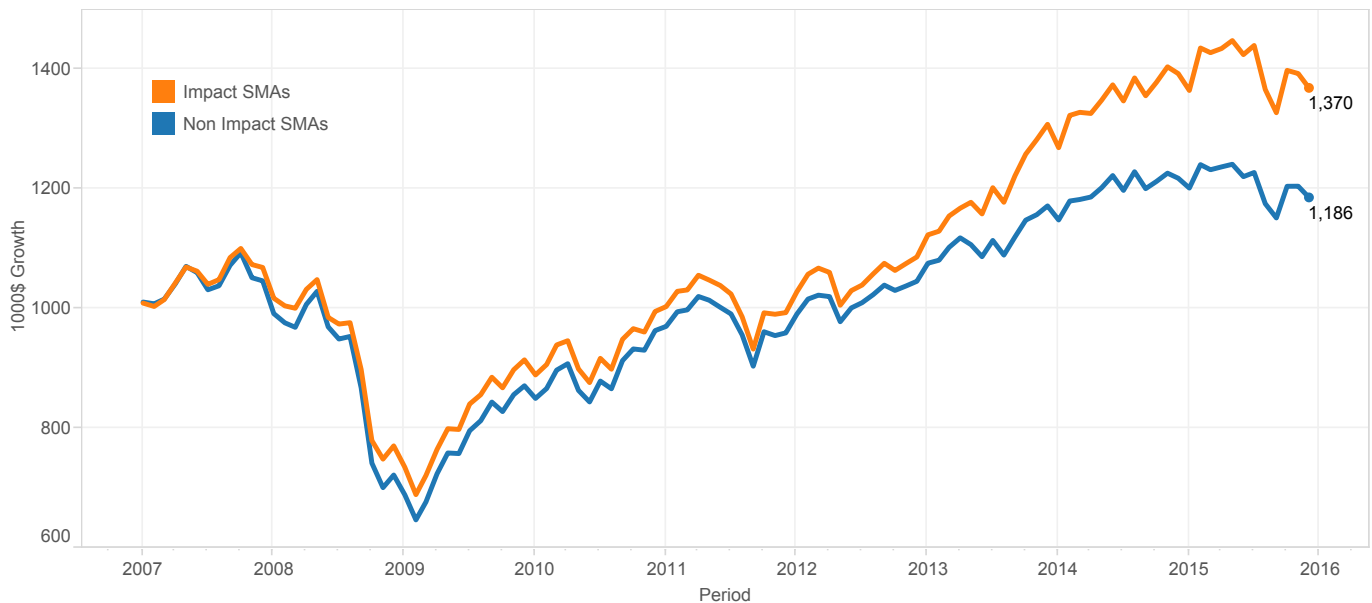


Doing Well and Doing Good Are Not Mutually Exclusive

Hypothetical Growth of \$1,000 in Impact and Non-Impact SMAs (Jan 2007 to Dec 2015)



Our previous Envestat revealed that while demand for impact investing is growing, it remains just a small percentage of Envestnet's overall SMA accounts. One reason for this shortfall may be the concern that there is a tradeoff in performance when choosing impact investments. However, our Envestat data revealed that this is more perception than reality.

As shown above, when we looked at impact SMAs on our platform, they outperformed their non-impact counterparts by 15.45% over a complete market cycle. This translates to 1.61% on an annualized basis.

While the view among some investors is that impact investing sacrifices financial return, our research shows that doing well and doing good are not mutually exclusive. In fact, impact investment performance has been even stronger than returns experienced by non-impact SMAs.

ENVESTAT

About Envestat

Envestat, Envestnet's industry analytics engine, delivers regular digests of business intelligence designed to provide context to the decisions that financial advisors and enterprise business owners face every day.

While the regular digests provide insights that revolve around a quarterly theme, our quarter-end *INTERSECTION* connects these insights to highlight the significance of the quarterly theme and its impact on advisory practices.

Quarterly Theme

An ongoing topic of discussion among investment advisors centers on how they can create value for clients, given the rise of robo-advisors.

Envestat this quarter will explore how successful advisors on Envestnet's platform add value and attempt to quantify these pillars of advisor created value.

Published Envestats :

Issue No:	Date	Topic
1	January 26, 2016	Market Highs and Lows: An Opportune Time to Rebalance Accounts that were rebalanced at least once during the bear market (2007-2009) outperformed those that were not across different product types.
2	February 9, 2016	Rep-as-PM Advisors Have More Control and Flexibility, But Are They Using It to Their Clients' Advantage? Only one in five financial advisors managing portfolio models on their own are actively engaged in making changes to those models.
3	February 23, 2016	Opportunity Lost? The Cost of Not Being Actively Engaged Advisors who made at least one model adjustment during the 2007-2015 time period outperformed those advisors who made no changes – to the tune of 46 bps.
4	March 08, 2016	Impact Investing: Poised for Growth: SMA portfolios are the preferred impact investing vehicle on our platform.

Register on www.envestnetinstitute.com or visit www.envestnet.com/envestat to view published Envestats.

About Envestnet

Envestnet, Inc. (NYSE: ENV) is a leading provider of unified wealth management technology and services to investment advisors. Our open architecture platforms unify and fortify the wealth management process, delivering unparalleled flexibility, accuracy, performance, and value. Envestnet solutions enable the transformation of wealth management into a transparent, independent, objective, and fully aligned standard of care, and empower advisors to deliver better outcomes.

For more information on Envestnet, please visit www.envestnet.com and follow [@ENVintel](https://twitter.com/ENVintel).

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