Research

FIDELITY INSTITUTIONAL INSIGHTS

# Sustainable Investing—a Primer for Defined Contribution (DC) Plan Sponsors

## How plan sponsors can evaluate environmental, social, and governance (ESG) strategies for their menu lineups


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### KEY TAKEAWAYS

- An increasing number of defined contribution (DC) plan sponsors are considering sustainable investing options for their plan lineups based on participant interest, though overall adoption rates are still low.
- At the core, Fidelity defines sustainable investing as an investment discipline that incorporates environmental, social, and/or governance (ESG) factors into the decision-making process.
- Research has shown the performance and fees associated with sustainable funds are in line with other investment options.
- As with any plan investment option, it is critical that plan sponsors conduct rigorous due diligence when selecting ESG investments to meet fiduciary responsibilities and determine if a given ESG option meets participant and plan needs.
- The U.S. Department of Labor (DOL) proposed a new regulation in late 2021 that would allow plan fiduciaries to consider climate change and other ESG factors when selecting investments and exercising shareholder rights; Fidelity is monitoring the developing guidance closely.[1]

## Introduction

U.S. assets in sustainable investments have increased significantly in the past five years, as more investors focus on environmental, social, and governance (ESG) considerations.[2] Interest has been growing particularly among millennials and do-it-yourself investors who are taking steps to align their values and their portfolios. At the same time, the regulatory landscape remains fluid, with proposed Department of Labor (DOL) rules in recent years either discouraging or encouraging fiduciaries to consider ESG investments in their lineups.[3] Most recently, the DOL proposed a rule indicating that ESG factors can be material to plan fiduciary investment decisions and may issue guidance that codifies this concept, allowing plan fiduciaries to consider climate and other ESG-factors in their plan management.

Against this backdrop, a small but growing percentage of plans are considering offering sustainable investments in their DC plan lineups. Additionally, for those plans that already offer these investments, usage is growing. Adoption at the plan and participant levels have likely been limited due to factors that may include regulatory considerations (for plan sponsors) and misconceptions about ESG considerations for both plan sponsors and participants about performance, fees, and types of available strategies.

This article presents an analysis by Fidelity Institutional Wealth Adviser (FIWA)® illustrating the current picture of sustainable investing at corporate and tax-exempt plans, and how plan sponsors can navigate important considerations and challenges. The FIWA Research Team conducts open-architecture manager research and fund selection for Fidelity's institutional clients, including retirement plan fiduciaries, financial and wealth advisors.

## Defining sustainable investing

Sustainable investing is a broad umbrella term. At Fidelity, we define sustainable investing as a discipline that incorporates ESG factors into investment research and decision-making (Exhibit 1). Evaluating ESG factors that are material to a given industry and company can help assess an investment's sustainability profile. It can also mean selecting companies that limit the negative impact of their operations and products on the environment; focus on more equitable relationships among and between their customers, employees, suppliers, and communities they operate in; and exhibit accountable and transparent governance with diverse and independent boards, compensation incentives that align with shareholders, and sound capital allocation policies. (For more on Fidelity's views about sustainable investing, please see "The Beliefs and Philosophical Underpinnings of Fidelity's ESG Ratings.")

Environmental research looks at companies that are focused on sustainability and resource efficiency, which includes efforts related to climate change, greenhouse gas emissions, natural resource depletion, waste and pollution, energy efficiency, and alternative energies. Social research looks for companies that are dedicated to creating more equitable employment and supplier practices, which can include hiring and compensation practices focused on diversity and equity, supply chain management, local community impact, as well as data protection and privacy. Governance research seeks companies that are focused on, for example, transparent and equitable board governance.

**EXHIBIT 1: At Fidelity, we define sustainable investing as a discipline that integrates ESG factors into investment research and decision-making.**

| **Environmental:** Sustainability and resource efficiency | **Social:** More equitable societies and respect for human rights | **Governance:** Accountable governance and transparent operations |
|---|---|---|
| Climate Change | Labor Standards, Health, and Safety | Executive Incentive Structure |
| Greenhouse Gas Emissions | Diversity, Employee Engagement | Board Diversity and Independence |
| Natural Resource Depletion | Supply Chain Management | Transparency and Disclosure |
| Waste and Pollution | Local Community Impact | Lobbying/Political Contributions |
| Energy Efficiency | Data Protection/Privacy | Bribery and Corruption |
| Alternative Energy | | Business Ethics |

Compiled from the United Nations Principles for Responsible Investing (UNPRI), CFA Institute, and the Sustainability Accounting Standards Board (SASB).

Fidelity believes that robust ESG practices can be critical to an investment's long-term success. As a firm, Fidelity has incorporated ESG factors into its bottom-up fundamental research, across all asset classes and investment disciplines. Fidelity's deep, fundamental investment research process includes ESG analysis to help better identify risks and investment opportunities. For example, examining environmental factors can reveal which companies are responsive to consumer demand for sustainable practices. A focus on social themes can identify businesses that demonstrate a commitment to a diverse and inclusive workplace. And attention to governance can uncover which companies are committed to diverse board composition and shareholder-friendly policies. FIWA has also developed a proprietary framework for evaluating and selecting ESG funds to support plan sponsors, family offices, and financial advisors.

## Types of ESG strategies

ESG investing encompasses a variety of terms that are often used interchangeably but can carry different meanings or intents (Exhibit 2). While regulatory guidance remains fluid, the two most common types of strategies are those that employ negative screening (removing companies that do not meet certain investment criteria), and those that integrate ESG factors explicitly into their decision-making. Other variations include thematic funds and impact funds, which focus on a particular theme or measurable ESG impact alongside performance objectives. Thematic strategies can be well-diversified while impact strategies may place financial returns as a secondary goal. The degree of integration, exclusion, or dedication to a particular theme can vary, and many strategies may employ multiple approaches.

**EXHIBIT 2: ESG investing can encompass a variety of approaches, ranging from simple exclusions, integrated ESG strategies, to higher-impact strategies.**

| | Negative Screening | ESG Integration | Thematic Investing | Impact Investing |
|---|---|---|---|---|
| **Description** | Avoids investments in companies that are not compatible with mission and goals | Incorporates ESG factors explicitly into investment decisions to help better identify risks and opportunites | Focuses on long-term themes broadly tied to specific areas of sustainability | Targets investments in sectors or companies to achieve specific social or environmental impacts |
| **Examples** | Excludes tobacco, fossil fuel, or pharmaceutical companies | Broad sustainability | • Climate change<br>• Gender and diversity<br>• Alternative energy | • Clean water<br>• Low-income housing |
| **Motivation** | Align investments with values or mission | • Recognize materiality of some ESG issues<br>• Enhance risk/return<br>• Improve standards of corporate behavior | • Achieve specific sustainability measures<br>• Financial returns may be primary or secondary goal | • Achieve a targeted measurable impact<br>• Financial returns may be secondary |
| **Primary Techniques** | Exclusionary screening (strategies may lag when excluded industries or sectors are performing well) | • Positive screening<br>• Best-in-class selection<br>• In-depth analysis of each industry | • Focused screening<br>• Best-in-class selection<br>• In-depth analysis to understand companies' revenue streams | • Focused screening<br>• Evaluate operations and revenue streams to ensure alignment with overall mission |

Source: Fidelity Investments.

While sustainable investing has been around for decades, it has seen most of its growth, and expansion of strategies, in the last five years. According to Morningstar, flows into ESG funds have hit records for three years in a row: $51.1 billion in 2020, more than double the $21.4 billion set in 2019, and $5.4 billion in 2018.[4]

## Sustainable investing at the plan level

FIWA's review of sustainable investing within DC plans is based on aggregated data from more than 23,000 plans held on Fidelity's recordkeeping platform. Our analysis focuses on two broad classifications of ESG funds, using Morningstar's intentionality taxonomy: 1. ESG funds, or "sustainable investments overall," which includes a range of ESG integration funds, thematic or impact funds, and environmental sector funds; and 2. exclusionary funds, or "employs exclusions overall." Of note, there is considerable overlap in these two segments of the Morningstar taxonomy framework.

For the purposes of our analysis, we have grouped any funds listed in both segments to the "sustainable investments overall" segment, and put those funds with purely negative screening in the other segment, to avoid double counting. In addition, this analysis uses mutual funds but does not include other types of investment vehicles such as white label funds, collective investment trusts (CITs), and separately managed accounts (SMAs). It also does not include ownership of ESG funds within self-directed brokerage accounts. Thus, overall adoption rates at plans may be higher if these other investment vehicles were included versus what is shown here. As a reference, roughly half of the assets in plans recordkept at Fidelity are in mutual funds.[5] Another signal of potentially higher usage is reflected in a recent Plan Sponsor Attitudes Survey from Fidelity, which found that 55% of plans say they have ESG options on their menus, and 61% plan to add ESG-focused funds over the next year.[6]

FIWA's analysis found that as of the end of 2020, 19.4% of corporate and tax-exempt plans on Fidelity's recordkeeping platform featured ESG funds as of the end of 2020, a nearly 25% increase from 16% in 2019 (Exhibit 3). About 5% of the plans featured funds with negative screens as of year-end 2020, up from 4.0% a year earlier. Yet ESG strategies at the plan level have remained a small percentage of overall assets. Overall plan adoption rates likely have been muted for a number of reasons, including concerns about shifting guidance from the DOL on how plan fiduciaries may consider climate change and other ESG factors when making plan investment decisions, and a lack of clarity and understanding about ESG investments. There have also been misconceptions over performance and fees.

**EXHIBIT 3: Adoption of ESG strategies at the plan level, and by plan type (percentage and asset size).**

| Data as of 12/31/2020 | Total DC | | Corporate | | Tax Exempt | |
|---|---|---|---|---|---|---|
| **Plan Adoption** | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds |
| **% of plan featuring ESG Funds/ Exclusionary Funds** | 19.4% | 5.0% | 17.2% | 4.9% | 49.2% | 5.5% |
| **$B (%) of plan assets in ESG Funds/ Exclusionary Funds** | $7.4B (0.3%) | $1.8B (0.1%) | $4.8B (0.2%) | $1.4B (0.1%) | $2.6B (0.5%) | $0.4B (0.1%) |
| **% of plan assets in ESG Funds/ Exclusionary Funds** | 1.4% | 1.3% | 1.6% | 1.3% | 1.1% | 1.2% |

| Data as of 12/31/2019 | Total DC | | Corporate | | Tax Exempt | |
|---|---|---|---|---|---|---|
| **Plan Adoption** | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds |
| **% of plan featuring ESG Funds/ Exclusionary Funds** | 16.0% | 4.0% | 14.0% | 4.0% | 46.0% | 4.0% |
| **$B (%) of plan assets in ESG Funds/ Exclusionary Funds** | $3.9B (0.2%) | $1.8B (0.1%) | $2.5B (0.1%) | $1.4B (0.1%) | $1.5B (0.4%) | $0.4B (0.1%) |
| **% of plan assets in ESG Funds/ Exclusionary Funds** | 1.0% | 1.6% | 1.1% | 1.5% | 0.8% | 2.0% |

Source: Fidelity Investments, as of Dec. 31, 2020. Based on an analysis of aggregated plan data on the Fidelity recordkeeping platform. Categories above use Morningstar's intentionality taxonomy: 1. ESG funds, or "sustainable investments overall," which includes a range of ESG integration funds, thematic or impact funds, and environmental sector funds; and 2. Exclusionary funds, or "employs exclusions overall." Some exclusionary funds also employ other ESG strategies but those were excluded from this analysis to avoid overlap.

## Trends at corporate and tax-exempt plans: some key differences

Corporate and tax-exempt plans show some notable differences in adoption rates of ESG strategies, with just 17.2% of corporate plans but 49.2% of tax-exempt plans featuring such strategies, as outlined in Exhibit 3. About 4.9% of corporate plans and 5.5% of tax-exempt plans feature exclusionary funds. Several factors may be contributing to the differences. First, corporate plans' use of other investment vehicles rather than 40-Act funds (SMAs, CITs, white label, as outlined above) suggests the possibility that their adoption rates may be higher if these other investment vehicles are taken into account. Tax-exempt plans tend to offer a higher number of lineup options, which may include more sustainable investing choices. In addition, tax-exempt plans such as religious and higher education organizations may have a greater appetite for ESG options, since their participants may be more driven by common values. Given that religious organizations were among the first to adopt negative-screening investments, some plan sponsors might question why the percentage of adopters at tax-exempt plans wouldn't be higher than 5.5%. The numbers may be lower in this analysis given the evolving landscape of sustainable investing, where many funds use a combination of strategies within the broad ESG universe.

## Sustainable investing at the participant level

Overall adoption rates of sustainable strategies at the participant level are also relatively low, with 1.2% of about 25 million participants invested in ESG funds and 0.2% invested in exclusionary funds (Exhibit 4).

**EXHIBIT 4: Participation rates in ESG funds and funds with negative screening at the plan level, and by plan type (%).**

| Data as of 12/31/2020 | Total DC | | Corporate | | Tax Exempt | |
|---|---|---|---|---|---|---|
| **Plan Adoption** | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds |
| **Across all plans, % of participants holding ESG Funds/ Exclusionary Funds** | 1.2% | 0.2% | 1.1% | 0.2% | 1.7% | 0.2% |
| **% of participants in plans featuring ESG Funds/ Exclusionary Funds** | 23.0% | 4.2% | 16.1% | 3.6% | 42.6% | 5.9% |
| **Participant allocations to ESG Funds/Exclusionary Funds** | 13.2% | 13.2% | 12.1% | 12.8% | 15.7% | 14.4% |

| Data as of 12/31/2019 | Total DC | | Corporate | | Tax Exempt | |
|---|---|---|---|---|---|---|
| **Plan Adoption** | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds |
| **Across all plans, % of participants holding ESG Funds/Exclusionary Funds** | 0.8% | 0.3% | 0.6% | 0.3% | 1.2% | 0.2% |
| **% of participants in plans featuring ESG Funds/ Exclusionary Funds** | 19.0% | 4.0% | 11.0% | 4.0% | 19.0% | 4.0% |
| **Participant allocations to ESG Funds/Exclusionary Funds** | 14.2% | 14.9% | 13.2% | 14.5% | 16.3% | 16.7% |

Source: Fidelity Investments, as of Dec. 31, 2020. Based on an analysis of aggregated plan data on the Fidelity recordkeeping platform. Categories above use Morningstar's intentionality taxonomy: 1. ESG funds, or "sustainable investments overall," which includes a range of ESG integration funds, thematic or impact funds, and environmental sector funds; and 2. Exclusionary funds, or "employs exclusions overall." Some funds with negative screens also employ other ESG strategies but those were excluded from this analysis to avoid overlap.

**Top funds in plan lineups**

**ESG funds**

- Of the top 15 funds, most are actively managed, with only two passive index funds.
- Categories span Large Growth, Large Blend, Small Growth, Emerging Market, International (EAFE and ACWI ex US), Mid Value, and Mid Blend.

**Exclusionary funds**

- Most are actively managed (only one passive index).
- Top 10 funds focus on exclusion of tobacco or weapons companies, and include two faith-based approaches.
- They span Large Blend, Large Growth, Mid Blend, Small Blend, International (EAFE and ACWI ex US), and Emerging Market.

Source: Fidelity Investments, Morningstar. As of Dec. 31, 2020.

A lack of availability of menu choices, less clarity about the investment universe, misperceptions about performance, and increased use of target date funds (TDFs) may be factors. However, ESG fund adoption rates are rising, as seen in the 50% increase from 2019 (0.8%) to 2020 (1.2%). By plan type, we can see that participants at tax-exempt plans have higher adoption rates than at corporate plans, especially when viewed through the lens of only plans offering such strategies. For example, tax-exempt plan participants who hold ESG funds on average allocate 15.7% of their retirement savings in ESG funds, compared to an average allocation of 12% by their counterparts in corporate plans.

## Participant behavior by cohort

Viewed by participant cohort, sustainable investment options have garnered higher interest for younger investors. Adoption rates for these cohorts are higher almost across the board, with 16%–18% of Millennials (aged 25–39) and younger participants holding them (Exhibit 5). Young participants are, on balance, more committed to sustainable investing, and as their influence grows in the workplace, so too may the overall use of the funds. These younger cohorts, who have less retirement savings, are also allocating a higher percentage of their assets to sustainable funds than older participants who typically are wealthier with higher balances and savings. Increasingly, companies

**EXHIBIT 5: Adoption and allocation rates for do-it-yourself (DIY) investors by age cohort and gender (%) in plans offering sustainable strategies.**

| Data as of 12/31/2020 | Total DC | | Corporate | | Tax Exempt | |
|---|---|---|---|---|---|---|
| **Plan Adoption** | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds | ESG Funds | Exclusionary Funds |
| **% of participants holding ESG Funds/ Exclusionary Funds** | 5.4% | 5.6% | 6.7% | 6.5% | 4.0% | 4.1% |
| % DIY Participants | | | 14.1% | 13.0% | 8.9% | 12.0% |
| % Female DIY | | | 12.8% | 13.1% | 10.4% | 13.2% |
| % Male DIY | | | 13.2% | 12.2% | 10.8% | 8.1% |
| % Millenial DIY (age 25–39) | | | 16.1% | 13.3% | 12.8% | 11.2% |
| % Young DIY (age 20–25) | | | 18.2% | 9.7% | 17.8% | 10.7% |
| **Participant allocations to ESG Funds/ Exclusionary Funds (% of assets)** | 13.2% | 13.2% | 12.1% | 12.8% | 15.7% | 14.4% |
| Allocation DIY Participants | | | 12.7% | 13.0% | 16.1% | 14.9% |
| % Female DIY | | | 13.2% | 12.6% | 15.8% | 14.2% |
| % Male DIY | | | 12.3% | 12.9% | 15.6% | 11.6% |
| % Millenial DIY (age 25–39) | | | 16.5% | 13.1% | 20.4% | 15.6% |
| % Young DIY (age 20–25) | | | 20.4% | 14.0% | 27.3% | 13.7% |

Source: Fidelity Investments, as of Dec. 31, 2020. Based on an analysis of aggregate plan data on the Fidelity recordkeeping platform. Categories above use Morningstar's intentionality taxonomy: 1. ESG funds, or "sustainable investments overall," which includes a range of ESG integration funds, thematic or impact funds, and environmental sector funds; and 2. Exclusionary funds, or "employs exclusions overall." Some funds with negative screens also employ other ESG strategies but those were excluded from this analysis to avoid overlap.

**A recent Fidelity survey suggests growing participant interest in ESG investing:**

- The survey shows that 26% of participants across all cohorts are "extremely/very interested" in ESG-rated investments in their 401(k) and 403(b) plans.
- 34% said they are interested in ESG; want more information; want to support companies focused on ESG; or like that ESG provides more variety.
- Millennials and females indicated highest interest with ESG, and indicated highest interest (40% and 33%, respectively).

Source: Fidelity Workplace Investing Research, "Investing Trends Research," October 2021. A total of 1,772 participants surveyed between Sept. 16, 2021, and Sept. 23, 2021, by independent research firm Ipsos.

believe that offering ESG and exclusionary menu options will help them to attract and retain talent, especially when it comes to drawing in younger talent to their workforces. A recent Fidelity Workplace Investing survey of participant trends showed that more than one in four plan participants expressed interest in having ESG funds available in their DC plans.[7] The survey also reported more interest among millennials (40%) than other cohorts; and more among female participants (33%) than male participants (22%). (See sidebar for more).

## Key considerations and challenges

Regardless of the type of investment option and regulatory landscape, plan sponsors should always act prudently and with care for the best interest of their plan participants and beneficiaries. They must apply rigorous due diligence when evaluating and selecting investment products; assessing a product's investment objective, its risk/return profile, expense ratios, and ESG objective where applicable if material to the investment's risk/return over the appropriate investment horizon that's consistent with the plan's investment objectives.

Evaluation of performance and fees is also a key priority. With the landscape rapidly evolving, some investors have assumed that they must sacrifice performance or pay higher fees with sustainable investments. But a growing body of industry and academic research has indicated no performance or fee penalty with sustainable investing strategies, which means they can perform just as well as conventional strategies, with similar fees. Any investment product—whether or not it has an ESG focus—will have periods of underperformance (or outperformance) when certain factors or styles are out of favor (or in favor); and manager skills are also essential. As with conventional styles, rigorous due diligence is critical when considering sustainable investments.

A third challenge to incorporating sustainable investment strategies on menu lineups is that the segment is still facing some growing pains. The number of funds that say they consider ESG factors has grown exponentially, and concerns have grown surrounding the potential for unclear or inflated advertising claims. Plan sponsors therefore must look beyond the labeling and conduct extensive due diligence to evaluate and understand the strategy, investment and ESG objectives, holdings, as well as performance and fees; just as they would with conventional strategies.

Finally, fund data reporting to the third-party ratings systems is based on historical holdings and is voluntary, raising questions about consistency. Such disparate systems and the lack of a de facto standard mean it is more challenging to evaluate strategies and make comparisons. Data availability will likely improve over time.

## Additional tools and resources for plan sponsors

FIWA believes that funds using broader ESG integration and thematic approaches may be appropriate for plans interested in offering ESG fund options in their plan lineups. To address the inherent challenges of selecting ESG funds, FIWA has developed a robust framework to evaluate investment products through an ESG lens. At the core, the framework seeks to understand a fund's ESG intentionality or objective, its commitment and ability to implement the ESG intentionality, its engagement policy and records, and how these are aligned with the portfolio's ESG outcome. For more on this framework, please see, "Fidelity Institutional Wealth Adviser's ESG Fund Evaluation Framework."

The U.S. Forum for Sustainable and Responsible Investments recently released a guide to help plan sponsors in selecting ESG strategies, recommending five steps before adding them to their lineups: 1. Increase their knowledge of sustainable investing, related performance, and fiduciary questions; 2. Gauge participant interest in sustainable investing; 3. Discuss implementation with the plan consultant and/or plan administrator; 4. Select a fund or funds and monitor performance; and 5. Educate participants.[8]

The Defined Contribution Institutional Investment Association (DCIIA) recently published a guide about how plan sponsors can implement ESG. It touches on implementation questions, participant communications, and monitoring, among other topics.[9]

## Conclusion

Incorporating ESG factors into investing has emerged into the mainstream with the understandable pull of sweeping social objectives such as protecting the environment and addressing global human suffering. Sustainable investing within the DC plan landscape to date has been relatively restrained due to a range of factors. While challenges remain for DC plans in considering such strategies, these potential complications are likely to decline over time as the sustainable investment universe continues to mature.

**Endnotes**

**1.** On October 13, 2021, the U.S. Department of Labor ("DOL") released a proposed regulation under ERISA §404 "Prudence and Loyalty in Selecting Plan Investments and Exercising Shareholder Rights" (the "Proposed Regulation") that would replace rules on ESG and proxy voting issued in 2020. The Proposal recognizes environmental, social, and governance ("ESG") factors can be material to plan fiduciary investment decisions and eliminates special rules for qualified default investment alternatives (QDIAs) that may have excluded funds that consider climate or other ESG factors. Fidelity is monitoring the developing guidance in this area closely and will supplement this paper once the DOL issues its final Regulation or any subsequent guidance in this area. **2.** Sustainable investing encompasses or represents any of the following: 1. investment data, such as auto emissions or the composition of a board; 2. an investment thesis practiced by professionals, such as investing in companies with strong or improving ESG issues as a way to enhance returns and reduce risk; 3. an ancillary objective, such as an investment option that invests in companies that promote environmental sustainability or have strong female leadership in support of the primary objective (e.g. long-term growth of capital); and 4. a primary objective, (e.g., an investment option that explicitly and intentionally invests in organizations for social goals or religious characteristics). **3.** Op. Cit., see footnote 1 **4.** Morningstar, "A Broken Record: Flows for US Sustainable Funds Again Reach New Heights," Jan. 28, 2021. **5.** Percentages represent plans that hold ESG options on their menus. 40-Act funds are those governed by the Investment Company Act of 1940 (40-Act). **6.** Plan Sponsors Attitude Survey, April 2021. **7.** Fidelity Workplace Investing Research, "Investing Trends Research," October 2021. A total of 1,772 participants surveyed between Sept. 16, 2021–Sept. 23, 2021 by independent research firm Ipsos. **8.** "Adding Sustainable Funds to Defined Contribution Plans," U.S. SIF Foundation, September 2021. Report available at ussif.org. **9.** Defined Contribution Institutional Investment Association (DCIIA), "Incorporating ESG in DC Plans," June 2021. Report available at dciia.org.

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*Fidelity Thought Leadership Vice President Martine Costello Duffy provided editorial direction for this article.*



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