



PMC Impact Foundation Portfolios

Achieving positive environmental, social and governance (ESG) outcomes alongside financial performance is possible for investors with smaller accounts.

The PMC Impact Foundation Portfolios are accessible at a lower cost by maintaining fewer holdings and lower turnover, designed for investors with ESG priorities, and constructed using high-conviction ESG focused managers through Envestnet | PMC's thorough, multi-layered research and due diligence process.

PORTFOLIO OVERVIEW:

- 7** target allocations from capital preservation to aggressive
- 6** asset classes¹
- 5** high-conviction mutual funds¹

LOW COST, LOW MINIMUM:

\$20-\$30 approximate total fee²

20% annual portfolio turnover

How We Define Impact

At Envestnet, we define impact investing is an investment philosophy that combines an intent to generate positive environmental and social impact alongside a financial return. We categorize investment approaches on a spectrum from minimizing negative impact to maximizing positive impact:

MINIMIZE
NEGATIVE
IMPACT



Values Alignment

Align your investors' portfolios with their values by minimizing exposure to individual companies or entire industries whose business practices conflict with the investors' personal convictions.



ESG Integration

Create a more resilient portfolio by reducing exposure to companies or industries with poor environmental, social, and governance characteristics and increasing exposure to companies promoting ESG change or poised to benefit from new ESG opportunities.



Thematic Impact

Allow investors to use their capital to target specific environment and/or social change through a focused portfolio allocation; provides an investable alternative to pure philanthropic giving.

MAXIMIZE
POSITIVE
IMPACT

¹ At maximum. The mutual funds within these portfolios may vary depending on the selected custodian.

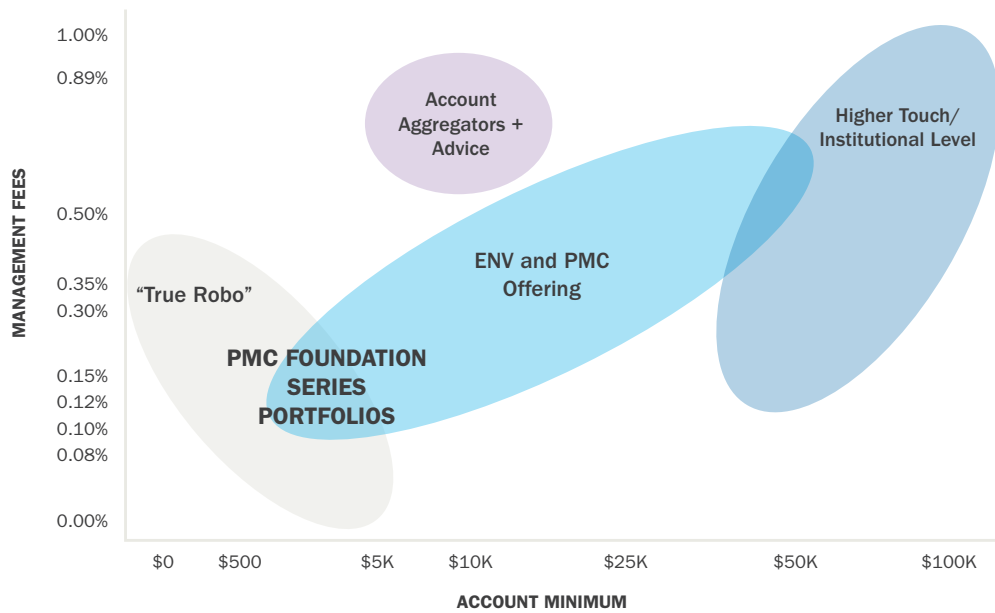
² Approximate total fee at all tiers. Indicated fees are annual but applied on the platform on a quarterly basis.

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PMC Impact Foundation Portfolio

Combining Envestnet digital technology and PMC portfolio expertise

The Foundation Series is a component of Envestnet and PMC's entire wealth advisory offering, designed for investors with smaller account balances and a preference for digital or "robo" solutions.



Source: Based on Scottrade Competitive Information, April 2016.

Key features of the portfolios

Accessible asset management

Starting at just \$2,000, investors have the advantage of professional portfolio construction and ongoing management at lower minimums.

PMC's professional asset management

Envestnet's client profiling process can help identify the appropriate portfolio solution, whether from the PMC Foundation Series or a third-party asset manager.

Digital engagement, professional asset management

Envestnet's digital client profiling process can help advisors identify the appropriate portfolio for their clients. Investors have the benefit of professional portfolio construction and ongoing management.

Capital Markets Assumptions (CMAs) and Asset Allocation

PMC's forward-looking CMAs and asset allocation methodology are the foundation of portfolio construction. CMAs inform portfolio construction, risk measures, asset allocation models, and portfolio wealth forecasts.

ESG due diligence on managers

Envestnet | PMC Research incorporates an additional layer of analysis within its comprehensive research and due diligence process to uncover high-conviction equity and fixed income managers that are systematically integrating ESG information into the investment process. We do this by evaluating firm-level governance of ESG, ESG integration into the investment process, reporting on impact, and engagement on ESG issue. The team collects information through due diligence questionnaires and ongoing conversations with management teams.

The information, analysis, and opinions expressed herein are for general and educational purposes only. Nothing contained in this brochure is intended to constitute legal, tax, accounting, securities, or investment advice, nor an opinion regarding the appropriateness of any investment, nor a solicitation of any type. All investments carry a certain risk, and there is no assurance that an investment will provide positive performance over any period of time. An investor may experience loss of principal. The asset classes and/or investment strategies described may not be suitable for all investors and investors should consult with an investment advisor to determine the appropriate investment vehicle. Investment decisions should always be made based on the investor's specific financial needs and objectives, goals, time horizon, and risk tolerance. Past performance is not indicative of future results.

Investments in smaller companies carry greater risk than is customarily associated with larger companies for various reasons such as volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources. Investing overseas involves special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets. Income (bond) funds are subject to interest rate risk which is the risk that debt securities in a fund's portfolio will decline in value because of increases in market interest rates.

ESG and impact focused strategies are identified with the support of third-party research. Certain asset classes may not have an ESG or impact focused strategy that goes through our ESG due diligence standards. In this case, the portfolios will generally utilize alternative strategies that have been vetted by the PMC Research Team.

Funds that incorporate ESG characteristics into the investment process may limit their exposure to certain types of investments. As a result, an investment in an ESG focused fund may be less diversified relative to funds with similar strategies that do not have an ESG focus.

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