

# INDIGO SUSTAINABLE ETF/MF MODEL

## STRATEGY OVERVIEW

Capital creates change in the world. Investors of all sizes are interested in using their investment portfolios to help address complex social and environmental challenges. Our discretionary portfolio seeks to achieve positive environmental and social impact and competitive risk-adjusted returns over the long-term. As impact-oriented metrics increase in quality and availability, investors are able to take actionable steps toward building a more positive, resource-efficient economy.

## PORTFOLIO CONSTRUCTION

The portfolio consists of 10-15 ETFs and Mutual Funds, offered in three styles depending on risk tolerance. Our holdings are chosen to create a diversified portfolio with exposure to ESG themes including: clean technology, renewable energy, environmental services, and gender diversity on the boards of companies. We are further spread across small and large cap holdings, and cover both domestic and international equities.

## THREE STYLES

100% Equity  
70% Equity, 30% Fixed Income  
70% Equity, 30% Hedged Strategies

## TOP 5 HOLDINGS as of 3/31/18

PowerShares Cleantech Portfolio  
Thornburg Better World International Fund  
SPDR SSGA Gender Diversity Index ETF  
Touchstone Sustainability and Impact Fund  
Neuberger Berman Socially Responsible Fund

Sample Holdings consist of the top issues in each sector within the model portfolio as of June 30, 2017. These sample holdings are for informational purposes only and should not be deemed to be a recommendation to purchase or sell the securities mentioned. There are no guarantees that any securities mentioned will be held in a client's account. It should not be assumed that the securities transactions or holdings discussed were or will be profitable. Data are indicative only as of the given date. Holdings will fluctuate, and no assurance can be given that an actual portfolio will be able to obtain the same attributes.

## PORTFOLIO MANAGERS



**Mark C. Callaway**  
Senior Portfolio Manager  
Senior Vice President  
Financial Advisor

Mark Callaway has managed "SRI/ESG/Impact Investing style" discretionary strategies within the Morgan Stanley Portfolio Management platform since 2000. In 2014, he was named one of Morgan Stanley's Investing with Impact Champions. In 2015, he attended Oxford University's Impact Investing executive program. Mark's educational background includes studies in both political science and theater, as well as an MBA from LaGrange College.



**Alora Clark**  
Wealth Management Analyst

Alora Clark is an analyst for the Indigo Group at Morgan Stanley. Her primary role includes portfolio management and analysis, research on financial and sustainability factors of investments, and searching for new opportunities to invest with impact. Prior to joining Morgan Stanley, Alora completed her Masters in Quantitative and Computational Finance at Georgia Tech. She has a Bachelor of Science in Applied Mathematics and Statistics from Johns Hopkins University.

## INVESTING WITH IMPACT

Evaluating sustainability factors for a company is not just "a good thing to do"; it is now widely considered to be part of a fiduciary's duty. Current research shows that using sustainable investment strategies usually meets, and often exceeds, the performance of using comparable traditional approaches.<sup>1</sup> Our Indigo Sustainable Models align social and environmental impact goals with financial goals to achieve impact objectives without sacrificing performance potential.

## MINIMUM INVESTMENT

\$25,000 Minimum investment required.

**FOR REQUIRED AND INFORMATIVE DISCLAIMERS, PLEASE SEE REVERSE.**

## SOURCES:

<sup>1</sup> Morgan Stanley Research, "Sustainable Investing Myth Busters" (May 2017)

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The returns on a portfolio consisting primarily of Environmental, Social and Governance ("ESG") aware investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria.

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