



SILVERCREST
ASSET MANAGEMENT GROUP

Values-Based Investing

A Wealth Management Case Study



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There have been numerous studies on the development of long-term, meaningful goals over the span of our lives. Personality is to emotion as outcomes are to conditions—what one feels shapes their personality, what one observes at any moment is emotion. At Silvercrest, we revel in building portfolio allocations with two of the most important investment variables that live within the client and guide their decisions: behavior and personality. Today, a proliferation of novel terms clouds what has been a part of Silvercrest’s investment capabilities since its founding twenty years ago. Whether one chooses to call it Socially Responsible Investing, Mission-Aligned, ESG, or Impact Investing, Silvercrest’s objective is to start with our client’s values and then base investment decisions accordingly. We are proud of our values-based investment approach and its service to clients.

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Over the past seven years we’ve worked with Sally, a widow with 70-ish years of wisdom under her belt, to find her why through impact investing. Roughly nine years ago, Sally’s husband, who co-owned a family business, passed away. We began the relationship after Sally had eased out of the family business and we could help her focus on refinancing and selling her real estate while building a portfolio to meet her long-term financial objectives. As the relationship grew, we became more familiar with Sally’s personality, behaviors, and learned of her interest in social and environmental issues.

ENVIRONMENTAL SUSTAINABILITY

Sally indicated that she did not wish to own investments in fossil fuel companies—those involved in mining, drilling, and burning fossil fuels. Upon further conversation, her genuine care for solving environmental issues became apparent. While evaluating her investments and personal interests, we advised Sally to replace her energy allocation with an investment vehicle that aligned with both her financial and personal goals. We recommended various investment strategies including best-in-class external managers that specialized in sustainable agriculture and land. Ultimately, Sally allocated a portion of her equity assets to the Silvercrest Environmental Impact Portfolio.

HEALTH & WELLNESS

With growing concerns around the obesity epidemic, Sally wanted to avoid fast-food companies in her portfolio. We were able to recommend companies that represented healthy and sustainable food and screened fast-food companies in her portfolio.

UTILITARIANISM

Overall, Sally believes in taking action to maximize the happiness and well-being of people and we concluded that supporting hospitals and charter schools through community-based investments would further her goal of helping society. We turned to a solution offered by Silvercrest’s High Yield Municipal Team that specializes in tax-exempt bond investments that promote better healthcare, retirement care and education. Not only were we able to align her financial and personal values, but we’ve also provided tax-exempt investment opportunities and those additional dollars can be reinvested in a purposeful fashion in the future.

We understand that each of our clients has different personalities, stories and circumstances resulting in distinctive needs and goals that often change as individuals evolve, which is why we pride ourselves on building lasting relationships and bespoke portfolios at Silvercrest.

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