Mesirow

Insights

2020 Sustainability Report

Sustainable investment philosophy and integration

Over the last decade, demand for sustainable investing has risen as clients and practitioners evaluate the impact of energy conservation, carbon usage, boardroom diversity, workplace safety, and human rights on a company's valuation. Assets domiciled in some form of sustainable, responsible, or impact investing strategy have nearly quadrupled from roughly $3T in 2010 to $12T in 2018. [1]

At Mesirow Equity Management ("MEM"), our comprehensive framework integrates fundamental and Environmental, Social and Governance (ESG) analysis along with aspects of responsible investing and company engagement to provide our clients an opportunity to do well and do good (i.e., influence positive behavior while delivering favorable performance).

We believe that excess returns can be produced by investing in attractively valued stocks that are poised to appreciate due to catalyst driven earnings and cash flow growth. We also believe that ESG factors are interconnected with our fundamental assessment of macro, sector and company specific trends and can have a material impact on investment performance during our investment time horizon. As a result, we consider ESG factors in conjunction with other material risk and fundamental factors that, in aggregate, influence our decision to invest in an individual company.

In addition, we seek to make a positive impact on the environment and society as well as encourage incremental improvements through active engagement with companies in which we invest.

We believe that companies that incorporate sustainability assessments into their strategic plans have an opportunity to enhance firm value and/or reduce overall levels of risk.

Read 2021 report

1. U.S. SIF Foundation, Report on U.S. Sustainable, Responsible, and Impact Investing Trends 2018. Mesirow Financial Equity Management ("MFEM") is a division of Mesirow Financial Investment Management, Inc., ("MFIM") an SEC-registered investment advisor. Past performance is not necessarily indicative of future results. Certain performance information provided above is gross of fees and does not reflect the deduction of advisory fees. The performance information provided above is supplemental. Please refer to the final pages for GIPS Reports and complete performance information, including net, and other important information, including benchmark descriptions.