

SUSTAINABLE INVESTING TRENDS

MOST IMPORTANT ELEMENT FOR DEFINING A SUSTAINABLE INVESTMENT

- 27%** It meets your organisation's own criteria for defining sustainable investments
- 19%** It makes a measurable, positive impact on ESG criteria

PRIORITY ESG TOPICS

Respondents say investment, voting and engagement will focus in the next two years on

- 49%** Environmental damage and biodiversity loss
- 48%** Diversity, equity and inclusion

PREFERRED ESG APPROACH/STRATEGY

Top 3 preferred approaches (for the next two years)

- 54%** ESG integration (vs. 71% now)
- 51%** Impact investing (vs. 41% now)
- 49%** Active ownership (vs. 51% now)

PROVIDING ASSET MANAGERS' REDUCTION TARGETS IS ON THE RISE

- 52%** are imposing carbon reduction targets on their external asset manager
- 32%** plan to do so in the next two years

DATA AND REPORTING

DATA QUALITY REMAINS THE BIGGEST BARRIER TO ESG INVESTING

71%

see inconsistent and incomplete ESG data as a significant barrier to ESG adoption

GETTING AROUND ESG DATA CHALLENGES

66%

use and compare multiple sources of data to get around the ESG data issues

ESG REPORTING IS OFTEN INTEGRATED INTO FINANCIAL REPORTING

73%

say it is their preferred method when producing ESG reports

ESG INTEGRATION INTO OPERATIONS

ESG EXPERTISE INTEGRATED INTO INVESTMENT-RELATED OPERATIONS

47% say their organisation is integrating ESG expertise and data into portfolio management / investment decisions

CRITERIA FOR SELECTING A PROVIDER

Top 3 criteria when selecting partners

- 54%** Transparency of data methodology
- 38%** Brand reputation on ESG
- 43%** ESG skills and expertise