



T.RowePrice

Meet David Rowlett

Portfolio Manager, US Impact Equity SMA

March 2024



David Rowlett, CFA

David earned a B.B.A. in finance from the University of Georgia, an M.B.A. from the University of North Carolina, and the Chartered Financial Analyst® designation.

20
years of
investment
experience

15
years with
T. Rowe Price



Baltimore
office location

2022–Present

Portfolio Manager, US Impact Equity SMA

2020–2022

Associate Portfolio Manager, US Large-Cap Core Equity Strategy

2014–2020

Associate Portfolio Manager, US Large-Cap Growth Equity Strategy

2008–2014

Equity Research Analyst

2005–2008

Neuberger Berman

With more than 20 years of investing experience, including over a decade of diversified U.S. equity portfolio management, and having a passion for investing in companies driving positive fundamental change, David Rowlett is well-positioned to manage the T. Rowe Price US Impact Equity SMA.

David believes that investing in innovative U.S. companies whose business models are geared toward solving many of the world's environmental and social problems provides a strong financial tailwind for value appreciation, durable growth, and long-term financial outperformance.

Q. Tell us about your background and how you started your investment career.

My interest in business and finance was initially sparked when my dad encouraged me to set up a neighborhood lawn service at age 12, which I built and ran throughout high school before pursuing my undergraduate degree in finance. After college, I worked as a business valuation consultant for a leading accounting firm while simultaneously pursuing the Chartered Financial Analyst (CFA) designation, which I earned in 2001. I earned my master of business administration (M.B.A.) in 2003,

then worked in New York as an investment banker before moving to become an analyst and subsequently a portfolio manager at Neuberger Berman, an investment management firm.

Having always admired T. Rowe Price, I was thrilled to have the opportunity to join in 2008. My family moved to Baltimore, and I began my career at the firm as an analyst covering aerospace, defense, and industrial stocks, many within our US Structured Research Equity Strategy. In 2014, I transitioned to become associate portfolio manager on our US Large-Cap Growth Equity Strategy, working initially with Rob Sharps, then with Taymour Tamaddon.

From the start of my career, I have maintained a laser focus on fundamental valuation and cash flow analysis, as I consider both to be essential for long-term investment success. Internal collaboration has also been important for me as an investor. I especially value the deep engagement I'm able to have with company management teams, alongside my colleagues here at T. Rowe Price. These engagements foster strong relationships, which enable us to share ideas and best practices, and to bring additionality (a unique contribution in creating positive impact) to the investment process. My background, in my opinion, has prepared me particularly well to manage a portfolio that pursues both financial return and positive social and environmental impact.

Q. What do you wish you had known when you started your career in finance?

Building investing knowledge and refining your process is a marathon rather than a sprint. When I speak with aspiring investors, I encourage them to not be discouraged if they do not land their ideal investment job right away. The financial tools and fundamental business understanding needed to develop a successful investment framework can be learned through a wide range of experiences. The technical valuation training I received as a consultant, and the strategic analysis and financial modeling skills I acquired from investment banking, are valuable building blocks that helped prepare me for the exciting role I have today. My industrial coverage assignment included defense stocks, which were among the first stocks to be scrutinized and added to exclusion lists, giving me early insights into environmental, social, and governance (ESG) concepts. I believe a diversity of relevant financial experiences can make for a more well-rounded investor.

Q. What do you do in your spare time?

It is an important and exciting time in my professional career and family life. When I'm not working to help build out our firm's Impact franchise, my wife and I get much enjoyment and fulfillment from raising our son (age 16) and daughters (ages 14 and 11) to be happy and responsible young people. My family enjoys

spending time outdoors, and most of our vacations are spent traveling to national parks. So far we have visited 31 of the 63 U.S. national parks, and we have four more visits planned this year.



David and his family by General Sherman tree, the world's largest tree by volume, Sequoia National Park, California, USA.

Tennis is my preferred exercise, and I have a list of willing partners who will get on the court with me at 6 a.m. before things get started at work. I have played competitive tennis since I was seven years old, so it's always been a part of my life. In addition to the excellent workout, tennis gives my mind a break from constantly thinking about stocks. When I'm on the court, my complete focus is on tennis strategy. It's such a good mental and physical release.

Q. What's the one thing people don't know about you?

Part of my investment preparation is listening to earnings and conference call replays while gardening and landscaping. I've planted over 100 trees, including fir border trees, flowering dogwoods, and even a small apple orchard. I particularly enjoy watching the trees mature over time; it's both satisfying and rewarding to watch these trees grow and bloom. I even started growing a Giant Sequoia after visiting the Kings Canyon and Sequoia national parks with my family last summer. It won't fit in my Baltimore office for long, and could eventually grow to be 300 feet tall over the next ~1,000 years. Now that's long term investing!

Q. What's the first thing you teach new joiners in your team?

I consider mentorship to be a core ingredient of the culture at T. Rowe Price, and I have always been actively involved in the summer internship mentoring program, as well as a full-time mentor. I use the same basic approach to train new members on the U.S. Impact team.

My first step as a mentor is to make a checklist of the portfolio managers and analysts that the new team member will be working most closely with and have the associate introduce themselves. I've found that having these interactions right out of the gate helps create more personal connections that make it easier to have an ongoing dialogue as you become engrained in your work. It's also a great icebreaker assignment, sets a proactive tone, and plugs the new teammate into the network so they can learn to navigate it faster. Being a successful analyst requires much more than sitting alone in your office with the door shut picking stocks. Even if you get them all correct, portfolio managers will be less willing to invest in your ideas if they don't know you and your process. Active dialogue and communication are crucial for getting your good ideas into portfolios.

Q. What do you like best about T. Rowe Price?

Fifteen years ago, I left a portfolio manager position in New York to take an industrials analyst position in Baltimore. What drew me to T. Rowe Price was its well-designed research platform and unique culture. I strongly believe that our platform structure is a significant driver of our research culture, and our internal career progression and promotion process is the secret sauce. When senior investment positions become available, we look to fill them internally, which creates new opportunities for our talented investment analysts. If you look throughout our equity divisions, sector leaders, associate portfolio managers, diversified portfolio managers, and equity leadership, all the way up to our chief executive officer began as investment analysts in our research department. The strength of, and belief in, fundamental analysis creates a common thread and bond across the firm, and the resulting mutual understanding and respect drive a level of collaboration that I believe is truly unique in our industry.

Q. Impact investing is still a relatively new concept to many people. What motivated you to start a new impact strategy?

I have always viewed asset management as playing a crucial role for society. Helping clients achieve their financial objectives of planning for retirement or funding their children's education, is an important motivation for me. Impact investing adds an important dimension of contribution by investing in companies whose primary business models are working to solve some of the world's most important environmental and social problems.

I've been investing for a long time and have been intrigued by the evolution of ESG. While governance has always been an important part of the conventional investment process, the environmental and social focus is relatively new and has gained a lot of attention. When I reviewed the ESG landscape for U.S. equities, I found a lot of vague and confusing messages and offerings. Many were derivatives of mainstream funds that simply made adjustments or added restrictions and were subsequently repackaged as "ESG" funds. I view "Impact" as the natural evolution for ESG investing. In order to make it "real" and give our clients a high-quality experience that delivers on both dimensions of our dual mandate, we needed to build a clean sheet strategy from the ground up, fully utilizing our firm's resources and capabilities. We have a strong foundation on which to start, and I'm proud of what we have built thus far.

Impact investing adds an important dimension of contribution....

Q. What is your vision for the future of U.S. Impact investing?

I see demand for Impact investing continuing to grow as investors appreciate the fundamental value embedded in the impact that companies can deliver. I'm excited about the opportunity to strategically invest in companies that are making a positive change to our planet, and I believe our Impact platform has developed a model and approach that differentiates our strategies. I view our investment approach as pioneering, and I want to give clients a good experience with Impact investing and open up the category for faster adoption. I expect more asset managers will follow our lead with U.S. Impact product launches, which should increase overall investor interest in the category, which should in turn drive more corporate focus on environmental and socially impactful operations.

I'm really excited about investing in innovative U.S. companies that produce efficient capital goods, breakthrough health care therapies and devices, and pioneering technologies that can help address global problems. Ultimately, this strategy allows me to bring together my more than 20 years of investing experience with my passion for positive environmental and social change. It puts me in the very fortunate position of being able to use my professional skill set to help our clients meet their financial goals by investing in companies capable of making the world a better place for my own children and future generations.

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Risks: All investments are subject to risks, including the possible loss of principal. Impact investing may not succeed in generating a positive environmental or social impact. A company's ability to affect positive impact or T. Rowe Price's assessment of a company's positive social and environmental impact may change over time, which could cause the portfolio to temporarily hold securities that are not consistent with the portfolio's responsible investment principles.

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