

Responsible Investment Funds in Canada

Highlights from Q4 2019



The Responsible Investment Association (RIA) reports on the quarterly performance of responsible investment (RI) funds in Canada.

Data provided by Fundata shows that close to 60% of Canadian RI funds reviewed outperformed their average asset class return within the fourth quarter of 2019, while nearly two-thirds of RI funds outperformed over the one-year period ending December 31, 2019.

A majority of RI funds performed well over longer time periods, highlighting the long-term value of incorporating environmental, social and governance (ESG) factors into investment decisions. Nearly 70% of RI funds outperformed their average asset class return over three years and 73% outperformed over five years. Two-thirds of RI funds outperformed their average asset class return over the 10-year period ending December 31, 2019.

In the **Canadian Equity Balanced** fund class, nearly half of RI funds outperformed their average asset class return in the fourth quarter of 2019. The vast majority of RI funds in the category outperformed their average asset class return over the three-year, five-year and 10-year periods ending December 31, 2019.

In the **Canadian Fixed Income Balanced** fund class, a significant majority of RI funds outperformed their average asset class return over the short, medium and long-term periods reviewed. All the RI funds in the category outperformed their

average asset class return over the three-year and five-year periods, and 75% outperformed over the 10-year period ending December 31, 2019.

In the **Global Equity** fund class, over two-thirds of RI funds outperformed their average asset class return over the three-month, one-year and three-year periods ending December 31, 2019. A significant majority of RI funds in the category outperformed over the longer term five-year and 10-year periods reviewed.

In the **Global Equity Balanced** fund class, nearly two-thirds of the RI funds outperformed their average asset class return over the three-month period and almost all the RI funds outperformed over the one-year, three-year and five-year periods. Close to two-thirds of the RI funds in the category outperformed over the 10-year period ending December 31, 2019.

See the graphs below for a quick overview of notable RI fund performance in the fourth quarter of 2019.

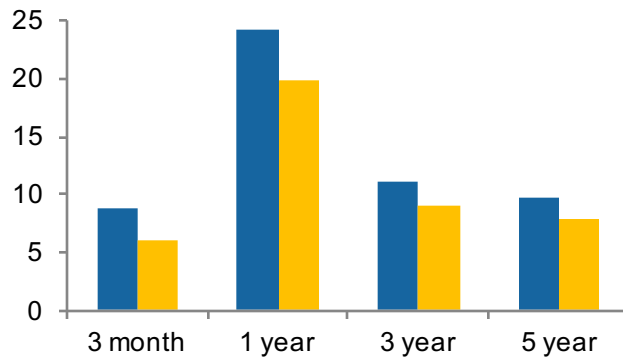
Note: Average asset class return includes RI and non-RI funds.

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

Average RI fund vs. Average Asset Class Performance (%) to December 31, 2019

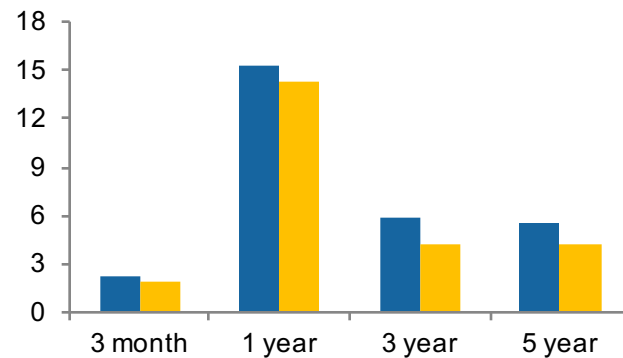
Global Equity

- Average RI Global Equity
- Average Global Equity



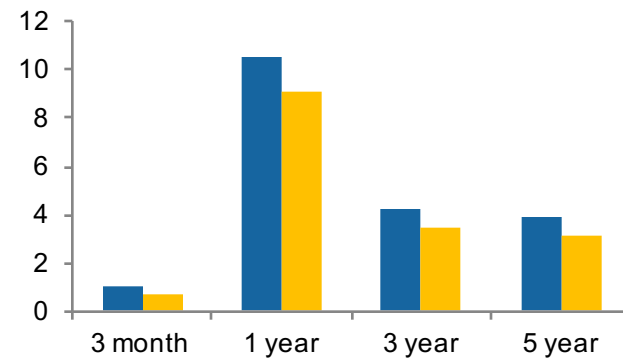
Canadian Equity Balanced

- Average RI Canadian Equity Balanced
- Average Canadian Equity Balanced



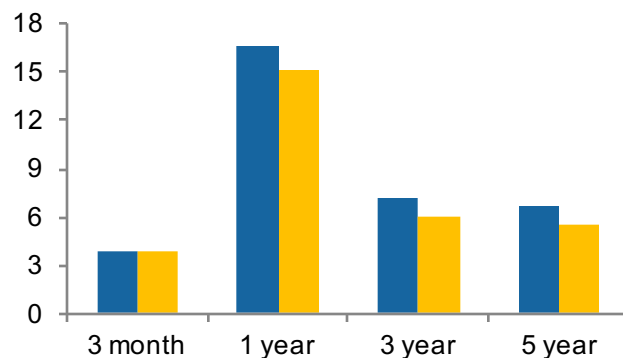
Canadian Fixed Income Balanced

- Average RI Canadian Fixed Income Balanced
- Average Canadian Fixed Income Balanced



Global Equity Balanced

- Average RI Global Equity Balanced
- Average Global Equity Balanced



Data provided by Fundata

