

2019 Responsible Investment Survey

Our 2019 Responsible Investment Survey reveals the latest views, actions and intentions of institutional investors and consultants related to responsible investment and ESG. The survey was answered by nearly 800 participants from around the world – including the U.S., Canada, Europe and Asia. Here are some key findings:

70% of those surveyed use ESG principles when they invest.



In Canada, that number rose to 80%. That's up more than 5% from 2018.



In the U.S., that number was 65%, no change from 2018.



In the U.K., that number ticked up to 97%.

Top reasons why those surveyed apply ESG principles when investing:



Lower risk



Improve returns



Act in clients' best interest

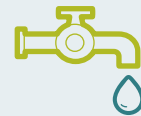
Top three ESG issues globally:



In Canada, anti-corruption ranked number one.



In the U.S., it was cyber security.



In Europe and the U.K., it was climate change.

Where are investors applying ESG?



87% target equity investments

62% target fixed income investments



82%

of those surveyed believe ESG integrated portfolios are likely to perform as well or better than non-ESG integrated portfolios.

Conclusion



Over the past few years, ESG investing has gained mainstream acceptance among institutional investors. A vast majority continue to report using ESG factors as part of their investment approach and decision making. However, growth in the adoption of ESG has cooled. The rapid increase in adoption seen from 2017 to 2018 was not replicated in 2019.

Not surprisingly, equities and fixed income remain the most popular asset classes for institutional investors to incorporate ESG. While investors have seen greater availability of fixed income products that incorporate ESG factors, they are asking for more.

So while the multi-year trend of increasing ESG adoption may be tapering off, adopters are showing no signs of growing less engaged or committed to using ESG principles in their investment processes and decision making. They are clearly thinking deeply about ESG factors and using them across different asset classes and when engaging with companies. They are also identifying the specific ESG issues that are most important to them.

For more information on responsible investment or to read the full 2019 RBC Global Asset Management Responsible investment Survey, visit rbcgam.com/esg

Our approach to responsible investment

At RBC GAM, we believe that being an active, engaged and responsible owner empowers us to enhance the long-term, sustainable performance of our portfolios. We are committed to incorporating ESG into our investment process and see it as an opportunity to identify relevant risks while uncovering sources of value for clients.



To learn more about responsible investment at RBC GAM, please <http://www.rbcgam.com/esg>

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