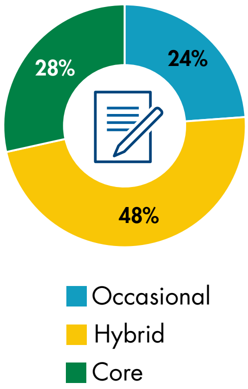
DC ADVISOR VIEWS

# ESG in DC Plans: Weighting the Factors

As Environmental, Social, and Governance (ESG) concerns have permeated the public consciousness increasingly over the past few years, they are also top-of-mind throughout the investment world.

With this backdrop in mind, Secure Retirement Institute® (SRI®) took a next step in examining the use of ESG investments in DC plans by surveying those advisors who serve as gatekeepers to plans and plan sponsors about how ESG investments fit into their own practices, value propositions, and philosophies. In December 2022, SRI contracted with NMG to field an online survey of 126 financial advisors who currently advise DC plans.

## ADVISOR SEGMENTS




**OCCASIONAL**
- Wealth-focused
- <20% revenue from DC
- Smaller plans

**HYBRID**
- Building DC/benefits into wealth
- <50% income from DC
- Plans up to $25M

**CORE**
- Fully committed to DC
- 50%+ income from DC/average 70%
- Average plan up to $100M/larger in scope

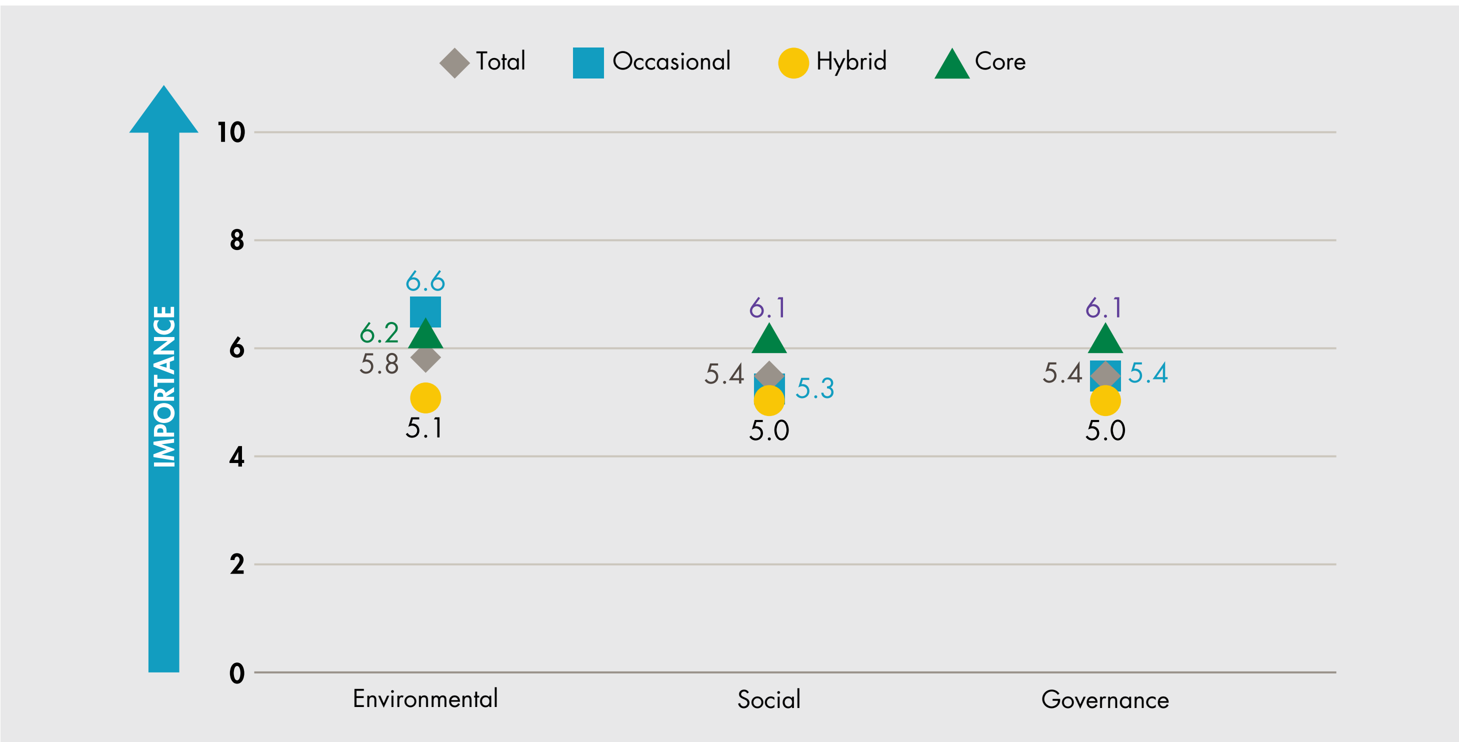
## ESG factors are (mostly) equally weighted by DC advisors and their clients.

## Environmental. Social. Governance.

Advisors reported ESG factors are of moderate importance to plan sponsor clients. In general, no one factor is significantly more important than another.

Environmental criteria are slightly more important than other criteria to plan sponsors working with Occasional advisors.

For plan sponsors working with Core advisors, all three criteria received above average ratings.

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