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PART II – STEWARDSHIP AND GOVERNANCE

# Point of No Returns 2023

## Part II: Stewardship and Governance

ShareAction»

# About ShareAction

ShareAction is an NGO working globally to define the highest standards for responsible investment and drive change until these standards are adopted worldwide. We mobilise investors to take action to improve labour standards, tackle climate change and address pressing global health issues. Over 16 years, ShareAction has used its powerful toolkit of research, corporate campaigns, policy advocacy and public mobilisation to drive responsibility into the heart of mainstream investment. Our vision is a world where the financial system serves our planet and its people.

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# Acknowledgements

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## Disclaimer

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# Executive summary

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The world faces unprecedented challenges. Fuelled by ever-rising greenhouse gas emissions, the past eight years are on track to be the eight warmest on record, resulting in devastating floods, extreme heatwaves and deadly, long-running droughts.[i] Biodiversity continues to decline at an alarming rate, risking catastrophic consequences.[ii] Soaring inflation worsens cost of living pressures,[iii] with severe impacts for the most vulnerable and disadvantaged groups.[iv]

The global economy must be transformed to address these challenges, and asset managers can play a crucial role in this. To safeguard the wealth they manage and meet the expectations of their clients, asset managers must have effective governance and stewardship structures in place, and they must adequately address social and environmental risks and impacts.

This report looks at the responsible investment governance and stewardship practices of 77 of the world's largest asset managers, who collectively hold over $77 trillion in assets under management. We look at whether they have robust governance policies in place that can enable effective decision making, incentivise responsible investment, and ensure they are accountable for their actions at the very highest level. We look at whether they show effective stewardship by engaging with investee companies and voting at Annual General Meetings (AGMs).

Our assessment is based on comprehensive data collected from the asset managers between July and November 2022.

## Many asset managers show improved stewardship and governance – but there are gaps in performance

Our report indicates mixed progress. Many asset managers showed improvement in their responsible investment policies and disclosure of related stewardship activities since our previous survey in 2020[v]. But there are key gaps in performance, with the majority of asset managers lacking biodiversity voting and engagement policies.

European asset managers performed highest in general, with all of the top ten performers in stewardship based in the EU or the UK. However, there were also examples of laggards in Europe, with one of the bottom ten also based in the EU. This pattern matched the findings in our overall benchmarking of asset managers, published in February 2023.

There has also been some progress in governance, including a general trend towards board members being responsible for responsible investment policies. But asset managers are still falling behind on other aspects, such as linking remuneration for senior management to responsible investment. The top ten performing asset managers in governance were all European; though again, four of the ten lowest-performing asset managers were also EU or UK-based.

Overall, the asset managers we surveyed appear to have taken several initial, important steps to improve their responsible investment stewardship and governance. This is heartening, but they must go further. Those that are currently under-performing should look to the examples of leading practice from among their peers. Those already performing well should continue to ensure that their policies and practices are as robust as they can be.

## How to use this report

This report offers detailed insights into how the 77 firms are managing risks and impacts related to governance and stewardship.

It follows the overall ranking of surveyed companies, Point of No Returns 2023: Part 1 – Ranking and General Findings, published in February.

The firms' approaches to managing risks and impacts related to climate, biodiversity and social issues will be examined in separate reports to be released later this year.

All the reports in the series include examples of leading practice on various responsible investment issues. These give specific, practical insights into how asset managers can implement, and have already implemented, robust responsible investment practices.

This report, and its recommendations, are designed to be useful to key stakeholders in the financial community:

- **Asset managers** are encouraged to use this report, and its recommendations, to benchmark their own performance and inform areas for improvement.
- **Asset owners** and **investment consultants** can use the information to challenge asset managers, inform the selection of managers, and as a reference for positive trends set by leading players.
- **Policy makers** can use the report to identify areas of sector-wide strength and weakness and to determine appropriate policy action to protect investors and the wider public interest.

# Summary findings

# Summary findings

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### Voting

**Finding 1:** 82% of asset managers reported voting policies on climate and 81% on social issues. Yet nearly two-thirds (62%) lacked any policy on biodiversity.

**Finding 2:** Only three asset managers could show evidence that they followed the 'comply or explain' principle on a mandatory basis.

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**Finding 22**: Two-thirds of asset managers reported several policies or practices to improve internal diversity and inclusion.

# Recommendations

# Recommendations

We make the following recommendations based on the findings outlined in this report.

## For asset managers

Asset managers are not yet showing sufficient ambition to meet the urgent challenges that face the global financial system, as our findings demonstrate. They must show more robust and effective stewardship and governance so that their investments benefit both people and planet.

### Governance

- Ensure board members and/or trustees are accountable for the development of policies related to responsible investment.
- Ensure members of the core executive team are responsible for the development of policies related to responsible investment.
- Introduce mandatory training involving subject matter experts on responsible investment-related issues for board members, senior management, and investment decision makers.
- Ensure there is at least one board member with climate-related expertise.
- Ensure that the board has key performance indicators (KPIs) or objectives related to material responsible investment issues.
- Link remuneration of senior management to KPIs or objectives related to material responsible investment issues.
- Communicate to clients the negative and positive environmental and social impacts of all portfolios.
- Measure indicators of workforce diversity (including gender, ethnicity, age, disability, neurodiversity, and socio-economic background) and publish gender and ethnicity pay gap reports, as far as permissible within regulatory frameworks, to inform diversity and inclusion policies and targets.

### Engagement

- Develop and disclose an engagement policy that covers all assets under management, which contains detailed guidelines for engagement on climate, biodiversity and social issues.
- Develop and disclose an escalation process. This should include timelines, triggers, and consequences following unsuccessful escalation.

- Implement a robust engagement and escalation strategy which includes a variety of tactics, such as: a) making a public statement, b) voting against management resolutions, c) asking questions at an annual general meeting, d) filing or co-filing a resolution and e) reducing or divesting holdings following unsuccessful engagement.
- Publish a stewardship report that details engagement activity. The report should include thematic engagement priorities, case studies, a full list of companies engaged with, and quantitative assessments of engagement outcomes, including the tactics used.

### Voting

- Publish a voting policy, which contains guidelines for voting on climate, biodiversity and social issues.
- Publicly disclose records of all proxy votes on a monthly or more frequent basis, and in an accessible format.
- Review all proxy voting advisor recommendations on resolutions related to responsible investment before voting.
- Vote in favour of responsible investment-related shareholder resolutions by default, on a mandatory 'comply or explain' basis.[1]
- Publish rationales for abstentions and votes cast against management resolutions where they are significant, or relate to responsible investment.
- Where legally permissible, pre-declare voting intentions on key responsible investment-related resolutions.

## For asset owners

Asset owners are key in raising standards across the asset management industry. As the direct representatives of end beneficiaries, they therefore have an interest in ensuring that asset managers are adequately reflecting the growing desire of beneficiaries to have their money managed responsibly. Part 1 in this report series contains recommendations on investment practices. Asset owners should also examine their asset managers' stewardship and governance practices, and hold managers to account when they fall short.

- Strengthen due diligence of asset manager selection by reviewing performance on responsible investment-related voting and engagement and responsible investment governance.
- Be aware that asset managers signing up to responsible investment initiatives does not itself represent a fit-for-purpose responsible investment approach.

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1 For further detail on the 'comply or explain' principle, please see our 2022 Voting Expectations report.

- Require asset managers to report regularly on how they are conducting stewardship on responsible investment issues, including clear engagement priorities, detail of progress of ongoing engagements and quantitative assessments of actions and outcomes.
- Firmly embed clear and specific expectations on the integration and reporting of climate change, biodiversity and social issues into Investment Management Agreements.
- Challenge and be prepared to end mandates for asset managers who do not live up to pre-established expectations on governance and stewardship policies and practices.
- Asset owners who are also shareholders in asset management companies should use their shareholder influence via voting or engagement to address poor performance on responsible investment issues.

## For investment consultants

Investment consultants must be informed on asset managers' responsible investment stewardship and governance activities and policies so they can match clients with the most appropriate firms.

- Regularly meet with recommended asset managers and monitor stewardship reports and voting records to ensure up-to-date knowledge.
- Challenge asset managers directly where voting or other stewardship activities are not in line with stated policies, or are substandard.
- Do not recommend asset managers to clients where their performance on responsible investment governance and stewardship is substandard.
- Encourage asset managers to improve both disclosure and performance on responsible investment governance and stewardship.

## For policy makers

Regulatory oversight of investment and stewardship activities, both voluntary and mandatory, can often raise standards across the board. The UK Stewardship Code 2020 has contributed to improvements in transparency and disclosure in the UK[vi], and the EU's sustainable finance agenda, including the Sustainable Finance Disclosure Regulation, is also likely a contributor to the relatively strong performance of European asset managers on stewardship. Such policies should be implemented consistently, with the relevant regulators sufficiently empowered to take action.

- Develop and enforce strong, mandatory stewardship rules covering asset owners, asset managers and service providers that cover responsible investment factors as well as disclosure on the effectiveness of the engagement.

- Empower regulators with clear mandates to supervise and, where necessary, penalise poor performance on responsible investment practices, including in stewardship.
- Mandate voting disclosure by institutional investors, including setting a compulsory timeframe, and develop guidance for a framework of what good voting disclosure looks like.

# Methodology

# Methodology

- Asset managers were selected based on the size of their assets under management (AUM) with adjustment for regional coverage (39 managers were from Europe, 25 from the Americas, and 13 from the Asia Pacific region).
- A partially pre-filled questionnaire was sent to 77 asset managers, of which 83% decided to participate by verifying and augmenting the data.
- Asset managers that declined (17%) had their response populated based on publicly available information and were subsequently provided with the opportunity to review their response.
- The analysis in this report series is based on answers to survey questions and commentary provided in survey responses. The questionnaire can be found in the Appendix to Part 1 of the series.
- Information was collected between July and November 2022.

The full methodology can be viewed here.

# Stewardship and transparency

# Stewardship and transparency

This chapter assesses asset managers' stewardship policies and activities, including voting policies, transparency on voting, engagement policies and activities, the disclosure of impacts to clients, and memberships of associations.

## Voting policy

Voting on resolutions at a company's Annual General Meeting (AGM) is a powerful way for asset managers to influence the companies they invest in – but many are not using voting to its full potential[vii].

A clear and detailed public voting policy is a key part of a good stewardship approach. It provides transparency for stakeholders, enabling asset owners and other clients to check adherence to particular principles. A robust voting policy must be complemented with other elements of stewardship, such as actual voting behaviour and engagement with companies. In this section we assess asset managers' commitment to use their voting rights to hold companies to account; consider the themes contained in their voting policies and whether they set participation targets; and note regional variation (Table 1).

### Table 1: Asset managers' voting policies and disclosures vary between regions.

| | | Europe | Americas | Asia Pacific |
|---|---|---|---|---|
| **% with voting policy** | Climate | 85% | 91% | 62% |
| | Biodiversity | 46% | 32% | 23% |
| | Social | 82% | 95% | 54% |
| **% disclosing votes quarterly or more frequently** | | 77% | 64% | 31% |
| **% publishing rationales** | Votes against management resolutions | 59% | 86% | 31% |
| | Votes against shareholder resolutions | 54% | 82% | 31% |

## Finding 1: 82% of asset managers reported voting policies on climate and 81% on social issues. Yet nearly two-thirds (62%) lacked any policy on biodiversity.

72 (97%) of the asset managers[2] reported public voting policies. This points to a high standard of basic transparency across the industry; it is now unusual for an asset manager not to publish its proxy voting policy.

When we last surveyed asset managers, in 2020, 56% stated that their voting policy covered climate change, but only a small number made specific voting commitments on climate[viii]. In 2022, 60 asset managers (82%) reported that their voting policy covered climate change (Figure 1). 25 firms which did not report a climate policy in our previous survey have now adopted one.

Nearly two-thirds (64%) provided specific voting commitments or detailed guidelines. This increase is encouraging, but there were still 14 firms without any climate-related voting commitments and a further 13 with no reference to climate at all in their voting policies.

There was regional variation in the level of detail in these climate policies. 77% of the asset managers based in the Americas, and 72% of European asset managers reported specific climate voting commitments, compared to 15% of those based in the Asia Pacific region.

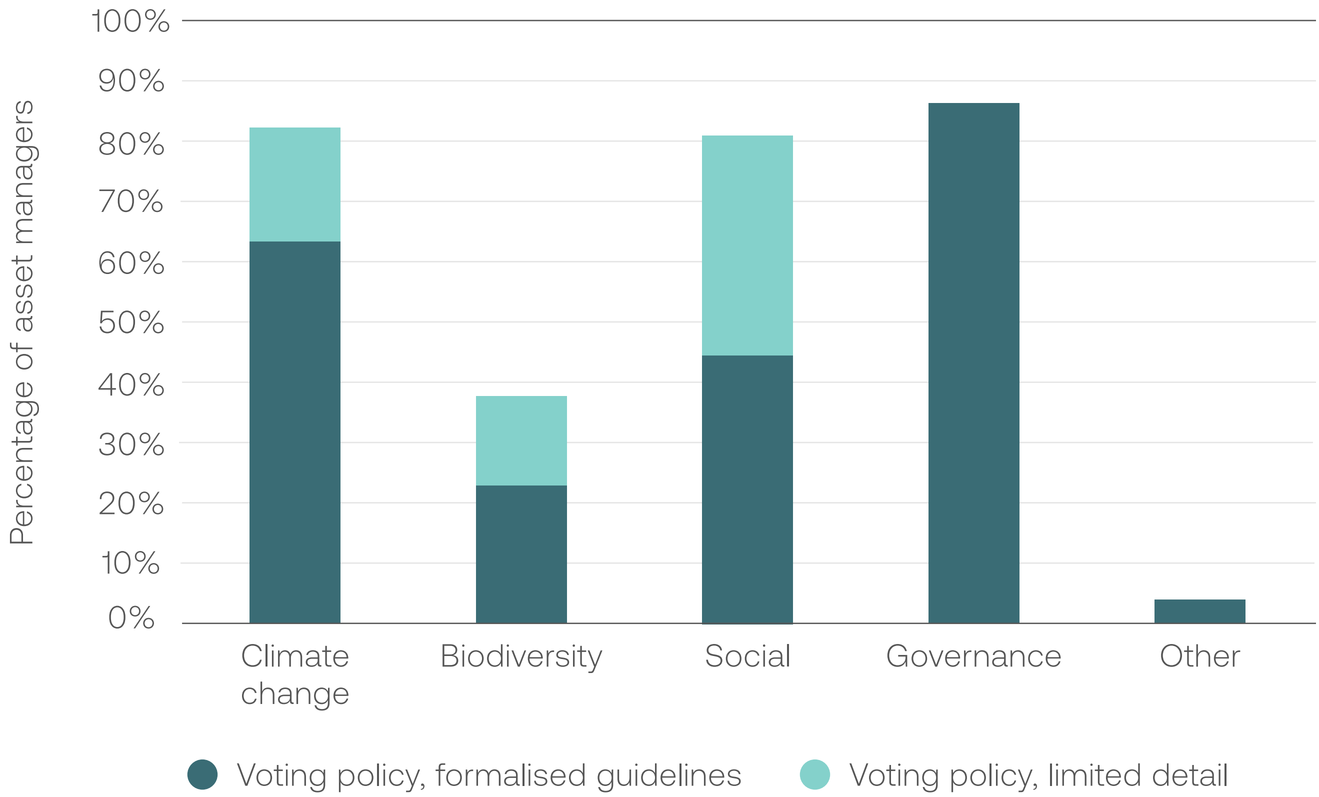
Social issues were also relatively well represented. In our 2020 survey, 53% of asset managers reported that their voting policy covered human and labour rights, but few made specific voting commitments. In 2022, 81% of eligible asset managers had voting policies on social issues more broadly (including public health), including 24 who did not report such a policy in the 2020 survey.

However, 36% of asset managers did not reference specific voting commitments on social issues. Such commitments may include pledging to support resolutions that seek to improve labour practices, or that require companies to disclose pay equity data for race or gender.

Our 2022 survey was the first that asked whether asset managers referenced biodiversity in their voting policies. Only 28 asset managers (38%) reported having a biodiversity policy; 11 of these lacked detail on specific resolutions and principles. This leaves nearly two-thirds of asset managers who made no reference to biodiversity in their voting policies.

2 For findings 1–6, three asset managers were removed from the sample as a significant majority of their assets are held outside listed equity.

Figure 1: Only a minority of asset managers reported voting policies on biodiversity




## Leading practice: Swisscanto's formalised voting guidelines across themes

Swisscanto included formalised voting guidance on shareholder proposals in its proxy voting policy[ix]. Although the guidance emphasised that proposals are taken on a case-by-case basis, it included a detailed list of common shareholder proposals, categorised by theme. It also described what the proposals normally contain, and whether they would tend to support the proposal on a general basis.

Resolutions cited as examples in the guidance included: to require a company to report on climate change or greenhouse gas emissions; to request that a company adopts or reports on the implementation of human rights policies; and to report on environmental impacts, including deforestation.

### Finding 2: Only three asset managers could show evidence that they followed the 'comply or explain' principle on a mandatory basis.

Only three asset managers could provide evidence that they made it mandatory to follow the 'comply or explain' principle. This states that asset manager should presume to vote in favour of responsible investment-related shareholder resolutions or – if it plans not to – must provide a public rationale explaining why. This can be the sign of a strong voting policy, as it puts the onus on asset managers to provide clear reasons for acting against responsible investment-related resolutions.

## Transparency on voting activities

Publishing votes in a timely and accurate manner, with detailed rationales, is a key part of an asset manager's stewardship activities – and provides a guide as to whether an asset manager is following its own principles.

Increased transparency can also be an engagement tool. Pre-declaring voting intentions on contentious or high-profile resolutions is a strong public signal that they are legitimate and important. It can also lead the target company to change before a vote is even held, as happened following a shareholder campaign targeting global food manufacturer Unilever over public reporting about the healthiness of the food it sells [x].

The importance of transparency on voting activities is recognised in several countries' stewardship codes, including the UK[xi] and Japan[xii], as well as in the EU Shareholder Rights Directive II[xiii].

This section looks at whether the asset management industry is transparent enough for clients and others to be able to hold them to account for their voting decisions.

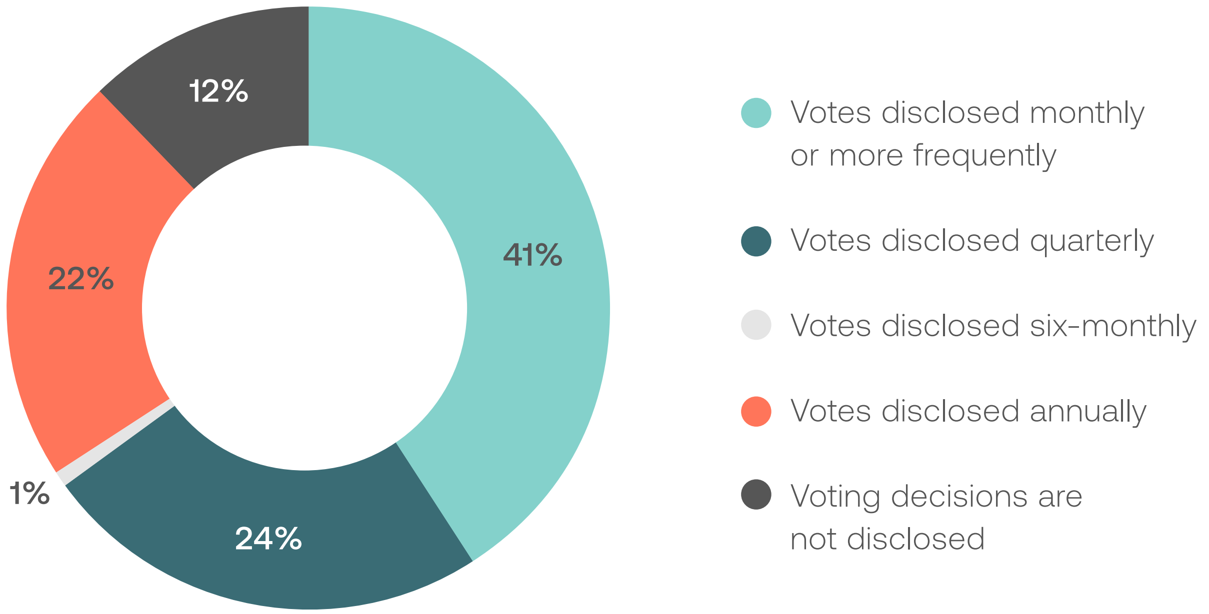
### Finding 3: The vast majority (88%) of asset managers disclosed votes publicly.

88% of asset managers disclosed their voting records publicly, up from around 55% in 2020[xiv]. Nine asset managers who reported not publishing voting records in 2020 now do so.

Asset managers are publishing more regularly: 41% of asset managers disclosed this information within one month of the AGM, compared to 28% in 2020 (Figure 2).

While it is promising to see this increase in transparency, five eligible asset managers still did not publish their voting records, and four disclosed only to clients. All nine were based either in the Americas or Asia Pacific. These asset managers are not delivering the transparency over voting that has become an industry standard.

Figure 2: Most asset managers disclosed votes quarterly or more frequently

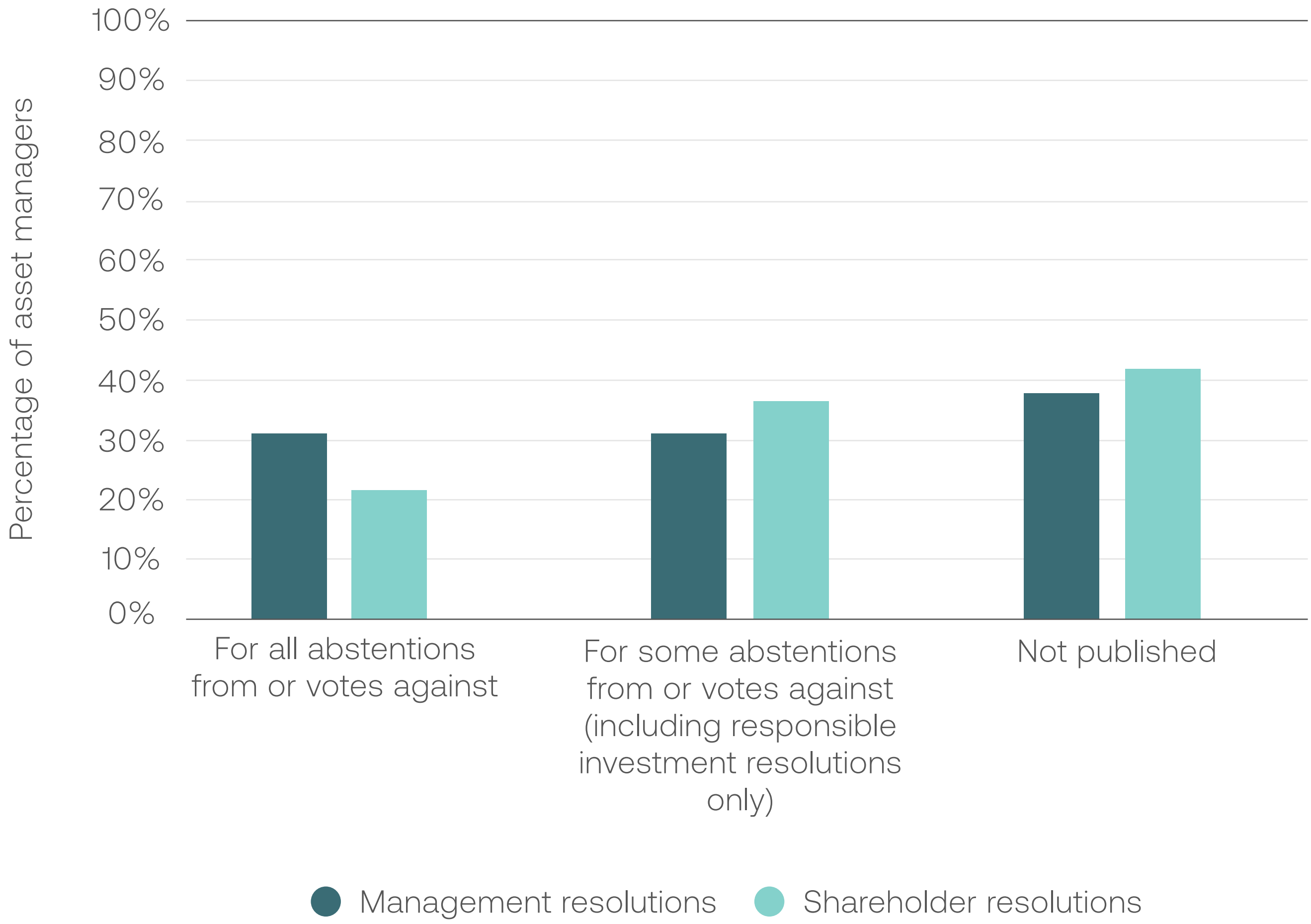



## Finding 4: 42% of asset managers did not publish rationales for their votes against shareholder resolutions.

62% of asset managers disclosed their rationales for voting against management-sponsored resolutions and 58% published rationales for votes against shareholder-sponsored resolutions (Figure 3). This is a significant increase from 2020, when only 17% of asset managers disclosed the rationales for their voting decisions.

Of those that did publish these rationales in 2022, just under a third provided reasoning for all abstentions from or votes against management resolutions, with the same proportion providing partial information (Figure 3). Disclosure of abstentions from or votes against shareholder resolutions was less comprehensive, with only 22% of asset managers providing a full record of rationales.

Figure 3: More companies disclosed voting behaviour on management-sponsored resolutions than shareholder-sponsored




## Finding 5: Only three asset managers pre-declared their voting intentions publicly.

Despite the additional potential impact from pre-declaring voting intentions publicly, only three eligible asset managers – AllianceBernstein, Aviva Investors and Legal & General Investment Management – provided evidence that they made their voting intentions public before the AGMs. All three are based in Europe or the Americas. Several others indicated that they communicated voting intentions privately to companies.

There are a number of possible reasons for this reticence. Asset managers may not wish to risk relationship damage, or they may not have previously engaged on a topic with the target company[xv].

## Leading practice: LGIM voting intentions page

Legal & General Investment Management ('LGIM') has been pre-declaring its voting intentions on the organisation's blog since 2021, pre-declaring votes for nine companies in 2021[xvi] and for 15 in 2022[xvii]. This blog is regularly updated and contains detailed rationales for these decisions, including how they fit into LGIM's stewardship strategies. LGIM also reported where this forms part of a broader investor coalition or campaign, or where it was part of an ongoing engagement strategy, for example as part of the campaign calling on Sainsbury's to pay the real living wage to all staff and third-party contractors[xviii].

### Finding 6: Just over half (55%) of asset managers reported reviewing the majority of proxy voting advisor recommendations.

Over half of asset managers reported that they review between 75% and 100% of individual proxy voting recommendations before making their own voting decisions. 22% reported that they do not use proxy advice in voting decisions. The remaining 23% reported that they review some, but less than 75%, of proxy recommendations individually before voting.

Asset managers routinely ignore the advice of their proxy voting advisors in order to vote against action on environmental and social issues. ShareAction's 2022 Voting Matters report found that the world's four largest asset managers voted more conservatively than was recommended by ISS and Glass Lewis, the two major proxy voting advisors[xix]. It is therefore important that asset managers review any advisor recommendations carefully to ensure that it aligns with their own voting policies.

## Engagement policies

Comprehensive engagement policies are an essential element of an asset manager's stewardship toolkit. They enable managers to hold investee companies to account on environmental and social issues.

This section assesses the asset managers' engagement policies, what portfolios and themes these cover, and whether they adequately address the myriad environmental and social challenges represented within the financial system. There was significant variation between regions (see Table 2).

Table 2: Engagement polices show variation between regions

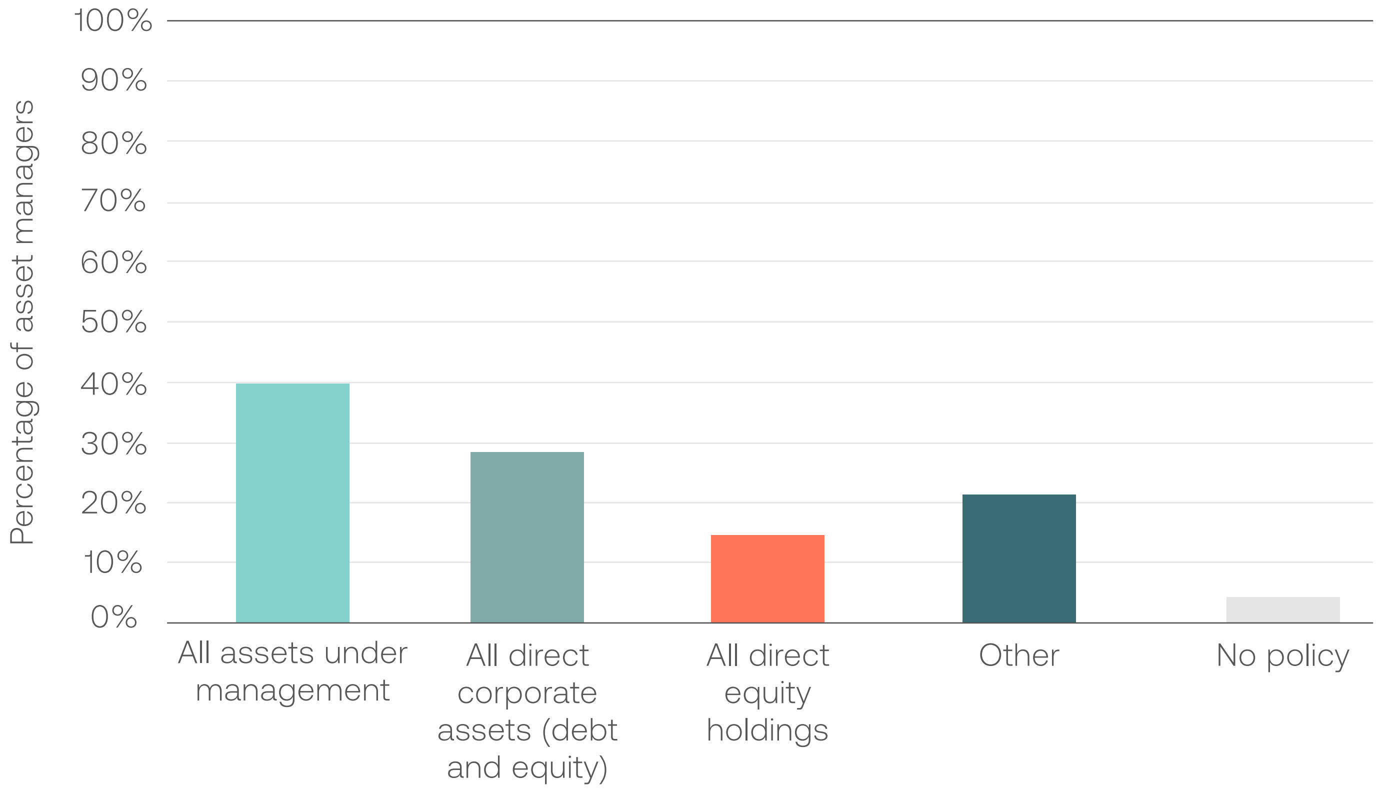
| | | Europe | Americas | Asia Pacific |
|---|---|---|---|---|
| **% asset managers with engagement policy on:** | Climate | 85% | 79% | 69% |
| | Biodiversity | 62% | 42% | 31% |
| | Social issues | 82% | 67% | 46% |
| **% asset managers with escalation policies containing:** | Triggers/time-bound deadlines | 44% | 28% | 15% |
| | Consequences for unsuccessful escalation (litigation, divestment, etc.) | 69% | 28% | 23% |
| **% asset managers with engagement reports containing:** | Quantitative assessment of engagement outcomes | 56% | 46% | 23% |
| | Full list of companies engaged with | 46% | 29% | 0% |

## Finding 7: 82% of asset managers' engagement policies covered equities, compared to 40% that covered all assets under management.

Nearly all (74 of 77) asset managers published some form of engagement policy. These public documents are crucial to enable asset owners, clients and other stakeholders to find clear evidence of how an asset manager intends to influence investee organisations.

The coverage of these policies varied: 13% of asset managers reported that their policies did not include corporate debt. A further 21% reported partial coverage of corporate debt, to varying degrees (Figure 4), and 40% reported that it covered all assets under management. In comparison, 82% of asset managers covered equities in their policies. We recognise that some asset classes have very limited engagement mechanisms, however we encourage all asset managers to include listed and unlisted corporate equity and debt, and infrastructure and real estate assets, in their engagement policies, where possible.

Figure 4: Most asset managers did not include all assets under management in their engagement policy



## Leading practice: AXA Investment Managers' engagement policy across asset classes

Managers (AXA IM) provided detailed information on how it adapts its engagement policy to the varying asset classes that it manages outside of listed equity[xx].

For **private equity,** if AXA IM identifies ESG risks through due diligence and subsequent monitoring, it establishes an Environmental and Social Action plan (ESAP) in collaboration with investee companies and projects to rectify the situation. These contain responsibilities and timelines, and the implementation of these plans can be used as a condition for further investment.

For **corporate and sovereign debt,** AXA IM raises ESG with issuers in regular meetings as well as through specific engagement programs with the explicit goal to achieve a change within a company. For green, social and sustainability bonds, it engages with both governments and corporates to follow up on their promises at the time of issuance, to ensure that the bonds are effectively allocating proceeds to green and social projects and publish impact reporting.

For **infrastructure and real estate** assets, AXA IM conducted a survey of ESG-related risks in its commercial real estate debt to obtain deeper level of insight and knowledge before using it to inform future engagement.

## Leading practice: Invesco's bond engagement

Invesco manages investments across a range of asset classes including fixed income and has detailed guidelines for engagement on bonds in both primary and secondary markets. In sustainable finance, bond issuers frequently ask for Invesco's view on the structuring of green bonds or sustainability linked bonds. In this capacity, Invesco makes a number of recommendations, from specific products that would be considered suitable, to the implications of particular key performance indicators of the bond. It further provides recommendations as to how a bond can align closer with the UN Sustainable Development Goals.

### Finding 8: 79% of asset managers covered climate in engagement policies, however just under half (49%) included biodiversity.

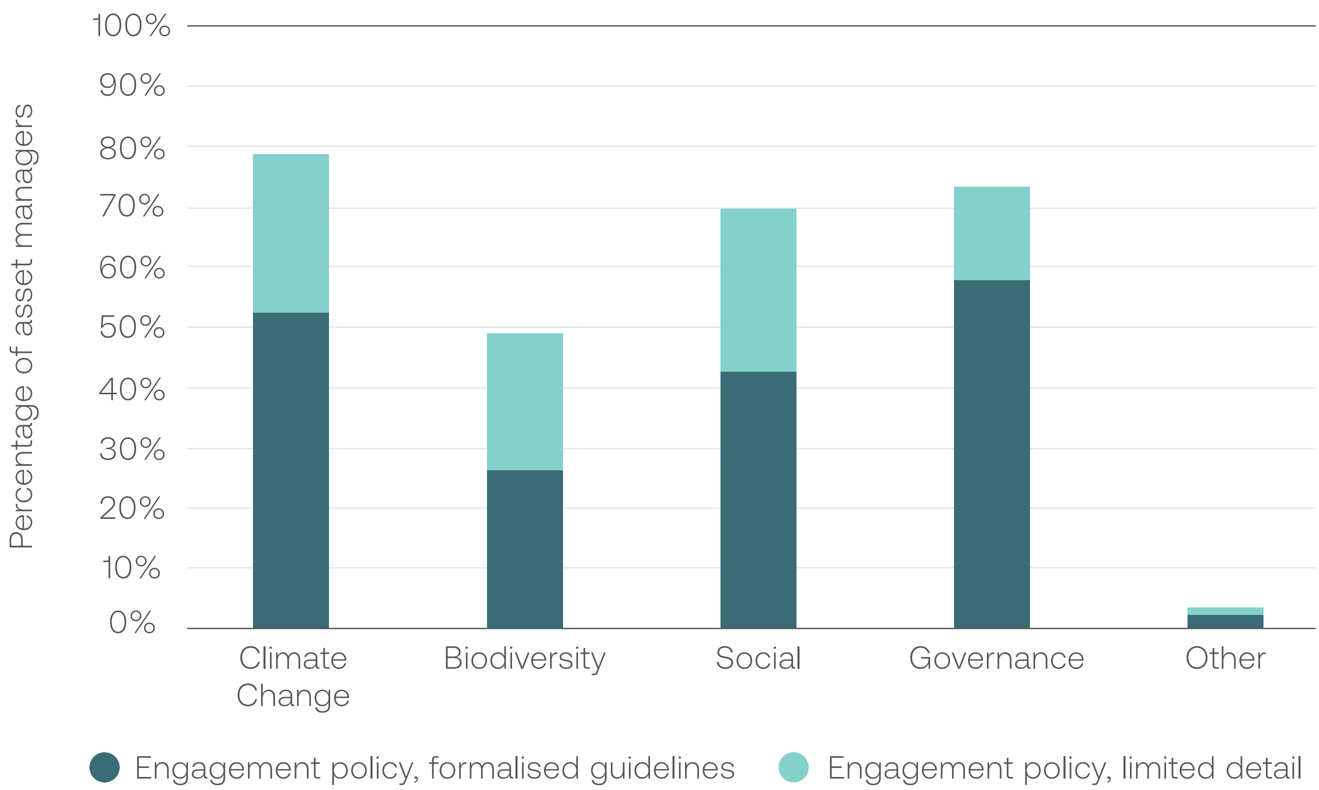
Climate change continues to be high up asset managers' agendas for engagement: 79% reported an engagement policy for climate change (Figure 5). More asset managers provided commitments on engagement than voting. 52% of asset managers reported specific climate commitments, for example on net zero target alignment. However, 16 asset managers still did not report a climate engagement policy.

Social issues were also commonly referenced, with 70% of asset managers reporting an engagement policy for social issues and the majority of these providing formalised guidelines, such as on human rights due diligence or the application of free, prior and informed consent.

Far fewer asset managers reported biodiversity policies. Just under half (49%) had an engagement policy on biodiversity, and only 27% of asset managers reported specific biodiversity commitments. Biodiversity is rapidly rising up the finance agenda[xxi], so asset managers are working on ways to address this crisis and we expect to see material improvement in the adoption of policies in the near future.

40% of asset managers reported that they consider the Just Transition (see Box) in their engagement approach. In order to address the interlinked challenges and opportunities of a Just Transition, it is vital that asset managers have engagement policies covering all responsible investment topics. This should be a well-considered approach, which recognises the social aspect of the Just Transition as an opportunity rather than as a barrier to progress.

## Figure 5: A majority of asset managers had climate change and social engagement policies; however, less than half reported an engagement policy on biodiversity



## Leading practice: Achmea's formal engagement guidelines across themes

Achmea publishes formal engagement guidelines, mapped to specific codes such as the ILO Labour Standards and the Paris Agreement on Climate Change[xxi]. These are split into particular industries and contain specific formalised guidelines, including but not limited to:

- Electric utilities and fossil fuel intensive industries should publish their (in)direct GHG emissions according to TCFD and have duly substantiated strategic (investment) plans to reduce these emissions.
- Companies are expected to develop an Environmental Impact Assessment and/or a Rapid Biodiversity Assessment, in accordance with the standards of the Global Reporting Initiative.
- Companies should have a clear (management) system to monitor compliance with international labour standards, and establish procedures to identity and resolve abuse of labour standards.

## The Just Transition

A 'Just Transition' is a fair and inclusive process that prioritises the social needs of workers, communities, consumers and citizens affected by the transition to a net zero economy.

There is growing consensus that society and business must transform in order to deal with the climate crisis. However, without a Just Transition, the rapid shift to a green economy could result in the most vulnerable suffering impacts: from former coal workers who are made redundant when power plants[xxii] are decommissioned to households who are unable to pay for greener heating[xxiii].

If social needs are considered throughout the process, there are huge opportunities. Jobs in clean energy already outnumber those in fossil fuels, with further growth expected[xxiv]. Investment along Just Transition principles could also provide electricity to rural communities and businesses for the first time[xxv].

The importance of a Just Transition is acknowledged in the Paris Agreement. It is also crucial to achieving several Sustainable Development Goals, including those relating to reduced inequalities and climate action[xxvi]. Asset managers should therefore consider it in all their activities. ShareAction's Laying the Track: The Race to Zero[xxvii] briefing sets out actions that investors and policy makers can take to ensure their investments benefit both climate and community.

## Leading practice: Robeco's Just Transition engagement objective

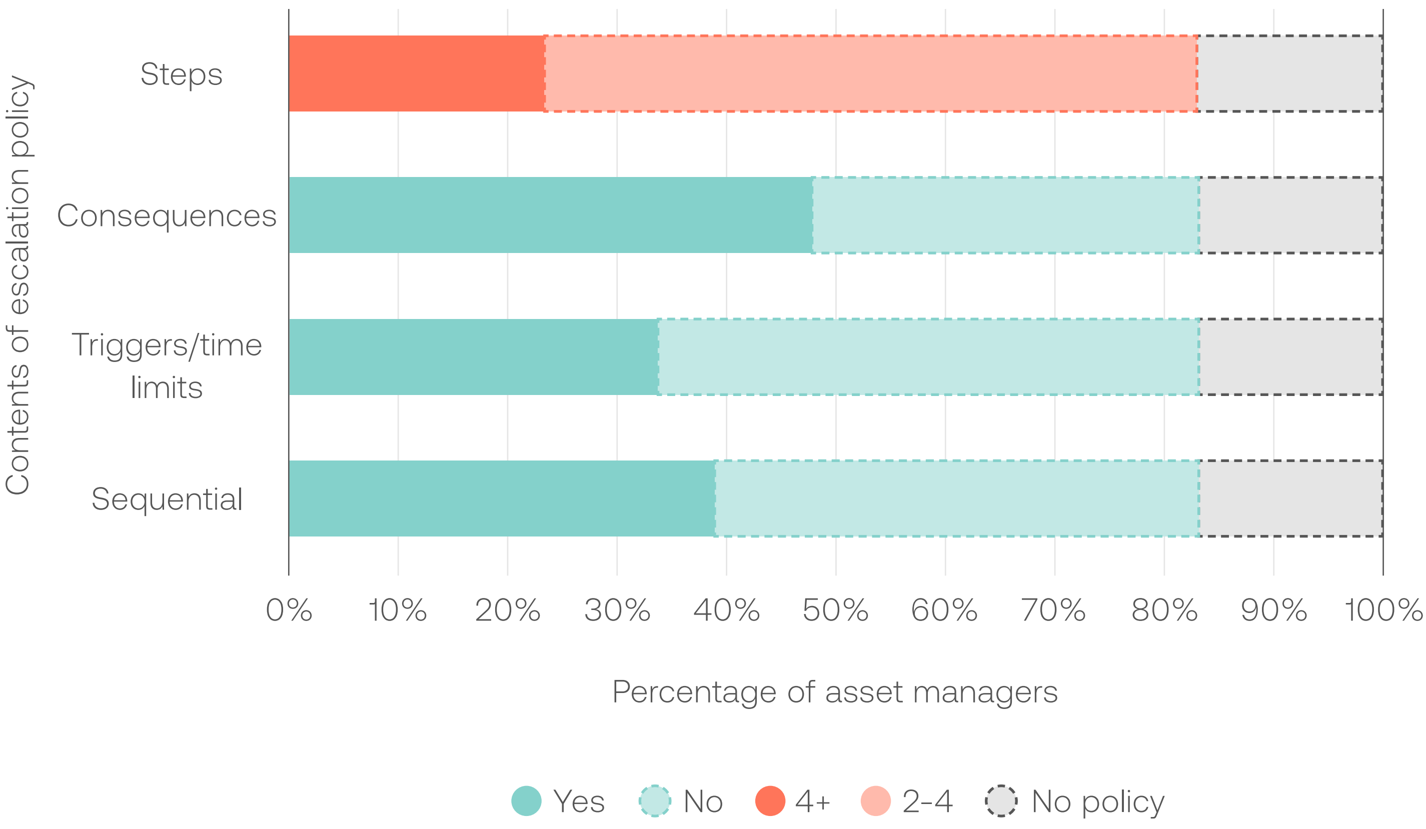
Robeco included the Just Transition as a specific engagement objective[xxviii] for selected climate-related engagement themes. As part of this, Robeco expects investee companies to publish a Just Transition plan, which can include how a low-carbon transition will impact its stakeholders, and how it will engage with staff and communities to address these impacts. Robeco recognises that the Just Transition is an emerging topic, and aims to incorporate new guidance in its engagement approach as it emerges.

### Finding 9: 83% of asset managers reported escalation steps in their engagement policies, but over half of these did not include consequences or reference specific triggers.

The majority (83%) of asset managers had escalation processes within their engagement policies; however, 13 asset managers did not. Clear escalation steps and consequences are important to make engagement effective: an engagement policy without these is much less likely to drive change in the target company. The UK Stewardship Code[xxix] and the Net Zero Asset Managers Initiative[xxx] both recognise the importance of publishing escalation steps.

When asset managers did have escalation policies, the content of these varied (Figure 6). The majority had escalation policies that consisted of two to four steps, such as casting proxy votes against management, asking questions at AGMs, issuing public statements, or divestment. Over a third set time limits or triggers to move between steps, and nearly half included consequences for unsuccessful engagement, such as divestment or downgrading in internal ratings. These steps are important to ensure that engagement does not become a cycle in which no real-world impacts are achieved.

Figure 6: Though the majority of asset managers had an escalation process in their engagement policies, over half of these did not include either consequences or time limits/triggers



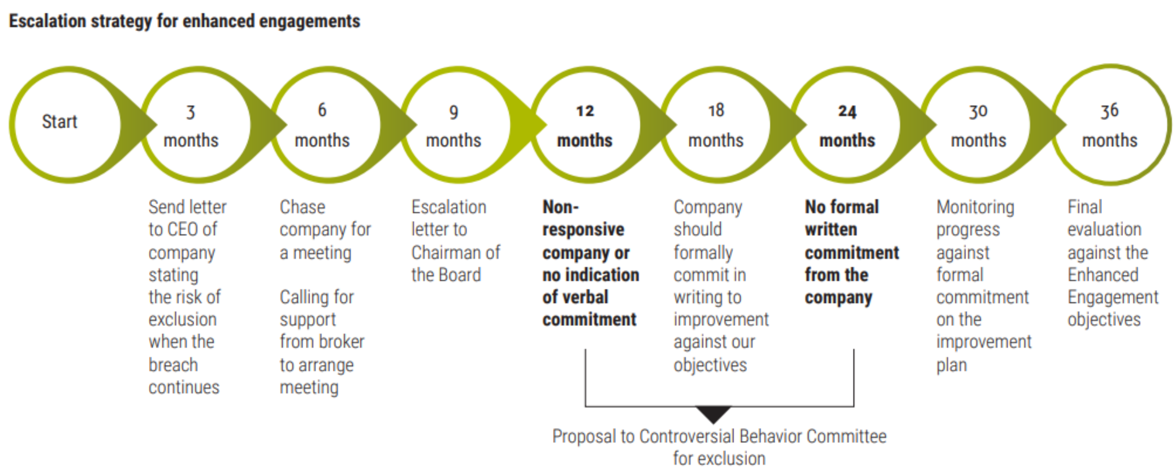
## Leading practice: Swedbank Robur's and Robeco's escalation policies

A number of asset managers had escalation policies that showed leading practice, including both time limits and consequences for unsuccessful engagement.

**Swedbank Robur** referenced details on the steps taken in engagement, including voting and dialogues. For companies found to have especially high sustainability risks the asset manager has an internal watch list process. The asset manager reported a deadline of two years or less, after which these companies will be divested if no sufficient improvements in material issues have been made[xxxi].

**Robeco** discloses specific actions taken at specific timescales for enhanced engagements, where companies have breached minimum behavioural norms across ESG themes[xxxii]. This includes a point of intervention, at which juncture Robeco will consider excluding a non-responsive company (see Figure 7).

Figure 7: Robeco's escalation strategy for enhanced engagements




## Finding 10: Just under half of asset managers reported engaging in positive lobbying on responsible investment.

48% of asset managers reported that they had engaged or advocated to influence policies, regulations or legal frameworks on responsible investment issues.

The asset managers in this survey, which represent over $77 trillion AUM, collectively have the potential to influence governments. However, research by the climate think tank InfluenceMap into the lobbying activities of the world's largest financial institutions show that they are not acting on their pledges. A report on the EU Sustainable Finance agenda found that most relevant financial institutions were not strategically engaged on the policy, with several actively resisting more stringent regulation on due diligence on human and labour rights and environmental impacts[xxxiii]. Another report found that the majority of the world's largest financial institutions are members of financial institution associations which oppose sustainable finance policy, often in contradiction with their own members' pledges. These associations include the US Chamber of Commerce, the European Fund and Asset Management Association and UK Finance[xxxiv].

## Leading practice: positive lobbying on responsible investment

Most of the examples of leading practice on lobbying took the form of collective investor statements, often as part of wider campaigns. Examples include:

- In October 2021, 94 investors signed the Investor Statement in Support of Mandated Human Rights and Environmental Due Diligence in the European Union[xxxv]. This statement supports robust, mandatory human rights and environmental due diligence, and was supported by six of the asset managers in our study: Achmea Investment Management, Aviva Investors, Candriam, NN Investment Partners, Nordea Asset Management and Robeco.
- In 2022, 150 financial institutions, representing over $24 trillion in assets, published a statement in support of establishing a Global Biodiversity Framework at the COP15 UN Biodiversity Conference[xxxvi]. Twelve of the asset managers in our study signed this letter.[3] This statement called on governments to strengthen national biodiversity strategies and action plans, and to put in place policies that would align financial flows with biodiversity goals, including a regulatory framework on biodiversity and a removal of subsidies that harm biodiversity.

3 An additional 10 parent companies of asset managers in this report were also signatories.

## Engagement activities

It is vital that asset managers provide a record of their engagements with companies, so that stakeholders can monitor the progress of engagements and check whether the asset manager is adhering to its policies. However, previous analysis by ShareAction of the 60 largest members of Climate Action 100+ (CA100+), the world's largest investor initiative on climate change, found that climate engagement strategies and reporting were inadequate[xxxvii].

This section reviews asset managers' reporting on engagement activities, and the nature of those activities themselves. We examine the extent to which asset managers are acting on their policies, and which forms of engagement were most common.

### Finding 11: Most asset managers disclosed case studies and thematic engagement priorities, but less than a third included a full list of companies they engaged with.

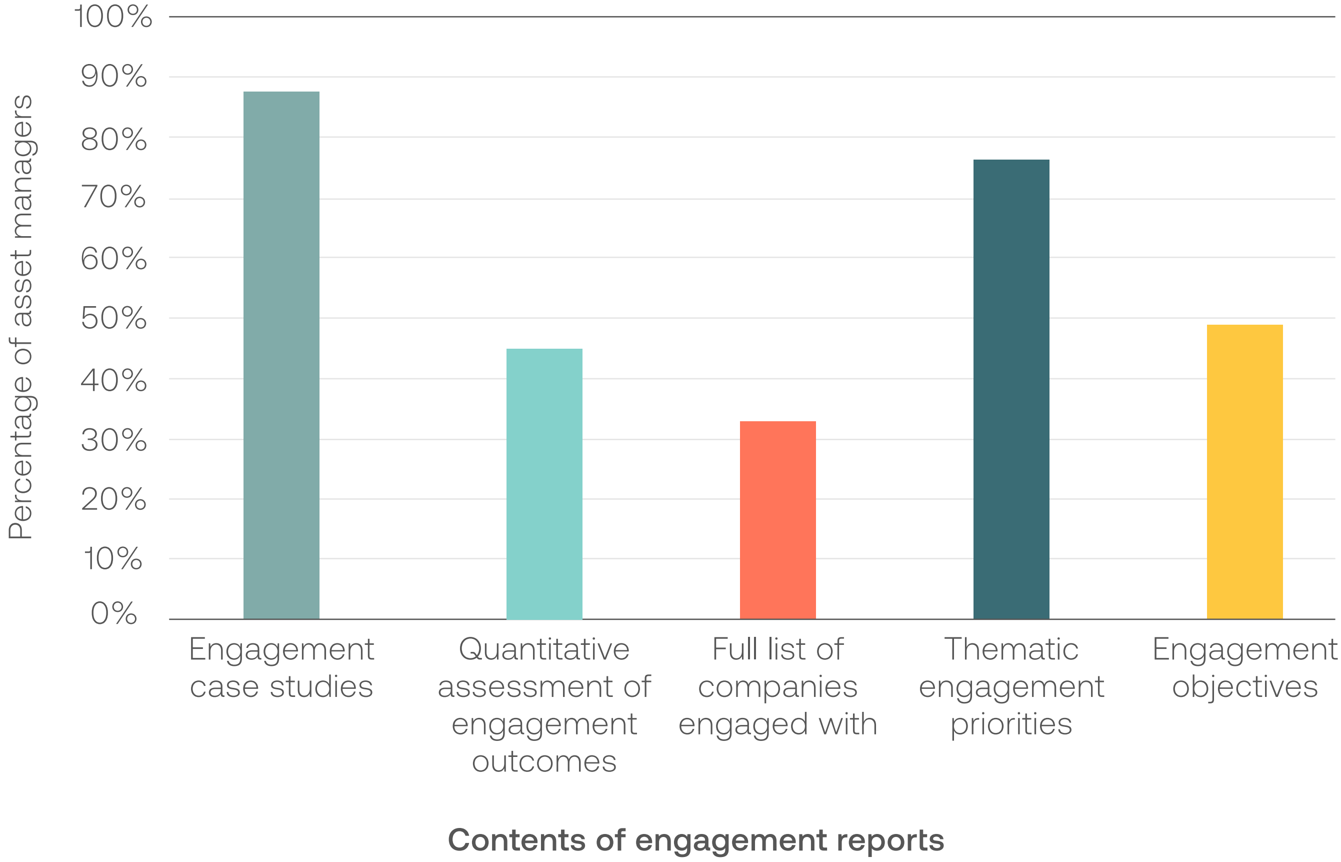
Publishing engagement reports now appears to be common practice; only nine (12%) asset managers did not publish an engagement report. This is an improvement from 2020, when 36% of asset managers did not disclose public information around their ESG-related engagement activities[xxxviii]. 16 firms which did not disclose details of engagement activities in the 2020 survey are now publishing this information.

The contents of these reports varied. 88% of asset managers included engagement case studies, while just under half reported a quantitative assessment of all their engagement outcomes. Less than a third provided a full list of companies that they engaged with (Figure 8).

There was a trend towards more high-level disclosure when reporting on objectives and priorities. 78% of asset managers published thematic engagement priorities, detailing the most important topics they engage on. 49% reported specific objectives, such as requiring investee companies to disclose net zero plans or to reduce deforestation.

European asset managers on average provided higher levels of disclosure. 18 of the 39 European firms provided a full list of companies they engaged with, compared to seven in the Americas and none in the Asia Pacific region. However, this still leaves 21 European asset managers – over half the total in the region – which did not disclose this information.

Figure 8: Stewardship reports most commonly included case studies and thematic engagement priorities, with fewer including a full list of companies engaged with




## Leading practice: Achmea Investment Management disclosing start dates for engagements

Just under a third of our sample provided a full list of companies with which they engaged, and several indicated the topics for these engagements.

Achmea Investment Management provided additional information. Its thematic ESG program discloses a full list of company names and topics under discussion. However, it also conducts a 'normative' engagement program, which is based on identifying investee companies that have violated international principles such as the UN Global Compact. For this program, it published company names, topics under discussion and start dates for engagements. This is a valuable tool, allowing stakeholders to track the progress of dialogue[xxxix].

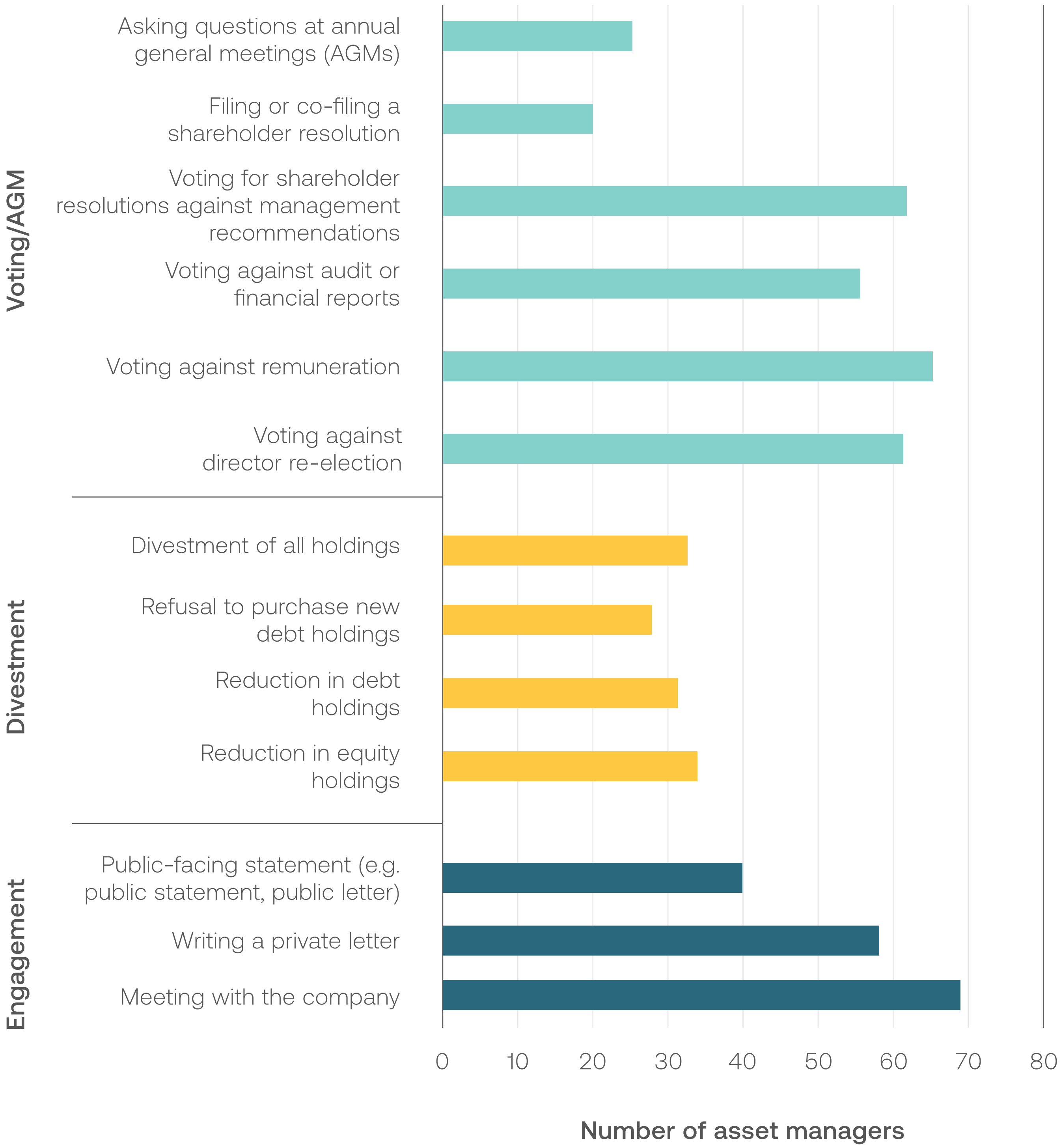
## Finding 12: Over half of asset managers reported they had taken actions to divest, reduce holdings or refuse to purchase new debt as part of engagement.

Asset managers showed a marked preference for private actions, such as meetings and private letters, over more public forms of escalation (Figure 9). Over half (56%) reported they had taken one of four divestment-related actions as part of an engagement process. These were: reducing debt holdings, reducing equity holdings, refusing to purchase new debt, and total divestment. This was relatively evenly spread, with approximately a third of asset managers reporting each action. As divestment is often the last step in an unsuccessful escalation, it is encouraging to see that some asset managers are adhering to the consequences laid out in their policies.

There was regional variation in this: cut between 74% of European asset managers reported they had taken a divestment-related action, compared to 40% in the Americas and 31% in the Asia Pacific region.

Voting and asking questions at AGMs are effective escalation tools. However, when it came to using proxy votes, there was a marked split. The majority of asset managers reported to having voted in AGMs, however, few reported to having taken a leading role in these votes (see Finding 16 for further details). Furthermore, only a third of asset managers reported to having asked a question at an AGM; of these 25, all but five were European.

Figure 9: Private meetings and voting at AGMs were the most common engagement activities, with divestment and filing resolutions less frequently used



## Finding 13: The majority of asset managers did not report filing or co-filing resolutions on responsible investment-related issues.

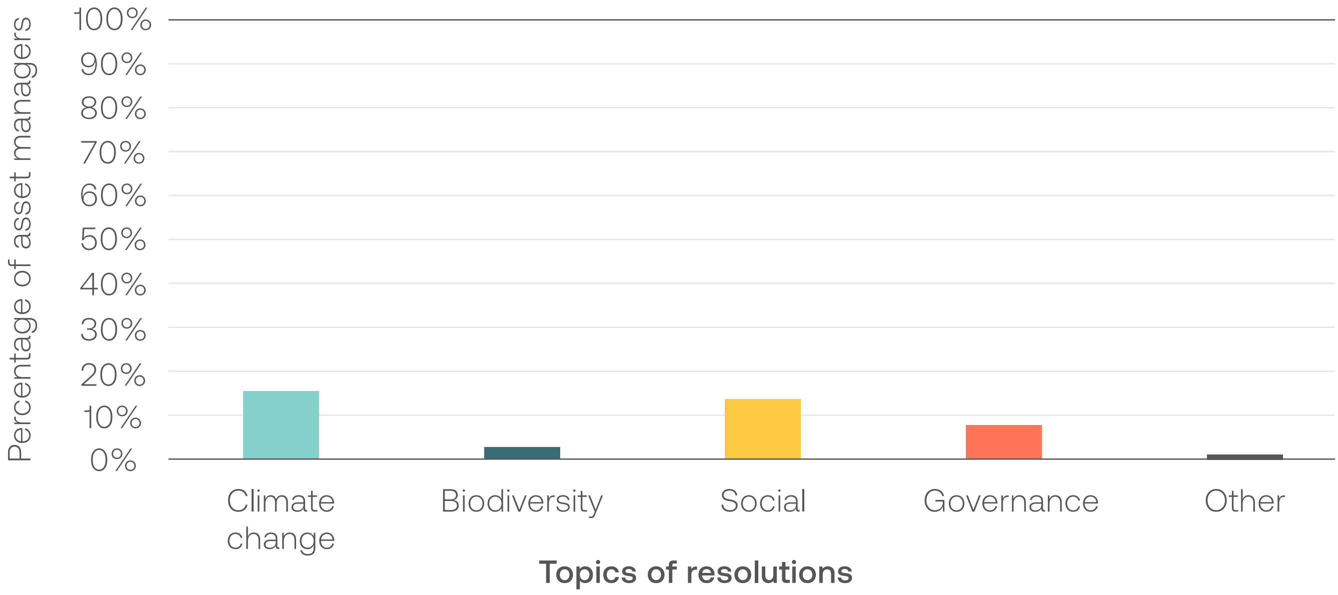
While the majority of asset managers reported they had voted at AGMs, few said they had filed or co-filed shareholder resolutions. Filing or co-filing resolutions can be an effective step in an engagement strategy, and demonstrates that an asset manager is serious about responsible investment.

Most asset managers[4] did not report co-filing a resolution on responsible investment-related issues at all (Figure 10). For those that did, the most popular subjects were climate and social issues. Twelve asset managers filed or co-filed a resolution on climate, and 10 did so for social issues. Only two asset managers reported to have filed resolutions on biodiversity in the past two years.

No asset manager in the Asia Pacific region reported that they had filed or co-filed a resolution on a responsible investment-related issue, whereas three reported to have done so in the US, and 15 in Europe. This may be influenced by the geographic spread of asset managers' investment, and the fact that there are fewer barriers to the filing of a shareholder resolution in many European countries compared to the Americas and the Asia Pacific region.

On average, asset managers who reported they had filed a resolution on a responsible investment topic performed better in our overall benchmarking, with all but one ranked CCC or above.

### Figure 10: Climate change and social issues were the most popular subjects of co-filed resolutions




4 For this finding, three asset managers were removed from the sample as a significant majority of their assets are held outside of listed equity.

## Disclosure to clients on environmental and social impacts

### Finding 14: There is little transparency between asset managers and their clients regarding the impact of all their portfolios on people and planet.

Only 13% of asset managers reported communicating details of the impacts of all the assets under their management on people and planet to their clients, via fund fact sheets or similar means. 55% reported that they communicate this information to clients for *specific* portfolios or strategies. 21% said that they only communicate this information on clients' request.

Leading asset managers reported that they quantify and disclose measures that include: portfolio carbon footprint (Scope 1, 2, and 3); environmental footprint intensity; overall impacts on the Sustainable Development Goals; impacts on individual Sustainable Development Goals; portfolio temperature alignment; responsible investment-related engagements; norms violations; controversies; stranded assets analysis; business involvement exclusions; and third-party ESG ratings (by data providers such as MSCI or Sustainalytics, for example).

## Membership of associations

### Finding 15: Membership of most responsible investment industry associations does not indicate strong performance on responsible investment.

Membership of relevant international industry initiatives can seem to be a positive sign that an asset manager takes responsible investment seriously. However, membership alone is not a guarantee of strong performance on responsible investment issues. Our 2020 survey found that 51% of members of the Principles for Responsible Investment (PRI), a sustainable investment network, demonstrated a substandard approach to responsible investment, and a third of members rated in the mid and lowest bands were members of CA100+.

In 2022, our findings are similar. All but three of the firms we surveyed said they were members of the PRI, yet there was no correlation between performance on responsible investment and membership of this organisation, with PRI members represented in every ranking band. The same was true of the majority of other key investor organisations, including the Net-Zero Asset Manager Initiative (NZAM), Climate Action 100+ (CA100+), The Institutional Investors Group on Climate Change (IIGCC) and the FAIRR Initiative. One exception is the Investors Policy Dialogue on Deforestation Initiative (IPDD), an investor-led engagement initiative that aims to halt deforestation. All but one of the asset managers that reported to be a member of the IPDD were ranked B or above; this included asset managers from every region.

## Leading practice: LGIM and Nordea Asset Management spearheading collective engagements

### Legal & General Investment Management

In May 2021, Legal & General Investment Management, along with other members of the Investors for Opioid and Pharmaceutical Accountability, co-filed a shareholder resolution at Cardinal Health, a US healthcare company[xl]. This resolution requested the company to publish an annual report on its direct and indirect lobbying activities, as well as procedures governing such activities. Following the filing and further engagement, Cardinal Health agreed to incorporate the request in full. Due to the success of this escalation, Legal & General Investment Management reports that it will use this tool more frequently in the future.

### Nordea Asset Management

Nordea Asset Management has launched an engagement programme on methane, a powerful greenhouse gas which is 80 times more potent at warming than carbon dioxide over a 20-year period[xli]. It is seeking to bring on other asset managers and clients to encourage investee companies to join the Oil and Gas Methane Partnership 20. Framework, a framework for measuring, reporting and setting targets on methane emissions. The initiatives will initially target oil & gas companies, and then extend to pipeline and distribution companies and waste management companies.

# Governance

# Governance

This chapter assesses the governance mechanisms that asset managers have in place to ensure oversight of responsible investment-related issues, risks and real-world impact. We look at responsible investment oversight and expertise, remuneration policies, and diversity and inclusion practices and policies.

## Responsible investment oversight and expertise

Asset managers' boards of directors must have strong oversight and accountability to oversee risks such as climate change, biodiversity loss and social inequalities. They must be supported by comprehensive training and technical expertise. Without the right tools to make the best decisions for the long-term resilience of their organisations, the planet and its people, asset managers risk leaving responsible investment integration as an ad hoc exercise. Systemic and emerging issues may be left unexamined, with key risks to portfolios overlooked.

We surveyed the 77 asset managers on the level of oversight and accountability for responsible investment policies; the climate expertise of board members; and the responsible investment training provided to the board, senior management, and investment decision-makers.

### Finding 16: Nearly all asset managers reported that their core executive team has oversight of responsible investment policies, but board oversight and expertise on climate are lagging.

Two-thirds of the surveyed asset managers reported that their boards or trustees have some responsibility for the oversight of responsible investment policies. This is a clear improvement from 2020 – when only 21% of the assessed firms had board-level accountability for responsible investment[xlii]. However, asset managers most often reported that responsibility for the oversight of responsible investment policies resides with senior management: the core executive team (for example, the chief executive officer, chief information officer and chief operating officer) (reported by 94% of asset managers) and heads of departments (84%).

About two-thirds (67% and 68%) of the European and North American asset managers reported board-level oversight, whereas 62% of Asia Pacific ones did. However, 100% of the firms from the Asia Pacific region reported executive team oversight, while 92% of European and North American managers did.

Only 22% of asset managers reported that they ensure at least one board member has specific climate-related expertise, and provided evidence for this. While a third of European asset managers reported this, only 15% and 8% of Asia Pacific and North American managers did, respectively. This is concerning, because a good understanding of climate-related risks and opportunities is necessary for well-informed board-level decisions regarding responsible investment.

## Finding 17: Responsible investment training is increasingly common, but is less substantial for board members and senior management than for investment decision makers.

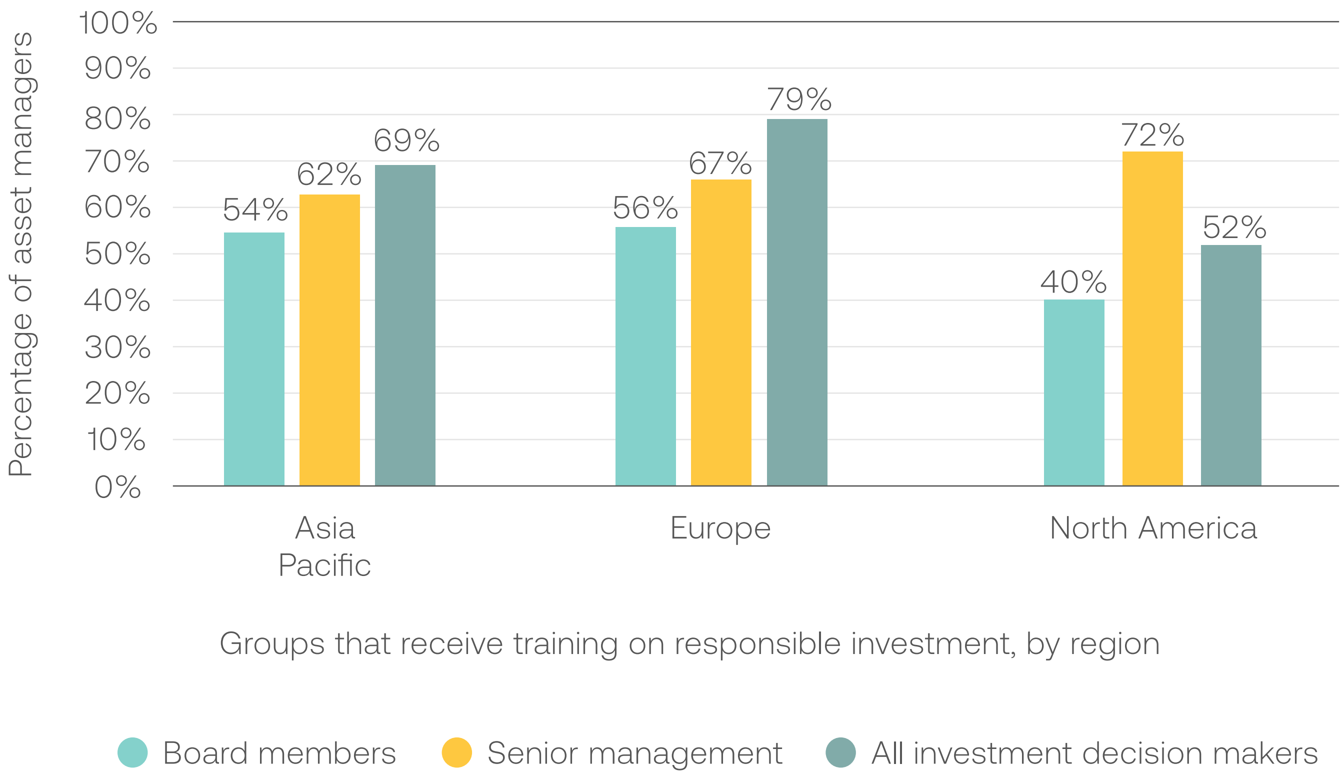
69% of asset managers reported that all investment decision makers, such as fund and portfolio managers, receive training on responsible investment, and a further 25% reported that some decision makers do. Only 6% of asset managers did not report any information on training (or reported they do not provide any) for investment decision makers. This is an improvement compared to 2020, when 36% of asset managers did not offer staff any training on assessing and integrating ESG considerations in investment[xliii].

It is, however, concerning that only 51% of asset managers reported that their board members receive training on responsible investment-related issues. Only 23% and 25% of asset managers reported that it is *mandatory* for board members/senior management and investment decision-makers, respectively (Figure 11). Compared to training for investment decision makers, board training is less frequent and less likely to be delivered by subject matter experts from outside the organisation.

European asset managers reported providing responsible investment training to their boards and to all their investment decision makers more than their Asia Pacific and North American peers did. North American asset managers more often reported providing this training to senior management (Figure 12).

Figure 11: Training offered to board members is less frequent and less likely to involve external subject matter experts


Figure 12: More European asset managers provide training to boards and to all investment decision makers, compared to their Asia Pacific and North American peers



## Remuneration and sustainability-linked KPIs

The Task Force on Climate-related Financial Disclosures recognises that remuneration policies deliver important incentives for achieving an organisation's goals and objectives, and can provide insight on its governance, oversight and accountability for managing climate-related issues[xliv]. Responsible remuneration policies, which incorporate meaningful responsible investment-related metrics that are weighted appropriately, can be an incentive to hold asset managers to account for the delivery of climate targets and other responsible investment goals[5,xlv].

Views on the effectiveness of incorporating sustainability metrics in remuneration policies are mixed, however, and it is unclear how well such policies have been implemented to date. Asset managers using remuneration-linked key performance indicators (KPIs) related to responsible investment should monitor their effectiveness to ensure they achieve their intended outcomes. We surveyed asset managers on their responsible investment-linked objectives: what the KPIs are, to whom they apply, and how they relate to remuneration.

### Finding 18: A growing number of asset managers are setting responsible investment-related KPIs or objectives that are linked to remuneration.

83% of asset managers report financial incentives relating to responsible investment, up from just 7% in 2020[xlvi]. However, these are frequently not set for those at the most senior level, with only 27% of firms reporting that all their executive board members had remuneration-linked objectives related to responsible investment (Figure 13).

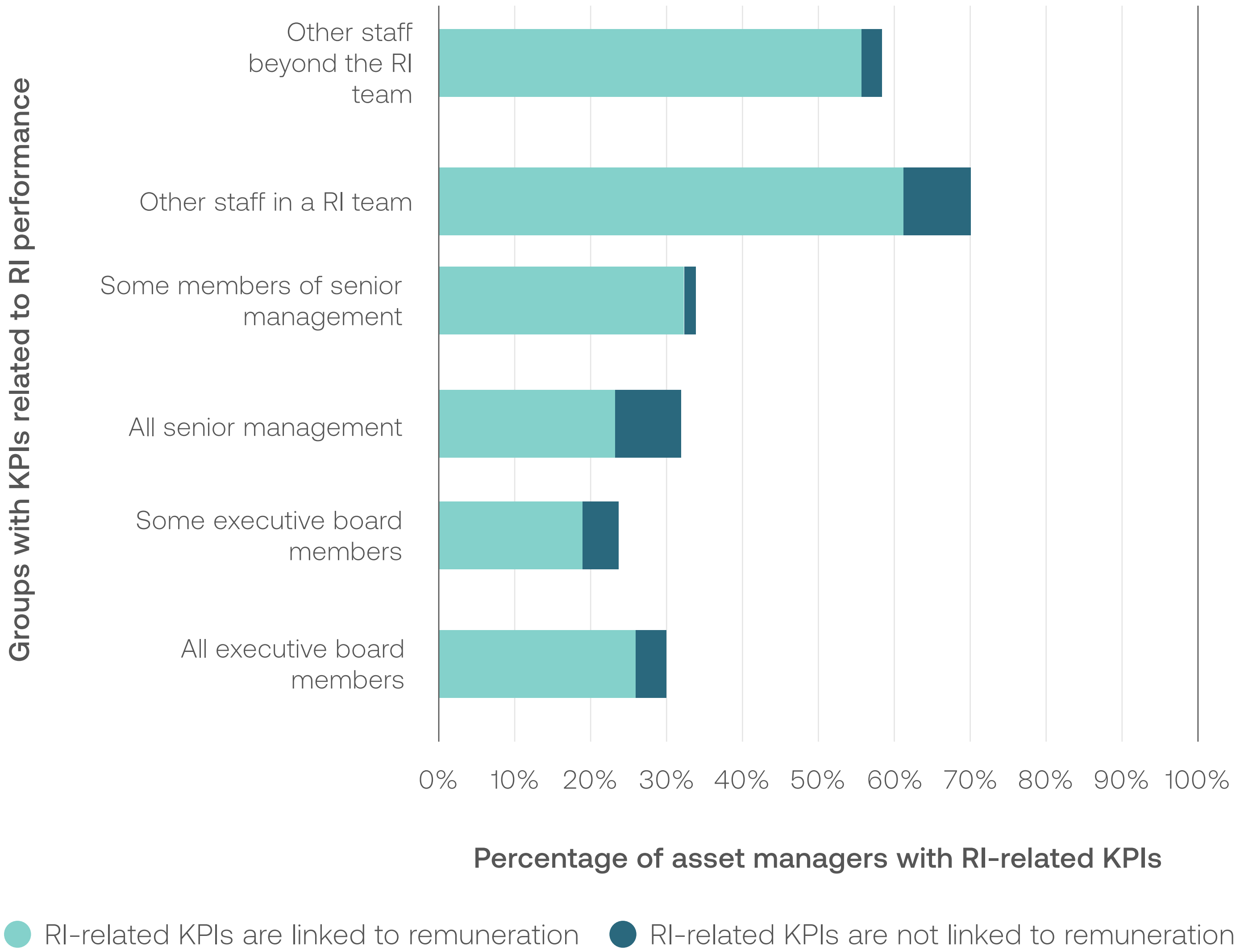
Most often, asset managers set KPIs related to responsible investment performance for staff members outside senior management: 70% of asset managers reported setting such KPIs for other staff in a Responsible Investment team, and 58% for other staff beyond the Responsible Investment team. The majority of these KPIs are linked to remuneration (Figure 13).

We found a moderate positive correlation[6] between asset managers' overall performance in our benchmark and the extent to which they had remuneration-linked KPIs related to responsible investment. All but one of the asset managers graded A-AA set remuneration-linked KPIs for all their executive board members and senior management; the exception is BNP Paribas Asset Management, which sets remuneration-linked KPIs for *some* members of the executive board and senior management.

5 The Principles of Responsible Remuneration were presented by the research initiative Reward Value at the 2023 World Economic Forum in Davos. They affirm that responsible remuneration policies are purpose-led, performance-based, impact-driven, transparent and comparable, and have a long-term view. They state that remuneration decisions should be made by an independent board while engaging with those most affected by the firm's activities.

6 The Pearson correlation coefficient was 0.467.

Figure 13: Only a minority of asset managers set responsible investment-related KPIs for staff outside senior management and the Responsible Investment team



## Leading practice: Responsible investment-related KPIs linked to remuneration

Some asset managers showed leading practice by setting remuneration-linked KPIs related to the sustainability of their portfolio activities. Most only reported setting such KPIs for their own operational footprint. The examples below show how sustainability is being integrated into both short-term and long-term elements of remuneration packages.

**Legal & General Investment Management:** In the 2021 Annual Variable Pay (AVP), 30% of the bonus opportunity was based on the achievement of strategic (non-financial) objectives[xlvii]. These included a 50% reduction in portfolio carbon emissions intensity by 2030, with a 2021 reduction of at least 2% (actual reduction of 17% compared to 2020).

**Schroders:** In the 2021 annual bonus scorecard, non-financial metrics, including sustainability, have a 30% weighting. In the Group's executive directors' 2022 Long-Term Incentive Plan (LTIP), a climate measure carries a 20% weighting with performance assessed by reference to minimising Schroders' own emissions and maintaining a leadership position on climate change, as assessed by CDP.

## Diversity and inclusion

For the first time, we surveyed asset managers on their internal diversity and inclusion (D&I) practices and policies. Other recent research shows that across 468 financial institutions in 37 countries, executive committees only comprised 20% women and boards only 23%[xlviii]. In 2021, across 71 US institutions, only 4% of senior executives in the financial services sector were women of colour, and 9% were men of colour[xlix]. The gender pay gap in the sector is also striking: one study found that female directors at the UK's biggest financial services firms earned 66% less, on average, than their male counterparts in 2021.[l]

It is important for the financial sector to promote diversity and inclusivity as guiding principles, to ensure that diversity within the sector reflects wider society. There is also evidence of a positive correlation between the profitability of companies and the gender and ethnic or cultural diversity on executive teams[li].

In this section, we examine asset managers' approach to D&I within their internal activities, through their measurement of workforce diversity, as well as their D&I policies and targets[7].

## Finding 19: Asset managers have a long way to go to ensure gender equality on boards.

The five highest-scoring asset managers reported having an average of 35% women on their boards, while the five largest by AUM* reported an average of 34% (Figure 14). Yet Schroders – ranked fifth in our responsible investment benchmark – reported having the same number of women and men on their board, proving that gender equality is a feasible goal. We expect asset managers across the board – including some of the best in terms of responsible investment – to do more to ensure fairness and inclusivity on their boards.

### Figure 14: With one exception, neither the largest nor the highest-scoring asset managers in our benchmark ensure gender equality on boards


* Excluding Fidelity Investments due to a lack of available data.

1 Robeco has a two-tier board. For comparability to other asset managers, its figures represent the composition of the Supervisory Board (non-executives) and the Statutory Board (executives).

2 Figures for the UK Limited Board and the International Limited Board at the end of 2021.

7 Asset managers' answers to the questions in this section of the survey did not contribute to their overall score.

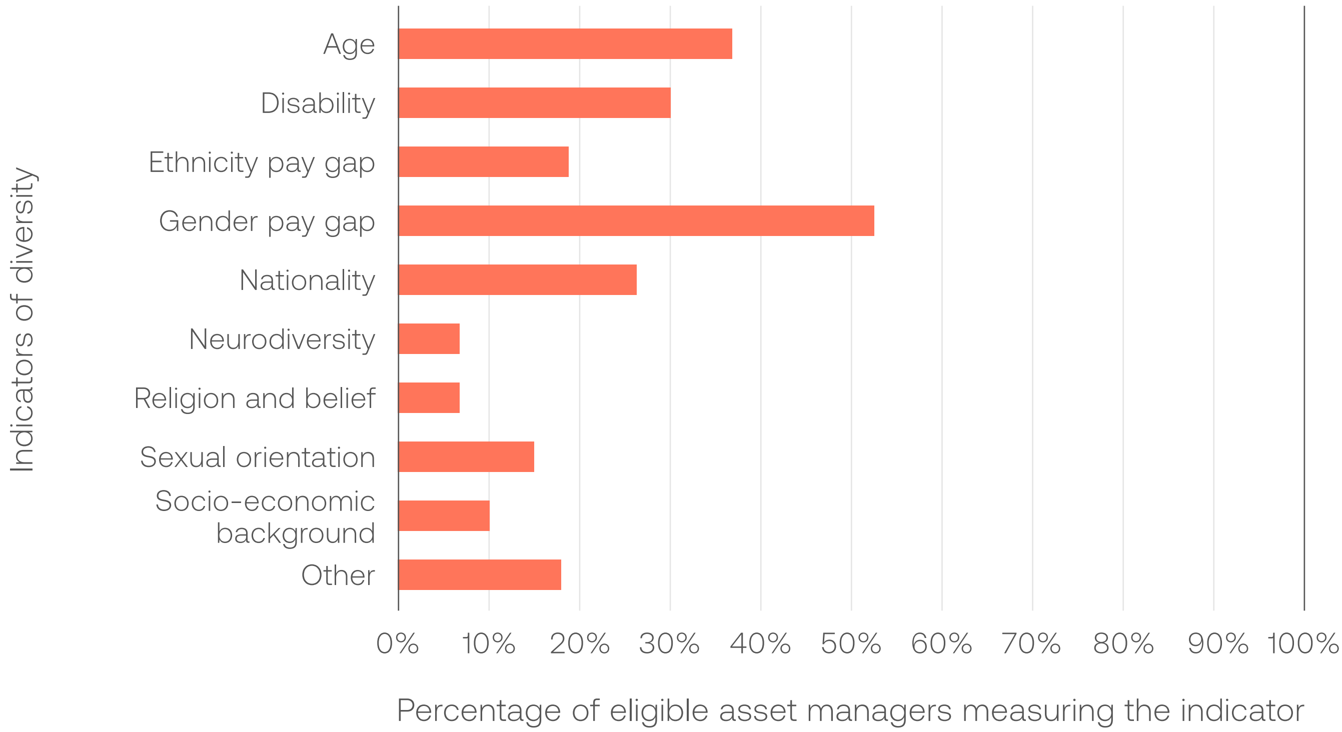
## Finding 20: Fewer than two-thirds of asset managers measure an indicator of workforce diversity.

64% of asset managers reported measuring at least one indicator of diversity and inclusion. The most measured indicator is the gender pay gap, though only about half (52%) of asset managers reported measuring it. Only 19% of the eligible[8] asset managers measure the ethnicity pay gap (Figure 15).

The discrepancy is likely driven by variations in regulation: for example, in the UK, gender pay gap reporting has been mandatory for companies with over 250 employees since 2017; but no such condition exists to monitor pay disparity for workers of different ethnicities[lii]. Globally, a Workforce Disclosure Initiative report found that companies which failed to provide data on the gender pay gap also never provided data on the ethnicity pay gap, suggesting that companies only address ethnicity when they have first considered gender[liii].

However, as far as permissible within regulatory frameworks, asset managers shouldn't wait for regulation to require this data collection and monitoring. We encourage voluntary data collection, as evidence shows that organisations with a better understanding of diversity are also more inclusive. For example, companies that provided data to the WDI on women's wages were also more likely to have a shared parental leave policy above the statutory minimum[liv].

### Figure 15: The gender pay gap is the most commonly measured indicator of diversity




8 We note that the collection of ethnicity data is not legal in France.

## Finding 21: Fewer than half of asset managers reported having any time-bound targets for investment professionals' diversity.

Diversity targets or goals are one way that asset managers can work towards improving their workforce diversity. Only 42% of asset managers reported having set time-bound composition thresholds or targets for the gender identity and/or ethnicity of investment professionals (such as portfolio or fund managers), while even fewer (35%) reported setting other time-bound targets and/or KPIs to improve other aspects of diversity and inclusion. 5% of asset managers specifically stated that they have not set any targets to improve the diversity and inclusion of their employees.

### Leading practice: BNP Paribas Asset Management's gender targets and achievements

The BNP Paribas Asset Management executive committee has set several well-defined goals, leading up to 2025, related to composition ambitions for the gender of investment professionals[lv]:

- By the end of 2025, having 40% of senior management positions held by women. The proportion of top management roles filled by women increased from 15% at the end of 2017 to reach 37% by December 2022.
- By the end of 2025 or earlier, having 50% of the boards of BNP Paribas Asset Management's legal entities (companies and mutual funds) composed of women. In December 2022, they reached 44%.
- Aspiring to reach 50% women in the emerging talent population. By December 2022, the proportion was 44%.

## Finding 22: Two-thirds of asset managers reported several policies or practices to improve internal diversity and inclusion.

52 asset managers reported taking at least one action to improve internal diversity and inclusion. Of these, between 79% and 88% reported taking each of the D&I actions listed in our survey (Table 3). Therefore, very few asset managers only took one, two, or three of the actions. This may suggest that once asset managers commit to D&I as an internal priority, they implement it at all levels, from firm-wide policies to recruitment and monitoring and evaluation practices.

One-third of asset managers did not report having taken any of the actions since January 2020.

Table 3: Actions taken by asset managers since 1 January 2020 to improve D&I

<table>
<tr><th>Action taken</th><th>Number of asset managers, of the 52 who reported taking at least one action</th></tr>
<tr><td>Adoption of a policy on discrimination and harassment*</td><td>46 (88%)</td></tr>
<tr><td>Adaptation of the recruitment process to promote greater gender equality</td><td>46 (88%)</td></tr>
<tr><td colspan="2">Leading practice<br><br>Columbia Threadneedle Investments: Thanks to an employee-led D&I Advisory Group, the following initiatives are now embedded in the business.<ul><li>Recruitment guidelines ensure both male and female representation on candidate lists and advance more qualified women to the interview phase.</li><li>For senior hires, at least one woman must be part of the interview panel.</li><li>All recruitment, by gender, is reported to the regional Executive Committee each quarter.</li></ul></td></tr>
<tr><td>Assessment of the level of diversity within the workforce, with particular attention to historically under-represented groups</td><td>45 (87%)</td></tr>
<tr><td>Assessment of the extent to which employees feel included in the workplace and/or identify challenges to inclusion</td><td>45 (87%)</td></tr>
<tr><td>Adaptation of the recruitment process to promote greater diversity and inclusion</td><td>43 (83%)</td></tr>
<tr><td>Adoption of a shared parental leave policy that exceeds statutory requirements*</td><td>41 (79%)</td></tr>
<tr><td colspan="2">Leading practice<br><br>abrdn: All new parents are entitled to 40 weeks fully paid leave, regardless of gender or route to becoming a parent (in the UK). Following the success of this policy, a more inclusive parental leave programme was implemented in the Americas – replacing primary and secondary caregiver leave with paid family bonding leave, equalising pay and leave entitlement for all.</td></tr>
<tr><td>Other actions</td><td>23 (44%)</td></tr>
</table>

*These actions are not time-bound.*

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i Royal Meteorological Society (6 November 2022). Provisional State of the Global Climate Report 2022, Royal Meteorological Society. Available online at: https://www.rmets.org/news/provisional-state-global-climate-report-2022. [accessed 23 January 2023].

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ShareAction is a NGO working globally to define the highest standards for responsible investment and drive change until these standards are adopted worldwide. We mobilise investors to take action to improve labour standards, tackle climate change and address pressing global health issues. Over 15 years, ShareAction has used its powerful toolkit of research, corporate campaigns, policy advocacy and public mobilisation to drive responsibility into the heart of mainstream investment. Our vision is a world where the financial system serves our planet and its people.

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