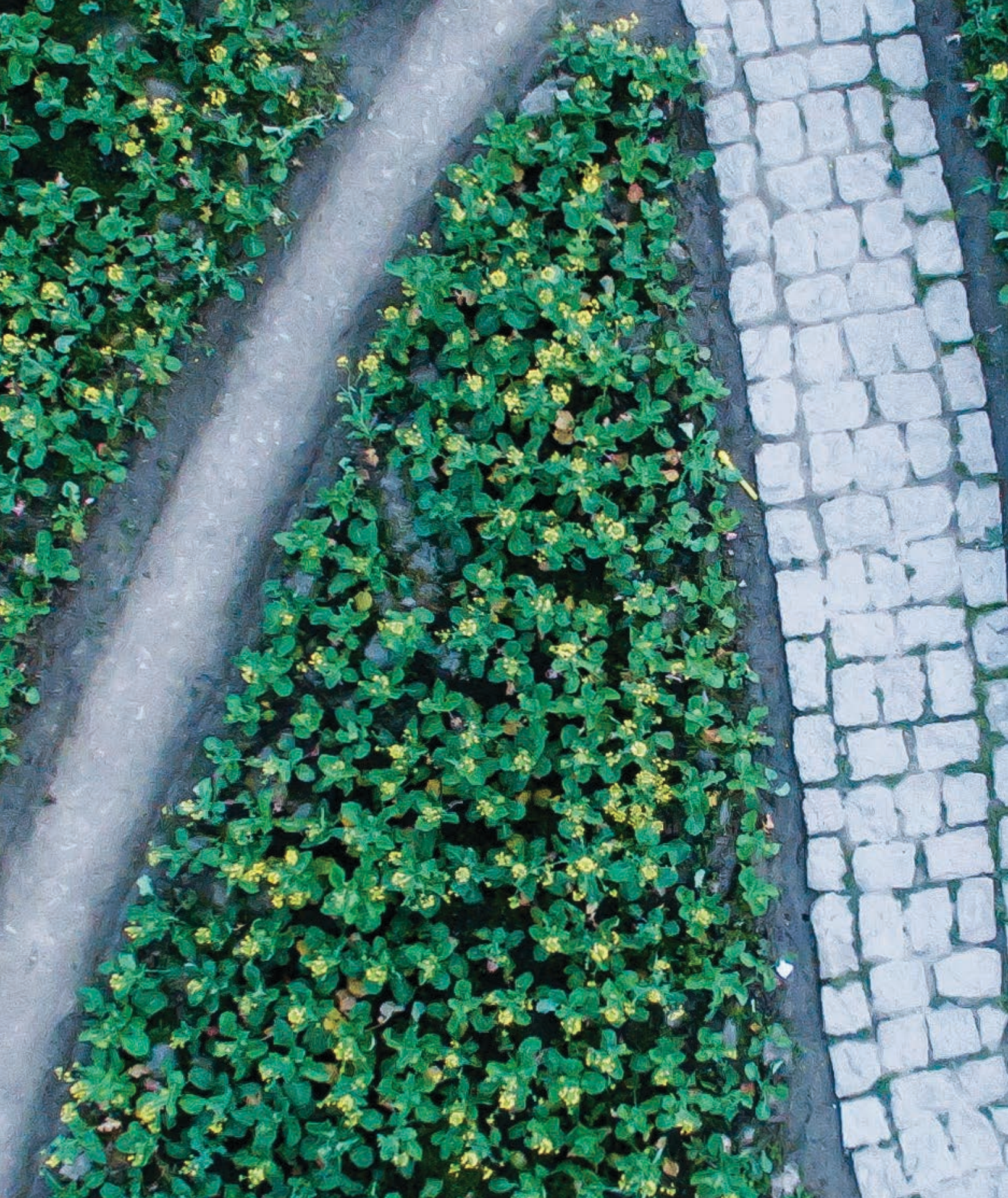


# Trusted Guidance for Endowments and Foundations







# Partnership Built on Service, Access and Independence

Choosing the right partner for investment consulting is one of the most critical decisions facing the boards of endowments and foundations. To be effective stewards of the financial resources entrusted to them, boards need their consultants to do more than just build portfolios and select asset managers. Boards need partners who can protect and grow assets in a way that aligns with the organization's mission, as well as strengthen the organization's ability to connect with donors.

Graystone Consulting is committed to providing trusted advice and customized solutions to endowments and foundations. We deliver the high-touch service you would expect from a boutique, and the resources and access that come from being backed by a global leader in financial services.

## Our Endowment and Foundation Clients

Graystone works with more than 450 endowments and foundations across non-profit sectors representing more than \$23 billion in assets.<sup>1</sup>

### Education



### Healthcare



### Faith-Based



### Community



### Arts and Culture





## Global Resources With Local Expertise

At Graystone Consulting, we combine local expertise and global resources to help your organization make informed, confident investment decisions.



**\$515.7  
BILLION**

in total institutional  
assets under  
management<sup>2</sup>



**45+  
YEARS**

of experience advising  
institutional clients



**280+  
CONSULTANTS**

serving institutional  
clients.<sup>2</sup>



INNOVATIVE THINKING. UNBIASED VIEWS. VAST RESOURCES.

# The Graystone Consulting Advantage

1

## Guiding you through complexity

We provide customized, innovative, flexible solutions to help endowments and foundations meet their most sophisticated financial needs. We shine a bright strategic light on your institutional investment challenges and goals. We partner with your board to create an intelligent path to reach your objectives while deftly navigating constantly evolving market conditions.

2

## Giving you an independent and objective fiduciary partner

Our extensive open investment architecture platform empowers us to deliver objective, unbiased advice and maintain complete fiduciary independence. We work solely for your interests to help you build lasting financial security for your organization, your mission and your people.

3

## Providing you with boutique service on a global scale

We combine the fresh thinking, nimbleness and spirit of a modern consulting boutique with the deep knowledge and experience of Morgan Stanley. You'll get experienced advisors who take the time to truly understand you and your organization, develop innovative strategies to address your challenges, and build a long-term partnership based on trust.

4

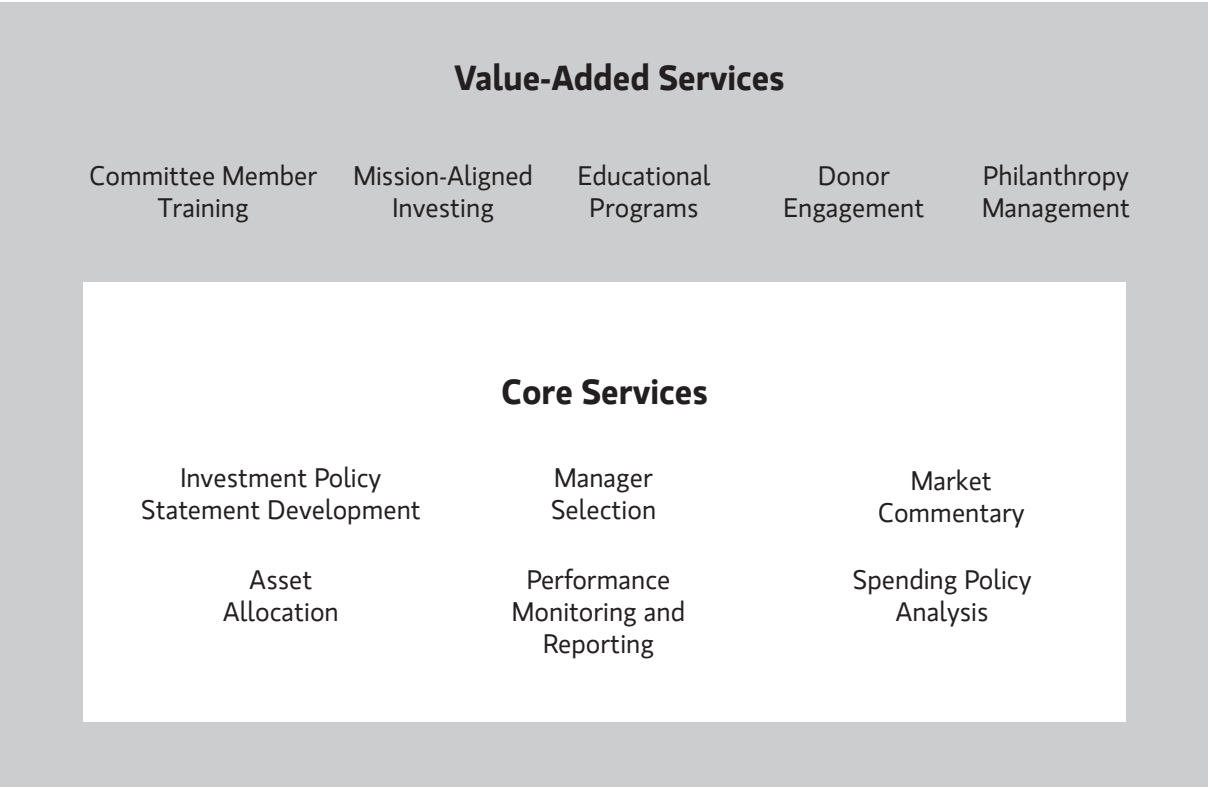
## Connecting you to all the resources of Morgan Stanley

We put the financial resources of Morgan Stanley's vast research network to work for you. That means we can help our clients more effectively react to financial events around the world with confidence.



# Delivering More Than Just Investment Results

The value we deliver for endowments and foundations extends far beyond the impact we have on their investment portfolios. In addition to our core investment services, we draw on our knowledge of the non-profit sectors we serve and the broader philanthropic landscape to strengthen our clients' holistic operations.





## **High-Touch Service and Customized Solutions**

Responsiveness, access and personalization are the foundations of our client-service model. Our consultants are always available to answer your questions because the demands facing endowment and foundation board members don't follow a 9-to-5 schedule.

We know that no two organizations have the same needs. Through long-tenured relationships and in-depth conversations, we deliver portfolios and solutions that are tailored to the unique opportunities and challenges facing each organization.

## **Donor Engagement Advice and Support**

Based on our knowledge of trends in charitable giving, we provide advice on engaging the next generation of donors and optimizing fundraising efforts. We also guide foundations and donors on how to maximize the impact of their gifts through donor-advised funds, charitable trusts and other giving vehicles.

# Philanthropy Management

Our endowment and foundation clients benefit from the philanthropic consulting services of Morgan Stanley's Philanthropy Management group. Founded in 1998, this group works with public and private foundations and other non-profits to ensure the strategic growth and development of their charitable mission.



## Formulating Mission and Gifting Strategy

We work with foundations to help them craft or redefine their charitable missions and broader strategy. For private (family) foundations, we help them develop grant-making policies and vet recipients.

## Strengthening Operations and Governance

We help non-profits of all sizes maximize their organizational effectiveness. Our services include assisting in the hiring and training of staff, identifying high-impact board members, engaging volunteers, and facilitating board retreats.

## Fostering Connections

A non-profit organization's impact is amplified by the strength of its network. Drawing on our network throughout the non-profit community, we foster connections with like-minded individuals and organizations. This effort includes hosting conferences and networking events.



# Aligning Your Investments With Your Values

The assets of an endowment or foundation can do more to support the organization’s broader mission than simply providing funds for the operating budget. Boards and their investment committees are increasingly looking for ways to ensure that the companies, governments and projects in which the organization is investing are using that capital in a way that aligns with the organization’s larger mission.

## Spectrum of Approaches for Mission-Aligned Investing

<p><b>Traditional Investing</b></p>	<p><b>Socially Responsible Investing</b></p>	<p><b>Positive Leaning ESG Investing</b></p>	<p><b>Impact Investing</b></p>	<p><b>Venture Philanthropy</b></p>	<p><b>Traditional Philanthropy</b></p>
<p>Investing for the sole purpose of financial return.</p>	<p>Screening out certain types of investment (weapons, tobacco, alcohol, etc.)</p>	<p>Investing in ESG leaders and sustainable sectors (water, energy efficiency); engaging on ESG issues.</p>	<p>Investing with the intention to create measurable impact and financial return.</p>	<p>Funding/ supporting a range of social-purpose organizations through a mix of grants and investments.</p>	<p>Grant-based funding of social purpose organizations.</p>



**Investing with Impact:** Launched in 2012, Morgan Stanley’s Investing with Impact is the first wealth management platform led by a major financial institution dedicated to giving investors a suite of investment options tailored to their values and impact goals. It includes a range of investments across public and private markets, in addition to customized portfolios, donor-advised fund impact pools and access to capital market opportunities, including green bonds. With more than 150 investment strategies across asset classes and additional customizable opportunities, institutions can advance broad sustainability solutions as well as mitigate climate change; support diversity, equity and inclusion; and promote economic development through their investment portfolios.

**Sustainable Investing:** The Morgan Stanley Institute for Sustainable Investing was founded

in 2013 to accelerate the adoption of sustainable investing, produce informative insights and develop the next generation of sustainable finance leaders.

**Impact Reporting:** Morgan Stanley’s proprietary suite of Impact Reporting tools allows our clients to identify their unique impact preferences, assess their investment portfolio’s alignment with those specific criteria and monitor the progression of the portfolio over time toward their broader objectives. The Morgan Stanley Impact Quotient® delivers multidimensional impact reporting, including any exposure to issues of concern.

**Diversity & Inclusion:** Morgan Stanley formalized a Diversity and Inclusion Committee in 2020 with the dual goal of driving internal change and enhancing investment offerings for our clients.

# Global Access and Unwavering Objectivity

As part of Morgan Stanley, we provide endowments and foundations with access to one of the industry's leading investment platforms. We combine this breadth of access and depth of manager research with an unwavering commitment to delivering independent, objective advice.

## Extensive Manager Relationships and Research

Our ability to identify, research, and monitor best-in-class investment managers for our clients' portfolios is fueled by our robust manager platform and analyst team.



**~80**

Analysts dedicated to manager analysis<sup>3</sup>



**4,300+**

Strategies monitored / year<sup>3</sup>



**~400**

Investment manager relationships<sup>3</sup>

# A Pioneer in Alternative Assets

Since launching its real estate and managed futures businesses in 1977, Morgan Stanley has become a global leader in alternative investments. We offer endowments and foundations a comprehensive suite of strategies across private markets and other non-traditional asset classes. Our scale and relationships allow us to offer exclusive access to leading managers across the alternatives universe.

**40+**

Year history

**\$160Bn**

In client assets under management<sup>4</sup>

**180+**

Alternative investment funds available<sup>4</sup>

**48%+**

Of new offerings are first-look or exclusive funds<sup>5</sup>

## Conflict-Free Advice and Transparent Fees

Our business model empowers us to focus solely on what's best for our clients. We don't recommend any internal Morgan Stanley products or managers unless specifically requested by clients, and we don't accept compensation from third-party investment managers for inclusion in our database or client portfolios. We don't charge an advisory fee on cash or placement fees on private investments. This approach allows us to provide complete transparency into our fees so clients know exactly what they are paying for.







<sup>1</sup> As of September 30, 2022.

<sup>2</sup> As of December 31, 2022. Mandates include all Assets Under Management and Assets Under Advisement.

<sup>3</sup> As December 2022. Source Global Investment Manager Analysis (GIMA).

<sup>4</sup> Morgan Stanley Wealth Management Alternative Investments Group. As of December 31, 2022.

<sup>5</sup> Morgan Stanley Wealth Management Alternative Investments Group. As of December 31, 2022. Includes offerings available broadly on the platform

<sup>6</sup> As of December 31, 2022.

This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy.

This material does not provide individually tailored investment advice. It has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The strategies and/or investments discussed in this material may not be appropriate for all investors. Morgan Stanley Wealth Management recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a Financial Advisor. The appropriateness of a particular investment or strategy will depend on an investor's individual circumstances and objectives.

The returns on a portfolio consisting primarily of Environmental, Social and Governance ("ESG") aware investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because ESG criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. Diversification does not guarantee a profit or protect against loss in a declining financial market.

The returns on a portfolio consisting primarily of sustainable investments may be lower or higher than a portfolio that is more diversified or where decisions are based solely on investment considerations. Because sustainability criteria exclude some investments, investors may not be able to take advantage of the same opportunities or market trends as investors that do not use such criteria. Diversification does not guarantee a profit or protect against loss in a declining financial market.

Investment advisory services discussed herein are offered through Morgan Stanley Smith Barney LLC ("Morgan Stanley") Advisory Programs only. Please see the applicable program disclosure document for more information, available at [www.morganstanley.com/ADV](http://www.morganstanley.com/ADV) or from your Financial Advisor. Advisory relationships may not be appropriate in certain situations.

As a business unit of Morgan Stanley, which is a registered investment adviser under the Investment Advisers Act of 1940, Graystone provides discretionary investment advisory and consulting services pursuant to its Institutional Services Agreement. Graystone will also acknowledge that it is a fiduciary pursuant to Section 3(21) and Section 3(38) of ERISA as applicable. Part 1 of our Form ADV can be found on the [SEC's website](http://www.adviserinfo.sec.gov/) (<http://www.adviserinfo.sec.gov/>) alongside our most recent ADV Program Brochure.

Morgan Stanley Smith Barney LLC ("Morgan Stanley"), its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors do not provide tax or legal advice. Clients should consult their tax advisor for matters involving taxation and tax planning and their attorney for matters involving trust and estate planning, charitable giving, philanthropic planning and other legal matters.

Morgan Stanley Wealth Management is a business of Morgan Stanley Smith Barney LLC.



## Let's Talk

We look forward to starting the conversation on how we can help.

[graystoneconsulting@morganstanley.com](mailto:graystoneconsulting@morganstanley.com)