

Investment Consultants Strengthen Role as Top Advisors to U.S. Asset Owners

2021 Greenwich Leaders: U.S. Investment Consulting

Q2 2022

Amid continued disruptions from the COVID-19 crisis and concerns about mounting inflation, U.S. asset owners leaned more heavily on the advice of their investment consultants last year. The 2021 Greenwich Quality Leaders in U.S. Investment Consulting stood out for their superior support for clients working to navigate fast-changing markets.

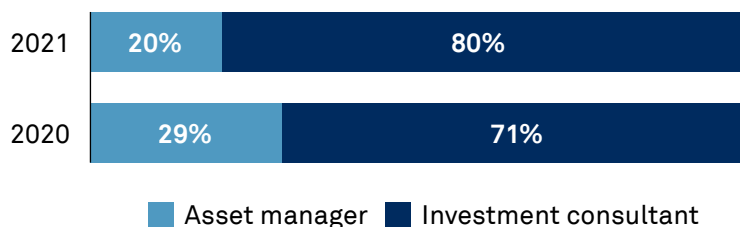
By many counts, 2021 was a great year for asset owners. Surging equity returns helped lift pension funding levels, with average funding increasing to 96% in 2021 from 92% in 2020 among corporate funds, and to 81% from 79% among public funds. As of year-end, 39% of corporate funds and 12% of public funds reported funding levels of at least 100%.

Trusted Advisors in an Uncertain Environment

These relatively favorable conditions helped alleviate anxieties about market volatility, rates of return, funding issues, and risk management. However, with the coronavirus Omicron variant spreading through the United States, continued chaos in global supply chains and inflation accelerating at a dangerous pace, asset owners were not resting easy last year. Fifty-five percent of asset owners cited asset allocation in the uncertain environment as a top challenge, and the share naming inflation as a major concern surged to 17% in 2021 from just 4% in 2020.

As they updated investment strategies in these changing conditions, 80% of asset owners relied on their investment consultants as their primary source of advice. That's an increase from the 71% who named consultants as their top source of investment counsel and advice in 2020. Investment consultants are also playing an active role in advising asset owners on ESG. Half of U.S. asset owners in North America have adopted some environmental, social and governance standards, up from just 27% in 2019. These institutions are still determining how to implement ESG throughout their operations. Consultants are helping asset owners work through thorny issues like how to integrate ESG into their manager selection process and how to pick the right ESG data providers.

U.S. Institutional Investors' Primary Source of Investment Counseling and Advice



Note: Based on 304 respondents in 2020 and 404 in 2021.
Source: Coalition Greenwich 2020 and 2021 U.S. Institutional Investors Studies

2021 Greenwich Quality Leaders

The following tables present the complete list of 2021 Greenwich Quality Leaders in U.S. Investment Consulting.

Greenwich Quality Leaders — 2021



Overall U.S. Investment Consulting

Large Consultants

Graystone Consulting
RVK
Segal Marco Advisors

Midsized Consultants

AndCo Consulting
Angeles Investment Advisors
Asset Consulting Group
LCG Associates

Note: Based on interviews with 811 institutional investors. Quality leaders are listed in alphabetical order.

Source: Coalition Greenwich 2021 U.S. Institutional Investors Study

Davis Walmsley, Todd Glickson, Susan Gould and Joseph Mattesi advise on the investment management market in the United States.

METHODOLOGY

Between July and October 2021, Coalition Greenwich conducted interviews with 811 individuals from 661 of the largest tax-exempt funds in the United States. These U.S.-based institutional investors are corporate and union funds, public funds, and endowment and foundation funds, with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset management and investment consulting providers, including qualitative assessments of those firms soliciting their business and detailed information on important market trends.

Coalition Greenwich, a division of CRISIL, an S&P Global Company, is a leading global provider of strategic benchmarking, analytics and insights to the financial services industry.

We specialize in providing unique, high-value and actionable information to help our clients improve their business performance.

Our suite of analytics and insights encompass all key performance metrics and drivers: market share, revenue performance, client relationship share and quality, operational excellence, return on equity, behavioral drivers, and industry evolution.

About CRISIL

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better. It is majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics, and data to the capital and commodity markets worldwide.

CRISIL is India's foremost provider of ratings, data, research, analytics, and solutions with a strong record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights and efficient solutions to over 100,000 customers through businesses that operate from India, the U.S., the U.K., Argentina, Poland, China, Hong Kong, and Singapore.

For more information, visit www.crisil.com

Disclaimer and Copyright

This Report may include statements, estimates and projections with respect to the anticipated future performance of certain companies and as to the market for those companies' products and services. No representation is made as to the accuracy of such statements, assessments, estimates, and projections. Coalition Greenwich disclaims all warranties, expressed or implied, with respect to this Report, including any warranties of merchantability or fitness for a particular purpose arising out of the use of all or any of this Report. Coalition Greenwich accepts no liability whatsoever for any direct, indirect or consequential loss or damage of any kind arising out of the use of all or any of this Report.

The Report contains commercial information only. It is not investment advice and should not be construed as one and has not been prepared with a view to any party making any investment decision based on it. No part of the Report should be considered to be advice as to the merits of any investment decision or any recommendation as to any investment action or decision. It is not investment analysis or research and is not subject to regulatory or legal obligations on the production of, or content of, investment analysis or research. This Report does not constitute nor form part of an offer or invitation to subscribe for, underwrite or purchase securities in any company. Nor should this Report, or any part of it, form the basis to be relied upon in any way in connection with any contract relating to any securities.

The data reported in this document may reflect the views reported to Coalition Greenwich by the research participants. Interviewees may be asked about their use of and demand for financial products and services and about investment practices in relevant financial markets. Coalition Greenwich compiles the data received, conducts statistical analysis and reviews for presentation purposes in order to produce the final results. Unless otherwise indicated, any opinions or market observations made are strictly our own. No portion of these materials may be copied, reproduced, distributed, or transmitted, electronically or otherwise, to external parties or publicly without the permission of Coalition Greenwich. Coalition Greenwich is a part of CRISIL Ltd, an S&P Global company. ©2022 CRISIL Ltd. All rights reserved.