



Independent Research in  
Responsible Investment



## **Show me the (sustainable) money**

**Asset managers who put their  
money where their mouths are on  
sustainability**

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## IRRI – Independent Research in Responsible Investment

IRRI is a joint-venture market research initiative between Institutional Investor Research and SRI-Connect that seeks to advance understanding of the economics, dynamics and communications practices within the sustainable investment value chain.

The initiative comprises the annual IRRI Survey, ad hoc research and working papers such as this one.

This paper was written by SRI-Connect and does not necessarily represent the views of Institutional Investor Research.

## Authorship

SRI-Connect is the primary author of this research paper.

The analysis and perspectives in this report are those of SRI-Connect and do not necessarily represent the views of Institutional Investor Research, WBCSD or the Gordon and Betty Moore Foundation.

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# Show me the (sustainable) money

## Which asset managers put their money where their mouths are on sustainability?

The headline volume of assets that are managed according to sustainable investment / ESG principles is large and growing rapidly as the growth of client and regulatory interest in the area encourages all asset managers to claim that they are proficient at managing assets in this way.

However, when looked at from the perspective of companies seeking new investors, it can be hard to distinguish between asset managers:

- [a] that actively select (for investment) companies that deliver products or services that contribute directly to sustainability
- [b] that actively select (for investment) companies that are engaged in substantive business model transition towards more sustainable outcomes
- [c] that are primarily focused on managing downside environmental and social risks
- [d] that are interested in managing downside environmental and social risks and are on the lookout for sustainability-driven upside opportunity
- [e] that are not even focused on managing risks ... but are applying a nominal ESG 'overlay' to market their fund as socially responsible/sustainable etc.

Put simply, hundreds of managers claim to be managing assets sustainably ... but which ones are really putting their money where their mouths are?

## Impact

This lack of clarity (exacerbated by greenwashing) means that:

- Sustainable companies miss out because they find it hard to reach out pro-actively to sustainability-orientated pools of active capital
- Sustainable investors miss out because their differentiation is not seen by companies – such that the ease with which those companies reach out to them is impaired. This may constrain their flow of investment opportunities.

## Solution

To remediate the problem we:

- Identified a universe of asset managers – consisting of the largest asset managers in the world and a selection of those that seek high profile for their sustainable investment / ESG activities
- Developed and applied a set of screening criteria – which includes a definition of different types of sustainable investment strategy
- Publish - in this report – a listing of asset managers that are actively allocating capital towards sustainability solutions or substantive sustainability transitions.

By doing this, we hope to improve:

- The access of companies that are committed to sustainability to pools of capital with similar objectives
- The access for investors – to companies that are actively committed to sustainability.

## Methodology

### Universe identification

The universe for our analysis of asset managers comprises:

- The largest asset managers in the world
- Asset managers identified through a search of Morningstar as having funds branded as 'ecology', 'sustainable' or 'climate change-related'
- Asset managers that are known (from a search of [www.sri-connect.com](http://www.sri-connect.com)) as being particularly active in sustainable investment.

### Screening: By investment strategies

Having identified this universe of asset managers, we filtered it to find those that deploy the investment strategies that we believe result in capital being allocated to companies that deliver sustainable solutions or are engaged in substantive sustainable transition.

We identify a spectrum of investment strategies including:

- **'Sustainable solutions' investment strategies** which comprise investment portfolios and funds which hold companies that provide a product or service that directly resolves a sustainability problem or enables a more sustainable future.
- **'Sustainable transition' investment strategies** which comprise investment portfolios and funds which hold companies that are demonstrably shifting their product mix or substantially and demonstrably changing their business models to deliver more sustainable outcomes.
- **'Sustainability leaders' strategies** – which comprise investment portfolios and funds which hold companies that are reducing their exposure to environmental and social risks and exploring transitional business models, products or services - where such exploration / innovation is not yet of a scale that is seen by investors as having a material impact on key business drivers.
- **'ESG investment' strategies** – which comprise investment portfolios and funds which hold companies that are reducing their exposure to sustainability problems (as demonstrated by acceptable or improving 'ESG ratings').

Of course, no single company fits neatly into one single category – many companies have within their portfolio:

- legacy products and services
- transition products and services and
- solutions products and services.

Indeed, in many cases, it is the legacy products and services that fund innovation and transition.

### Judgement calls

When assessing asset managers, factors such as 'intent', 'judgement', 'timing' and 'valuation' are all relevant - but are not ones that we - as third-party assessors - can have credible views on.

- **Intent** – some asset managers may hold an IT software company because they consider video-conferencing to be a 'solution' to the environmental problems associated with transport; others may hold the company because they like its financial growth prospects
- **Judgement** – some asset managers may be more optimistic than others about the potential for videoconferencing to replace air travel
- **Timing and valuation** – some asset managers may believe that a given company is fully committed to sustainable transition or sustainable solutions but not hold it because they regard it to be overvalued.

So, to help us at the boundaries with the inevitable judgement calls, we have asked ourselves:

- On the balance of the evidence of this fund's holdings, is this asset manager pro-actively seeking to construct a portfolio of companies whose value is fundamentally driven by a trend towards sustainability?
  - **If so, we class their funds as 'solutions' or 'transition' funds**
- On the balance of evidence of the fund's holdings, is this asset manager looking for a balanced portfolio of companies that reduce undesirable social and environmental risk while developing options and innovations that will enable them to grow more sustainably in future?
  - **If so, we class their funds as 'leaders' funds**
- On the balance of evidence of the fund's holdings, is this asset manager primarily looking to avoid downside environmental and social risk?
  - **If so, we class their funds as 'ESG' funds.**

### Screening criteria: Active equity focus

In applying these definitions, we sought investment portfolios that are:

- Active funds with reasonably concentrated holdings (eg. top 10 holdings >25% of the portfolio) or
- Thematic funds with a clear and demonstrable focus on 'sustainability solutions' or 'sustainability transition' companies.

We have focused this work on equity funds and excluded fixed income and real estate managers.

### Screening criteria: Investment activity

In our assessment of whether funds qualify as 'sustainable solutions' or 'sustainable transition' funds, we applied the following criteria:

- Input measure: The fund's positioning statement must explicitly reference the transition towards a more sustainable economy
- Output measure: The fund must have a concentrated portfolio (eg. top 10 holdings > 25% of the portfolio)
- Output measure: The fund's holdings must be aligned with the sustainability purpose of the fund. In practice, this means that a fund's Top 10 holdings should:
  - Contain at least three companies that demonstrably provide sustainable solutions or have embarked on a substantive sustainability-driven change in their product mix or business model
  - Not contain any companies operating in 'sustainability-driven sunset' industries (such as fossil fuel extraction) unless the substantive business model / product mix shift is demonstrably underway
  - Not be dominated by a broadly-diversified basket of IT and financial services companies. While we accept that such companies have a role to play in delivering sustainability, it is hard to be confident that their reason for inclusion is 'sustainability-driven'.

### Screening criteria: Other (not exclusively healthcare)

Funds were excluded if they focused exclusively on healthcare. While healthcare is clearly a 'social' theme and features within a number of broader sustainability solutions funds, the thematic investment strategy is sufficiently well-developed and identifiable by companies who wish to engage with fund managers.

## A note on the EU Sustainable Finance Disclosure Regulation

We considered using the definition of funds under the EU SFDR as a potential way of screening funds.

The EU SFDR requires funds to be classified thus:

- Article 6: Funds which do not integrate any form of sustainability considerations into their investment process
- Article 8: Funds which promote "among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices." ('environmental and socially promoting')
- Article 9: Funds which have "sustainable investment as its objective" or "a reduction in carbon emissions as its objective".

However, these definitions are perhaps not specific or measurable enough to support companies looking to raise capital

It appears possible, under these definitions, for a passive fund with a marginal carbon-transition overlay applied to qualify as an Article 9 fund – even where it holds a broad portfolio of banks, pharma, tech and even oil and gas. Such funds are unlikely to allocate significant capital to a sustainability solutions or sustainability transition company.

We hope to be proven wrong and to see Article 9 become a hallmark of sustainable transition. However, we are not ready to adopt it as such yet.

## Time for transition funds?

As above, we identified 'sustainability transition' funds as a source of capital for companies making substantial sustainability-orientated changes to their business model or product mix.

We set the bar high for the definition of such funds.

We required them to have multiple companies - within their top 10 holdings - that demonstrate SUBSTANTIAL shifts in PRODUCT MIX and / or BUSINESS MODELS towards more sustainable outcomes.

There are very few funds of this sort (we found one) - even though we believe that there are a number of companies in the market that would merit inclusion in such a fund.

Rather than abandon the concept, we highlight it as a concept whose time, we believe, is nigh...and with it, the importance of a trajectory for sustainable companies from:

- Managing environmental and social risk (ESG-compliant companies belong in ESG funds) to...
- Managing risk and explores sustainable opportunity (leading companies belong in Sustainable Leaders funds) to...
- Making fundamental value-creating shifts to adopt a sustainable business model and/or product mix (companies in transition deserve the support of transition funds).

## A 'to do' list for companies

Assuming that companies reading this document class themselves somewhere on the spectrum between:

- ESG-compliance through...
- Sustainability leadership and...
- Sustainability transition to
- Sustainability solutions provision....

...we encourage companies to:

- Be able to articulate to asset managers where on the spectrum they consider the balance of their business to be
- Identify the asset managers and funds that are most likely to be attracted to their business
- Reach out to communicate their investment case to these asset managers.

Those that regard themselves as 'sustainability transition' companies or 'sustainability solutions' providers should ensure that they:

- Identify the individual portfolio managers behind the funds listed in this document. (Contact SRI-Connect for free support on this)
- Ensure that they are targeted in any upcoming investor outreach and roadshows.

For a more granular approach to assessing your sustainability position, you can use the maturity matrix in WBCSD's recent [Future Proof Business guide](#).



## Sustainable asset managers

In the table below, we include profiles of those asset managers that, we believe, manage sustainable transition and sustainable solutions strategies, with short profiles of those strategies and details of the portfolio managers or analysts to contact.

We do not profile 'sustainable leaders' funds or ESG investment funds - because our primary audience for this work is 'solutions' or 'transition' companies and these less committed funds are likely to show lower appetite to invest in such companies. Broader profiles can, however, be written for companies on a bespoke basis.

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Abrdn	<p>"Abrdn considers ESG factors as part of our investment process, and qualify these with fundamental research and proprietary ESG House Scores, meaning your investments incorporate ESG risks and opportunities as standard." The Responsible Investment team is led by Amanda Young while the Stewardship team is led by Mike Everett and there are more than 50 people with some form of dedicated ESG or Stewardship expertise across the business.</p> <p>They run 8 active equity funds with an explicit sustainability mandate, of which three meet our criteria for Sustainable Solutions Funds:</p> <p><b># Asian Sustainable Development Equity Fund</b></p> <p>++ Investing in companies in Asia Pacific (excluding Japan) countries which in our view will make a positive contribution to society through their alignment achieving the United Nation's Sustainable Development Goals ('SDGs')</p> <p><b># ASI Multi-Asset Climate Solutions Fund</b></p> <p>++ Investing in a diversified portfolio of equities and corporate bonds issued by companies whose core business is to offer products and services that enable the transition to a sustainable low carbon economy.</p> <p><b># Global Equity Impact Fund</b></p> <p>++ 'seeks to deliver long term growth by investing in companies that intentionally aim to create positive measurable, positive environmental and social impact'</p>
Aegon Asset Management	<p>Aegon Asset Management is an active global investor managing USD 460bn. They have a 'comprehensive responsible investment approach consisting of three pillars: ESG integration, active ownership and solutions'.</p> <p>They run 6 equity funds, of which one meets our criteria for Sustainable Solutions Funds.</p> <p><b># Aegon Global Sustainable Diversified Growth Fund</b></p> <p>++ The Fund invests in innovative and disruptive companies that are providing solutions to today's sustainability challenges. This is a high-conviction growth-focused portfolio of 35-45 companies, with the theme of sustainability running through each position.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
AllianceBernstein	<p>AllianceBernstein manages USD 501bn in assets using ESG integration strategies. The firm has developed a proprietary matrix for use by more than 120 analysts that covers over 40 ESG issues and spans 70 sub-sectors. Fundamental analysts partner with members of the Responsible Investment team. An additional USD 27bn is managed in 'Portfolios with Purpose' (impact funds).</p> <p>Three of their funds meet our criteria for Sustainable Solutions Funds:</p> <p><b># Sustainable Global Thematic Portfolio</b></p> <p>++ Portfolio pursues opportunistic growth by investing in a global universe of companies in multiple industries that are positively exposed to environmentally- or socially-oriented sustainable investment themes.</p> <p><b># Sustainable US Thematic</b></p> <p>++ The Portfolio pursues opportunistic growth by investing in a universe of US companies in multiple industries that are positively exposed to environmentally- or socially-oriented sustainable investment themes derived from the UN Sustainable Development Goals ("UNSDGs").</p> <p><b># Sustainable US Equity Fund</b></p> <p>++ The Fund aims to increase the value of investment over a rolling five- year period in an actively managed, diversified portfolio of shares in US companies exposed to environmentally or socially orientated investment themes derived from the SDGs such as health, climate or empowerment.</p>
Allianz Global Investors	<p>Allianz aims to "integrate environmental, social and governance (ESG) factors throughout our entire investment value chain to better manage risk and generate sustainable, long-term returns." It runs EUR 206bn in sustainability-focused strategies and has more than 100 'dedicated global professionals'. Matt Christensen is the Global Head of Sustainable and Impact Investing.</p> <p>Their sustainable investing is split into four broad categories: Integrated ESG, Sustainable, SDG-aligned and Impact Investing.</p> <p>They have four equity funds with explicit sustainability mandates, of which two meet our criteria for Sustainability Solutions Funds:</p> <p><b># Global Water</b></p> <p>++ The fund invests in the global equity markets with a strong focus on companies that are substantially engaged in the area of water resource management or improvement of the supply, efficiency or quality of water.</p> <p><b># Food Security</b></p> <p>++ The fund invests a minimum of 90% of its assets in the shares of international companies which offer products or solutions that actively contribute to positive environmental and social outcomes along the entire food supply chain across production, transportation, quality and safety of food.</p>
Aviva Investors	<p>Aviva Investors manages more than GBP 365bn of assets for institutional and retail clients around the world, with nearly 80 per cent of this for Aviva companies. Aviva has a long heritage of leadership in responsible investment, having published its corporate governance voting policy since 1994 and included material environmental and social issues within that policy in 2001. Aviva became founding signatories of the UN Principles for Responsible Investment (PRI) in 2006.</p> <p>One Aviva fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Climate Transition Global Equity Fund</b></p> <p>++ Companies will be identified as eligible for core investment if they satisfy the "Solutions" or "Transition" criteria and are not excluded on the basis of their fossil fuel activities.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
<p>AXA Investment Managers</p>	<p>The vast majority of assets under management integrate ESG analysis and quantitative scores into the investment process, while applying a core exclusions policy. AXA believe this can deliver value for clients by identifying risks and opportunities linked to key sustainability trends in the global economy.</p> <p>One AXA fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Clean Economy Fund</b></p> <p>++ The fund invests in companies whose activities address the environmentally focused UN SDGs through improving resource sustainability, supporting the energy transition or addressing the issue of water scarcity. The fund will focus on four key areas: low carbon transport, smart energy, natural resource preservation and agriculture and food supply (but may also invest in such other industries which contribute to the clean transition).</p>
<p>Baillie Gifford</p>	<p>Baillie Gifford was established as an investment management partnership over 100 years ago and are 'responsible for the careful stewardship of our long-term vision without the distraction of short-term shareholder demands.' They now manage and advise over GBP 350bn in specialist equity, fixed income and multi-asset portfolios for a global client base. The consideration of ESG factors is part of the long-term, active, patient and growth-focused approach to investment management. Baillie Gifford has a dedicated ESG community of over 30 people and highly qualified analysts work within the investment teams contributing to the investment decision-making process.</p> <p>One Baillie Gifford fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Baillie Gifford Positive Change Fund</b></p> <p>++ The Positive Change strategy has two objectives of equal importance: to deliver attractive long-term investment returns and to contribute towards a more sustainable and inclusive world. There are no compromises – each holding must be able to deliver on both objectives. Investments will be made in companies addressing critical challenges in areas such as, but not limited to; education, social inclusion, healthcare and the environment. The fund will be actively managed, concentrated and will invest in shares of companies of any size, any country and in any sector.</p>
<p>Bank J. Safra Sarasin</p>	<p>Besides incorporating sustainability into every stage of the investment process, Bank J. Safra Sarasin has further developed investment-supporting activities such as the exercising of voting rights and engaging in a strategic dialogue with decision makers of invested companies. One key aspect of the Bank's offering is the ability to discuss with clients their specific requirements across a broad spectrum of sustainable investing approaches and criteria.</p> <p>One Bank J. Safra Sarasin fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Sustainable Equity Green Planet Fund</b></p> <p>++ Seeks to achieve long term capital appreciation through global investment in equity of companies that contribute to green solutions.</p>
<p>Blackrock</p>	<p>BlackRock runs four active equity strategies with sustainability mandates, of which two meet our criteria for Sustainable Solutions Funds:</p> <p><b># Future of Transport Fund</b></p> <p>++ Invests in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of technologies used and applied to transport</p> <p><b># Sustainable Energy Fund</b></p> <p>++ Invests globally at least 70% of its total assets in the equity securities of sustainable energy companies. Sustainable energy companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The Fund will not invest in companies that are classified in the following sectors (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
BMO Global Asset Management	<p>BMO GAM (EMEA) runs over £10bn AUM in ESG strategies and have a long track record in running ESG products. After coming together with Columbia Threadneedle Investments, the combined resource will consist of 45 RI specialists and over £35bn of ESG assets including almost £19bn of Article 8 and 9 Funds. Within their dedicated ESG solution range, BMO has one fine which meets our criteria for 'Sustainable Solutions Funds':</p> <p><b># Sustainable Opportunities Global Equity</b></p> <p>++ This fund strives to gain exposure to leaders or disruptors at the forefront of addressing sustainability challenges.</p>
BNP Paribas Asset Management	<p>BNP Paribas Asset Management's sustainability strategy states that "our full range of investment strategies will adopt a sustainable investment approach. This means that they will integrate the key elements of sustainable investment: comprehensive research and integration of environmental, social and governance (ESG) factors; investor stewardship; responsible business conduct; and a focus on three thematic areas to promote a sustainable future."</p> <p>Jane Ambachtsheer is the Global Head of Sustainability and the company has "more than 45 ESG Champions within investment teams".</p> <p>BNP Paribas runs 9 equity funds with an ESG tilt, including fund-of-funds. It also runs a number of climate-themed funds which are diversified across 100+ holdings and therefore do not meet our criteria.</p> <p>Of its actively managed equity funds, the following seven meet our criteria for Sustainable Solutions Funds:</p> <p><b># Climate Impact</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by companies with business in activities focused on enabling the adaptation to, or mitigation of, climate change.</p> <p><b># Ecosystem Restoration</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by companies globally that are providing solutions to aquatic, terrestrial, and urban ecosystems through their products, services or processes.</p> <p><b># Environmental Absolute Return Thematic Equity (EARTH)</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by worldwide companies that address environmental challenges, through products, services or processes, in Energy, Material, Agriculture and Industrial markets.</p> <p><b># Energy Transition</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by worldwide companies that engage in energy transition. Energy transition themes include, but are not limited to, renewable &amp; transitional energy, energy efficiency, sustainable transport, green building and infrastructure.</p> <p><b># Global Environment</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by companies that operate in environmental markets.</p> <p><b># Green Tigers</b></p> <p>++ The Fund seeks to increase the value of its assets over the medium term by investing in shares issued by companies that operate in environmental markets in Asia and/or Pacific region.</p> <p><b># Smart Food</b></p> <p>++ A concentrated portfolio of investments in sustainably manufactured and responsibly transformed food.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Candriam	<p>Candriam has 26% of its assets under management in pure SRI strategies, run by 35 fund managers with 13 dedicated SRI analysts. It runs 10 active equity funds with explicit sustainability mandates. Two of these meet our criteria for Sustainable Solutions funds:</p> <p><b># Sustainable Equity Climate Action</b> ++ Invests primarily in equities of companies throughout the world which are considered to be the future leaders in climate change mitigation or adaptation.</p> <p><b># Sustainable Equity Future Mobility</b> ++ Invests primarily in equities of companies throughout the world which are helping to make mobility more environmentally friendly, safer and more efficient. Through its thematic focus, the fund's sustainable objective is to contribute to greenhouse gas emission reduction and the objectives of the Paris Agreement.</p>
Carmignac Gestion	<p>As active investors, Carmignac Gestion use their shareholder rights to drive companies to improve their governance, their carbon footprint and their human capital management. All funds integrate ESG analysis into their investment processes.</p> <p>One Carmignac fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Portfolio Green Gold</b> ++ A sustainable thematic equity fund which invests in innovative companies that are actively addressing or contributing to climate change mitigation across the whole renewable energy and industrial value chain.</p>
Columbia Threadneedle Investments	<p>Columbia Threadneedle offers 'a range of dedicated RI strategies, including our innovative Social Bond franchise, for clients seeking to more actively promote ESG factors or achieve specific sustainable outcomes', using proprietary company ratings. They run GBP 226bn of assets in equity funds, of which one meets our criteria for Sustainable Solutions Funds:</p> <p><b># Global Sustainable Outcomes</b> ++ Investing in companies that are positively exposed to sustainable outcome themes through their products and services, and display strong or improving ESG practices.</p>
Credit Suisse Asset Management	<p>Credit Suisse Asset Management aims to holistically engage in sustainable investing and to 'comprehensively adapt the product offerings to adhere to ESG norms'. The Asset Management business is managed as a separate division.</p> <p>One Credit Suisse fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Environmental Impact Equity Fund</b> ++ To offer investors exposure to such innovative solution-oriented companies and to thus enable them to combine their pursuit of attractive financial returns with efforts to drive positive change.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
DWS	<p>DWS manages EUR 542bn in active investments, of which 20% is in equity strategies. "With our own comprehensive research, we identify the most important factors for market prices and spot inefficiencies in the market. These factors comprise financial as well as non-financial aspects (e.g. ESG factors, carbon footprint and reputational risks/exclusions).</p> <p>Two of their equity funds meet our criteria for Sustainable Solutions funds:</p> <p><b># ESG Climate Tech</b> ++ Invests worldwide in companies whose business activities are predominantly geared to counteracting climate change or mitigating its effects.</p> <p><b># SDG Global Equities</b> ++ Invests in companies which provide a positive contribution to at least one of the 17 Sustainable Development Goals of the United Nations.</p>
Federated Hermes	<p>Federated Hermes run four types of equity sustainability strategy:</p> <ul style="list-style-type: none"> <li># SDG Engagement Equity</li> <li># Sustainable Global Equity</li> <li># Sustainable European Equity</li> <li># Sustainable Europe ex-UK Equity</li> </ul> <p>They run 8 funds with an explicit sustainability mandate, one of which meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Impact Opportunities Equity Fund</b> ++ Invests in companies which stand to benefit from their investment in the development of solutions to such societal challenges as water shortages, environmental degradation, waste management, the search for sustainable energy sources, healthcare needs, aging populations, demographic change and the achievement of financial inclusion and global equality.</p>
Fidelity International	<p>Fidelity International has "an approach to sustainable investing that is built on three complementary elements, drawing together; our integrated sustainability analysis, corporate engagement and collaboration with policymakers, industry groups and non-governmental organisations across the globe." Fidelity uses a proprietary sustainability ratings methodology and has two ranges of funds: best in class and sustainable thematic. They have a range of 15 such funds, of which one meets our criteria for a Sustainable Solutions Fund, though we note the recent launch of their Sustainable Climate Solutions Fund which may become eligible:</p> <p><b># Sustainable Water &amp; Waste Fund</b> ++ Invests in global companies involved in the design, manufacture, or sale of products and services in connection with the water and waste management sectors</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Franklin Templeton Investments	<p>Franklin Templeton Investments considers that sustainable investing can be a vital tool for delivering long-term value to clients. Integration of ESG considerations in the investment process is deemed to enable stronger investment performance and better client outcomes.</p> <p>One Franklin Templeton fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Climate Change Fund</b></p> <p>++ The Fund seeks to contribute towards climate change mitigation and adaptation, while seeking capital appreciation, by investing in equity securities of companies that provide solutions for the mitigation and/or adaptation of climate change risk or which are in the process of making their business models more resilient to long-term risks presented by climate change and resource depletion.</p>
Goldman Sachs Asset Management	<p>Goldman Sachs Asset Management (GSAM) aims to 'provide holistic solutions that are designed to combine the positive impacts of ESG and impact investing with the rigor and risk-return standards of investment management.' GSAM focus on ESG and impact investing.</p> <p>One Goldman Sachs fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Environmental Impact Equity Portfolio</b></p> <p>++ Invests in companies that drive greater environmental sustainability by offering solutions in the areas of clean energy, resource efficiency, sustainable consumption and production, circular economy and water sustainability.</p>
Guinness Asset Management	<p>Guinness Asset Management provides a range of long only actively managed funds to individual and institutional investors. Founded in 2003, Guinness is independent and is wholly owned by its employees. The firm manages concentrated, high conviction portfolios, with low turnover and no benchmark constraints.</p> <p>Two Guinness funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Sustainable Energy Fund</b></p> <p>++ The Fund is managed for capital growth and invests in companies involved in the generation, storage, efficiency and consumption of sustainable energy sources (such as solar, wind, hydro, geothermal, biofuels and biomass).</p> <p><b># Sustainable Global Equity Fund</b></p> <p>++ The Fund is designed to provide investors with exposure to companies benefiting from the transition to a more sustainable economy.</p>
HSBC Global Asset Management	<p>HSBC GAM launched its first Socially Responsible Investment fund in 2001 and become an early signatory of PRI in 2006. Responsible Investment implementation procedures set out approach to identify and respond to principal adverse sustainability impacts and consideration of ESG sustainability risks</p> <p>One HSBC GAM fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Equity Climate Change Fund</b></p> <p>++ The strategy aims to capture the investment opportunities within the theme by investing in innovative companies that can offer the best solutions to address the climate challenge.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Impax	<p>Impax Asset Management is "a specialist asset manager, investing in the opportunities arising from the transition to a more sustainable global economy". Three of its four funds meet our criteria for Sustainable Solutions Funds:</p> <p><b># Asian Environmental Markets</b></p> <p>++ The fund aims to generate long term capital growth from rapid and sustained growth anticipated by the Investment Manager in Resource Efficiency and Environmental Markets in certain countries in the Asia Pacific Region.</p> <p><b># Environmental Leaders Fund</b></p> <p>++ Investing globally in companies active in the growing resource efficiency and environmental markets.</p> <p><b># Environmental Markets</b></p> <p>++ To enable investors to benefit from growth in the markets for cleaner or more efficient delivery of basic services of energy, water and waste. Investments are made predominantly in quoted companies which provide, utilise, implement or advise upon technology-based systems, products or services in environmental markets, particularly those of alternative energy and energy efficiency, water treatment and pollution control, and waste technology and resource management.</p> <p>In addition, Impax runs two strategies which do not have publicly available funds:</p> <p><b># Water strategy</b></p> <p>++ The Impax Water Strategy is a long-only, all-cap global equity strategy that invests in stocks of companies operating across the water infrastructure, utilities and treatment sectors.</p> <p><b># Sustainable Food Strategy</b></p> <p>++ The Sustainable Food strategy seeks to achieve long-term capital growth and provide a level of income by investing in companies helping to address the sustainability challenges facing the food sector.</p> <p>++ Investments are made in companies that generate &gt;20% of their revenues from sustainable food activities. This includes companies that are helping to lower the environmental impact of agriculture and food production, facilitating the provision of safe and nutritious food, and promoting animal welfare standards along the food value chain.</p>
Jupiter Asset Management	<p>Jupiter offers a range of actively managed strategies available to UK and international clients including equities, fixed income, multi-asset and alternatives. Jupiter is a constituent member of the FTSE 250 Index and has assets under management of GBP 60.3bn.</p> <p>Two Jupiter funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Ecology Fund</b></p> <p>++ To provide capital growth with the prospect of income, over the long term (at least five years) by investing in companies whose core products and services address global sustainability challenges.</p> <p><b># Global Ecology Growth</b></p> <p>++ The Fund objective is to generate long-term capital growth from investment worldwide in companies that are responding positively to the challenge of environmental sustainability and climate change.</p>



Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Lombard Odier	<p>Lombard Odier has a "29-strong Global Equities investment team [which] manages a range of long-only portfolios across active high conviction and systematic factor-enhanced investment solutions. At the heart of our investment philosophy is sustainability. We believe it is the founding principle of long term economic and investment outcomes. In doing so, we look to identify companies where the market is, in our view, undervaluing their ability to generate sustainable excess economic returns in the future."</p> <p>Two of their funds meet our criteria for Sustainable Solutions Funds:</p> <p><b># Climate Transition</b></p> <p>++ Invests in equity issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products related to the global fight against or adaptation to climate change</p> <p><b># Natural Capital</b></p> <p>++ Invests in equity issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital</p>
M&G Investments [M&G]	<p>M&amp;G explicitly and systematically includes ESG issues in investment analysis and investment decisions, where these are meaningful to risk and potential return. At a portfolio level, investment decisions include considerations of all material factors, including ESG factors, and M&amp;G also conduct regular ESG reviews of portfolios.</p> <p>Two M&amp;G funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Climate Solutions Fund</b></p> <p>++ The fund invests in companies that aim to deliver solutions to the challenge of climate change. The fund usually holds shares in fewer than 40 companies..</p> <p><b># Positive Impact Fund</b></p> <p>++ The fund invests in companies having a positive social impact. The fund usually holds shares in fewer than 40 companies.</p>
Mirova	<p>Mirova is a conviction-based management company that offers its clients investment solutions combining the search for financial performance with environmental and social impact. The firm aims to contribute to a more sustainable and inclusive economy by increasing its positive impact on environmental issues and reducing inequalities.</p> <p>One Mirova fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Europe Environmental Equity Fund</b></p> <p>++ The Fund is mainly invested in European companies providing solutions to address predominately environmental issues.</p>
Montanaro	<p>The firm was founded by Charles Montanaro in 1991 with a vision to bring a different approach to SmallCap investing. As a certified B Corporation, the firm aims 'to lead by example and encourage sustainable practices in smaller businesses around the world.' ESG has been integrated into the investment process for more than a decade. The Firm's analysts conduct ESG and impact analysis as part of fundamental company research. ESG is crucial to the firm's view of a company's quality.</p> <p>One Montanaro fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Better World Fund</b></p> <p>++ The Fund will seek to invest in high quality companies whose products, services or behaviour are deemed to make a positive impact on society and which emphasise sound ESG practices.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Ninety One	<p>Ninety One is a global investment manager offering active strategies across equities, fixed income, multi-asset and alternatives to institutions, advisors and individual investors around the world. Established in South Africa in 1991, an independent firm, dual-listed in Johannesburg and London, now in their 30th year of organic growth. 'We seek to make a difference to the world's greatest challenges by investing our clients' capital in a responsible manner towards the most responsible users of that capital.'</p> <p>Two Ninety One funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Environment Fund</b></p> <p>++ The Fund invests primarily in the shares of companies which the Investment Manager believes contribute to positive environmental change through sustainable decarbonisation (the process of reducing carbon dioxide emissions).</p> <p><b># Global Multi-Asset Sustainable Growth</b></p> <p>++ The Fund seeks to address a wide range of sustainable outcomes; investing for environmental and social impact in a way that balances a just transition with decarbonisation and invests not for lower portfolio emissions but for lower real world emissions</p>
NN Investment Partners	<p>The NN Investment Partners approach is captured in their Responsible Investing Framework and demonstrated in their annual Responsible Investing Report. Engagement and voting efforts are important to the firm and they expanded these efforts significantly in 2020. NN Investment Partners state 'We tackle difficult topics, such as the implications of the pandemic, EU's new sustainable finance regulations and the climate crisis.' The firm has adopted three types of responsible investing strategy – ESG integrated, Sustainable and Impact.</p> <p>One NN Investment Partners fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Climate and Environment Fund</b></p> <p>++ The fund uses active management to target companies that generate a positive social and environmental impact alongside a financial return. The fund has a thematic investment approach, focusing its investments on companies that contribute positively to one or more UN SDGs</p>
Nordea Asset Management	<p>Nordea Asset Management (NAM) began the ESG journey over 30 years ago with its first sector-screened strategy. Since then, the firm has established a strong Responsible Investment governance framework and a wide range of ESG solutions. While engagement is always NAM's preferred approach, it has made a corporate-level decision to exclude certain stocks, sectors, and practices across its entire active fund range. The NAM RI policy details these sector exclusions and is complemented by specific company exclusion list.</p> <p>One Nordea Asset Management fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Climate and Environment Fund</b></p> <p>++ The fund invests in companies which, 'through their climate solutions, are changing the world for the better'</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Pictet Asset Management	<p>Pictet's sustainable investment strategy is as follows: "Integration of ESG factors and sustainability risk have become the norm in our investment processes. We also apply a list of exclusions across all our strategies, for example excluding companies that produce controversial weapons and extract thermal coal. For investors who want to go further, our responsible investing strategies focus on companies with stronger governance, as well as cleaner operations and products. Core standards strategies apply an additional layer of exclusion. Best-in-class and positive impact strategies apply an even stricter negative screening including oil and gas or genetically modified organisms."</p> <p>They run 23 active equity strategies, of which three meet our criteria for Sustainable Solutions Funds:</p> <p><b># Global Environmental Opportunities</b> ++ Invests in equities of companies in clean energy and water, agriculture, forestry and other areas of the environmental value chain.</p> <p><b># Clean Energy</b> ++ Invests in equities of companies that contribute to lowering carbon emissions by, for instance, favouring clean energy in their production process</p> <p><b># Water</b> ++ Invests in equities of companies providing water supply or processing services, water technology or environmental services.</p>
Premier Miton Investors	<p>Premier Miton are 'increasingly focused on integrating environmental, social and governance (ESG) factors alongside financial factors in our investment processes' and offer four funds with an explicit sustainability mandate, all of which meet our criteria for Sustainable Solutions Funds:</p> <p><b># Global Sustainable Growth</b> ++ Focus on long-term sustainable growth themes which could include health and wellbeing, affordable and clean energy, and waste management, amongst others.</p> <p><b># Global Sustainable Optimum Income</b> ++ An actively managed portfolio of company shares of different sizes and from a range of geographical regions and industry sectors around the world, with a focus on long-term sustainable growth themes.</p> <p><b># European Sustainable Leaders Fund</b> ++ Typically 40-55 holdings with a strong ESG profile, offering sustainable growth themes and that are expected to exhibit high quality characteristics</p> <p><b># Global Renewables Trust</b> ++ The fund manager seeks to achieve both long term capital growth and a high income from investment globally in the equities of companies operating renewable energy and other sustainable infrastructure assets.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Quilter	<p>Quilter is a leading UK-focused full-service wealth manager. The firm is 'committed to integrating responsible investment principles across all areas of the business, from financial advice, to investment and wealth management, and investment platforms.'</p> <p>Two Quilter funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Climate Assets Fund</b></p> <p>++ The Fund invests in companies that make a positive contribution to the world, with a strong underpinning of ethical values.</p> <p><b># Ethical Equity Fund</b></p> <p>++ The Fund aims to achieve income and capital growth through investment in companies that demonstrate sound ethical practice</p>
Rathbone Greenbank Investments	<p>Rathbone Greenbank Investments' mission is to 'generate long-term value for clients, employees and partners through our ethical, sustainable and impact investment expertise and shared passion for people and planet.'</p> <p>One Rathbone Greenbank fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Sustainability Fund</b></p> <p>++ The objective of the fund (using ESG criteria) is to deliver a greater total return than the FTSE World Index, after fees, over any five-year period.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
RobecoSAM	<p>RobecoSAM applies sustainable investing to 'all our sustainable thematic strategies, but [...] equally to our equity and fixed income impact strategies. All of these strategies have been designed to have a positive, measurable impact on the environment and society and to contribute to the UN's 17 Sustainable Development Goals (SDGs). [...] Our Sustainability Inside approach, which uses ESG building blocks, is applied to the majority of our strategies. As of June 2021, we have more than 177 billion EUR assets integrating ESG.'</p> <p>RobecoSAM has fifteen funds with an explicit sustainability mandate, of which six meet our criteria for Sustainable Solutions Funds:</p> <p><b># Circular Economy Equities Fund</b>            ++ An actively managed fund that invests globally in companies that foster resource-efficient business models with regard to the production and consumption of consumer goods.</p> <p><b># Global SDG Equities</b>            ++ An actively managed strategy that invests globally in companies that positively contribute to the achievements of the UN Sustainable Development Goals.</p> <p><b># Sustainable Water Equities</b>            ++ An actively managed fund that invests globally offering products and services that address the challenges related to the quantity, quality and allocation of water</p> <p><b># Smart Energy Equities</b>            ++ An actively managed fund that invests globally in companies that provide competitive and sustainable solutions to the growing need for reliable, clean &amp; affordable energy supply.</p> <p><b># Smart Materials Equities</b>            ++ An actively managed fund that invests globally in companies that provide innovative materials and process technologies.</p> <p><b># Smart Mobility Equities</b>            ++ An actively managed fund that invests globally in companies that benefit from the emerging megatrend of electric vehicles.</p> <p>And one meets our criteria for Sustainable Transition Funds:</p> <p><b># Global SDG Engagement Equities</b>            ++ The fund drives a clear and measurable improvement in a company's contribution to the United Nations Sustainable Development Goals (UN SDGs) over three to five years, by actively engaging and having an active dialogue with these companies.</p>
Schroder Investment Management	<p>Schroders is responsible for over GBP 700 billion of assets and actively and responsibly manage investments for a wide range of institutions and individuals. They joined the Net Zero Asset Managers Initiative in 2020, the goal of which is to attain net zero greenhouse gas emissions by 2050 or sooner. Schroders recorded their first SRI engagement in 2000 so have been a significant SRI player for over 20 years.</p> <p>Two Schroders funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Global Energy Transition Fund</b>            ++ A fossil fuel and nuclear-free global equity fund investing in companies that are leading the charge in clean energy. Schroder ISF Global Energy Transition is a high-conviction fund comprising 30-50 companies, diversified by geography and sectors, that targets long-term, sustainable capital growth underpinned by a theme that will run for the decades ahead.</p> <p><b># Scottish Widows Environmental Investor Fund</b> (Schroders acquired Scottish Widow mandates in 2020)            ++ To provide capital growth through investment in shares of UK companies that demonstrate a commitment to the protection and preservation of the natural environment.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Stewart Investors	<p>The goal of Stewart Investors is to 'generate positive returns for our clients. We believe that companies that deliver benefits to society and the environment face fewer risks over the long term and are therefore better placed to deliver positive returns to shareholders.'</p> <p>The sustainability funds all have the same criteria. Investment decisions around high quality companies are based on three key points: (i) Quality of management. (ii) Quality of the company including its social usefulness, their environmental impacts and efficiency and responsible business practices. (iii) Quality of the company's finances and their financial performance. Sustainability is a key part of the approach.</p> <p>Eight Stewart Investors funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Asia Pacific and Japan Sustainability Fund</b>            ++ The Fund invests in companies that derive the majority of their economic exposure from Japan.</p> <p><b># Asia Pacific Leaders Sustainability Fund</b>            ++ The strategy invests in large and mid-sized companies which generally have a total stock market value of at least US\$1 billion in the Asia Pacific region (excluding Japan, including Australia and New Zealand).</p> <p><b># Global Emerging Markets Sustainability Fund</b>            ++ The Fund invests in companies in emerging markets or whose business is predominantly based in emerging markets.</p> <p><b># Indian Subcontinent Sustainability Fund</b>            ++ The Fund invests in companies based in or having significant operations in India, Pakistan, Sri Lanka or Bangladesh.</p> <p><b># Worldwide Leaders Sustainability Fund</b>            ++ The Fund mainly invests in shares of large and mid-sized companies around the world. These companies generally have a total stock market value of at least USD 3 billion.</p> <p><b># Worldwide Sustainability Fund</b>            ++ The Fund has an unconstrained investment strategy and is able to invest in companies across the world which are positioned to benefit from and contribute to sustainable development.</p> <p><b># Asia Pacific Sustainability Fund</b>            ++ The Fund invests in companies in the Asia Pacific region (excluding Japan, including Australia and New Zealand).</p> <p><b># Pacific Assets Trust</b>            ++ The Fund invests in selected companies in the Asia Pacific region and the Indian sub-continent, but excluding Japan, Australia and New Zealand (the 'Asia Pacific Region').</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
Swisscanto	<p>Swisscanto Asset Management International calls on all companies to formulate ambitious CO<sub>2</sub>e reduction targets and to implement them consistently. They are in continuous dialogue with company management and are involved through the UN PRI collaboration platform and investor initiatives.</p> <p>One Swisscanto fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Equity Fund Sustainable Global Water</b></p> <p>++ The fund invests worldwide in equities of companies that contribute to saving or protecting water. This is a question of decoupling economic growth from the consumption and contamination of water. The focus is on companies undergoing profitable growth in the long term because they have high entry barriers. The fund is actively managed and stocks are selected on the basis of fundamental company analyses.</p>
Triodos Investment Management	<p>Triodos Investment Management is a globally active impact investor. The firm sees impact investing as a driving force in the transition to a more inclusive and sustainable world. For more than 30 years, Triodos has offered impact investment solutions that connect investors who want to make money work for positive change with innovative entrepreneurs and sustainable businesses.</p> <p>One Triodos Investment Management fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Pioneer Impact Fund</b></p> <p>++ The Fund aims to generate positive impact and competitive returns from a concentrated portfolio of equities issued by large-cap companies offering sustainable solutions.</p>
Vontobel Asset Management	<p>Vontobel Asset Management is an active asset manager with global reach and a multi-boutique approach. The firm offers 'sustainability-conscious solutions, supporting the United Nations' Environmental, Social and Governance Principles for Responsible Investing, to benefit our planet and society.'</p> <p>One Vontobel fund meets our criteria for a Sustainable Solutions Fund:</p> <p><b># Clean Technology Fund</b></p> <p>++ The fund is mainly invested in companies worldwide that operate in the clean technology sector. The clean technology sector primarily involves the two main themes of energy efficiency (such as energy security and conservation as well as energy quality and infrastructure, etc.) and future technologies for the environment (such as recycling, waste disposal, filter technologies, etc.).</p>
Wellington Management	<p>The Wellington Management investment model is described as a 'community of boutiques.' 'Achieving our clients' investment goals means integrating our sustainable research and engagement practices across our investment platform.'</p> <p>Two Wellington funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Climate Strategy Fund</b></p> <p>++ The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing primarily in the equity securities issued by companies worldwide that the Investment Manager believes are most directly addressing environmental sustainability or climate risks through their products, service or capital.</p> <p><b># Global Impact Fund</b></p> <p>++ The Fund seeks to understand the world's social and environmental problems and to identify and invest primarily in the equities of companies that we believe are addressing these needs in a differentiated way through their core products and services. Through the Fund's investments, we seek to improve access to, and the quality of, basic life essentials, reduce inequality and mitigate the effects of climate change.</p>

Asset manager name	'Sustainability solutions' or 'sustainability transition' strategies deployed
WHEB Asset Management	<p>WHEB is a 'positive impact investor focused on the opportunities created by the transition to a zero carbon and sustainable global economy.' The investment strategy of the fund is built around sustainability, growth, quality and valuation. The fund is focused on nine sustainable investment themes; five environmental (cleaner energy, environmental services, resource efficiency, sustainable transport, and water management), and four social themes; (education, health, safety, and well-being). Individual stocks are selected through a 'bottom-up' stock-by-stock fundamental and rigorous research process.</p> <p>Two WHEB funds meet our criteria for a Sustainable Solutions Fund:</p> <p><b># Sustainability Fund</b></p> <p>++ The Fund focuses on the opportunities created by the transition to healthy, low carbon and sustainable economies.</p> <p><b># Sustainable Impact Fund</b></p> <p>++ The Fund focuses on the opportunities created by the transition to healthy, low carbon and sustainable economies.</p>