

COMPANY PROFILE

Aperio (now part of BlackRock) partners with wealth advisors to build and manage personalized public equity portfolios that may reflect their clients' unique tax, risk, and values preferences.

Taxes

Seeks to deliver improved after-tax returns through tax-loss harvesting

Factors

Seeks to replicate active strategies that are optimized for taxable investors

Values

Seeks to reflect each client's social, environmental, and governance values

Our Purpose

Our name, *Aperio*, embodies our guiding purpose—to provide clarity and reveal the truth so advisors can make more-informed decisions for their clients. We take active responsibility for our investors' interests and are committed to building relationships based on transparency and truth.

Our Investment Philosophy

What Matters

Taxes

Fees

Risk

Values

We believe our clients are best served with **customized, tax-efficient, low-fee** portfolios that reflect their clients' unique **risk profiles** and **values**.

Our Clients

Aperio empowers investment advisors to serve ultra-high-net-worth (UHNW) investors and family offices that demand institutional-quality expertise and a personal touch. These clients' portfolios typically include a broad range of taxable assets that require complex after-tax analysis. Aperio specializes in helping advisors anticipate the attendant challenges and opportunities to best serve clients of such sophistication. Although our focus is on advisors of taxable clients, we also provide investment solutions for tax-exempt institutions such as endowments and foundations.

Why Aperio?



A Solutions-Focused Approach

Our collaboration starts with a conversation. We do not push products. Instead, we ask questions and listen carefully to help advisors clarify each client's priorities so we can build an optimal investment solution. We are clear about what we can and cannot do.



Applied Research

We understand the intersection of tax economics, ESG data, risk models, portfolio construction, trading, and client behavior. Our team of experts offers insights from multiple perspectives so advisors can see the trade-offs of various scenarios.



Flexible Portfolio Construction

We have built the capability for almost unlimited customization through our smart investment "factory," which can efficiently design portfolios in separately managed accounts to each investor's exact specifications.



Personalized Client Service

We recognize the importance of delivering timely and thoughtful answers to complex client questions and requests. Our goal is to empower advisors with knowledge, insights, and service to strengthen and grow their client relationships.

Applied Insights

As a research-driven investment firm, Aperio considers original research a priority. Our research team is continually deepening our knowledge through rigorous quantitative studies that bring new insights to the firm, our advisors, and their clients. We apply these insights to help our advisors answer complex client questions and fine-tune or develop new solutions.

Solutions

Active Tax Management

Taxes are a constant—they can persistently erode returns if not managed. Any advisor to taxable investors who ignores this effect is willing to accept potentially lower wealth for their clients. Aperio's strategies for separately managed accounts (SMAs) are designed to generate predictable tax alpha by integrating tax-loss harvesting (TLH) strategies with equity index-tracking portfolios.

Aperio constructs portfolios in SMAs composed of individual stocks that track a target benchmark. We continuously monitor and rebalance portfolios to recognize tax losses from securities that have declined. Realized tax losses can then offset taxable capital gains generated by other assets.

More than half of our accounts start with legacy portfolios. Liquidating these portfolios spread over multiple accounts can often trigger unnecessary taxable events. Aperio can analyze and map out transition strategies to help minimize the tax impact. We can also provide an analysis to maximize the potential tax benefits of donating securities.

[Learn More >](#)

Factor Tilts

Sophisticated investors no longer have to choose between passive and active strategies. For those who want more control over their risk exposure, Aperio's Factor Tilts solutions replicate and create alpha-seeking strategies in SMAs to provide the cost savings of indexing combined with tax efficiency.

We construct a portfolio reflecting each client's preferred trade-off between factor alpha and tax alpha. Clients can select from Aperio's standard factor strategies or design custom factor tilts.

Beta-1 Strategies

Seek to outperform a benchmark by tilting toward factors with a moderate increase in tracking error (versus non-factor strategies).

- Value Tilt
- Small Size + Value Tilt
- Value + Momentum Tilt
- Dividend Yield Tilt
- Multi-Factor

Lower-Risk Strategies

Seek to reduce total portfolio volatility while outperforming a benchmark on a risk-adjusted basis. The tracking error is higher here than in beta-1 strategies.

- Quality
- Quality Light
- Min Vol + Value

[Learn More >](#)

Values-Aligned Investing

Many investors interested in values-aligned investing find that one-size-fits-all portfolios do not begin to represent their individual value systems. As a pioneer in customized values-aligned investing, Aperio offers investors decades of environmental, social, and governance (ESG) research and portfolio construction expertise to translate a client's values into a customized portfolio.

Clients can select one or more of the following options:

PRECONFIGURED STRATEGIES

Choose a strategy building block.

TILTS

Tilt toward companies whose behavior aligns with client values.

EXCLUSIONS

Exclude companies with undesirable business activities.

ACTIVE OWNERSHIP

Engage in proxy voting and shareholder engagement.

[Learn More >](#)

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