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EPISODE 15:

Harmonizing your
Asset Allocation with
Jennifer DeSisto, CIO

of Anchor Capital Advisors



Robert Morier: Welcome to the Dakota Live podcast. I am your host, Robert Morier. The goal of this podcast is to help you better know the people behind investment decisions. We introduce you to chief investment officers, manager, research professionals, sales leaders, and other important players in the industry who will help you sell in between the lines and better understand the investment sales ecosystem. If you're not familiar with Dakota and their Dakota Live! content, please check out Dakota.com to learn more about their services. Before we get started, I need to read a brief disclosure. This content is provided for informational purposes and should not be relied upon as recommendations or advice about investing in securities. All investments involve risk and may lose money. Dakota does not guarantee the accuracy of any of the information provided by the speaker who is not affiliated with Dakota, not a solicitation testimonial or an endorsement by Dakota or its affiliates. Nothing herein is intended to indicate approval, support, or a recommendation of the investment advisor, or its supervised persons by Dakota. Today's episode is brought to you by Dakota Cocktails. Are you looking to expand your network and connect with other professionals in the investment industry? Look no further than Dakota Cocktails, the premiere networking event series for sales professionals, allocators, and more. Our ongoing series of events takes place in cities across the country, providing you with the opportunity to connect with like-minded individuals and build meaningful relationships. At Dakota Cocktails, you'll enjoy delicious drinks, great conversation, and the chance to connect with industry leaders. Whether you're looking to make new contacts, explore potential partnerships, or simply learn from others in the industry, our events are the perfect place to do it. Join us at Dakota Cocktails and discover the power of meaningful connections. Visit our website at Dakota.com/cocktails to learn more and find an event near you. I always like to take a big deep breath after a disclosure. It was always fun now that that's out of the way. I am happy to introduce my partner on the desk, Andrew O'Shea. Andrew, it's great to see you.

Andrew O'Shea: Great to be here.

Robert Morier: Thank you for coming back to the show. I always feel good when people come back.

Andrew O'Shea: Yes.

Robert Morier: I haven't had any repeat guests yet, but I've had a lot of repeat Dakota folks. So that's good.

Andrew O'Shea: We love it.

Robert Morier: Well, I am thrilled to introduce you to our guest today, Jennifer DeSisto, Chief Investment Officer and Portfolio Manager at Anchor Capital Advisors. Jen, welcome to the show.

Jennifer Desisto: Thanks, Rob.

Robert Morier: We really appreciate you being here. I know you're up in Boston. So thanks for taking time with us. Thanks for taking time with our audio as we got situated here. It's always part of the course now in our post-COVID world. But it's really great to see you and thanks for taking the time to come in. Well, we have a lot of questions to ask Jen. But before we do, I want to quickly share your background with the audience. Jen joined Anchor Capital Advisors in 2016 as a Portfolio Manager for their multi-asset class solutions business. Over the past seven years, Jen has ascended to the firm's Chief Investment Officer seat. And we are thrilled she's here with us to share her stories and experiences. Jen's responsibilities include, but are not limited to manager selection, asset allocation, business management, and product development for Anchor's \$8.5 billion in assets under management. Anchor Capital is a Boston-based registered investment advisor, managing approximately \$5.5 billion with external managers across all asset classes and an additional \$3 billion in fundamental, in-house, value-based equity and fixed income strategies. Founded in 1983, Anchor Capital is the 10th largest independent investment advisor in Massachusetts. Prior to joining anchor, Jen was the Head of Manager Research for the Fiduciary Trust Company, an \$11 billion private wealth management firm that focuses as an OCIO for endowments foundations, small pensions, and families. Jen and the team at Fiduciary Trust utilized an investment process combining individual equity and fixed income securities with an external manager program. Jen worked with Batterymarch as a Portfolio Manager for global equities, responsible for managing \$5 billion in global equity products and an additional \$2 billion in US small cap. Some of you who have been in the industry for a while will know Batterymarch, a \$20 billion global quantitative institutional investment manager that was folded into US investors back in 2013. Jen worked with Fleet Bank, Bank Boston for five years as Vice President in their global capital markets group and began her career at Citi in New York. Jen received her MBA from MIT Sloan School of Management and her BS in finance and economics from Carnegie Mellon in Pittsburgh. Jen is a CAIA and CFA charter holder and a board member of the CFA Society of Boston. Finally, Jen is actively involved with the Newton Country Day school and Perkins School for the Blind as a member of their respective board of trustees. She is also an MIT Sandbox mentor and investment committee member at both the Dedham Country Day School and Economic Mobility Pathways. Jen, thank you for joining us again. Congratulations on all your success.

Jennifer Desisto: Thanks, Rob. Thanks for having me.

Robert Morier: It's nice to have you here. Before we begin, I should say it is International Women's Day. It's a global celebration of the social, economic, cultural, and political achievements of women. And Jen, we look forward to celebrating your many achievements today and hearing about your views on women in the industry and your role as CIO at Anchor. We're very excited for that. Before we do, I want to quickly say one of the reasons that I do this podcast is because last summer I left the industry and my mom asked me if I would do a podcast with her. I did. It was called the 12 Pound podcast. It's called 12 Pounds because I was 12 pounds when I was born, so I nearly killed her. But I'm very thankful for her and I was thankful for that pivot with her. So I just want to quickly say. I want to celebrate my mom's achievements today as well. She's on that podcast with me. So now that is out of the way, Jen. Congratulations to you again. So we first met over a decade ago, you were beginning your career with Fiduciary Trust, if I remember correctly. You had just left Batterymarch after many years of direct portfolio management. So when you think back to that transition from the portfolio manager seat to the asset allocator, what skills did you bring with you to that new role, thinking about asset allocation and manager selection for the first time where historically it was traditional stock selection?

Jennifer Desisto: Yeah, I mean, it was an interesting transition for me because I had never done any of that, I had never done any asset allocation or manager selection. So I came into Fiduciary Trust kind of with a clean slate, which was actually pretty fun because I think the firm itself was undergoing a transition. It was kind of a very old school firm that had been around 130 years, really focused on stocks and bonds. And they were really trying to shift more into building out their external manager program and really thinking about adding alternatives and private investments. And so it was a really fun exercise for me to start from scratch and build all of that out. At Batterymarch, I was a quant. I was a PM on the global equity team. And I think one of the things that I took away from there-- you know, stocks really sort of don't matter. It's actually more an exercise in portfolio construction and risk. I think those key things were really helpful for me to kind of take through and think about building a multi-asset portfolio. How do I think about the portfolio construction and risk elements of that? The other things that I took away from Batterymarch-- I spent some time doing research on factor decay. So I was able to understand how different factors worked, and the alpha generated at different points in time. And I think that really has helped, as I think building out multi-asset portfolios. And then we were-- the early days at Batterymarch had focused on ESG. Right? When all of these independent data sources for ESG were out there. And you know, we had to kind of figure out how to put that all together and combine it with our alpha model at Batterymarch. And so since then, I've been able to look at different ESG products and take what I've learned back then to apply in thinking about building out ESG, both at Fiduciary Trust and now at Anchor. So a lot of things I kind of adopted and carried along since those Batterymarch days.

Robert Morier: Oh, that's so interesting. Well, we'll definitely be talking more about ESG and the proliferation of ESG strategies. That's interesting, how far back you go. I mean, it seems like even though we talk about it almost incessantly at this point, in terms of thinking about ESG as a way to integrate different metrics into your portfolio from a sustainable perspective. But to hear that you've been doing it now for well over a decade is interesting and exciting for us. So we appreciate that background.

Well, you started your career working on leveraged buyouts and distressed investing, which gives you an interesting experience and background as it relates to working with companies directly. So as you were engaging with companies on their strategy, were you able to carry that engagement skill set? You know, really working directly with the names in your portfolio when you were at Batterymarch?

It's interesting now that you say that you had ESG as well. So was there direct impact engagement that was involved in the way that you approached your companies, even though you were more quantitatively focused?

Jennifer Desisto: Yeah. I mean, it's interesting, because I think when I was doing kind of the leveraged buyout, distressed investing piece, it was really-- we were underwriting deals going into 2000. And that was a very hot market. There was a lot of loose standards, at that point. And then after the dot-com bust and 9/11, I had to restructure a lot of those deals. And so I learned a lot. I learned a ton during that time. It was really fun, too, because I worked a lot with both the companies themselves-- the CEOs and the CFOs. Every week, I'd be on the phone with them, walking through their cash flows, talking through about where they could spend money or not spend money. And I also had to work with a lot of the private equity sponsors and a lot of the debt holders to kind of restructure the capital structure during that period of time. So you kind of really learn about where you are in the priorities of the capital structure and how to negotiate through very challenging situations. I would say, coming out of that, I've really learned a lot about thinking about, again, risk and underwriting. Stress-testing models-- I think that was a huge piece. You know, we really try to underwrite a lot of our investments towards cutting the EBITDA, higher interest rates, all of these things that of can impact the company in a distressed situation, and really try to underwrite towards that. And from an ESG standpoint, people weren't even really thinking about ESG, at that point. It wasn't until kind of it got to the Batterymarch that all of this proliferation of data started coming out, and there were all these little data providers. And so we kind of utilized that information to kind of build out an ESG strategy at Batterymarch. But it was that combination of thinking through risk and stress test and cash flows, and that, you know, carried through to the Batterymarch side. And that's ultimately why they wanted me to come on board, because they said, we can teach you how to program. We just want that fundamental knowledge of working with companies, and how we can apply it to our quantitative models.

Robert Morier: That's interesting. And I would assume you carried that into Fiduciary Trust, so you've been a trusted allocator now for many years on behalf of your clients as it relates to external managers. But you're back in this kind of dual seat. You've got the portfolio management side of the business, which is roughly the 3-plus billion, and then the external managers, the 5-plus billion. So how do you balance the two worlds?

Jennifer Desisto: Yeah. I mean, they kind of complement each other in many ways. And so I find, like, I have a breadth of knowledge about both sides that I think really is helpful. I can kind of take a top-down and a bottom-up approach. With the stocks themselves, you know, we're looking at valuations. We're looking at where there's growth. We're looking at balance sheets, what sectors and industries are doing. And I think that's really helpful when we're flipping it on side and thinking about asset allocation, and how we are going to allocate across different asset classes-- also, a lot of our inputs into the asset allocation process. Do they make sense, based on what we're seeing, sort of, on the stock side? So there's a lot of complementary things that happen between the stock selection process, but also the manager selection side. And I think it also allows me to have some really good conversations with the external managers as well, because I do have this kind of breadth of knowledge. And so, you know, when I'm sitting down both with public markets and private markets, I'm able to talk through a variety of issues, really drill down to understand their strategy. And I think they appreciate that. I think it's a better conversation because I do have that level of knowledge from both sides of the business. And it's great. Right now, it's a really interesting environment, because for the last decade, we've been in a low interest rate environment. And you know, a lot of things worked in that environment. And so I think we're in a really interesting transition from the standpoint of, OK, in this higher interest rate environment, what investment strategies work, and why? And what's the returns and risks look like from here? So I think it's helpful to have that kind of balance and critical thinking when you're looking at investments these days.

Robert Morier: Yeah, it makes a lot of sense, I think, particularly for your clients, as we're, as you said, arguably going into an environment where the landing isn't going to be as soft as I think many of us would have hoped. So as you're working with your clients and thinking about the combination of the external and the internal, where do you see clients', I guess, temperature, if you will? So thinking about what last year looked like, where arguably, everything kind of correlated into a one. It became very difficult to find diversification. It seemed like everything fell apart, essentially, at the same time. This year, we've seen some dispersion, thankfully, between asset classes. But as you're going into this new year and you're speaking with clients across the spectrum of your business, you know, where do you see that level of, like I said before, temperature with your base?

Jennifer Desisto: Yeah. I think we've trained our clients well, which helps a lot. You know, I think being more tilted towards value overall, as a firm, I think has really helped, especially in this current environment. But I think what we try to do is build diversified portfolios, we try to manage risk, and protect on the downside. And so our clients expect us to perform much better in down markets. You know, I think we've kind of built this "let's build a smoother ride" experience for them, where they expect us to participate on the upside, but definitely protect and limit the downside for them. And so between our stock portfolios we build, which, you know, tends to be low vol, low beta type of strategies, and our full multi-asset strategies, where we really do try to protect and balance that downside pressure in portfolios, I think our clients have been pretty happy. They look to us to be the sleep-at-night manager for them and provide them a solution where they don't have to worry about us. And we and I think that's been over the history of Anchor, and that's what we've done for our clients, and they've been very happy. We've had people around for the entire 40 years we've been here. So I think in this environment, we also have to look at, you know, are there opportunities out there for clients, given the drawdown in the markets?

And we are. You know, we're not just kind of hunkering down and hiding. We're seeing where there's opportunities out there. And I think there's some exciting opportunities out there for people.

Robert Morier: Well, I know Andrew's biting at the bit to ask you about some of those opportunities. But before we do, I read you describing Anchor Capital as having a founder's mentality after the firm's employees reacquired the business with a local private equity group back in 2018. Can you tell us about the importance of independence when advising client assets, and how Anchor approaches those client partnerships? It sounds like there's a lot of education involved. But for our audience, who may be less familiar with Anchor, we'd love to hear how your firm approaches those client relationships, and how you think about your business.

Jennifer Desisto: Yeah. I think for us, being independent allows us to focus on our clients and really do the right thing for them. So you know, I think we have always tried to make sure that we act as fiduciaries for our clients. And I think being independent allows us that. We're not forcing any particular strategy or type of investment on people, which I think is important. You know, our clients do love us, because we've been consistent over time. And I think that's been important. They call on us for everything. So it's that closeness of relationships that we've had over time that I think has really helped. When we work with outside managers, we really try to find managers that fit a specific role or provide a specific solution into the portfolios. You know, I'm trying to manage risk at the overall level. But I look for different types of managers that can perform at different times in the portfolio. So we're not trying to overload all value into our Anchor portfolios. We really are trying

to find a balance of different types of managers that can perform at different points in time in the portfolios. And the other element that we really look for with our external managers is building relationships. I think that's critically important. You know, I think when you have those relationships with these managers, you're able to add things to portfolios that may work in certain environments. And you know, we have one particular manager that I've worked with for a decade in the managed future space, and it hasn't worked all the time. But in last year, it definitely performed exactly how we expected it to. So having those relationships has been important. Educating our clients about why we have things like that in the portfolio is pretty important. And it just helps build confidence with that manager, that you have these relationships over time that you can kind of call on them to for information, and industry information, and asset class information. So it's been helpful from that perspective. I'm working with a new private equity manager right now, and I think they're a little bit frustrated, because I haven't signed subscription documents right away. But I think for me to see how we work together and see the deals that they're working on and executing on, how they're structuring them, gives me a lot of confidence in what they do. So I think it's a combination of things that we look for in working with our managers, but I would say building that trust over time is hugely critical for us.

Andrew O'Shea: Jen, can you talk about how you're utilizing active managers? You know, are there areas where you're just using passive? And maybe take us through your typical underwriting process, how you source, what the typical due diligence process looks like from Anchor Capital's side.

Jennifer Desisto: Yeah. I would say we kind of have a process around if we're going to use passive, we don't think there's a lot of alpha opportunity in that asset class. And you know, there's certain segments of the market that we think that there's very limited alpha opportunities. And so we just take beta exposure through an ETF. But overall, I think the philosophy of the firm is very focused on active management. We believe in active management, and so we do try to find managers that generate risk-adjusted alpha and that are consistent over time. And you know, it's not just looking at a manager at a point in time. I think there's particular challenges of, like, people all chasing the hot dot. So we try to avoid doing that. We try to really focus on what role that manager plays, and also how they perform over a market cycle, versus looking every single year, how they're performing. And so typically, we do a typical search for an investor. We go through the quantitative process, narrowing down the managers, and then doing more of a qualitative process. But I would say the other element is, as I mentioned around relationships, you know, I'm constantly meeting with managers, talking to them, and getting to know them. So when we are doing a search, we do have options. Because the quantitative screens are helpful, but if you have met people that you find interesting or you think could fit a very specific role in the portfolio, it's nice to always be able to include them as part of the search process. So

we try to kind of blend the two. And I think that's been really helpful over time, because it kind of allows us to have some interesting managers in the portfolio.

Robert Morier: Jen, how do you typically source those managers? It sounds like it may be coming in from all different areas-- references, databases. But if you had to think about your typical sourcing process, if there's a new search that's coming up online, what's the first step?

Jennifer Desisto: Yeah, I mean, when we're sourcing a new manager, I would say, definitely, you're using the databases quite a bit. I mean, that's a first step. It definitely helps. You know, I think it's always interesting when you're kind of doing very, very specific searches. Sometimes managers that you know, they might not be classified correctly in the databases, especially things around ESG and more niche-y type of areas. So we're always trying to keep track of what's coming out of the databases, but also people we know that might have something interesting to offer. We definitely use referrals from a number of people. Boston has got a lot of collective wisdom around manager research, and people have definitely have their thoughts and ideas around that. So you know, we take that list, and we go through and try to figure out what selective group of managers that we want to actually spend some more due diligence on. And typically, we're really try to look for managers that have lower turnover-- we have taxable clients, for the most part, so managers with lower turnover are important-- who tend to be a little more concentrated. I would say we're not looking for the manager with thousands of stocks or hundreds of stocks. We're looking for more concentrated, alpha-generative type of managers. And we're open. We're open-minded. I think when I was at Fiduciary Trust, we were very biased against large shops and very focused on smaller shops, which, I think, was really helpful, because it kind of really narrowed our mandate to a very specific group of people. But in this environment, at Anchor, we've opened it up. So we're open-minded about large shops versus small shops, but I do say we kind of lean more towards smaller and mid-sized firms overall.

Andrew O'Shea: Jen, one follow-up to that question, which is vehicles. You know? How do you all typically access an investment strategy, whether it be separately managed account or mutual fund or LP? What's your preferred investment vehicle for implementation?

Jennifer Desisto: Yeah. So we kind of run the gamut with the vehicles that we can utilize. I think when we look at the private space, we've tried to kind of steer more towards using iCapital for facilitating the LP process, because it's just more centralized. We don't have a lot of back-office support for managing subscription documents and building that out. So we really kind of utilize some of these platforms in particular. A lot more of the GDP is building out things more for RAs and wealth management. So that's really helpful. There's now a lot more vehicles that are 1099

taxes, versus a K1, or they're making interval funds or BDCs that are really easy to access for clients. So I think we can utilize pretty much anything, but we're trying to make sure, from a back-office situation, that we're not overwhelming our staff here and trying to utilize some resources and platforms that make it easier.

Robert Morier: Jen, you mentioned small managers. Do you consider emerging managers as part of that small manager bucket, if you will? So managers with less than \$1 billion in assets under management, maybe they outsource a lot of their kind of core functionality away from investment management services, they're outsourcing back-office, middle-office types of functionality? So where does the emerging manager kind of space, I guess, if you will, sit within Anchor's construct?

Jennifer Desisto: Yeah. I mean, it definitely fits into our ecosystem. You know, we're a founder-led firm, and the founders of the firm are very supportive of looking at emerging managers. So we've done that selectively over the years. And you know, we really try to find managers that we think have kind of a distinct edge, and have kind of a distinct strategy that we can offer our clients. So we're constantly meeting people. And so we're adding people to that emerging manager list of people that we would like to add to the portfolios. We kind of track people for a little bit to see how they're performing through different environments. We also provide any support we can offer them as far as introductions, so they can build their portfolios and build their asset size. And potentially, sometimes, we've offered some back-office support if we think that there's a manager that might be complementary to our lineup of offerings as well.

Andrew O'Shea: And Anchor probably has a unique ability to do that, given your managed internal strategies as well. So that is interesting.

Robert Morier: Yeah. And one of those internal strategies is-- I think it's the founder's microcap strategy, which I thought was interesting, too, just thinking about the newer managers, the newer companies, unknown companies. So it sounds like that philosophy is embedded, which is really interesting and exciting to hear, I think, for asset managers who are looking to get off the ground. So thanks for sharing that. How about the public markets to private markets? Just the mix, the asset allocation mix? As you're thinking about private market opportunities, there's no shortage, obviously, of talk in the markets, whether it's private credit or private equity. So where is Anchor today in terms of the opportunities that you're seeing as it relates to the private versus the public market asset allocation mix?

Jennifer Desisto: Yeah. So when I joined Anchor, we really didn't do anything around private markets or alternatives. So I've really been building that out over the last few years. Our asset allocation currently has about a 25% allocation towards the private markets. And that includes everything from private equity, private real estate, and

private credit. So you know, it's a large bucket for a lot of strategies. I'm hoping, as we kind of evolve our process, that that mix will sort of get larger, because I do think there is a lot of opportunities on the private side that are out there for people. So we've been kind of, over the years, just building that out-- meeting with a lot of people, really trying to partner up with some firms to kind of add strategies that we think will be beneficial for their private clients. People on the private side are very focused on the institutional, but there's definitely been a huge shift. And I think that's great. And now, there's opportunities for the wealth side that we haven't really seen in a long time. So it's an interesting place, but you have to weed through a lot of managers and try to figure out what's the best fit for our type of clients.

Robert Morier: And what did that idea generation process look like when you came into the CIO role, and relative to today? So as you're thinking about working with your colleagues, thinking about that asset allocation mix, increasing your exposure to private markets, you know? Can you just talk a little bit about the process that's in place between you and your team, and how those decisions come to be?

Jennifer Desisto: Yeah. So when I first came on board-- and something that we utilized at Fiduciary Trust was a macro dashboard. And we really kind of separated things by geographies, asset classes, and style, and then we also kind of broke it down more into metrics across valuation, sentiment, technicals, and macro. And we really kind of built that out. So when we do meet-- the investment committee meets fairly regularly-- and we go through that dashboard to see what's attractive out in the market from all of these different signals that were built into this macro dashboard. And that kind of helps us think about, OK, where are there opportunities out there? Where do we want to do some more research on? Where do we want to spend our time? And then we also kind of discuss existing searches. If we're replacing a manager or doing a new search, we have that at the investment committee. But I do think having kind of a framework for, OK, where are there opportunities out there, really helps us narrow our focus and allows us to be-- especially with a small team-- allows us to kind of really spend our time in the right place.

Robert Morier: Mm. Well, the natural next question to that is, where are the opportunities now? And which asset classes are you currently thinking about, as it pertains to those clients that you're working so closely with?

Jennifer Desisto: Yeah. I mean, for us, we think about three different buckets, I guess. One bucket is, I think, structural winners. Where do we think that there's going to be the most opportunities out there, from a structural growth perspective? And like, right now, we're looking at a lot around artificial intelligence. You know, the ChatGPT's really interesting. We're trying to understand that better. Things around robotics are really interesting. Things around the energy transition, and renewables, and battery storage, I think, are also really interesting. So that's one kind of category

that we look at, is the structural growth. The second category that we look at is things that-- low valuation out of favor. And so one of the parts of the market that we've been kind of paying attention to has been emerging markets. We think that there's opportunity that we haven't seen in a long time in the emerging markets, so we've really been kind of exploring that and looking at managers in that space. And I think the final area is things that, you know, might have been hot, but are kind of perceived out of favor, but might be interesting. I like private credit. You know, I started my career doing leveraged buyouts, so I know those cycles-- those credit cycles, those debt cycles. And I think right now is probably a great time for underwriting new deals, because people are probably super cautious. Interest rates are higher, so you have to build in that cushion into your underwriting. And you're getting a better yield on your debt investments. So I actually think it's a much more interesting time on the private credit side than we've seen even in the last several years, when underwriting was much looser, and you could potentially walk into some higher risk with that. So we're looking at some private credit managers as well, right now.

Robert Morier: Well, you opened up by talking about ESG, and so I think it's appropriate, just from an asset allocation perspective, and as you're thinking about manager research, closing with ESG and DEI. So can you talk a little bit-- you've named some, actually, very interesting opportunities, starting with those structural winners all the way through private credit. How would you, I guess, categorize ESG as part of that framework? So does it sit as a standalone asset class, or is it integrated into all of these opportunities that you're looking at? And then probably aside to that is the DEI component.

Jennifer Desisto: So it's interesting. I mean, I think some clients are fully embracing ESG, and they want their whole portfolios to reflect that. And I think, then, we have other clients who want nothing to do with it. So I think there's two elements of it that we're trying to balance as a firm. We, as a firm, have a client in France that requested us to develop a sustainable strategy for them, and we and we did. And as a result of that, we became a UNPRI signatory. We report all of our ESG metrics as a firm. And we also look for managers that have similar characteristics and reporting that we do. And so we do have certain strategies and certain multi-class solutions that are heavily ESG influenced and focused, along those lines. And then we do have other solutions where it's less of a priority. But as a firm, we've decided, you know, this is an area of focus for us. We have three key sustainability targets-- ones around climate, another one is around human rights, and the other one is diversity and inclusion. And so we've been focused on that at both a board level and a company level, the senior management teams. And we've been pushing that. Those have been issues we've actually been talking about with companies for a long, long time. It's actually interesting for us, because now, it's much more formal. And everybody knows that we're doing ESG work, so they call on us, and they want to bounce their

ideas about their policies and what they're doing with us, which I think is really great, to see the transition of companies going that direction.

Robert Morier: Well, we have a lot of listeners and viewers who are in the earlier stages of their career. And I was reading an interview you gave with MIT about two of your mentors-- former board members for Anchor who advocated to your CEO to promote you to CIO. Can you tell us about the role that mentors have played in your career, and what you learn through that process of assuming the CIO seat?

Jennifer Desisto: Yeah. I mean, it was great for my board members. They were very supportive. They saw all the work that I was doing at Anchor and how involved I was across the firm, not just on the investment side. And so they really felt that it was important that I assumed this position, because I had been doing a lot of the work already, coming into it. And over the years, mentors have been tremendous. I think every step in the way, there's been a person or groups of people that have really kind of helped support me, you know, both on the investment side, but also building my leadership skills and confidence.

When I was at Fiduciary Trust, I worked with an outside manager, and the CEO and I worked on a project together. And he was incredibly supportive and really gave me the confidence that I could do it, you know? And I think that-- to have somebody at that level to kind of say, you know, I see you have the capabilities to do this. And so I think that's half the battle, is, like, giving people the opportunities, but also just giving them the confidence and support that they need to be able to be in that role. Now, as a CIO-- but also even before I was CIO-- I've worked with my junior analysts, I've worked with interns, and even students reach out on LinkedIn, and I've met with them for coffee, and we talk about investments. And so I do think it's very important, as a senior person in the investment world, to be able to kind of keep promoting and helping support bringing people up through the industry, which is a lot of fun, too.

Robert Morier: Yeah. I think that's wonderful, Jen. Thanks for sharing that. I know at least for my students at Drexel University, I better make sure I don't give them your email, because they'll be hitting you up for coffees in Boston more often than you can imagine. Well, it's been over 10 years, and I enjoyed this conversation as much today as I did a decade ago. So thank you so much for making the time for us, sharing your thoughts and experiences. We are happy for your success. And we wish you nothing but more of it as you go forward in your career. So thank you so much.

Jennifer Desisto: Thank you. Thanks for having me. It's been great.

Robert Morier: Absolutely, Jen.

Andrew O'Shea: Thank you.

Robert Morier: And Andrew, as always, good to see your face on the desk.

Andrew O'Shea: Great to be here, and great to hear from Jen today. I think it's interesting. There's these firms you think in your head of as internal managers-- like, you think of Brown Advisory or William Blair, but they actually have big divisions within that firm, allocating to external managers, and that seems like the case here with Anchor. And what a great firm you've built.

Robert Morier: Well, if you want to learn more about Jen and Anchor Capital please visit their website at www.anchorcapital.com. You can find this episode and past episodes on [Spotify](#), [Apple](#), Google, or your favorite podcast platform. We are also available on [YouTube](#), if you prefer to watch while you listen. And finally, if you would like to catch up on past episodes, check out our website at dakota.com. So Jen, thank you again. We really valued and welcome the opportunity. Andrew, as always. And thanks for tuning in.