



PRESIDENT'S REPORT 2020

Since 2010, the Association of Institutional INVESTORS has been a member led organization of institutional investment advisors that represents the interests of investors and strives to advance good practices and promote fair and efficient financial markets through open engagement with policy makers and others. The direction and effectiveness of the Association is driven by the diverse talents of outstanding volunteer leaders from among our member firms, supported by our staff.

Our member led ESGaction, cyber security, market practices, commercial mortgage backed securities, and mortgage & securitization councils met 54 times in person or via conference call year to date, supported by Matthew Jones and PJ Schott. Since the beginning of 2020, the Association increased the number of regular and special weekly newsletters published 17% year over year, while sustaining an average open rate approaching 48%. The efficient operating model and financial discipline of the Association has provided a substantial reserve, a modest operating surplus, and the wherewithal to maintain very low member fees.

The Association's focus on ESG in 2020 has been remarkably successful. Our efforts to develop a common ESG questionnaire, GOODquestions™, has brought together our membership with prospective members Wellington, Fidelity, Manulife, and Wells Fargo, along with prospective associate members eVestment, SASB, Bloomberg, NYSE, NASDAQ, MSCI, S&P, E&Y, and PwC to take practical and effective action on behalf of our members and the clients we share. This new common ESG questionnaire for our industry, distributed by eVestment, is now reaching more than 80,000 plan sponsors. In addition, the successful effort to develop an open framework for benchmarking sustainability characteristics and impact performance of investment portfolios, GOODbenchmarks™, is poised to significantly and cost effectively advance our community's long term objectives in this area.

2020 has been an extraordinary year for our world, our community, and our people. The changes brought on by the emergence of a global pandemic, unprecedented market volatility, acute societal pressures, and changes in how and where we work will likely impact our world and industry for years to come. To assist our membership with these emergent challenges, in 2021 we will explore best practices in addressing the registration and tax consequences of a distributed work force; promote diversity, equity, and inclusion in our community; and advance tangible efforts to assist our clients in their objectives to better evaluate sustainable and impact investment practices.

As we embark on our second decade, and in order to advance our member's priorities effectively and meet the evolving needs of our membership over the long term, the Association must continue to attract additional firms and identify new generations of promising leaders from among our community.