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## **TD Ameritrade Institutional Expands RIA Access to Environmental, Social and Governance Investing**

*RIAs now can access socially responsible investing strategies through Model Market Center™*

**JERSEY CITY, N.J., May 16, 2018** – With growing numbers of Americans looking to invest in companies that express their environmental, social and governance (ESG) values, [TD Ameritrade Institutional](#)<sup>1</sup> is making more of these investment choices available to independent registered investment advisors (RIAs) for their clients.

Demand for ESG investment options – also known as impact, green or sustainable investing -- is on the rise as more investors look to avoid or support industries that align with their values.

Total U.S. assets in socially responsible investments grew by a third to \$8.72 trillion between 2014 and 2016, according to the most recent report by the US SIF Foundation<sup>2</sup>, roughly one-fifth of the \$40.3 trillion in total U.S. assets under management.<sup>3</sup> Meanwhile, one in three RIAs have seen increasing client interest in socially responsible investing over the past year, according to a recent TD Ameritrade Institutional client survey<sup>4</sup>.

“Socially responsible investing is increasingly important to some investors, so we want to equip advisors with tools that can help clients express their values through their portfolios,” said Dani Fava, director of product strategy & development at TD Ameritrade Institutional. “Building socially responsible strategies can be challenging, requiring time and expertise, so we’re working to make it easier for advisors to provide them.”

RIAs that custody assets with TD Ameritrade Institutional now have three ways to help provide socially responsible investments to their clients.

Through the Model Market Center platform, RIAs can access investment models that may meet their criteria for ESG, controversial business involvement or carbon footprint. With a few clicks, advisors can invest a client’s assets in a way that they feel meets sustainable standards and the client’s overall risk tolerance. These models are currently available to advisors at no additional fee and with no investment minimum for assets held at TD Ameritrade Institutional.

Advisors on the Veo® brokerage platform also can apply a screening tool to identify 559 mutual funds that have identified themselves as socially responsible and are open to new investors, including 234 funds that can be traded commission-free.

Likewise, advisors who use TD Ameritrade’s ETF Market Center can use screening tools to find and access 63 ETFs identifying themselves as socially responsible, including eight commission-free offerings.

## NextGen Appeal

Socially responsible investing may appeal to all ages, and to millennials in particular. According to Spectrem Group<sup>5</sup>, more than half of millennials say they make investing decisions based on SRI factors, compared with more than 40 percent of Gen X and baby boomer investors.

“Millennials are looking around and not liking what they see. They are telling us that they want their values expressed in their investment portfolios,” said R. Thomas Manning Jr., CFA, chief executive and president of F.L. Putnam, a Boston-area RIA with 60 percent of its \$1.7 billion invested using ESG criteria.

Manning notes that investors do not have to sacrifice performance when pursuing a sustainable approach. In fact, ESG factors can help investors measure risks that are not always found in a company's financial statements.

“There's this myth that sustainable investing means giving up returns, but after 35 years of using an ESG-based approach, we know that is simply not true,” Manning said.

“There's a real appetite for socially responsible investing among new and existing clients, and yet many firms don't offer this as an area of expertise,” said J.D. Bruce, president of Abacus Wealth Partners in Santa Monica, Calif., which oversees about \$2 billion in assets. “We've been incorporating social factors into our client's investments for decades, and since 2009 we've included environmental screening in virtually all of our portfolios.”

Launched in October 2017, Model Market Center allows advisors to tap the brain power of money managers from their desktops, potentially reducing time spent building investment models from scratch and develop in-house expertise. Advisors subscribe to investment models and can then leverage the TD Ameritrade iRebal on Veo portfolio-management technology to incorporate the models into their client's portfolios.

## To Learn More

To learn more, TD Ameritrade Institutional clients can contact their relationship manager. Other advisors are invited to call (800) 934-6124.

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Model Market Center is an offering of TD Ameritrade, Inc. Registered Investment Advisor (RIA) that leverages iRebal<sup>®</sup> on Veo<sup>®</sup> technology to provide independent RIAs access to model portfolios provided by third-party asset managers. iRebal products and services are property of ThinkTech, Inc., an affiliate of TD Ameritrade, Inc.

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ETFs purchased commission-free that are available on the TD Ameritrade ETF Market Center are available generally without commissions when placed online in a TD Ameritrade account. Other fees may apply for trade orders placed through a broker or by automated phone. TD Ameritrade receives remuneration from ETFs and mutual funds and/or their managers that participate in the MMC for administrative and/or other services.

- 1 TD Ameritrade Institutional is a division of TD Ameritrade, Inc., a brokerage subsidiary of TD Ameritrade Holding Corporation.
- 2 The Forum for Sustainable and Responsible Investment, *Report on US Sustainable, Responsible and Impact Investing Trends*, November 2016
- 3 Cerulli Associates, the Cerulli Report, *U.S. Advisor Metrics*, 2017
- 4 TD Ameritrade Institutional, email survey of 85 RIA clients, administered by Medallia, March 19 - April 26, 2018.
- 5 Spectrem Group, *Socially Responsible Investing*, 2016.

#### **About TD Ameritrade Institutional**

[TD Ameritrade Institutional](#) is a leading provider of comprehensive brokerage and custody services to more than 6,000 fee-based, independent RIAs and their clients. Our advanced technology platform, coupled with personal support from our dedicated service teams, allows investment advisors to run their practices more efficiently and effectively while optimizing time with clients. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., a brokerage subsidiary of TD Ameritrade Holding Corporation.

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