

REGISTERED INVESTMENT COMPANY HIGHLIGHTS

Sustainable, responsible and impact investing (SRI) in the United States continues to expand at a healthy pace. Total US-domiciled assets under management (AUM) using SRI strategies grew from \$8.7 trillion at the start of 2016 to \$12.0 trillion at the start of 2018, a 38 percent increase. This represents 26 percent—or 1 in 4 dollars—of the total US assets under professional management.

BREAKDOWN OF US SRI ASSETS

Institutional investors, money managers and community investing financial institutions consider ESG issues in their investment research, analysis and decision making across portfolios totaling \$11.6 trillion. This is a 44 percent increase from the \$8.1 trillion reported in 2016.

In addition, institutional investors and money managers that file or co-file shareholder resolutions on ESG issues represent \$1.8 trillion.

After eliminating double counting for assets involved in both strategies, the net total of SRI assets under management at the beginning of 2018 was \$12.0 trillion.

REGISTERED INVESTMENT COMPANIES

Registered investment companies, such as mutual funds, variable annuities, ETFs and closed end funds, that incorporate ESG investing criteria account for 22 percent of the \$11.6 trillion in money manager ESG assets. (The majority of the \$11.6 trillion, 64 percent, were managed through undisclosed investment vehicles.)

The ESG AUM of registered investment companies have grown from just \$320 billion in 2010, to \$2.6 trillion at the start of 2018, **a more than eight-fold increase.**

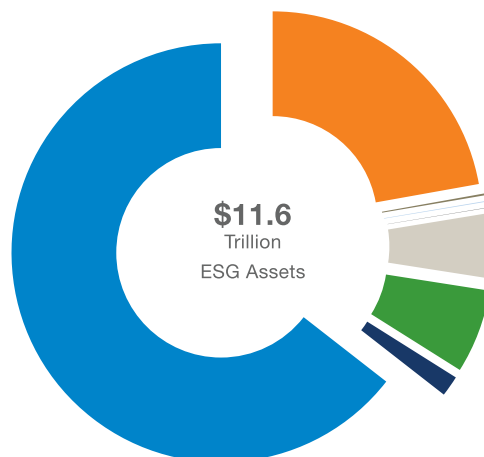
Within this group, **mutual funds are the dominant vehicle** both in the number of funds and the assets they represent. Since 2016, the total number of SRI mutual funds has increased 50 percent, to 636 funds.

The past two years also saw **significant growth in ETFs** incorporating ESG factors. Total ETF assets more than doubled to \$7.4 billion, and the number of funds increased 176 percent to 69.

MONEY MANAGER ASSETS, BY TYPE, INCORPORATING ESG CRITERIA 2018

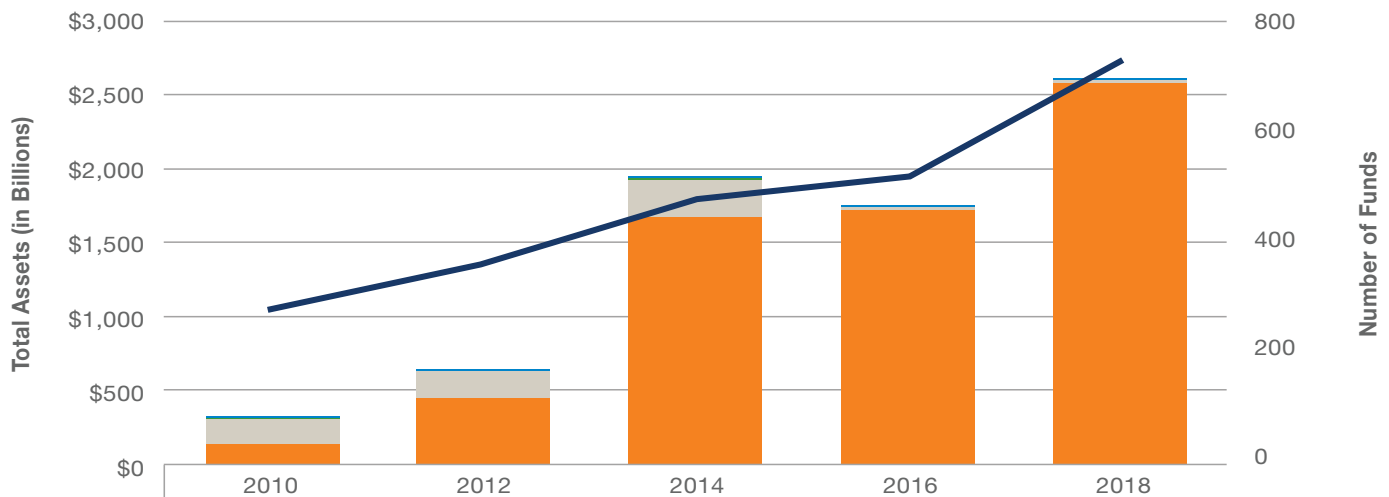
Total Assets (in Billions)

- Mutual Funds **\$2,580**
- Variable Annuities **\$17**
- ETFs **\$7**
- Closed-End Funds **\$3**
- Alternatives **\$588**
- Other Commingled Funds **\$753**
- Community Investment Institutions **\$185**
- Uncategorized Money Manager Assets **\$7,499**



ESG INCORPORATION BY REGISTERED INVESTMENT COMPANIES 2010-2018

Left Axis: ■ Mutual Funds ■ Variable Annuities ■ Closed-End Funds ■ Exchange-Traded Funds
 Right Axis: — Number of Funds



	#	Assets	#	Assets	#	Assets	#	Assets	#	Assets
Mutual Funds (ex-Variable Annuity)	223	\$139.2	302	\$455.7	415	\$1,675.1	475	\$1,718.3	636	\$2,580.3
Variable Annuities	27	\$176.9	31	\$184.8	41	\$249.7	16	\$16.9	18	\$17.0
Closed-End Funds	5	\$0.2	7	\$1.4	4	\$7.3	3	\$0.7	7	\$2.9
Exchange-Traded Funds	26	\$4.0	21	\$2.5	20	\$3.5	25	\$3.5	69	\$7.4
Total	281	\$320	361	\$645	480	\$1,936	519	\$1,739	730	\$2,608

SOURCE: US SIF Foundation.

NOTE: Asset values are in billions.

About the 2018 Trends Report

The US SIF Foundation's biennial *Trends Report* provides extensive data on the assets using one or more sustainable investment strategies and examines a broad range of significant ESG issues such as climate change, human rights, weapons avoidance and corporate governance.

This report is the only report of its kind in the United States and is extensively used by other institutions and organizations. To obtain a copy, visit www.ussif.org/trends.

About US SIF

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

The US SIF Foundation undertakes educational, research and programmatic activities to advance the mission of US SIF.

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