

TOP FIVE TIPS: BECOMING A SOCIALLY RESPONSIBLE INVESTOR

01



Understand your options

Socially responsible investing (SRI) can be as simple as opening a bank account with a community development financial institution (CDFI), which lends money in communities that do not have access to traditional forms of financing. But there are also exchange-traded funds (ETFs), mutual funds, loan funds and private investments that meet SRI criteria. Through NAPFA's [Find an Advisor Search Engine](#), you can find a financial advisor to help you learn about the different options before diving in.



05

Develop an approach that works for you

Your first responsibility is your own financial well-being. Impact investing provides strong returns, but sometimes it's best to sell a particular investment if it's not meeting your expectations. Speak to a professional advisor to chart a course that helps you meet your long-term financial and social objectives.

Resources:

[NAPFA's Find an Advisor Search Engine](#)

[US SIF: The Forum for Sustainable and Responsible Investment](#)

[NAPFA Consumer Resources](#)

02



Determine which issues matter to you

Are you more interested in protecting the environment or promoting workplace diversity? Do you want to make a difference in your community or at the national level? Figure out what's most important to you and work with a financial advisor to find socially responsible investments that match up with your values.

03



Decide how you want to drive change

Not all socially responsible investments have the same impact. One mutual fund may screen only for environmental factors, but do so across entire industries. Another mutual fund may file shareholder resolutions to bring about change on environmental, social and corporate governance (ESG) issues, but only at a few companies at a time. Make sure your impact investments deliver the type of change you're hoping to see.

Measure performance



04

As with any investment, you should measure the performance of your portfolio when you engage in impact investing. With mutual funds and ETFs, you might compare the return you are getting with the return on an index that tracks a representative sample of socially responsible companies, such as the MSCI ESG Indexes or Calvert US Large Cap Growth Responsible Index.



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