

Robb Report

PRESENTS

# M U S E

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## PASSION *and* PURPOSE

MEANINGFUL  
PURSUITS  
IN TRAVEL,  
INVESTMENTS,  
AND MORE

— *Plus* —

FALL FASHION,  
DRIVING DREAM CARS,  
AND A WELLNESS  
REVOLUTION

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A SPECIAL EDITION OF  
ROBB REPORT





EDITOR'S LETTER

# MORE POWER TO YOU

**How can we pursue our individual** interests and personal pastimes—from traveling the world and exploring new culinary trends to fine-jewelry shopping and financial investing—in a most meaningful way?

Here at *Muse* we go in search of answers, as evidenced by the work of our editors and contributors in this issue (our second). Deputy editor Jackie Caradonio takes her appetite for travel to remote parts of Jordan for a rare cultural immersion with local women. Contributing writer and jewelry editor Annabel Davidson investigates which jewelry designers are using ethically sourced gems and gold and how that impacts mining communities and luxury shoppers. Sherry Paul, one of UBS's top-performing senior portfolio managers and private-wealth advisers, shares her thoughts on what it means to "assign our money a greater purpose."

These are only a few of this issue's motivating stories—words to inspire you as you ponder how your passions reinforce your principles and values. Whether you're into travel that fosters empathy, wines that support sustainable farming and land preservation, or money that makes a difference, more power to you: In shaping our own ethos, we feel more in control of our destiny, more empowered.

Sometimes we advance toward our goals in small steps, not with big donations or legislative wins (yes, we want and need those, too). But even little actions over time can build to a crescendo and have an impact beyond our immediate circle and, perhaps, beyond our wildest dreams. And, in the process, we can feel fulfilled.

Where do you find fulfillment? We hope you'll join the conversation. Read *Muse* not only here but at [musebyrobbreport.com](http://musebyrobbreport.com), where we continue to bring you eye-opening stories and videos on topics that matter today, and give us your feedback at [muse@robbreport.com](mailto:muse@robbreport.com). This conversation is, after all, our passion and purpose.

—JILL NEWMAN, EDITOR



BRIGITTE LACOMBE

**“You have to be a self-starter,  
a multi-tasker, and a diligent bitch.”**

# On the Scene

Jane Rosenthal is championing female producers to ensure that important stories are told.

By JILL NEWMAN

**T**O BE A SUCCESSFUL producer, according to Jane Rosenthal, “you have to be a self-starter, a multitasker, and a diligent bitch.” She should know. She’s been producing blockbuster films for more than 30 years, and now she’s using her influence to help more women follow in her footsteps. More women producers, she says, means that more diverse projects reflecting wider global interests will get made.

It’s not that women tell better stories than men, she says, but women producers are tackling some subjects that might not otherwise be confronted by their male counterparts. “I don’t like saying that women tell more sensitive stories than men; I don’t even like saying that women by nature are more nurturing,” says Rosenthal. “It’s about being a humanist and telling compelling and universal stories. It’s about making global audiences laugh, or cry, or find common ground.”

Rosenthal is cofounder, CEO, and executive chair of Tribeca Enterprises, the media company that includes Tribeca Studios and the Tribeca Film Festival—and whose full-time staff is 80-percent women. Rosenthal also cofounded Tribeca Productions with Robert De Niro. And at this year’s Tribeca Film Festival, 46 percent of the films were directed by women. “Women are changing the face of content and the face of what stories are being told,” she says. The opportunities for women to produce, direct, and distribute innovative and nontraditional content are growing—a marked contrast to Rosenthal’s early days in the entertainment industry when for many years she found herself the only woman in most meetings.

Through her own projects, from *Meet the Parents* and *The Wizard of Lies* to the new Quincy Jones documentary *Quincy* and the upcoming Martin Scorsese film *The Irishman*, Rosenthal aims to

bring individual stories to life in a way that promotes understanding and awareness. Her latest project, Ava DuVernay’s *Central Park Five*, a Netflix limited series for 2019 about the five teenagers who were wrongly convicted and incarcerated for the 1989 rape of a Central Park jogger, deals with inequities in the justice system. “It’s the individual stories of these five men,” she says, “that will change hearts and change perspectives.”

In an industry that captures the important narratives of our time and has the ability to sway opinion and motivate change, it’s critical that women take a leading role—and Rosenthal’s leadership began long before the #MeToo movement. She has helped develop numerous mentorship programs through the Tribeca Film Institute, including *Through Her Lens*, which nurtures female voices with funding, project support, and guidance for up-and-coming U.S.-based female writers and directors. Her Tribeca Studios is also joining Procter & Gamble and other companies to support women directors through Queen Latifah’s the Queen Collective.

Ultimately, it’s about making more voices heard. “I personally like to do things through comedy,” says Rosenthal of her own voice. “If the storytelling is interesting, if it’s entertaining and hits an emotional chord and universal themes, then you have a powerful tool for change.”

**Jane’s Lens  
Bringing  
stories to life  
in a way that  
promotes  
awareness and  
understanding.**



*Meet the Parents*, 2000



*The Wizard of Lies*, 2017



*Quincy*, 2018



# PASSION *and* PURPOSE

IT IS THE ERA of the conscientious consumer. The decisions we make every day, big and small, have the power to effect change. Using the internet and social media as tools and watchdogs, we can more easily evaluate businesses and opportunities before we make purchases or take action: Is the company socially and environmentally responsible? Does it support issues that matter to me? Does it advocate for a cause I care about? Here at *Muse*, we consider such questions well worth contemplating, and we hope the women and the enterprises on the following pages inspire you to pursue your passions in a purposeful way.

PASSION *and* PURPOSE

# *Winds of Change*



A WOMEN-ONLY EXPEDITION TO JORDAN OFFERS A RARE GLIMPSE





OF THE FORCES AT WORK IN THE MODERN MIDDLE EAST.

Text and photography by JACKIE CARADONIO



# *At first, she was only eyes.*

Um Mohammad waited for me in the blackness of her open window, the edges of her burka imperceptible against the shadowy backdrop. Outside, among the sweeping sands and crude buildings built from naked concrete and rammed earth, the high desert sun was blinding; its rays bore down on my head and bounced off every surface, radiating heat in all directions. Inside that small window where Um Mohammad stood, however, there was nothing but cool darkness—and those penetrating eyes.

But then, she was standing at the doorway, her body angled in such a way that welcomed me inside without word or gesture. The tiny creases that feathered out from the corners of her eyes deepened, and though I couldn't see her mouth, I thought she might be smiling.

I stepped into the narrow entrance and followed her past the courtyard into the living room, where her gown formed a stark silhouette in front of a brilliant palette of colors and patterns: orange flowers stenciled on pink wallpaper; handwoven

rugs covered with red, green, and yellow triangles; and glittering gold curtains draped across the windows. My eyes finally adjusted to the dim light, and I could at last see Um Mohammad. I could see her eyelashes; every time she blinked, they folded over the top of the niqab that stretched across the bridge of her nose. And her hands—small yet sturdy and rough—were framed by ornate sleeves, not the unmitigated black I had initially perceived, but laced around the edges and dotted with tiny pearls. This was clearly a woman who appreciated beauty. She pulled out her henna kit and signaled me to sit.

In this vast swath of Jordan's Wadi Rum desert, only a few dozen miles from the Saudi Arabia border, it is rare that a Bedouin woman like Um Mohammad would cross paths with an American tourist like myself. This place of thousand-year-old traditions and strict cultural mores dictates that women mostly remain secreted away from the modern world. But we had come together through an unusual network, connected by Intrepid Travel, an Australia-based outfitter that this year launched a series of women-only expeditions to the Middle East. With its female-guided trips throughout Iran, Morocco, and Jordan, the company is taking travelers into the lives of local women at a time when cultural divisions seem more magnified than ever. In an era of burka bans, immigration crises, and growing nationalist sentiment, it's an opportunity to experience the reality of these oft-misunderstood cultures.







**DESERT BEAUTY**  
Um Mohammad sits on the floor of her ornately decorated home in the Wadi Rum desert. *Opposite:* Applying henna over sips of hot tea.



**HIGH CAMP**

Traditional Bedouin tents at the Wadi Rum Luxury Camp. *Opposite:* A weaver from the Bani Hamida Women's Weaving Project.





"Genuine interaction in these countries is so limited," says Jenny Gray, Intrepid Travel's Middle East and Africa expert. "So we decided to create trips that would allow our female travelers to really go behind closed doors for a deeper understanding of Middle Eastern female culture. We're creating connections, building empathy, and breeding tolerance. We need more of that in the world right now."

It was through these deep connections that I had met Abdullah, Um Mohammad's cousin, earlier that morning. After a long drive from Amman to the edge of the Wadi Rum Protected Area, my guide Nuwar and I had transferred from our chauffeured BMW to Abdullah's dusty, aging Suburban. He was a giant of a man, brawny and mustachioed and dressed in a long white *thobe* and prayer cap, but he had an easy smile and a casual countenance, and by way of introduction, he simply said, "Abdullah," and motioned toward the SUV. We climbed in and off we went, kicking up a cloud of red dust behind us as we followed a small convoy of tourist-packed trucks. Rather than keep on the beaten path toward camel rides, dune drives, and Lawrence of Arabia tours, however, Abdullah turned into the quiet Bedouin village where Um Mohammad awaited.

"She was not born with the name Um Mohammad," Abdullah said, reclining like Bacchus on the cushions lining the living room floor, watching as Um Mohammad applied tiny henna flowers and dots to the backs of my hands. "It is Bedouin tradition for a woman to change her name after her firstborn son. Her name means 'mother of Mohammad.'"

Hearing her name repeated in a language she did not understand, Um Mohammad looked up at me. I smiled, and this time the creases around her eyes grew so deep, I knew she was smiling back. Without looking away she said something in Arabic to Abdullah.

"She's going to give you Bedouin eyes," he translated, as she pulled out a thick pencil of kohl. After slowly lining my eyes, she handed me a mirror, watching me steadily while I assessed her work. The lines were heavy—too dark and broad to be considered fashionable back home—but they served a purpose in this desert landscape: to thwart those blinding sunrays outside. I put the mirror down and once again caught Um Mohammad's own darkly lined eyes, and it occurred to me that there might be more to kohl than sun protection; perhaps, it was a chance to adorn the one part of her face that the world was allowed to see.

It was early evening when we finally rode off into the desert, and as Abdullah's whale of a car

bounced from dune to dune, the shadows of the giant sandstone mountains around us grew longer and longer, creating pools of darkness amid the expanses of golden light. By the time we arrived at the Wadi Rum Luxury Camp—a collection of traditional Bedouin-style tents and otherworldly bubble-shaped abodes, each of which surprisingly came with its own bathroom—questions were swimming through my head.

"What would Um Mohammad's name be if she only had daughters?" I asked Nuwar over a dinner of barbecued lamb and vegetables. "Why do her daughters dress in Western clothes? Will they one day wear burkas, too?"

Nuwar had become accustomed to my nightly inquisitions. In the days we'd been traveling together, my guide had patiently answered a barrage of questions about everything from burkinis to the Israeli-Palestinian conflict. We'd had deep conversations about life and relationships, parents and husbands. We'd talked history, religion, politics, and sports. And, eventually, her questions to me had become as pointed as mine

to her. "Why don't Americans travel to Saudi Arabia?" she asked over coffee one afternoon. "Why are they scared of such a beautiful country?" I didn't have an answer to that one. Nor did I have an answer when, in the news the next morning, we learned about Denmark's nationwide ban on burkas. "Why do they care what women wear?" Nuwar asked. "Why do they care?" I echoed. I felt as if we'd become partners in crime, challenging every country's status quo, including our own.

Of course, Jordan's status quo isn't so clear-cut. The predominantly Muslim nation—which has for decades been a U.S. ally, not to mention a rare bastion of stability in the Middle East—has a proudly progressive side, too, thanks in large part to the female-forward policies of Queen Rania Al-Abdullah, who has developed national organizations to empower and educate women throughout the country. Touring the capital city of Amman with Nuwar, that modern outlook was easy to spot: in the shop that specializes in books that are censored throughout the Muslim world, from *Pride and Prejudice* to the expanded edition of Steve Harvey's

*"We're creating connections and breeding tolerance. We need more of that in the world."*

—JENNY GRAY, Intrepid Travel





*Act Like a Lady; Think Like a Man*; in the boutique devoted to chic handicrafts made by women who became the first females in their families to gain financial independence; and at Beit Sitti, a cooking school developed by three sisters to help Jordanian women make lucrative careers out of their natural-born talents in the kitchen.

Elsewhere in the country, however, it was hidden from plain sight. At a Dead Sea beach club one Saturday afternoon, dozens of women gathered in brightly colored bikinis, heads uncovered, bodies golden from the sun—and obscured behind a thick modesty curtain that blocked the views out and, more importantly, the views in. As Nuwar peeled back the curtain to show me the lively pool scene, I found myself frustrated. “Why are they forced to hide?”

But Nuwar was quick to correct my assumption. “They are the ones who don’t want to be seen by men—it’s not the other way around. It is their choice.”

A few days later I stood in the cool shade of a cypress tree on the edge of a cliff, looking out over a valley of rippled beige earth, a few miles south of the Jordan River. “There’s the place where John the Baptist was executed,” Nuwar said, shielding her eyes from the sun and pointing to a distant mountaintop speckled with Roman ruins. But we were not sightseeing in this miserable heat; we were waiting, with sweat gathering in the smalls of our backs and the bends of our elbows, for Halima,

a woman whom I had heard was something of a renegade in these parts.

She at last arrived in a way that, not long ago, would have caused a scene in the village of Mukawir: behind the wheel of a car. Dressed all in black, her hijab tightly framing her round face, she drove the small sedan right to the end of the dirt road where Nuwar and I waited. She swung open her door and, purse in hand, marched toward the Bani Hamida center just beyond.

“I was the first woman to drive here,” Halima said, walking swiftly through the center, the two of us trailing on her heels. “It was seen by the community as disrespectful at first.” But, apparently, they got used to it.

Then again, Halima already had a reputation around these parts. The manager of the Bani Hamida Women’s Weaving Project was never what you’d call obedient. As a young woman, she refused to marry a man who wouldn’t allow her to work, and she couldn’t stand to watch other women give away their earning power solely because they were married. So she recruited them to work for her at the weaving center. At first, it was a means to mobilize women while reviving an ancient Bedouin craft; eventually, it became an international business.

“IKEA is selling these,” she said, running her hand down a towering pile of black-and-white tasseled textiles. “We have women all over weaving them—in their yards, in their living rooms, in between looking after their children.”

In these ancient hills, a woman doesn’t drive a car or put herself through college or conduct business with a Swedish corporation without becoming something of a legend. As Halima marched around the center, inspecting rugs and calling out directives to her team, it was clear that she relished the role of modern woman. And later, in her dining room, over heaping plates of *mansaf*, she regaled me with the stories behind that hard-earned role—her early days as a humble wool washer, her trip to Santa Fe to sell textiles to rich Americans, and her struggle to raise sons who had trouble understanding why their mother was so different.

“Once, I was out with my oldest son, and the wind blew my scarf from my head,” Halima recalled. “He said, ‘Cover yourself!’ He wanted to be the man, but I wouldn’t allow it. I said, ‘I will not cover my head!’ It was embarrassing for him, but he had to learn.”

I laughed, picturing this small, stout woman challenging a strapping young man in public. But then, she caught my eye and suddenly her smile was gone. “Things are changing,” she said. “Things have changed.” ■

**Intrepid Travel, [intrepidtravel.com](http://intrepidtravel.com)**



**A WOMAN'S PLACE**

Jumaih, a shepherd in Wadi Musa, herds her goats. *Opposite:* At the Bani Hamida Women's Weaving Project, a stack of rugs bound for IKEA shops around the world.

*In these ancient hills, a woman doesn't drive a car or put herself through college without becoming something of a legend.*







**PASSION *and* PURPOSE**

**IT'S TIME TO ASK ABOUT  
THE INGREDIENTS IN YOUR  
FINEST ACCESSORIES.**

**By ANNABEL DAVIDSON**

**Photography by YUKI SAITO**

**Styling by CHARLES W. BUMGARDNER**





# *Jewelry with a Conscience*

From **Chopard's** ([chopard.com](http://chopard.com)) Green Carpet Collection: A 34.63-carat Paraiba tourmaline responsibly sourced from a mine in the Mavuco-Chalaua region of Mozambique; necklace with 43.34 carats of heart-shaped diamonds and earrings with 8.21 carats of diamonds, sourced from an RJC-certified diamond supplier and set in 18-karat Fairmined gold.





## Are your eggs organic? Are those bananas fair trade? Now what about those opals in your earrings?

There was a time when we seldom questioned the origin of what we ate or considered whether the vegetables we consumed were seasonal, locally grown, or helping at-risk communities. Today, we're vastly more educated about food. But can we say the same about the diamonds on our fingers, the gold on our wrists?

With annual global jewelry sales expected to reach \$292 billion by 2020, isn't it time jewelry came with a breakdown of its "ingredients"?

As consumers, we have every right—if not a responsibility—to know the origins of the jewelry we're buying, but not everyone knows what to ask. Now, an increasing number of jewelry companies are answering those questions for us—putting their ingredients on the label, so to speak.





**Fernando Jorge**  
(fernandojorge.co.uk) tagua-seed necklace and rings set with diamonds in 18-karat gold.

At the forefront is Chopard. The Swiss jewelry and watch company announced in March that by July of this year it would be using 100-percent ethical gold in all of its jewelry and watches. For Chopard this means “gold acquired from responsible sources, verified as having met international best-practice environmental and social standards,” according to the brand’s website, and includes artisanally mined

gold monitored by Fairmined and Fairtrade schemes and gold from refineries certified by the Responsible Jewellery Council.

Ethical gold is an incredibly complex issue, monitored by a whole raft of organizations and one that looks not just at the environmental impact of mining, but also at safe and healthy working conditions, fair pay, and supporting vulnerable



**Ana Khouri** (anakhouri.com)  
Coco earrings made with Mozambique emeralds from Gemfields, a leading supplier of responsibly sourced gemstones, and Teresa earrings made with responsibly sourced tanzanite. Both pieces are set in 18-karat Fairmined gold and diamonds.



communities. Chopard is the first big player to make such a major commitment.

In addition to Chopard, a number of independent jewelers, such as the New York-based Brazilian designer and sculptor Ana Khouri, have committed to using only ethically sourced materials.

"We have been using Fairmined 18-karat gold for approximately five years now," says Khouri, whose sculptural earrings also incorporate traceable gemstones like lavender-blue tanzanite and emeralds from Zambia. "Working with ethically sourced Fairtrade gold in our jewelry allows us to help and promote responsible mining practices. Being part of the Fairmined Initiative, a global enterprise created by the Alliance for Responsible Mining, is something that I am very proud of, as I feel there is an exchange of ideas;

we report our fair-trade purchases and discuss ethics in environmental practices."

The ethically minded, Berlin-based jeweler Lilian von Trapp takes a different tack, using only recycled gold and vintage diamonds in her designs. "There is already enough gold in the world; we don't have to mine any more of it," she says. Von Trapp is so passionate about the negative effects of gold mining that she works with the

Earthbeat Foundation, which aims to educate mining communities about alternative sources of income. She recently launched a limited-edition recycled-gold necklace to support a Ugandan gold mining community in decontaminating their land by planting toxin-absorbing vetiver grass—a crop, like fair-trade coffee, that can then be sold.

Pippa Small, who originally trained



“THERE IS ALREADY ENOUGH  
GOLD IN THE WORLD;  
WE DON'T HAVE TO MINE  
ANY MORE OF IT.”

—LILIAN VON TRAPP



as a social anthropologist, has been selling her ethically conscious jewelry for more than 20 years. This year marks a decade of the London-based designer's collaboration with Turquoise Mountain, an organization founded in 2006 by the Prince of Wales to promote and conserve traditional crafts in Afghanistan and Myanmar. Small's involvement with the project means there are now 11 independent jewelry businesses in Afghanistan employing 68 artisans, and another 150 artisans in Myanmar. Next, Small and Turquoise Mountain will travel to Jordan to work with Syrian refugees, among whom are many artisans with knowledge of traditional Syrian goldsmithing and jewelry design that are at risk of dying out.

Little wonder that Small received an MBE (Member of the Order of the British





Empire) for her ethical jewelry production and philanthropic work. It doesn't hurt, either, that her designs have a luxuriously rustic charm adored by legions of well-heeled fans. Take, for example, a necklace of gold and lapis lazuli from the 10th-anniversary Turquoise Mountain collection—a multilayered, chain-link concoction of deep blue teardrop- and cabochon-cut lapis stones suspended from cones of yellow gold.

Award-winning jewelry designer Fernando Jorge uses his native Brazil's tagua seed, or vegetable ivory—a beautiful and sustainable alternative to mammalian ivory derived from the seed of tagua palms. Passionate about his country's resources,

Jorge uses the material in combination with diamonds and gold, making the case for fine jewelry taking many forms—not just the traditional ones.

Ultimately, whatever jewelry you buy, whether it's in the form of the most traditional gemstones like emerald or ruby, or something less obvious like tsavorite or even vegetable ivory, you have a right to know where it comes from.

The London-based mining company Gemfields, the world's largest supplier of colored gemstones, says it's important for the buyer to ask the right questions about the jewelry she's investing in. "The main question for a consumer to ask is where the individual elements of the jewelry have

come from," says Gemfields' sustainability, policy, and risk director Jack Cunningham. "For particular stones of interest, the jeweler may be able to tell you the country of origin. You can also ask what certification the jewelry comes with, to prove the origin. Since some countries have less transparent or ethical approaches for the production and trading of gemstones, the consumer should be able to make a judgment about sustainability from those proofs of origin if they are available."

It might sound like hard work. But if we keep asking the important questions, we'll be compelling all jewelry companies to answer them as standard practice—without us even having to ask. ■



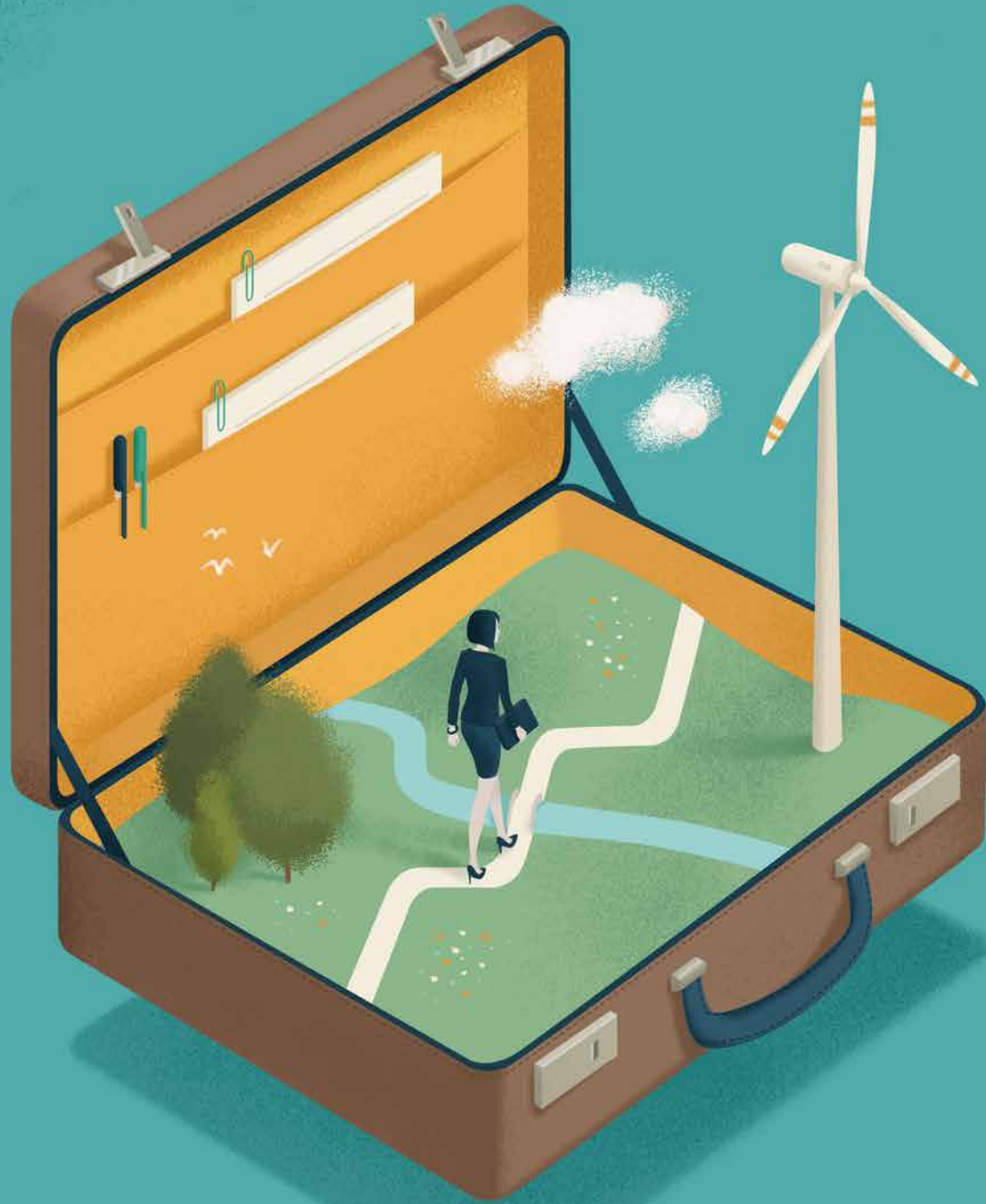
These Pippa Small (pippasmall.com) designs were made by women and men in Afghanistan as part of the Turquoise Mountain project: gold-vermeil and hand-painted ring and earrings, and the gold-vermeil Hamsa multistrand necklace with lapis, turquoise, jasper, agate, and chrysocholla.





PASSION *and* PURPOSE

# PROFITS *with*



**WOMEN ARE GUIDING IMPACT INVESTING  
INTO THE MAINSTREAM.**

By JAN ALEXANDER / Illustrations by ANDREA DE SANTIS



# PURPOSE

**If you're going to invest, why not put your money into companies that do good? Such is the simple but game-changing message of today's investors—many of them women who want corporations to do more than deliver profit. Corporations, they contend, should make a positive impact on society.**

Leaders like BlackRock CEO Larry Fink have taken notice. In his annual letter to CEOs this year, Fink wrote: "Society is demanding that companies, both public and private, serve a social purpose. To prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."

Some on Wall Street say that Fink's message sets a tipping point for the whole investment industry.

Demand is clearly growing for investments that factor in better environmental, social, or governance (ESG) performance, and statistics show they can deliver profits and long-term stability. The proof is in the figures: The MSCI KLD 400 Social Index, a capitalization-weighted index of 400 U.S. securities that provides exposure to companies with outstanding ESG, reports that its annualized returns (over a 20-year period ending January 31, 2018) were 5.46 percent, slightly better than the S&P 500's 5.43 percent over the same period.

Certainly, it is hard *not* to find an investment firm that offers funds focused on companies engaged in such practices as promoting clean energy or creating a more inclusive workforce. And strong interest from women investors, particularly millennials, has the potential to add as much as

\$22 trillion to investments in conscious capitalism, according to estimates from the impact-investing firm Swell Investing. That would greatly increase the existing pool of nearly \$9 trillion.

All of these strategies fall under the umbrella of sustainable investing or impact investing, though impact investing can also refer to projects or companies designed to produce a specific social impact on a large or small scale. Jessica Huang, director of sustainable investing at BlackRock in San Francisco, has another take, however: "Eventually, it won't be called sustainable investing," she says, "it will just be called investing, with ESG as a material driver of risk and returns."

**A** growing number of women, BlackRock's Huang among them, are taking leadership roles in positioning impact investing as a mainstream strategy or integrating the theory as an integral way of analyzing the value proposition of any investment.

BlackRock has about \$50 billion under management in investment vehicles it categorizes as "dedicated sustainable," including exchange-traded funds, funds that make direct investments in wind and solar projects, and green bonds that

finance environmental projects. But it is also starting to provide data and tools that will make it possible to integrate ESG considerations across all of the firm's investment platforms.

What makes continuous incorporation of ESG factors possible, says Huang, is a proliferation of data on how a company's activities might be echoing through the world. "We can now evaluate a company's entire carbon footprint by extending the emissions calculations to their supply chain and their products, for example," she says. "We're also moving beyond thinking of climate risk just through the lens of carbon emissions and looking at physical risks driven by extreme weather events, such as water scarcity due to droughts, and at technological advancements, such as companies investing in energy storage."

Big investment firms are also producing research indicating that social good tends to correlate to good corporate performance and lower price volatility. A BlackRock report published earlier this year states that "strong ESG performers tend to exhibit operational excellence—and are more resilient to perils ranging from ethical lapses to climate risks." Savita Subramanian, head of U.S. equity and quantitative strategy at Bank of America Merrill Lynch, contributed these



findings in the first of a series of reports about ESG investing: “It’s not just for tree-huggers....An investor who only held stocks with above-average ranks on both environmental and social scores would have avoided 15 of the 17 bankruptcies we have seen since 2008.”

None of these performance findings are a surprise to Jackie VanderBrug, director and co-head of impact investing for the global-wealth and investment-management division of Bank of America in Boston. “Social change is not linear, and it can be messy,” says VanderBrug. But what she finds encouraging is that “we’re beginning to see more conversations between investors and companies about transparency on issues such as board diversity, or climate-change competency, or worker equity throughout the supply chain, or data privacy. The idea is that over time this leads to changes in corporate behavior that leads to huge impacts in the world.”

VanderBrug has been a force in defining the components of social-impact investing. She coauthored with Joseph Quinlan the 2016 book *Gender Lens Investing: Uncovering Opportunities for Growth, Returns, and Impact*, in which the two said that “so-called non-financial measures of performance” can be critical to understanding where good financial performance comes from.

There are more entry points for social-impact investing, says VanderBrug. “We’re seeing more impact strategies in municipal bonds, emerging markets, and in alternatives such as hedge funds. So that’s exciting in terms of the product mix that’s available, and it should deliver more scale.”

The growing product mix means that wealth advisers can steer you into impact investing through a wide spectrum. At one end are equities in large-cap companies that measure up to the best ESG standards; at the other are funds that provide backing to women in remote villages so that they can start small businesses and create jobs. And there is a growing array of products in between, including some aimed at affordable housing, clean energy, and health initiatives in the United States.

Consider, for example, the ways Veris Wealth Partners puts money into what is now one of its most popular impact-investing themes—gender-lens investing, as detailed in the firm’s 2016 Impact Report (published late 2017). Veris works with a mission-driven credit union to provide loans to women entrepreneurs and founders of color. For instance, Hope provided a small business loan to two women in Biloxi, Miss., who were then able to buy the bakery where they worked. Veris has also invested in Procter & Gamble, finding the multinational corporation’s women-friendly policies an important value booster.

There’s a dividing line somewhere in that spectrum, however. In some ways it’s easier to measure the social impact and the payoffs of companies that are actively traded on stock exchanges. When

“Eventually, it won’t be called sustainable investing. It will just be called investing, with ESG as a material driver of risk and returns.”

—JESSICA HUANG

DIRECTOR OF SUSTAINABLE INVESTING,  
BLACKROCK

investors pay attention to their impact on society—whether it’s a good or bad effect—and when reputation damage over pollution or sexual harassment sends investors fleeing, their stock prices can move accordingly, thereby creating something of a self-fulfilling prophecy.

It would be nice if, when you invest in small community-impact projects, your money could be just as big an incentive to others to invest in these projects, thereby creating scale as well as strong returns. Smaller can be equally fruitful, but there are some challenges.

On the one hand, financial market expertise is essential. “If it’s just ‘Kumbaya,’ you’ll never have impact,” says Durreen Shahnaz, the founder and CEO of the Impact Investment Exchange (IIX) in Singapore, which operates a private placement platform and the world’s first social stock exchange, though the stock exchange does not yet actively trade securities.

On the other hand, it isn’t easy for big money from all over the world to find its way to social businesses in remote villages in a way that doesn’t

lose sight of the mission. Serving both investors and communities means you need a plan at each stage of the value chain for providing access to capital in a responsible and sustainable way, says Beth Bafford, vice president of syndications and strategy at Calvert Impact Capital. As more money is activated for impact, she says, we need to ensure it is going to people, businesses, and communities in a responsible and intentional way.

There is still room for proof of effectiveness when it comes to the many small social-impact projects. A 2016 study from the Wharton Social Impact Initiative of the University of Pennsylvania looked at what happens to the actual mission when investors in private-equity impact ventures seek liquidity. The Wharton study found that, so far, deals have generally provided market-rate returns without sacrificing the impact of the mission, or vice versa, but said that investors need more quantitative information to understand what’s behind the returns, including additional metrics on the short- and long-term social impact. That kind of data could help unlock additional capital.





**U**nlocking more capital is an important part of what Shahnaz, the IIX founder and CEO, aims to accomplish. Born and raised in Bangladesh, Shahnaz is an Oslo Business for Peace Award winner and has been a Wall Street banker and a media executive. She cofounded, and eventually sold, an e-commerce business called oneNest that sold the handicrafts of women artisans to the global marketplace.

“From the back street to Wall Street has been the theme of my life,” says Shahnaz, who started IIX nine years ago after encouragement from Antony Bugg-Levine, a former managing director of the Rockefeller Foundation who has been credited with coining the term “impact investing.”

She is now working on developing a market that hasn’t existed before, bundling investments in social-impact projects into securities that can be traded on the IIX social stock exchange. Such a move would go a long way toward drumming up more investor interest. As things stand now, when

you invest in smaller projects there can be a long holding period—as long as 10 years—and many investors would be more comfortable knowing they can sell their holdings if they need to. (Calvert Impact Capital, it should be pointed out, is one firm that sells shorter-term bonds in social-impact funds, including one-year notes.)

For Shahnaz’s big ambition to materialize, it will take the detailed coordination of transparency about investor returns and data on where the capital is going that all deals need, plus, she says, a core of recipient businesses that can pass the feasibility test. They’ll have to be able to show that they have a well-defined mission and an operational plan in place, along with financial statements that spell everything out to investors and auditors.

Meanwhile, she is bringing in gradual changes. The Impact Partners platform has brought in \$23 million of investment capital into early and growth-stage social enterprises that has resulted in an additional \$51 million of follow-on investments. A typical recipient is Mera Gao Power, a solar-energy enterprise in northern India. With the help

of impact capital, Mera Gao plans to expand its customer base by more than 50,000 households over the next four years. The impact comes when rural residents receive a reliable and inexpensive source of power, providing lighting and mobile-phone charging to households for the first time.

IIX has also issued an \$8 million Women’s Livelihood Bond, which has impacted the lives of more than 385,000 women in Southeast Asia by providing them with increased credit access, market linkages, and affordable goods and services. It is listed on the Singapore Exchange Limited.

Now Shahnaz has a new bond in the works, the Women’s Health Bond, aimed at financing cervical-cancer care, maternal health, and family planning for underserved women in the U.S. The goal is to issue a \$20 million bond each year over a five-year period, and ultimately help make health care accessible for some 2.5 million women.

These are just some of the possibilities that can be achieved through social-impact investments. Now that we have a sense of the potential for good, money alone is far less a value proposition. ■



PASSION *and* PURPOSE

# WHAT IT'S *Worth*

**SHERRY PAUL, a private wealth adviser at UBS,  
believes crafting a money mission  
can give your wealth—and you—new purpose.**

THERE'S A SAYING that money makes the person, but in my experience, that couldn't be further from the truth. Money doesn't make us who we are; it amplifies who we already are. That can be a very good thing—or a very bad thing.

Money is at the intersection of every important decision we make in our lives, not only in terms of what we buy and sell, but, more importantly, in the way it influences our personal and professional relationships. However, until we give it meaning, money is really just a piece of paper. It has no power, and it has no principles. It is only when we assign our wealth a mission that is personally meaningful to us that money truly has power—and, if we do it right, purpose.

In simple terms, a money mission is a statement of intent. The concept of the “mission” is the divine activity of sending intermediaries to do higher-power work—a profound tool to advance our principles, values, and beliefs. When we embrace money as that intermediary, sent to advance our greater purpose in life, we elevate our wealth beyond its purchasing power and assign it deliverance power. That power is determined not by how much money we have to give, but by what the act of giving conveys. It's why the exchange or

investment of just one dollar has the potential to empower communities, support causes, and elect officials. Every little bit of purposefulness counts.

How do we want to influence the world we live in? This is one of the most complex questions we as humans face. Do we start a charity or support an existing one? Do we contribute to many organizations or just a few? When our money mission is clear, our outlook on our role in the world is suddenly crystallized. When we assign our money a greater purpose, our money gives us a greater purpose, too.

An enduring money mission also transcends the uncertainties that often come with life and great wealth. Stock markets fluctuate, bank accounts rise and fall, objects come and go. But mission statements are powerfully enduring. They are not subject to foreclosure, bankruptcy, repossession, or divorce. They are constant in their clarity and unencumbered by the fear of loss or change. With a money mission intact, we know what we stand for because our currency in life is measured by something deeper. It's not just an expression of who we are—it's an extension of who we are. So, the question is: What's your money mission? ■



# Your wallet holds more influence than you think. ¶ In today's politically and socially charged landscape, consumers are passionately pursuing brands that are aligned with their values and beliefs and rejecting ones that conflict

with their principles. But, will that cup of coffee or handbag purchase really make a difference? Yes! In our increasingly transparent culture, with watchdogs on the internet and social media, we see consumer loyalty shift on a single poor decision (time to boycott) or rally support in the face of positive social action in numbers great enough to impact the bottom line.

Reports suggest this is becoming mainstream, a way for people to align themselves with companies that share their social and political views. Among millennials alone (there are some 80 million in the U.S., with annual spending power estimated at \$600 billion), 89 percent favor brands that support a cause, assuming similar price and quality, according to a 2017 CSR study by Boston-based Cone Communications.

"The power dynamic between brands and consumers has changed," says Maggie Neilson, cofounder and CEO of Global Philanthropy Group, a Los Angeles-based firm that designs and implements wide-reaching philanthropic strategies for high-powered individuals, foundations, and corporations. Neilson, whose clients have included the Bill & Melinda Gates Foundation, Bulgari, and Gucci, says that "[millennials] will choose brands, they will quit using brands, and they will choose employers based on whether that company

behaves responsibly in the world."

When Gucci was ready to turn its philanthropic arm into a more powerful and sustainable tool for change, the brand turned to Neilson to get its initiative off the ground. She helped Gucci develop Chime for Change, a global program established in 2013 with cofounders Salma Hayek Pinault and Beyoncé Knowles-Carter; its mission is to "convene, unite, and strengthen the voices speaking out for girls and women around the world," with a focus on education, health, and justice. To date, the campaign has raised more than \$10 million, funded 425 projects with 156 partners, and benefited more than 570,000 women and girls.

The initiative has also likely contributed to the brand's popularity with millennials: During the first three quarters of 2017, roughly 55 percent of Gucci's sales were made to consumers under 35 years of age. And, according to the Cone Communications survey, 79 percent of millennials consider a company's social and environmental commitment when deciding where to shop.

But how can we tell if a company is delivering real philanthropic results or merely donating a small percentage of profits just to show a good face to the public?

"Customers are becoming increasingly

adept at sniffing out insincerity," says Neilson. She points to Gucci's long-term commitment to supporting women's issues as an example of an authentic corporate outreach. Long before it started Chime for Change, it had been funding documentary filmmakers who focused on women's social issues.

For TaskRabbit, another client of Neilson's, the focus is on building a community network. The online business that connects shoppers with local service providers recently launched TaskRabbit for Good (TR4G), a pilot program unveiled in San Francisco that allows customers to donate items to their local Goodwill at the same time that they're booking a service—home repairs, furniture assembly, packing, moving—through the company's website.

"Our hope is that people will connect and support TR4G because we're helping people engage with their neighbors and make positive, measurable contributions in their communities," says the company's CEO, Stacy Brown-Philpot.

Such engagement starts with saying yes—affirming that even simple transactions are opportunities to align with the brands that align with your values and ethics. Whether you're buying shoes or your favorite jeans, your purchases can be purposeful actions. ■



OUR EVERYDAY PURCHASES—FROM HANDBAGS TO

# Buying into a





**GOOD MATTERS**

Gucci's philanthropic efforts through Chime for Change, which supports initiatives like Beyoncé's BeyGood4Burundi to bring clean water to the children of Burundi, has bolstered its image among millennials, a group that accounted for roughly half of the company's sales last year.

COFFEE—CAN HAVE A PROFOUND IMPACT. BY JILL NEWMAN

# *Better World*