

Responsible Investment Funds in Canada

Highlights from Q3 2018



Responsible Investment Association

The Responsible Investment Association (RIA) conducts quarterly performance reviews of responsible investment (RI) funds in Canada.

Data provided by Fundata shows that Canadian RI mutual funds performed well in Q3 2018. In the three-month period ending September 30, 2018, a majority of RI funds outperformed their industry average in their respective fund classes.

More than two-thirds of RI funds with a five-year track record and more than half of funds with three-year and 10-year track records outperformed their industry averages, highlighting the long-term value of incorporating environmental, social and governance factors into investment decisions. Nearly three-quarters of funds with a one-year track record outperformed, and 57% of funds outperformed for the three-month period ending September 30, 2018.

In the **Canadian Equity** fund class, 80% of funds with a three-year and 10-year track record outperformed the industry average. 64% of funds with a five-year track record and 61% of funds over the three-month period outperformed.

In the **Canadian Equity Balanced** fund class, all the funds outperformed over the last three months, with the vast majority of funds with a one-year, three-year, or five-year track record having outperformed.

In the **Global Equity** fund class, RI funds outperformed over the short, medium and long-term. More than 70% of funds outperformed over the three-month, one-year and five-year periods. Nearly 60% with a three-year track records outperformed, and two-thirds all the funds with a 10-year track record outperformed.

In the **Global Equity Balanced** fund class, all the funds with a one-year track record outperformed, while 71% outperformed over the three-month period. Half of funds with a three-year track record and two-thirds of funds with a five-year track record outperformed their industry average.

See the graphs below for a quick overview of notable RI fund performance in the third quarter of 2018.

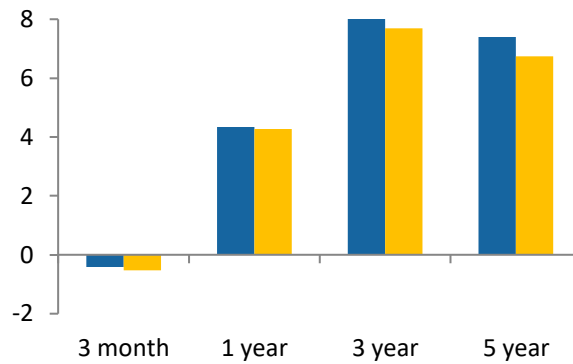
Note: Average asset class return includes RI and non-RI funds.

Incorporating environmental, social, and governance (ESG) factors into investment decisions is a successful long-term strategy for investors. The evidence shows that responsible investments usually meet or exceed the performance of traditional investments at the index, fund and company levels.

Average RI fund performance vs. asset class averages to September 30, 2018

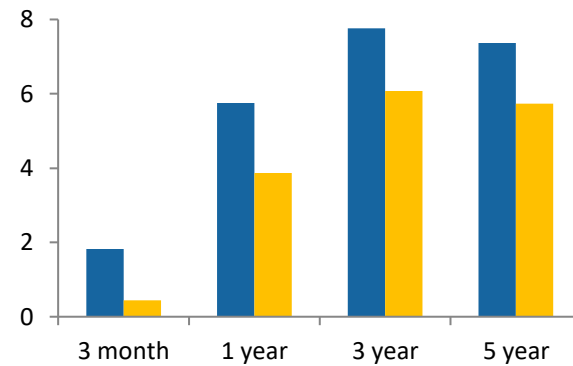
Canadian Equity

- Average RI Canadian Equity
- Average Canadian Equity



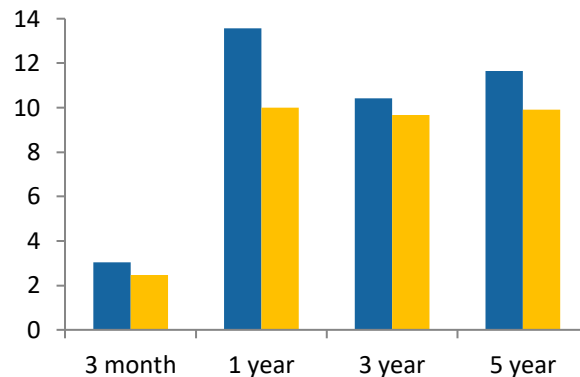
Canadian Equity Balanced

- Average RI Canadian Equity Balanced
- Average Canadian Equity Balanced



Global Equity

- Average RI Global Equity
- Average Global Equity



Global Equity Balanced

- Average RI Global Equity Balanced
- Average Global Equity Balanced

