

## **Diffractive Managers Group and ESG Leader Gitterman Wealth Management, LLC Announce Partnership**

- Diffractive to take minority position in sustainable investing leader Gitterman Wealth management, LLC (GWM), to distribute product through dba Gitterman Asset Management (GAM)
- GWM's SMART (Sustainability Metrics Applied to Risk Tolerance)<sup>®</sup> Investing Solutions suite, which includes the SMART Climate Unified Managed Account (UMA), is available for financial advisor and institutional markets as well as individuals
- Diffractive will power GAM's growth with its centralized distribution platform and product development, leveraging deep industry experience in building multi-boutique platforms

**BOSTON, February 9, 2022** – [Diffractive Managers Group](#), the asset management platform of [1251 Capital Group](#), today announced that it has entered into a partnership with [Gitterman Wealth Management, LLC](#) (GWM), a leader in climate and environmental, social and governance (ESG) investing solutions for financial advisors, individuals and institutional investors. Under the terms of the agreement, Diffractive will take a minority ownership stake in GWM to help GAM increase distribution of the SMART Investing Solutions suite, including the SMART Climate Unified Managed Account (UMA).

“The firm is highly respected and known especially for the SMART Investing Solutions for financial advisors and their clients. These solutions include the Climate UMA, one of the first client-focused UMA solutions targeting climate change,” said [John Hailer](#), Chairman of Diffractive. “We look forward to bringing the firm’s active investing solutions to a wider audience and assisting them with building new sustainable investing products. Given the need for sound ESG investments, we are thrilled to partner with and support its continued growth.”

[Gitterman Asset Management](#) is a pioneer in delivering sustainable, active investment strategies and advisor education. It is especially well-known for its thought leadership, illuminating key trends and best practices related to ESG and climate investing, including [The Great Repricing: Financial Advice in the Age of Climate Change](#), [the Gitterman ESG Playbook iSummit](#) and the [Gitterman Sustainable UMA iSummit](#) on RIA Channel. Jeff Gitterman is also co-Host of [TheIMPACT TV](#), amplifying stories that demystify climate-investing, ESG data and other sustainability topics.

[Jeff Gitterman](#), GWM Co-founding Partner, shared, “We believe that climate change is our most critical systemic challenge. As well as being the biggest trend in the investment management industry, sustainable investing is also our highest purpose. We’re therefore committed to educating advisors, institutions, and individual clients so that they can participate in this shift and contribute to the purposeful direction of capital.”

The partnership offers GAM access to new channels for growth through Diffractive’s extensive product distribution platform and expertise. Under the agreement, the firm will retain

independence and full control of the investment process and function, consistent with Diffraction's policy of empowering management teams to build enduring businesses. "In working with the team over the last few months, we have found a common vision for looking towards the future of asset management and developing innovative ideas on how to impact clients' portfolios," said Peter J. Martin, Head of Distribution at Diffraction. "The GWM team also embodies what we at Diffraction want to do: Hold our values close and do well by doing good."

Added GWM Co-founding Partner [Eli S. Rauch](#), "We have been especially proud of the broad enthusiasm for our SMART Investing Solutions suite, which gives financial intermediaries everything they need to market and deliver services that provide an added layer of due diligence, respond to the rapidly growing trend of impact and ESG investing and generate competitive risk-adjusted returns."

"With this new partnership, GWM's current minority partner Merchant will remain in place, and is fully supportive of being aligned with 1251," stated Tim Bello, managing partner of Merchant. "We've spent quality time getting to know 1251 and the Diffraction team. They're a special and talented group of people who we really get along with, and they take an approach to partnership that fits right at home with the way Merchant does business. We look forward to our future together."

Diffraction's partnership with the GWM expands the leading boutique asset managers in which it owns equity stakes, which also include [Emerald Asset Management](#), [Greenbacker Capital Management](#), [Mar Vista Investment Partners](#), [Wavelength Capital Management](#) and [Ziegler Capital Management](#). Its affiliated managers deliver differentiated active strategies to investment professionals and their clients, including access to a stable of impact-focused alternative strategies and structures as well as traditional core portfolio solutions. Several of them, including [Greenbacker Capital](#) and [Ziegler Capital](#), have strong sustainable investment offerings.

Terms of the investment partnership were not disclosed.

### **About Diffraction Managers Group**

Diffraction Managers Group is an asset management company and a platform company of 1251 Capital Group. Our expertise lies in identifying unique and innovative investment strategies and uncovering partnership opportunities where centralized distribution can drive significant growth. 1251 Capital Group was established with permanent capital from a select group of high-net-worth investors. Prior to launching 1251 Capital, its senior executives spent a combined 55 years investing capital in the asset management industry on behalf of TA Associates and Natixis Global Asset Management. In Diffraction Managers Group, we set out to operate actively different from other capital partners in the asset management sector. For more information, visit [www.diffractionmanagers.com](http://www.diffractionmanagers.com).

### **About Gitterman Wealth Management**

Gitterman Wealth Management, LLC (GWM) is an SEC-registered investment adviser located in Edison, New Jersey. Its wealth management business was founded in 2010 by Jeff Gitterman and Eli Rauch to provide services to the higher education marketplace and high net worth

individuals. In 2015, the firm launched SMART (Sustainability Metrics Applied to Risk Tolerance)<sup>®</sup> Investing Solutions and in 2020 launched the Gitterman Asset Management brand to house its rapidly expanding ESG strategies, thought leadership, and practice management offerings for financial advisors and institutional markets. 2020 also saw the inception of the SMART Climate Unified Managed Account (UMA), deepening GWM's commitment to addressing sustainability challenges and opportunities, particularly mitigating and adapting to climate change. As of December 2021, GWM managed and advised approximately \$1.3 billion of client assets. For more information, visit <https://investor.gittermanwealth.com/>.

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