

## Engaging for Impact

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### Forward

Impact management is a core tenet of our impact investing philosophy and approach at LNW. We believe that the power of our clients' capital lies not only in where it is invested, but also in how it is managed over time to generate broader, deeper and more enduring impact. As stewards of our clients' capital, we hold ourselves accountable to advancing the outcomes of their portfolios. Just as we manage portfolios to optimize financial outcomes, we apply the same rigor and discipline to managing for impactful outcomes, recognizing that intentionality, measurement, accountability and continuous improvement are essential to driving meaningful change on behalf of our clients. Done well, impact management creates a virtuous cycle: better impact leads to stronger financial performance, and vice versa.

Our formal Manager Engagement Program is a cornerstone of our overall impact management practice. Our approach to manager engagement is not a transactional exercise—it's a purpose-driven partnership rooted in trust, transparency and shared values. Over the past seven years, we have cultivated relationships with fund managers who are committed to integrating environmental sustainability, equity and inclusion, and long-term resilience into their investment processes. We go beyond simply surveying our managers—we foster trust by providing a dedicated feedback loop that further deepens connection and strengthens mutual understanding.

This work would not be possible without the openness and dedication of our fund managers. We are deeply appreciative of their willingness to engage in honest dialogue, to reflect on their practices and to evolve alongside us. Their responsiveness to our annual surveys and receptiveness to our feedback has enabled us to build a program that is rigorous and data-informed as well as human-centered and collaborative. Time and again, we have heard that our intentional and supportive approach has led to meaningful change, creating value for our managers, our clients and the broader impact investing ecosystem.

Our Manager Engagement Program has proven to be a powerful lever in amplifying the impact of our clients' dollars. Our engagement efforts are grounded in the belief that our clients' interests are best served when we help managers integrate material impact considerations into their investment processes. By engaging in this work, we believe that we are building a path toward impact and better financial outcomes that benefits our clients, our managers, and the broader ecosystem we all serve.

### Introduction

At LNW, we believe that integrating impact considerations into our investment management process can support our ability to identify potential risks and opportunities, that may lead to a positive impact on financial performance. We further believe that aligning interests between the firm and our managers is essential for delivering sustainable portfolio returns over the long term.<sup>1</sup> Since 2018, we have built and refined a Manager Engagement Program that helps us understand and support how our fund managers approach Environmental, Social and Governance (ESG), equity and inclusion, and climate risks and opportunities.

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<sup>1</sup> For the avoidance of doubt, the results and assessment of our managers through the Manager Engagement Program do not drive investment decision-making but rather outline additional considerations and inputs into our investment process.



This paper outlines the evolution of our framework and the insights we have gained from engaging with over 100 fund managers across impact intentionality, asset classes, geographies and firm sizes. We intend for this to serve as a resource for other asset allocators looking to build or enhance their own engagement practices and to offer fund managers insights into peer performance and best practices. Our findings reveal both progress and challenges, with the aim of offering lessons that extend beyond our firm. Finally, we hope that this paper will also help our clients better understand how their investments contribute to meaningful outcomes—beyond the dollars deployed—by illuminating the practices, partnerships and progress that drive impact.

## Overview of LNW's Manager Engagement Program

We recognize that all investments have impact—both positive and negative—and seek to identify investment managers that understand how to manage both financial and impact risks and opportunities. We incorporate impact considerations into our investment processes because we consider them essential factors that can shape long-term portfolio outcomes.

Launched in 2018, our Manager Engagement Program is a structured approach to surveying and assessing fund managers—both impact and traditional<sup>2</sup>—on their ESG, Diversity, Equity and Inclusion (DEI), and climate-related policies and practices. The framework evaluates managers across these three dimensions, each assessed at four levels: limited, basic, intermediate and advanced. To further deepen our engagement, we formalized an additional phase in 2021 to provide individualized recommendations for improvement based on our assessment and offer applicable resources in support of the manager's development. Over time, we have enhanced this feedback loop by offering comparative insights that position each manager relative to their peers and by sharing details of our methodology to foster transparency, build trust and inspire continuous improvement.

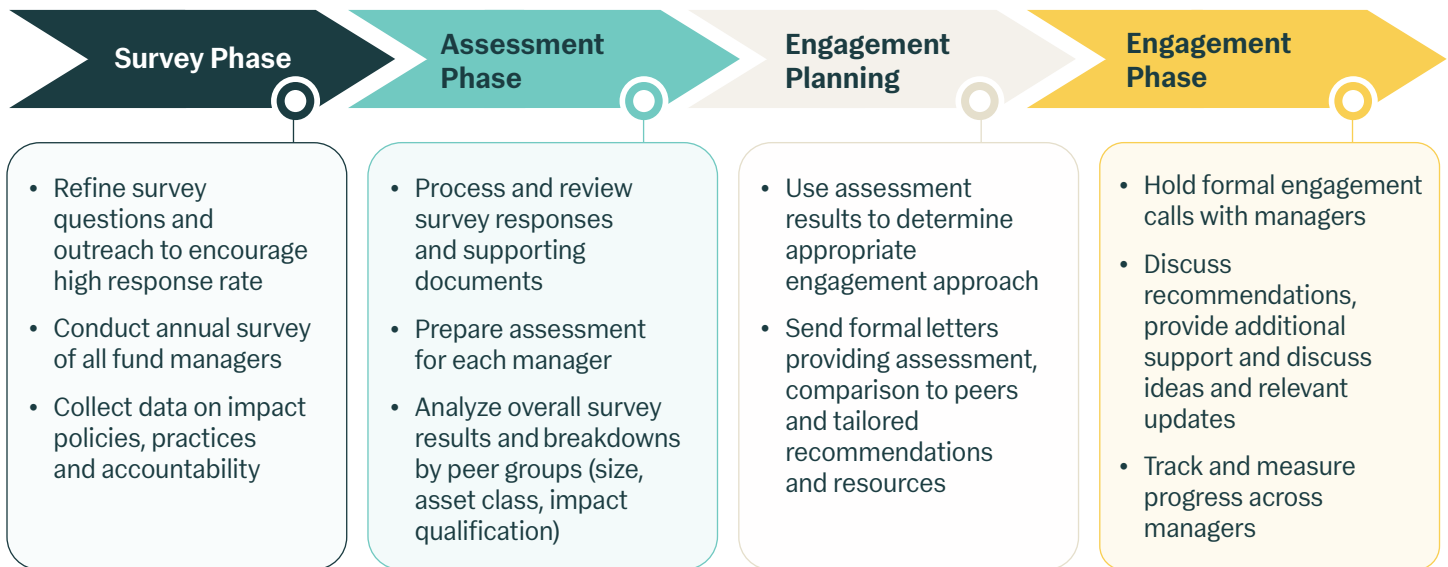
Our survey is informed by industry standards, including ILPA's ESG Assessment Framework<sup>1</sup>, and has evolved through manager feedback and advancing best practices. Importantly, our assessments do not influence our investment decisions; rather, they serve as tools for engagement and learning in partnership with our fund managers on their impact evolution over time.

By sharing our structured engagement process and key learnings, we aim to support other allocators and practitioners in developing and enhancing their own approaches in hopes of promoting transparency and inspiring others towards shared progress across the investment ecosystem. Outlined below you will find our manager engagement design:

### The Power of Thoughtful Engagement

Each year, our engagement meetings serve as a meaningful and sometimes rare opportunity for managers to **pause and reflect on these impact considerations**. While these topics may not always be front-of-mind in their day-to-day operations, we consistently hear how valuable it is to have a dedicated space for **thoughtful dialogue**. Managers frequently express appreciation for our structured approach and regular follow-through, especially since many receive surveys from other investors but rarely benefit from personalized feedback or ongoing engagement. This annual touchpoint has become a **welcome and impactful part** of their ongoing reflection, helping to elevate opportunities that might otherwise be overlooked.

<sup>2</sup> Impact managers have the intention to generate positive social and environmental impact as well as a financial return through their investment strategy. Traditional managers refer to managers in our survey population that do not have an intentional goal of creating impact as part of their investment strategy.



Through this program, we aim to cultivate long-term, values-aligned relationships with managers by providing structured assessments, tailored engagements and measurable feedback across impact dimensions. We ultimately intend our program to foster continuous improvement, deepen collective impact and contribute to a more transparent and accountable investment ecosystem.

#### The Two Questions Managers Always Ask...

Our engagement calls with managers reveal a hunger for learning and benchmarking. The two most frequently asked questions by managers this past year were:

- How do we compare to our peers?
- How are others navigating the increasingly politicized landscape, particularly in the U.S.?

#### Manager Survey Scope

- **Years active:** 2018-2024
- **Total unique managers surveyed:** 110
  - 35 impact managers
  - 75 traditional managers
- **Average surveys per unique manager:** 4.2 surveys completed on average across 110 unique managers over the course of seven years.
- **Annual response rates:** Most survey years (2018-2021 and 2024), we attained a 100% response rate. In 2022, we had a 94% response rate and in 2023, we achieved a 96% response rate.<sup>3</sup>
- **Number of survey questions:** In 2024, there were 31 survey questions across the three impact dimensions.<sup>4</sup> This depth of data allows us to track trends over time and tailor feedback.

#### Sample Survey Questions

- Do you have a clear governance structure in place detailing ESG oversight responsibilities and processes?
- Do you factor DEI considerations into your investment decision-making process (and, where applicable, proxy voting decision-making processes)?
- Have you established a process for identifying and taking advantage of investment opportunities that support climate action?

<sup>3</sup> In 2021, Wetherby Asset Management and Laird Norton Wealth Management merged to form LNW. Beginning in 2022, the investment team sent surveys to 96 managers across our combined investment platform and received 90 responses (94% response rate).

<sup>4</sup> The 31 core survey questions exclude optional prompts that invite managers to share additional details or upload supporting documents. In some cases, follow-up questions were omitted when managers responded negatively to key items (e.g., managers without an ESG policy were not asked further questions about ESG policy content). The survey also requested supporting documentation to validate survey responses.



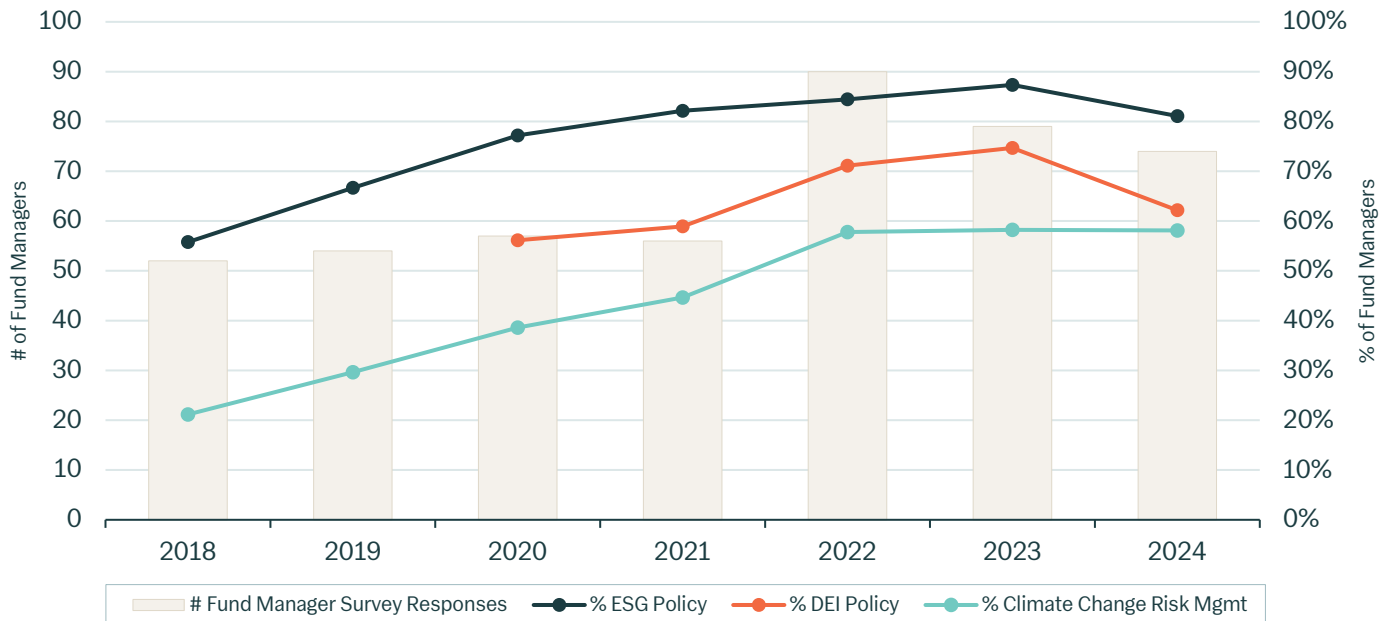
## Analysis Insights

Our analysis of seven years of survey data reveals meaningful trends and distinctions across manager types—some expected, others more surprising. For instance, unsurprisingly, impact managers were early adopters of ESG and DEI policies and practices with 79% of impact managers having an ESG policy in 2018. Conversely, only 42% of traditional managers surveyed in 2018 had adopted an ESG policy. Over time, however, traditional managers caught up to impact managers and, by 2024, 81% of both impact and traditional managers had an ESG policy.

### High Continuity of Managers Surveyed

While the universe of managers surveyed has varied slightly from year to year, we believe the directional trends observed across each annual cohort remain meaningful. We caution against assigning too much meaning to individual data points, but the collective trajectory of manager tendencies offers useful insight into industry shifts.

**% of Fund Managers with Impact Policies**  
2018-2024



## ESG Adoption Trends

Based on survey findings, we have observed meaningful shifts in firms employing ESG policies and incorporating practices, revealing both the momentum of industry-wide integration and the emerging challenges that threaten its consistency. Fund managers that indicated having an ESG policy rose steadily from 56% in 2018 to a peak of 87% in 2023, before dipping slightly to 81% in 2024. This past year represented the first year of decline since our tracking began, potentially reflecting broad shifts in manager sentiment and increased scrutiny. This aligns with findings from the Callan Institute Asset Manager ESG Study, which reported that 71% of firms maintain a firmwide ESG policy in 2025, down from 74% in 2023.<sup>ii</sup>

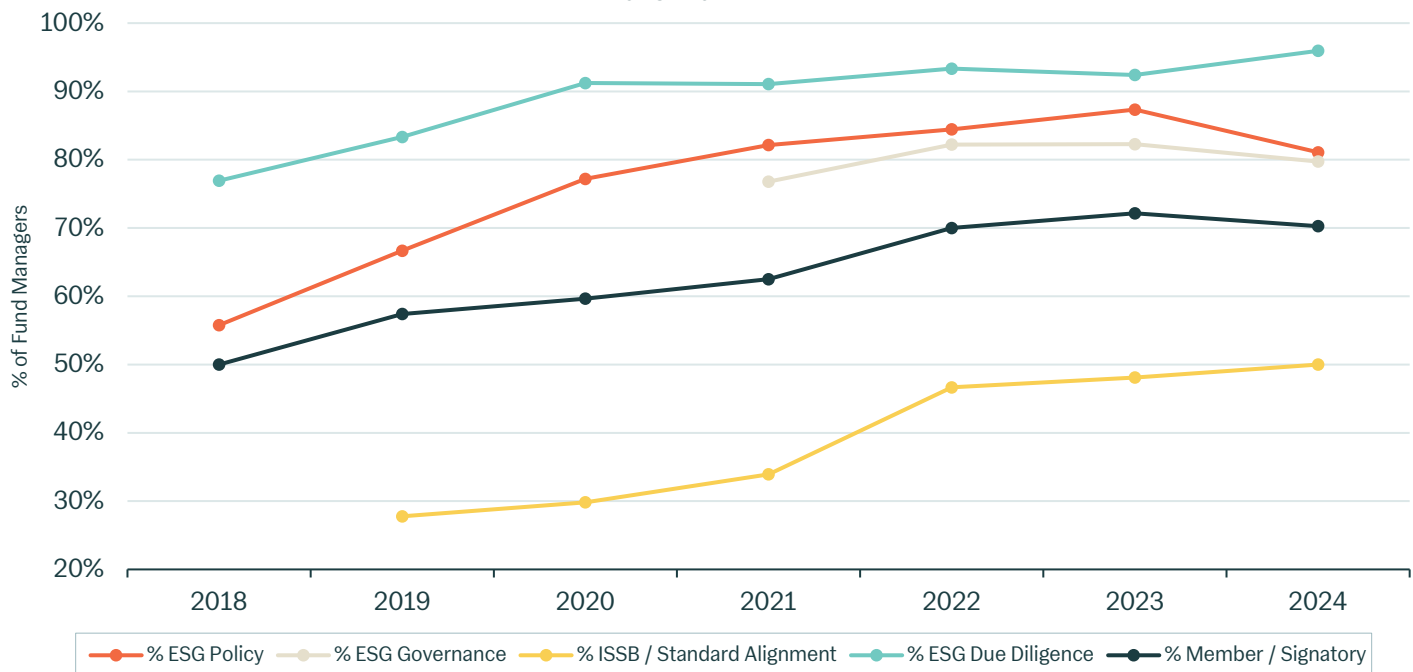


### Observations from Engagement Meetings: ESG

Since we prioritize engagement meetings for managers with room for growth, the insights we have gathered tend to reflect the experiences and challenges of those still developing their impact practices. In these meetings, we have observed that, while many managers are open to incorporating ESG considerations, they often concentrate on just one dimension, rather than approaching impact holistically. This selective focus is frequently shaped by factors such as investment structure, materiality, organizational capacity and comfort level. For instance, one manager emphasized Governance (G) due to its clearer metrics, broader industry acceptance, and lower scrutiny compared to Environmental (E) or Social (S) factors. These conversations highlight the importance of meeting managers where they are and offering guidance that expands their perspective while respecting their operational realities.

Since 2018, ESG integration across governance, due diligence and reporting steadily increased, though some areas began to plateau or decline in 2024. Notably, ESG incorporation in due diligence continued to rise in 2024, underscoring that fund managers remain committed to operationalizing ESG practices even amid shifting public sentiment and external pressures. The Callan Institute study further reported that 76% of organizations indicated they integrate ESG research across their investment platform in 2025, reinforcing the broader industry commitment to embedding ESG principles, even as certain practices begin to level off.<sup>iii</sup>

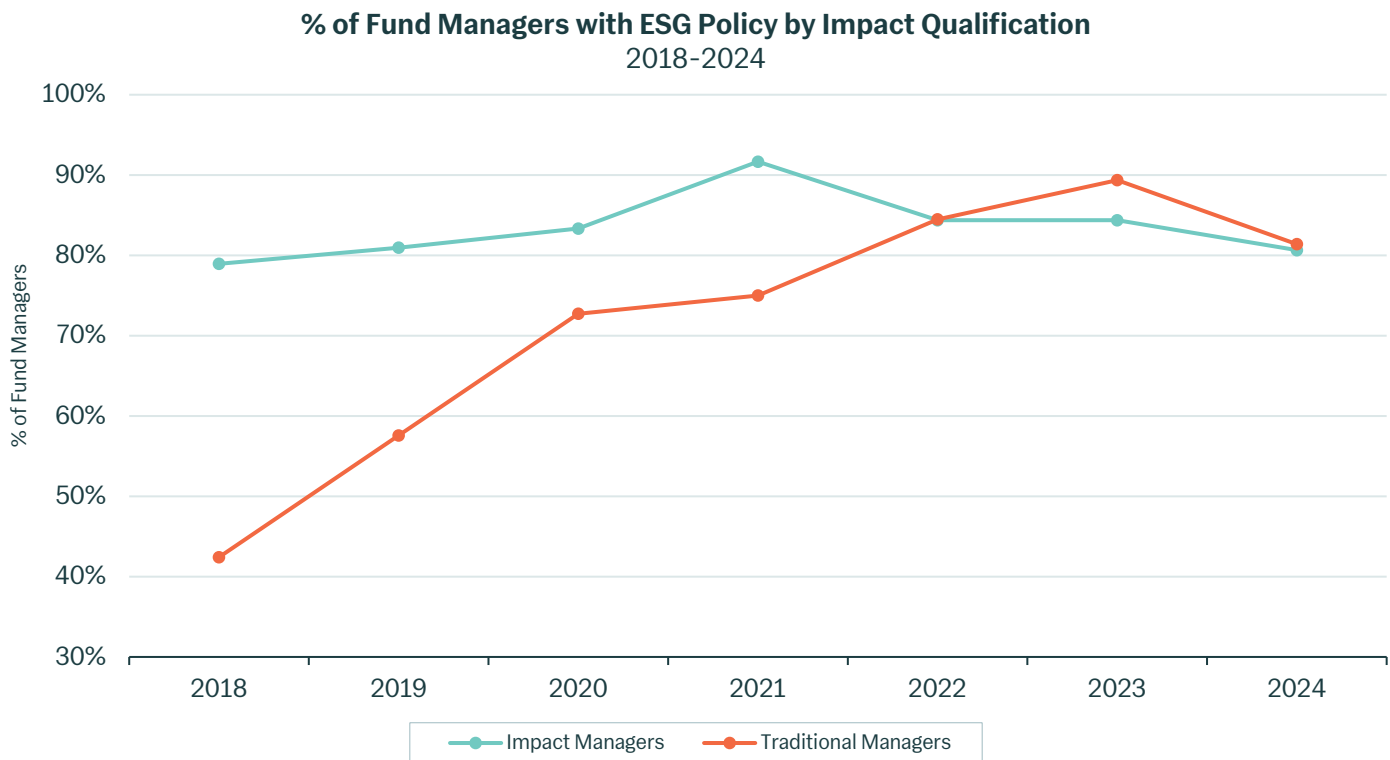
**% of Fund Managers with ESG Policy and Practices**  
2018-2024



The chart reflects managers that have: a formal ESG policy in place; clear governance structure detailing ESG oversight responsibilities; a process aligning with industry standards (e.g. ISSB - International Sustainability Standards Board); ESG considerations in their due diligence process; and membership or signatory to ESG-related bodies or industry associations.



By 2024, traditional managers had closed the ESG policy adoption gap with impact managers, reflecting a significant mainstreaming of ESG practices across the broader fund manager landscape.



One of the key questions in our survey asks whether fund managers integrate ESG considerations into their due diligence process. In 2018, 77% of managers responded positively and, by 2024, that figure had risen significantly to 96%, indicating widespread adoption. Perhaps unsurprisingly, given their greater resources, large firms were at the forefront of this trend, with 98% reporting ESG integration in their due diligence practices.<sup>5</sup>

**Key takeaway:** ESG integration is becoming standard across manager types, though political headwinds may be influencing how such policies are communicated. The majority of fund managers continue to view ESG as a financially material consideration across asset classes and firm sizes. However, in our conversations with fund managers, we have observed subtle shifts in how firms publicly reference their ESG efforts—a trend commonly referred to as “green hushing” whereby firms intentionally adjust or downplay ESG contributions. Despite these adjustments in language or approach to certain audiences, most managers continue to uphold core ESG practices, reflecting a deep and enduring belief in their long-term financial relevance.<sup>6</sup>

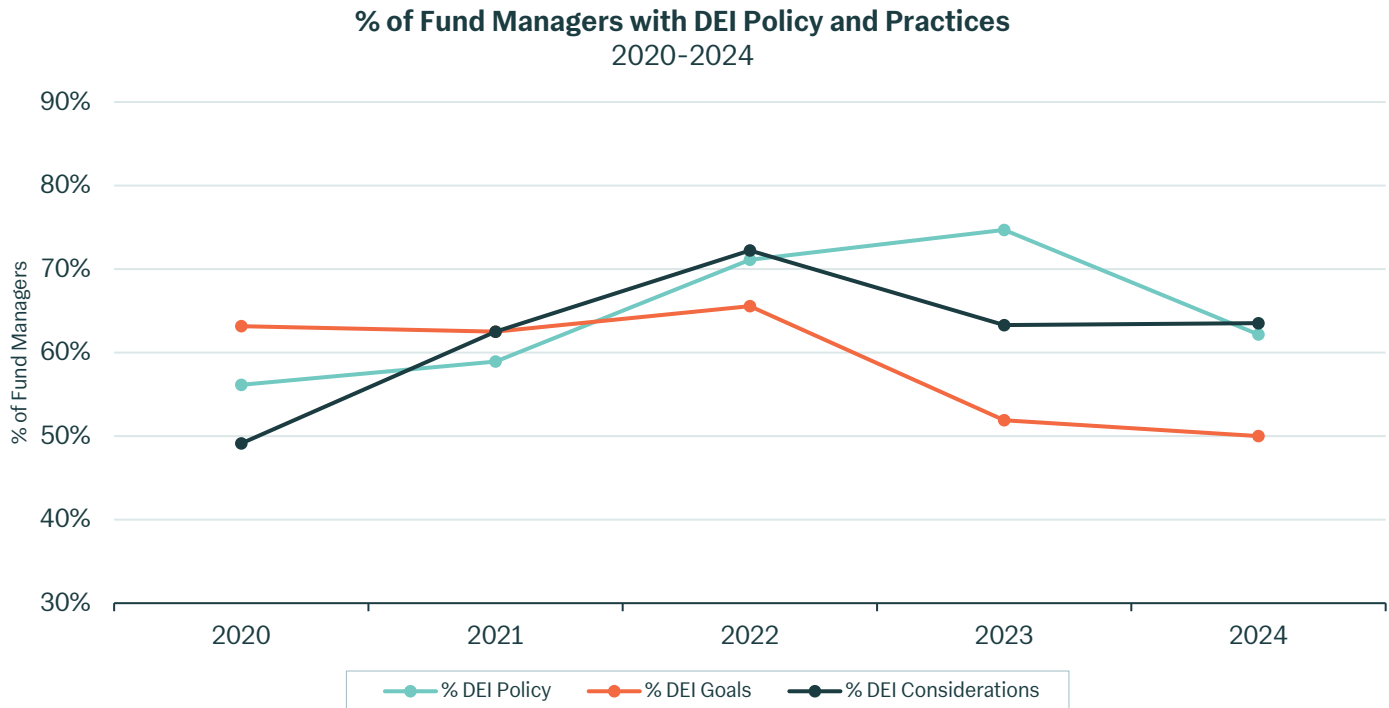
<sup>5</sup> LNW categorizes fund managers by firm size based on employee count: small firms have one-20 employees, medium firms have 21-50 employees and large firms have 51 or more employees.

<sup>6</sup> While LNW reviews the quality and substance of policies, reports and other materials shared by fund managers, our assessment is intended to serve as an internal engagement tool rather than a formal verification. We do not position our process as equivalent to third-party certifications or standardized assessments conducted by industry experts.



## Equity and Inclusion Progress and Challenges

We also survey our fund managers annually on their equity and inclusion policies, practices and accountability. While the share of managers with DEI policies steadily increased from 2020 through 2023, this figure declined by 17% in 2024, suggesting a shift likely influenced by the broader politicization of diversity and inclusion efforts.<sup>7</sup>



The chart reflects managers that: have a formal DEI policy in place; have defined DEI goals, objectives or key performance indicators; and factor DEI considerations into their investment process.

### Observations from Engagement Meetings: Equity and Inclusion

Our conversations with managers often reveal deeper insights into their equity and inclusion practices than what is captured in survey responses. This is partly due to the survey's design which intentionally minimizes respondent burden, a choice that, unfortunately, restricts its ability to surface nuanced or context-specific details. It is also a reflection of the variety of our managers, ranging from small nonprofits to large global firms, each with varying capacities and approaches. Through these engagement meetings, we gain a more complete picture of how managers are thinking about equity and inclusion, often sparking collaborative dialogue and idea-sharing to support their progress. Compared to ESG and climate topics, these conversations tend to be more exploratory and personal, offering a unique space for reflection and growth.

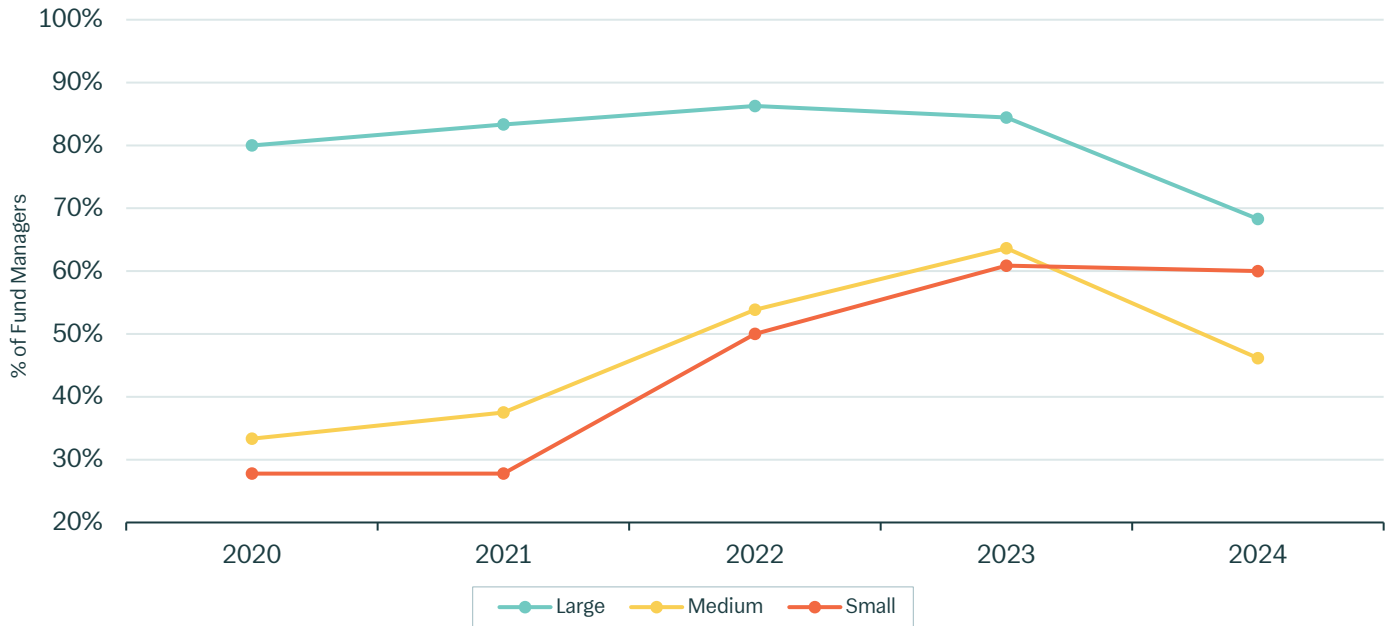
Large firms were clear leaders in having a policy focused on equity and inclusion, but small and medium firms showed faster growth rates. The share of small firms having a policy rose from 28% to 60% in the five-year survey period. Additionally, small firms were the least likely to indicate not having a policy in 2024. Conversely, large firms have consistently shown the highest percentage with a policy hovering between 80-86% before dropping to 68% in 2024.

<sup>7</sup> Although fund managers were surveyed starting in 2018, questions on managers' DEI policies and practices were introduced beginning in 2020.





**% of Fund Managers with DEI Policy by Firm Size**  
2020-2024



When comparing managers who possess an equity and inclusion policy between impact and traditional fund managers, impact managers have consistently led in holding formal policies. However, we saw a notable reversal in 2024, with impact managers having a policy dropping sharply from 91% in 2023 to just 68% in 2024. This decline may reflect growing caution among impact managers about publicly promoting their equity and inclusion efforts, likely due to heightened scrutiny and the politicization of diversity-related initiatives in the broader investment landscape. Impact managers may anticipate facing heightened vulnerability to DEI-related backlash compared to their traditional peers, as their visible commitment to impact makes them more exposed to scrutiny, while often operating with fewer resources to navigate political or regulatory challenges.

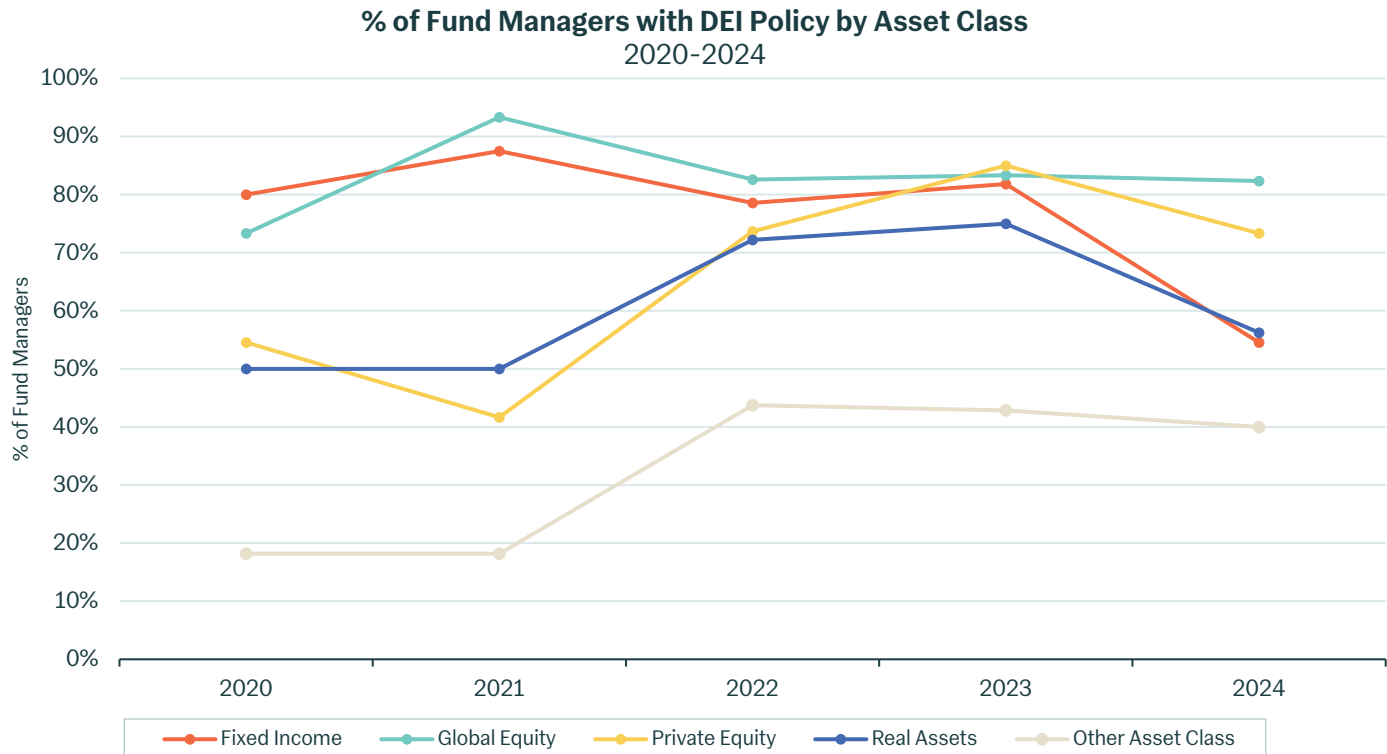
**% of Fund Managers with DEI Policy by Impact Qualification**  
2020-2024







Differences across asset classes were statistically significant, with Global Equity managers consistently leading in the adoption of DEI policies. Global Equity managers, in particular, stood out with 73% with a policy in 2018, increasing to 82% in 2024. Unlike other asset classes, this group did not follow the broader downward trend observed in 2024. This may be attributed to their global investment footprint, which exposes them to a wider range of market expectations and regulatory environments, potentially insulating them from the heightened scrutiny of diversity initiatives in the U.S.



**Key takeaway:** Equity and inclusion remain core priorities for most managers, but the way these commitments are expressed, particularly through formal policies, appears increasingly influenced by external pressures and compliance considerations. In our conversations with managers in 2025, we observed that, while internal equity and inclusion practices continue to evolve, many firms are choosing to limit public disclosure of these initiatives. This “quiet progress” reflects a strategic response to the politicization of DEI, with some managers opting to advance their efforts internally while minimizing external visibility.

### Climate and Biodiversity Integration

Compared to ESG and DEI practices, climate integration has shown the most pronounced and consistent year-over-year growth among fund managers surveyed—emerging as the most improved area within our engagement program. As regulatory expectations evolve and climate-related risks become more visible, fund managers are increasingly embedding climate frameworks and practices into their operations, though not without disparities across firm size and impact qualification.

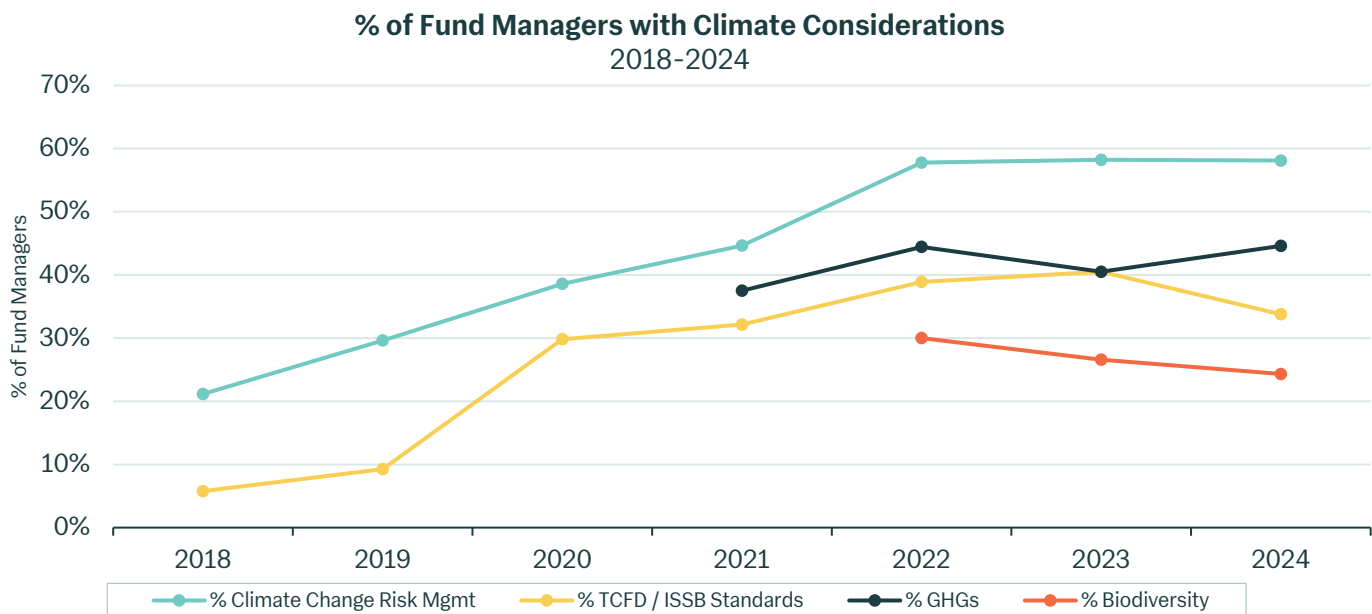


### Observations from Engagement Meetings: Climate

We prioritize engagement with managers with room for growth across various impact dimensions. In these conversations, we have observed that some managers initially approached climate solely through a risk mitigation lens. Our dialogue encouraged them to expand their perspective and to recognize climate not just as a risk, but also as a driver of attractive long-term investment opportunity. While some managers may be limited by investment structure or fund size in expanding their climate considerations, many express appreciation for our third-party perspective and insight.

Climate risk management practices increased steadily from 21% in 2018 to 58% in 2024, with no year-over-year decline during that period. This consistent upward trend suggests that managers increasingly recognize the material impact of climate-related risks on both financial performance and reputational standing.

The share of fund managers aligning their processes with climate-related standards, such as TCFD and ISSB<sup>8</sup>, increased steadily from 2018 through 2023, with only a slight dip observed in 2024. This modest decline may reflect growing political resistance to impact frameworks or reduced expectations around mandatory climate disclosures in the U.S. financial sector.



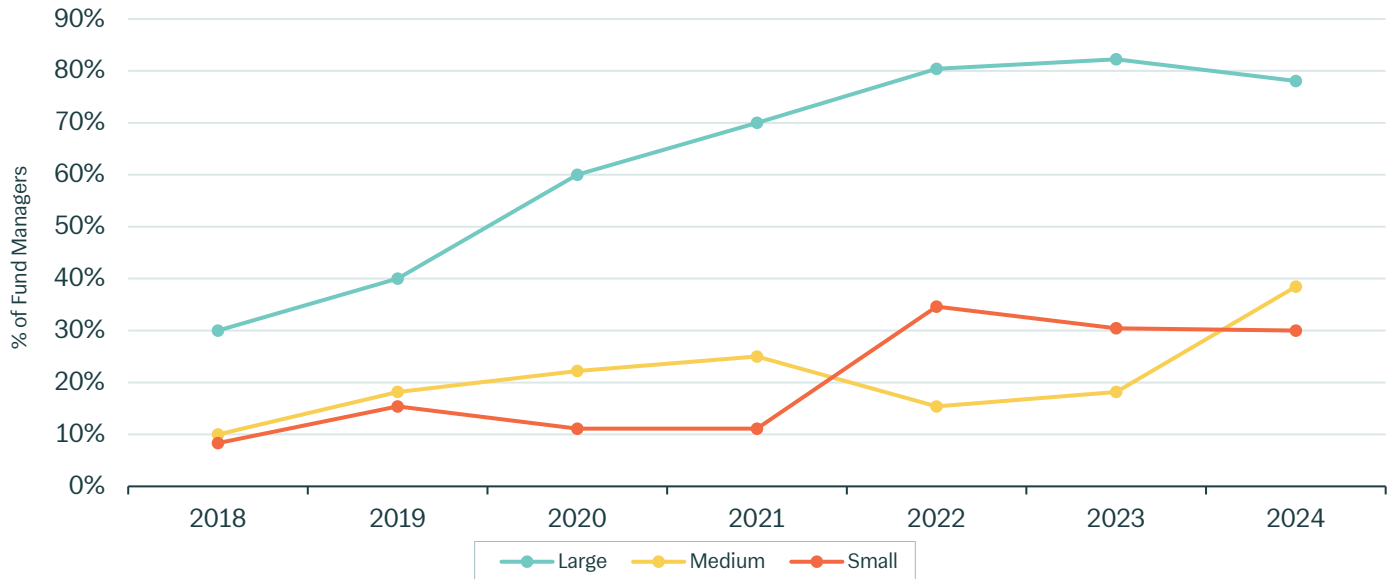
In this instance, the chart shows: % that follow TCFD and/or ISSB Standards; % that measure and report GHG (Greenhouse Gas) emissions associated to their investments; and % that have established a governance and risk management process around biodiversity.

Large managers were significantly more likely to adopt climate practices. Given that climate-related reporting and disclosures require significant resources and specialized expertise, larger firms are generally better equipped to integrate these practices internally. In addition to having the capacity to manage complex frameworks, they also face greater exposure to climate-related risks, such as reputational damage and physical asset, transition, and operational vulnerabilities. Larger managers may likely feel more incentivized to be proactive about integrating climate considerations.

<sup>8</sup> In earlier surveys, we asked managers whether they aligned with the Task Force on Climate-related Financial Disclosures (TCFD) framework. After the TCFD concluded its mandate and disbanded in October 2023, we updated the question to reference the International Sustainability Standards Board (ISSB) Standards, which now fully incorporate the TCFD recommendations.

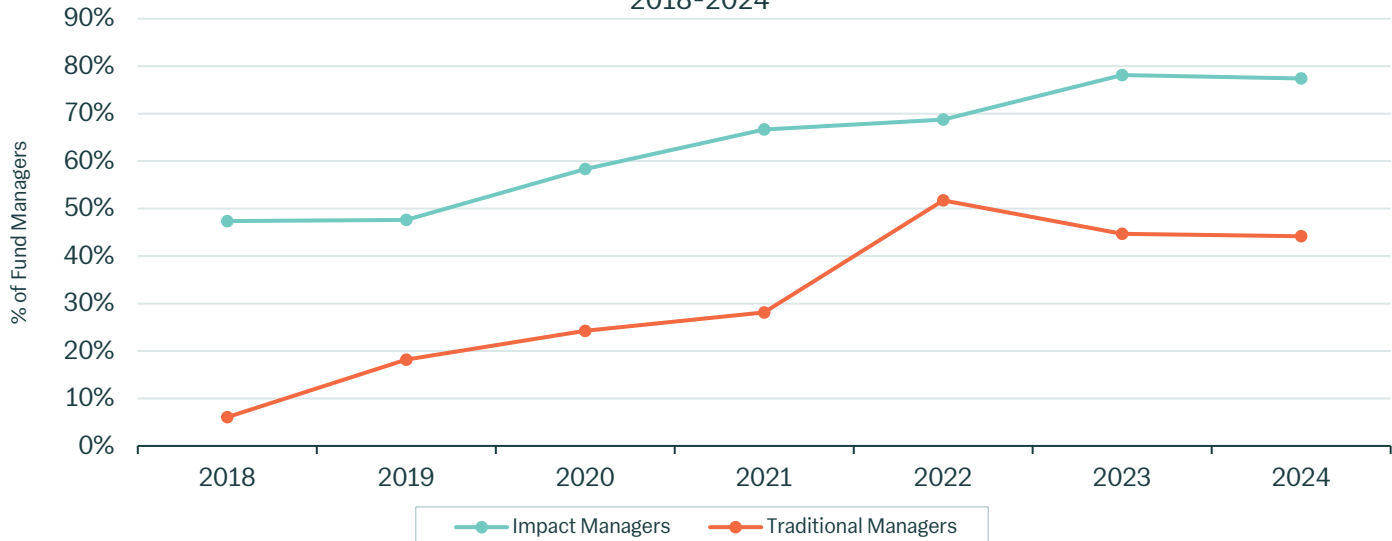


**% of Fund Managers with Climate Risk Management by Firm Size**  
2018-2024



The survey data further reveals another clear and consistent trend: impact managers were significantly more likely than traditional managers to have climate risk management practices. In 2018, only 6% of traditional managers reported having climate risk management, compared to 47% of impact managers. Over the years, both groups showed considerable growth, but impact managers maintained a substantial lead, reaching 77% adoption by 2024, while traditional managers plateaued at around 44%.

**% of Fund Managers with Climate Risk Management by Impact Qualification**  
2018-2024



**Key takeaway:** In a 2024 survey of 500 pension funds, endowments and other investors, 53% said ESG considerations are part of their fiduciary responsibility and that climate change was the most important factor.

Climate integration is steadily rising amongst our managers, especially for larger managers, despite political challenges. We believe this leadership may stem from both a greater capacity to invest in formalized climate infrastructure and a heightened awareness—or willingness to acknowledge—their exposure to climate-related risks.



## Lessons Learned

After reviewing seven years of survey results and reflecting on our conversations with managers, we distilled several key lessons that have shaped our understanding and approach to impact engagement:

### 1. **Appetite for impact integration is real**

Managers across asset classes and firm sizes—even those without explicit impact mandates—are increasingly incorporating these considerations into their investment processes, important validation of their value.

### 2. **Political headwinds are shaping language, not practice**

While some managers are adjusting how they communicate ESG and equity and inclusion efforts (“green hushing”), most have not abandoned the underlying practices.

### 3. **Follow-up matters**

Managers greatly value our structured feedback and engagement. Many report that LNW is unique in providing thoughtful responses and actionable recommendations after each survey, something they seldom receive from other LPs.

### 4. **Peer comparison energizes engagement**

Managers consistently ask how they compare to peers, particularly by asset class. This benchmarking helps them calibrate and improve. We will continue to identify opportunities to offer further insight and context when providing comparative standards and tailored resources.

### 5. **Tailored engagement builds trust**

Our ability to customize feedback based on manager type and relationship history strengthens our partnerships and encourages progress. Most managers express their gratitude for providing personalized and relevant feedback, often sharing our feedback widely with their teams or asking follow-up questions.

### **Previous Engagement Program Enhancements**

Based on manager feedback, industry insights and team expansion, we have previously augmented our procedure by:

- **Extending our engagement:**  
In 2022, we added a dedicated follow-through phase providing our managers with direct and tailored feedback, resources and recommendations, and the opportunity to discuss our feedback.
- **Adding peer benchmarking:** We added additional context regarding each manager’s peers across our broadly used, approved manager base by highlighting average assessment levels for peer groups.
- **Transitioning to an online survey:**  
Last year, we transitioned from collecting survey responses via Excel to an online survey platform, which enabled us to create dynamic survey questions, improving data integrity and providing a more seamless responder experience.

## Looking Forward

As we reflect on the evolution of our Manager Engagement Program, we recognize both the meaningful progress achieved as well as the challenges that have emerged. Over the past year, we have observed signs of a plateau in engagement and a decline in the integration of impact dimensions into investment processes. Conversations that once sparked new ideas and surfaced fresh insights have, at times, become more cautious. This shift is likely shaped by a broader climate of uncertainty and the politicization of impact-related topics. At the same time, we recognize our responsibility to continue stewarding our clients’ capital toward better impact and financial outcomes and, as such, seek to continuously adapt our approach to remain relevant and responsive as industry standards evolve.

Our commitment to honest, open dialogue with managers remains central to our investment process. We continue to find value in sharing field-level observations and listening closely to our managers’ perspectives. These exchanges are the cornerstone of our long-term relationships.



Looking ahead, we are embracing this moment as an opportunity to recalibrate and reinvigorate our approach. Our goal is to meet managers where they are, acknowledging shared realities while encouraging continued progress. To that end, we are actively exploring several enhancements to our program:

- **Refining our survey design** to elicit more timely and relevant insights, while preserving the integrity of longitudinal data. We aim to strike a balance between consistency and adaptability, ensuring our questions reflect current realities without overburdening respondents.
- **Evolving our assessment methodology** to align with emerging industry standards, including elements from ILPA's renewed Inclusive Culture and Accountability Roadmap. We gut check our methodology every year, but a more intentional appraisal this year will help us stay responsive to shifting norms and expectations.
- **Leveraging AI tools** to streamline data cleaning, analysis and manager assessments. By automating routine tasks, we can focus our energy on delivering more customized feedback and resources that support managers in their unique journeys.
- **Exploring new ways to share peer learnings** with managers in response to the reasonable desire to understand how they compare against their peers.

We remain committed to learning alongside our managers and adapting our engagement strategy to reflect the dynamic landscape of impact management. By staying curious and courageous, we hope to continue unlocking meaningful progress in service of both our managers and clients.

## Conclusion

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After seven years of surveying and engaging our fund managers, three key insights stand out—each reflecting not only the evolution of our program, but also the shifting dynamics of the impact investing landscape. These insights offer a window into how impact practices are being shaped across diverse asset classes, geographies and firm sizes. They also help our clients better understand how their investments contribute to meaningful outcomes beyond the dollars deployed—illuminating the practices, relationships and progress that drive change.

**The appetite remains strong.** Across asset classes, firm sizes and even among managers without explicit impact mandates, there is a persistent and genuine interest in integrating impact considerations into investment processes.

**Progress is real although not always linear.** Since our baseline year, we have seen meaningful increases in policy adoption and practice implementation. However, the slight dip in 2023 and 2024 reminds us that progress is vulnerable to external pressures, particularly the politicization of ESG. These fluctuations underscore the importance of sustained engagement and resilience in the face of shifting narratives.

**Language may shift, but impact considerations endure.** While some managers have adjusted how they communicate—engaging in “green hushing” through softened language or reduced public disclosures—most have not retreated from the core practices that reflect their commitment to ESG and inclusion. This signals a shared understanding that these factors are material to long-term financial performance.

According to VentureESG<sup>iv</sup>, 88% of LPs actively engage with their fund managers to improve responsible investing practices. We are encouraged by this commitment. It reinforces the importance of our own engagement program and affirms that we are not alone—our peers are also recognizing that integrating impact considerations across the investment process can lead to a positive impact on financial performance. And this is not only for impact-focused firms, but for all allocators seeking transparency and accountability.



Many managers have shared that while they receive surveys from other LPs, they rarely experience meaningful follow-up. LNW's approach is consistently recognized for its thoughtful structure, transparency and commitment to partnership. It is not only appreciated but also regarded as distinctive.

As we look ahead, we remain encouraged by the resilience and commitment we continue to observe and hear from the field. Even in the face of uncertainty and shifting narratives, most managers recognize that impact considerations are not peripheral—they are central to long-term value creation. This moment calls for renewed clarity and collaboration and, as the landscape continues to evolve, we remain committed to listening and learning.

At LNW, our engagement program is more than a process: it is a partnership rooted in shared values, mutual accountability, and a belief that better outcomes—for people, planet, and portfolios—are possible when we lead with intention and integrity. We are proud to walk alongside our managers and clients on this journey.

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<sup>i</sup> ILPA. "[ESG Assessment Framework](#)." September 2024.

<sup>ii</sup> Callan Institute. "[2025 Asset Manager Sustainable Investment Practices Study](#)." November 2025.

<sup>iii</sup> *ibid.*

<sup>iv</sup> VentureESG. "Pushing Forward: Responsible Investing Practices of VC Limited Partners with a Deep Dive on Responsible AI and Data." February 2025.

## ABOUT THE AUTHORS

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**Justina Lai**, leads the impact investing strategy at LNW and works with the LNW client service teams to guide clients in developing effective impact investment strategies and integrating impact investments across their portfolios. She also leads the effort to integrate impact considerations across LNW's business strategy and operations to create shared value for all stakeholders (clients, employees, shareholders, suppliers, the community and the environment) and spearheads the firm's efforts to build an inclusive and equitable workplace.



**Becca Shepherd**, leads the impact management program at LNW and supports its impact investing services by managing the metrics, reporting and data integrity for impact investing clients and internal data management. Prior to LNW, she implemented a learning and evaluation program for Tides, a billion dollar social justice organization and managed impact analysis project evaluation for Pacific Community Ventures.



## Appendix

LNW Manager Engagement Program and impact survey data summary statistics:

### Number of Survey Responses and Response Rate

Survey years (as of 12/31): 2018-2024

Survey Year	Survey Responses	Survey Response Rate	% of Managers Surveyed in Previous Year
2018	52	100%	N/A
2019	54	100%	96%
2020	57	100%	84%
2021	56	100%	96%
2022	90	94%	57%*
2023	79	96%	96%
2024	74	100%	95%

\* In 2021, Wetherby Asset Management and Laird Norton Wealth Management merged to form LNW; 2022 was our first year surveying managers across our combined investment platform.

Among the 110 unique managers surveyed over seven years, 18 participated only once, while 34 responded every year. Notably, 24 managers were surveyed three times, most joining after the LNW merger (2022-2024).

### Number of Survey Responses and Manager Response Rate Over 7 Years

2018-2024

# of Surveys	# of Managers
1	18
2	11
3	24
4	9
5	8
6	6
7	34





## Glossary-Fund Manager Characteristics

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### Firm size:

- Small: one-20 employees
- Medium: 21-50 employees
- Large: 51+ employees

### Impact category:

- Impact manager: Manager surveyed has an intentional impact or thematic approach to their investment process
- Traditional manager: Manager surveyed does not have an intentional impact approach

### Asset class:

- Diversifiers: Investment assets that provide returns uncorrelated with traditional asset classes, helping reduce overall portfolio risk
- Fixed Income: Investments like bonds that offer regular interest payments and return of principal at maturity
- Global Equity: Stocks of companies worldwide, providing exposure to international markets
- Private Debt: Loans and debt instruments issued by private companies, not traded on public exchanges
- Private Equity: Direct investments in private companies through ownership stakes, often involving active management
- Real Assets: Physical assets such as real estate, infrastructure and commodities that hold intrinsic value



## ABOUT LNW

LNW Advisors provides services to support exceptional families and individuals seeking to activate the full potential of their wealth.

To help turn lifetime ambitions and multigenerational aspirations into reality, Laird Norton Wetherby (LNW) brings to each client a high level of care combined with deep expertise in wealth and legacy planning, investments, and trust and estate services.

Offering both RIA (registered investment advisor) and trust services, LNW is committed to providing clients with unbiased, independent guidance and solutions. LNW has offices in Seattle, San Francisco, New York, Los Angeles and Philadelphia, as well as an affiliated trust company in South Dakota, empowering clients across the U.S. and around the world.

LNW is owned by employees and majority owned by Laird Norton Company, one of the longest-sustained family enterprises in the United States. To learn more, please visit [LNWAdvisors.com](https://LNWAdvisors.com).



PERSONAL WEALTH ADVISORY BY  
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## DISCLOSURE

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This presentation is provided as a general introduction to LNW's approach to impact investing and is not intended as investment advice or a recommendation of any specific portfolio or investment strategy.

Impact investing is associated with the broad consideration of actual and potential non-financial risks of Environmental, Social, and Governance (ESG) factors, and how those factors may affect the financial performance of a company and its securities. For example, environmental changes and extreme events associated with climate change could increasingly affect companies' financial performance. Similarly, poor labor relations or discriminatory practices could lead to financial liability, employee turnover and understaffing, and damage to companies' reputation. ESG investing generally seeks to avoid these risks, and increasingly also aims to achieve certain positive impacts through investing in key areas believed by the investment manager to be positively affected by corporate investment and, in some cases, related shareholder advocacy. Avoiding risk and achieving positive impact are different objectives. Since the field of ESG/impact investing continues to develop, it remains to be seen how effective investment managers will be, especially in the area of impact. ESG ratings of companies are often based on subjective measures, and may include corporate self-reporting, different and inconsistent third-party rating systems, as well as data points that are associated with positive or negative outcomes but where causation has not been established. It is also possible that companies that do have positive impact in the areas identified, or that successfully avoid some or most of the ESG risks noted, will not have favorable financial returns. Accordingly, their stock prices could underperform their peers despite alignment with ESG objectives.

LNW will generally use third-party managers, including mutual fund or exchange traded fund managers, in constructing portfolios focused on impact consideration. While LNW will review these managers' own policies and practices with respect to ESG/impact investing, LNW is highly dependent on their self-reports. As noted above, these managers are, in turn, likely relying on corporate self-reporting, as well as evolving industry standards. No investment approach or strategy can guarantee a positive return or that losses will be avoided.