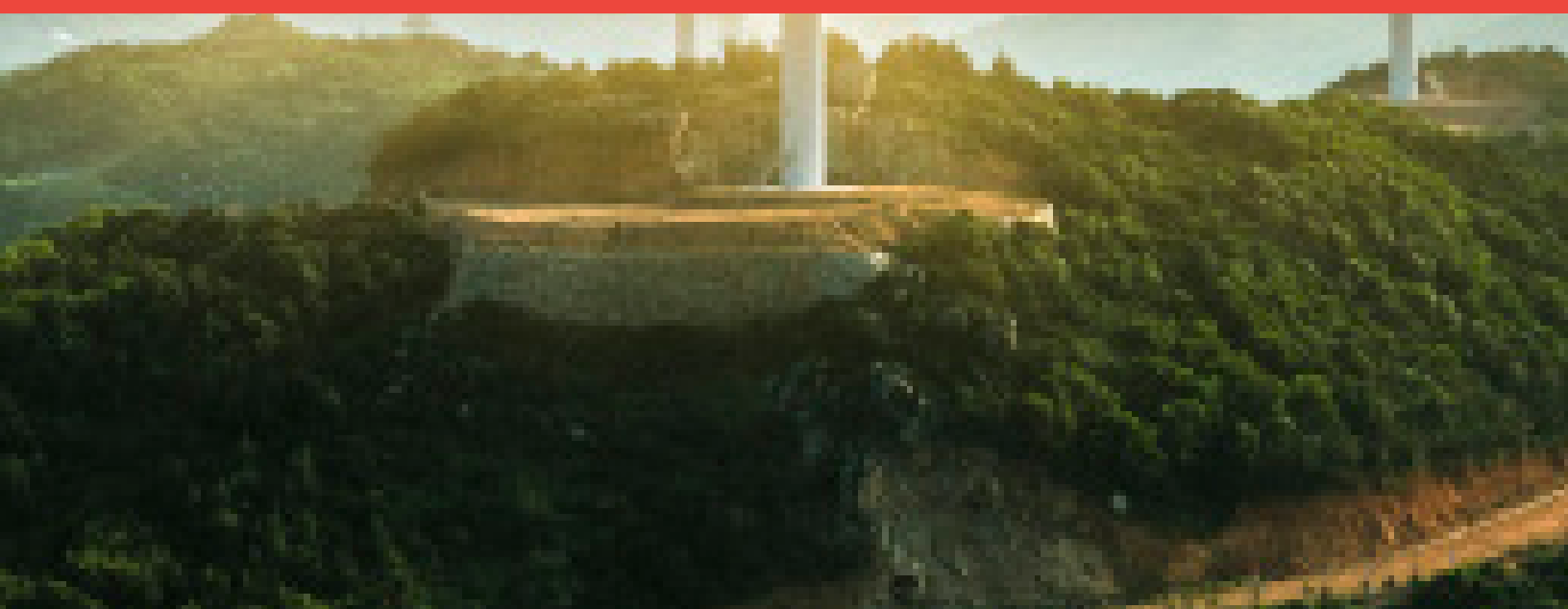




Executive Summary

Investing for Impact: A Case Study

How the Laird Norton Family Foundation and Laird Norton Wealth Management generate both financial returns and social good.



LAIRD NORTON
FAMILY FOUNDATION



lairdnorton
WEALTH MANAGEMENT

Executive Summary

Impact investing is an ever-evolving discipline that continues to attract individuals, families and foundations that want to put their wealth to work creating societal good.

The Laird Norton Family Foundation (LNFF) is one such investor. A private foundation and one of the philanthropic arms of a seven-generation business owning family, LNFF worked closely with Laird Norton Wealth Management to create an impact investing partnership that has attained the following key results:

- LNFF's investment portfolio is now 76 percent invested in funds and direct investments based on environmental, social and governance (ESG) criteria, with the aim of having this percentage rise to 100% in the near future.
- Portfolio allocation is diversified across all major asset classes, from ESG-related funds to private investments;
- The investment return target remains at approximately eight percent annually, a testament to a strategy that generates both a measurable social benefit and solid financial return.

Since making impact investing a strategic priority, the Laird Norton Family Foundation has learned numerous lessons, and many that go beyond the numbers. Their experiences have shown them that:

- **Size is not a barrier:** There is a perception that smaller foundations do not have the luxury of investing in line with their social missions. This is not the case. Getting started with impact investing is considerably easier than it was in the past, and there are opportunities for investors of all sizes to make an impact.
- **Due diligence is critical:** Impact investing requires the same stringent standards applied to evaluating traditional investments, and even more so when looking at private non-listed investments, where the impact can be the greatest. This is especially true for perpetual foundations making investments that require a long-term commitment of capital.



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- **Education is ongoing:** As part of a seven-generation family with many viewpoints – including some detractors – making the shift toward impact investing wasn't a one-time effort. Getting stakeholders on board with the approach requires demonstrating the financial and social value of impact investing early and often.
- **Creating a common language helps:** Impact investing is an ever-evolving field and new funds and private investments will continue to emerge. Creating tools that help evaluate how opportunities fit into your own mission and investment goals go a long way in keeping everyone on the same page.
- **Your impact can be bigger than yours alone:** With a commitment to impact investing, foundations, families and individuals can act as catalysts to help create new opportunities that attract a wider array of investors.

Smart and sustainable impact investing is a long-term strategy, one that requires as much intention and commitment as it does the desire to align your investments with your mission. And it's this dedication that has continued to drive the Laird Norton Family Foundation to make impact investing central to its purpose.

We hope, in reading about these experiences, you'll be inspired to join the Laird Norton Family Foundation, Laird Norton Wealth Management, and a growing cohort of individuals, families and foundations around the world in putting your wealth to work for societal good.

—> [Click here to access the full case study.](#)



About Laird Norton Wealth Management

Laird Norton Wealth Management, with nearly \$5 billion in assets under advisement, provides integrated wealth management solutions for successful individuals, families, private foundations and nonprofit organizations. For more than two decades, Laird Norton Wealth Management has helped clients own their impact through socially responsible investing in public capital markets, private debt strategies, private equity funds and direct investments. We have developed deep relationships with socially responsible investment asset managers – each of which we hold to the same strict criteria we use for all our asset managers. Experience has its benefits.

About Laird Norton Family Foundation

The Laird Norton Family Foundation (LNFF) is a private family foundation in Seattle, Washington, with a mission to honor and reflect the family's shared values through giving and engage the family in philanthropy as a platform for strengthening family connections. The Laird Norton family is a seventh-generation family with nearly 500 living family members worldwide. LNFF awards roughly \$1.25 million per year in grants through five program areas of strategic importance to the family: Arts in Education, Climate Change, Human Services, Watershed Stewardship and Sapling Fund (Youth Development).

Disclosure

All investments involve a level of risk, and past performance is not a guarantee of future investment results. The value of investments and the income derived from them can go down as well as up. Future returns are not guaranteed and a loss of principal may occur. All investment performance can be affected by general economic conditions and the extent and timing of investor participation in both the equity and fixed income markets. Fees charged by LNWM will reduce the net performance of the investment portfolio.

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A benchmark is an unmanaged index, and its performance does not include any advisory fees, transaction costs or other charges that may be incurred in connection with your investments. Indices are statistical composites and are shown for informational purposes only. It is not possible to invest directly in an index. Indices are unmanaged and are not subject to management fees. Any benchmark whose return is shown for comparison purposes may include different holdings, a different number of holdings, and a different degree of investment in individual securities, industries or economic sectors than the investments and/or investment accounts to which it is compared. Comparisons of individual account or portfolio performance to an index or benchmark composed of indices are unreliable as indicators of future performance of an actual account or portfolio. Actual performance presented represents past performance net of investment management fees unless otherwise noted. Other fees, such as custodial fees or transaction related fees may not be reflected in the actual performance results shown.

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