



Baker Avenue
WEALTH MANAGEMENT



Impact Investing

Q4 2025: QUARTERLY FOCUS ~ ENVIRONMENTAL

Sustainable Impact Classifications:



Bridging Your Financial & Social Objectives



Our values are reflected in everything we do.

As a certified B Corporation member and a signatory of the Principles for Responsible Investment (PRI), we join a family of global organizations unified under the belief that an economically efficient, sustainable global financial system is a necessity for long-term value creation.

In addition, we are committed to elevating diversity & inclusion in our business practices and have achieved the global standard for inclusion by becoming Diversio certified.

BakerAvenue's Impact Investing / ESGC Screening Criteria:

ENVIRONMENTAL

Energy Efficiency
Greenhouse Gas Emissions

Carbon Emissions
Energy Efficiency
Product Carbon Footprint
Sustainable Water Policy
Regulatory Adherence

SOCIAL

Corporate Diversity & Inclusion
Gender Equality

Board Members
Pay Ownership
Weapons Policy
Ethics History

GOVERNANCE

Impact Disclosure Scores
Corporate Behavior

Anti-Competitive Practices
Corruption & Instability
Financial System
Instability
Compensation
Structure Board

CITIZENSHIP

Philanthropy
Corporate Behavior

Innovation & Creativity
Commitment to Peace, Human Rights & Sustainable Employee Development
Satisfaction Scores
Community Outreach

Baker Avenue's Impact Strategy

Incorporates long-term capital appreciation with downside protection. We seek to consider both financial return and social good. The strategy invests in a diversified portfolio of stocks and ETFs in low-risk markets, and protects principal in high-risk markets by moving to cash.

The strategy proactively monitors long-term market trends to evaluate the risk/reward of having market exposure versus protecting capital.

Key Benefits:

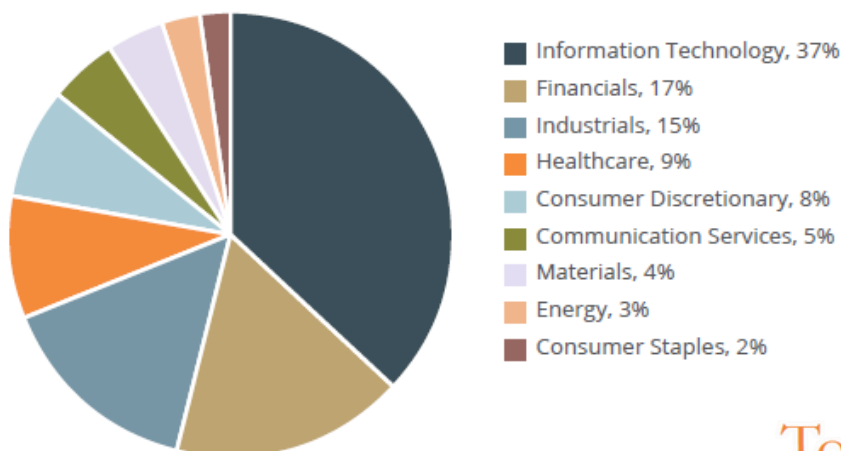
Invests in preeminent and financially-solid companies that allocate their resources with the goal of creating positive change in their communities and the world.

Broad sector and industry diversification.

A variety of internal and external analytical tools are used to isolate socially responsible and high-quality securities.

Strict and unemotional sell discipline using both technical and fundamental criteria.

Sector Diversification



Portfolio Characteristics

Style	Socially Responsible Core Equity
Forward Price/Earnings Ratio	28.9
Dividend Yield	1.2%
Long-Term EPS Growth	16.8%
Equity Beta	1.19
Weighted Average Market Cap	\$692 B
Number of Holdings	30-40

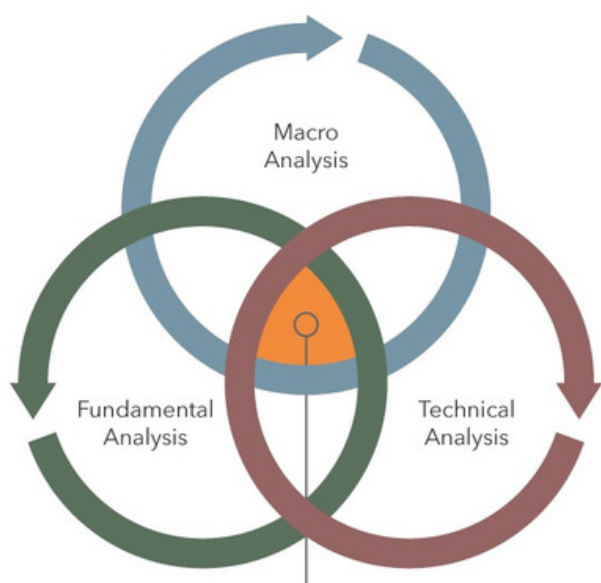
Top Holdings

Company Name	Symbol
Flex Ltd	FLEX
Alphabet Inc	GOOGL
Goldman Sachs Group Inc	GS
NVIDIA Corp	NVDA
Johnson Controls International	JCI
Caterpillar Inc	CAT
International Business Machines	IBM
Robinhood Markets Inc	HOOD
General Electric Co	GE
UBS Group AG	UBS

> [View Q4 2025 Strategy fact sheets and disclosures](#)

BakerAvenue's Impact Strategy and Benchmarks

Our Grow and Protect strategy continues to guide our clients toward achieving their financial goals. Recently, many are asking how to bridge their financial and social objectives and discovering the benefits of socially responsible investing.



BakerAvenue Investment Committee



BakerAvenue	Impact (Gross)	Impact (Net)
Year to Date	26.63%	25.46%
1 Year	26.63%	25.46%
3 Years	23.10%	21.95%
5 Years	13.84%	12.77%
Since Inception*	27.59%	25.92%

BENCHMARKS	YTD	5 Years
S&P 500	17.88%	14.33%
Barclays Agg	7.30%	-0.32%
ACWI Ex-US	32.39%	8.13%
70% Rus 3k / 30% ACWI Ex-US	21.63%	11.67%
Russell 2000	12.81%	6.03%
Russell 3000	17.15%	13.06%
Russell 3000 Growth	18.15%	14.48%
Russell 3000 Value	15.71%	11.12%
S&P Gbl Dividend Opportunities (50% / 50% Barclays Agg)	15.45%	--
Bloomberg Commodities	15.77%	10.61%
Balanced (60% Rus 3000 / 20% ACWI Ex-US / 20% Barclays Agg)	17.26%	8.07%
MSCI All Country World Index	22.34%	11.22%

> [View Q4 2025 performance and disclosures](#)

Long-Term Financial Success

Demands an investment philosophy that grows and protects financial assets. To achieve this goal, our unique process blends Technical, Macro, and Fundamental Analyses into one comprehensive view.



From the desk of
Doug Couden, CFA
Chief Investment Officer,
Partner

With companies and investors increasing their public commitments to sustainability related goals, the transition process presents the opportunity for investors to help enact real change. However, meeting these goals means different things for different sectors and different companies - some will need to fundamentally change what they do and how they do it, while others can achieve their targets with more modest shifts.

From Concept to Reality: The Next Phase of the ESG Transition Is Here

Although moving to a more sustainable future is clearly desirable and presents an array of investment opportunities, the transition does not come for free and the question of who should bear that cost sits largely unaddressed given the intersection of government and corporate policies. For investors, there is also the question of whether it is better to invest in sectors (and companies) that are more advanced in their transition process or those that are just starting out given the costs and potential return trade-offs involved.

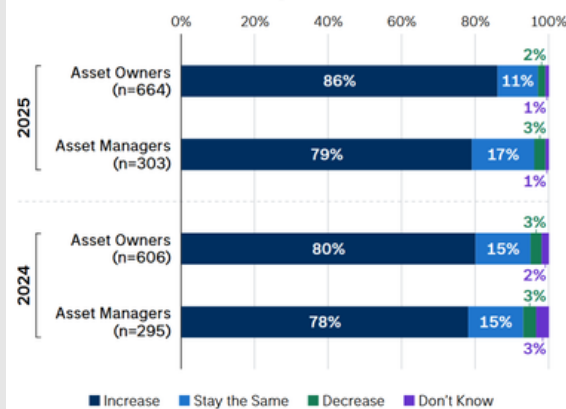
2025's Costliest Climate-Related Disasters

Christian Aid's annual report shows that cyclones, floods, and wildfires were 2025's most financially devastating climate-driven disasters, causing more than \$120 billion in insured losses. Southeast Asia's storms and floods alone killed over 1,750 people and caused tens of billions in damage, while California's fires added more than 400 deaths and \$60 billion in losses. The report emphasizes that the true toll, especially in developing regions, is far greater, highlighting widespread displacement in places like the Philippines, deadly floods across Africa and South Asia, and severe droughts in Iran. Despite adaptation funding commitments made at Cop30, researchers warn that current resources fall short of what vulnerable nations need, and that without a rapid shift away from fossil fuels, the human and economic costs of extreme weather will continue to rise.

[Read the full article here](#)

Source: The Guardian, BakerAvenue. 12/26/2025.

Excluding investment performance, how do you expect the proportion of your assets/AUM in sustainable funds to trend over the next two years?



Despite external factors, including data and regulator/political uncertainty, most institutional investors surveyed expect the proportion of sustainable assets in their portfolios to rise in the next two years.

Source: Morgan Stanley. As of 12/31/2025.



BakerAvenue's Primary Environmental Screening Factors

- 30% Energy Management
- 30% Water Management
- 16% Sustainable Product
- 13% GHG Emissions Management
- 11% Waste Management



Get the Latest

January 2026 New Year, Expanding Opportunity Sets

"Without continual growth and progress, such words as improvement, achievement, and success have no meaning."

- Benjamin Franklin

As we enter a new year, a dynamic macro environment, wide valuation spreads, and low correlations are creating a robust opportunity set for active managers. We suspect the backdrop is increasingly going to create openings for investors to exploit market inefficiencies and capitalize on mispricings. Resilient economies, expanding profitability, and broadening participation present multiple paths to growth. We remain constructive, but if the start of the year is any indication, the year ahead will be anything but smooth.

December 2025

Closing Out, and Looking Forward

"At the moment of truth, there are either reasons or results."

- Charles "Chuck" E. Yeager

As we move into the final stretch of the year, we see sustained market themes, fresh opportunities, and percolating risks. An increasingly mature phase of the investment cycle will have a number of crosscurrents that point to greater dispersion in investment results. We suspect the backdrop is increasingly going to create opportunities for active investors to exploit market inefficiencies and capitalize on mispricings. We remain optimistic while understanding it is a time for precision, with potentially less heft.

November 2025

A Data-Intensive Backdrop: Active's Advantage

"Life is not a matter of holding good cards, but sometimes, playing a poor hand well."

- Jack London

From earnings and AI to Fed policy and tariffs, market-moving headlines are coming in waves. After more than a decade in which conditions were less favorable for active than passive management, we believe the backdrop is changing. Greater macro uncertainty, central bank normalization, and technological innovation are now driving increased market volatility and stock dispersion – trends that improve investment prospects for active managers. We suspect the backdrop is increasingly going to create opportunities for active investors to exploit market inefficiencies and capitalize on mispricings.

October 2025

Autumn's Enigma:

Record Profits & Macro Volatility

"Too often, we enjoy the comfort of opinion without the discomfort of thought."

- President John F. Kennedy

Markets reached fresh highs in September, closing out a stellar quarter. Sentiment was buoyed by continued earnings strength, resilient economic data, and renewed interest rate cuts. Macro volatility remained elevated with tariff uncertainty, a government shutdown, and fiscal concerns keeping more than a few skeptics entrenched. After five straight months of gains, markets now enter a typically volatile seasonal stretch with plenty of momentum, and no shortage of debate.

bakerave.com/market-updates

Responsible Business Practices

CODE OF BUSINESS CONDUCT AND ETHICS

All firm members, including officers and transaction partners, are required to abide by our Code of Business Conduct and Ethics and exercise the highest levels of integrity, ethics, and objectivity in all actions that may affect our business and relationships.

COMPLIANCE TRAINING AND AWARENESS

All firm members acknowledge our code of conduct and also participate in annual training on anti-harassment, diversity & inclusion, cyber security, and insider training. Team members can report concerns of illegal or unethical conduct anonymously through a third party without fear of retaliation.

RISK MANAGEMENT

Our Compliance Committee oversees enterprise risk management, including cybersecurity, and evaluates the risk exposure and management actions to limit, monitor or control exposures, including contingency plans relating to potential catastrophic events.

CYBERSECURITY

Overseen by our Executive Committee, we collaborate with vendor partnerships such as IT infrastructure, with leading data security and privacy practices. To protect employee devices and other end-points, we deploy multi-factor authentication and annual cybersecurity training.

TRAINING AND DEVELOPMENT

Developing and retaining talented team members is integral to our success. We encourage competency-based training, continuing education and conferences, provide team building off-sites, professional development resources, and have an annual performance review and goal setting process.

HEALTH AND SAFETY

Our focus on employee wellbeing includes generous health benefits, including mental health, fitness, and ergonomics. In response to the COVID-19 pandemic, we switched the majority of our team members to work from home, while implementing additional safety measures for essential employees.

An aerial photograph of a two-lane asphalt road that curves through a dense, green forest. The road is bordered by a light-colored gravel or stone edge. The trees are tall and closely packed, creating a lush green canopy. The lighting suggests a bright day, with some highlights on the road and the tops of the trees.

Experience and Knowledge Meet Transparency and Integrity.

BakerAvenue is a registered investment advisor regulated by the SEC, whose mission is to protect investors and maintain the integrity of the securities market. Under the SEC rules, our registered investment advisors have a fiduciary duty to our clients and it is a moral and a legal obligation to place our client's interests ahead of our own.

While we believe we are all more similar than we are different....

...it is through
those differences
that drive our
innovative
approach.



As a purpose-driven firm, our goal is to create an impact by supporting you and the community we share.

We do so by delivering intelligent wealth management solutions while fostering long-term value creation.

We partner with organizations to build a more inclusive and sustainable economy through the highest verified standards of social and environmental performance, transparency, and accountability.

As a certified B Corporation member, BakerAvenue also guides foundations and endowments to solutions for long-term value creation through active portfolio management, in-depth investment, and grant research.

Our individual and firm's talents seek positive social change in our communities.

We deliver service excellence to you and challenge the status quo.

Trust and integrity serve as our cornerstone. We know trust is earned, not given, and we are determined to earn and honor it in everything we do.

The BakerAvenue Team





Signatory of:



BakerAvenue Employees Who Have Earned the CFA Institute Certificate in ESG Investing



Doug Couden, CFA
Chief Investment Officer,
Partner



Daniel Cassell, CFA
Portfolio Manager



Michael Tideman,
CFA, CFP®
Wealth Advisor,
Managing Director

BakerAvenue
WEALTH MANAGEMENT

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