date: 4/3/20, Cost \$4,986 (1)(4)(5)	255,789	6,275
		15,216
Health Care Providers & Services 0.1%		
Capsule, Series D, Acquisition Date: 4/7/21, Cost \$6,131 (1)(4)(5)	423,036	6,131
Honor Technology, Series D, Acquisition Date: 10/16/20, Cost \$8,981 (1)(4)(5)	3,729,550	8,981
		15,112
Life Sciences Tools & Services 0.3%		
National Resilience, Series B, Acquisition Date: 10/23/20, Cost \$6,453 (1)(4)(5)	472,388	20,979
National Resilience, Series C, Acquisition Date: 6/9/21, Cost \$13,636 (1)(4)(5)	307,043	13,636
		34,615
Total Health Care		64,943
INDUSTRIALS & BUSINESS SERVICES 0.3%		
Aerospace & Defense 0.1%		
ABL Space Systems, Series B, Acquisition Date: 3/24/21, Cost \$14,587 (1)(4)(5)	323,903	14,587
		14,587
Electrical Equipment 0.1%		
Tonian Holdings, Series A, Non-Voting Shares, Acquisition Date: 1/15/21 - 5/14/21, Cost \$4,035 (1)(2)(4)(5)	3,990,784	3,991
Tonian Holdings, Series A, Voting Shares, Acquisition Date: 1/15/21 - 5/14/21, Cost \$5,645 (1)(2)(4)(5)	5,582,222	5,582
		9,573
Road & Rail 0.1%		
Convoy, Series D, Acquisition Date: 10/30/19, Cost \$19,800 (1)(4) (5)	1,462,353	17,036
		17,036
Total Industrials & Business Services		41,196

	Shares	\$ Value
(Cost and value in \$000s)		
INFORMATION TECHNOLOGY 1.5%		
IT Services 0.1%		
Themis Solutions, Series AA, Acquisition Date: 4/14/21, Cost \$684 (1)(4)(5)	30,470	684
Themis Solutions, Series AB, Acquisition Date: 4/14/21, Cost \$68 (1)(4)(5)	3,030	68
Themis Solutions, Series B, Acquisition Date: 4/14/21, Cost \$74 (1)(4)(5)	3,310	74
Themis Solutions, Series E, Acquisition Date: 4/14/21, Cost \$8,658 (1)(4)(5)	385,620	8,658
		9,484
Software 1.4%		
Checkr, Series C, Acquisition Date: 4/10/18, Cost \$4,046 (1)(4)(5)	296,360	7,258
Mesosphere, Series D, Acquisition Date: 5/4/18, Cost \$13,430 (1) (4)(5)	1,214,930	2,709
Nuro, Series C, Acquisition Date: 10/30/20 - 3/2/21, Cost \$11,195 (1)(4)(5)	857,551	11,195
SecurityScorecard, Series E, Acquisition Date: 3/5/21, Cost \$9,505 (1)(4)(5)	627,251	9,505
Toast, Series B, Acquisition Date: 9/14/18, Cost \$171 (1)(4)(5)	9,907	1,486
Toast, Series D, Acquisition Date: 6/27/18, Cost \$12,505 (1)(4)(5)	722,552	108,383
Zenpayroll, Series B, Acquisition Date: 8/18/20, Cost \$1,746 (1) (4)(5)	129,187	3,359
Zenpayroll, Series B-2, Acquisition Date: 8/18/20, Cost \$3,259 (1) (4)(5)	241,168	6,270
Zenpayroll, Series C, Acquisition Date: 7/16/18, Cost \$5,412 (1) (4)(5)	711,894	18,509
Zenpayroll, Series D, Acquisition Date: 7/16/19, Cost \$7,227 (1) (4)(5)	542,859	14,114
		182,788
Total Information Technology		192,272
MATERIALS 0.1%		
Chemicals 0.1%		
Sila Nano, Series F, Acquisition Date: 1/7/21, Cost \$11,381 (1)(4) (5)	275,749	11,381
Total Materials		11,381
Total Convertible Preferred Stocks (Cost \$308,158)		480,224

	Shares	\$ Value
(Cost and value in \$000s)		
PREFERRED STOCKS 0.0%		
ENERGY 0.0%		
Energy Equipment & Services 0.0%		
Energy Reservoir Holdings, Class A-3, Acquisition Date: 5/3/21 - 6/29/21, Cost \$919 (1)(3)(4)(5)	919,193	919
Total Energy		919
Total Preferred Stocks (Cost \$919)		919
SHORT-TERM INVESTMENTS 1.4%		
Money Market Funds 1.4%		
T. Rowe Price Government Reserve Fund, 0.03% (2)(8)	185,306,731	185,307
Total Short-Term Investments (Cost \$185,307)		185,307
SECURITIES LENDING COLLATERAL 0.4%		
INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH JPMORGAN CHASE BANK 0.1%		
Short-Term Funds 0.1%		
T. Rowe Price Short-Term Fund, 0.08% (2)(8)	1,200,000	12,000
Total Investments in a Pooled Account through Securities Lending Program with JPMorgan Chase Bank		12,000
INVESTMENTS IN A POOLED ACCOUNT THROUGH SECURITIES LENDING PROGRAM WITH STATE STREET BANK AND TRUST COMPANY 0.3%		
Short-Term Funds 0.3%		
T. Rowe Price Short-Term Fund, 0.08% (2)(8)	4,627,016	46,270
Total Investments in a Pooled Account through Securities Lending Program with State Street Bank and Trust Company		46,270
Total Securities Lending Collateral (Cost \$58,270)		58,270
Total Investments in Securities		
100.9% of Net Assets		
(Cost \$8,244,689)		\$ 13,596,791

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

(1) Non-income producing

- (2) Affiliated Companies
- (3) Investment in a partnership held indirectly through a limited liability company that is owned by the fund and treated as a corporation for U.S. tax purposes.
- (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 has registration rights for certain restricted securities. Any costs related to such registration are borne by the issuer. The aggregate value of restricted securities (excluding 144A holdings) at period end amounts to \$895,572 and represents 6.6% of net assets.
- (5) See Note 2. Level 3 in fair value hierarchy.
- (6) See Note 3. All or a portion of this security is on loan at June 30, 2021.
- (7) A portion of the position represents an unfunded commitment; a liability to fund the commitment has been recognized. The fund's total unfunded commitment at June 30, 2021, was \$14,573 and was valued at \$13,089 (0.1% of net assets).
- (8) Seven-day yield
- AUD Australian Dollar
- CAD Canadian Dollar
- CHF Swiss Franc
- CVR Contingent Value Rights
- 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.
- GBP British Pound
- PIPE Private Investment in Public Equity
- REIT A domestic Real Estate Investment Trust whose distributions pass-through with original tax character to the shareholder
- SPAC Special Purpose Acquisition Company

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, 2021. 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	Change in Net		
	Net Realized Gain (Loss)	Unrealized Gain/Loss	Investment Income
Advantage Energy	\$ 694	\$ 35,009	\$ —
AgroFresh Solutions	(92)	(1,044)	—
Aiclear Holdings	—	23,458	—
American Business Bank	588	3,073	—
American Public Education	356	847	—
Belden	2,406	19,525	255
Boston Omaha, Class A	723	7,825	—
BRP Group, Class A	1,236	(7,009)	—
Cedar Realty Trust, REIT	469	11,864	243
CIRCOR International	365	(6,454)	—
Clearwater Paper	981	(11,018)	—
Energy Reservoir Holdings, Class A-1	—	7,097	—
FS Bancorp	343	4,383	151
HarborOne Bancorp	714	11,857	180
Harmonic	1,567	11,409	—
Horizon Global	616	(1,014)	—
Howard Bancorp	247	5,477	—
I3 Verticals, Class A	634	(3,926)	—
John Marshall Bancorp	207	3,464	—
Live Oak Bancshares	2,955	21,608	125
Lumber Liquidators Holdings	1,298	(23,081)	—
Myers Industries	713	(114)	474
National Bank Holdings, Class A	1,326	7,757	765
Oil-Dri	1,185	(1,036)	164
Orion Engineered Carbons	873	3,422	—
PCSB Financial	192	2,129	104
PDL Community Bancorp	48	3,155	—
Preferred Bank	1,374	9,300	564
Provident Bancorp	150	5,160	86
Ranger Energy Services	(87)	4,554	—
REX American Resources	408	5,558	—
RGC Resources	2	717	154
Saga Communications, Class A	148	(1,191)	74
Saul Centers, REIT	(396)	16,444	3,029

AFFILIATED COMPANIES (CONTINUED)

(\$000s)

Affiliate	Change in Net		
	Net Realized Gain (Loss)	Unrealized Gain/Loss	Investment Income
Strattec Security	\$ 347	\$ (2,137)	\$ —
Tonian Holdings, Series A, Non-Voting Shares	—	(44)	—
Tonian Holdings, Series A, Voting Shares	—	(63)	—
Triumph Group	765	38,758	—
Utah Medical Products	302	(150)	106
Winmark	909	900	187
T. Rowe Price Government Reserve Fund, 0.03%	—	—	32
T. Rowe Price Short-Term Fund, 0.08%	—	—	—++
Affiliates not held at period end	65,801	(56,450)	—
Totals	\$ 90,367#	\$ 150,019	\$ 6,693+

AFFILIATED COMPANIES (CONTINUED)

(\$000s)

Supplementary Investment Schedule

Affiliate	Value 12/31/20	Purchase Cost	Sales Cost	Value 06/30/21
Advantage Energy	\$ 13,605	\$ 7,309	\$ 383	\$ 55,540
Aegion	66,189	207	53,030	—
AgroFresh Solutions	13,620	35	494	12,117
Alclear Holdings	—	—	(9,877)	33,335
American Business Bank	11,578	33	3,883	*
American Public Education	*	19,558	757	37,142
Belden	106,313	4,343	1,212	128,969
Boston Omaha, Class A	38,219	11,990	780	57,254
BRP Group, Class A	*	24,812	570	64,019
Cedar Realty Trust, REIT	18,762	41	327	30,340
CIRCOR International	*	17,737	737	43,020
Clearwater Paper	40,562	10,769	176	40,137
Energy Reservoir Holdings, Class A-1	13,777	—	(1)	20,875
FS Bancorp	14,791	1,243	212	20,205
HarborOne Bancorp	39,311	118	757	50,529
Harmonic	81,249	5,747	981	97,424
Horizon Global	29,012	81	199	27,880
Howard Bancorp	15,629	47	371	20,782
I3 Verticals, Class A	37,385	99	429	33,129
John Marshall Bancorp	15,075	264	334	18,469
Live Oak Bancshares	100,145	289	839	*
Lumber Liquidators Holdings	68,058	5,417	353	50,041
Myers Industries	*	12,355	471	41,880
National Bank Holdings, Class A	58,855	179	2,091	64,700
Oil-Dri	11,443	32	783	9,656
Orion Engineered Carbons	*	17,975	2,184	59,091
PCSB Financial	16,741	49	345	18,574
PDL Community Bancorp	10,867	496	308	14,210
Preferred Bank	41,959	120	184	51,195
Provident Bancorp	14,844	43	405	19,642
Ranger Energy Services	3,766	11	276	8,055
REX American Resources	26,795	1,519	541	33,331
RGC Resources	*	1,776	293	11,193
Saga Communications, Class A	9,872	1,431	133	9,979
Saul Centers, REIT	37,120	8,383	1,666	60,281
Sportsman's Warehouse Holdings	60,963	165	18,044	—

AFFILIATED COMPANIES (CONTINUED)

(\$000s)

Supplementary Investment Schedule

Affiliate	Value 12/31/20	Purchase Cost	Sales Cost	Value 06/30/21
Strattec Security	\$ 18,197	\$ 51	\$ 161	\$ 15,950
Tonian Holdings, Series A, Non-Voting Shares	—	4,035	—	3,991
Tonian Holdings, Series A, Voting Shares	—	5,645	—	5,582
Triumph Group	54,414	10,747	1,715	102,204
Utah Medical Products	15,825	155	194	15,636
Winmark	46,254	4,296	600	50,850
T. Rowe Price Government Reserve Fund, 0.03%	103,930	□	□	185,307
T. Rowe Price Short-Term Fund, 0.08%	59,676	□	□	58,270
Total				\$ 1,680,784 [^]

Capital gain distributions from mutual funds represented \$0 of the net realized gain (loss).

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

+ Investment income comprised \$6,693 of dividend income and \$0 of interest income.

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

^ The cost basis of investments in affiliated companies was \$1,366,913.

* On the date indicated, issuer was held but not considered an affiliated company.

T. ROWE PRICE SMALL-CAP VALUE FUND

June 30, 2021 (Unaudited)

STATEMENT OF ASSETS AND LIABILITIES

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

Assets

Investments in securities, at value (cost \$8,244,689)	\$ 13,596,791
Receivable for investment securities sold	62,832
Receivable for shares sold	8,192
Dividends receivable	7,281
Due from affiliates	1,915
Other assets	195
Total assets	<u>13,677,206</u>

Liabilities

Payable for investment securities purchased	75,736
Obligation to return securities lending collateral	58,270
Payable for shares redeemed	57,108
Investment management fees payable	7,086
Payable to directors	7
Other liabilities	831
Total liabilities	<u>199,038</u>

NET ASSETS

\$ 13,478,168

T. ROWE PRICE SMALL-CAP VALUE FUND

June 30, 2021 (Unaudited)

STATEMENT OF ASSETS AND LIABILITIES

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

Net Assets Consist of:

Total distributable earnings (loss)	\$	6,405,674
Paid-in capital applicable to 215,580,644 shares of \$0.01 par value capital stock outstanding; 1,000,000,000 shares authorized		7,072,494
		<u>7,072,494</u>

NET ASSETS	\$	<u>13,478,168</u>
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NET ASSET VALUE PER SHARE

Investor Class		
(\$7,351,263,141 / 117,731,049 shares outstanding)	\$	<u>62.44</u>
Advisor Class		
(\$103,172,399 / 1,659,486 shares outstanding)	\$	<u>62.17</u>
I Class		
(\$2,070,866,284 / 33,163,924 shares outstanding)	\$	<u>62.44</u>
Z Class		
(\$3,952,866,123 / 63,026,185 shares outstanding)	\$	<u>62.72</u>

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

STATEMENT OF OPERATIONS

(\$000s)

		6 Months Ended 6/30/21
Investment Income (Loss)		
Income		
Dividend	\$	65,261
Securities lending		143
Total income		65,404
Expenses		
Investment management		40,300
Shareholder servicing		
Investor Class	\$	3,712
Advisor Class		81
I Class		31
Rule 12b-1 fees		
Advisor Class		126
Prospectus and shareholder reports		
Investor Class		45
Advisor Class		2
I Class		25
Z Class		1
Custody and accounting		202
Registration		89
Legal and audit		73
Directors		15
Miscellaneous		25
Waived / paid by Price Associates		(12,102)
Total expenses		32,625
Net investment income		32,779
Realized and Unrealized Gain / Loss		
Net realized gain (loss)		
Securities		862,164
Foreign currency transactions		24
Net realized gain		862,188

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

STATEMENT OF OPERATIONS

(\$000s)

	6 Months Ended 6/30/21
Change in net unrealized gain / loss	
Securities	1,196,682
Other assets and liabilities denominated in foreign currencies	(6)
Change in net unrealized gain / loss	1,196,676
Net realized and unrealized gain / loss	2,058,864
INCREASE IN NET ASSETS FROM OPERATIONS	<u>\$ 2,091,643</u>

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

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	6 Months Ended 6/30/21	Year Ended 12/31/20
Increase (Decrease) in Net Assets		
Operations		
Net investment income	\$ 32,779	\$ 64,086
Net realized gain	862,188	633,106
Change in net unrealized gain / loss	1,196,676	567,834
Increase in net assets from operations	2,091,643	1,265,026
Distributions to shareholders		
Net earnings		
Investor Class	-	(125,651)
Advisor Class	-	(1,744)
I Class	-	(31,352)
Z Class	-	(84,997)
Decrease in net assets from distributions	-	(243,744)
Capital share transactions ⁽¹⁾		
Shares sold		
Investor Class	1,050,101	1,179,554
Advisor Class	10,273	30,635
I Class	469,102	544,832
Z Class	276,086	2,369,130
Distributions reinvested		
Investor Class	-	120,158
Advisor Class	-	1,722
I Class	-	29,194
Z Class	-	84,997
Shares redeemed		
Investor Class	(1,150,457)	(2,840,982)
Advisor Class	(21,389)	(47,782)
I Class	(188,759)	(1,263,624)
Z Class	(383,500)	(332,570)
Increase (decrease) in net assets from capital share transactions	61,457	(124,736)

T. ROWE PRICE SMALL-CAP VALUE FUND

Unaudited

STATEMENT OF CHANGES IN NET ASSETS

(\$000s)

	6 Months Ended 6/30/21	Year Ended 12/31/20
Net Assets		
Increase during period	2,153,100	896,546
Beginning of period	11,325,068	10,428,522
End of period	\$ 13,478,168	\$ 11,325,068
 *Share information ⁽¹⁾		
Shares sold		
Investor Class	17,622	28,348
Advisor Class	173	790
I Class	7,806	13,663
Z Class	4,700	70,556
Distributions reinvested		
Investor Class	–	2,357
Advisor Class	–	34
I Class	–	573
Z Class	–	1,667
Shares redeemed		
Investor Class	(19,256)	(78,708)
Advisor Class	(362)	(1,171)
I Class	(3,191)	(33,808)
Z Class	(6,419)	(7,478)
Increase (decrease) in shares outstanding	1,073	(3,177)

⁽¹⁾Includes the exchange of shares from certain classes to the I Class and/or Z Class related to shares held by affiliated products.

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

NOTES TO FINANCIAL STATEMENTS

T. Rowe Price Small-Cap Value Fund, Inc. (the fund) is registered under the Investment Company Act of 1940 (the 1940 Act) as a diversified, open-end management investment company. The fund seeks long-term capital growth by investing primarily in small companies whose common stocks are believed to be undervalued. The fund has four classes of shares: the Small-Cap Value Fund (Investor Class), the Small-Cap Value Fund–Advisor Class (Advisor Class), the Small-Cap Value Fund–I Class (I Class), and the Small-Cap Value Fund–Z Class (Z Class). Advisor Class shares are sold only through various brokers and other financial intermediaries. I Class shares require a \$1 million initial investment minimum, although the minimum generally is waived for retirement plans, financial intermediaries, and certain other accounts. The Z Class is only available to funds advised by T. Rowe Price Associates, Inc. and its affiliates and other clients that are subject to a contractual fee for investment management services. 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, I and Z 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 mutual fund investments 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. 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 may also be declared and paid by the fund annually.

Currency Translation Assets, including investments, and liabilities denominated in foreign currencies are translated into U.S. dollar values each day at the prevailing exchange rate, using the mean of the bid and asked prices of such currencies against U.S. dollars as provided by an outside pricing service. Purchases and sales of securities, income, and expenses are translated into U.S. dollars at the prevailing exchange rate on the respective date of such transaction. The effect of changes in foreign currency exchange rates on realized and unrealized security gains and losses is not bifurcated from the portion attributable to changes in market prices.

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.

In-Kind Redemptions In accordance with guidelines described in the fund's prospectus, and when considered to be in the best interest of all shareholders, the fund may distribute portfolio securities rather than cash as payment for a redemption of fund shares (in-kind redemption). Gains and losses realized on in-kind redemptions are not recognized for tax purposes and are reclassified from undistributed realized gain (loss) to paid-in capital. During the six months ended June 30, 2021, the fund realized \$215,084,000 of net gain on \$361,681,000 of in-kind redemptions.

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.

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 T. Rowe Price Valuation Committee (the Valuation Committee) is an internal committee that has been delegated certain responsibilities by the fund's Board of Directors (the Board) to ensure that financial instruments are appropriately priced at fair value in accordance with GAAP and the 1940 Act. Subject to oversight by the Board, the Valuation Committee develops and oversees pricing-related policies and procedures and approves all fair value determinations. Specifically, the Valuation Committee establishes policies and procedures used in valuing financial instruments, including those which cannot be valued in accordance with normal procedures or using pricing vendors; determines pricing techniques, sources, and persons eligible to effect fair value pricing actions; evaluates the services and performance of the pricing vendors; oversees the pricing process to ensure policies and procedures are being followed; and provides guidance on internal controls and valuation-related matters. The Valuation Committee 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 fund's own 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 and the last quoted sale or closing price for international securities.

The last quoted prices of non-U.S. equity securities may be adjusted to reflect the fair value of such securities at the close of the NYSE, if the fund determines that developments between the close of a foreign market and the close of the NYSE will affect the value of some or all of its portfolio securities. Each business day, the fund uses information from outside pricing services to evaluate and, if appropriate, decide whether it is necessary to adjust quoted prices to reflect fair value by reviewing a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. The fund uses outside pricing services to provide it with quoted prices and information to evaluate or adjust those prices. The fund cannot predict how often it will use quoted prices and how often it will determine it necessary to adjust those prices to reflect fair value.

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 or market-based valuations are not readily available or deemed unreliable are valued at fair value as determined in good faith by the Valuation Committee, in accordance with fair valuation policies and procedures. The objective of any fair value pricing determination is to arrive at a price that could reasonably be expected from a current sale. Financial instruments fair valued by the Valuation Committee are primarily private placements, restricted securities, warrants, rights, and other securities that are not publicly traded. Factors used in determining fair value vary by type of investment and may include market or investment specific considerations. The Valuation Committee 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 Committee 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 and updated as information becomes available, including actual purchase and sale transactions of the investment. Because any fair value determination involves a significant amount of judgment, there is a degree of subjectivity inherent in such pricing decisions, and fair value prices determined by the Valuation Committee could differ from those of other market participants.

Valuation Inputs The following table summarizes the fund's financial instruments, based on the inputs used to determine their fair values on June 30, 2021 (for further detail by category, please refer to the accompanying Portfolio of Investments):

(\$000s)	Level 1	Level 2	Level 3	Total Value
Assets				
Common Stocks	\$ 12,129,830	\$ 540,357	\$ 201,884	\$ 12,872,071
Convertible Preferred Stocks	—	—	480,224	480,224
Preferred Stocks	—	—	919	919
Short-Term Investments	185,307	—	—	185,307
Securities Lending Collateral	58,270	—	—	58,270
Total	\$ 12,373,407	\$ 540,357	\$ 683,027	\$ 13,596,791

Following is a reconciliation of the fund's Level 3 holdings for the six months ended June 30, 2021. Gain (loss) reflects both realized and change in unrealized gain/loss on Level 3 holdings during the period, if any, and is included on the accompanying Statement of Operations. The change in unrealized gain/loss on Level 3 instruments held at June 30, 2021, totaled \$119,795,000 for the six months ended June 30, 2021.

(\$000s)	Beginning Balance 1/1/21	Gain (Loss) During Period	Total Purchases	Total Sales	Ending Balance 6/30/21
Investment in Securities					
Common Stocks	\$ 195,528	\$ 19,471	\$ 24,378	\$ (37,493)	\$ 201,884
Convertible Preferred Stocks	279,859	88,739	127,969	(16,343)	480,224
Preferred Stocks	—	—	919	—	919
Total	\$ 475,387	\$ 108,210	\$ 153,266	\$ (53,836)	\$ 683,027

In accordance with GAAP, the following table provides quantitative information about significant unobservable inputs used to determine the fair valuations of the fund's Level 3 assets, by class of financial instrument. Because the Valuation Committee considers a wide variety of factors and inputs, both observable and unobservable, in determining fair values, the unobservable inputs presented do not reflect all inputs significant to the fair value determination.

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
Common Stock	\$201,884	Recent comparable transaction price(s)	—#	—#	—#	—#
		Expected present value	Discount rate for cost of equity	20%	20%	Decrease
			Discount for lack of collectability	50%	50%	Decrease
			Timing of events	3.67 yrs	3.67 yrs	Decrease
		Market comparable	Enterprise value to sales multiple	2.4x – 9.4x	3.9x	Increase
			Sales growth rate	19% – 79%	36%	Increase
			Enterprise value to gross profit multiple	7.5x – 15.2x	12.4x	Increase
			Gross profit growth rate	21%	21%	Increase
			Enterprise value to EBITDA multiple	10.8x – 18.7x	13.5x	Increase

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
			Price to tangible book value multiple	1.7x – 1.9x	1.8x	Increase
			Tangible book value growth rate	36%	36%	Increase
			Projected enterprise value to EBITDA multiple	12.7x	12.7x	Increase
			Discount for lack of collectability	100%	100%	Decrease
			Discount for lack of marketability	10%	10%	Decrease
		Options Pricing Model	Private company valuation	—#	—#	—#
			Risk-free rate	3%	3%	Increase
			Volatility	38%	38%	Increase
			Discount for lack of marketability	10%	10%	Decrease
Convertible Preferred Stocks	\$480,224	Recent comparable transaction price(s)	—#	—#	—#	—#
		Market Comparable	Enterprise value to sales multiple	1.4x – 9.4x	5.4x	Increase
			Sales growth rate	10% - 79%	53%	Increase

Investments in Securities	Value (000s)	Valuation Technique(s)+	Significant Unobservable Input(s)	Value or Range of Input(s)	Weighted Average of Input(s)*	Impact to Valuation from an Increase in Input**
			Enterprise value to gross profit multiple	3.1x – 15.2x	10.5x	Increase
			Gross profit growth rate	11% - 23%	17%	Increase
			Discount for lack of marketability	10%	10%	Decrease
		Options Pricing Model	Private company valuation	—#	—#	—#
			Risk-free rate	3%	3%	Increase
			Volatility	38%	38%	Increase
Preferred Stocks	\$919	Recent comparable transaction price(s)	#	#	#	#

#No quantitative unobservable inputs significant to the valuation technique were created by the fund's management.

*Unobservable inputs were weighted by the relative fair value of the instruments.

**Represents the directional change in the fair value of the Level 3 investment(s) that would have resulted from an increase in the corresponding input at period end. A decrease in the unobservable input would have had the opposite effect. Significant increases and decreases in these inputs in isolation could result in significantly higher or lower fair value measurements.

+Valuation techniques may change in order to reflect management's judgment of current market participant assumptions.

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.

Private Investments Issued by Special Purpose Acquisition Companies Special purpose acquisition companies (SPACs) are shell companies that have no operations but are formed to raise capital with the intention of merging with or acquiring a company with the proceeds of the SPAC's initial public offering ("IPO"). The fund may enter into a contingent commitment with a SPAC to purchase private investments in public equity (PIPE) if and when the SPAC completes its merger or acquisition. The fund maintains liquid assets sufficient to settle its commitment to purchase the PIPE. However, if the commitment expires, then no shares are purchased. Purchased PIPE shares will be restricted from trading until the registration statement for the shares is declared effective. Upon registration, the shares can be freely sold; however, in certain circumstances, the issuer may have the right to temporarily suspend trading of the shares in the first year after the merger or acquisition. The securities issued by a SPAC may be considered illiquid, more difficult to value, and/or be subject to restrictions on resale.

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, 2021, the value of loaned securities was \$56,082,000; the value of cash collateral and related investments was \$58,270,000.

Other Purchases and sales of portfolio securities other than short-term securities aggregated \$1,989,381,000 and \$1,926,047,000, respectively, for the six months ended June 30, 2021.

NOTE 4 - FEDERAL INCOME TAXES

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, 2021, the cost of investments for federal income tax purposes was \$8,253,978,000. Net unrealized gain aggregated \$5,342,809,000 at period-end, of which \$5,573,205,000 related to appreciated investments and \$230,396,000 related to depreciated investments.

NOTE 5 - 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. The fee is computed daily and paid monthly. At June 30, 2021, the effective annual group fee rate was 0.28%.

The I Class is 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; and other non-recurring expenses permitted by the investment

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

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

Pursuant to these agreements, expenses were waived/paid by and/or repaid to Price Associates during the six months ended June 30, 2021 as indicated in the table below. At June 30, 2021, there were no amounts subject to repayment by the fund. Any repayment of expenses previously waived/paid by Price Associates during the period would be included in the net investment income and expense ratios presented on the accompanying Financial Highlights.

	I Class	Z Class
Expense limitation/I Class Limit	0.05%	0.00%
Expense limitation date	04/30/22	N/A
(Waived)/repaid during the period (\$000s)	\$—	\$(12,102)

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, 2021, expenses incurred pursuant to these service agreements were \$35,000 for Price Associates; \$942,000 for T. Rowe Price Services, Inc.; and

\$483,000 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 is also one of several mutual funds sponsored by Price Associates (underlying Price Funds) in which the T. Rowe Price Spectrum Funds (Spectrum Funds) may invest. The Spectrum Funds do not invest in the underlying Price Funds for the purpose of exercising management or control. Prior to March 24, 2021, pursuant to special servicing agreements, expenses associated with the operation of the Spectrum Funds were borne by each underlying Price Fund to the extent of estimated savings to it and in proportion to the average daily value of its shares owned by the Spectrum Funds. These special servicing arrangements between the fund and the Spectrum Funds terminated on March 24, 2021. Expenses allocated under these special servicing agreements are reflected as shareholder servicing expense in the accompanying financial statements. For the six months ended June 30, 2021, the fund was allocated \$29,000 of Spectrum Funds' expenses. Of these amounts, \$18,000 related to services provided by Price. 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. At June 30, 2021, approximately 4% of the outstanding shares of the Z Class were held by the Spectrum Funds.

In addition, other mutual funds, trusts, and other accounts managed by Price Associates or its affiliates (collectively, Price Funds and accounts) may invest in the fund and are not subject to the special servicing agreements disclosed above. No Price fund or account may invest for the purpose of exercising management or control over the fund. At June 30, 2021, approximately 96% of the Z Class's outstanding shares were held by Price Funds and accounts.

The fund may invest its cash reserves in certain open-end management investment companies managed by Price Associates and considered affiliates of the fund: the T. Rowe Price Government Reserve Fund or the T. Rowe Price Treasury Reserve Fund, organized as money market funds, or the T. Rowe Price Short-Term Fund, a short-term bond fund (collectively, 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 is invested in the T. Rowe Price Short-Term 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, 2021, the fund had no purchases or sales cross trades with other funds or accounts advised by Price Associates.

Effective January 1, 2020, 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, 2021, this reimbursement amounted to \$201,000, which is included in Net realized gain (loss) on Securities in the Statement of Operations.

NOTE 6 - INTERFUND LENDING PROGRAM

Price Associates has developed and manages an interfund lending program that provides temporary liquidity to the T. Rowe Price-sponsored mutual funds. The program permits the borrowing and lending of cash between the fund and other T. Rowe Price-sponsored mutual funds at rates beneficial to both the borrowing and lending funds. Pursuant to program guidelines, the fund may lend up to 15% of its net assets, and no more than 5% of its net assets may be lent to any one borrower. Loans totaling 10% or more of a borrowing fund's total assets require collateralization at 102% of the value of the loan; loans of less than 10% are unsecured. During the six months ended June 30, 2021, the fund earned less than \$1,000 in interest income related to loans made to other funds on one day in the average amount of \$9,400,000 and at an average annual rate of 1.66%. At June 30, 2021, there were no loans outstanding.

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

These types of events, such as the global pandemic caused by COVID-19, may also cause widespread fear and uncertainty, and result in, among other things: enhanced health screenings, quarantines, cancellations, and travel restrictions, including border

closings; disruptions to business operations and supply chains and customer activity; exchange trading suspensions and closures, and overall reduced liquidity of securities, derivatives, and commodities trading markets; reductions in consumer demand and economic output; and significant challenges in healthcare service preparation and delivery. The fund could be negatively impacted if the value of a portfolio holding were harmed by such political or economic conditions or events. In addition, the operations of the fund, its investment advisers, and the fund's service providers may be significantly impacted, or even temporarily halted, as a result of any impairment to their information technology and other operation systems, extensive employee illnesses or unavailability, government quarantine measures, and restrictions on travel or meetings and other factors related to public emergencies.

Governmental and quasi-governmental authorities and regulators have in the past responded to major economic disruptions with a variety of significant fiscal and monetary policy changes, including but not limited to, direct capital infusions into companies, new monetary programs, and dramatically lower interest rates. An unexpected or quick reversal of these policies, or the ineffectiveness of these policies, could negatively impact overall investor sentiment and further increase volatility in securities markets.

INFORMATION ON PROXY VOTING POLICIES, PROCEDURES, AND RECORDS

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

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

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

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

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

HOW TO OBTAIN QUARTERLY PORTFOLIO HOLDINGS

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

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT

Each year, the fund's Board of Directors (Board) considers the continuation of the investment management agreement (Advisory Contract) between the fund and its investment advisor, T. Rowe Price Associates, Inc. (Advisor). In that regard, at a meeting held on March 8–9, 2021 (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 Advisor 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 Advisor 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 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 Advisor 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 Advisor

The Board considered the nature, quality, and extent of the services provided to the fund by the Advisor. 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 Advisor's senior management team and investment personnel involved in the management of the fund, as well as the Advisor's compliance record. The Board concluded that it was satisfied with the nature, quality, and extent of the services provided by the Advisor.

Investment Performance of the Fund

The Board took into account discussions with the Advisor and reports that it receives throughout the year relating to fund performance. In connection with the Meeting, the Board reviewed the fund's net annualized total returns for the 1-, 2-, 3-, 4-, 5-, and 10-year periods as of September 30, 2020, and compared these returns with the performance of a peer group of funds with similar investment programs and a wide variety of other previously agreed-upon comparable performance measures and market data, including those supplied by Broadridge, which is an independent provider of mutual fund data.

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

On the basis of this evaluation and the Board's ongoing review of investment results, and factoring in the relative market conditions during certain of the performance periods, the Board concluded that the fund's performance was satisfactory.

Costs, Benefits, Profits, and Economies of Scale

The Board reviewed detailed information regarding the revenues received by the Advisor under the Advisory Contract and other direct and indirect benefits that the Advisor (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 Advisor 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 Advisor 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 Advisor'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 from any economies of scale realized by the Advisor. Under the Advisory Contract, the fund pays a fee to the Advisor 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 Board concluded that the advisory fee structure for the fund continued to provide 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, total expenses, actual management fees, and nonmanagement expenses of the Investor Class of the fund with a group of competitor funds selected by Broadridge (Investor Class Expense Group); (ii) total expenses and actual management fees of the Advisor Class of the fund with a group of competitor funds selected by Broadridge (Advisor Class Expense Group); and (iii) total expenses, actual management fees, and nonmanagement 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 Advisor 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

APPROVAL OF INVESTMENT MANAGEMENT AGREEMENT (CONTINUED)

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 and Expense Universe) and second quintile (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 Advisor 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 Advisor's responsibilities and services provided to subadvisory and other institutional account clients, including information about how the requirements and economics of the institutional business are fundamentally different from those of the proprietary mutual fund business. The Board considered information showing that the Advisor'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 Advisor'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 Advisor to manage its mutual fund business versus managing a discrete pool of assets as a subadvisor to another institution's mutual fund or for an institutional account and that the Advisor 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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