

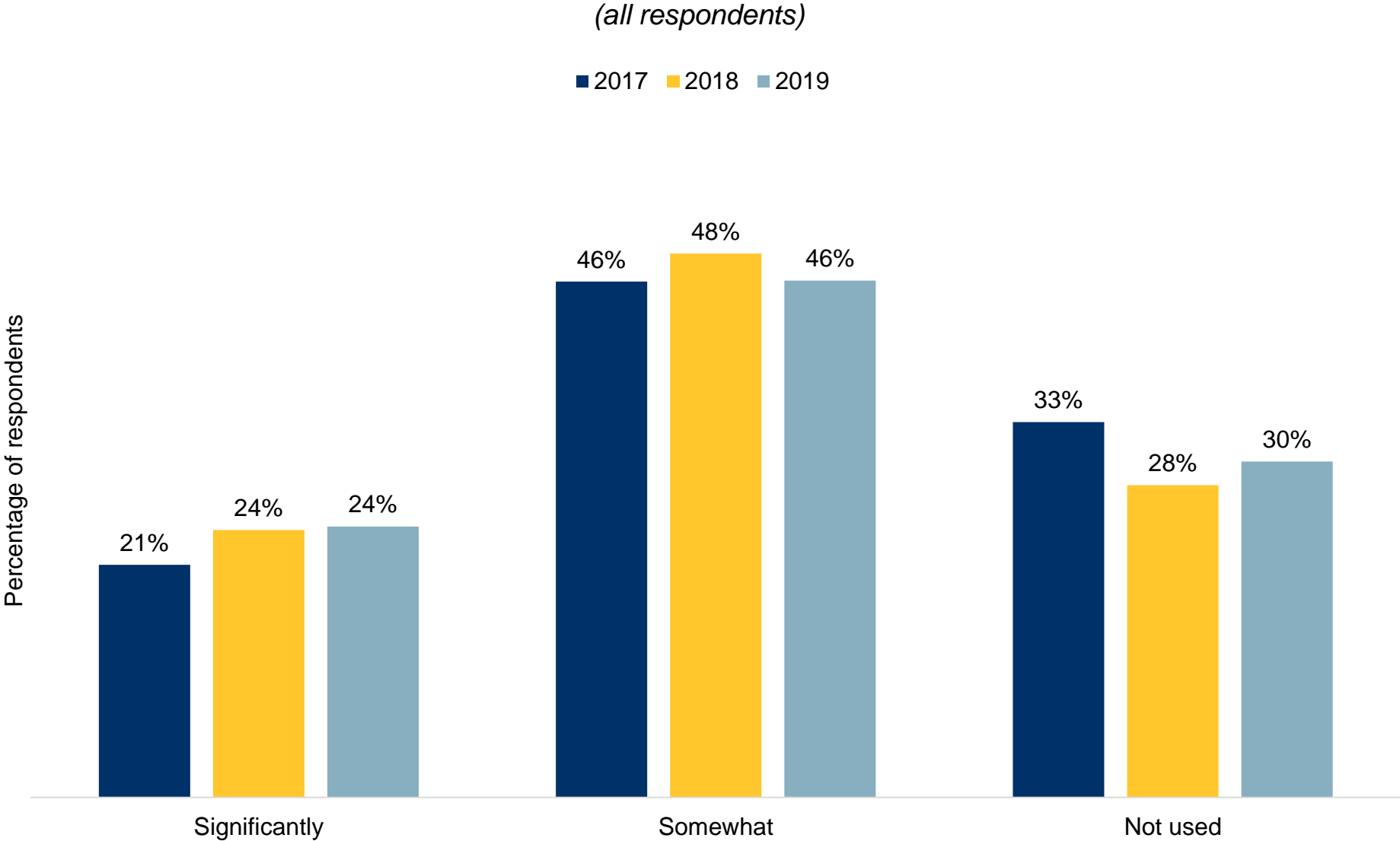
RBC Global Asset Management

# 2019 Responsible Investment Survey Key Findings

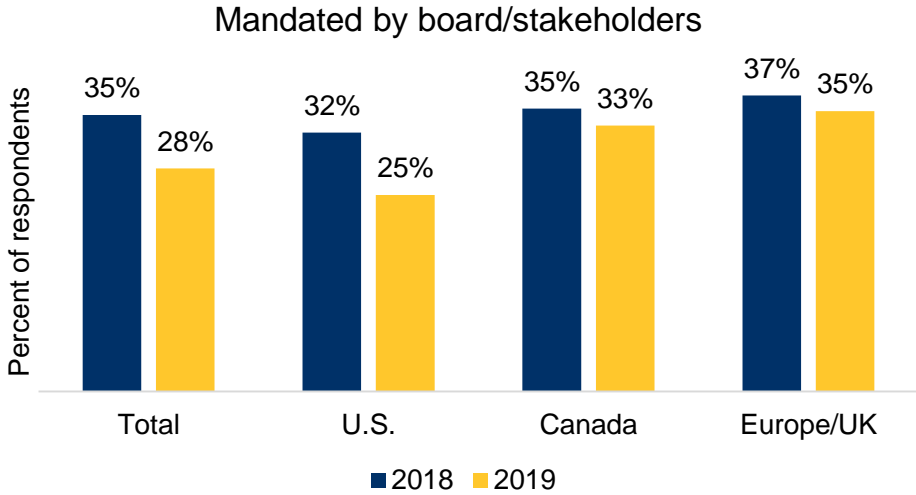
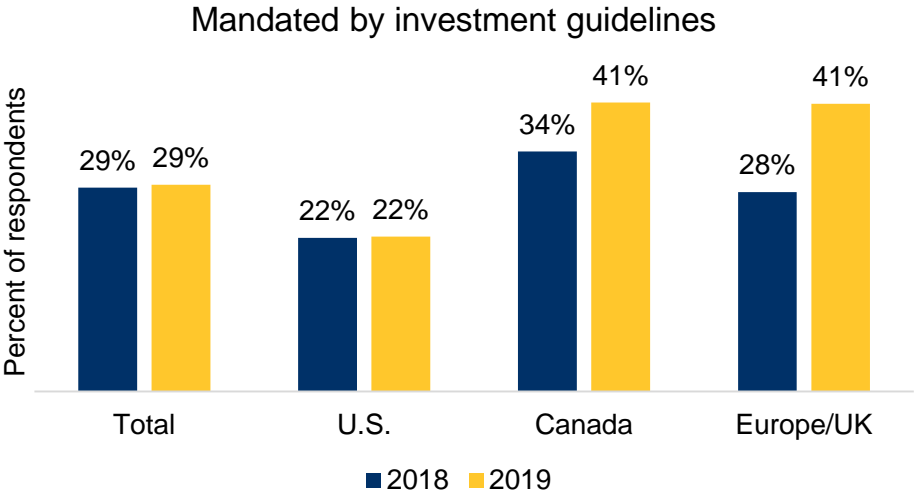
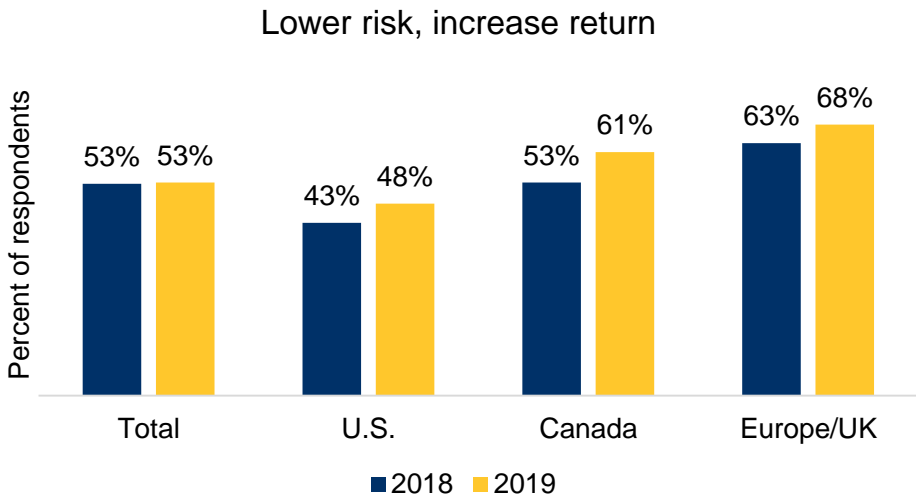
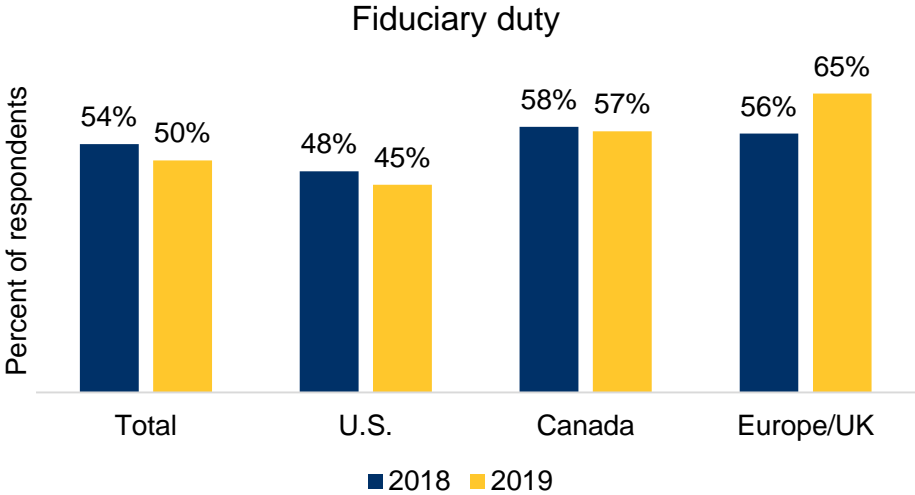
2019 **Responsible**  
Investment Survey



# To what extent are ESG principles used as part of your investment approach and decision making?

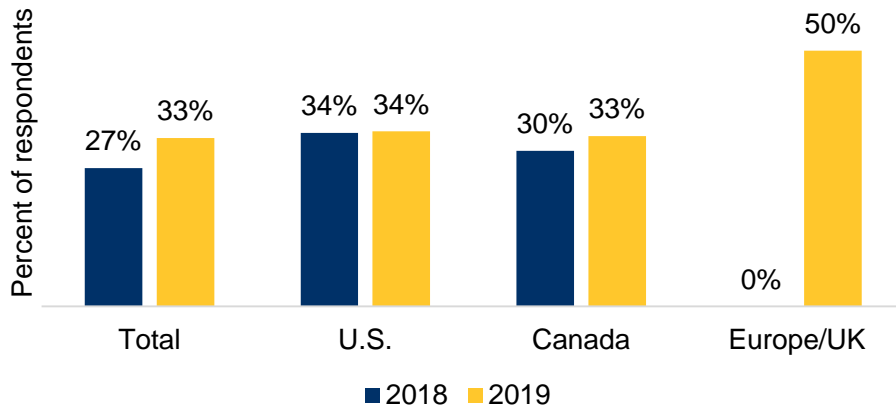


# What are your reason(s) for incorporating ESG in your investment approach?

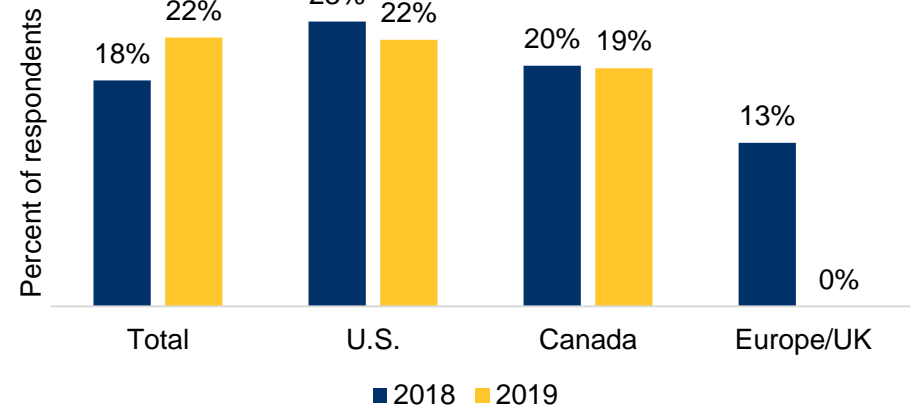


# What are your reason(s) for not incorporating ESG factors in your investment approach?

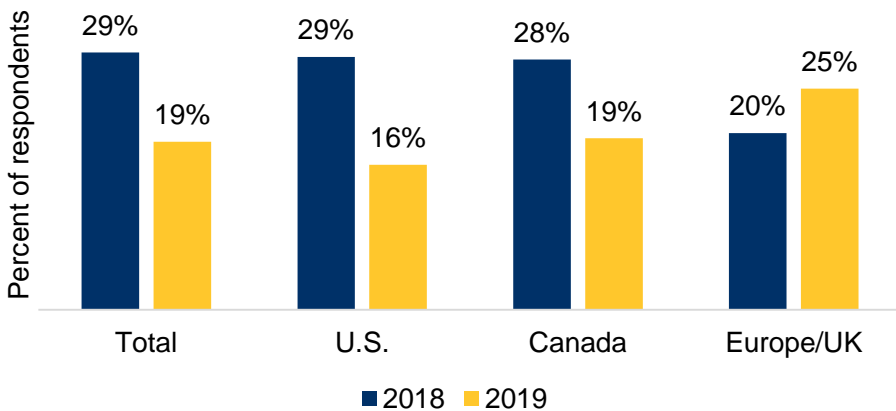
Inconsistent with fiduciary duty



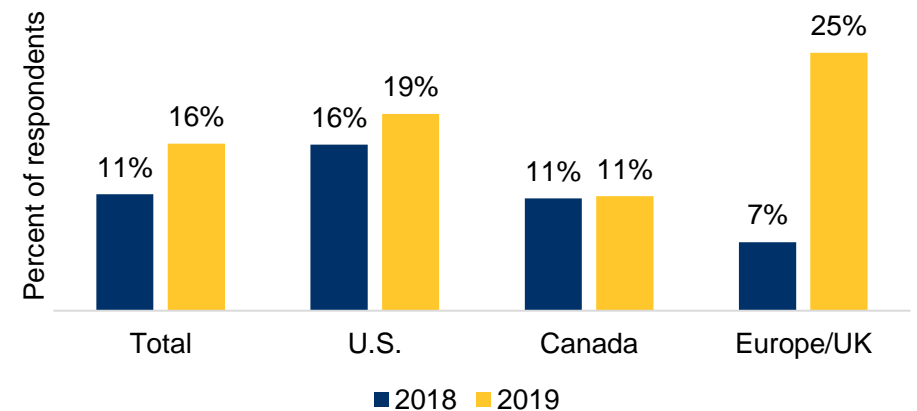
Won't materially impact returns



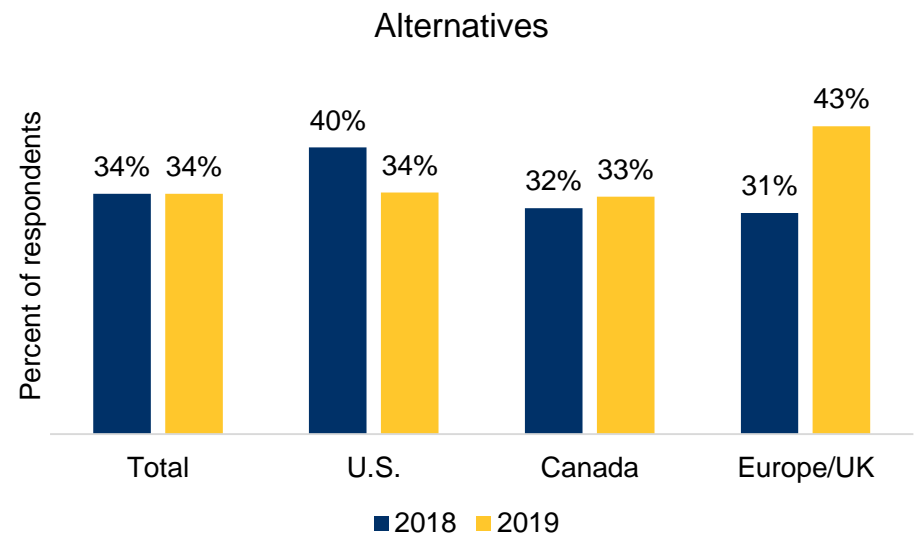
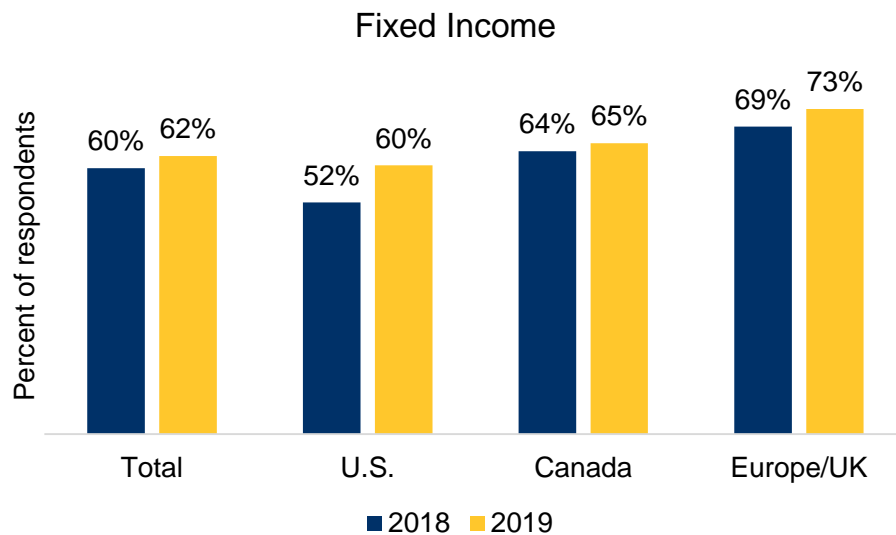
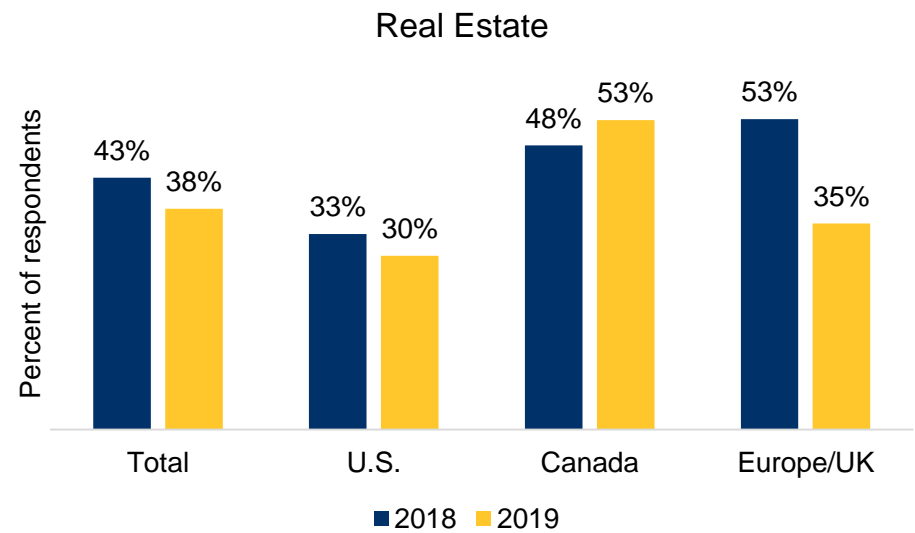
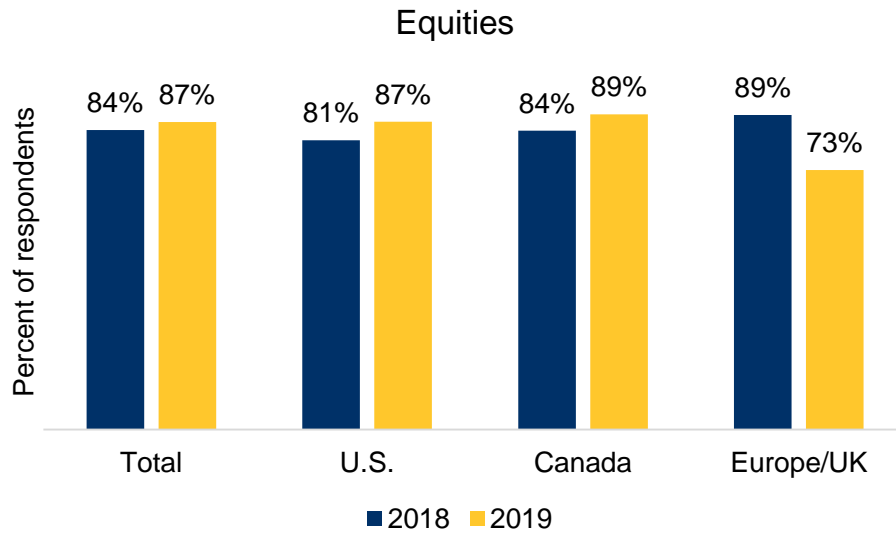
Insufficient resources



Not important to plan members

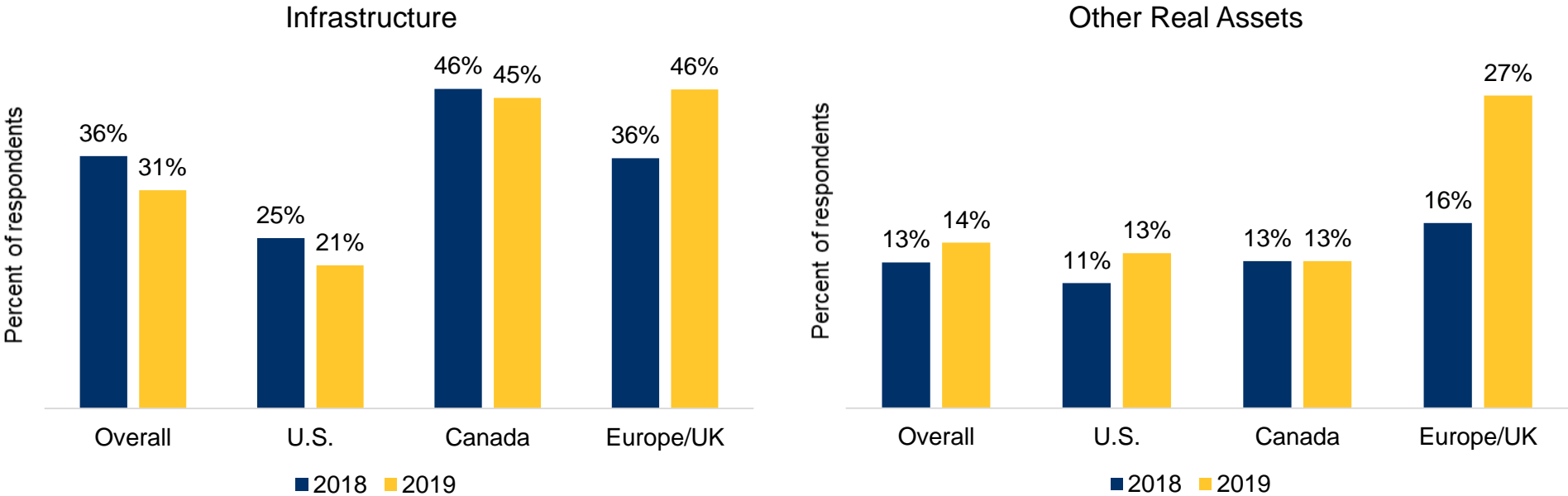


# For which of the following asset classes do you incorporate ESG factors into portfolio management?

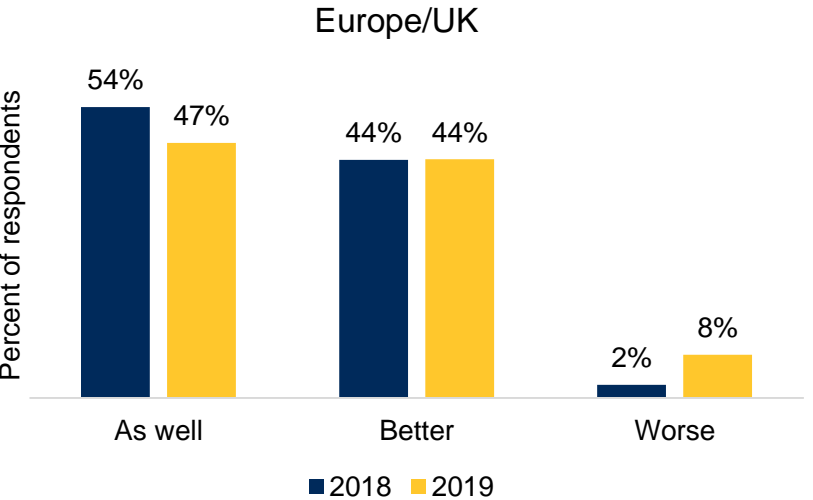
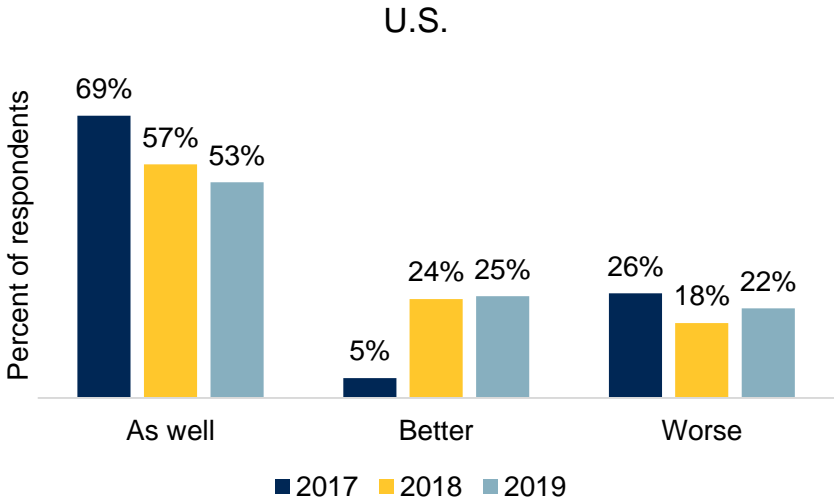
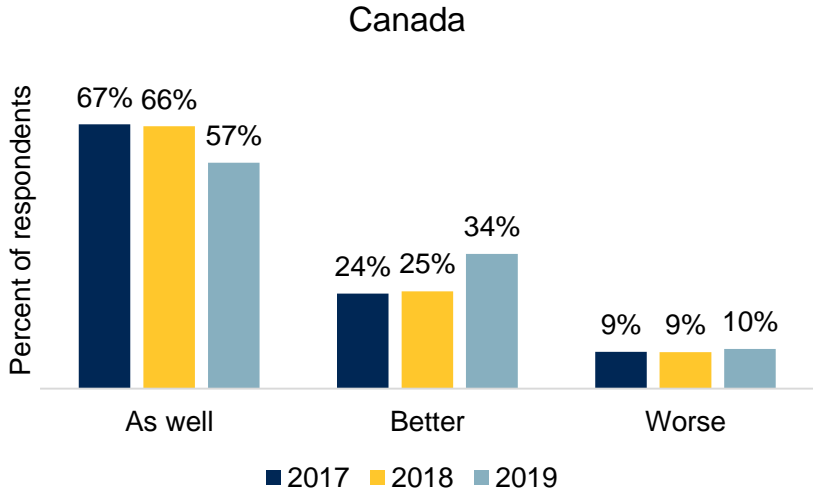
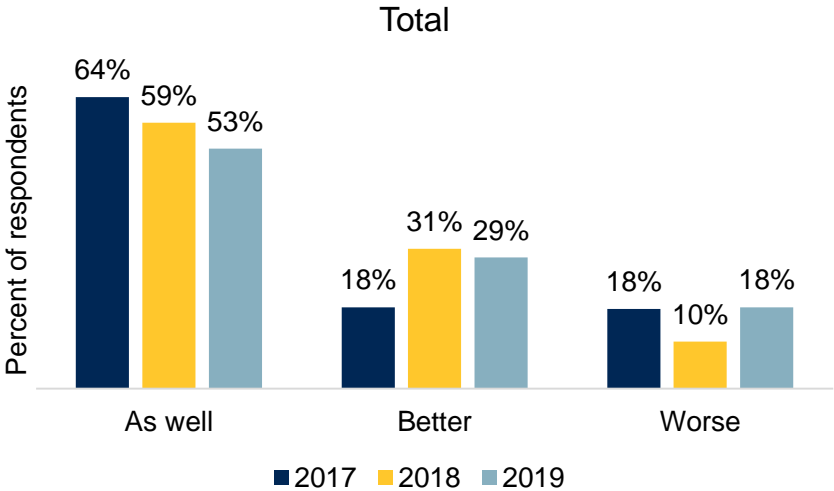


# For which of the following asset classes do you incorporate ESG factors into portfolio management?

(continued from previous slide)



# How do you believe ESG integrated portfolios are likely to perform relative to non-ESG integrated investments?



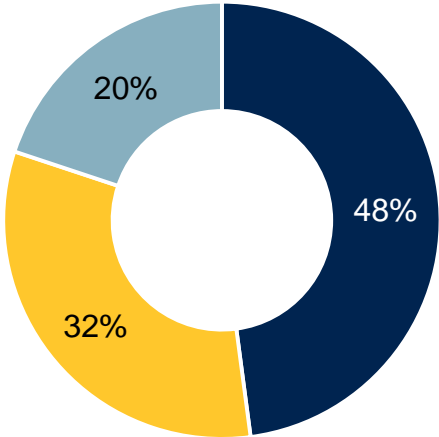
Data for 2017 not available.



# Do you believe that integrating ESG factors can help mitigate risk?

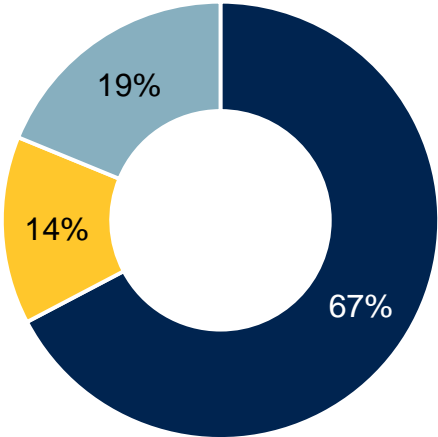
(all respondents)

2017



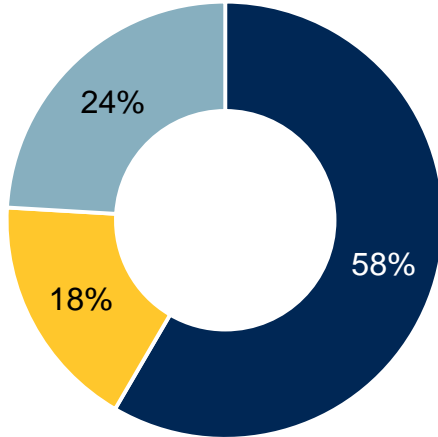
■ Yes ■ No ■ Not sure

2018



■ Yes ■ No ■ Not sure

2019

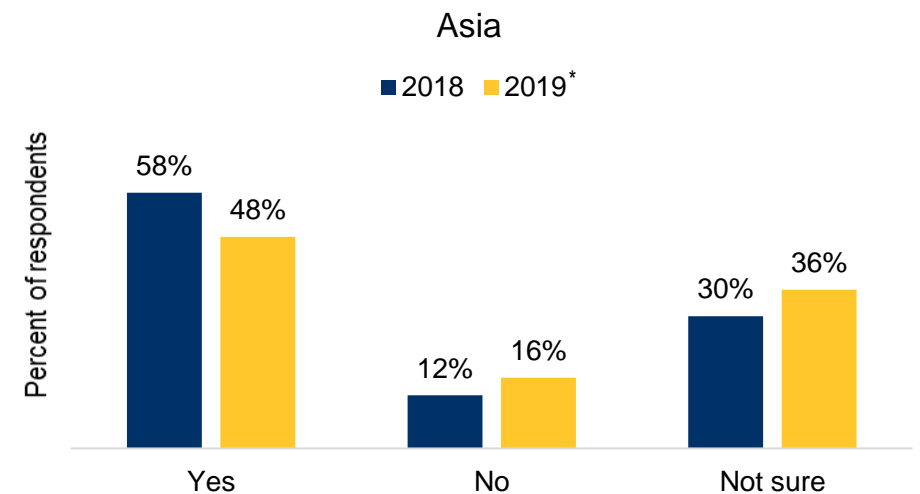
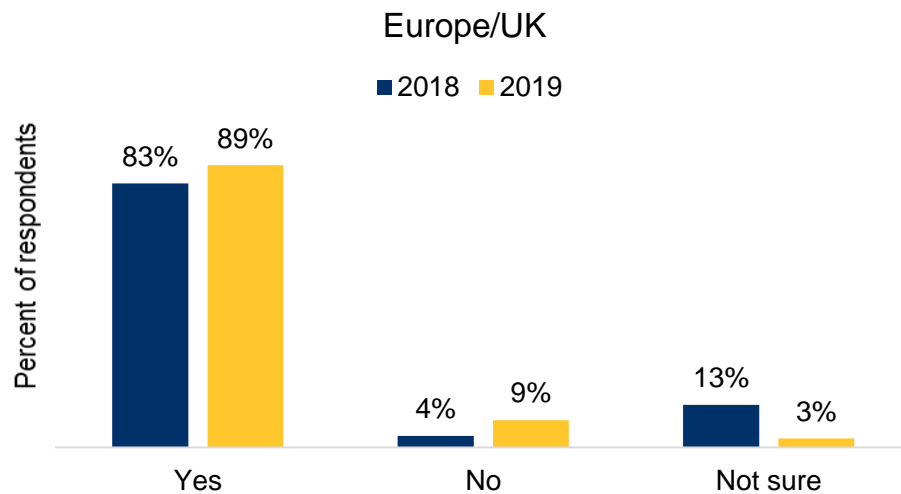
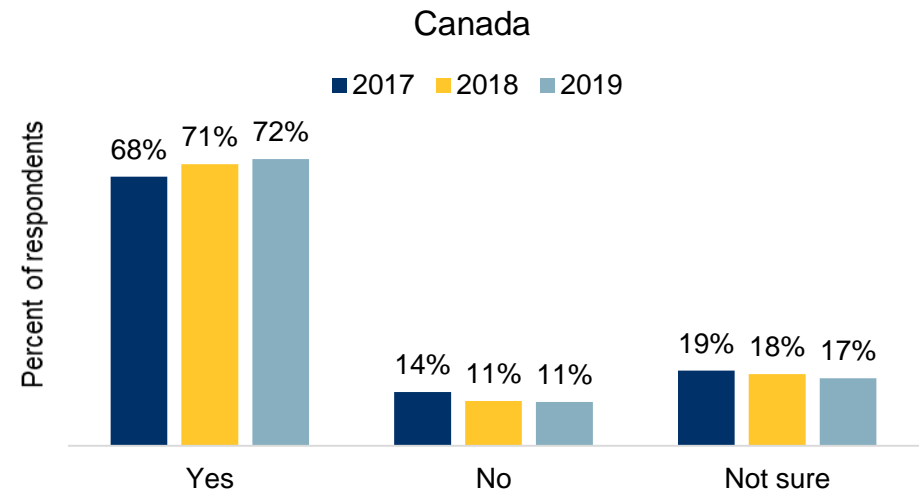
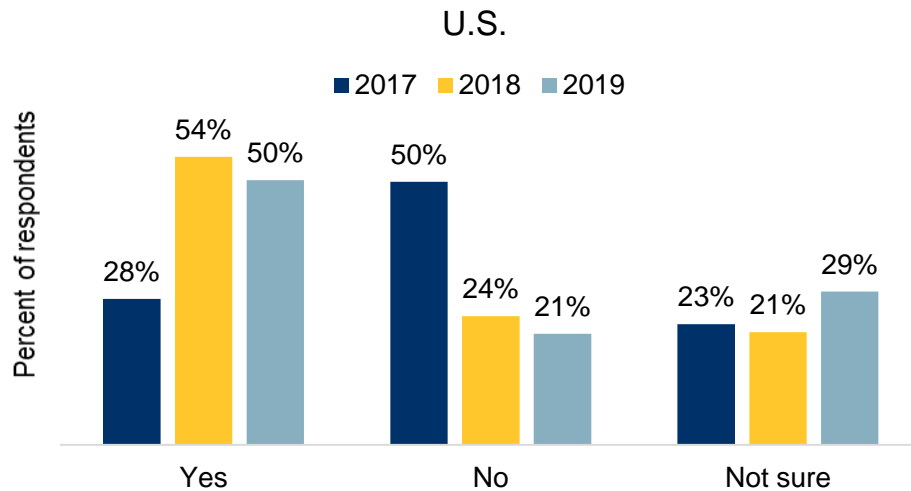


■ Yes ■ No ■ Not sure





# Do you believe that integrating ESG factors can help mitigate risk?



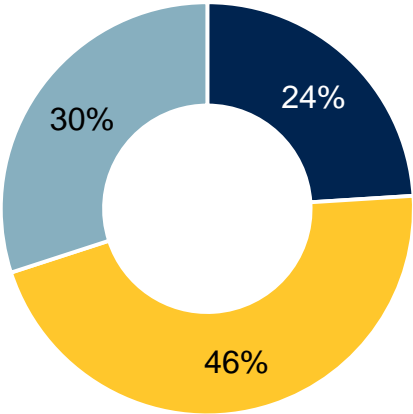
Data for 2017 not available.

\*Sample size not statistically significant. Data for 2017 not available.

# Do you believe that integrating ESG factors can help generate alpha?

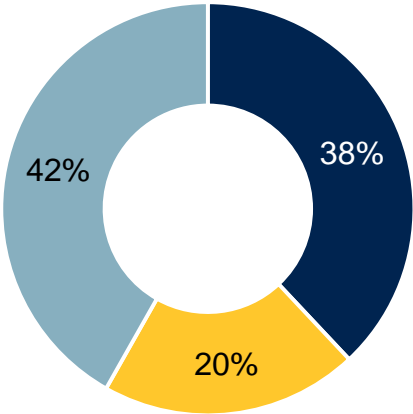
(all respondents)

2017



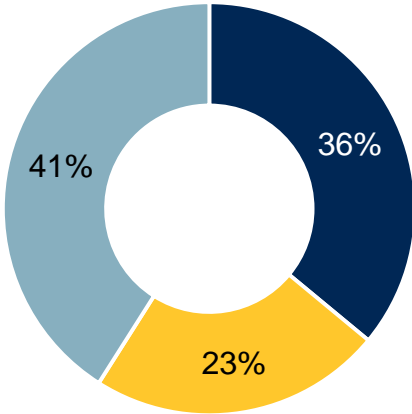
■ Yes ■ No ■ Not sure

2018



■ Yes ■ No ■ Not sure

2019

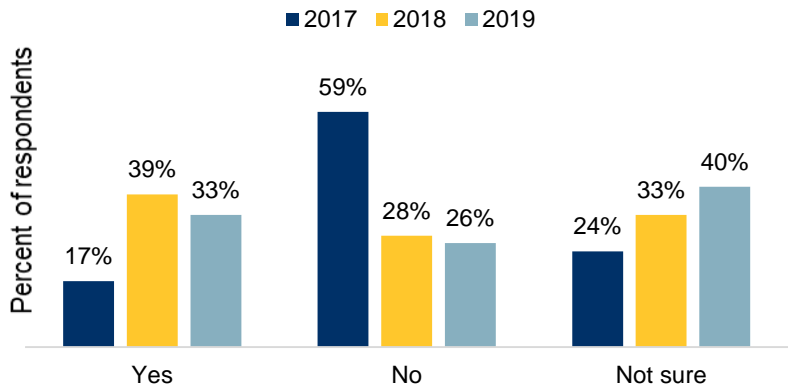


■ Yes ■ No ■ Not sure

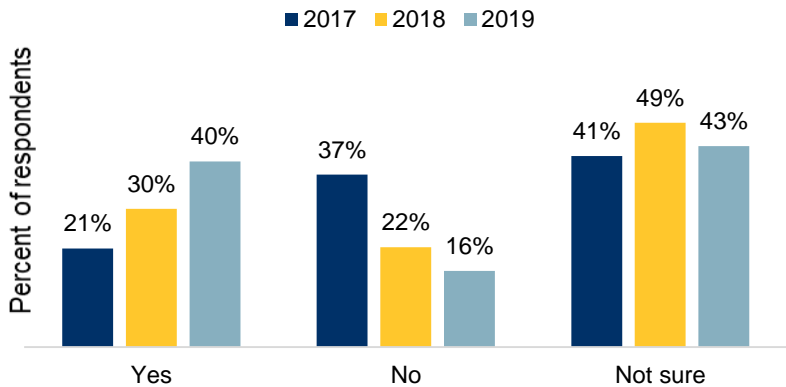


# Do you believe that integrating ESG factors can help generate alpha?

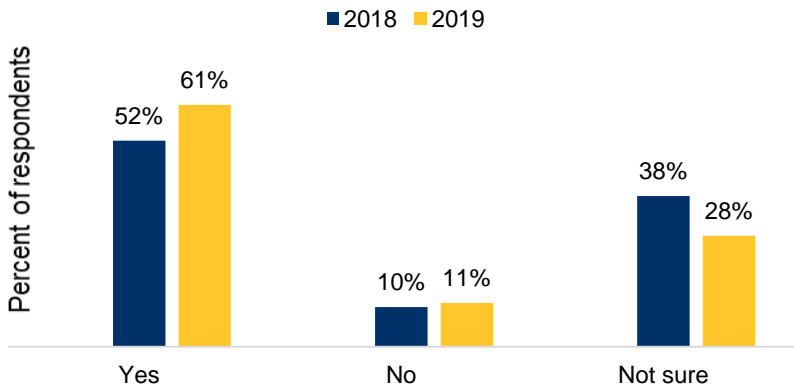
## U.S.



## Canada

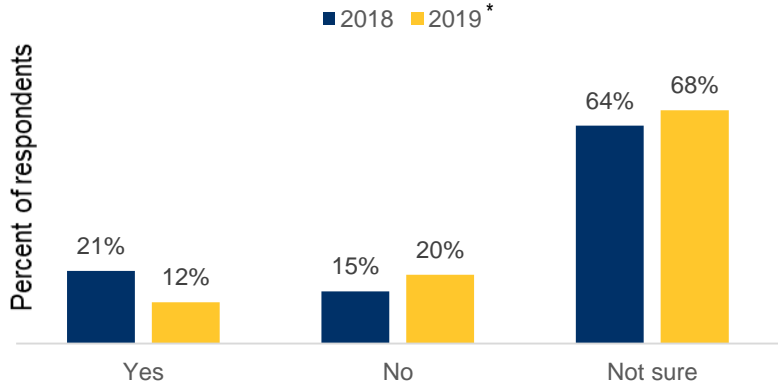


## Europe/UK



Data for 2017 not available.

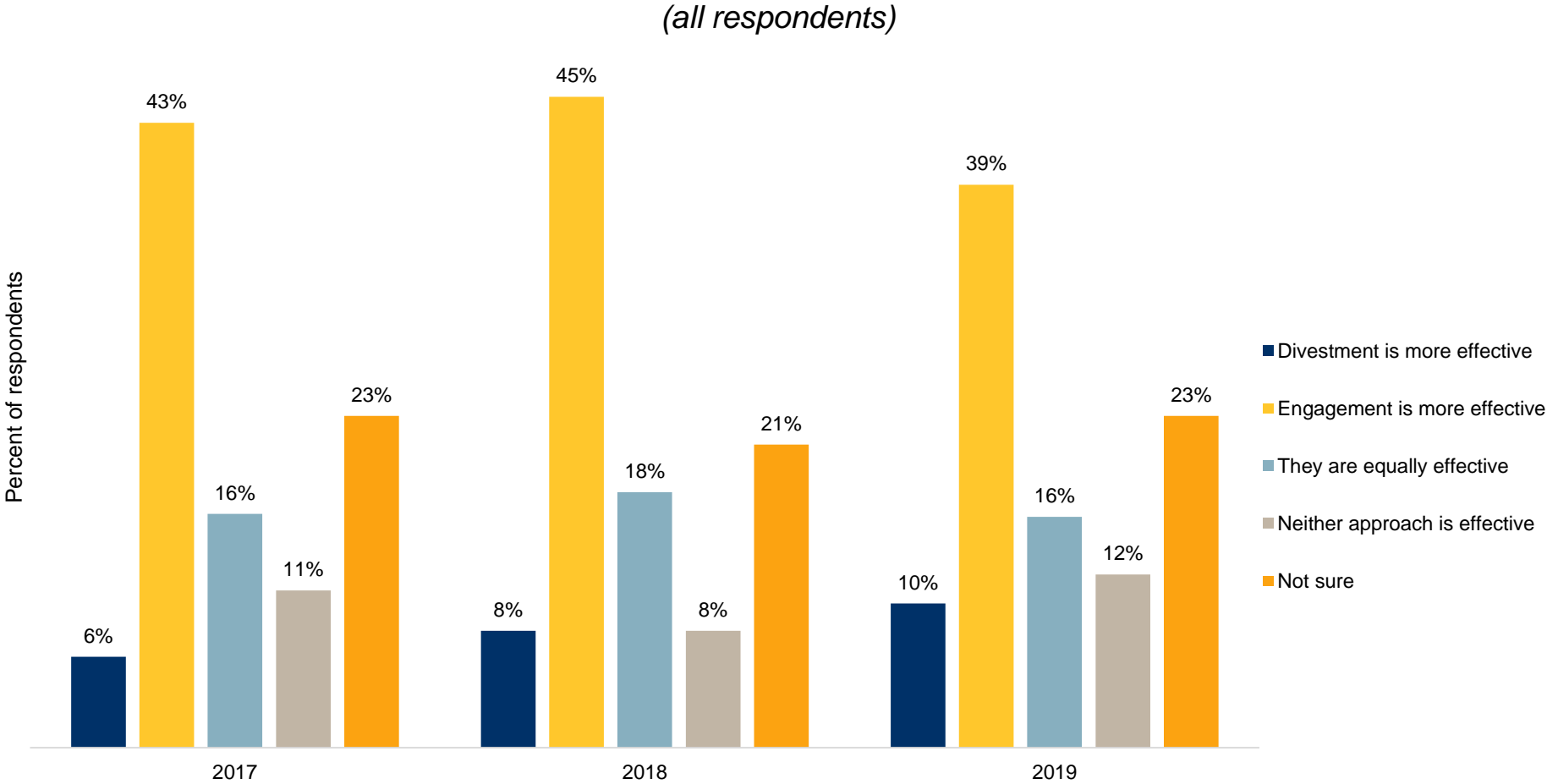
## Asia



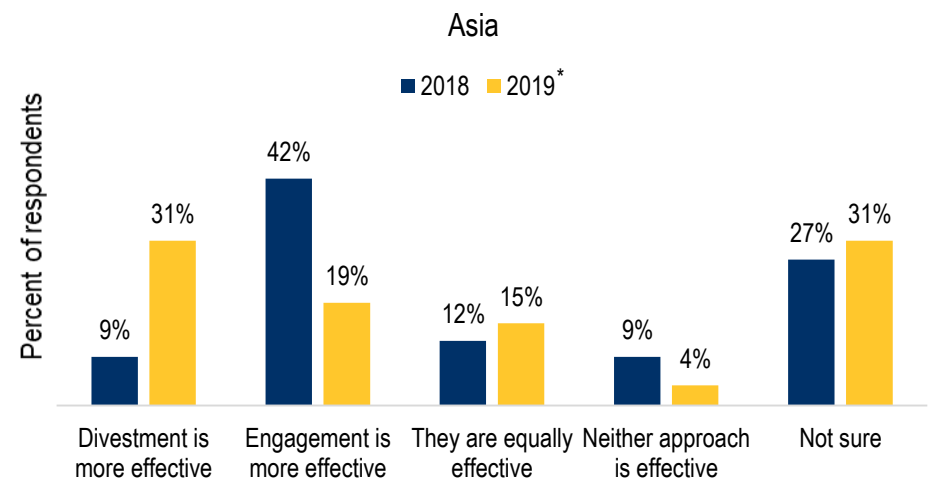
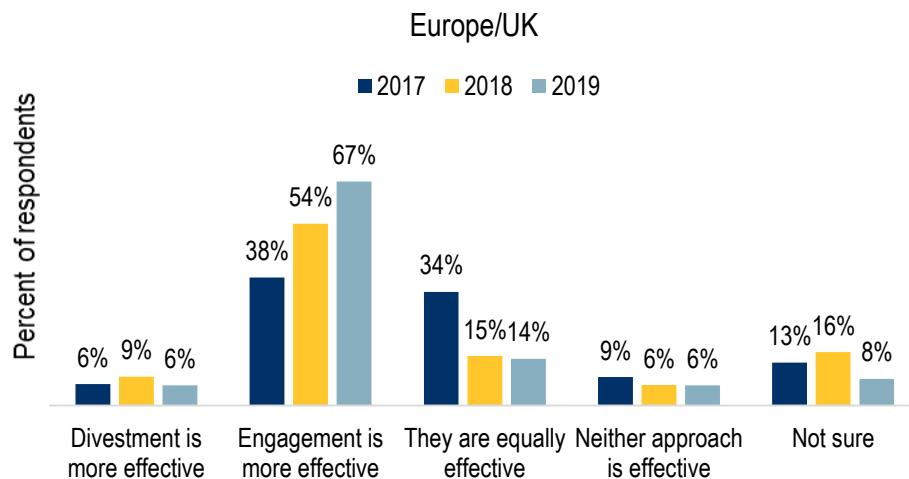
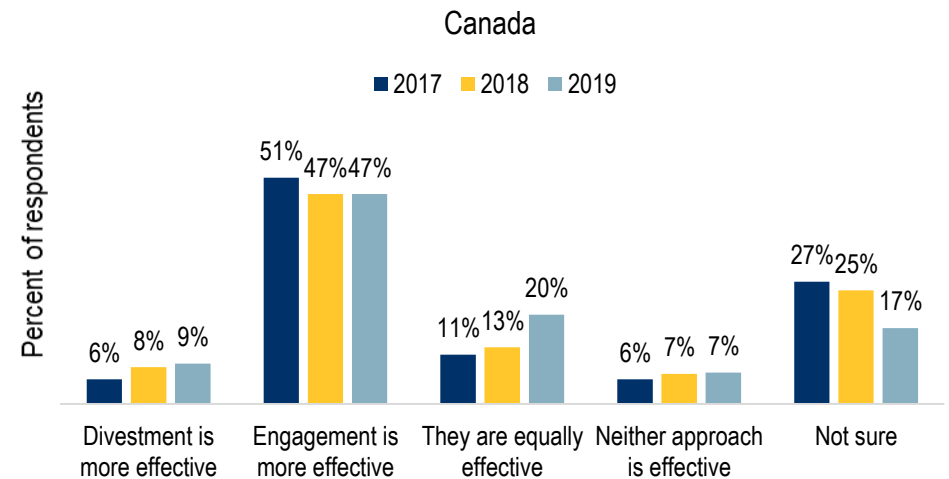
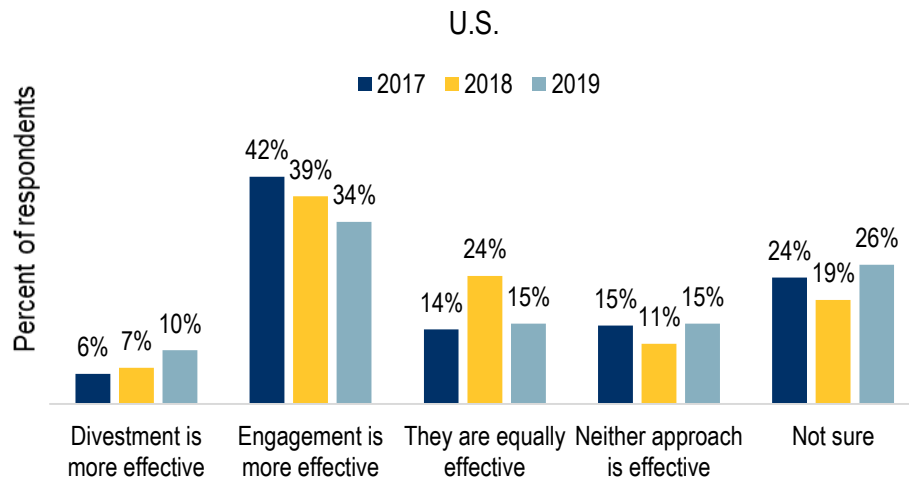
\*Sample size not statistically significant. Data for 2017 not available.



# In the Fossil Fuel Free context, do you consider divestment to be more effective than engagement?



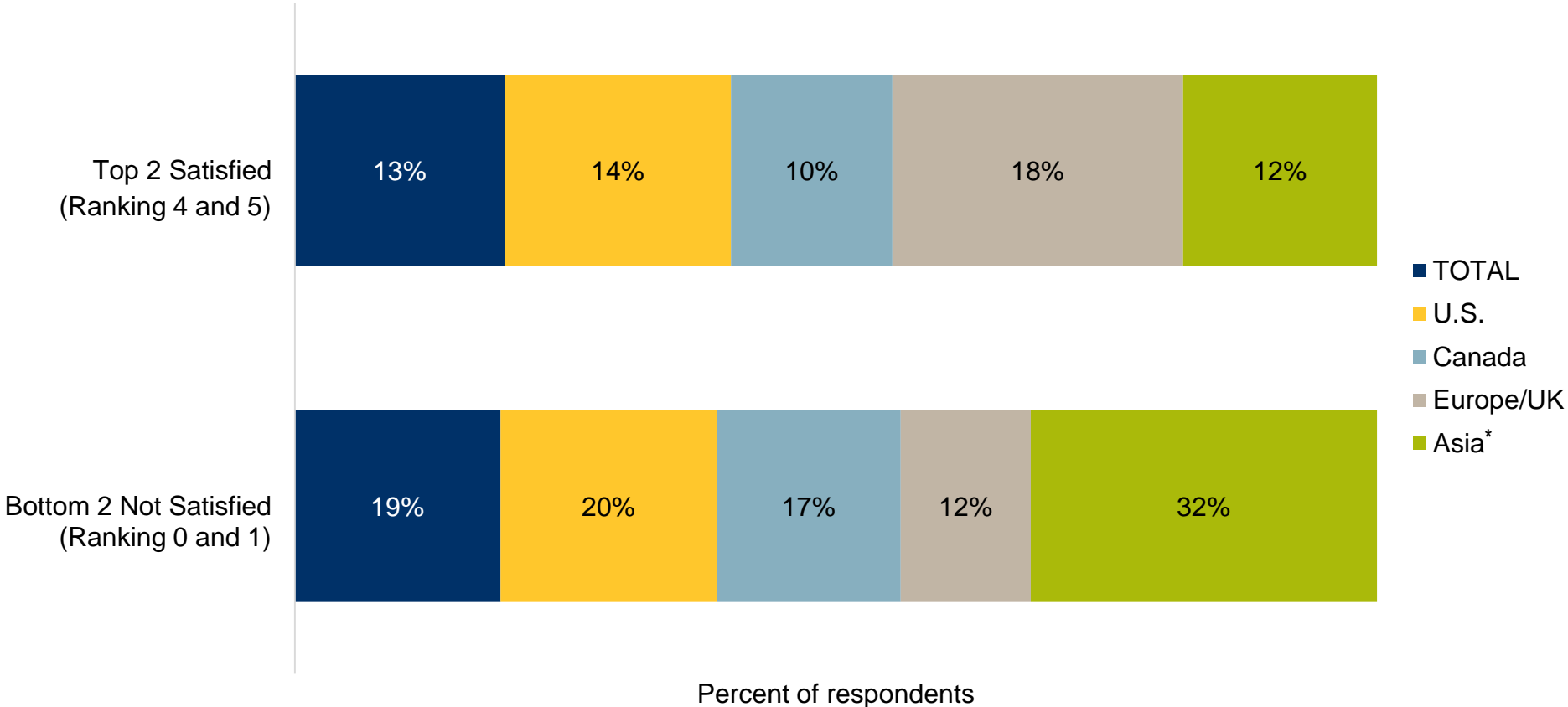
# In the Fossil Fuel Free context, do you consider divestment to be more effective than engagement?



\*Sample size not statistically significant. Data for 2017 not available.

# How satisfied are you with the current amount of ESG-related disclosure provided by issuers?

Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied

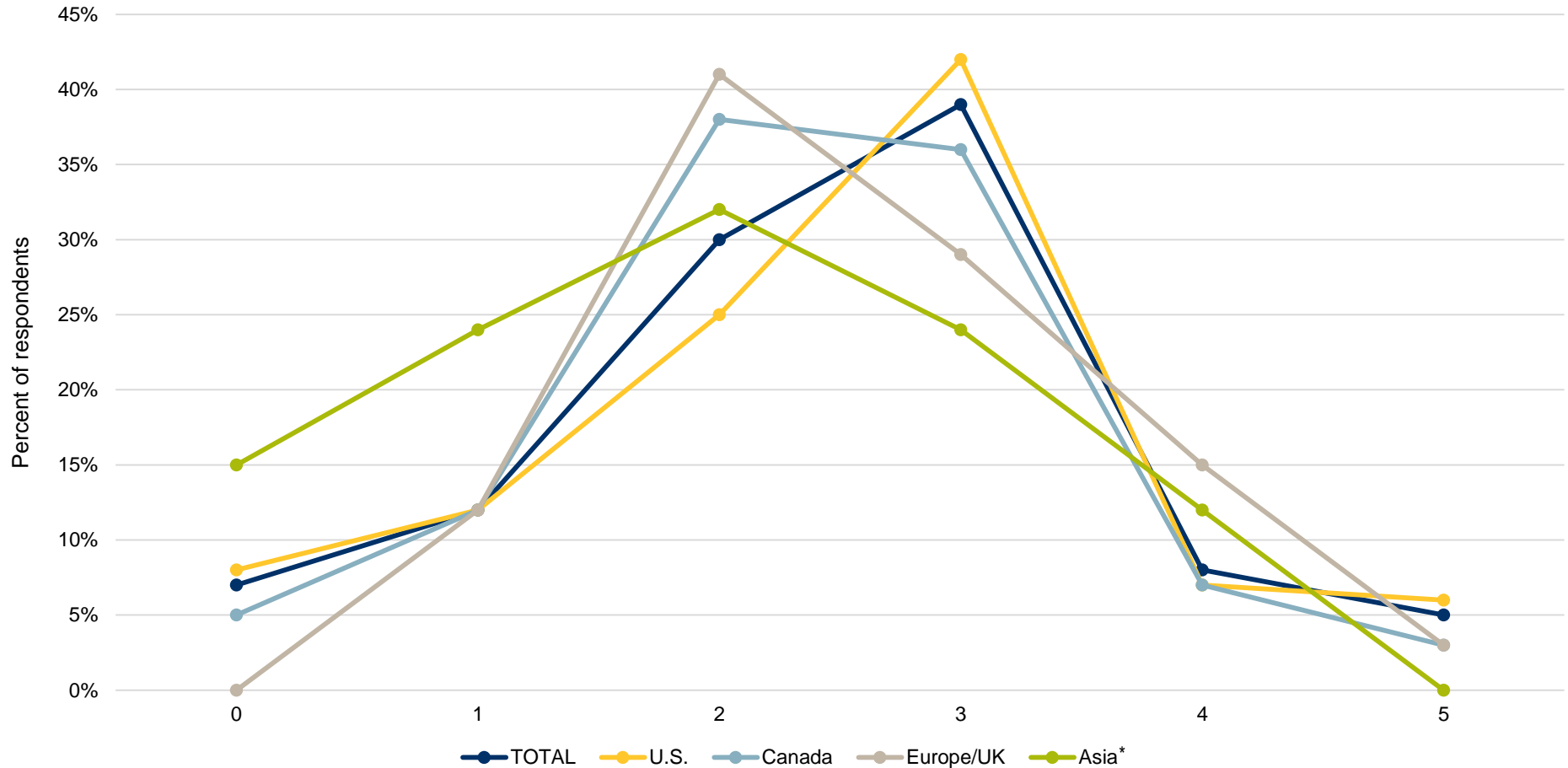


\*Sample size not statistically significant.



# How satisfied are you with the current amount of ESG-related disclosure provided by issuers?

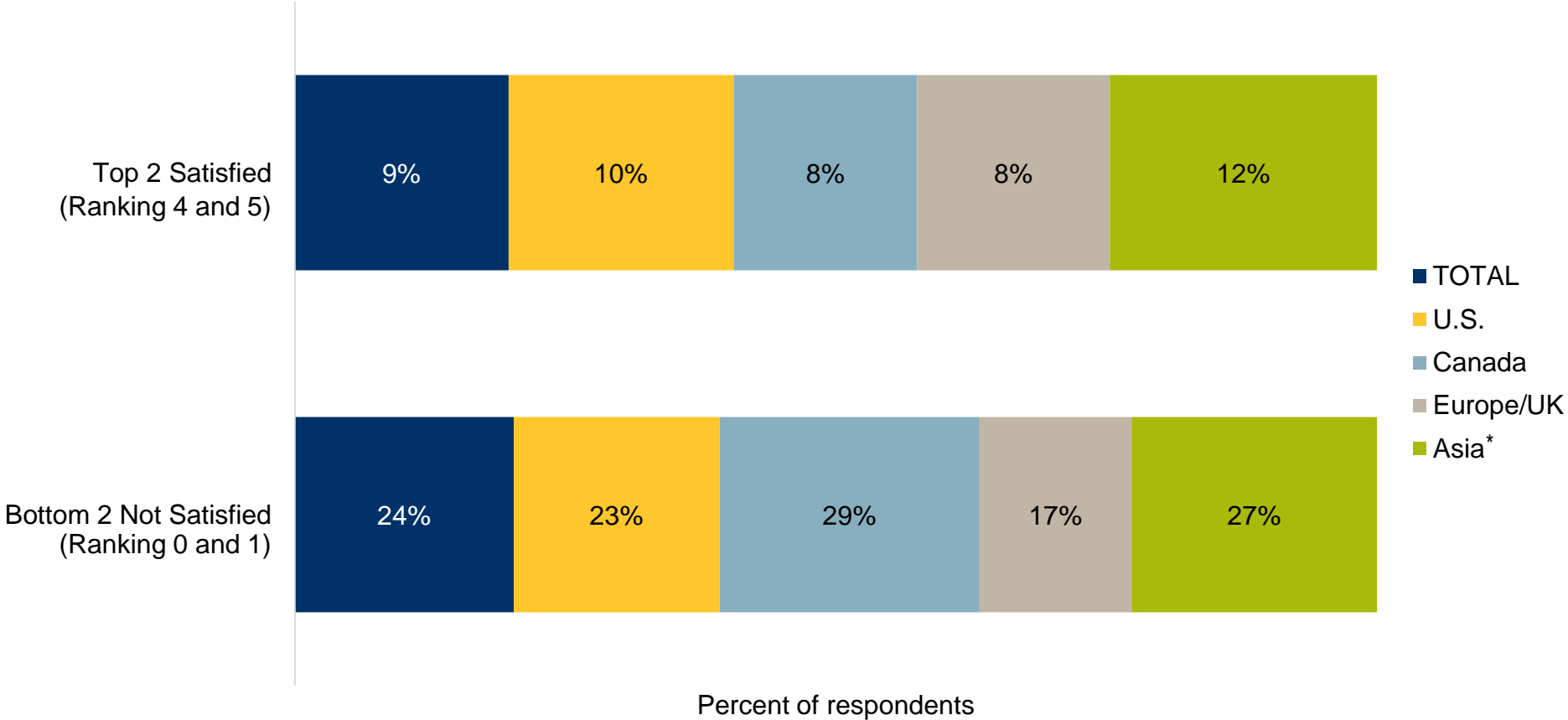
Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied



\*Sample size not statistically significant.

# How satisfied are you with the current quality of ESG-related disclosure provided by issuers?

Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied



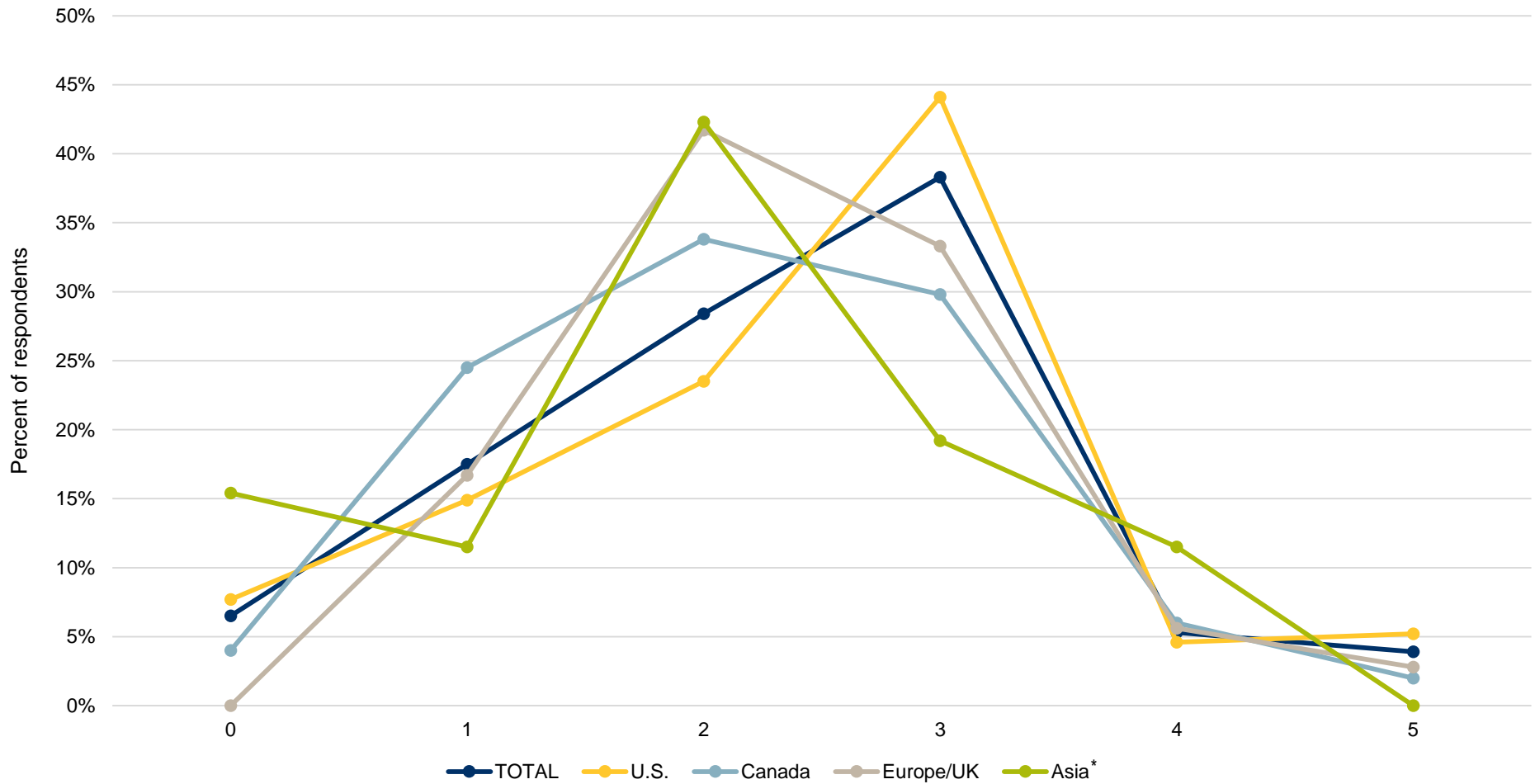
\*Sample size not statistically significant.





# How satisfied are you with the current quality of ESG-related disclosure provided by issuers?

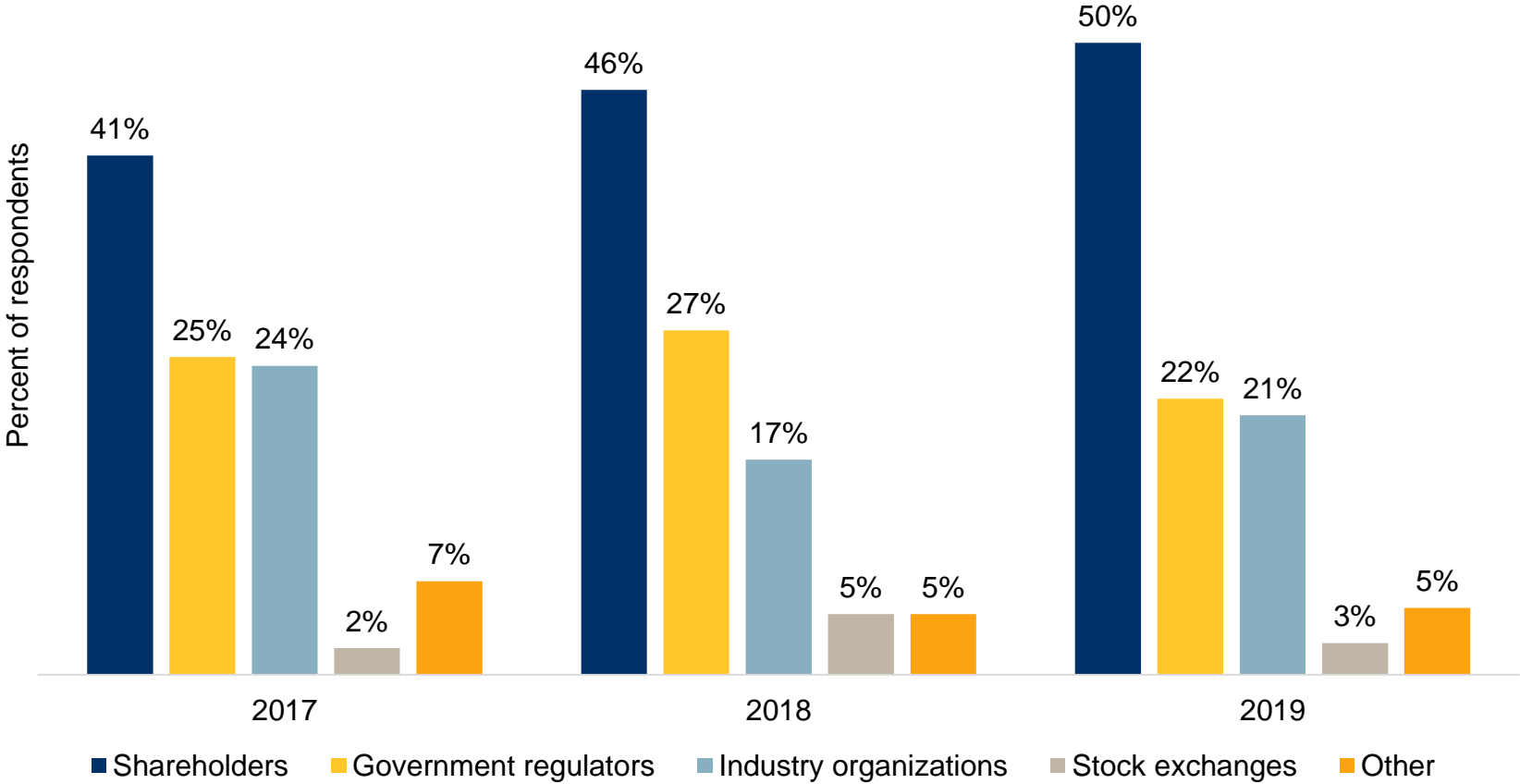
Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied



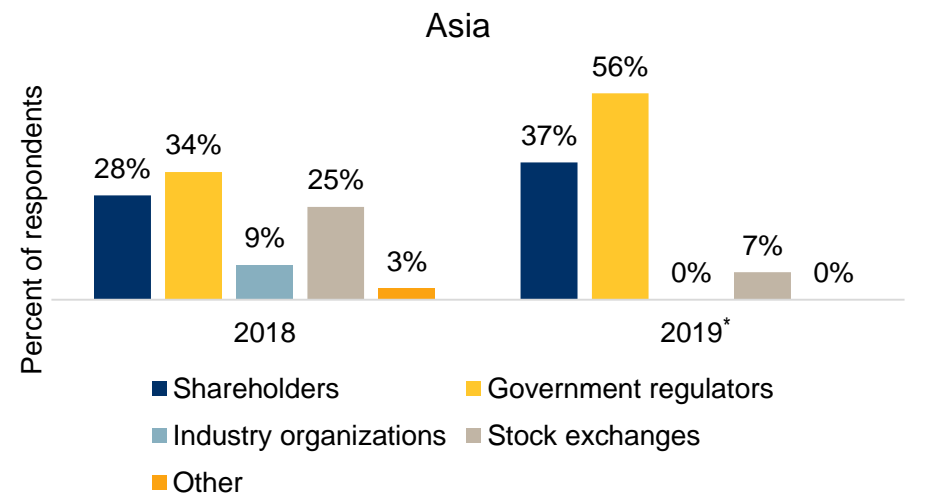
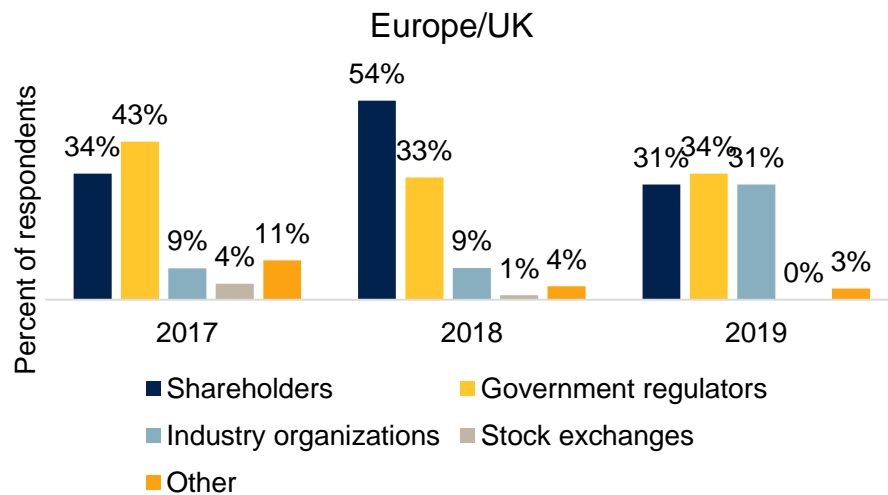
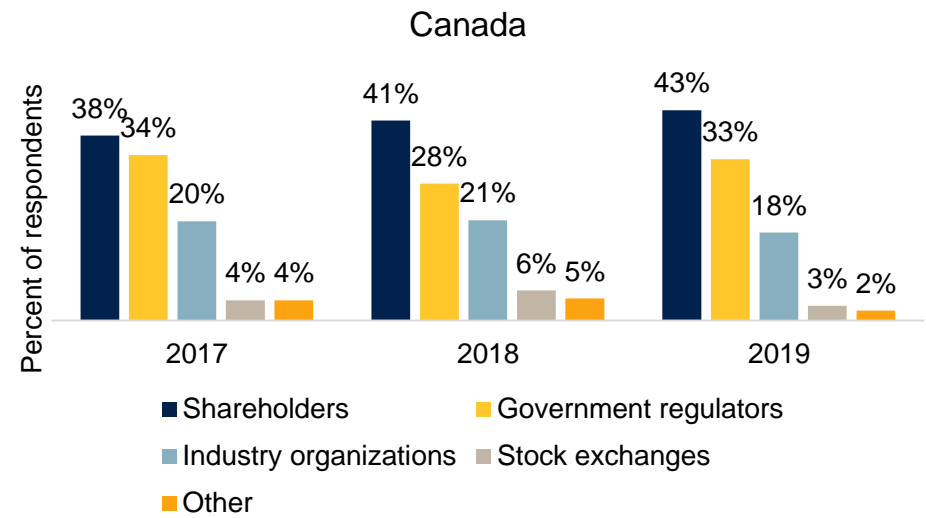
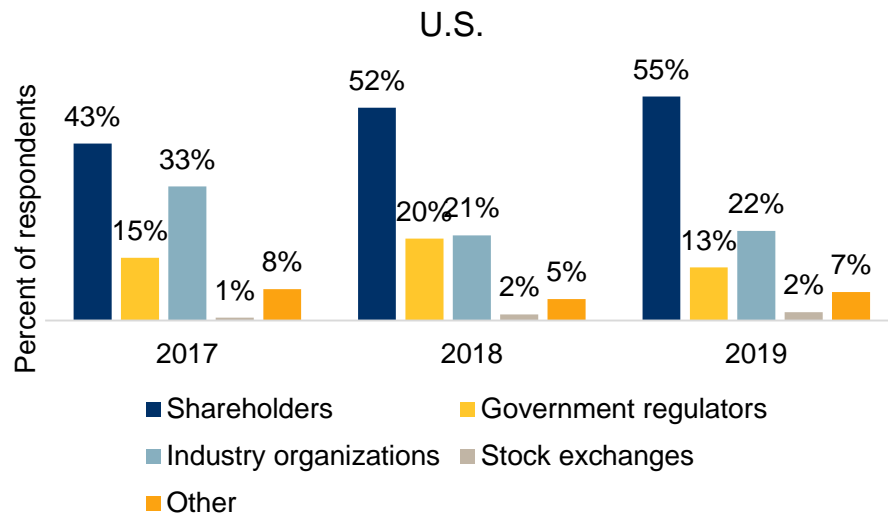
\*Sample size not statistically significant.

# In your opinion, who should take the lead in influencing companies to provide better ESG-related information?

(all respondents)



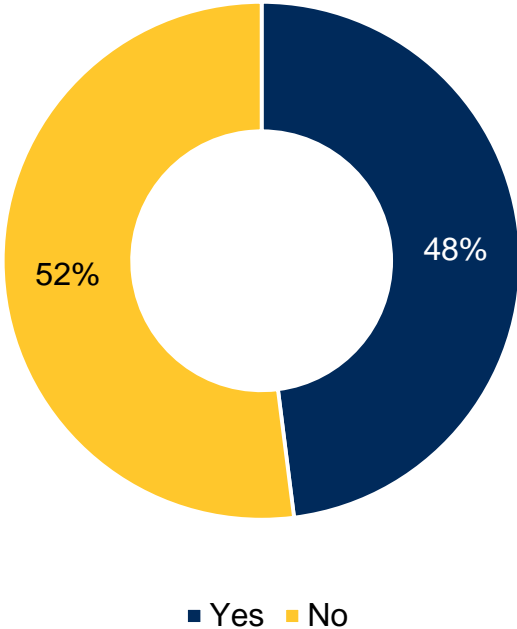
# In your opinion, who should take the lead in influencing companies to provide better ESG-related information?



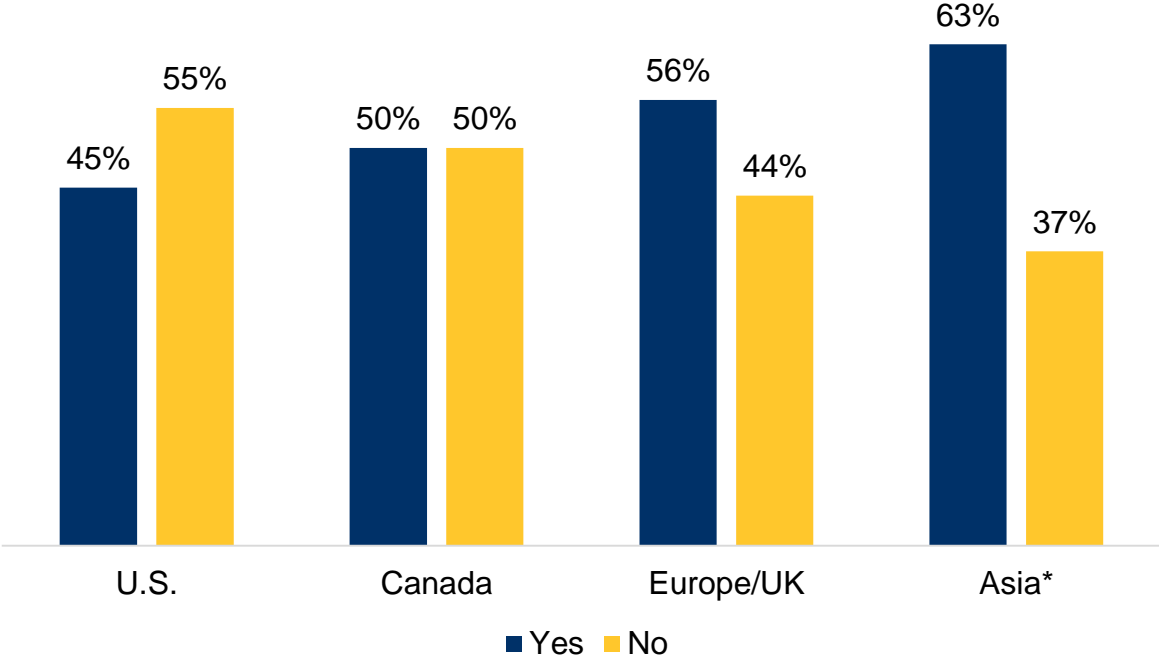
\*Sample size not statistically significant. Data for 2017 not available.

# In your opinion, should gender diversity targets be adopted?

All respondents



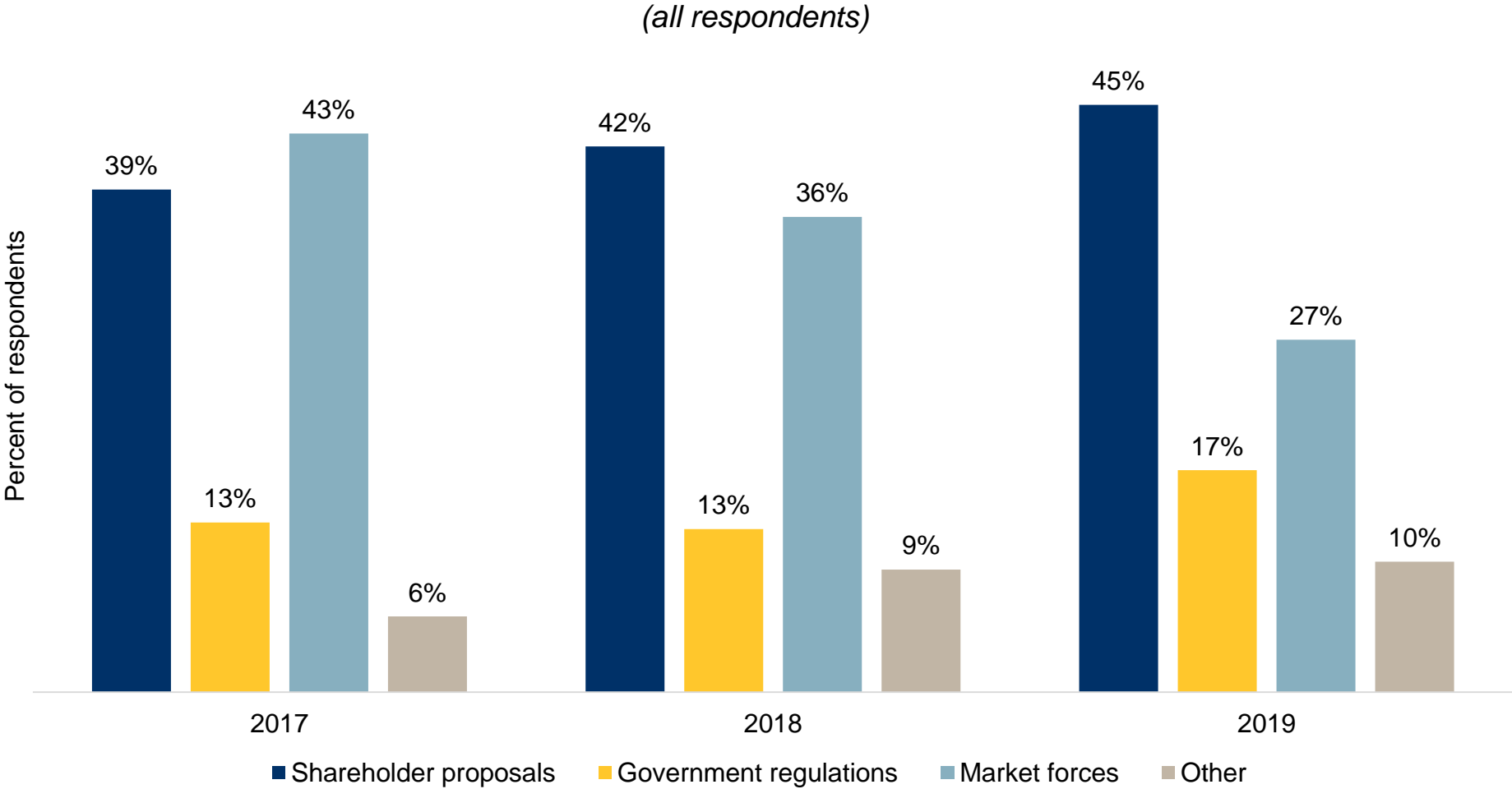
By region



\*Sample size not statistically significant.

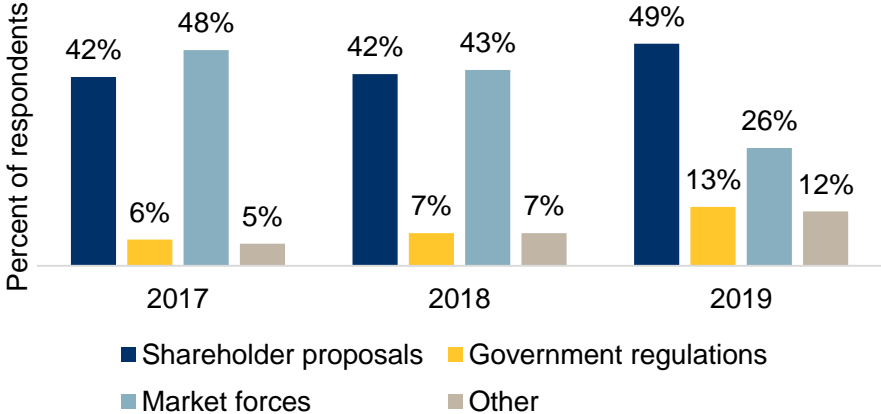


# What is your preferred approach to encourage gender diversity on corporate boards?

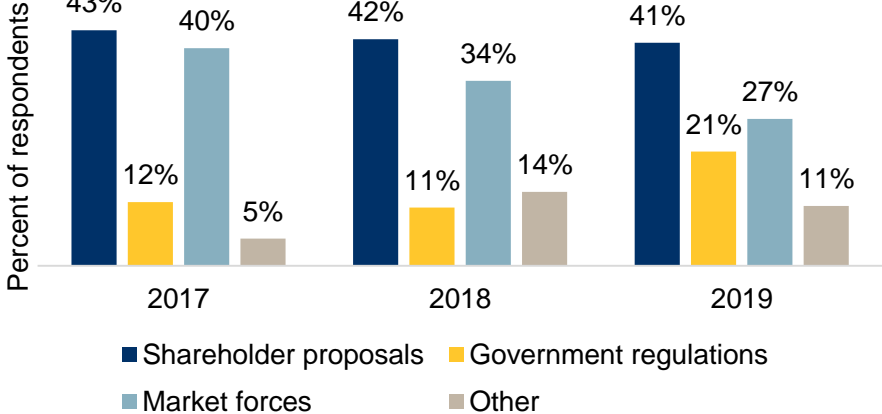


# What is your preferred approach to encourage gender diversity on corporate boards?

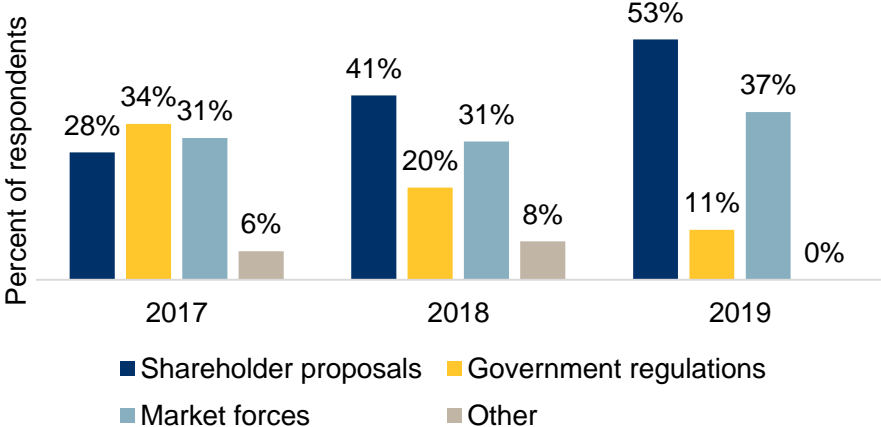
U.S.



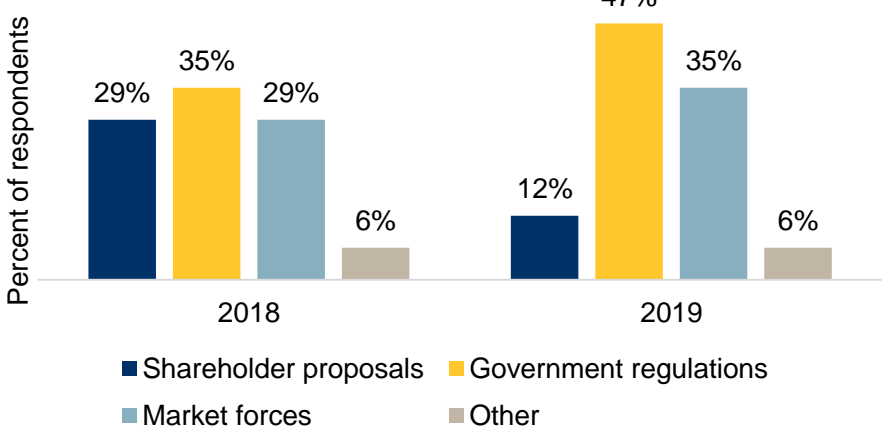
Canada



Europe/UK



Asia\*

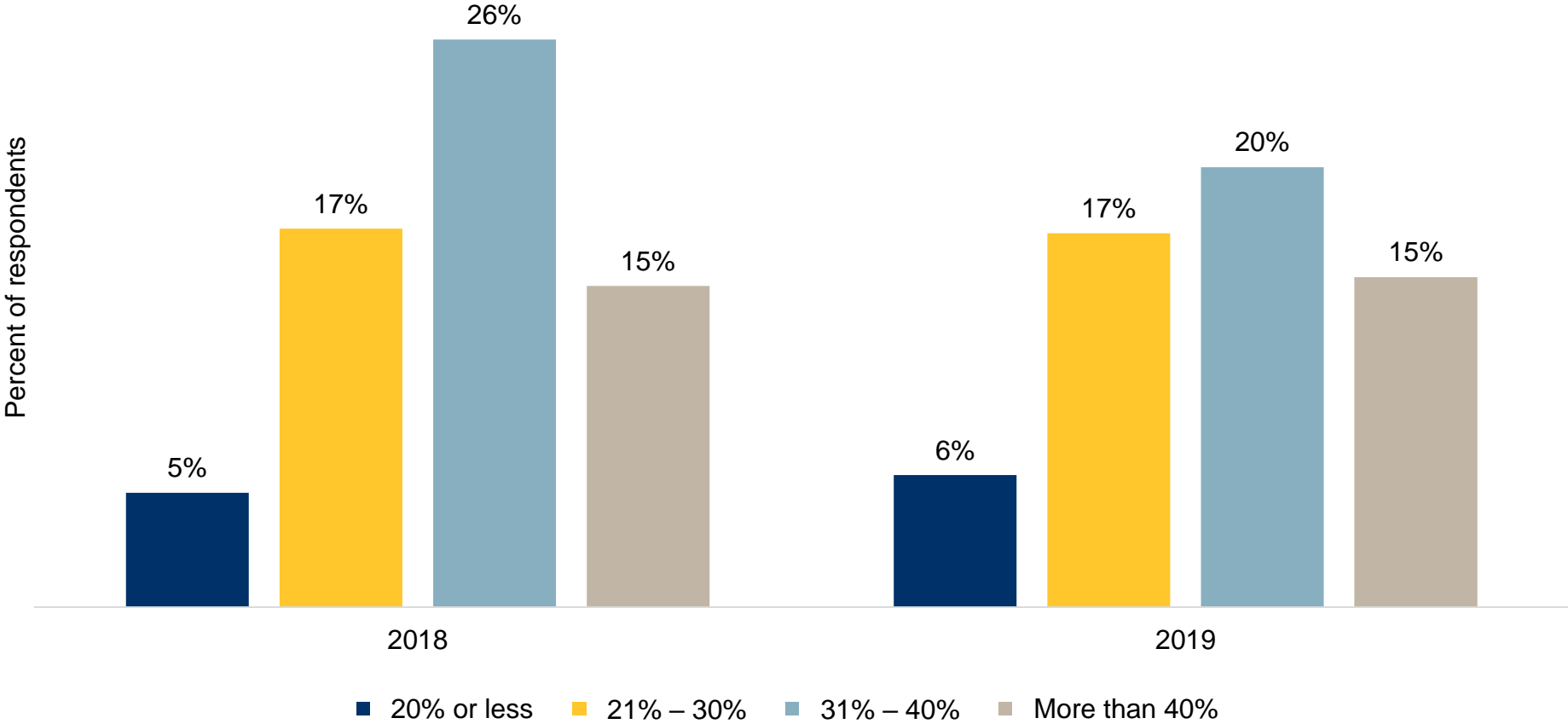


\*Sample size not statistically significant. Data for 2017 not available.

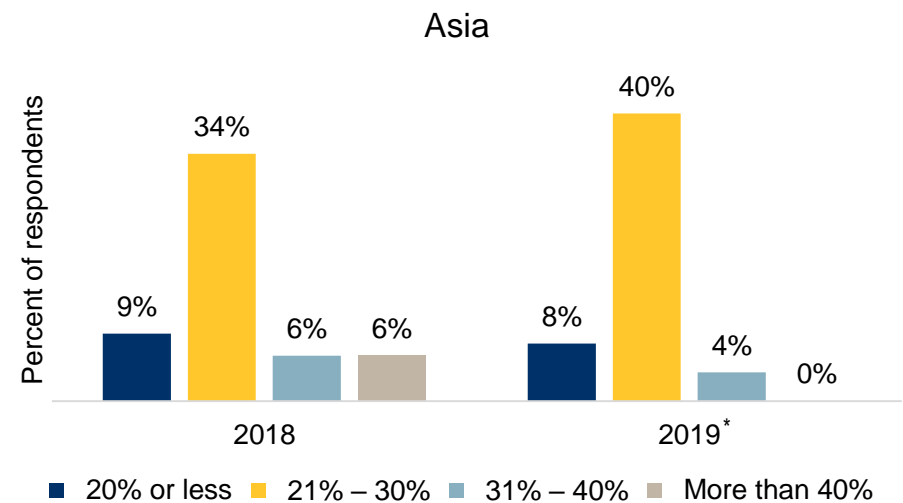
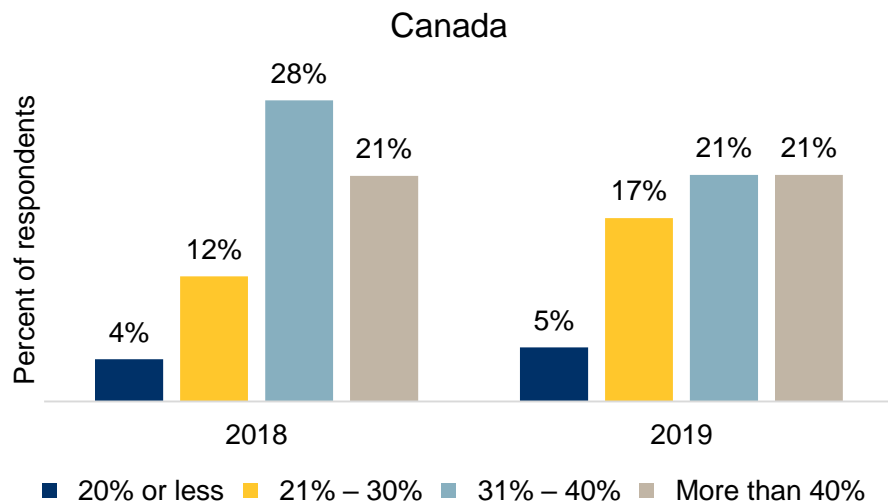
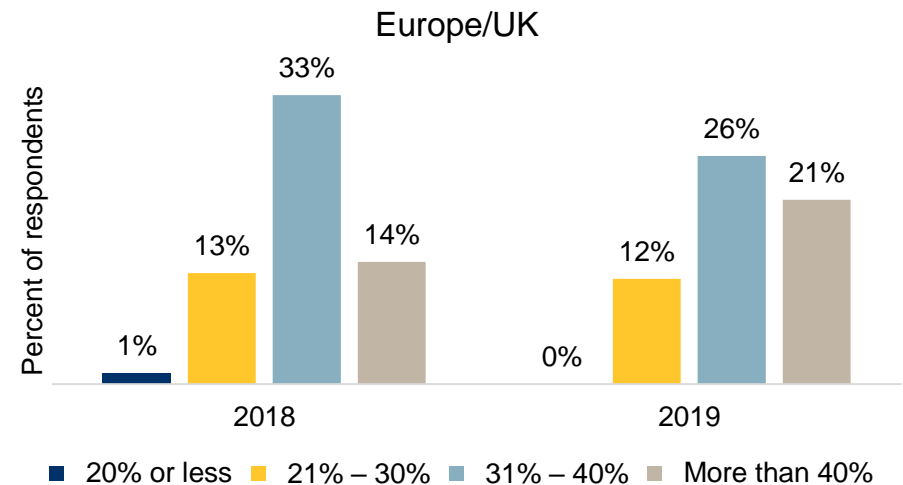
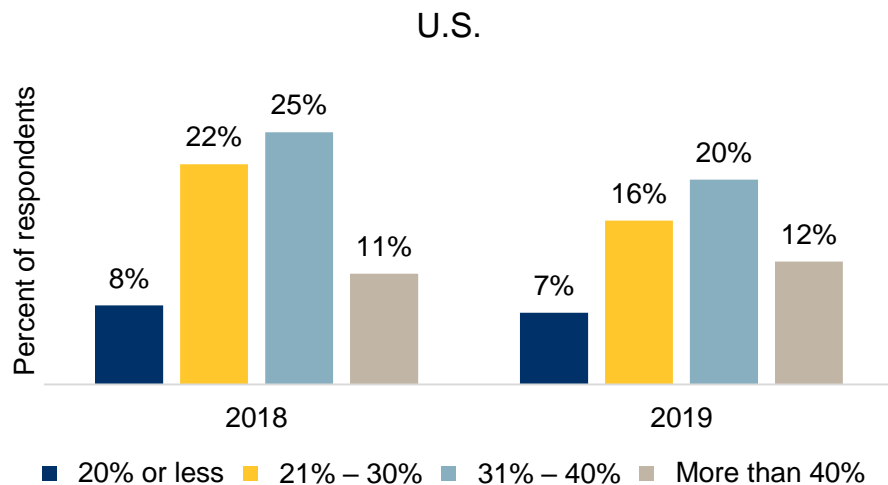


# What would be a reasonable non-binding target for the board of an issuer to adopt regarding gender diversity?

(all respondents)



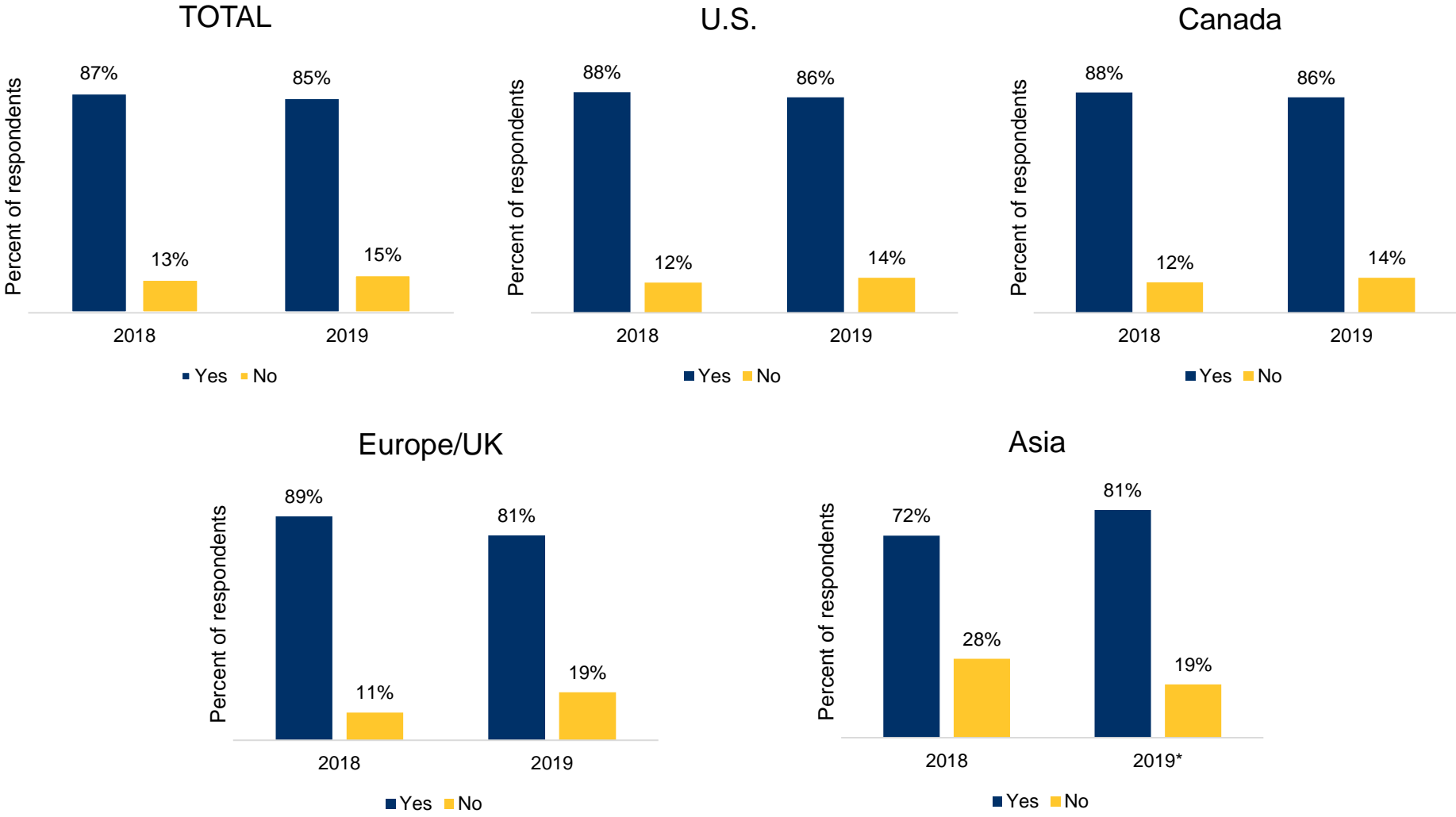
# What would be a reasonable non-binding target for the board of an issuer to adopt regarding gender diversity?



\*Sample size not statistically significant.



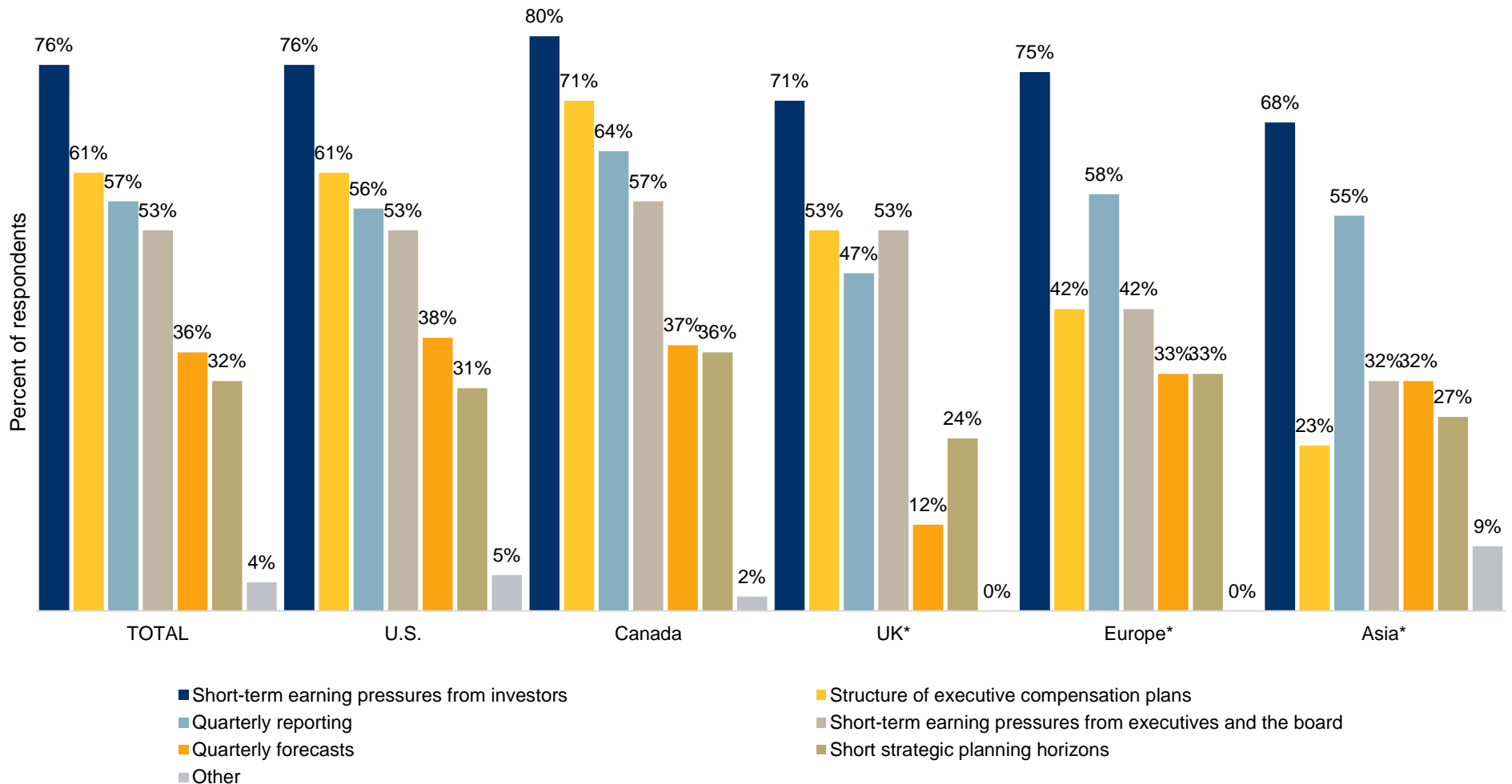
# Do you think corporations are too focused on short-term financial results?



\*Sample size not statistically significant.

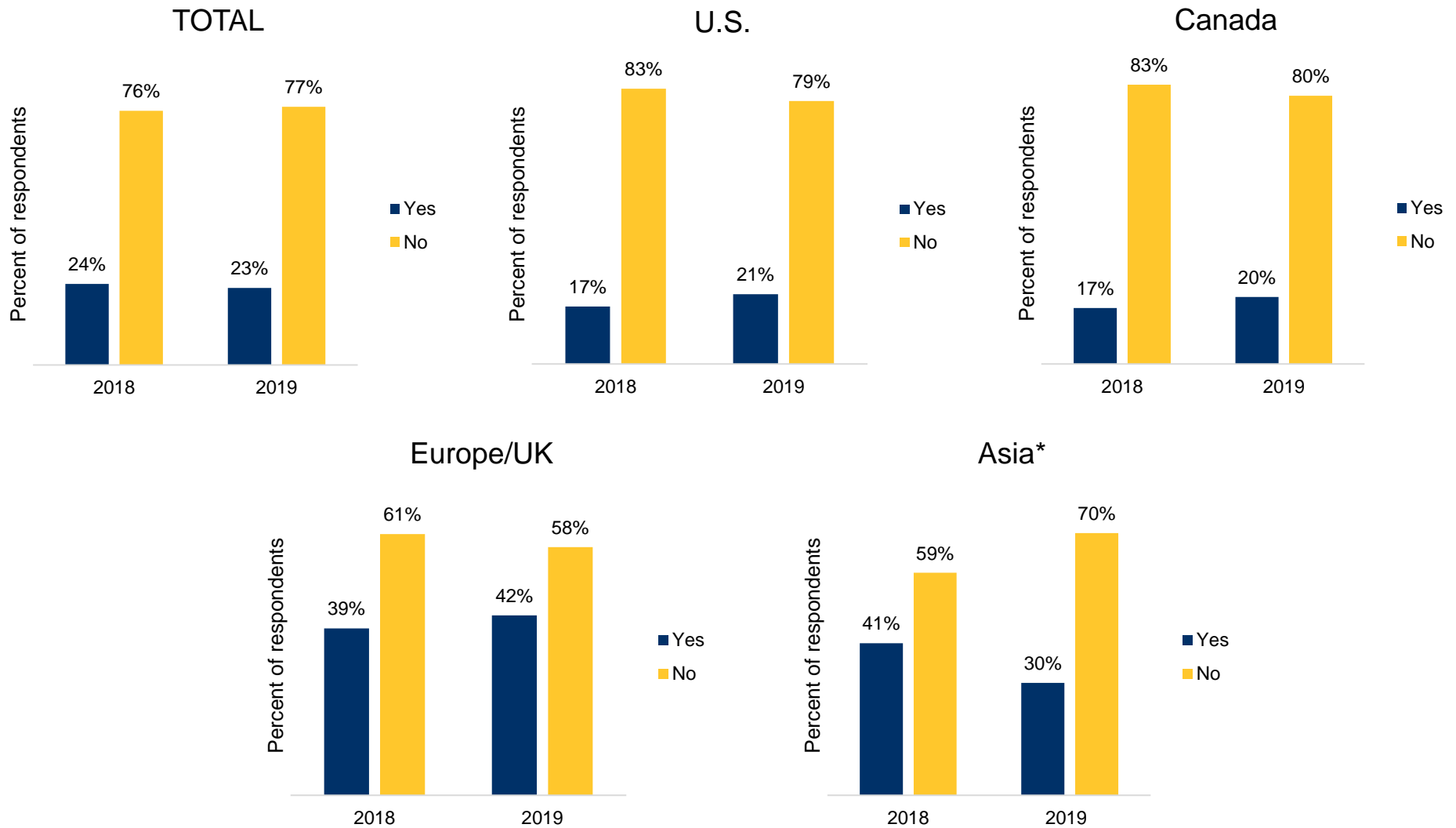


# What do you think is causing that short-term focus?



\*Sample size not statistically significant.

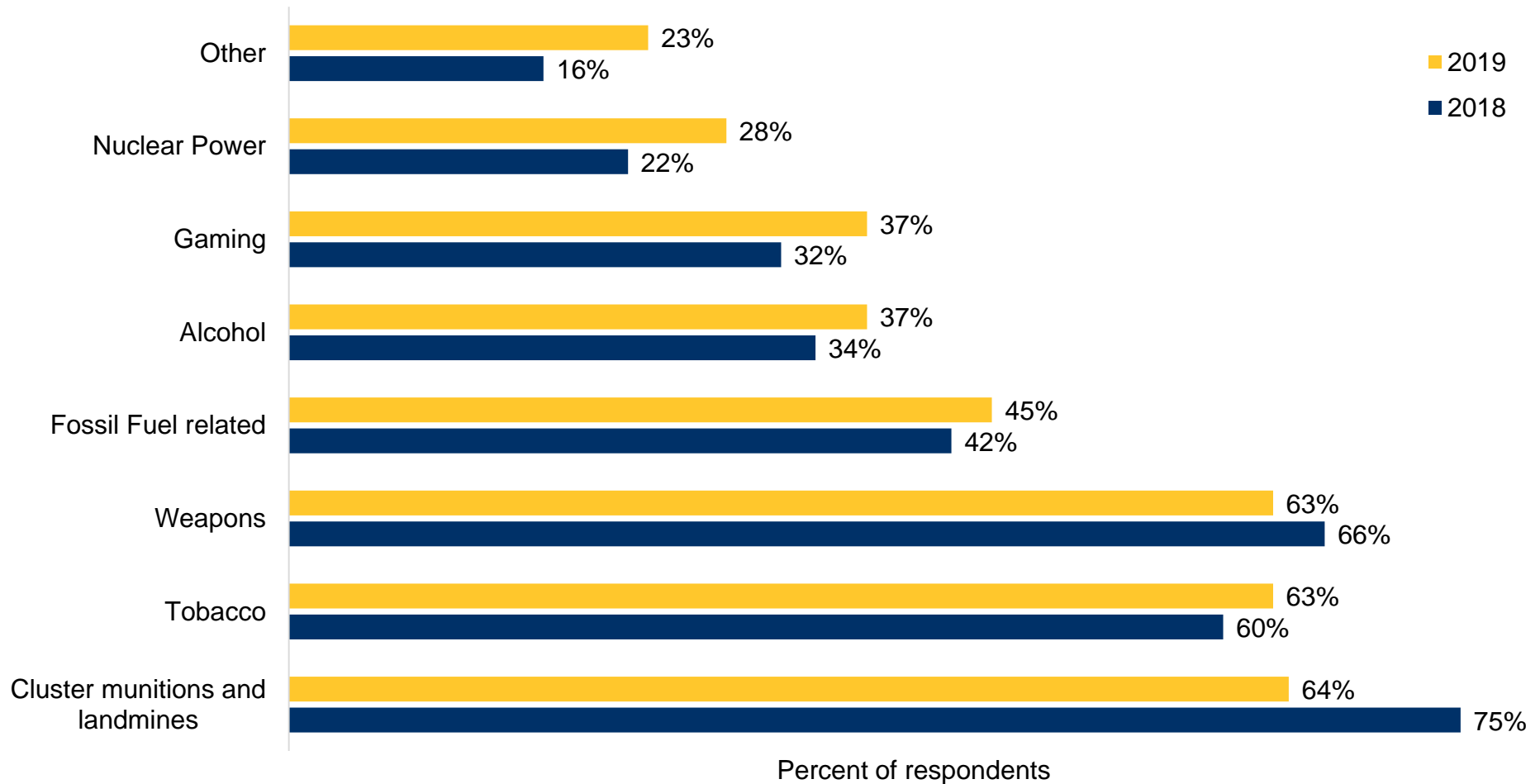
# Do you require your external asset manager(s) to apply any negative Socially Responsible Investment (SRI) screens to your portfolio?



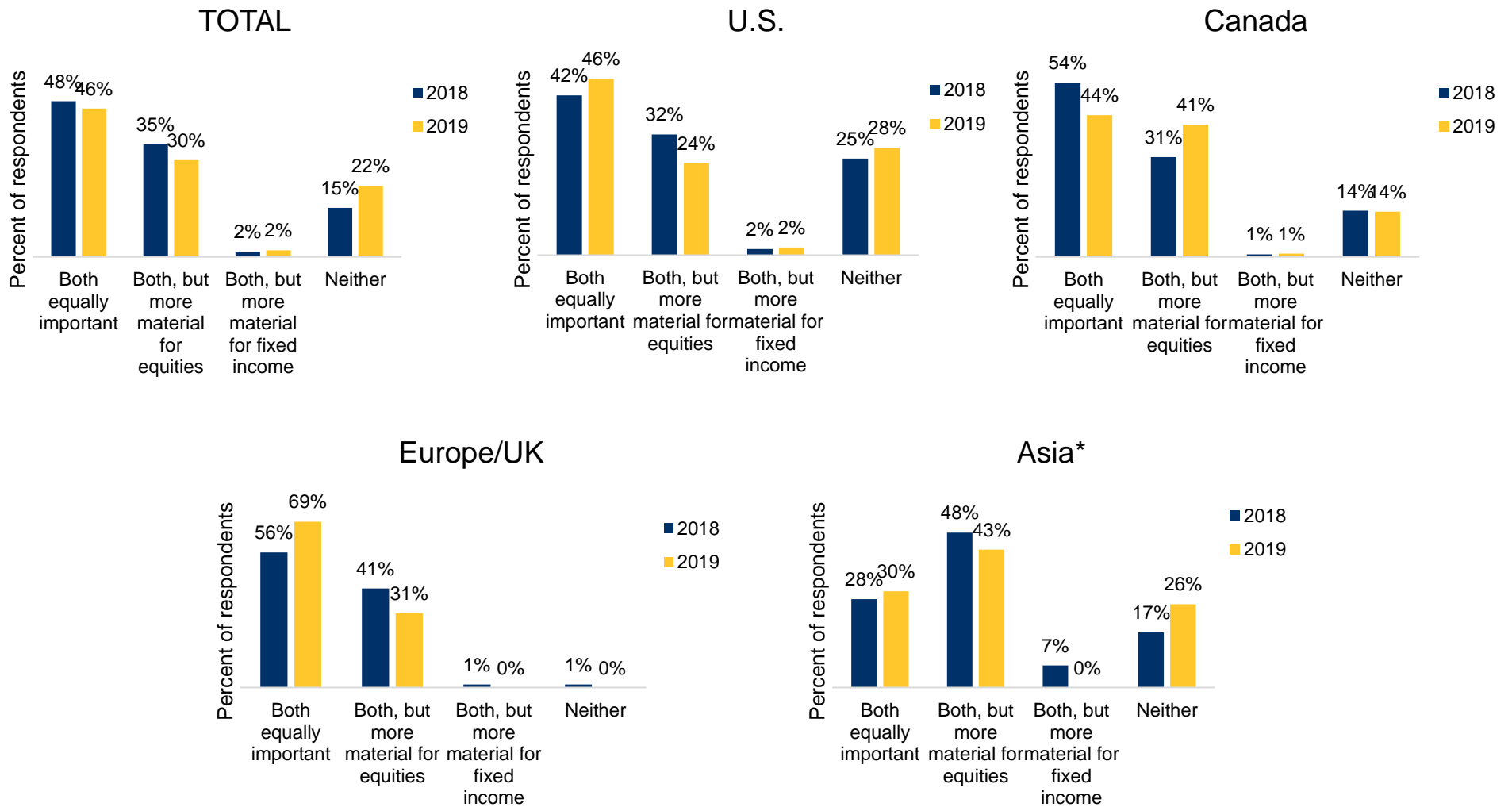
\*Sample size not statistically significant.

# Which screens are applied?

*n=require that asset managers apply negative SRI screens to your portfolio  
(all respondents)*

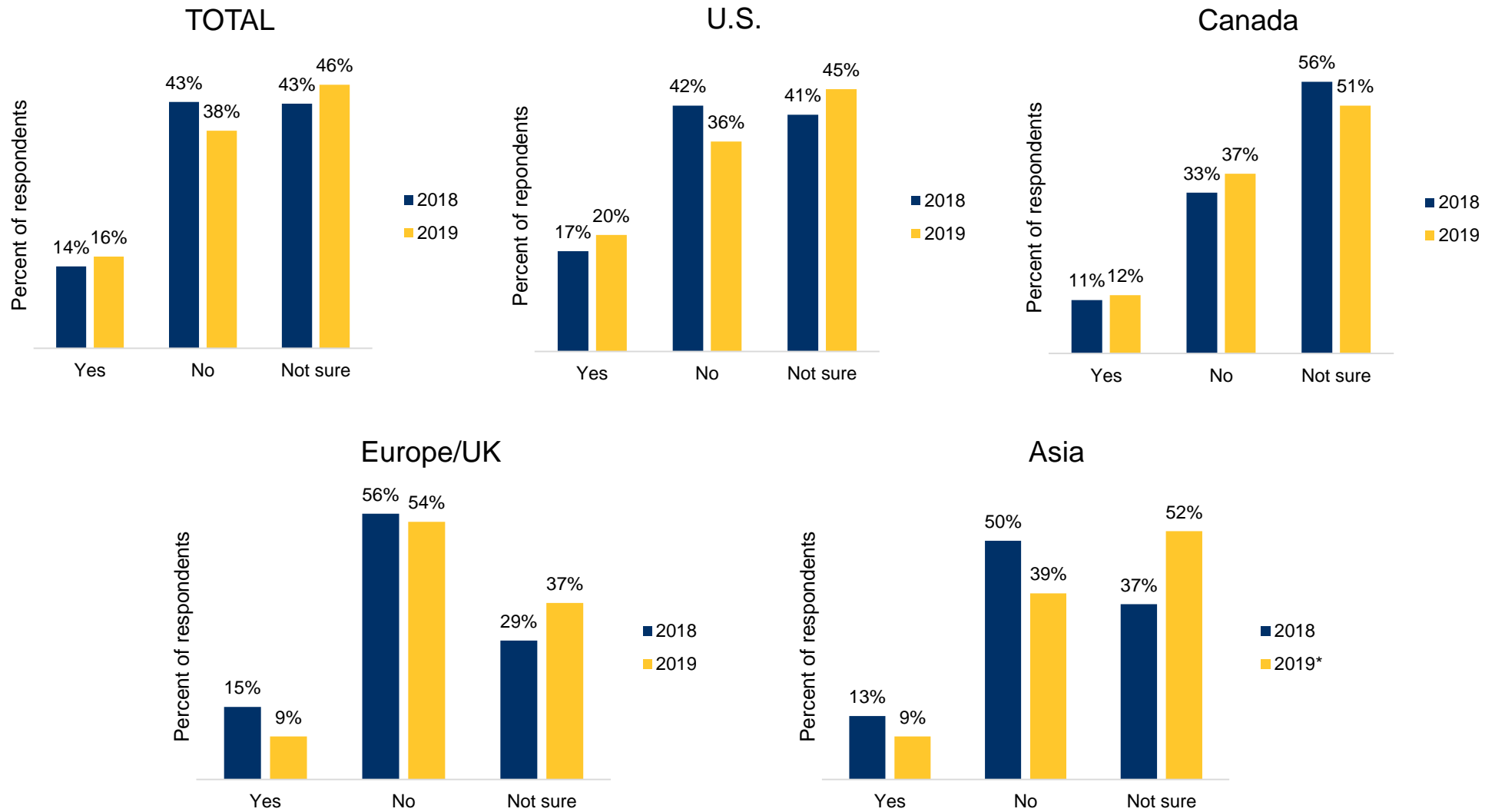


# Is it important to incorporate ESG factors into both equity and fixed income strategies?



\*Sample size not statistically significant.

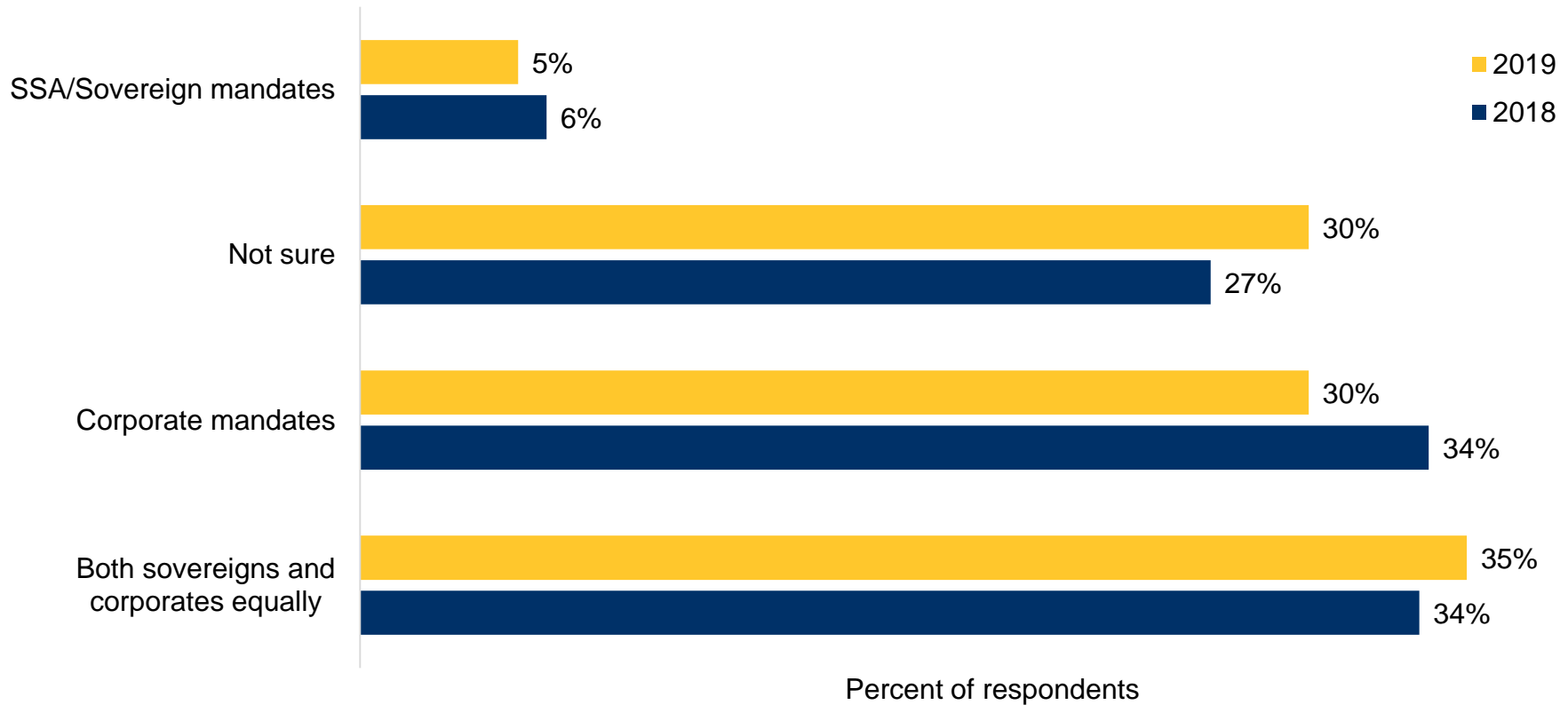
# Do you believe that there are sufficient fixed income product offerings that incorporate ESG factors?



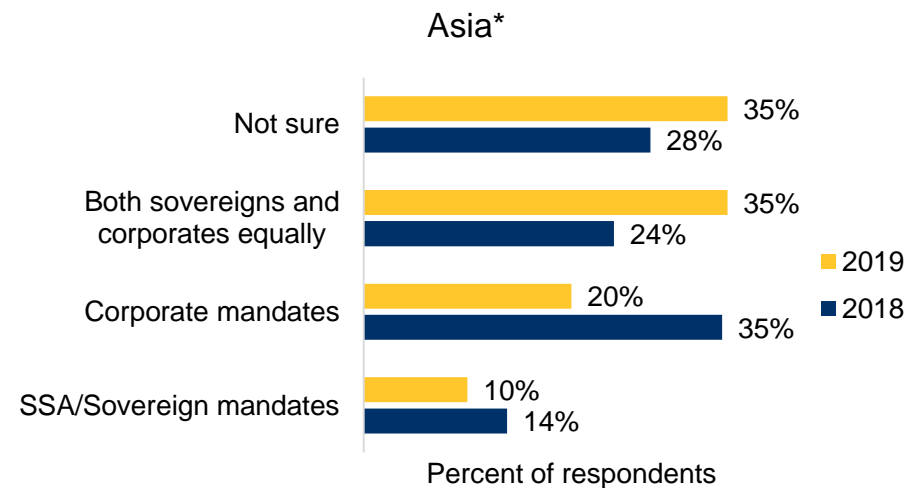
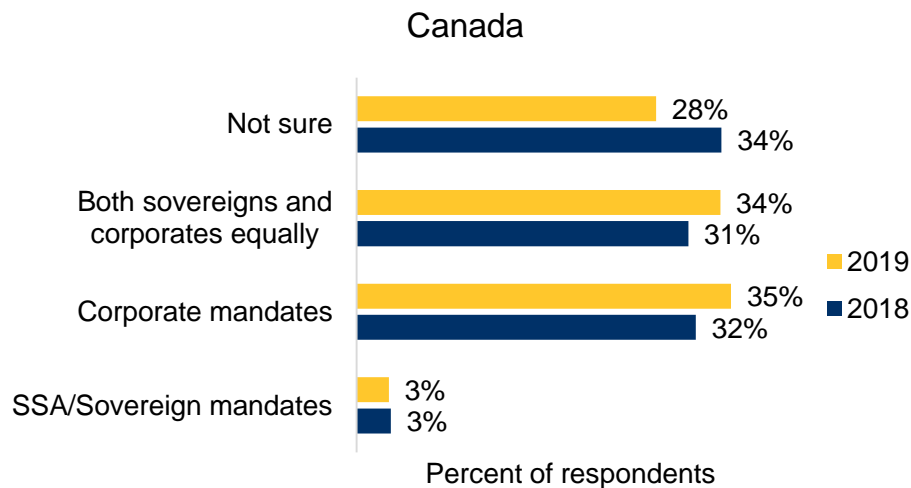
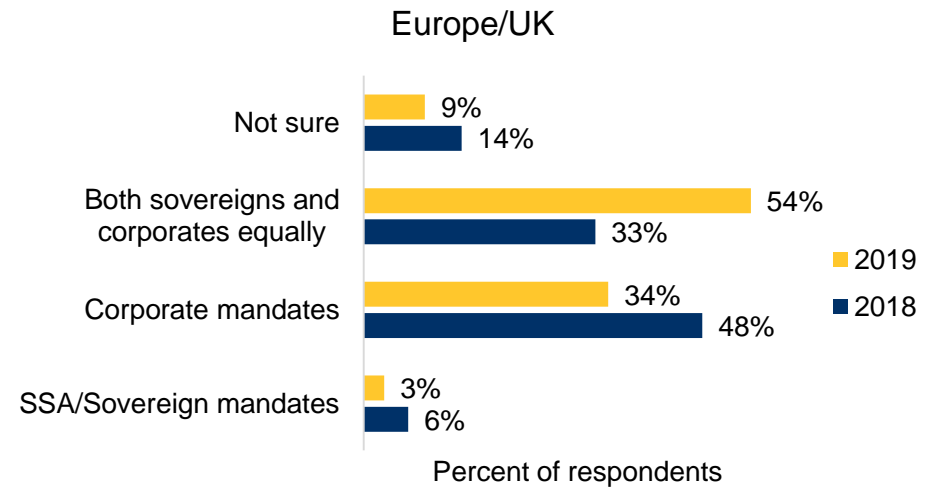
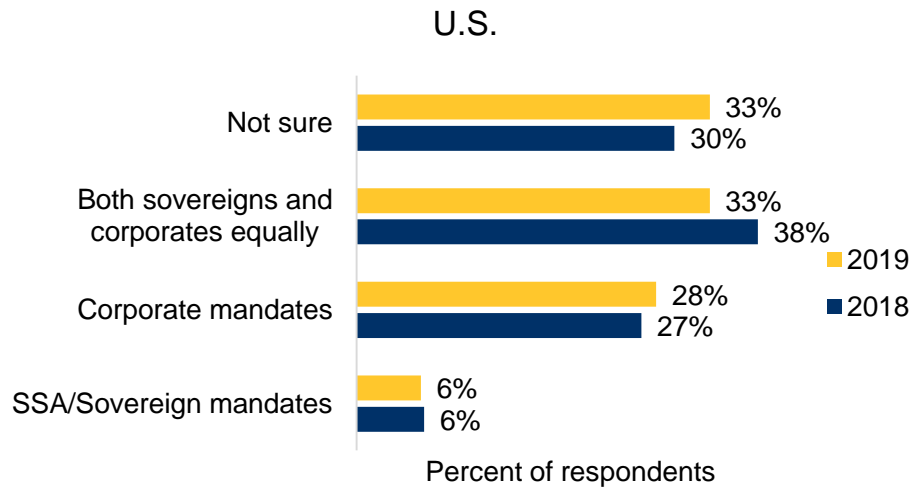
\*Sample size not statistically significant.

# For what type of fixed income issuer do you believe ESG issues are the most material?

(all respondents)



# For what type of fixed income issuer do you believe ESG issues are the most material?

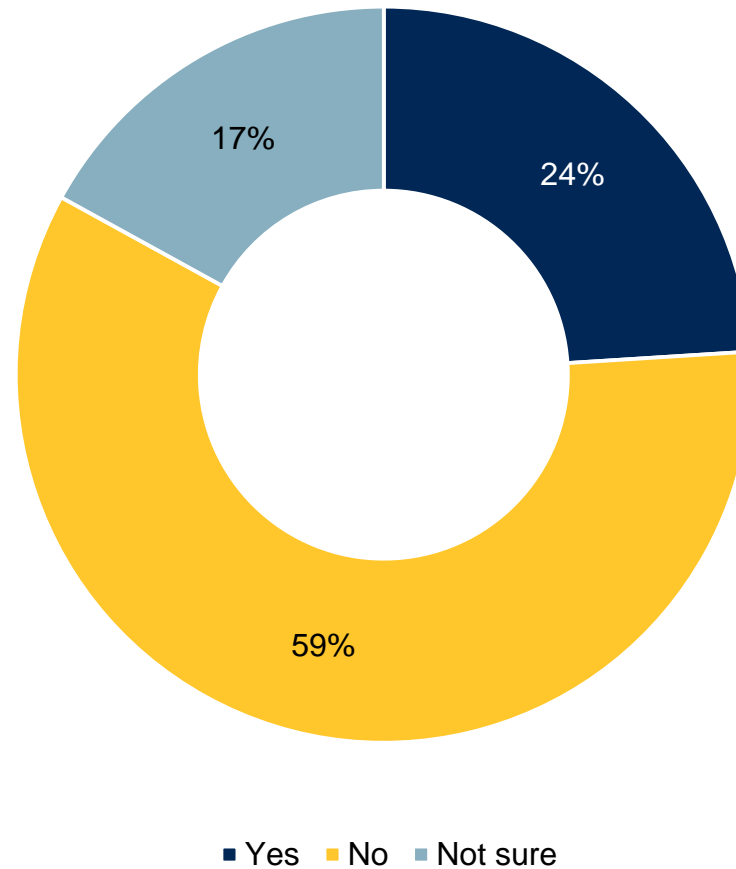


\*Sample size not statistically significant.

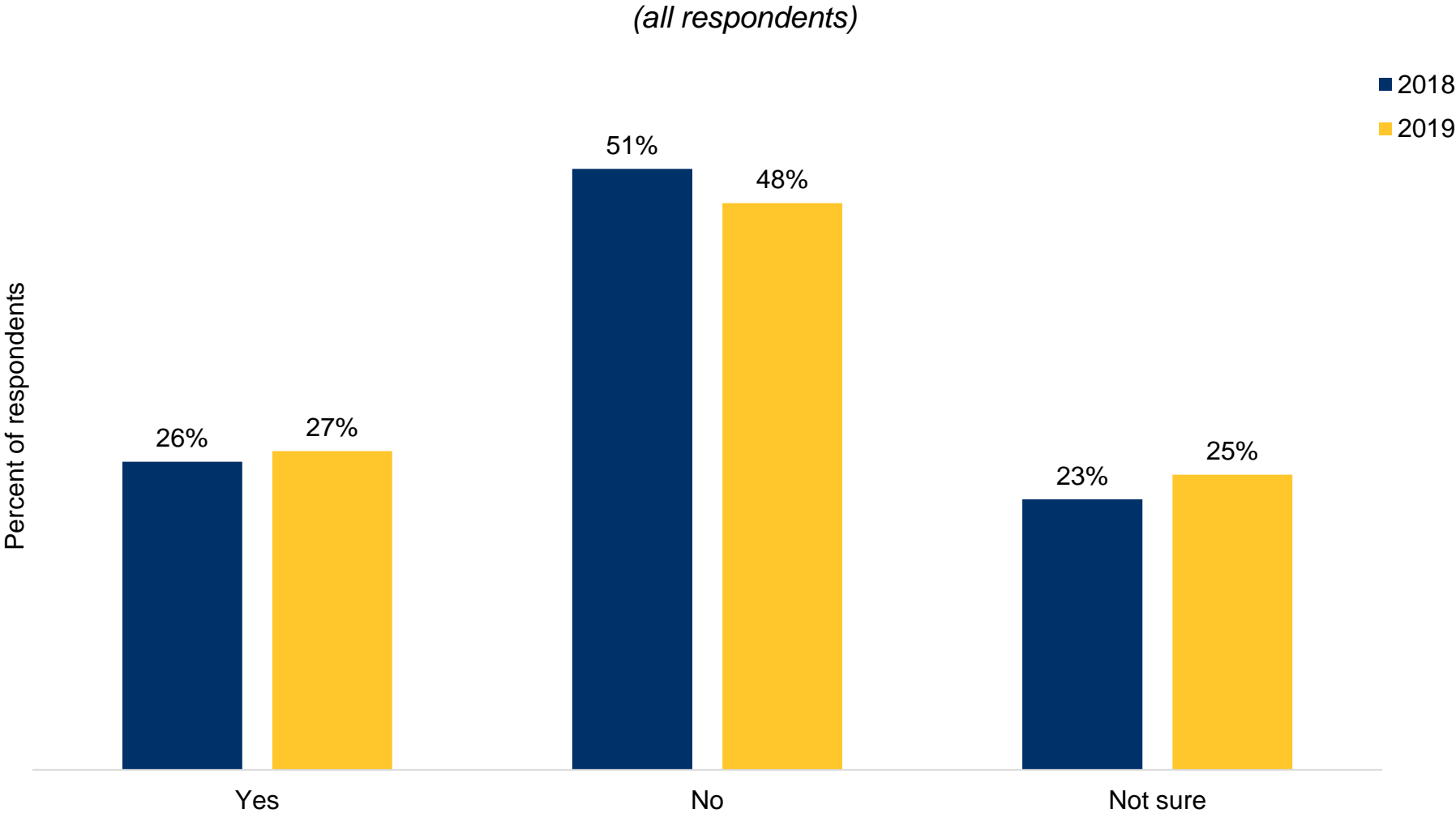


# Do you/your company have a climate action policy?

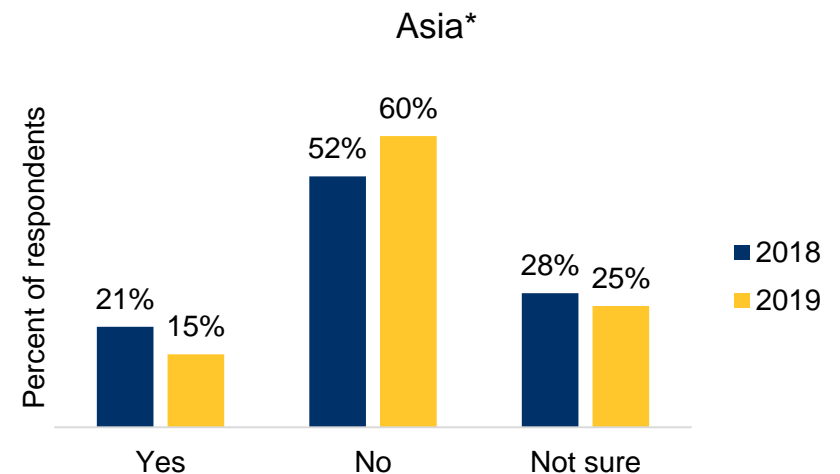
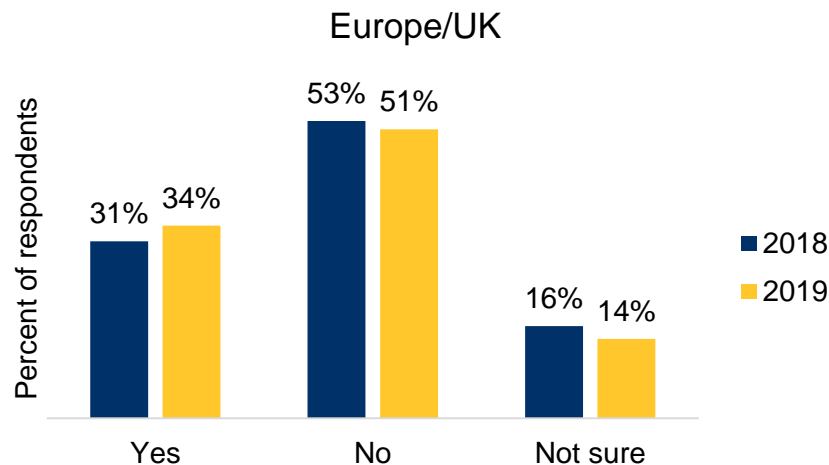
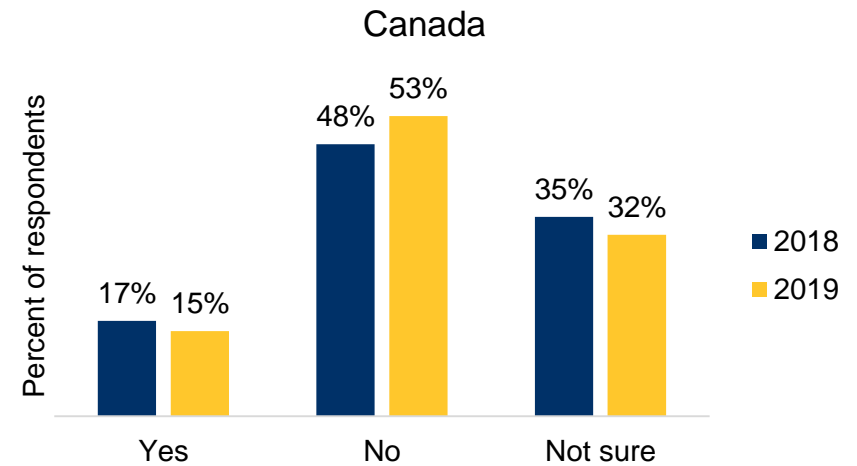
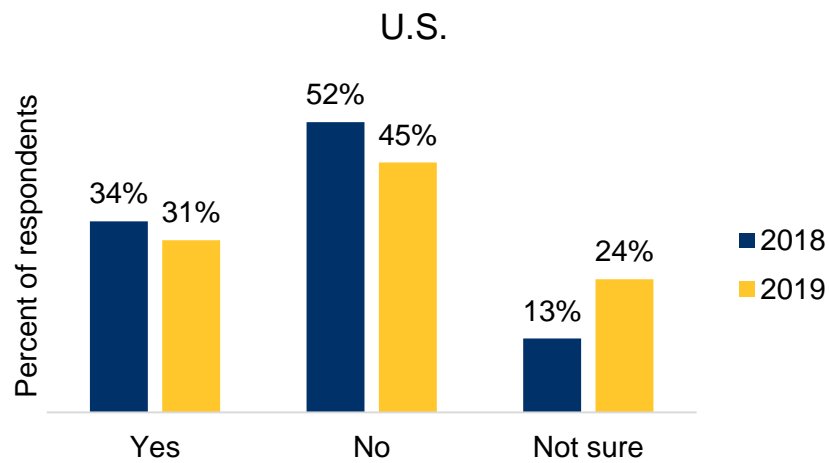
*(all respondents)*



# Do you currently hold any impact products in your portfolio?



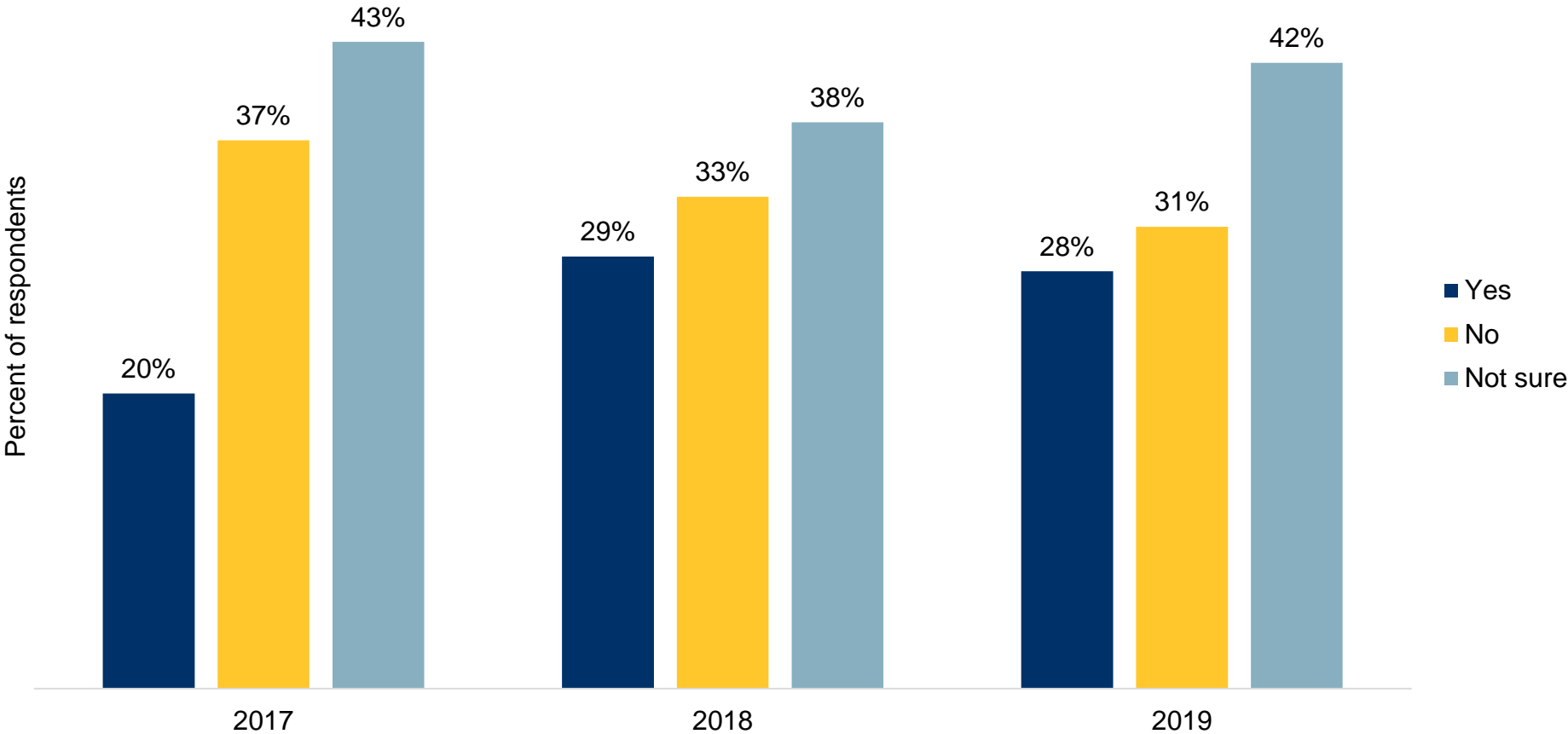
# Do you currently hold any impact products in your portfolio?



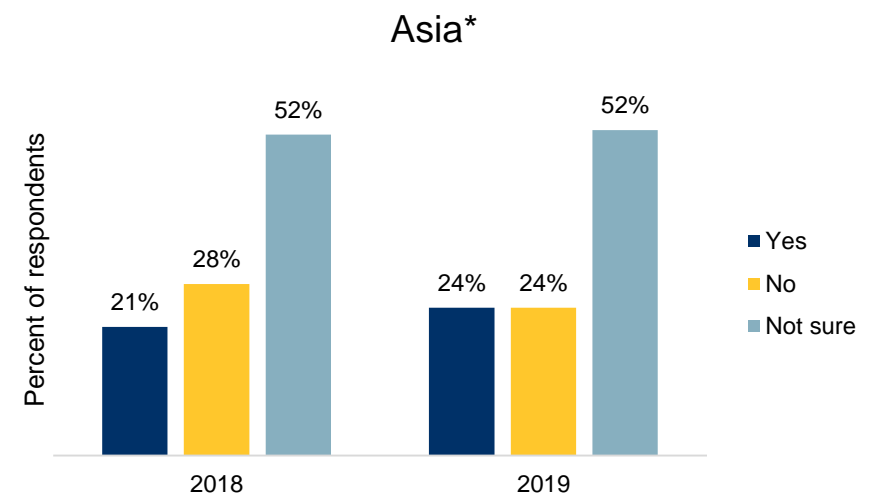
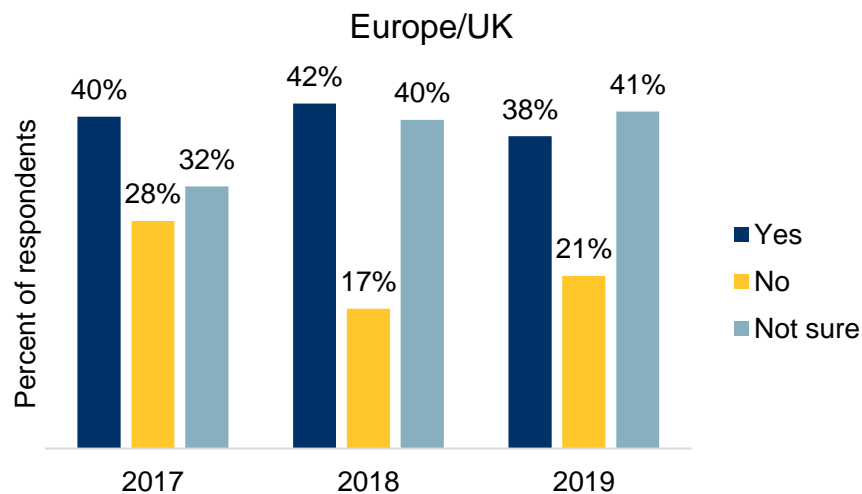
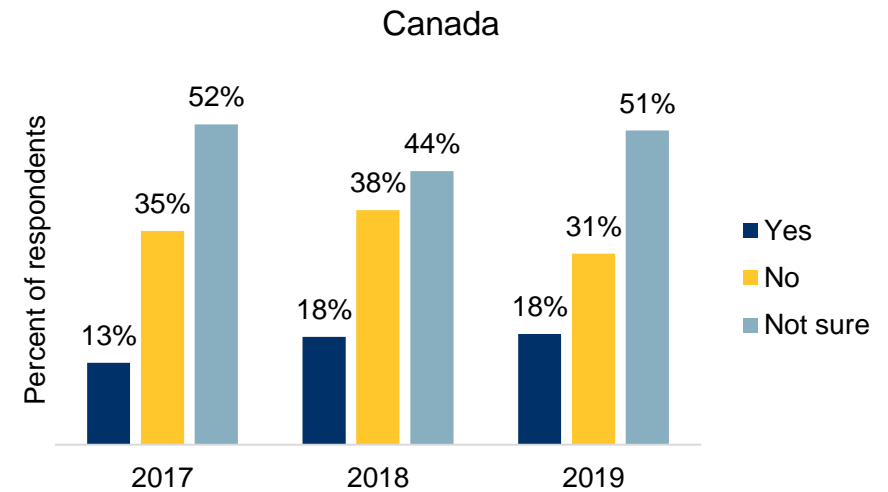
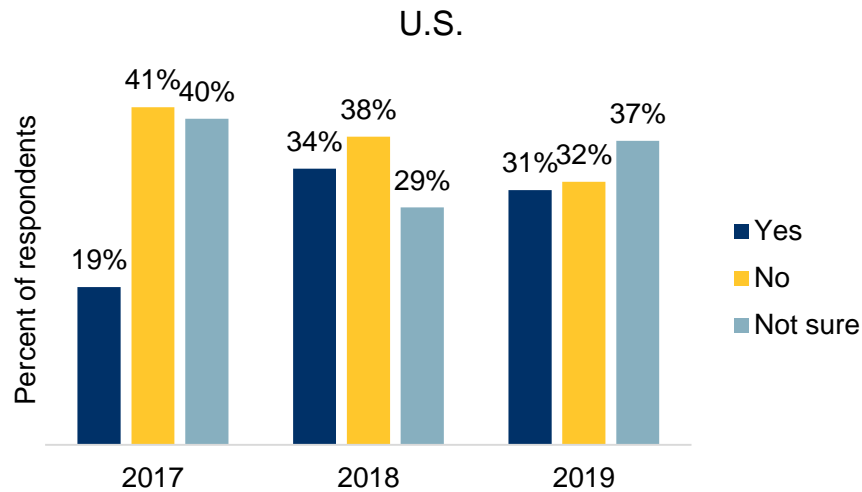
\*Sample size not statistically significant.

# Do you expect to allocate funds to Impact Investing as opposed to ESG/SRI in the next 1-5 years?

(all respondents)



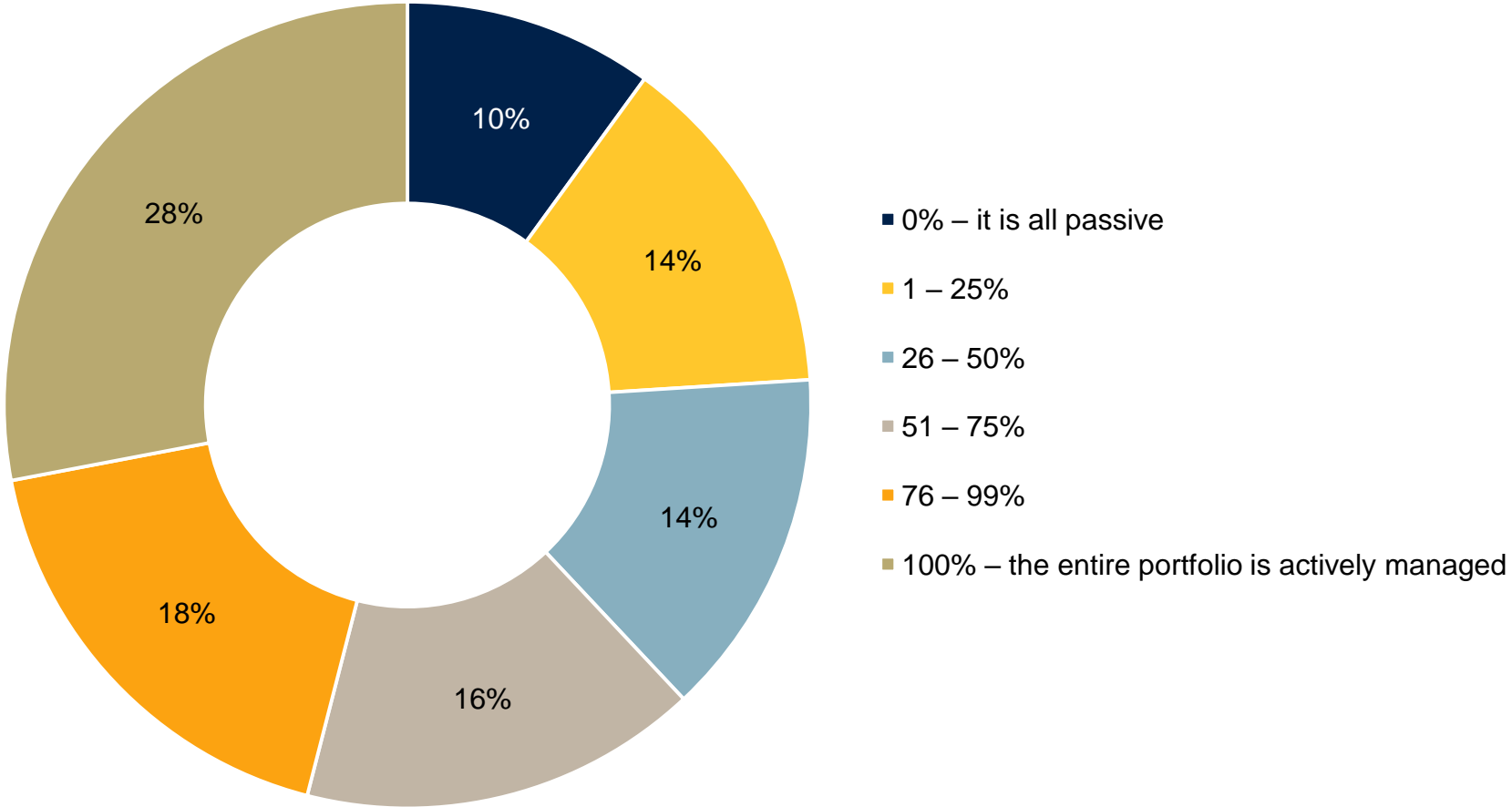
# Do you expect to allocate funds to Impact Investing as opposed to ESG/SRI in the next 1-5 years?



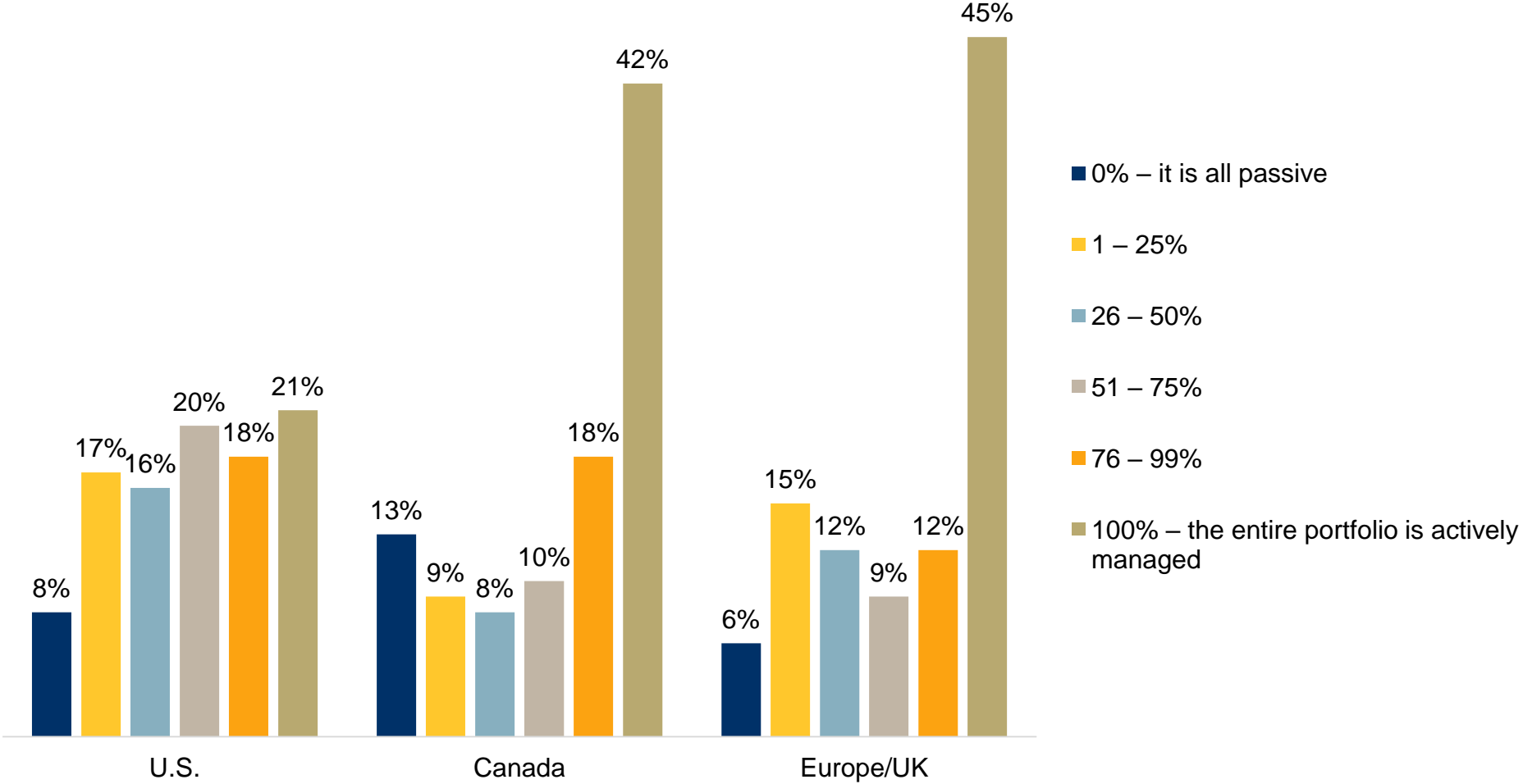
\*Sample size not statistically significant. Data for 2017 not available.

# Of your portfolio that falls under the umbrella of responsible investing, what percent is actively managed (versus passively managed or index-based)?

(all respondents)

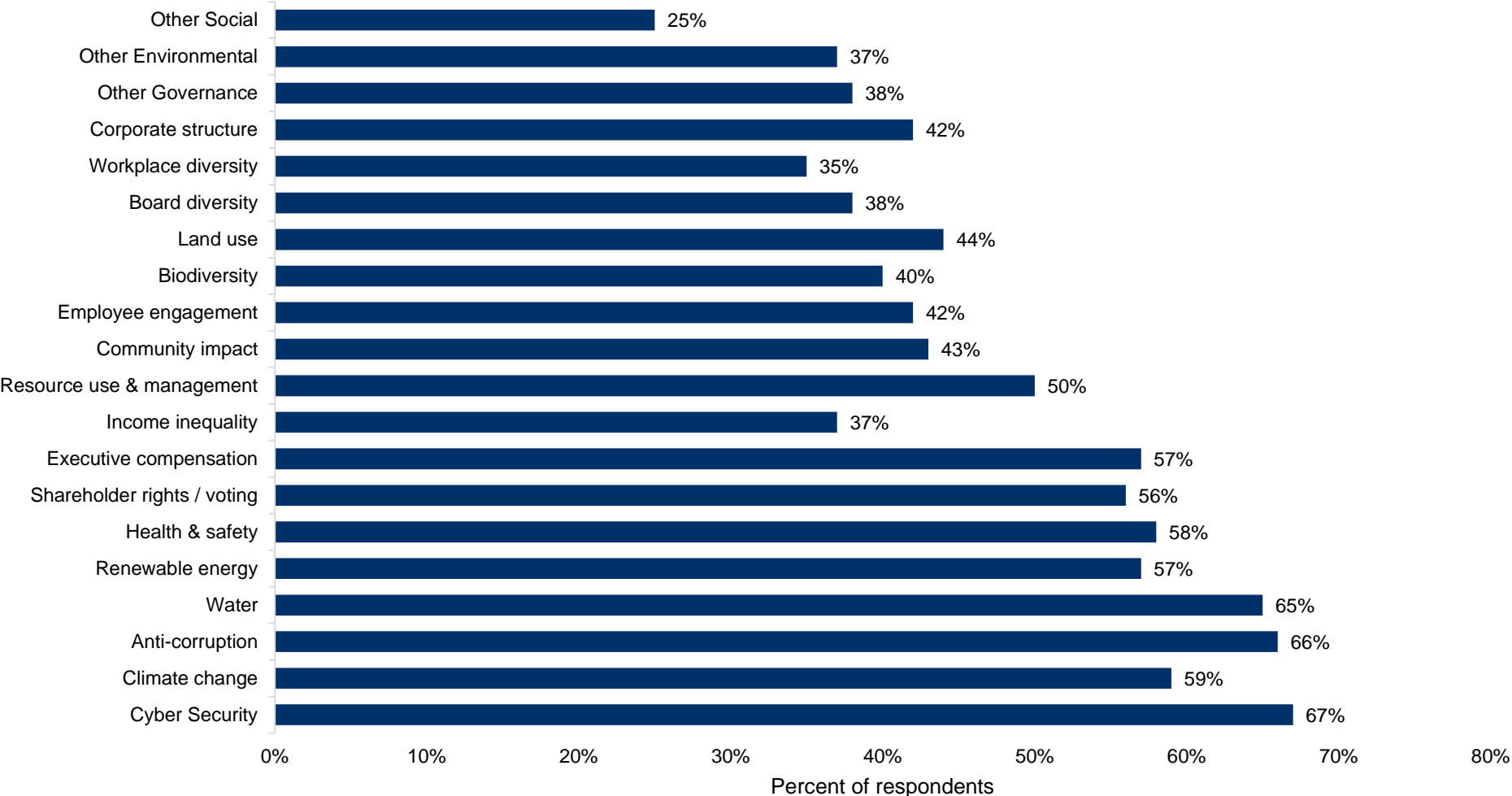


# Of your portfolio that falls under the umbrella of responsible investing, what percent is actively managed (versus passively managed or index-based)?



# Among the issues you would consider while investing, how concerned are you about the following...

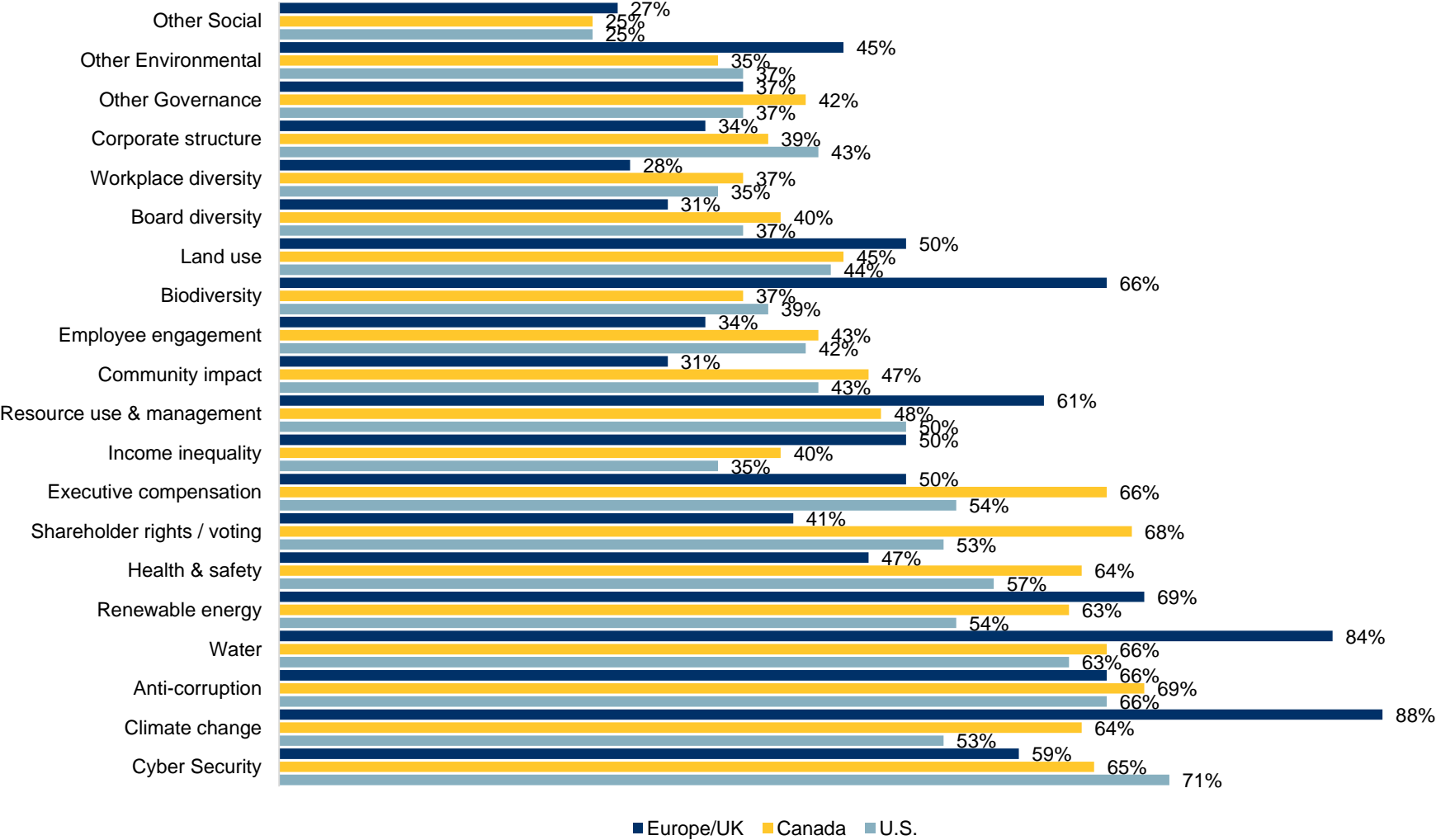
*Ranked on a scale of 0-5, 0 being not concerned, 5 being very concerned (Top 2 Concerned)  
(all respondents)*





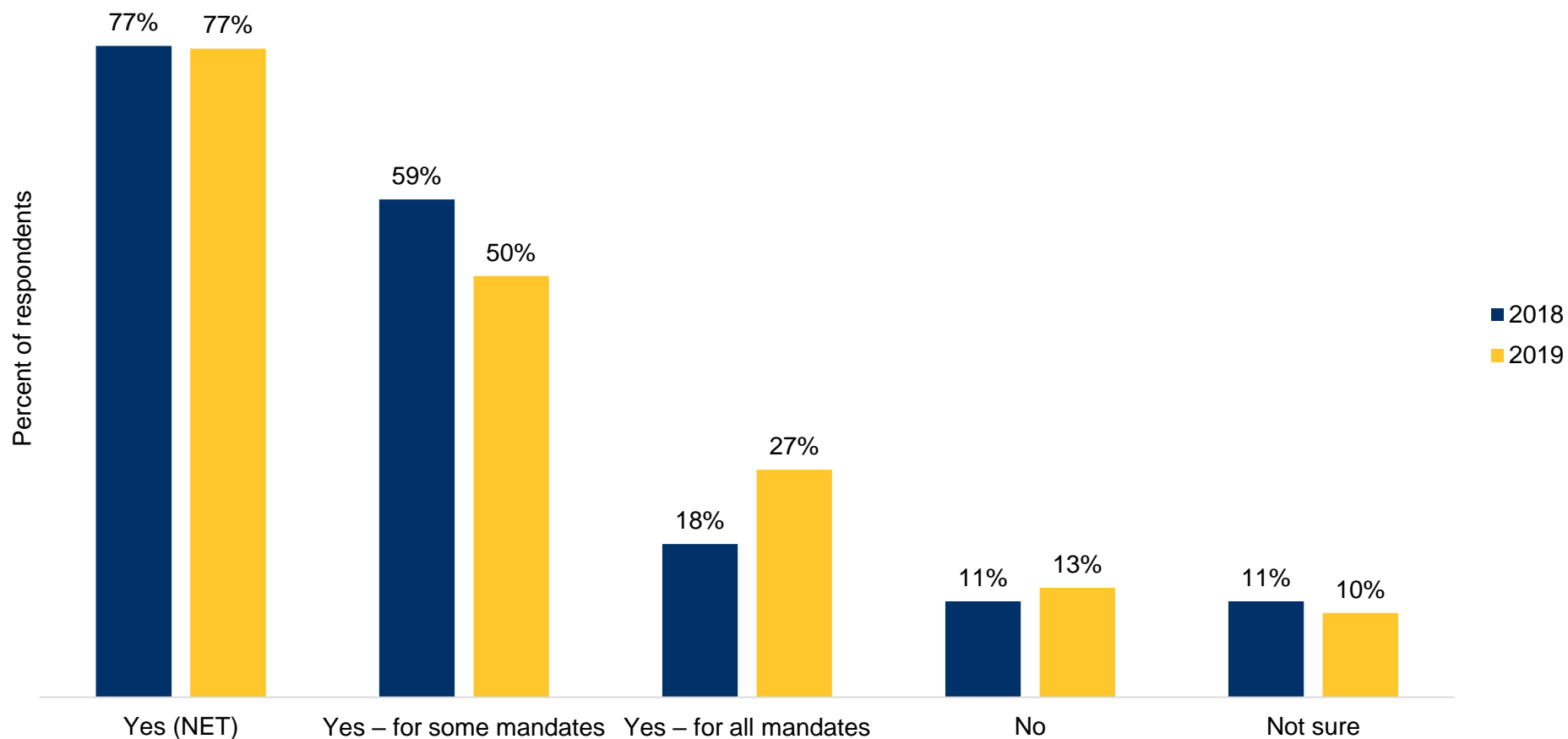
# Among the issues you would consider while investing, how concerned are you about the following...

Ranked on a scale of 0-5, 0 being not concerned, 5 being very concerned (Top 2 Concerned)



# Investment Consultants

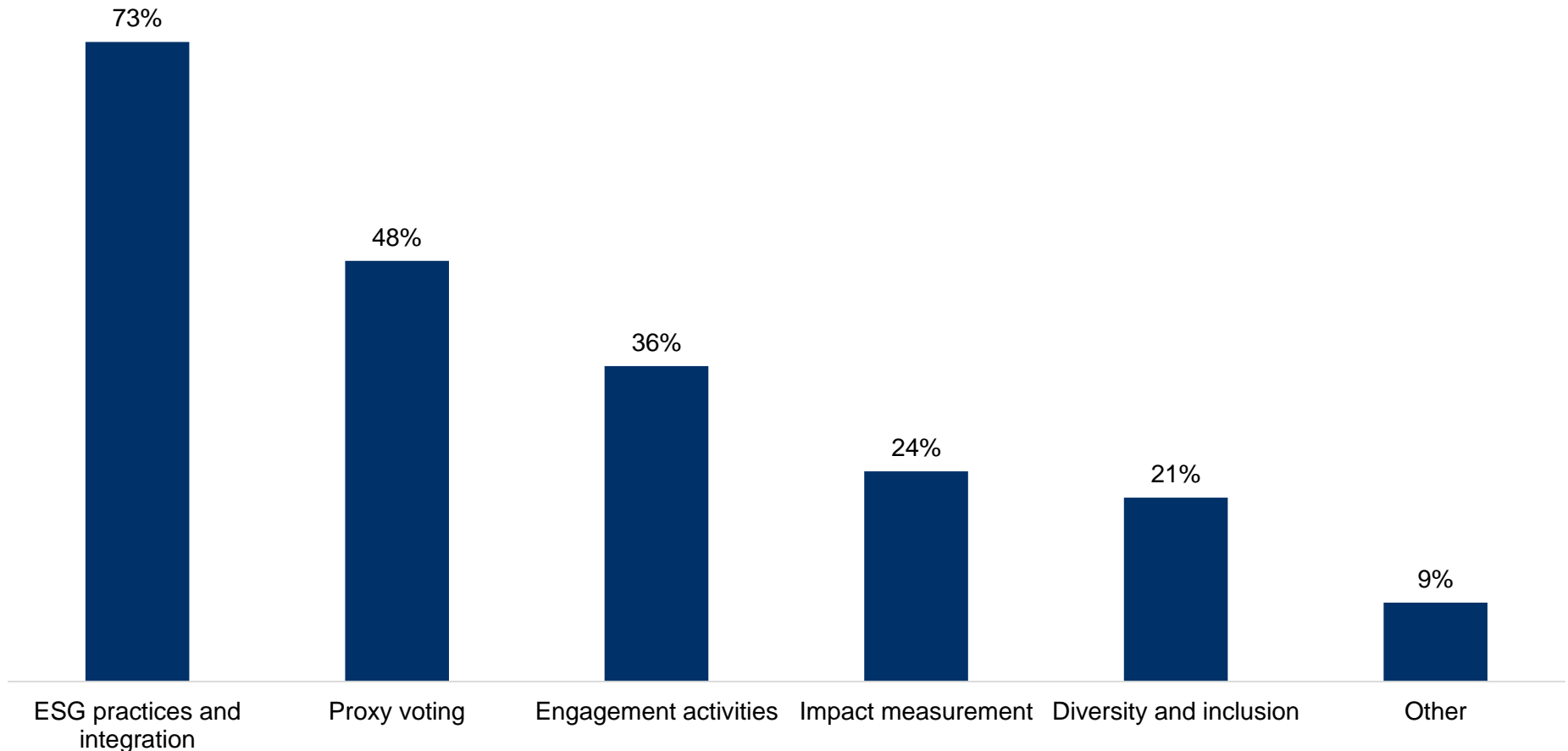
Do you employ external managers who incorporate ESG factors into their portfolio management process?



# Investment Consultants

Do you require your external manager to provide regular reporting on any of the following?

*n=employ managers who incorporate ESG factors into their portfolio management process*



# Methodology

RBC Global Asset Management (RBC GAM) and BlueBay Asset Management LLP developed a survey of 27 questions around the topic of responsible investing.

The survey was distributed to institutional asset owners, consultants, clients, P&I Research Advisory Panel members, and members of the Pensions & Investments database throughout Canada, Europe, Asia and the United States.

Signet Research, Inc. collected and analyzed the results of 799 respondents and determined that the findings from the survey could be accepted as accurate at a 95% confidence level within a sampling tolerance of approximately +/-3.5%.

# RBC Global Asset Management

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