

Seminar





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From Acronyms to Understanding: SRI, ESG and DAMI

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Laura Galaida, Director of Client Service

Truist's Foundations & Endowments Specialty Practice



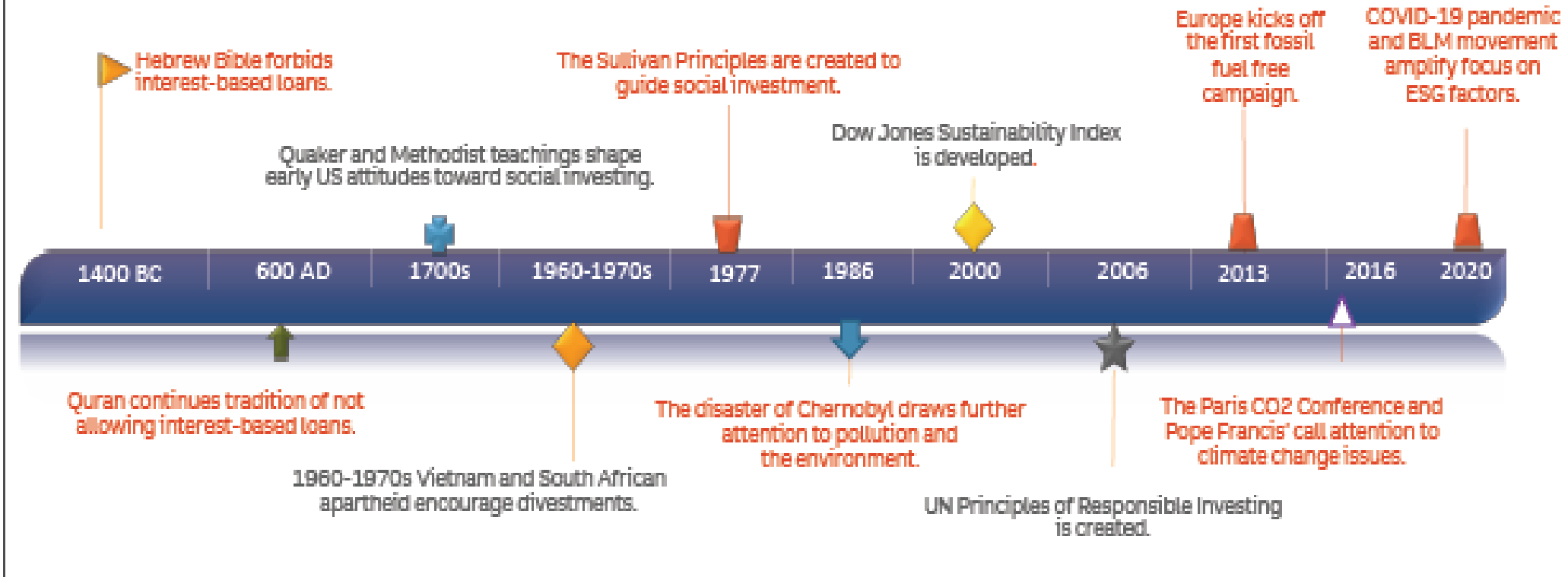
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SRI: Socially Responsible Investing

The Evolution of Socially Responsible Investing

Abbreviated History of SRI



Source: CROSSMARK Global Investments, The Evolutions of Responsible Investing

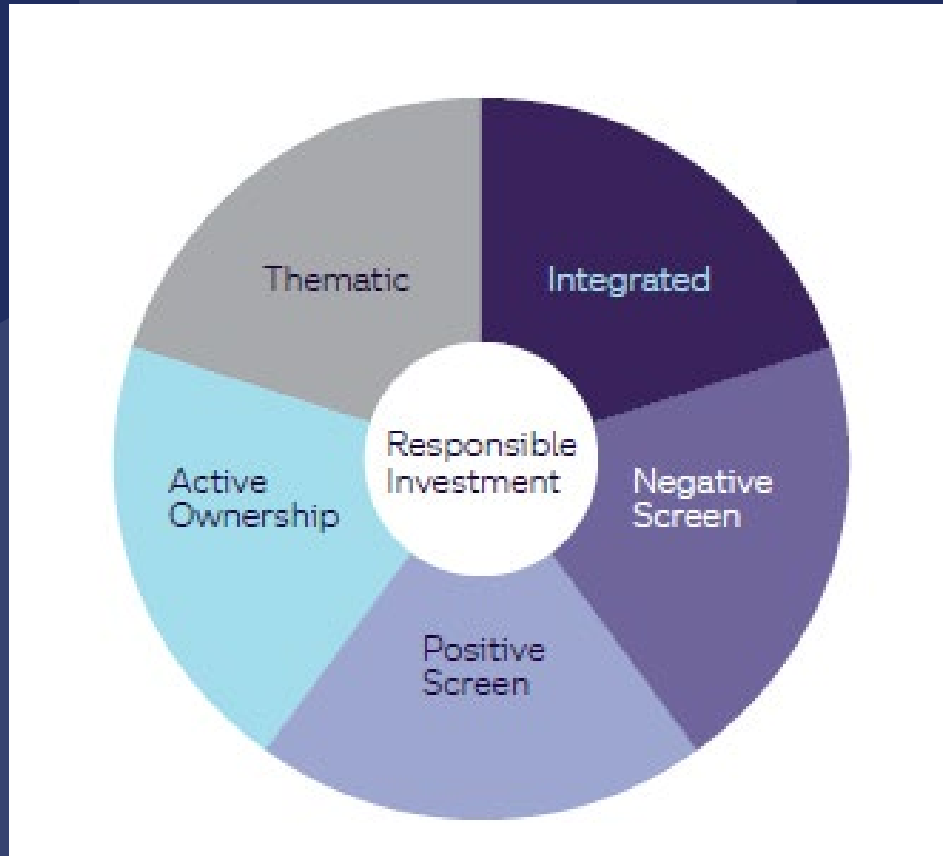


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Social Responsive Investing – SRI

Types of Social Investing Strategies



- A common approach to socially responsive investing is to include environmental, social and governance (ESG) integration into your overall analysis of an investment.
- There's a practical belief that a company's approach to these factors will be a strong determinant in the overall longevity of the company. Analysis along these lines can come with a focus on one or all three factors and there are many smaller issues in each category that may also be selected as a particular focus.
- According to a survey conducted by the CFA Institute, ESG Integration is the most widely used SRI strategy.
- Of the six available socially responsive investing strategies, 57% of the survey respondents incorporate ESG integration into their entire investment analysis and decision-making process.





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ESG: Environmental, Social, and Governance

Environmental, Social and Governance Issues

Examples of ESG Scoring Categories

Examples of ESG Issues

Environmental Issues	Social Issues	Governance Issues
Climate change and carbon emissions	Customer satisfaction	Board composition
Air and water pollution	Data protection and privacy	Audit committee structure
Biodiversity	Gender and diversity	Bribery and corruption
Deforestation	Employee engagement	Executive compensation
Energy efficiency	Community relations	Lobbying
Waste management	Human rights	Political contributions
Water scarcity	Labor standards	Whistleblower schemes

Source: CFA



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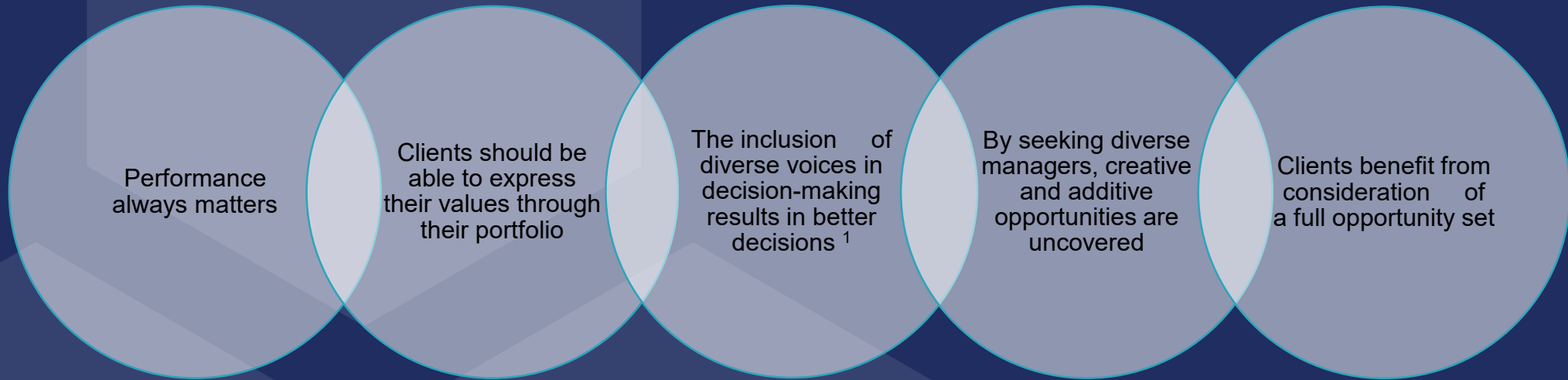
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DAMI: Diverse Asset Manager Initiative

Diversity | Core Values

Our belief in the importance of diverse asset managers



“Lack of diversity undermines the fiduciary responsibility to generate the highest returns because it reflects a **failure to fully consider the range of options** for generating the best risk-adjusted returns.”²

Fiduciary Guide to Investing with Diverse Asset Managers and Firms, April 2017



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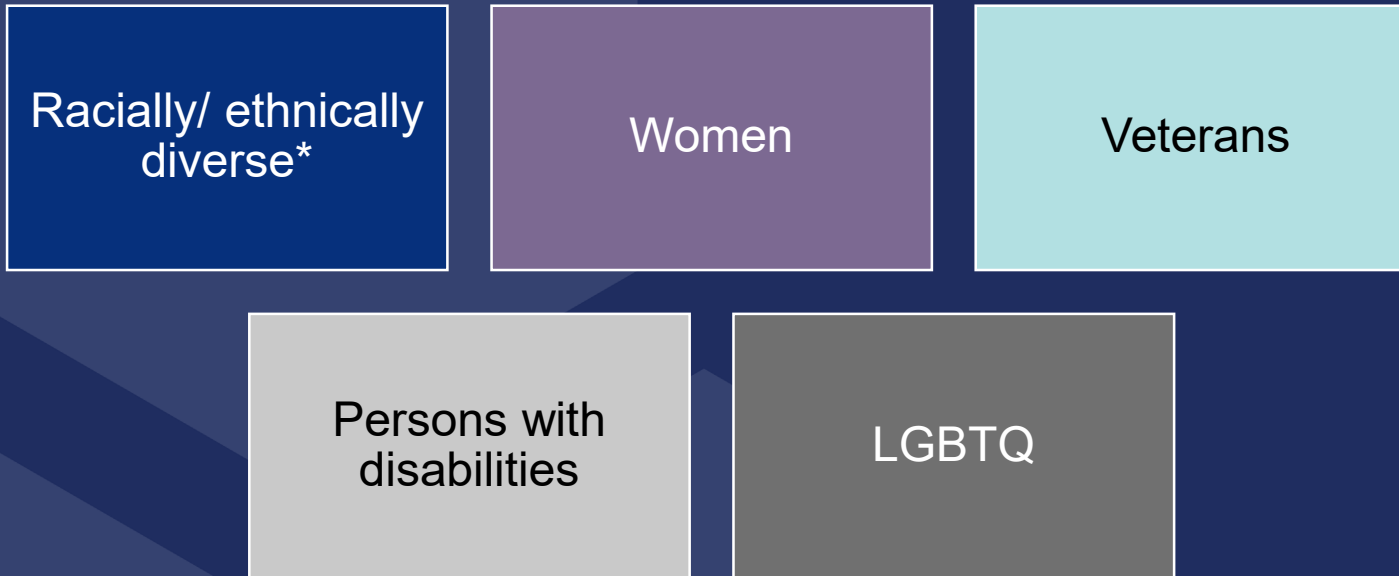
¹Hunt, Layton, & Prince. “Why Diversity Matters.” Hunt, Vivian, Dennis Layton, & Sara Prince. “Why Diversity Matters.” McKinsey, January 2015. Available at <http://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters>

²Weinberg, J., & Greer, S. (2017). Fiduciary Guide to Investing with Diverse Asset Managers and Firms. *Diverse Asset Managers Initiative*.

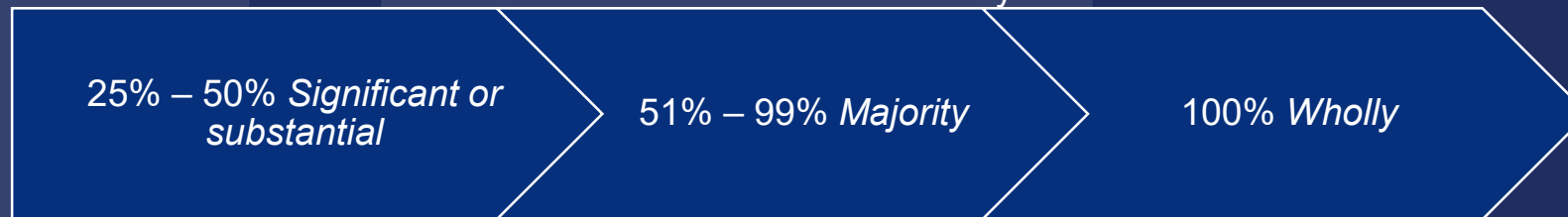
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Diverse Asset Manager Solutions – Defining Diversity

We consider owners and strategy principals to be diverse*, when they are:



We consider control defined by:



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Owners and strategy principals are considered diverse when they are racially/ethnically diverse, women, veterans, persons with disabilities, or persons who identify as LGBTQ. Individuals are considered to be of racially and ethnically diverse background when they are: Black or African-American; Hispanic or Latino; Asian; American Indian or Alaska Native; Middle Eastern or North African; Native Hawaiian or other Pacific Islander; or other. The definitions, considerations, and percentages used in this disclosure are subject to change, modification, or alterations at the Bank's discretion.

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Diverse Asset Manager Solutions – Our Why

Our philosophy is grounded in data showing women- and minority-owned firms control only a fraction of U.S. investments. We believe the varying perspectives of diverse individuals aid in collaborative and creative thinking, and that diverse managers stand a good chance of delivering positive outcomes.

Belief

Clients should be able to express their values through their portfolio. Likewise, our investment solutions should reflect the communities we serve.

Purpose

Champion for a more inclusive lens in our manager selection processes and investment solutions, while maintaining our fiduciary responsibility

Goal

Provide more opportunities for women and traditionally underrepresented communities within wealth management

Mission

Encourage diverse manager utilization in portfolios. Engage with institutions on partnership opportunities. Establish a leading expertise and national voice on diverse investing.



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Questions to ask your Investment Office or Advisor

Mission

- Have we considered ESG, SRI or Diverse Asset Managers in our portfolios?
- Is this particular investment aligned with our mission?
- Are we meeting our donor's expectations of mission alignment?

Fiduciary

- Is the rate of return satisfactory?
- What is the long-term stability of this investment strategy
- Are there sufficient checks and balances?
- Does this align with our Investment Policy Statement?



Armond R. Reese, CFA[®], AIF, CAIA

Background

I'm an Institutional Investment Advisor, Chartered Financial Analyst[®] (CFA[®]), Chartered Alternative Investment AnalystSM (CAIA[®]), and Accredited Investment Fiduciary[®] (AIF[®]) within the Foundations and Endowments Specialty Practice, offering clients 22 years of investment management experience.

I advise on the development and implementation of investment strategies to help my clients meet their short- and long-term goals. I follow a disciplined process of assessing an organization's financial situation, forming and executing an appropriate investment plan, and performing ongoing portfolio maintenance to obtain measurable results.

I joined Truist's predecessor firm, SunTrust, in 1999 and served as a member of its portfolio construction group for several years. In this role, I was responsible for selecting and monitoring fund managers utilized in the firm's company-wide investment strategies. Over the course of my career, I've developed a deep passion for educating individuals about the importance of financial literacy and strongly believe everyone should have a basic understanding of the financial markets.

Education

Investment Management Workshop
CFA Institute/ Harvard Business School | 2019

BBA Finance
Georgia Southern University | 1995-1999

Personal interests

A graduate of Georgia Southern University, I serve on the board of Decatur Cooperative Ministry (DCM) and on the investment committee for the Atlanta Society of Finance and Investment Professional (ASFIP) Foundation. In addition, I'm a member of the CFA Society of Atlanta and the Atlanta chapter of the CAIA.



Armond R. Reese
Regional Practice Leader

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Laura D. Galaida

Background

Laura Galaida is a Client Manager within Foundations and Endowments Specialty Practice. As a Client Manager, Laura is a key, strategic advisor to new and existing relationships. She provides deep insight and expertise to clients in addition to overseeing the administration of accounts. Laura currently works with 36 investment management relationships with assets of approximately \$922 million. Average client portfolio size is \$25 million.

Laura joined SunTrust in 2015. Before joining SunTrust, Laura spent 5 years in fundraising at Charitybuzz, the leader in online charity auctions, first as an Account Manager in New York City and then managing Business Development in the DC region. Prior to Charitybuzz, Laura worked at Sotheby's Auction House in several decorative arts departments overseeing sales administration, managing compliance and working with high-net worth clients.

Education

Laura graduated Summa Cum Laude from Connecticut College with a BA in Economics and Art History and has a Certificate in Global Philanthropy from New York University

Personal interests

Laura serves as Treasurer and Trustee of the Haystack Mountain School of Crafts in Deer Isle, Maine and on the Contemporaries Acquisitions Steering Committee at the Phillips Collection in Washington, DC. She is a member of the American Society of Association Executives and the Daughters of the American Revolution.



Laura D. Galaida
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Truist Foundations and Endowments Specialty Practice

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