

NEW 401(K) PLAN FEATURE ESG INVESTING

Environmental.
Social.
Governance.

COMING SOON!

Your company 401(k) plan will soon offer ESG investment options. Sometimes referred to as sustainable investing or socially responsible investing, ESG investing goes beyond a three-letter acronym to address how a company serves all its stakeholders: workers, communities, customers, shareholders, and the environment.

OVERVIEW

WHAT IS ESG INVESTING?

ESG investing is the consideration of environmental, social and governance factors alongside financial factors in the investment decision-making process.



Advisory services offered through TPG Financial Advisors, LLC, an SEC-Registered Investment Advisor and a wholly owned subsidiary of The Partners Group, LTD.

An ESG strategy means investing in companies that score highly on environmental and societal responsibility scales as determined by third-party, independent companies and research groups.

ESG investments are subject to the same investment evaluation criteria and standards as non-ESG funds.

AN ADDITIONAL OPTION

IS ESG A GOOD FIT FOR ME?

Sustainable investments consider both traditional analysis & ESG analysis. What is good for the environment, employees, and all stakeholders, can be good for profit as well.

If you connect with these values, and if you want to incorporate them into your 401(k) investment elections, you have that option. If not, that's fine too.

The traditional investments will continue to be offered. You may change your investment selection any time via your online retirement account.

\$51.1 BILLION

Invested in US sustainable funds in 2020. More than double the 2019 amount, and nearly 10 times the total for 2018 (Source: Morningstar).

Consider two companies that have similar **financial characteristics**, but different **environmental, social, and governance characteristics**. Which one looks like a better long-term investment after considering ESG factors?

FINANCIAL CHARACTERISTICS		
COMPANY A		COMPANY B
✓	Consistent profits?	✓
✓	Dividend growth?	✓
✓	High market share?	✓

ESG CHARACTERISTICS		
COMPANY A		COMPANY B
✓	Fair CEO pay?	✗
✓	Robust data security?	✗
✓	Employee satisfaction?	✗

Have questions? Contact our plan consultants at The Partners Group at retirement@tpgrp.com.

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