



# THE FUTURE OF ESG INVESTING

NEPC CORPORATE & HEALTHCARE ESG FLASH POLL 2018

## ESG ADOPTION

HOW DECISION MAKERS ARE INCORPORATING ENVIRONMENTAL, SOCIAL & GOVERNANCE FACTORS

**12%**

are incorporating ESG factors

**29%**

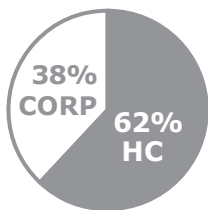
aren't incorporating ESG factors at this time, but indicated future interest



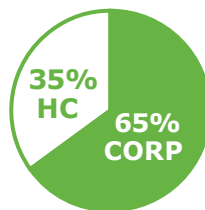
**59%**

aren't incorporating ESG factors at this time and did not indicate future interest

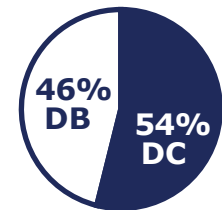
### ESG ADOPTION BY ASSET OWNER



Incorporating



Not incorporating, but interested



Not incorporating

### WHY NOT?

- 38% - Only consider financial factors
- 27% - Need more data on ESG's impact to performance
- 11% - Dept. of Labor guidance unclear

### OUR THOUGHTS

- ESG is rooted in strategy and process, not investment products
- Ask investment managers whether ESG is part of their existing investment strategy
- Identify success metrics against that strategy

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