

Impact/ESG Investing Survey

1st Edition | September 2019



COMMUNITY
CAPITAL MANAGEMENT

Impact Investing Since 1999

Impact/ESG Investing Survey

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Thank you to everyone who participated in the 1st edition of our Impact/ESG Investing Survey. The results are always informative and we very much appreciate your time and efforts in completing the survey.

Introduction

We are excited to share the results from CCM's 1st Impact/ESG Investing Survey. In our inaugural report, we had 48 respondents including financial advisors, foundations, faith-based investors, family offices, non-profits, and healthcare organizations, among others.

The goal of our impact/ESG investing survey is to share data and insights on investment decisions, impact areas of focus, return expectations, challenges, trends, and of course, opportunities, in this rapidly growing space.

The results confirm our beliefs that investors are incorporating impact/ESG investments into their portfolios and that impact/ESG investments will continue to grow as more and more investors look to have a positive impact on our economy and society. While a majority of respondents reported that measurement and management is still an ongoing struggle, it is important for investors to remember that risk is inherent and due diligence is required for all investments – whether impact/ESG or conventional. Lastly, it is key to find experienced impact/ESG investment professionals with track-records of both financial and impact performance and a well-applied strategy through statistics and reporting. Otherwise, the impact/ESG-labeled strategy could simply be a characteristic applied to a prospectus or presentation but does not create or deliver the impact that the investor is being promised. We hope you enjoy the survey and find the results informative. Thank you again to everyone who participated!

Highlights of our survey include:



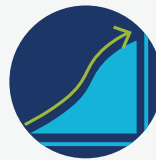
The **environment** is where most investors want to have a positive impact with their investments



An overwhelming **85%** of respondents believe that impact/ESG investing will become a standard in the investment industry in the next **5-10 years**



Impact/ESG investments are performing **above or in-line** with conventional investments



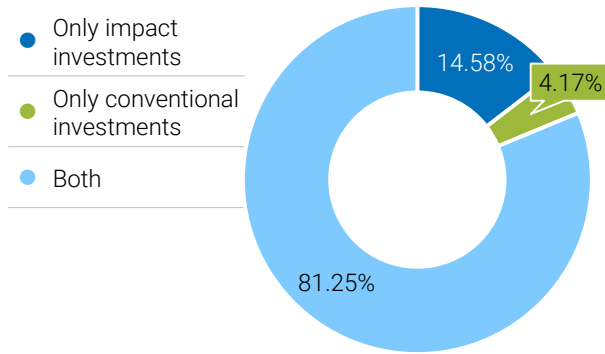
Track record/reputation/returns are the factors most important when looking at impact/ESG managers



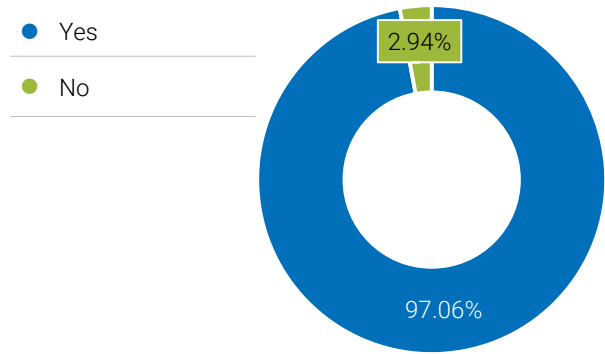
Reporting is still not standardized making it difficult to measure and monitor impact/ESG investments

Impact/ESG Investing Survey Results

1 Do you/your clients make conventional investments, impact investments, or both?

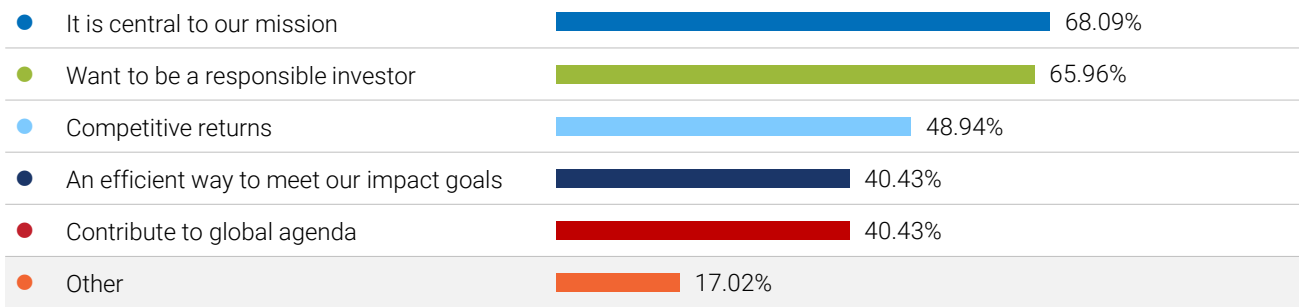


2 If you/your clients have not incorporated impact/ESG factors into investment decisions, are you/they considering it?



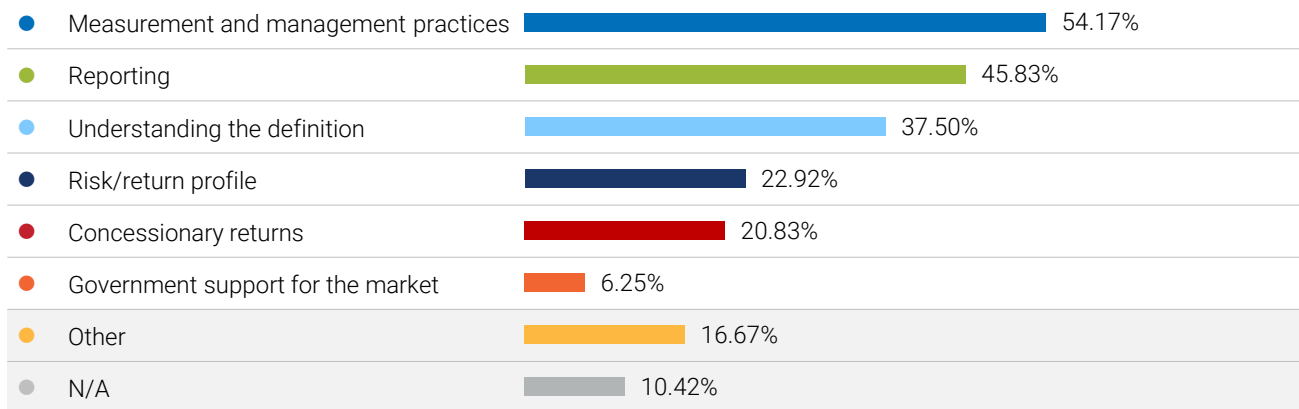
3 What motivates your organization/your clients to make impact/ESG investments?

Multiple answers can be selected.



4 What are you/your clients struggles with impact investing?

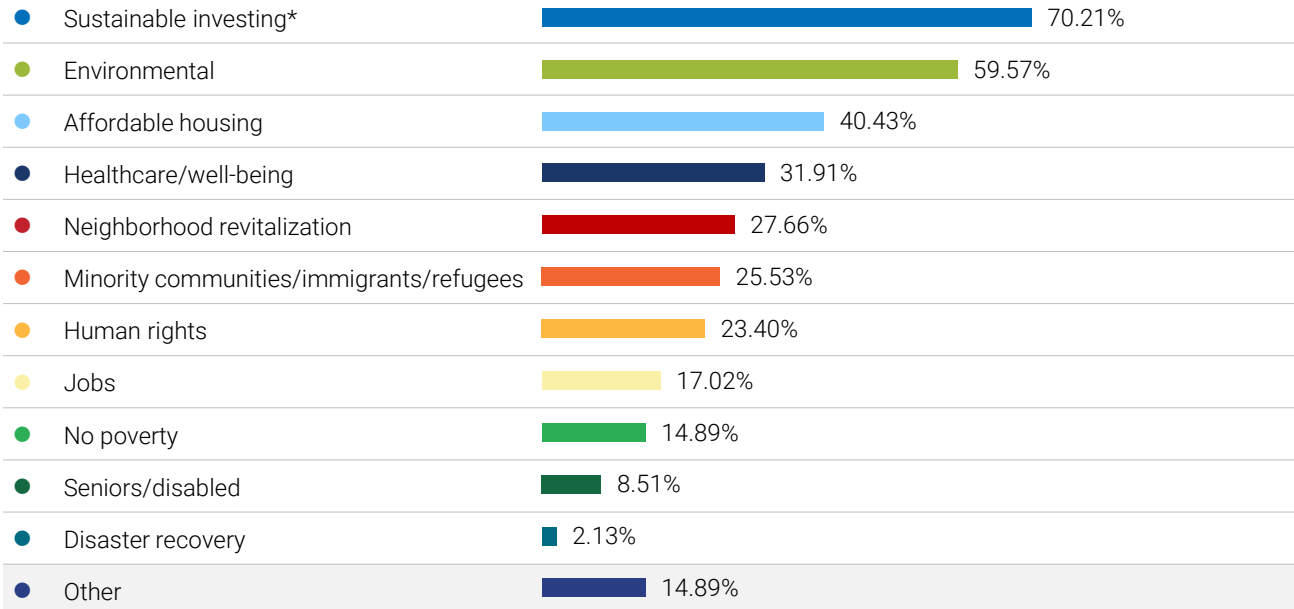
Multiple answers can be selected.



5

What impact area(s) does your overall organization invest in most?

Multiple answers can be selected.

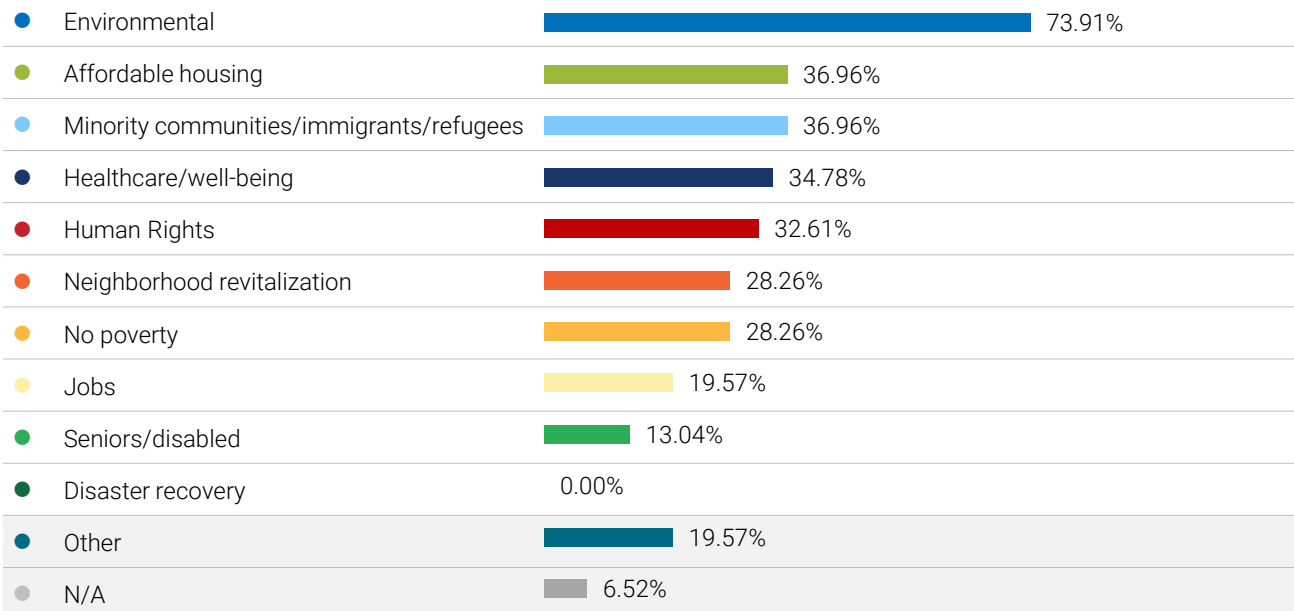


*Sustainable investing is used here as a broad term for investment approaches that consider environmental, social and governance (ESG) factors and their impact.

6

What impact area(s) do your clients want to invest in most?

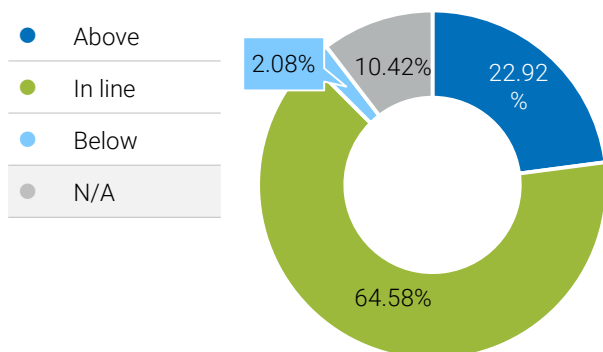
Multiple answers can be selected.



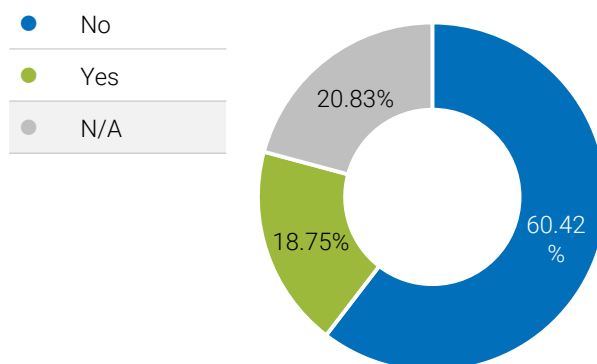
7 Are there any concerns coming from board members/staff, or your clients directly? If so, what are they?

- Risk and returns
- Deal flow and vetting
- Liquidity
- Restricted opportunity set
- No GAAP financial data available
- Measurement of impact
- More uniformed, third-party evaluation of outcomes
- Adequate investment products
- Price and performance
- Benchmark for impact investing
- Definitions
- "Greenwashing"

8 How are your impact/ESG investments performing relative to your expectations?

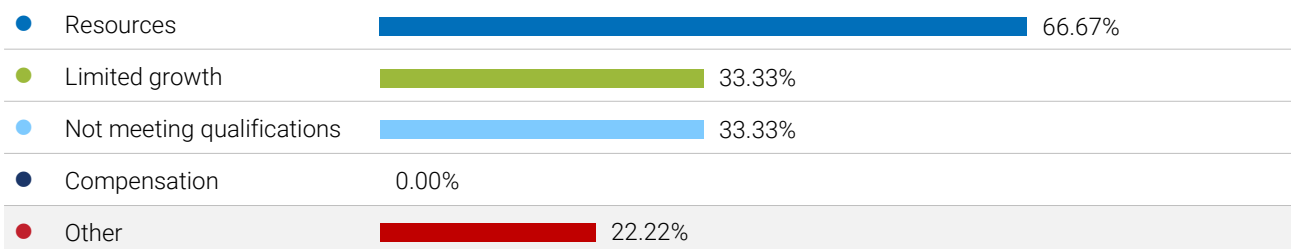


9 Do you have any challenges with impact/ESG investing staff?



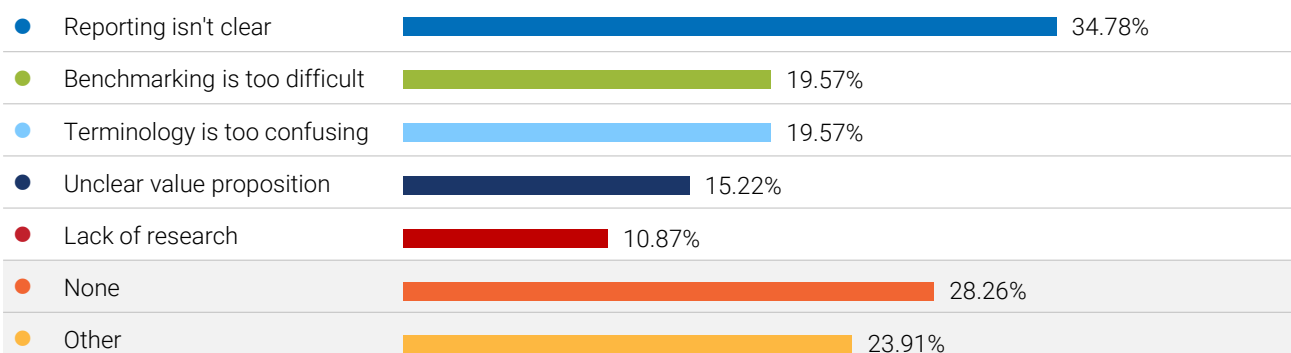
10 Do you have any challenges with impact/ESG investing staff?

Multiple answers can be selected.



11 Are there any reasons against impact/ESG investing?

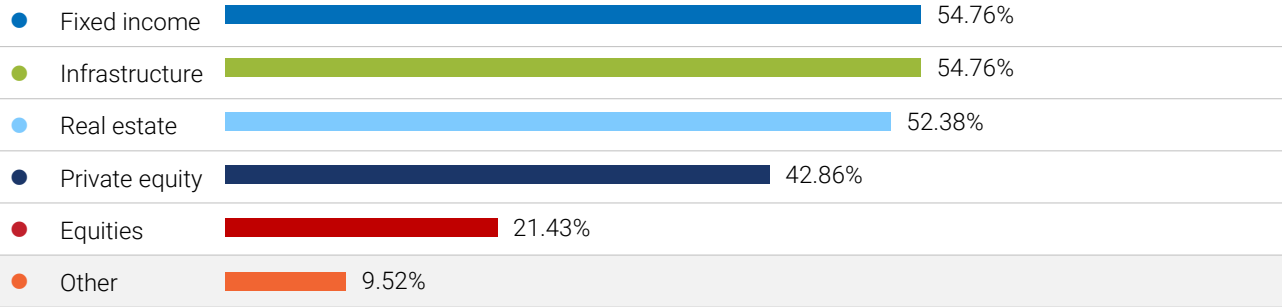
Multiple answers can be selected.



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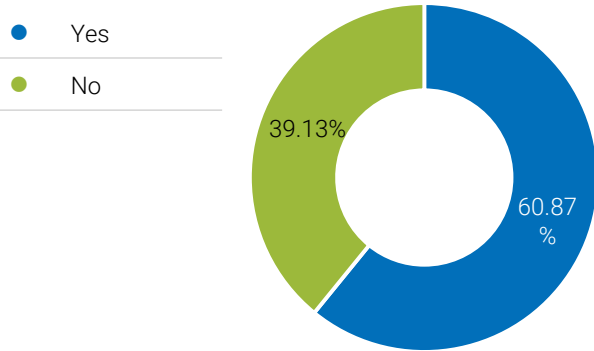
Are there any sectors in which you would like to see more impact/ESG investment offerings?

Multiple answers can be selected.



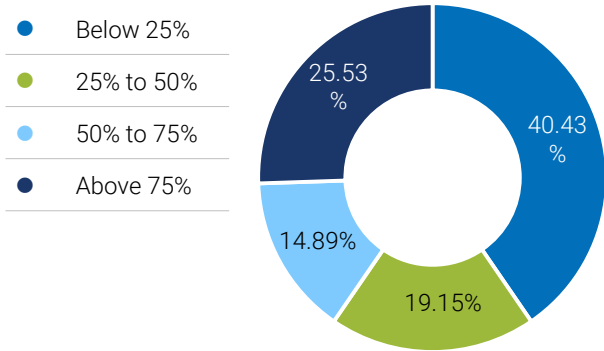
13

Do you/your clients believe there is a divide between conventional investors and impact/ESG investors?



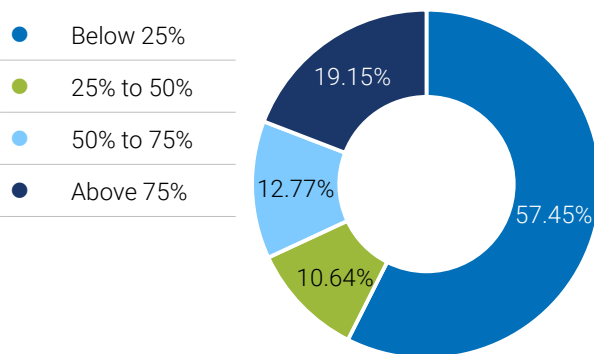
14

What portion of your/your client's overall investment is in impact/ESG investments?



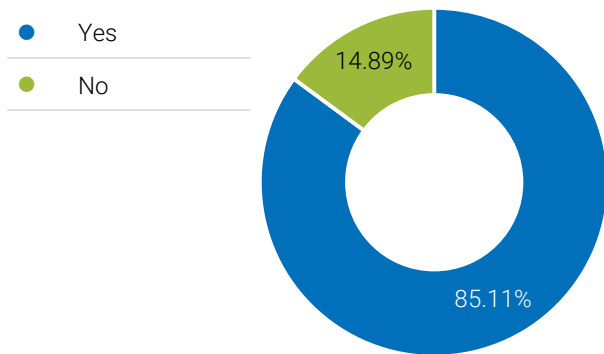
15

What portion of your/your clients fixed income investments are impact/ESG?



16

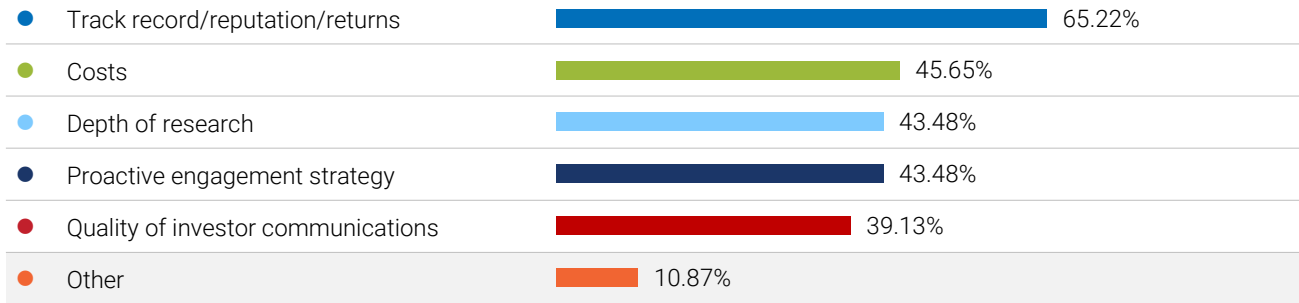
Do you believe impact/ESG investing will become an industry standard in the next 5-10 years?



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What factors do you/your clients think are most important in your impact/ESG manager?

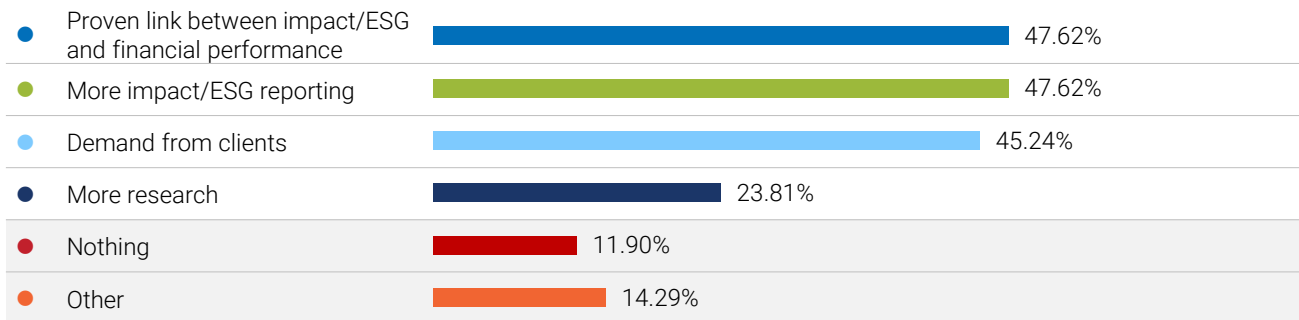
Multiple answers can be selected.



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What would cause you/your clients to start considering impact/ESG investments?

Multiple answers can be selected.



About Community Capital Management, Inc.

Community Capital Management, Inc. (CCM) is an investment adviser registered with the Securities and Exchange Commission. Headquartered in Fort Lauderdale with employees in Boston, Charlotte, the New York City area, and Southern California, CCM was founded in 1998 and manages approximately \$2.6 billion in assets. The firm believes a fully integrated portfolio – one that includes environmental, social and governance (ESG) factors – can deliver strong financial performance while simultaneously having positive long-term economic and sustainable impact. For more information, please visit: www.ccminvests.com. A full list of regulatory disclosures for Community Capital Management, Inc. are available by visiting: <https://www.ccminvests.com/regulatory-disclosures/>.

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