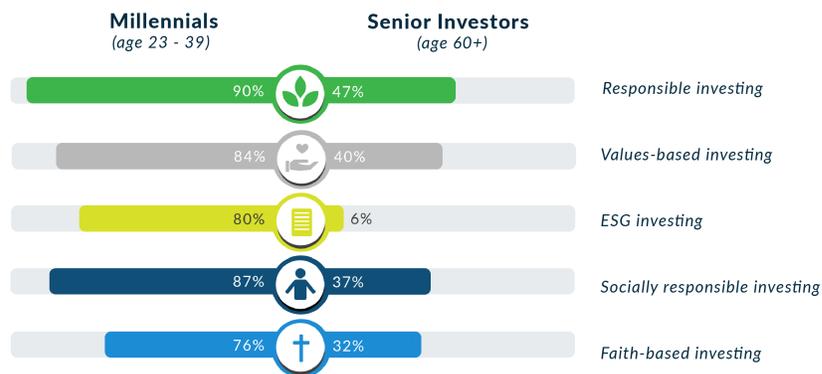


Survey Concludes That Only 6% of Affluent Senior Investors are Familiar with ESG Investing

Crossmark Global Investments Survey Identifies a Potential \$33.8 Trillion Opportunity for Values-Based Investing

HOUSTON, Oct. 17, 2018 /PRNewswire/ -- Terms like ESG, values-based, and responsible investing are increasing in conversation and so is misunderstanding as to what these strategies actually mean. Crossmark Global Investments ("Crossmark"), a leading provider of responsible investment solutions with \$5.2 billion in assets under management, conducted a nation-wide survey¹ of high net worth investors to get to the core of this question – how much do investors know about these various types of values-based investing approaches?

The survey found a strong correlation between age and familiarity with terms such as values-based, responsible, ESG, socially responsible, and faith-based investing. Specifically, only 40% of senior investors² are familiar with values-based investing, compared to 84% of millennials³, and only 6% of senior investors are familiar with ESG investing vs. 80% of millennials.



Concurrently, the survey found that as investors increase in age, their financial advisors are speaking to them less about these various forms of investing. Only 25% of senior investors' advisors are having conversations about options for portfolio construction around values-based investing versus 85% of millennial investors' advisors.

The survey also found that there is a significant drop in values-based investing decisions made by older investors. Among millennials, 47% currently invest in values-based strategies, and 26% in ESG strategies, versus seniors where only 14% have values-based investments and 0% reported having ESG investments.

Consequently the senior demographic still holds a large amount of investible assets that has been mostly untapped in the values-based segment. The Deloitte Center for Financial Services⁴ expects U.S. investible financial assets to increase to \$64 trillion by 2030. If senior investors continue to make up an estimated 53% of total investible assets, they will have an estimated \$33.8 trillion in investible assets. That translates to a \$33.8 trillion market opportunity that is potentially being overlooked for different types of investing.



"We were surprised to find such a knowledge divide with values-based investing, considering the level of interest there is with the Millennial age group and the variety of options available to investors," says Art Smith, Managing Director of Distribution and Marketing at Crossmark. "The impetus for the survey was a fundamental curiosity to more deeply understand how investors view values-based investing so we can help advisors to better educate their clients and provide more offerings. It's clear that there is still plenty of room for education around the strategy, which will result in growth based on current reported levels of investments from investors of all ages."

The survey showed that despite the emergence of robo-advisors, financial advisors still play a prominent role in influencing investment decisions of investors across demographics, including age and investible assets. 66% of all respondents currently use a financial advisor and 64% of investors with over \$1 million in investible assets say an advisor is most in charge of assessing what's in their portfolio versus 53% for the \$500-\$999k range and 61% for the \$250-\$499k range.

The survey found that 88% of millennials want to talk about values-based investing with their advisors and ask their individual advisor about his/her values. In the next few decades, these same individuals will enter the 60+ demographic and presumably still care about values and values-based investing. Advisors have an opportunity to help educate the current generation of seniors on values-based investing, and simultaneously prepare for the future generations that will demand values-based investing options.

To learn more about Crossmark, visit the firm's website, crossmarkglobal.com, or [LinkedIn page](#).

About Crossmark Global Investments: Crossmark Global Investments is an innovative investment management firm. The firm provides a full suite of investment management **solutions** to institutional investors, financial advisors and the clients they serve. Crossmark has a multi-decade legacy of specializing in values-based investing strategies for clients. Founded in 1987, the firm is headquartered in Houston, Texas and manages approximately \$5.2 billion in AUM. Additionally, Crossmark is the exclusive manager of the Crossmark Steward Funds, which is a fund family that applies an overarching values-based screening methodology to its suite of equity and fixed income funds.

The Crossmark Steward Funds are offered by Crossmark Distributors, Inc., member FINRA/SIPC. Crossmark Distributors is an affiliate of Crossmark Global Investments, the Steward Funds' investment adviser. Crossmark Global Investments is an investment adviser registered with the Securities and Exchange Commission that provides discretionary investment management services to mutual funds, institutions, and individual clients.

Before investing in a mutual fund, you should read the fund's prospectus carefully and consider the fund's investment objectives, risks, charges and expenses. The prospectus contains this and other information about the fund. A copy of the Steward Funds' prospectus may be obtained free of charge by calling Crossmark Distributors at 800-262-6631.

¹ The survey polled 488 high net worth investors with investible assets of \$250,000-\$5 million.

² Senior investor is defined as age 60+.



³ Millennial investor is defined as age 23-39.

⁴ *The future of wealth in the United States*. Deloitte Center for Financial Services, 2015

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