

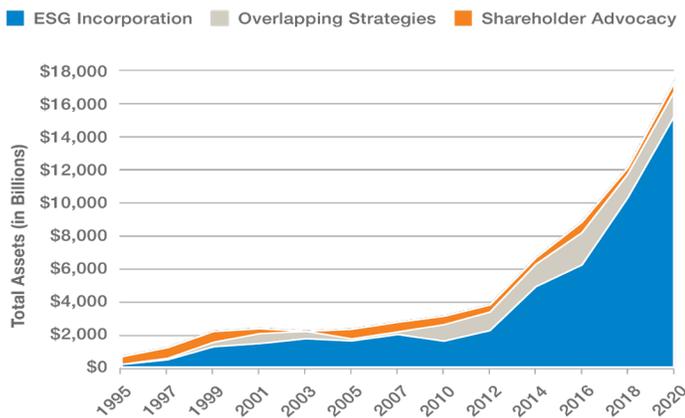
2020 Report on US Sustainable and Impact Investing Trends

PHILANTHROPIC FOUNDATIONS HIGHLIGHTS

Sustainable investing in the United States continues to expand at a robust pace. Total US-domiciled assets under management (AUM) using environmental, social and governance (ESG) strategies grew from \$12.0 trillion at the start of 2018 to \$17.1 trillion at the start of 2020, a 42 percent increase. This represents 33 percent – or 1 in 3 dollars – of the total US assets under professional management.

US SUSTAINABLE INVESTING GROWTH 1995-2020

Since 1995, when the US SIF Foundation first measured the size of the US sustainable investment universe at \$639 billion, assets have increased more than 25-fold, a compound annual growth rate of 14 percent.



SOURCE: US SIF Foundation.

BREAKDOWN OF US SUSTAINABLE INVESTING ASSETS

- Institutional investors, money managers and community investing financial institutions consider ESG issues in their investment research, analysis and decision making across portfolios totaling \$16.6 trillion. This is a 42 percent increase from the \$11.6 trillion reported in 2018.
- Institutional investors and money managers that file or co-file shareholder resolutions on ESG issues represent \$1.98 trillion.
- After eliminating double counting for assets involved in both strategies, the net total of sustainable investing assets under management at the beginning of 2020 was \$17.1 trillion.

PHILANTHROPIC FOUNDATION FINDINGS

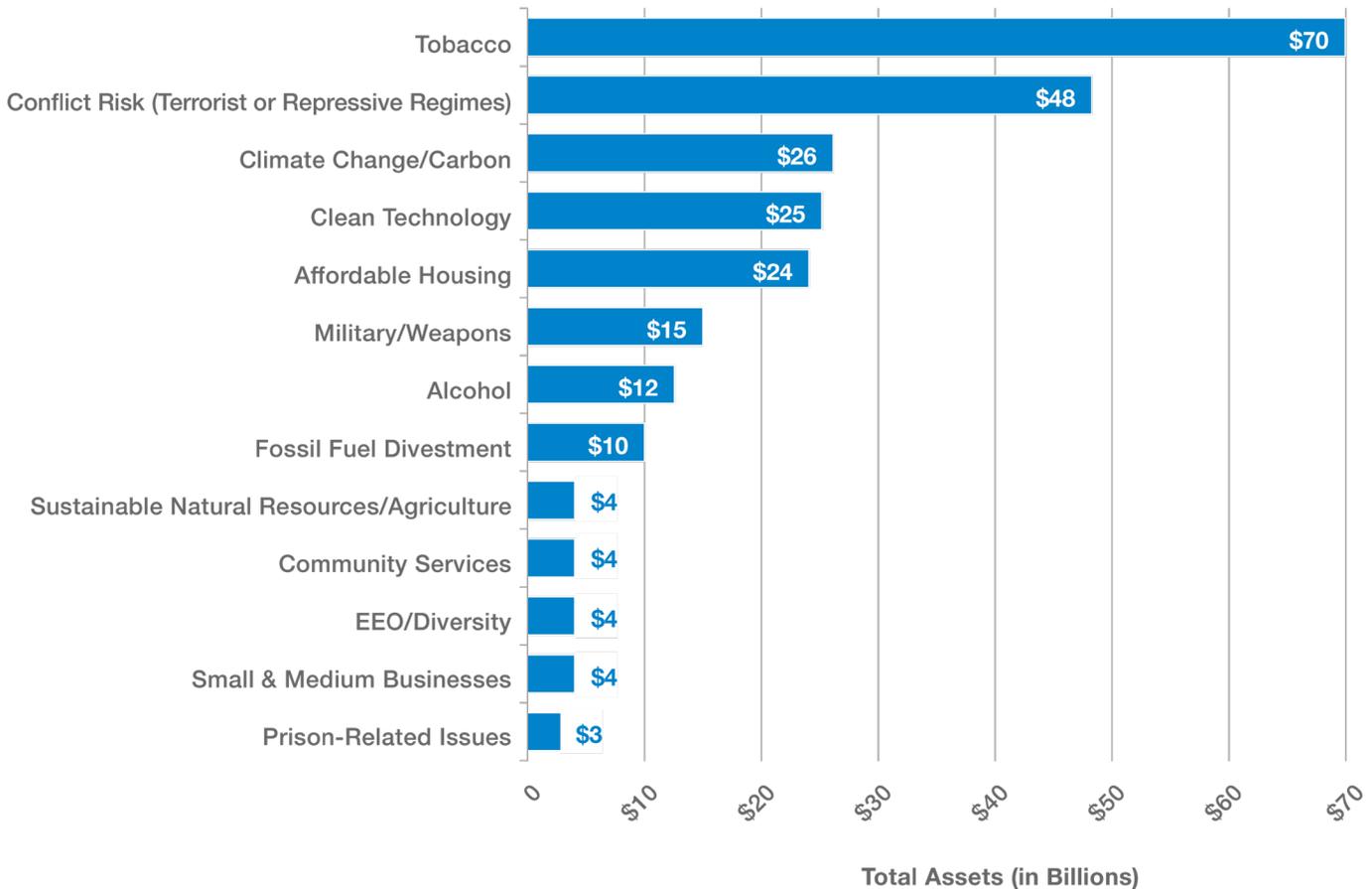
Philanthropic foundations account for 2 percent of the total institutional ESG assets identified with detail in the report. However, they experienced notable growth in ESG assets under management, up 43 percent between 2018 and 2020 to \$97 billion. The number of foundations identified as engaging in ESG incorporation has stayed roughly the same at over 120.

The top two issues affecting foundations were **tobacco** (\$70 billion) and **conflict risk** (\$48 billion). Among environmental issues, **climate change** and **carbon emissions** (\$26 billion) and **clean technology** (\$25 billion) were the top issues. The top social issue after conflict risk was **affordable housing** (\$24 billion).

A fundamental reason for foundations to adopt sustainable and impact investment strategies is to have additional tools to advance their programmatic goals and generate positive impact. Although a few foundations apply ESG criteria across their entire endowments, foundations typically have considered ESG criteria across relatively small portions of their assets.

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LEADING ESG CRITERIA FOR FOUNDATIONS 2020



SOURCE: US SIF Foundation.

About the 2020 Trends Report

The US SIF Foundation's biennial Trends Report provides extensive data on the numbers of institutional asset owners, money management firms and investment vehicles using sustainable investment strategies. It also distills the range of significant environmental, social and governance (ESG) issues that investors consider.

The report is the only report of its kind in the United States. It 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 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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