

Transitioning to an Aperio Custom Portfolio

For more than 20 years, Aperio has been partnering with wealth management professionals to design tax-efficient, customized equity solutions for ultra-high-net-worth investors. We provide:

- Industry-renowned professionals in tax economics, factors, risk management, and ESG (environment, social, and governance) investing
- Institutional-grade, cost-efficient portfolios
- Dedicated regional service teams

Tax management

- Continuous tax-loss harvesting
- In-kind security funding
- Tax-efficient portfolio transition, charitable gifting, and withdrawals

Market exposure

- Concentrated-stock portfolio analysis
- US, international, and global strategies including blended benchmarks to achieve specific equity allocations
- Customized factor tilts

Values alignment

- Personal values-aligned strategies available via ESG scoring, tilts, exclusions, and active ownership

BENEFITS

OUR CONSULTING APPROACH



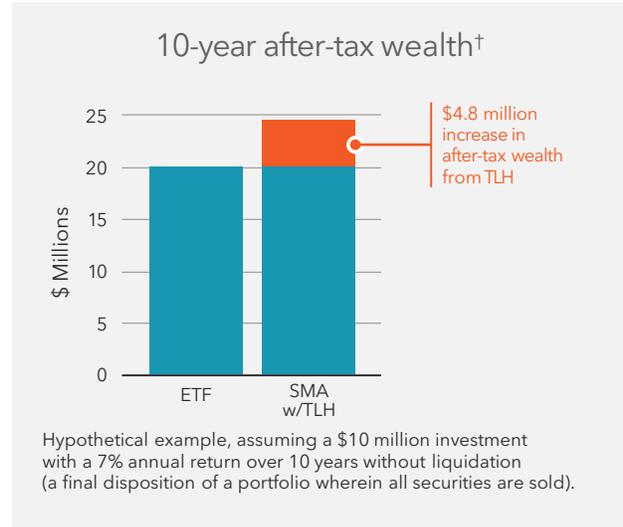


Aiming to add after-tax wealth

Aperio manages each client portfolio individually and rebalances all portfolios on a regular basis.

We use sophisticated techniques to *simultaneously* harvest losses and meet custom objectives while aiming for index-like pre-tax returns.

Based on our research[†], tax-loss harvesting (TLH) may provide additional after-tax wealth.



Tax optimization

Just as your navigation app seeks to minimize the amount of time it takes to go from point A to point B, our optimizer seeks to minimize the differences between a portfolio and its benchmark in terms of industries, countries, and style factor exposures.

Aperio’s after-tax optimizer allows our portfolio managers to realize a tax benefit for the portfolio by selling a basket of individual stocks with losses and buying back comparable stocks to maintain a post-trade portfolio similar to its benchmark.

Hypothetical example

In the example below, Aperio realized \$100K in losses that could be used to offset gains and reduce taxes while maintaining a portfolio that looked similar to its benchmark.



[†] See Aperio’s Research paper [“Indexed ETFs vs. Indexed Separately Managed Accounts”](#)

Individual results will vary based on account size, account age, and other account-specific items. The information contained within this presentation was carefully compiled from sources Aperio believes to be reliable, but we cannot guarantee accuracy. We provide this information with the understanding that we are not engaged in rendering legal, accounting, or tax services. In particular, none of the examples should be considered advice tailored to the needs of any specific investor. We recommend that all investors seek out the services of competent professionals in any of the aforementioned areas. With respect to the description of any investment strategies, simulations, or investment recommendations, we cannot provide any assurances that they will perform as expected and as described in our materials. Past performance is not indicative of future results. Every investment program has the potential for loss as well as gain. Copyright © 2020 Aperio Group, LLC.