



Investing with Purpose: *Expressing Your Values Through Your Portfolio*

Introduction: The Evolution of Values-Based Investing

In today's rapidly evolving financial landscape, more and more investors are seeking ways to align their portfolios with their personal values and beliefs. This shift is driven by a desire to find greater meaning in investing and use capital as a force for good in the world. The investment world has undergone significant changes in recent years, fueled by several key factors including:

- » The investing community and corporate America's increasing awareness of Environmental, Social, and Governance (ESG) issues.
- » Investors' desires to go beyond traditional "sin screening."
- » Evolving regulatory and reporting requirements.
- » Technological advancements that are democratizing access to values-aligned investment options.

- » Substantial growth in assets managed using values-aligned strategies.
- » An increased number and growing availability of investment products designed for values-based investing.

This paper explores how you can make Values Expression a core part of your investment strategy. It's more than just a trend—it's a powerful approach that brings your investments into alignment with what matters most to you. As we explore the concept of Values Expression, we will help you answer two fundamental questions:

- 1. What kind of alignment do I desire?**
- 2. What kind of impact do I want from my portfolio?**

Understanding Alignment and Impact

To fully grasp the power of Values Expression, it's crucial to understand the distinction between alignment and impact:

- » **Alignment** is internally oriented and relates to your personal conscience and beliefs. It's about ensuring that your investments reflect your values and do not contradict your deeply held convictions. Do you want to avoid investing in companies involved in certain industries or practices? This method is about aligning your portfolio with your personal moral compass.
- » **Impact**, on the other hand, is external. It deals with the positive influence you want to have through your investment portfolio. Impact is about actively using your investments to help others and persuade change by directing capital toward causes that you care about.

Impact investing isn't about choosing between doing well financially and doing good in the world—it's about achieving both.

The Power of Values-Driven Investing

We believe that being a faithful investor starts with one overarching principle—God owns it all (Psalm 24:1). Most Christians believe in that concept, but putting it into practice can be difficult. Until recently, values-based investment solutions were limited, often forcing investors to choose between financial returns and impact. This limitation hindered true personalization and often left investors feeling disconnected from their portfolios. Traditionally, investors faced two primary choices:

1. Invest solely for financial return or
2. Donate to charity to make a difference.

Today, there's a powerful third option: **Impact investing or values-aligned investing**. This approach seeks to generate both financial returns and positive change simultaneously. It's not a compromise but a force multiplier that allows you to grow your wealth, have a positive influence, and amplify your future giving potential.

Values-based investing no longer requires sacrificing financial performance. You do not have to forfeit performance in order to align your portfolio with your values. Instead, you are empowered with the ability to have a direct and immediate impact with your investment dollars, all while still meeting your personal financial goals.



Creating a Values-Aligned Portfolio: What's Possible

Values-based investing no longer has to be relegated to a corner of your portfolio. It can be integrated across a wide range of asset classes in both public and private market investments. You can implement it across both stocks and bonds, including corporates and municipals. It's also available across venture capital, private equity, private credit, and private real estate as well.

Previously, investors were given little opportunity to express their values through their investments beyond simply avoiding companies they found objectionable ("sin screening"). Now, there are multiple ways for investors to express their values through investments. We categorize them as:

- 1. Avoid:** Eliminate investments in companies that clash with your principles. This tactic could involve screening out companies involved in industries like tobacco, gambling, or pornography.
- 2. Integrate:** Actively seek out and support companies championing causes you believe in by directing more of your investment dollars toward companies whose mission aligns with your values.
- 3. Speak up:** Through our partners you can engage with companies you invest in, using your shareholder voice to promote positive change from within. This approach could involve voting on shareholder proposals, contacting company management, or participating in advocacy campaigns.

You can choose to employ one, two, or all three of these methods in your investment strategy. Or you may opt for none. The choice is yours because your values are yours. We empower you to express your views by providing options, allowing you to decide what matters most to you.

Impact in Action: Stories of Transformation

Through values-driven investing, it's possible to unlock meaningful impact in both large and small companies. One example could include revising corporate policies to promote human flourishing, such as establishing employee resource groups that support freedom of religion. Another powerful example may be defending those who don't have an advocate through combating human trafficking or child labor around the world. Perhaps you prefer to invest in entrepreneurs who face barriers to the traditional financial system or provide access to financial services for underbanked communities. The investment possibilities and causes are endless.

When you invest with purpose, every dollar becomes a seed planted for transformation.

Conclusion: Making It Happen

Values-driven investing offers a profound opportunity to not only grow your wealth but also create lasting, positive change in the world. By aligning your investments with your personal values, you move beyond traditional investing strategies, transforming your portfolio into a powerful agent for both financial success and societal impact. Whether you choose to avoid harmful industries, integrate purpose-driven companies, or speak up for change within organizations, your investments can reflect who you are and the legacy you want to leave.

The path to values-aligned investing is more accessible than ever, with options that empower you to direct capital toward solutions that matter. You no longer must choose between meeting your financial goals and doing good in the world—by thoughtfully aligning your financial decisions, you can achieve both. If you want to learn more about this exciting opportunity, Blue Trust advisors are ready to help you explore aligning your investments with your values and creating meaningful impact.

Take the first
step toward
values-based
investing.



Examples of Corporate Engagement

Values-aligned investing can provide you a seat at the table where important decisions are made. Below are two real-life examples of how corporate engagement has made a difference.

Blue Trust's engagement partner took action on behalf of hundreds of Christian investors holding shares in major hotel companies. Following investigative reports suggesting hotel franchises were potentially being used for human trafficking, shareholders stepped in and demanded accountability from the hotels. Through coordinated engagement, these investors pushed for concrete answers about monitoring systems, corporate oversight, and preventive measures. While some companies initially tried to deflect responsibility, the persistent voice of concerned Christian shareholders brought this critical issue to the forefront of corporate discussions.

Recently, JPMorgan Chase made headlines for its policy of "debanking" people and organizations with faith-based views. The bank changed its policy after engaging with our corporate engagement partners' findings. These examples illustrate the power of having a seat at the table. Rather than simply avoiding problematic companies, values-based investing enables you to be part of a collective Christian voice advocating for Kingdom impact in corporate America.

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