

Incorporating Client Sustainability Preferences

Clients with socially responsible investment (SRI) concerns may wish to integrate restrictions in their mandate guidelines, and we have assisted several clients in the development of investment “screens” or complete investment styles that seek to achieve specified investment goals while complying with the restrictions. These client SRI issues extend across a broad range of social concerns including tobacco, gambling, alcohol, weapons, pornography, labor issues, as well as specific countries like the Sudan.

The development of customized SRI guidelines is a lengthy and comprehensive process. Initially, dialogue with the client is essential in understanding, developing, and implementing their SRI concerns and related guidelines. We employ a third party vendor to assist us in creating the restriction universe for client-defined social restrictions. Based on this research, prohibited securities are coded into our compliance system which is integrated with our order entry systems to identify any attempted order in a restricted security. Guideline Monitoring monitors results across all client portfolios and assists in the resolution of any issues identified by the screening process.