

Responsible Investment Funds in Canada

Highlights from Q1 2019



Responsible Investment Association

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

Data provided by Fundata shows that nearly half of Canadian RI funds outperformed their average asset class return within the first quarter of 2019, and nearly three-quarters of RI funds outperformed over the one-year period ending March 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. Two-thirds of RI funds outperformed their average asset class return over five years, while more than half of RI funds outperformed over the three-year and 10-year periods.

In the **Canadian Equity Balanced** fund class, eighty percent of RI funds outperformed their average asset class return in the first quarter of 2019. The vast majority of RI funds outperformed over the one-year, three-year and five-year periods ending March 31, 2019.

In the **Canadian Fixed Income Balanced** fund class, RI funds outperformed their average asset class return over the short and medium term. Eighty percent of RI funds outperformed over the one-year period and at least half of RI funds outperformed over three-year and five-

year periods, compared to their asset class average.

In the **Global Equity** fund class, a majority of RI funds outperformed their average asset class return for the quarter. A significant majority of funds in the category outperformed over the medium to long term.

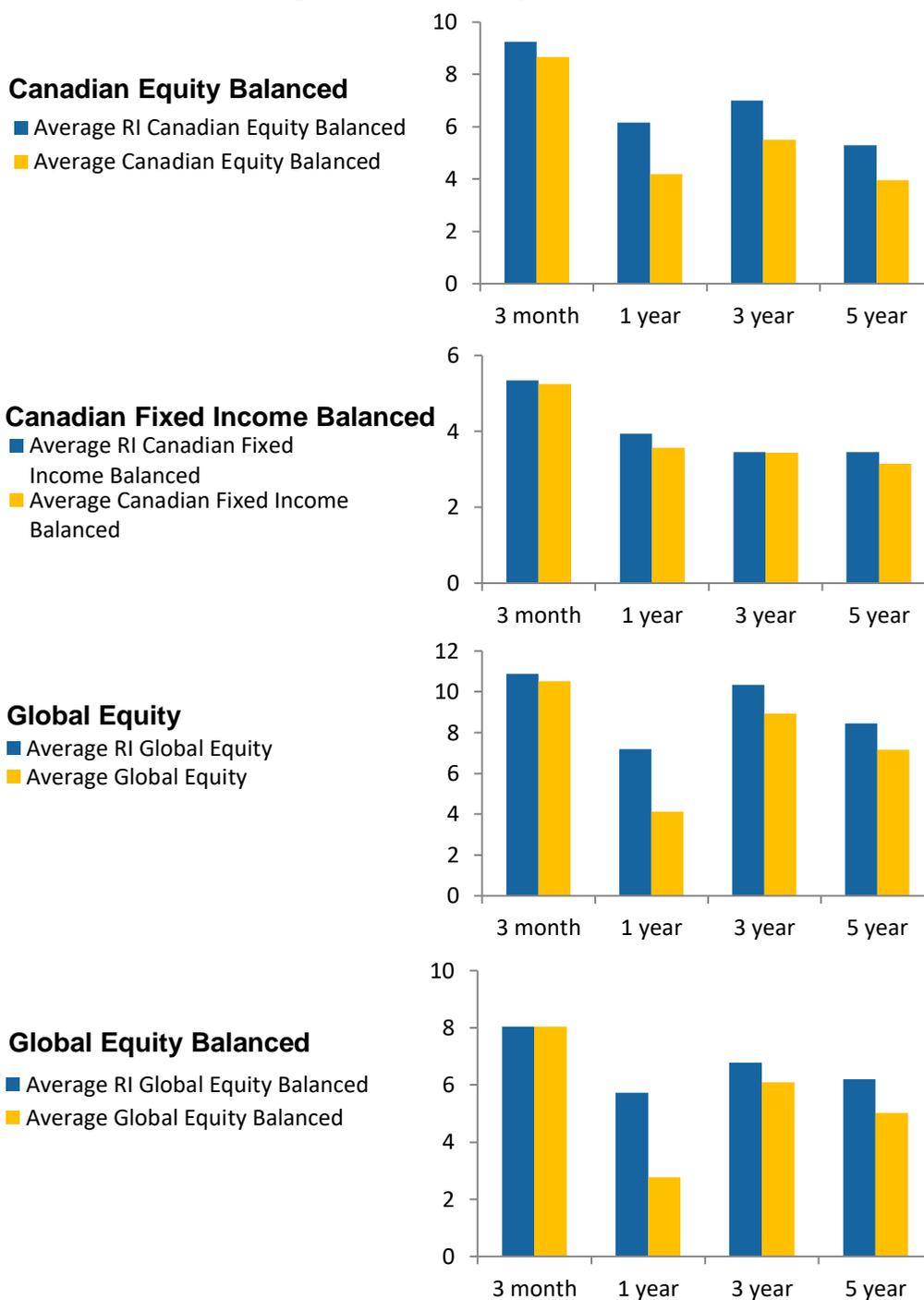
In the **Global Equity Balanced** fund class, more than two-thirds of funds outperformed their average asset class return in the first quarter, while all of the RI funds outperformed over the one-year period. A significant majority of funds outperformed over the three-year and five-year periods ending March 31, 2019.

See the graphs below for a quick overview of notable RI fund performance in the first 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 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 vs. average asset class performance to March 31, 2019



Data provided by Fundata