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Welcome and thank you for joining us! The program will begin soon

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The Carter Center Presents:

Impact Investing, ESG & Social Impact

***With Guest: Diane Manuel, PhD, MBA, Director of Foundation & Client Relations,
Adasina Social Capital***

**Hosted By: Barry Nickelsberg, CAP, Chief Development Officer for Estate & Gift
Planning**

&

Mark N. Williams, Esq., CAP, Senior Associate Director

Thank You

Our work together continues to improve the lives of millions of people, and we cannot thank you enough for your ongoing support.

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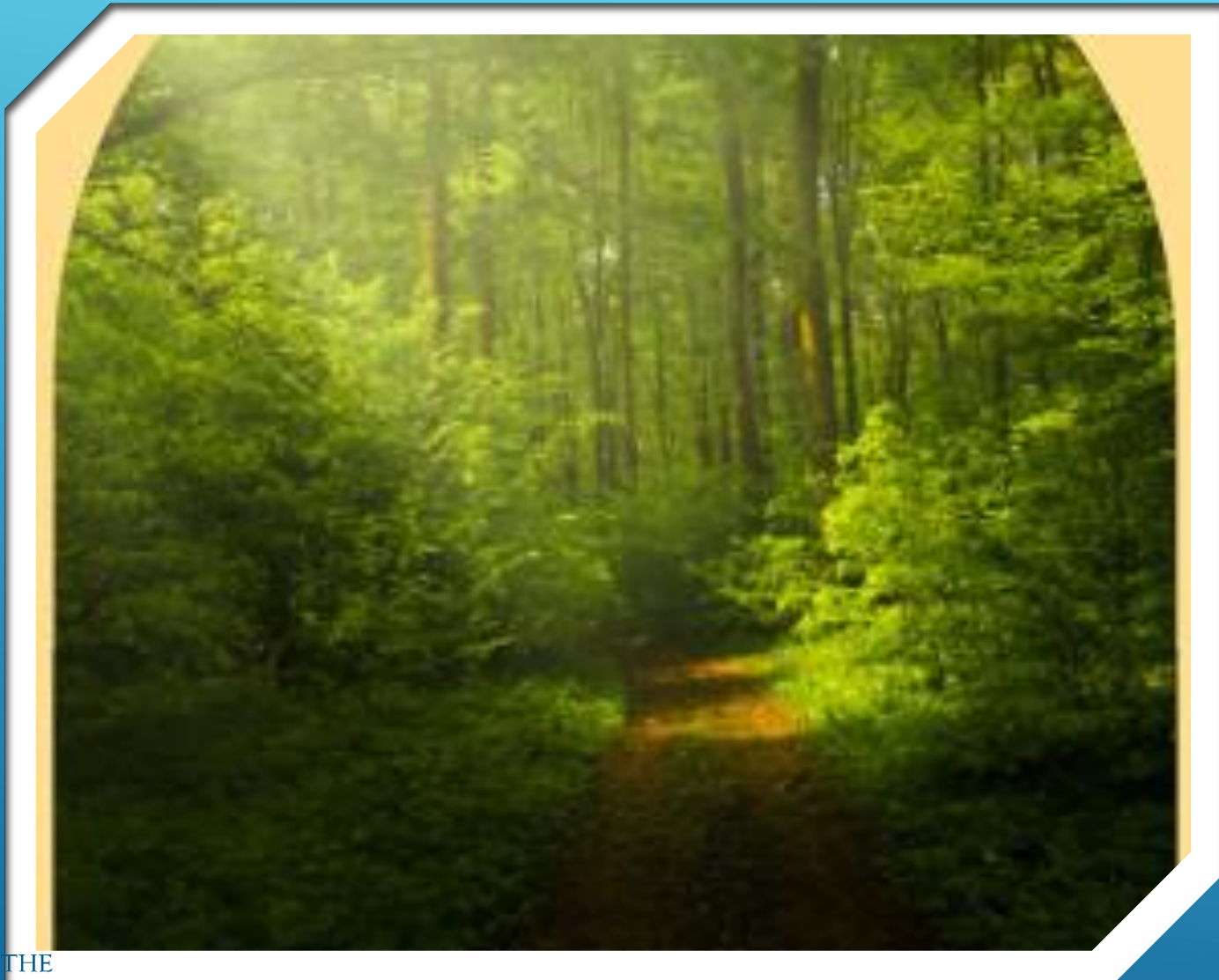
We would also like to express our gratitude for allowing us to serve as your resource; it is a privilege to be trusted to provide you with information about these important topics.



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THE CONVERGENCE

PHILANTHROPY & THE CAPITAL MARKETS

Diane Manuel, PhD, MBA



Who Is Diane Manuel?

- Committed to Social Justice Philanthropic Work, having worked as the immediate past Chair, of the Women's Foundation of California
- Personal focus is supporting the growth of Black and Brown Women, and facilitating the process of environmental, social and governance investing alongside individualized philanthropic investments
- Devoted to all things Los Angeles: Love the beach. Love wine tasting. Love cruising around LA. Graduate and undergraduate studies in LA. I'm always striving to learn and understand more in this diverse space



Overview

- Introduction
- The Staggering Difference
- Historical Context
- New & Different Options
- Where We Are Today
- Implementation
- Let's Get Personal
- Self-Assessment
- It's Your Money
- Myth Busters!
- Results
- Next Steps
- References
- You Can Do This
- Questions



Introduction

Is it possible for my **Philanthropy and Investments** to work toward similar goals?



The Staggering Difference

- **Philanthropy = \$ 471 Billion**
- **Capital Markets = \$34 Trillion**

Source: Giving USA 2021: The Annual Report on Philanthropy; <https://www.Nasdaq.com/articles/us-stock-market-biggest-most-expensive-world-us-economy>



Context

Philanthropy

The Objective

- Altruism
- Minimize taxes
- Status

Investments

The Objective

- Make more money
- Minimize taxes
- Status

Why are Philanthropy and Investments separated?



Historical Context

Men Make Money



Women Give It Away



Why are Philanthropy and Investments separated?



Background

- **Philanthropy is Good**



- **Investments are Better**



New & Different Options

Socially Responsible Investing

- Very simply, Sustainable and Responsible Investing (SRI) expands the goals of an investment strategy to go beyond financial analysis and include the **impact of an investment in society**
- This means that social good should be considered in the metrics of any return on investment. SRI can include many tags: **Environmental, Socially Conscious, Impact, Governance, Political and others**



Context

- The history of SRI in the United States can be traced to the 1700s when religious organizations chose not to invest in companies and businesses with practices they deemed detrimental to society, such as **slavery, smuggling and gambling**
- Strong activist movements since the 1960s have targeted various companies and industries advocating for changes in the status quo of issues tugging at the heart and soul of many Americans: **the Vietnam War, civil rights, consumer protections, climate change, gender equity and diversity in Corporate America**, to name just a few



The Religious Society of Friends

Where Are We Today?

Impact Investments (im-pact in-vest-ments)

Noun: Investments made with the intention to generate positive measurable social and environmental impact along with a financial return

Impact investors aim to solve problems and address opportunities



Implementation

Socially Responsible Investment (SRI)

The desire to avoid investments that negatively impact society: **Slavery, Tobacco, Firearms, Fossil Fuels, Private Prisons**

Environmental Social Governance (ESG)

ESG criteria measure how investments or companies perform in certain categories. Environmental factors look at the conservation of the natural world, social factors examine the **treatment of people, both inside and outside of the company, and governance factors consider how a company is run**

Private Equity

Impact Funds invest mostly in the **early stage, expansion and growth stages of companies**. Through private equity, impact investors can shape portfolio companies' strategies and work directly with companies to help them meet the intended impact



- Are all your investments supporting your values?
- Who have you hired, and who helps guide your mission?
- Your philanthropy? Your financial investments?

95%

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WHAT IS THE **NET VALUE** OF YOUR INVESTMENTS?

QUESTION

What do I need to do to create mission-alignment?



Let's Get Personal

What is Important to You?

- Values
- Mission
- Intentions

Who is important to you?

- Family
- Charities
- Other people

Total Investment Strategy Implementation (TISI)

- Value-Aligned Philanthropy Investments
- Value-Aligned Capital Market Investments



Let's Get Personal

Transparency
+
Intentionality

Clarity



Self-Assessment



Philanthropic Investments

- What do I invest in?
- Do I have clarity about my investment strategy?
- Are my current investments aligned with my values?
- Am I interested in activism?
- I understand my level of risk

Financial Investments

- What do I invest in?
- How can I find out what I own?
- Are my current holdings invested responsibly?
- Am I interested in shareholder activism?
- I understand my level of risk



ADVISORS

- Often “Old School”
- Resistant to change
- Don’t believe you will walk away

ADVISOR ISSUES

- Most are not very knowledgeable
- Don’t want to be bothered with something outside their comfort zone/experience
- Will tell you that financial performance will be compromised

99%

WHO CAN HELP ME WITH MY INVESTMENTS?

It's Your Money!

You Invest the Way You Want to Invest!

- Indicate that your **PRIORITIES** have changed
- You know you can **MAKE MONEY** and **DO GOOD**
- Plan for **YOUR LIFE**
- Use your **VALUES** to plan your **INVESTMENTS**



Strategies

- **Stocks**
- **Bonds**
- **Mutual Funds**
- **Exchange Traded Funds**
- **Venture Capital**

Access To Information

- **Yahoo Finance**
- **MSCI Fund ESG Ratings**
- **MSCI Corporate ESG Ratings**
- **Morningstar**
- **ETF.com**

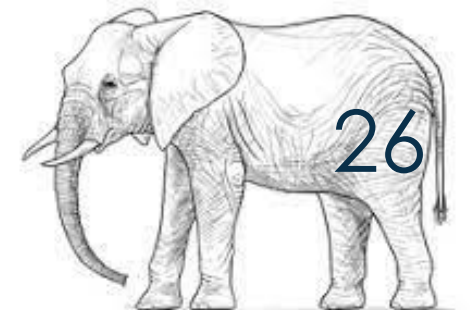
GOAL

- **Increased Knowledge**
- **Expanded Opportunity**
- **Do Better/Improve**



Myth Busters!

- **Sustainable strategies sacrifice financial performance**
 - 2,000 studies showed that in about 90% of the cases studied, companies with strong sustainability profiles either matched or outperformed their traditional counterparts
- **The key to sustainable investing is “excluding” sin stocks**
 - Consider sustainability and ethics factors throughout the investment process, such as how a company is governed
- **Sustainable Investing is a fad**
 - Self-identified sustainable funds attracted record net flows in 2018, 2019 and 2020



Myth Busters!

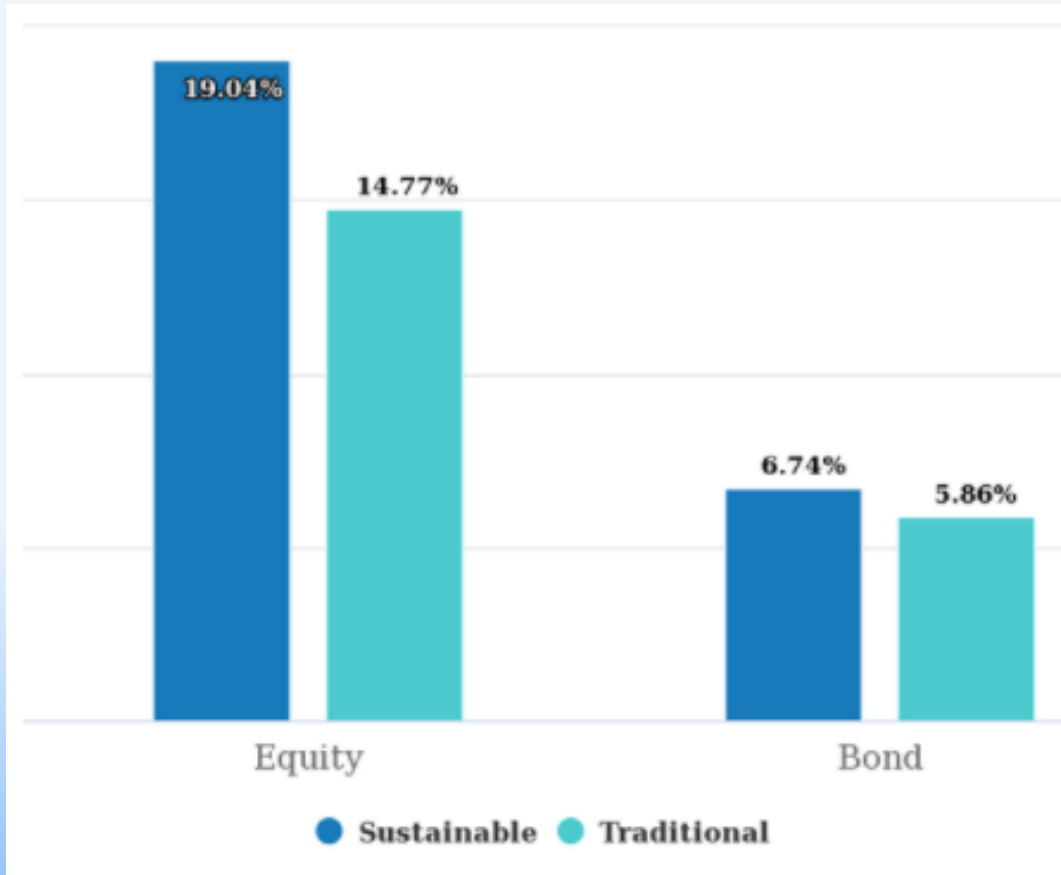
- **Only millennials & women are into sustainable investing**
 - Over 70% of Americans had at least a moderate interest in sustainable investment, according to a 2019 Morningstar study
- **Sustainable Investing works only for equities**
 - The reality is that sustainable investment strategies work across different asset classes



Results

Institute of Sustainable Investing - Morgan Stanley

Sustainable funds outperformed traditional peer funds and reduced investment risk during the coronavirus in 2020, according to Morgan Stanley



Next Steps

- Identify your Values
- Talk and write about them
- Do your research about ESG
- Talk to your advisor
- **BE INSISTENT!**
- Align all your investments with your values

YOU CAN DO THIS!



Resources

- GIIN: Global Impact Investing Network (Link)
- ICCR: Interfaith Center for Corporate Responsibility (Link)
- US SIF: Forum for Sustainable and Responsible Investment
- As You Sow: Not-for-profit leader in Shareholder Advocacy
- Racial Justice Impact Dataset – Adasina Social Capital
- Abigail Disney: Why the Rich Protect Dynastic Wealth (The Atlantic)



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Your Name Here



Thank You!
Questions?



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