



# Values-Based Investing:

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Environmental, Social and Governance (ESG) Portfolios

[ApellaCapital.com](https://ApellaCapital.com)





## What is ESG

Increasingly, many investors are seeking to align their values with their portfolios. Our environmental, social and governance (ESG) portfolios screen potential investments accordingly.

- **Environmental** considers how companies perform as a steward of nature.
- **Social criteria** looks at how companies manage relationships with employees, suppliers, customers, and the communities where they operate.
- **Governance** considers companies' leadership, executive pay, audits, internal controls, and shareholder rights.

## Apella ESG Portfolios are...

Broadly  
Diversified

Cost Conscious

Process Driven

Tax Sensitive

Transparent

Flexible

## Apella ESG Portfolios Make Sense for Investors Who...

- Want portfolios that align with their values
- Are seeking a low-cost, tax efficient portfolio
- Are seeking a balanced strategy that can be aligned with your comfort with risk

## Portfolio Money Managers

The ESG Portfolios are built with Exchange Traded Funds (ETFs) from two noted money managers:

- **iShares by BlackRock**, the largest provider of exchange-traded-funds with a special focus on companies that exhibit positive ESG attributes.
- **Vanguard Group**, an industry leader in cost efficient investing with two decades of experience managing ESG solutions, with a special focus on companies that support the United Nations' Principles of Responsible Investment.

### U.S. Stocks in the Portfolio

iShares ESG MSCI USA ETF

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Small-Cap ETF

Vanguard ESG U.S. Stock ETF

### International Stocks in the Portfolio

iShares ESG MSCI EAFE ETF

iShares ESG MSCI EM ETF

Vanguard ESG  
International Stock ETF

### Fixed Income in the Portfolio

iShares ESG  
U.S. Aggregate Bond ETF

iShares ESG 1-5 Year  
USD Corporate Bond ETF

## About Apella

At Apella Capital, we deliver innovative planning and investment solutions built on independent, Evidence-Based thinking. Instead of speculation and guesswork, we use insights drawn from academic research, and decades of data to build portfolios and plans that put science on your side.



## Apella Capital, LLC Disclosure

Apella Capital, LLC is an investment advisory firm registered with the Securities and Exchange Commission. The firm only transacts business in states where it is properly registered, or excluded or exempted from registration requirements. All Symmetry fees can be found in the ADV Part2A located on the website at [www.symmetrypartners.com](http://www.symmetrypartners.com). Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product, or any non-investment related content, made reference to directly or indirectly in this material will be profitable, or prove successful. As with any investment strategy, there is the possibility of profitability as well as loss.

Higher potential return generally involves greater risk, short term volatility is not uncommon when investing in various types of funds including but not limited to: sector, emerging markets, small and mid-cap funds. International investing involves special risks such as currency fluctuation, lower liquidity, political and economic uncertainties, and differences in accounting standards. Risks of foreign investing are generally intensified for investments in emerging markets. Risks for emerging markets include risks relating to the relatively smaller size and lesser liquidity of these markets, high inflation rates and adverse political developments. Risks for investing in international equity include foreign currency risk, as well as, fluctuation due to economic or political actions of foreign governments and/or less regulated or liquid markets. Risks for smaller companies include business risks, significant stock price fluctuation and illiquidity. Investing in higher-yielding, lower-rated bonds has a greater risk of price fluctuation and loss of principal income than U.S. government securities, such as U.S. Treasury bonds and bills. Treasuries and government securities are guaranteed by the government for repayment of principal and interest if held to maturity. Municipal bonds may subject investors to the Alternative Minimum Tax. Investors should carefully assess the risks associated with an investment in the fund.

**ESG investing risk:** The chance that the stocks screened by the index sponsor for ESG criteria generally will underperform the stock market as a whole or that the particular stocks selected for the Index will, in the aggregate, trail returns of other investment strategies screened for ESG criteria. The individual companies deemed eligible by the index provider may not reflect the beliefs and values of any particular investor and may not exhibit positive or favorable ESG characteristics. The components of the Index are likely to change over time.

DIFFERENT TYPES OF INVESTMENTS AND/OR INVESTMENT STRATEGIES INVOLVE VARYING LEVELS OF RISK, AND THERE CAN BE NO ASSURANCE THAT ANY SPECIFIC INVESTMENT OR INVESTMENT STRATEGY WILL BE EITHER SUITABLE OR PROFITABLE FOR YOUR PORTFOLIO. Allocation models are not intended to represent investment advice that is appropriate for all investors. Each investor must take into account his/her financial resources, investment goals, risk tolerance, investing time horizon, tax situation and other relevant factors to determine if such portfolio is suitable. Model composition is subject to change. You and your advisor should carefully consider your suitability depending on your financial situation. As with any investment there may be tax consequences. The holdings comprising the strategies and the allocations to those holdings may change over time.

ETFs do not sell individual shares directly to investors and only issue their shares in large blocks. Exchange traded funds are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. ETF shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage commissions, and investment advisory fees will reduce returns. An investor should consider investment objectives, risks, charges and expenses before investing. To obtain a prospectus, which contains this and other information, please contact your advisor or visit the following websites: [www.vanguard.com](http://www.vanguard.com) and [www.ishares.com](http://www.ishares.com). Please read the prospectus carefully before investing.

