



2022 REPORT ON US SUSTAINABLE INVESTING TRENDS

INVESTOR ADVOCACY HIGHLIGHTS

As of year-end 2021, the US SIF Foundation identified \$8.4 trillion in total US-domiciled assets under management (AUM) using sustainable investing strategies. This represents 13 percent – or 1 in 8 dollars – of the total US assets under professional management.

NEW METHODOLOGY

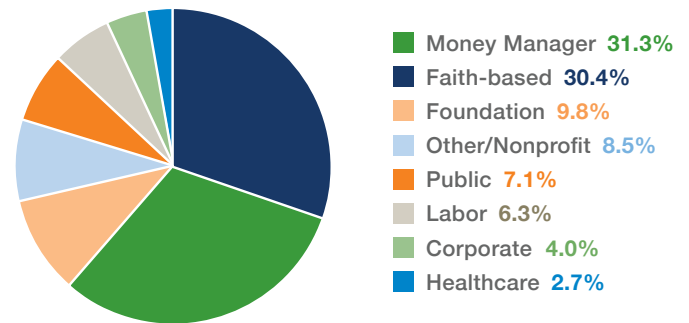
This year, the US SIF Foundation modified its methodology in response to the rapid growth and evolution of the sustainable investment field. The revised methodology required more granular information regarding the incorporation of ESG issues in order to be included in the tally of sustainable investment assets under management. In a departure from previous editions, this report does not include the AUM of investors who stated that they practice firmwide ESG integration but did not provide information on any specific ESG criteria they used (such as biodiversity, human rights or tobacco) in their investment decision-making and portfolio construction.

BREAKDOWN OF US SUSTAINABLE INVESTING ASSETS

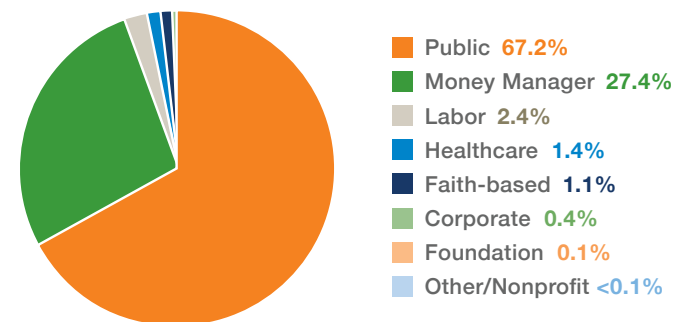
- \$7.6 trillion in US-domiciled assets at the beginning of 2022 held by 497 institutional investors, 349 money managers and 1,359 community investment institutions that practice “ESG incorporation” – applying various ESG criteria in their investment decision-making and portfolio selection.
- \$3.0 trillion in US-domiciled assets at the beginning of 2022 held by 224 institutional investors or money managers that filed or co-filed shareholder resolutions on ESG issues at publicly traded companies from 2020 through 2022.
- After eliminating double counting for assets involved in both strategies, the net total of sustainable investing assets under management at the beginning of 2022 was \$8.4 trillion.

TYPES OF INVESTORS FILING PROPOSALS

ESG Shareholder Proponents 2020-2022, by Number



ESG Shareholder Proponents 2020-2022, by Assets



SOURCE: US SIF Foundation

NOTE: There were no shareholder filers between 2020 and 2022 for the categories of family office and education.

INVESTOR ADVOCACY FINDINGS

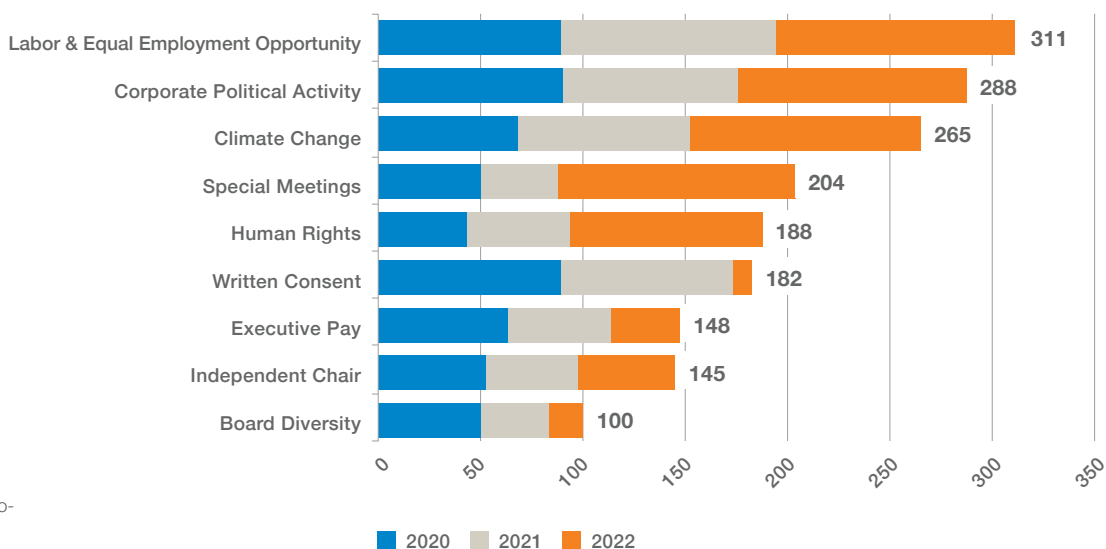
Filing shareholder resolutions on environmental, social or governance (ESG) issues at publicly traded US companies is one of the most visible ways in which investors can practice advocacy and engagement, whether or not they also use ESG criteria to select these companies for their portfolios.

From 2020 through the first half of 2022, 154 institutional investors and 70 investment managers, collectively controlling nearly \$3.0 trillion in assets under management, filed or co-filed shareholder resolutions on ESG issues.

In addition to or apart from filing shareholder resolutions, 25 institutional asset owners with more than \$750 billion in total assets and 67 money managers with \$18.1 trillion in total assets reported that they engage in dialogue with companies on ESG issues.

Labor and equal employment opportunity (EEO) was the leading issue for shareholder engagement as investors focused attention on ending de facto workplace discrimination on the

Leading ESG Issues 2020-2022, by Number of Shareholder Proposals Filed



SOURCE: US SIF Foundation, ISS ESG, Sustainable Investments Institute

NOTE: Data for 2022 show numbers of proposals known as of June 30 to have been filed for 2022 meetings.

About the 2022 Trends Report

The US SIF Foundation's biennial Trends Report is the only report providing a detailed breakdown of the professional assets under management—across all asset classes—that are engaged in sustainable investing strategies. It provides extensive data on the numbers of money management firms, institutional asset owners and investment vehicles using sustainable investment strategies. It also distills the range of environmental, social and governance (ESG) issues that investors consider. To obtain a copy, visit www.ussif.org/trends.

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basis of ethnicity and sex. From 2020 through mid-2022, investors filed a total of 311 proposals on these and related fair labor issues.

Corporate political activity, including disclosure and management of political spending and lobbying, was another prominent issue raised in shareholder proposals based on the number of proposals filed. Shareholders filed 288 proposals on this subject from 2020 through mid-2022.

Climate change was the third most prominent issue based on the number of resolutions filed. Investors continue to wrestle with whether US corporations are doing enough to assess their climate risk or to meet the challenges laid down by the Paris Climate Accord. Two-hundred sixty-five proposals were filed on climate issues from 2020 through mid-2022.

The proportion of shareholder proposals on ESG issues that receive high levels of support has been trending upward.

About US SIF

US SIF: The Forum for Sustainable and Responsible Investment is the leading voice advancing sustainable investing across all asset classes. Its mission is to rapidly shift investment practices toward sustainability, focusing on long-term investment and the generation of positive social and environmental impacts.

The US SIF Foundation is a 501(c)(3) organization that supports the work of the work of US SIF by undertaking educational, research and programmatic activities to advance the mission of US SIF.