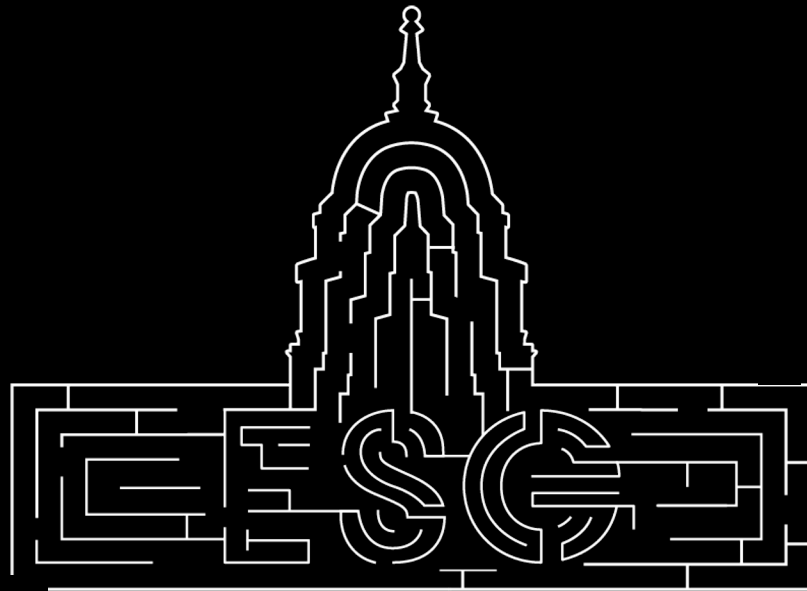


NAVIGATING ESG IN THE NEW CONGRESS: VOTER VIEWS ON ESG INVESTING



602 REGISTERED VOTERS
NATIONWIDE
MARCH 2023



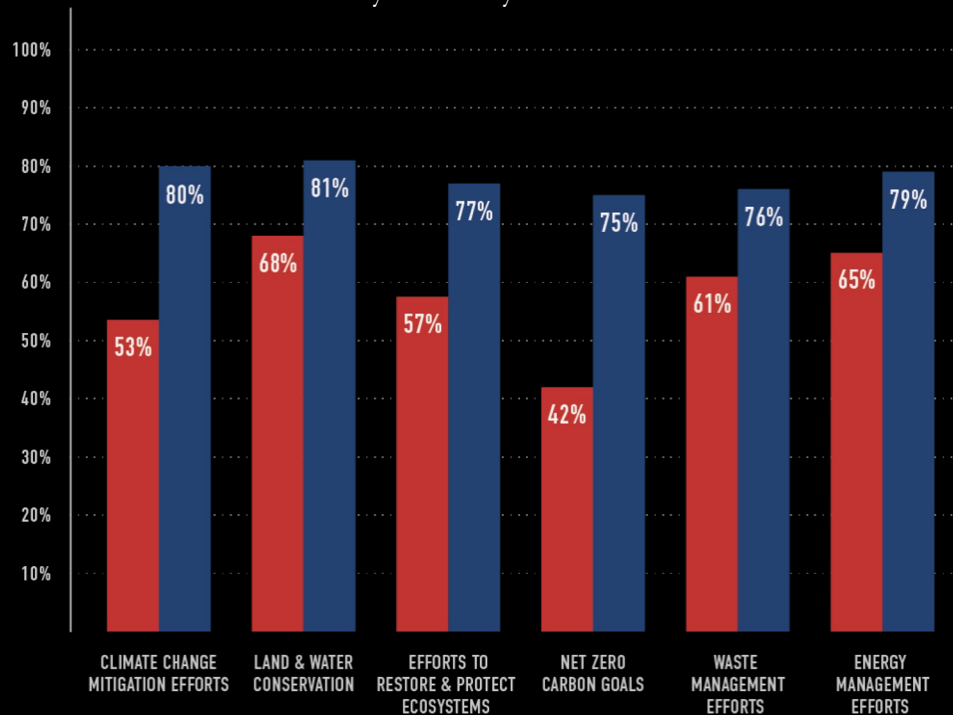
WHAT'S INSIDE

- Our Findings
- Political Environment
- How to Navigate It

The political rhetoric against ESG is more heated than ever, with many Republican lawmakers and candidates accusing businesses of “corporate wokeism” and threatening oversight and legislation. Our research has shown clear voter opposition to restrictions on business’ social impact. In a new survey, we can now see what voters believe about the ties between ESG factors and their financial fortunes.

This brief describes our findings and provides a path forward for navigating the anti-ESG political movement inside and outside the Beltway.

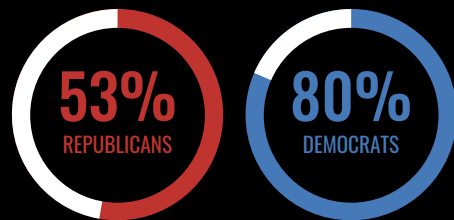
The following corporate environmental and societal actions are relevant or very relevant to your financial fortunes.



KEY FINDINGS

- Majorities of Republican and Democratic voters believe corporate **environmental action is relevant to their financial futures**. This belief increases for specific efforts like conservation and resource management.
- Nearly half of strong Republicans agree that **environmental action is relevant to their finances**.
- Strong majorities of both Republican and Democratic voters view **de-risking business as important** to their financial futures.
- **Democratic voters are more supportive of ESG oversight than their Republican counterparts** and a minority of both support oversight of “corporate wokeism.”

Republican and Democratic voters believe corporate Environmental action is relevant to their financial futures



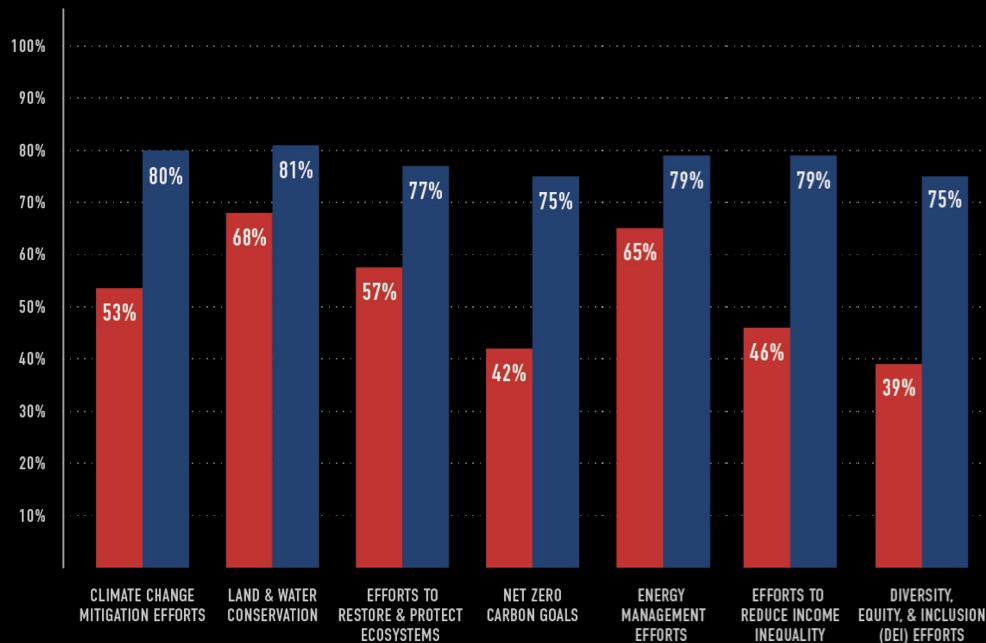
MAJORITIES OF VOTERS VIEW CLIMATE EFFORTS AS RELEVANT TO THEIR FINANCIAL FUTURES.

Republican and Democratic voters alike view climate action as important to their financial fortunes. Republican support rises significantly for specific areas like water conservation, waste management and biodiversity.

Differences emerge when we look at social issues.

THIS IS NOT TRUE FOR NET ZERO GOALS, WHICH SEES REPUBLICAN AGREEMENT DROP TO 42%. THIS INDICATES SKEPTICISM OF LONG-TERM CLIMATE COMMITMENTS.

How relevant are the following corporate environmental and societal actions are to your financial fortunes.



STRONG SUPPORT FOR LONG-TERM RISK CONSIDERATIONS IN INVESTMENT MANAGEMENT

No one wants to lose money. Even voters who strongly believe social and environmental action links to their fortunes are unwilling to risk financial gain for the sake of companies with strong ESG principles.

It is important that my investment manager considers long-term risk criteria when making decisions on how to invest my money.

REPUBLICANS **80%**



84% DEMOCRATS

STRONG REPUBLICANS **82%**

83% STRONG DEMOCRATS

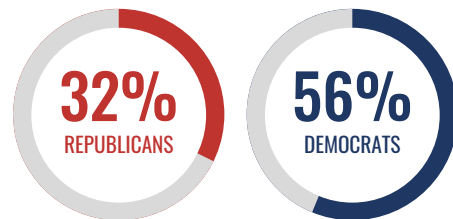


REPUBLICANS OPPOSE, DEMOCRATS SUPPORT STATE EXCLUSION OF FINANCIAL INSTITUTIONS BASED ON ESG STANCES

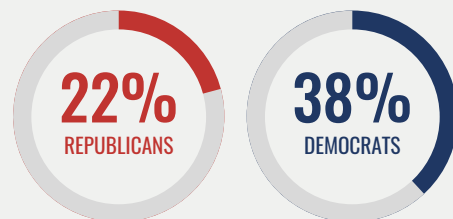
Aligning with our previous research, Republicans want the free market to operate freely. Democrats tend to support the hand of the government guiding markets. However, neither voting group strongly supports giving the government control over investment criteria.

AGREE

I would support my state government excluding certain financial institutions from state investment portfolios due to their stance on environmental or social issues."



I would support legislation that would give the government control over investment criteria used by my investment manager.

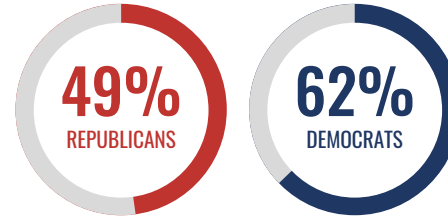


SUPPORT FOR ESG OVERSIGHT IS HIGH... WITH DEMOCRATS

A majority of Democratic voters want accountability for corporate ESG commitments through Congressional oversight. A minority of voters from both sides of the aisle support oversight of an undefined “corporate wokeism.”

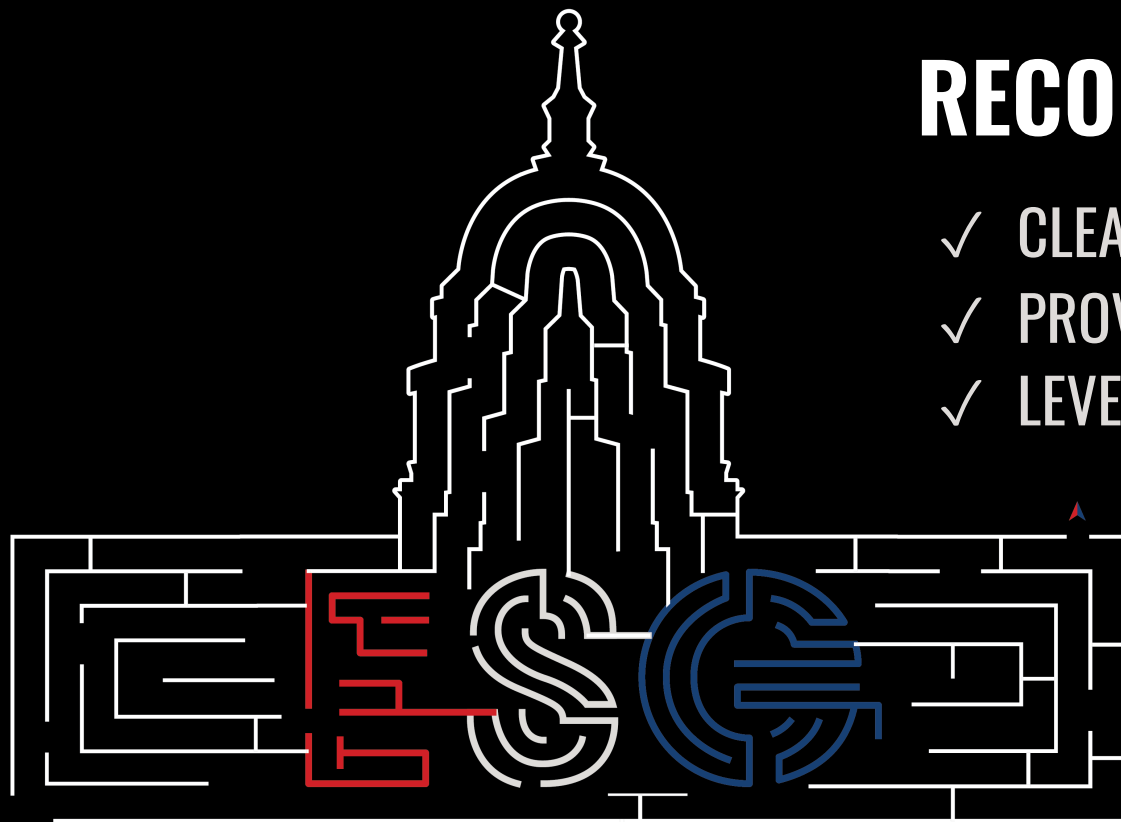
AGREE

“I support congressional oversight hearings related to corporate Environmental, Social, & Governance (ESG) investments”



I support congressional oversight hearings related to corporate wokeism.





RECOMMENDATIONS:

- ✓ CLEARLY DEFINE ESG INVESTING
- ✓ PROVE ESG ROI TO LAWMAKERS
- ✓ LEVERAGE SHAREHOLDER INTEREST

