

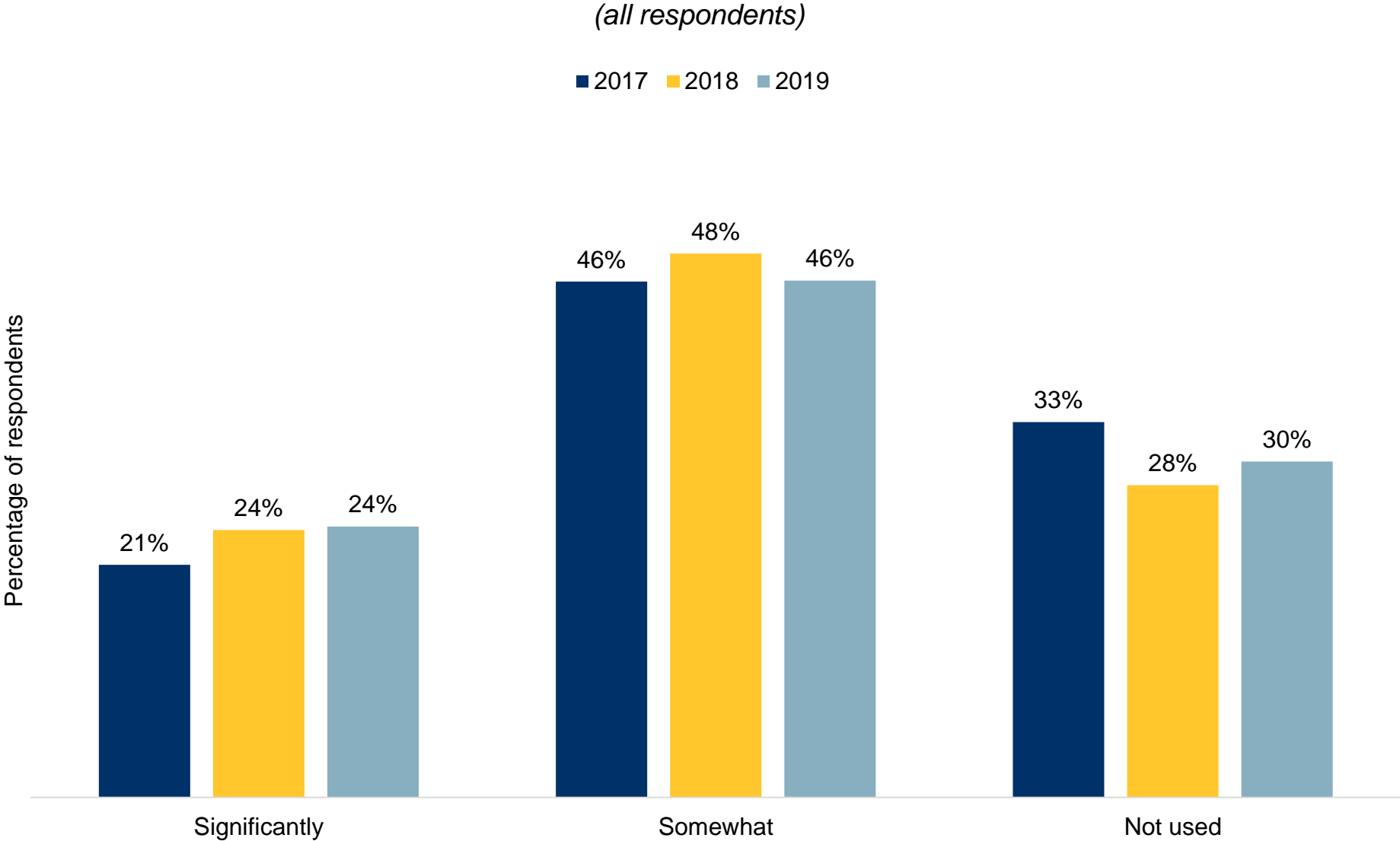
RBC Global Asset Management

# 2019 Responsible Investing Survey Key Findings

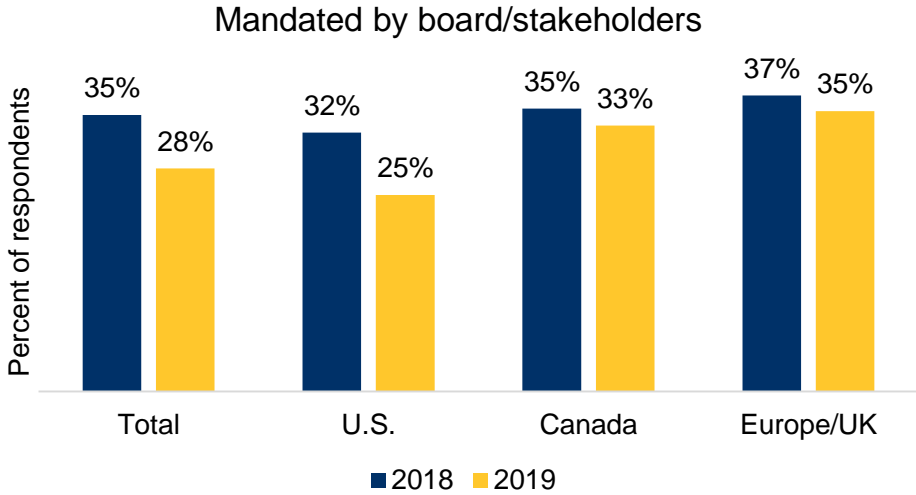
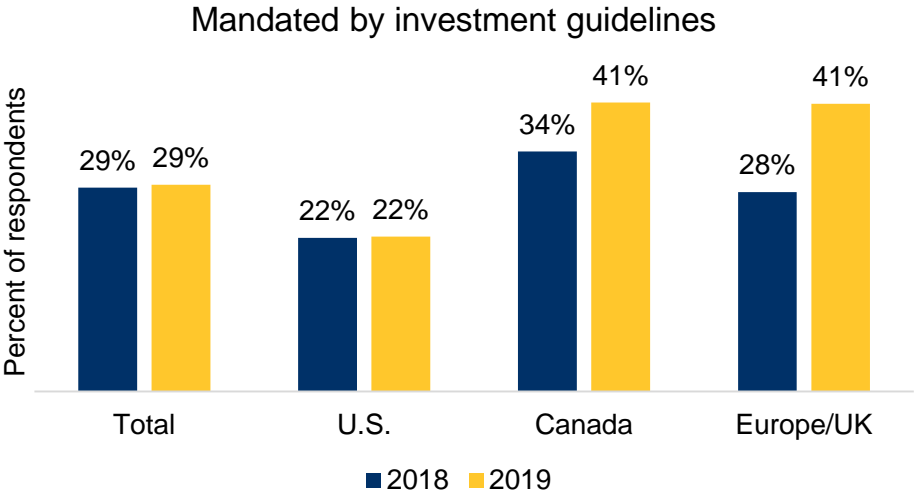
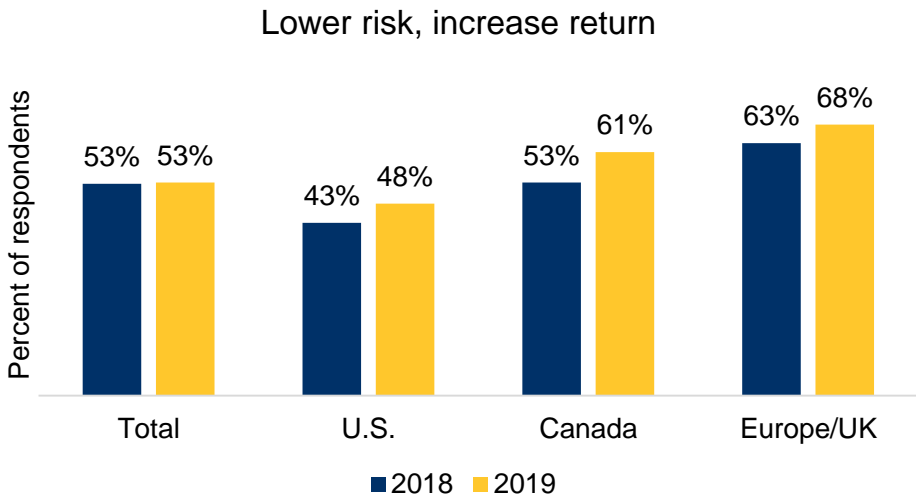
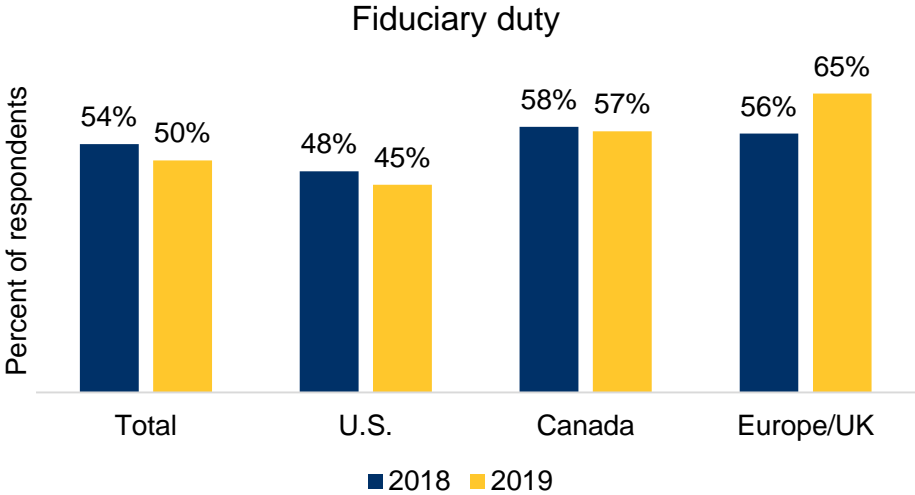
2019  Responsible  
Investing Survey



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

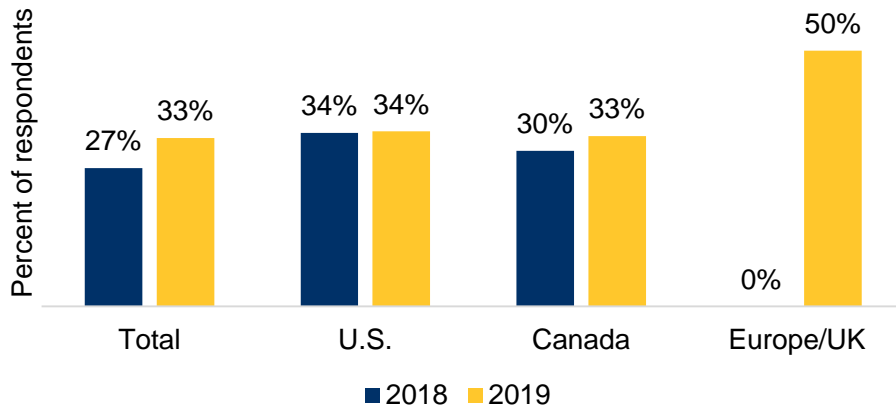


# What are your reason(s) for incorporating ESG in your investment approach?

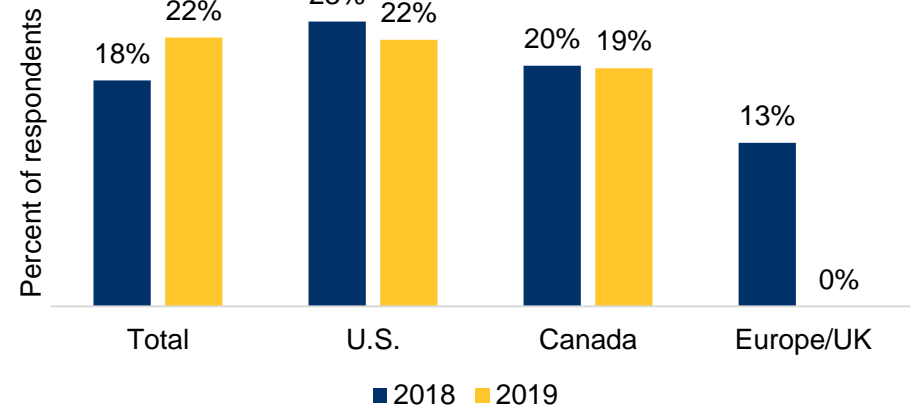


# What are your reason(s) for not incorporating ESG factors in your investment approach?

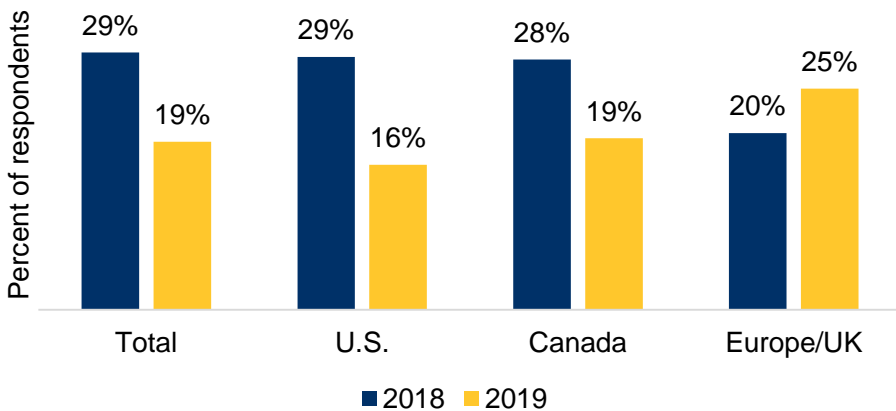
### Inconsistent with fiduciary duty



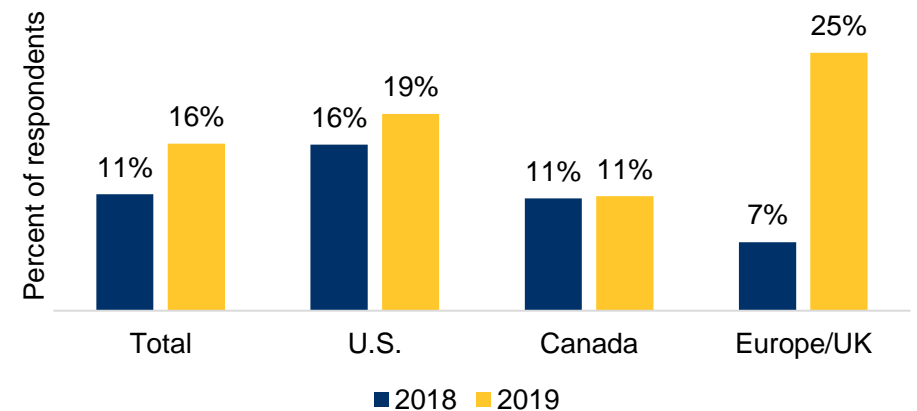
### Won't materially impact returns



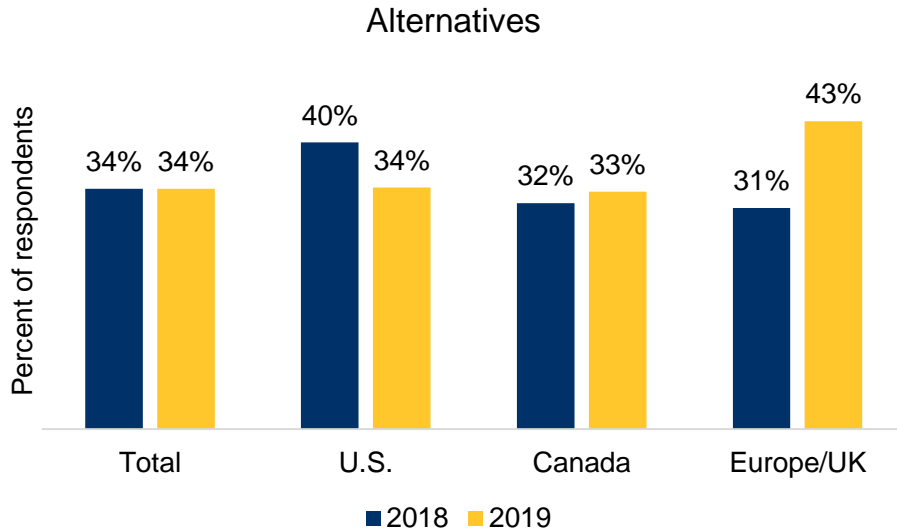
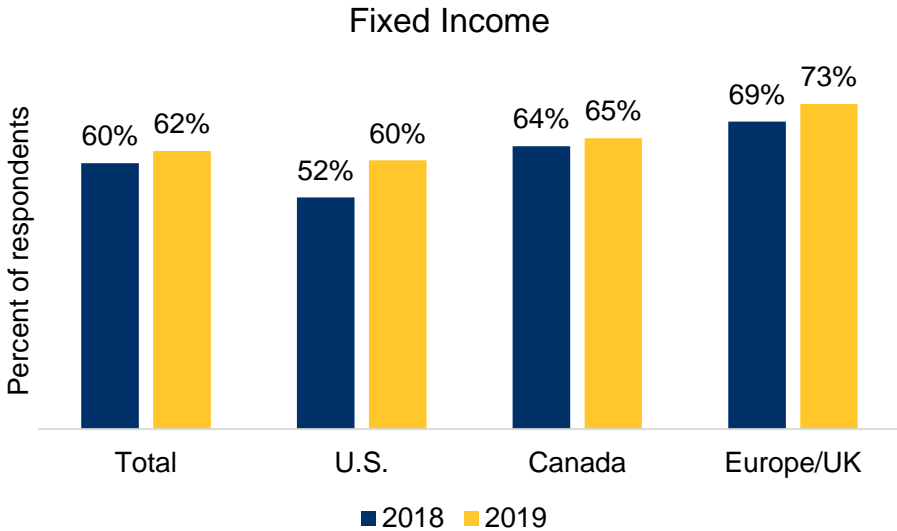
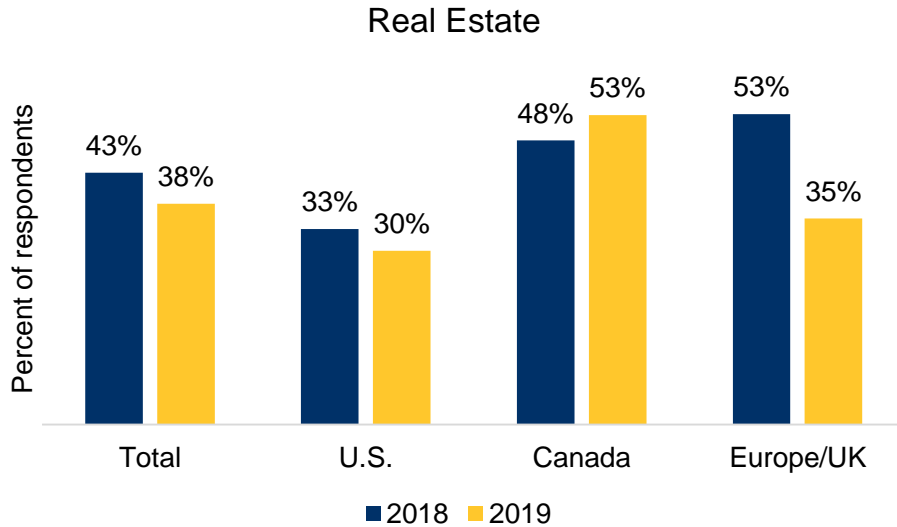
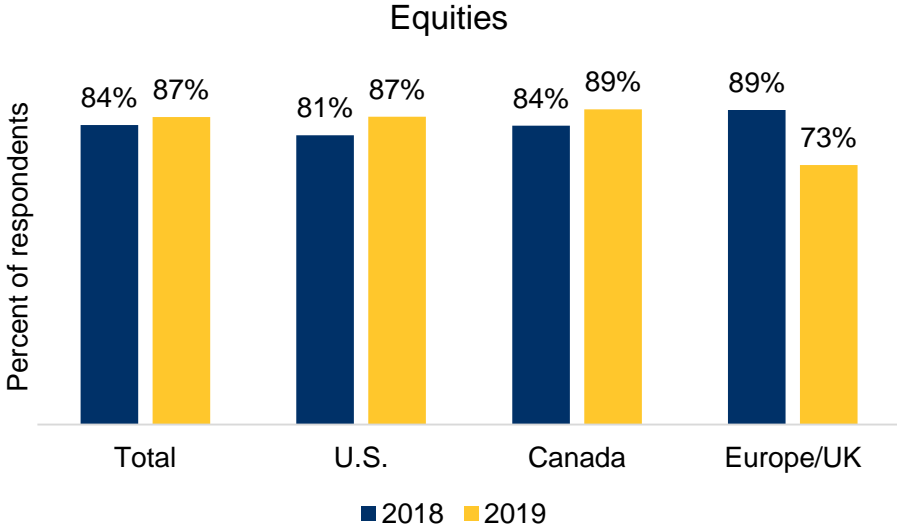
### Insufficient resources



### Not important to plan members

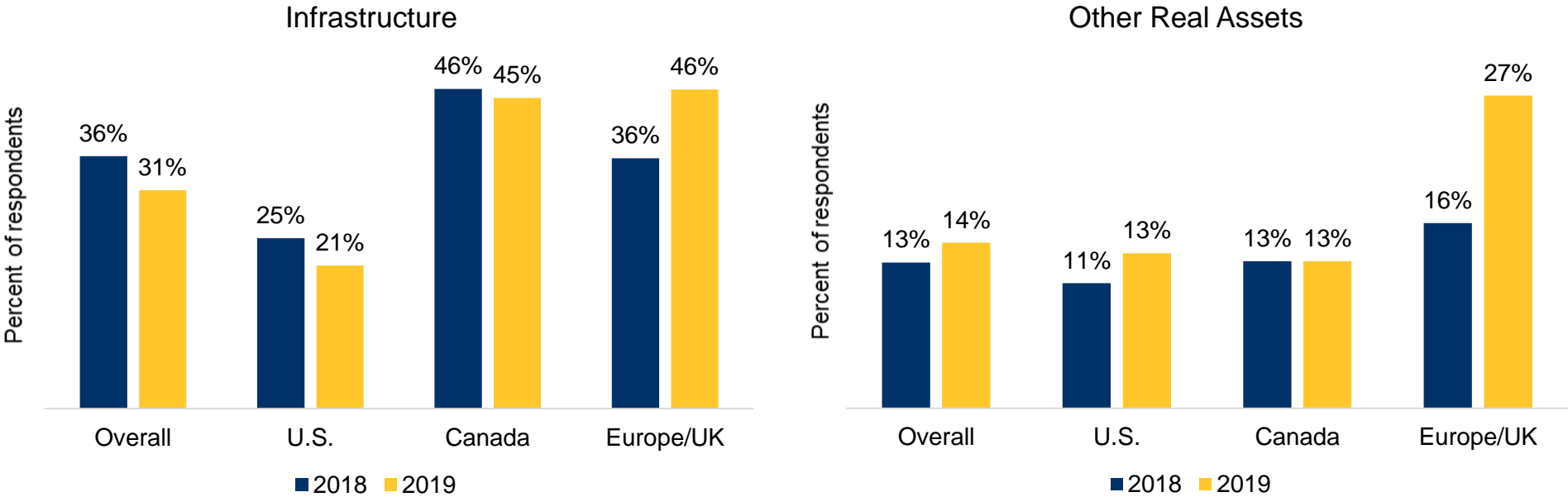


# For which of the following asset classes do you incorporate ESG factors into portfolio management?

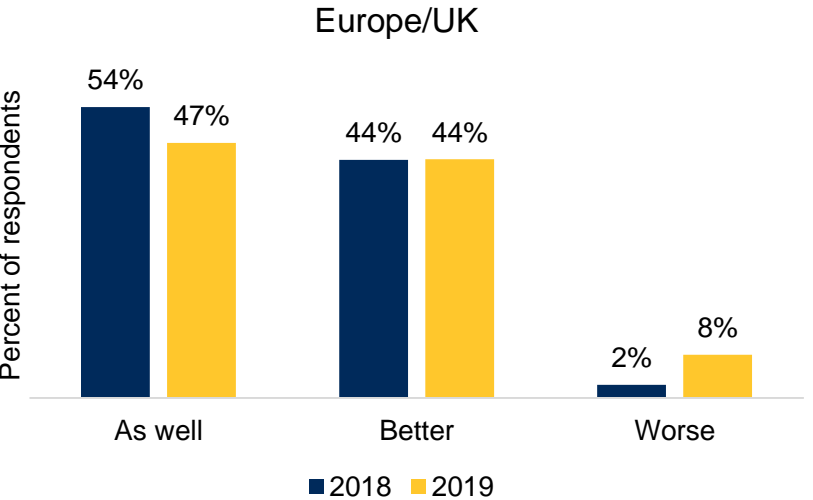
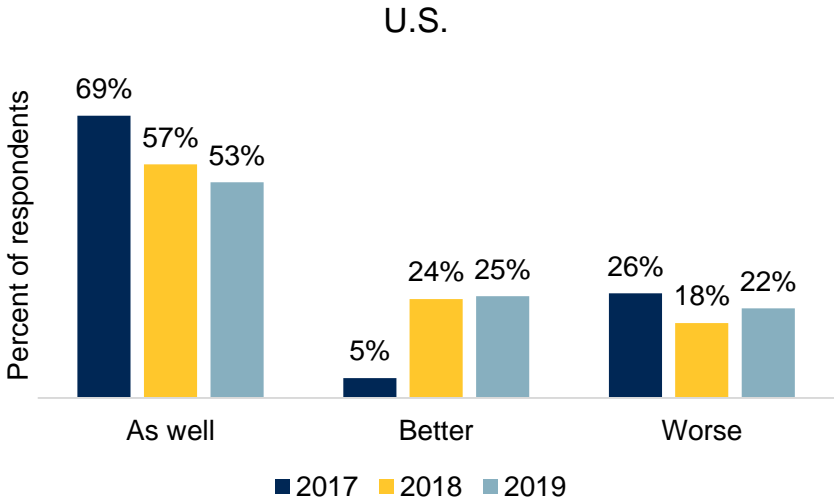
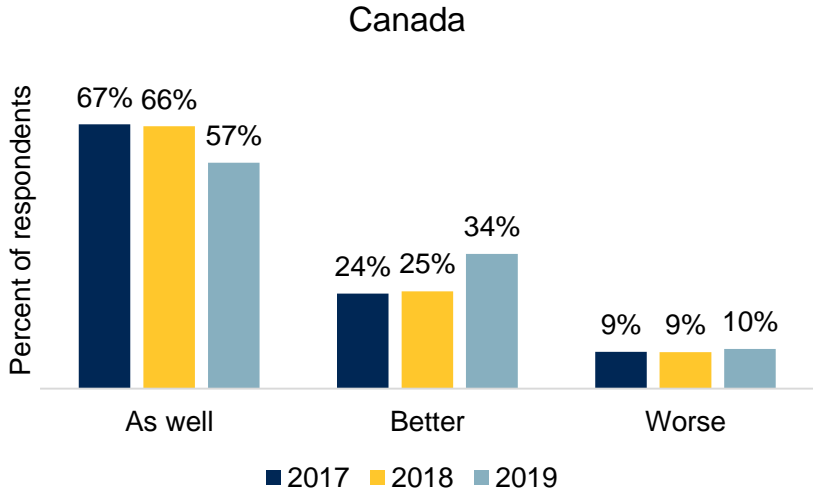
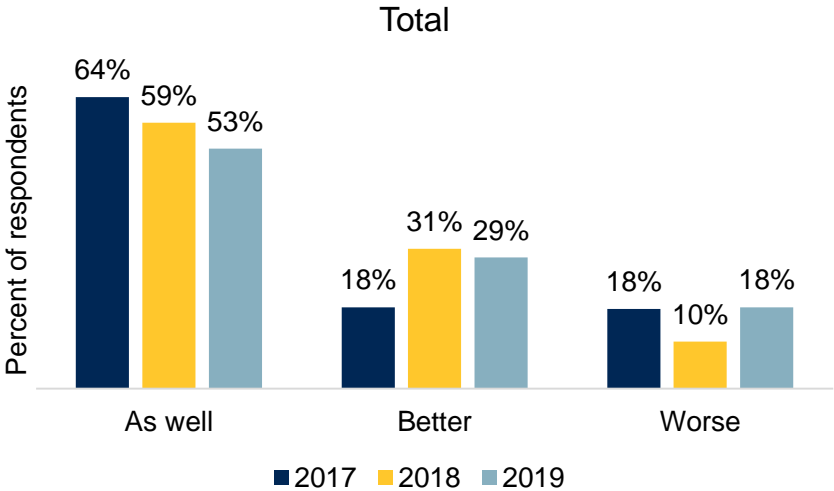


# For which of the following asset classes do you incorporate ESG factors into portfolio management?

(continued from previous slide)



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



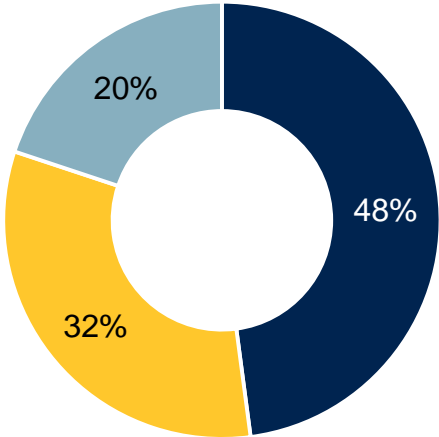
Data for 2017 not available.



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

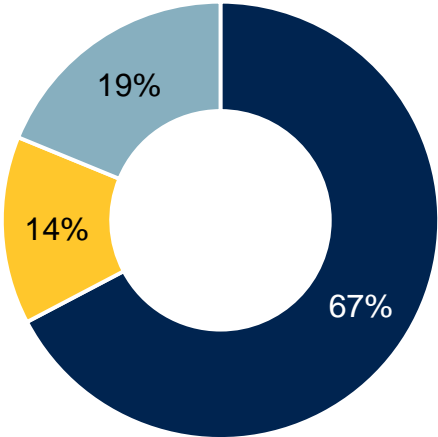
(all respondents)

2017



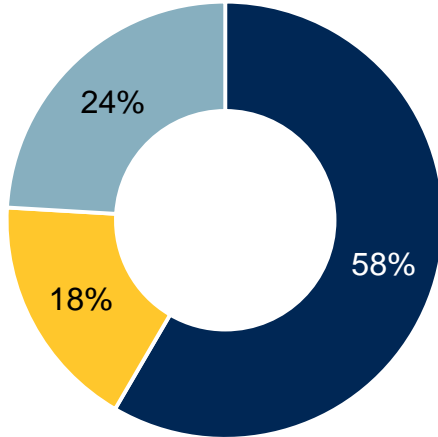
■ Yes ■ No ■ Not sure

2018



■ Yes ■ No ■ Not sure

2019

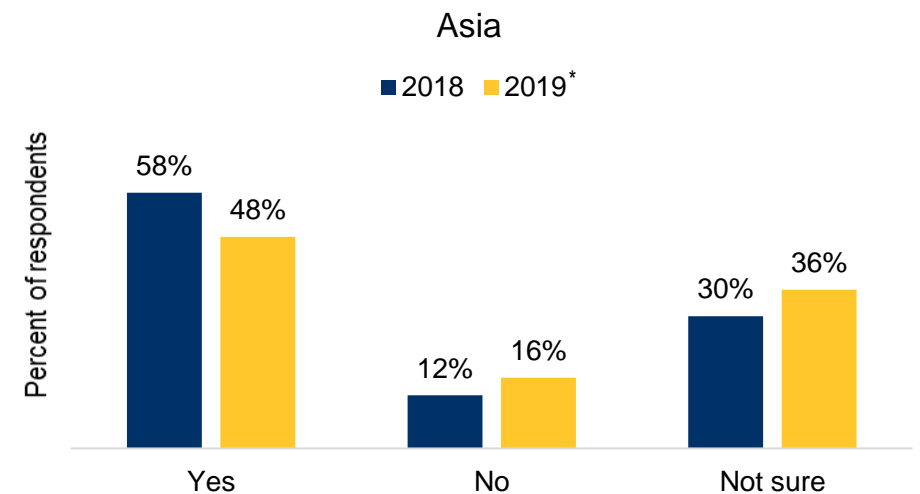
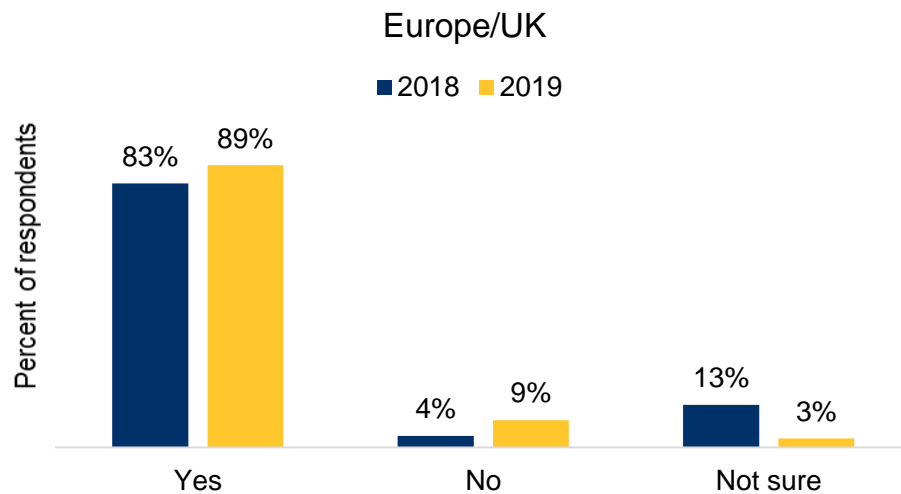
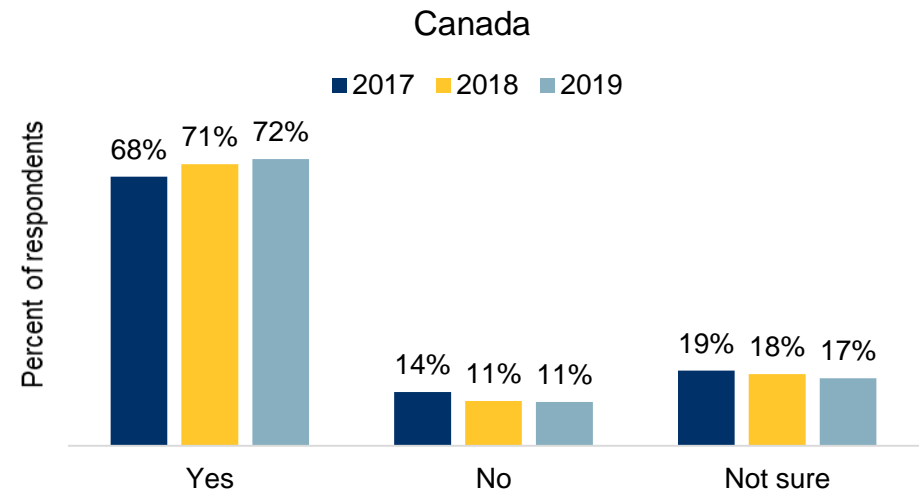
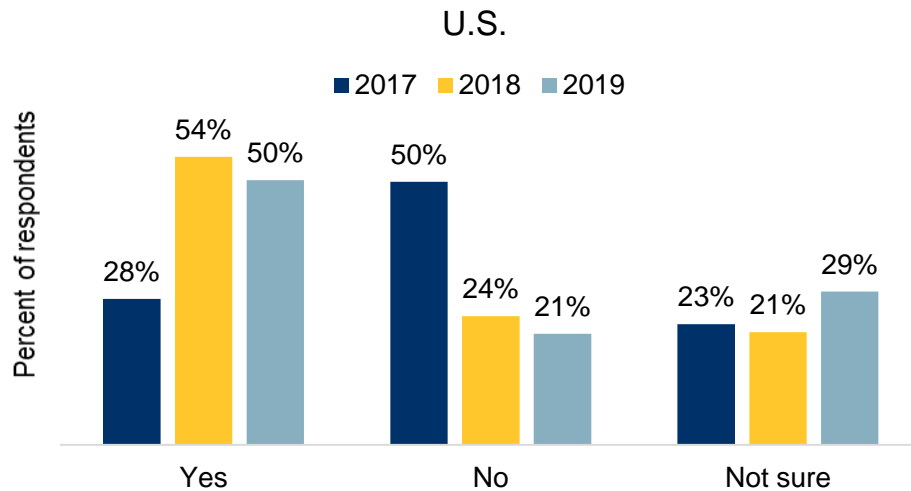


■ Yes ■ No ■ Not sure





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



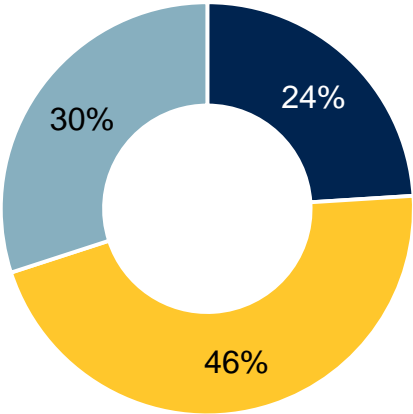
Data for 2017 not available.

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

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

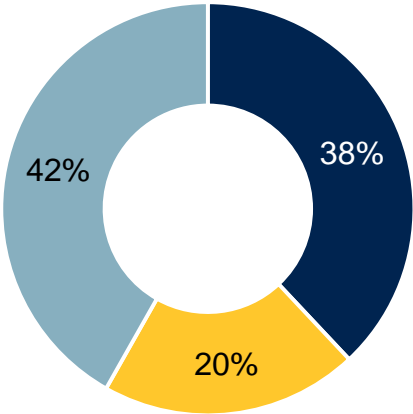
(all respondents)

2017



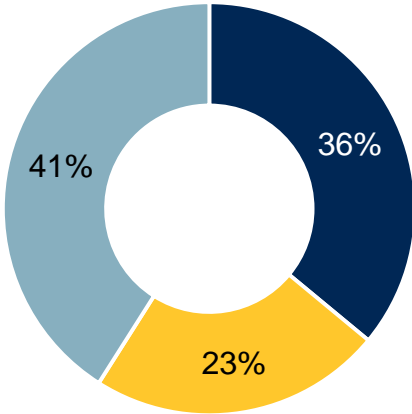
■ Yes ■ No ■ Not sure

2018



■ Yes ■ No ■ Not sure

2019

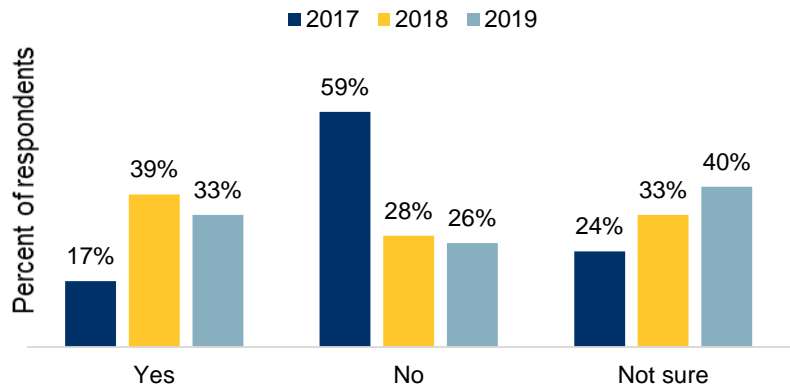


■ Yes ■ No ■ Not sure

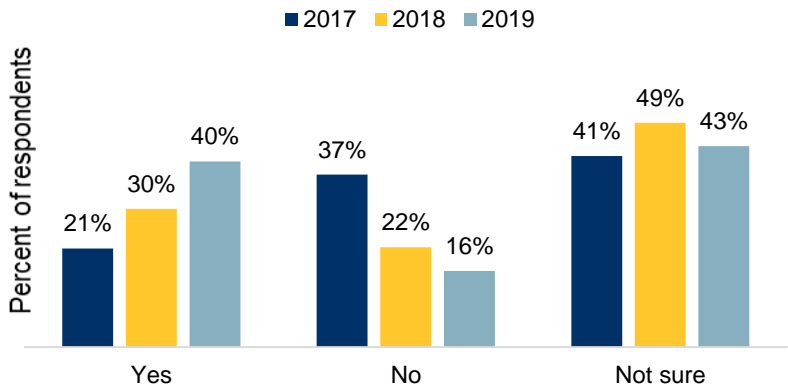


# Do you believe that integrating ESG factors can help generate alpha?

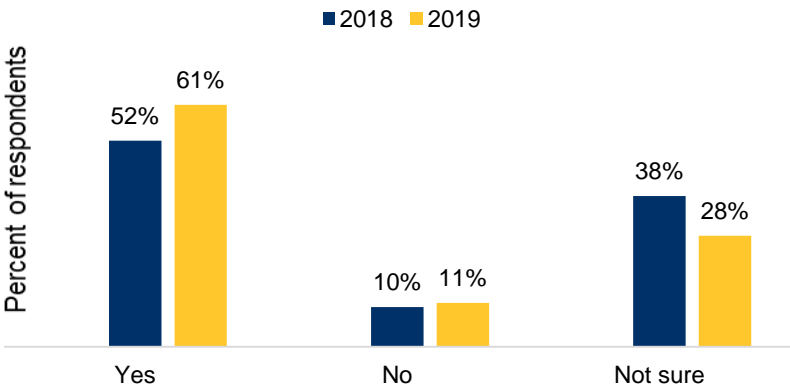
## U.S.



## Canada

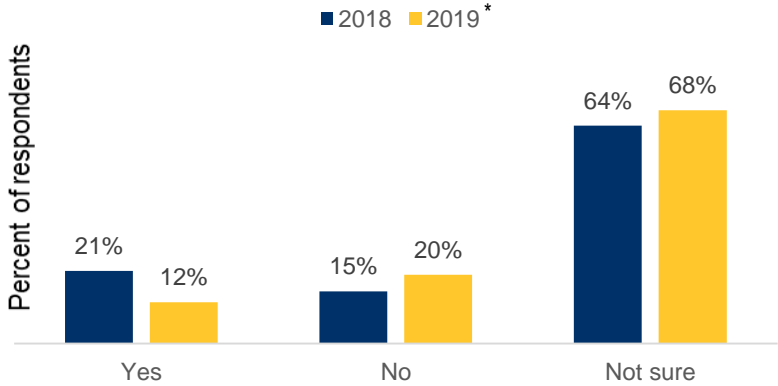


## Europe/UK



Data for 2017 not available.

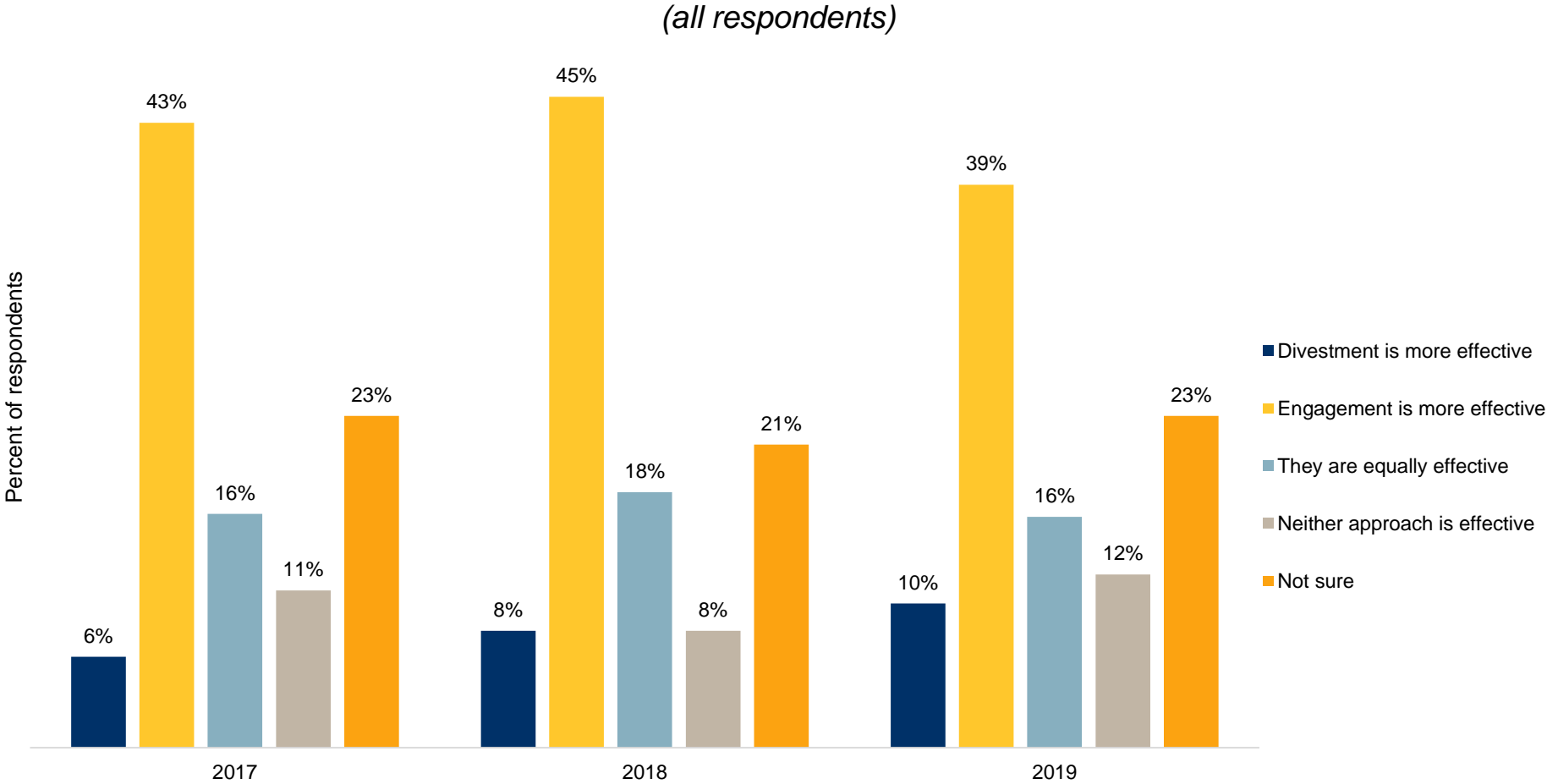
## Asia



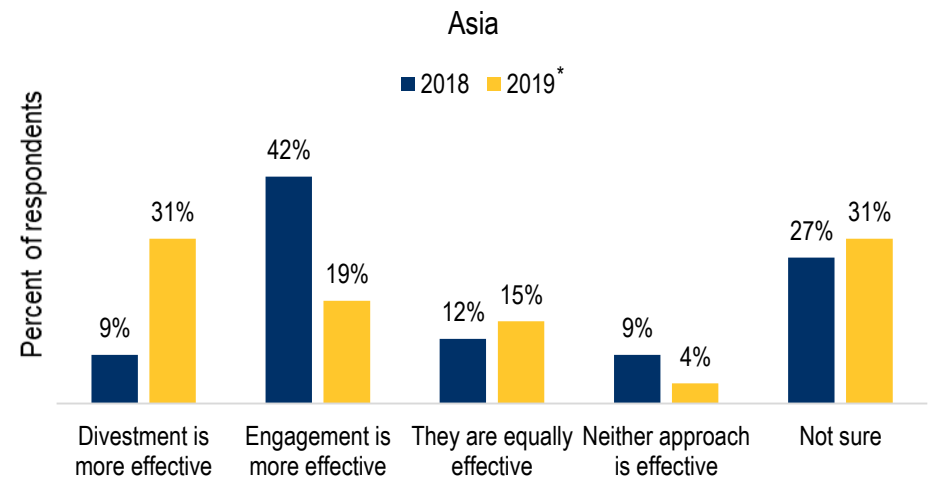
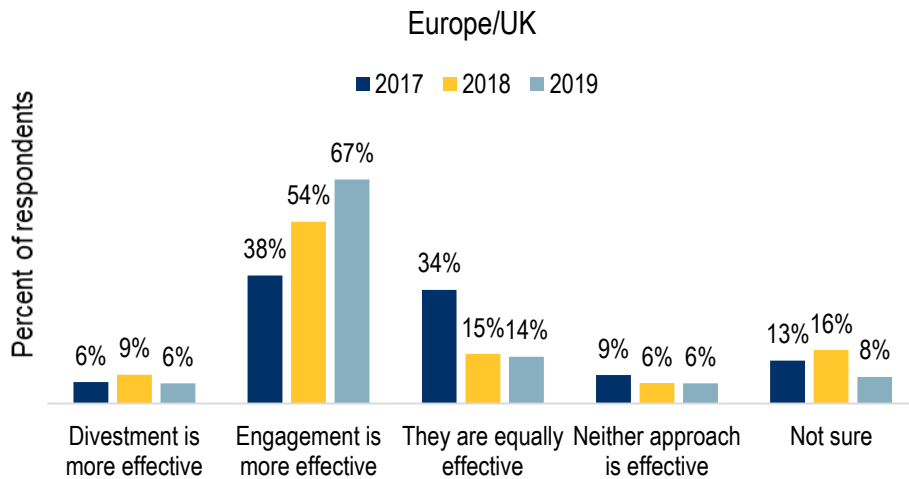
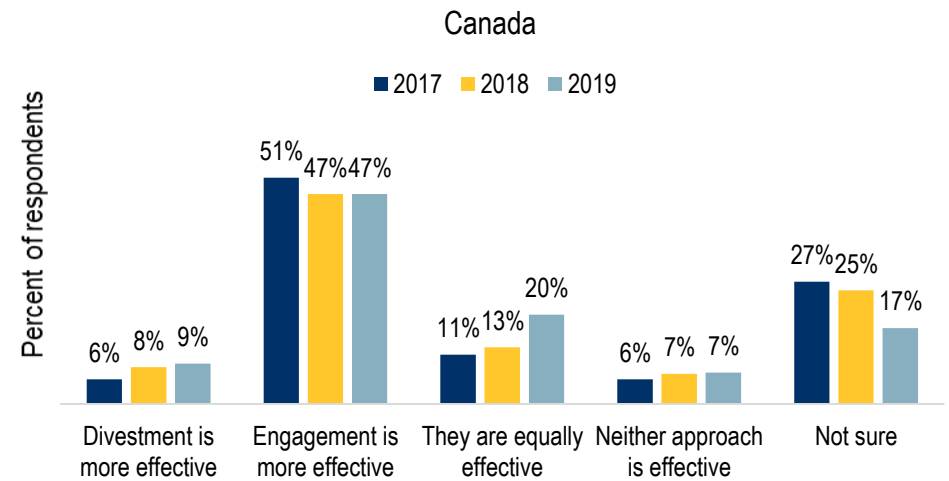
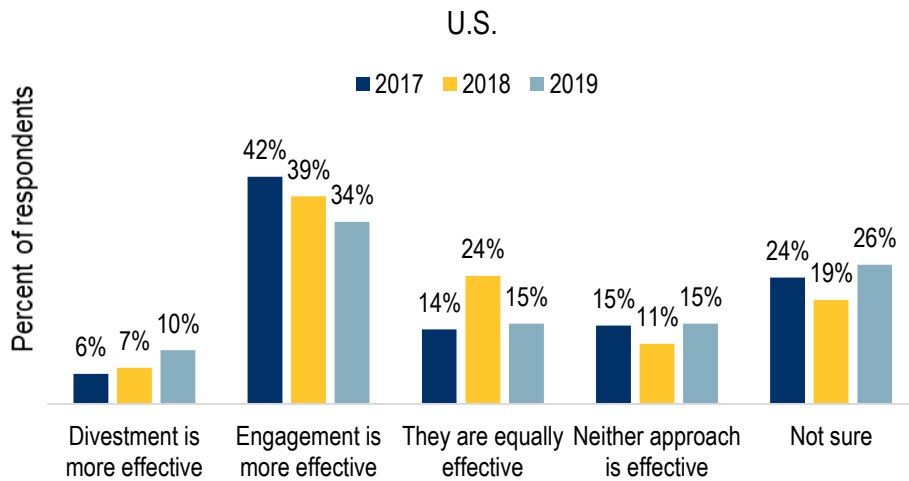
\*Sample size not statistically significant. Data for 2017 not available.



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



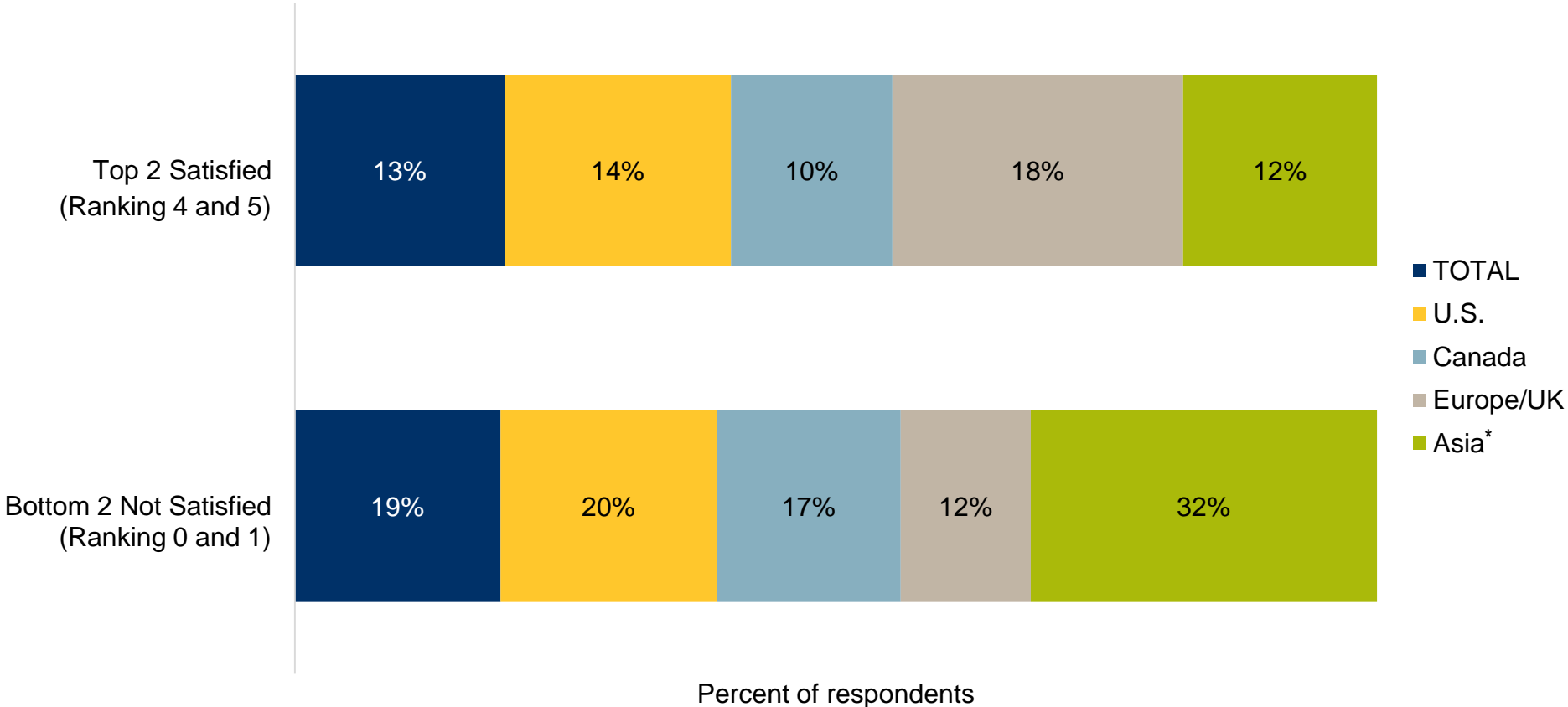
# In the Fossil Fuel Free context, do you consider divestment to be more effective than engagement?



\*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

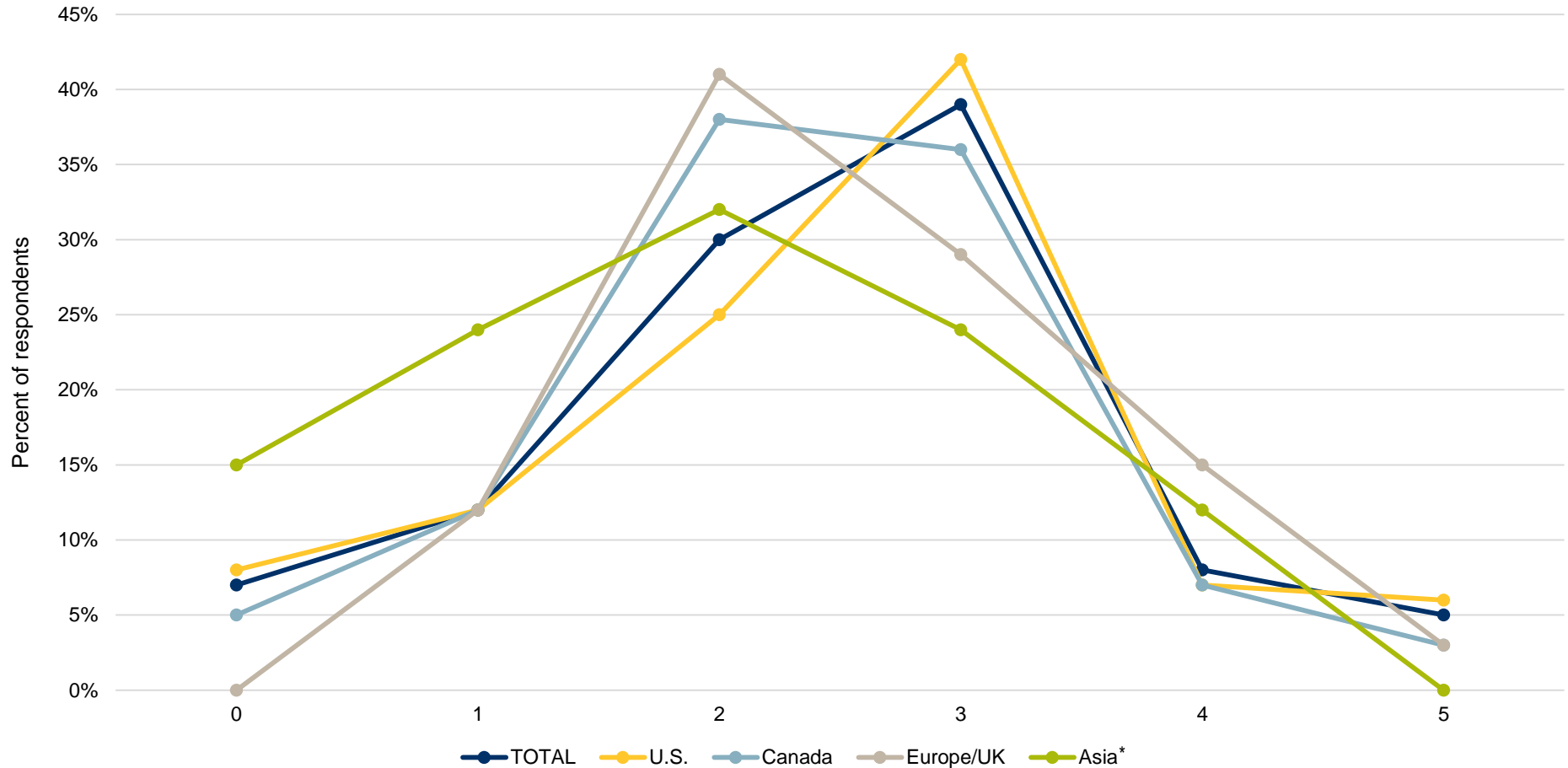


\*Sample size not statistically significant.



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

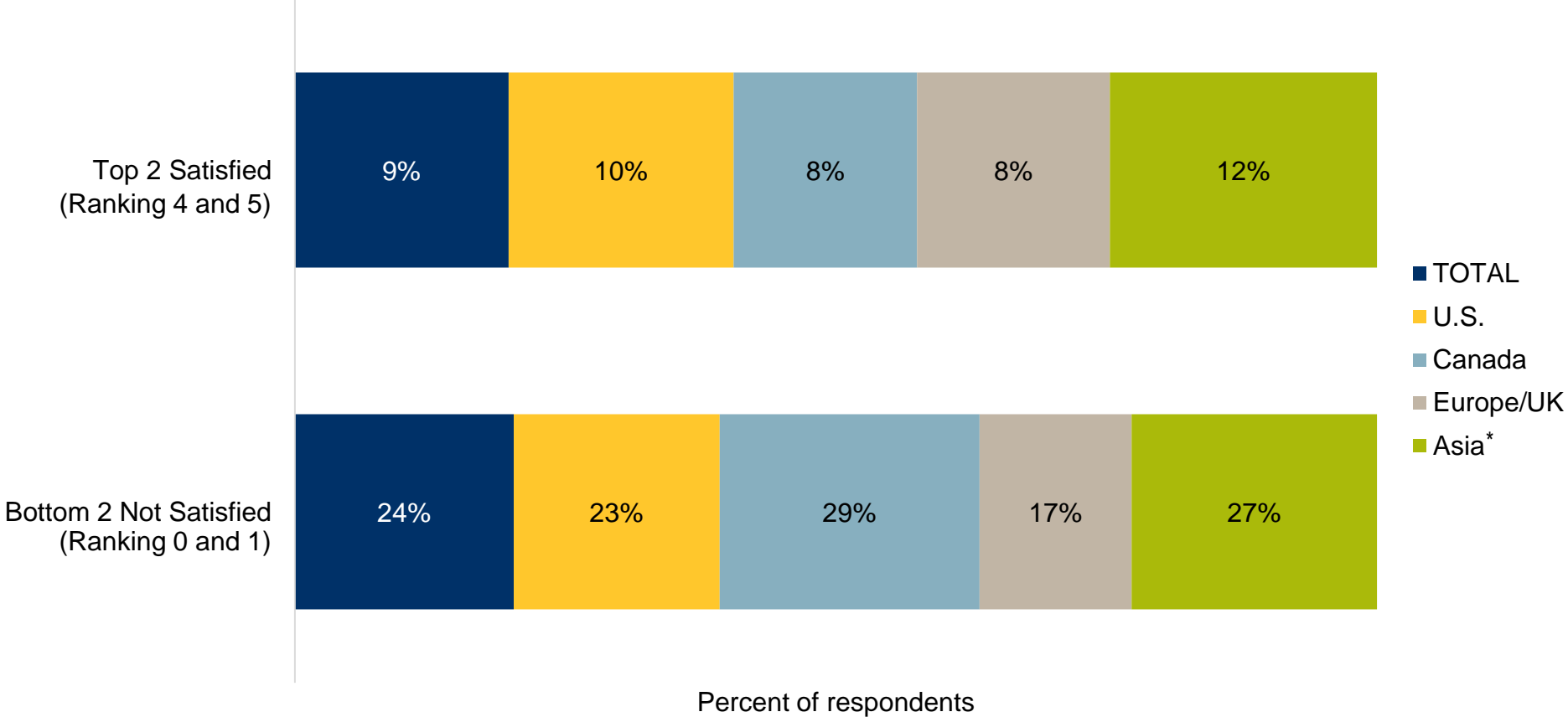
Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied



\*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



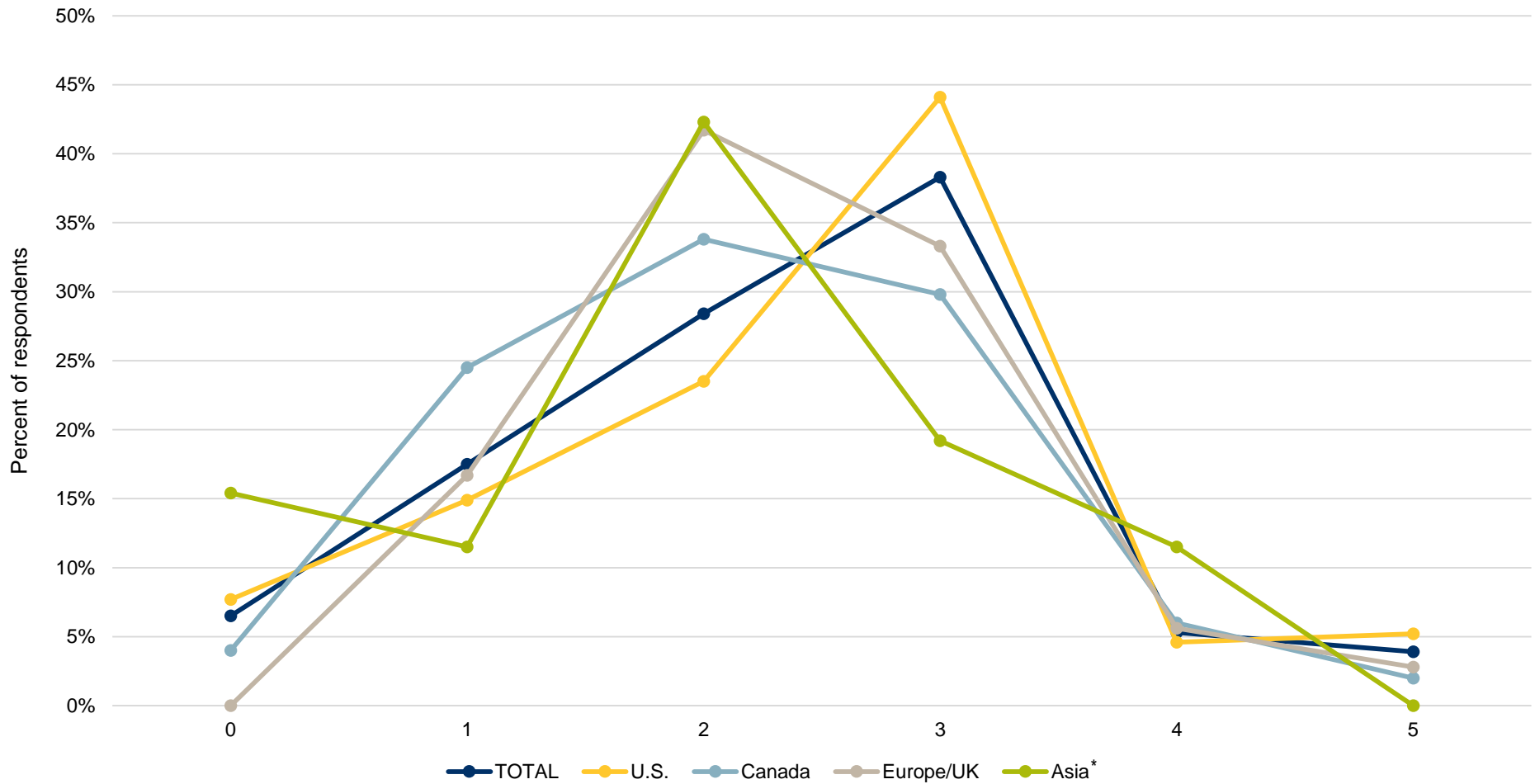
\*Sample size not statistically significant.





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

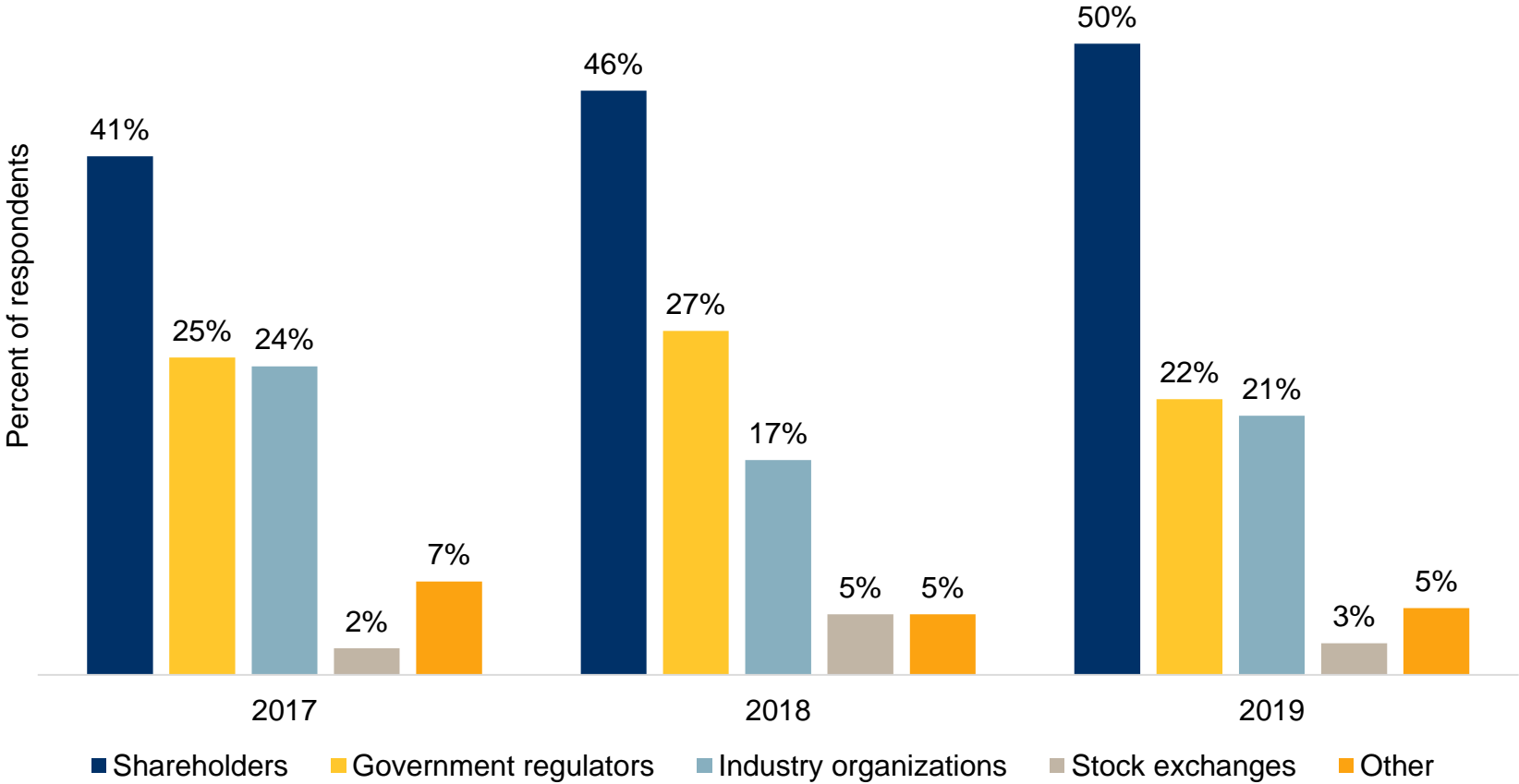
Ranked on a scale of 0-5, 0 being not satisfied, 5 being very satisfied



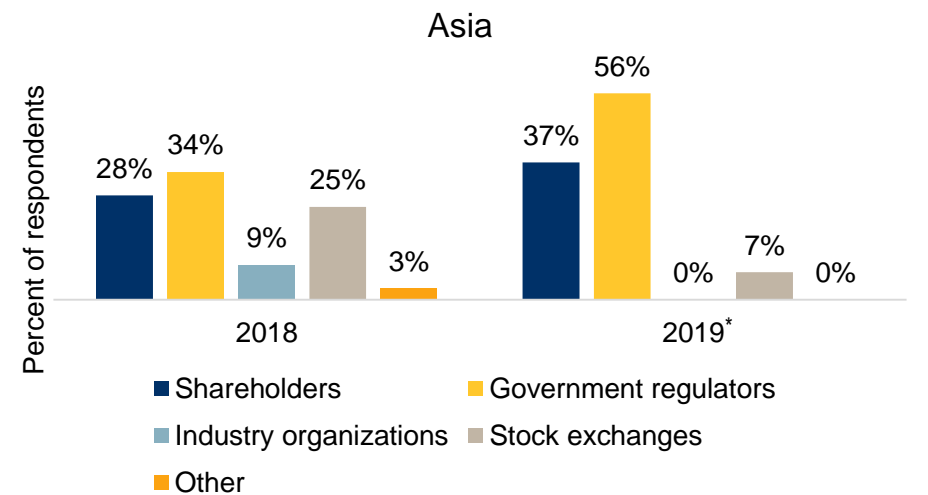
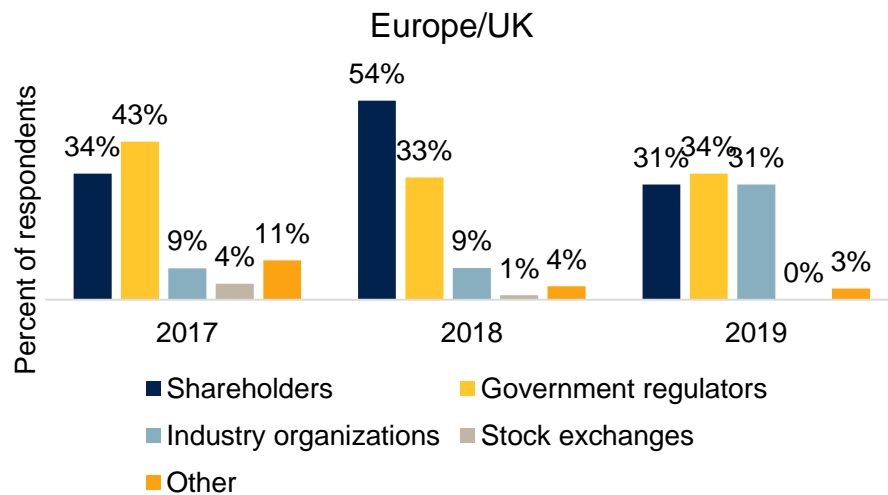
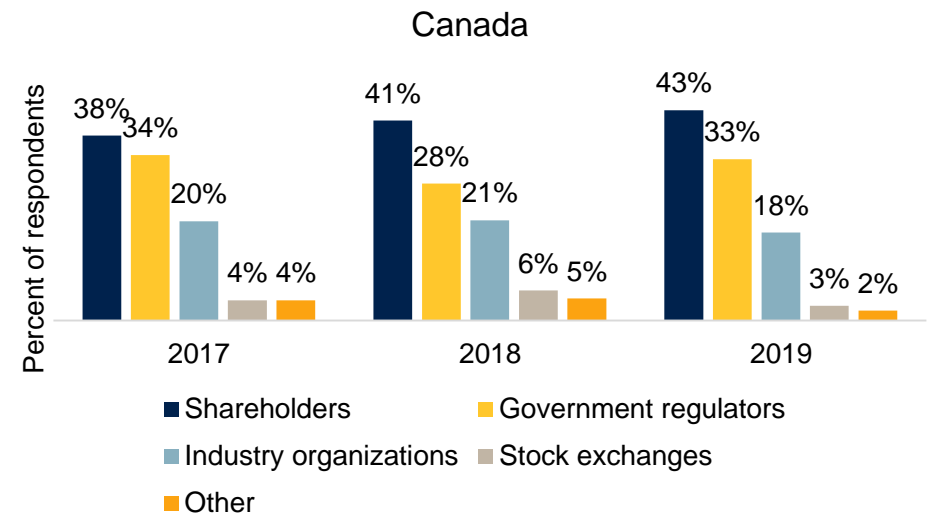
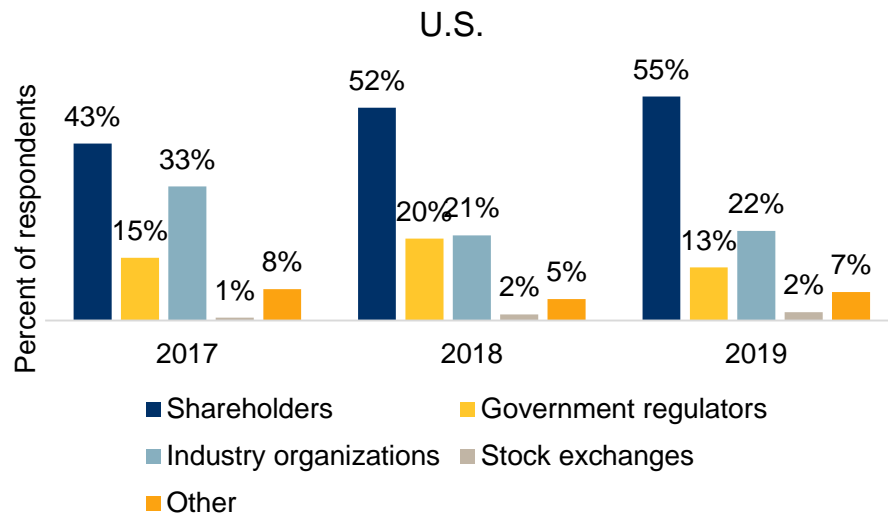
\*Sample size not statistically significant.

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

(all respondents)



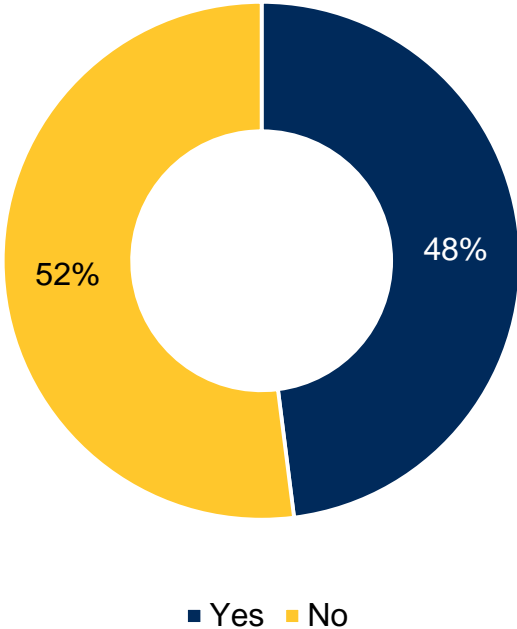
# In your opinion, who should take the lead in influencing companies to provide better ESG-related information?



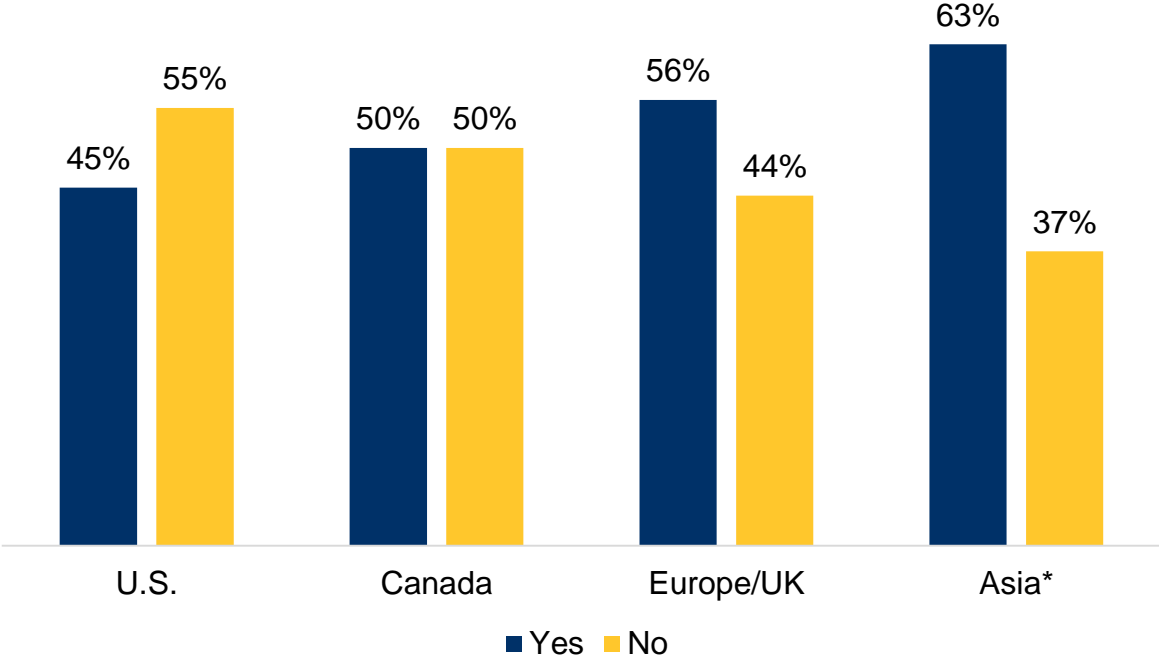
\*Sample size not statistically significant. Data for 2017 not available.

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

All respondents



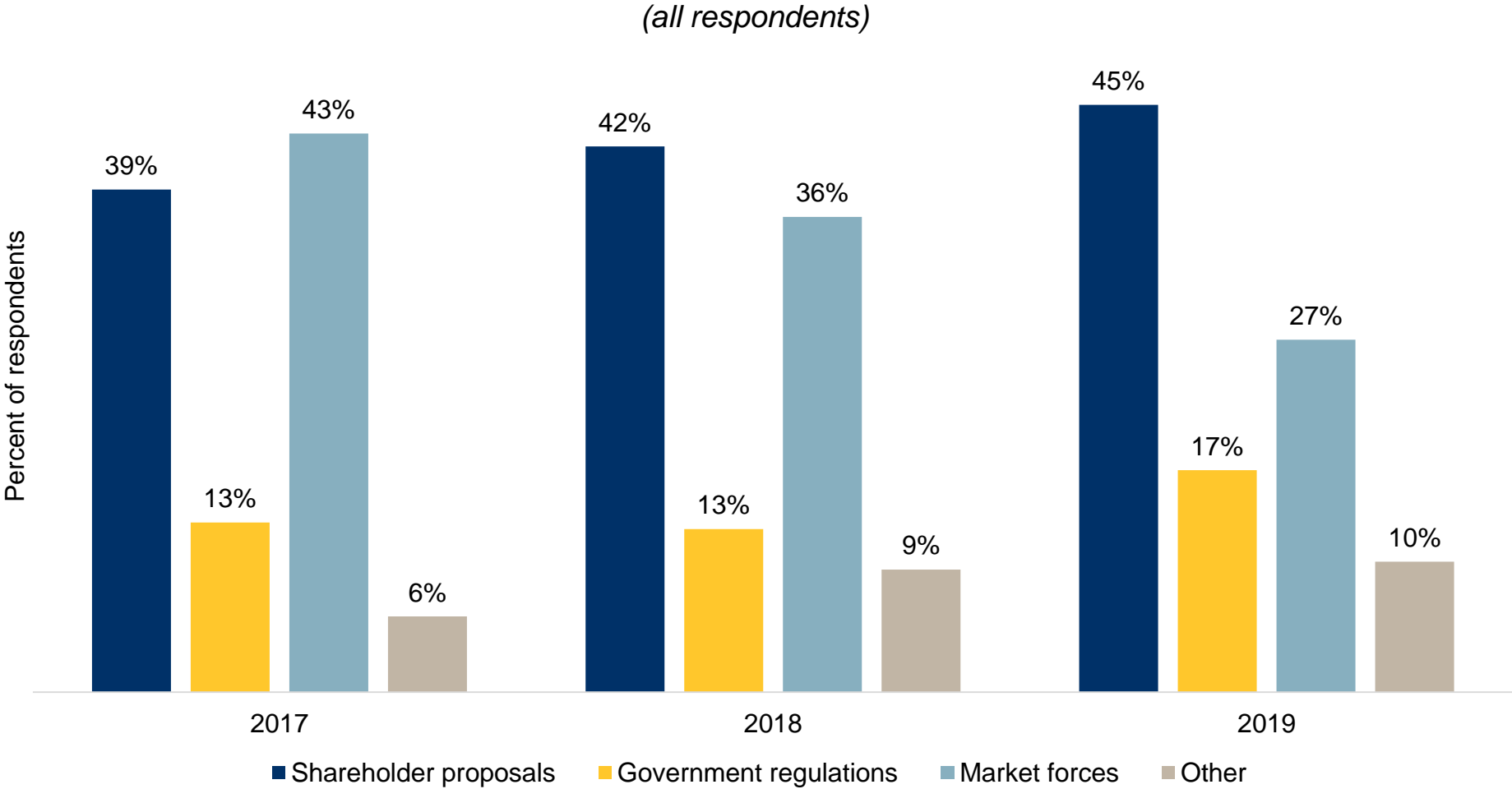
By region



\*Sample size not statistically significant.

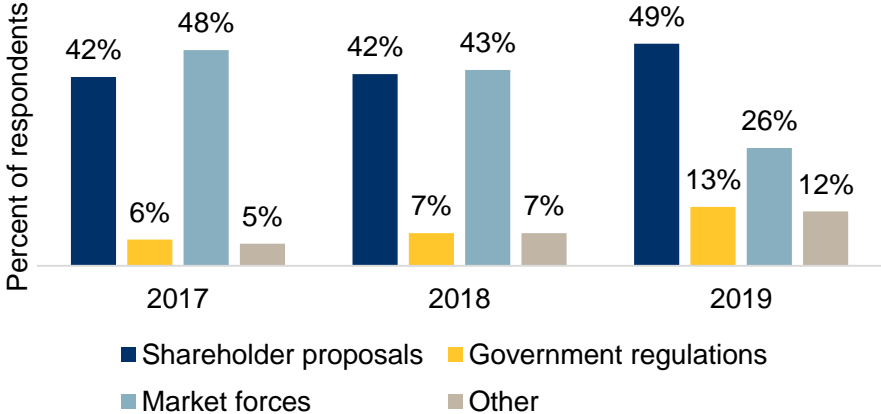


# What is your preferred approach to encourage gender diversity on corporate boards?

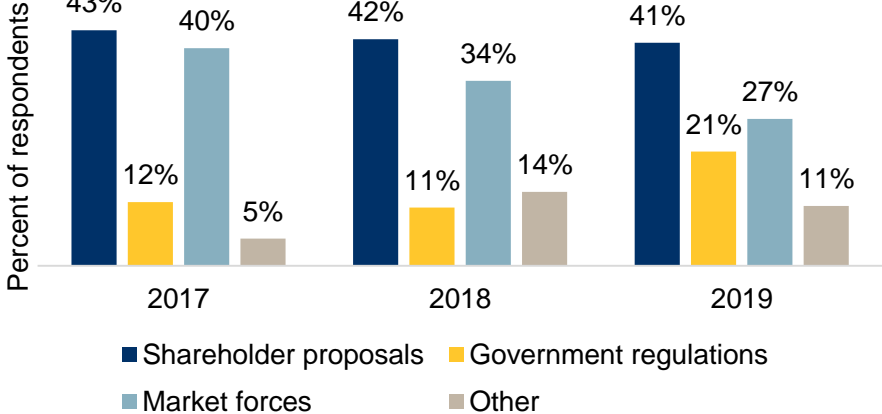


# What is your preferred approach to encourage gender diversity on corporate boards?

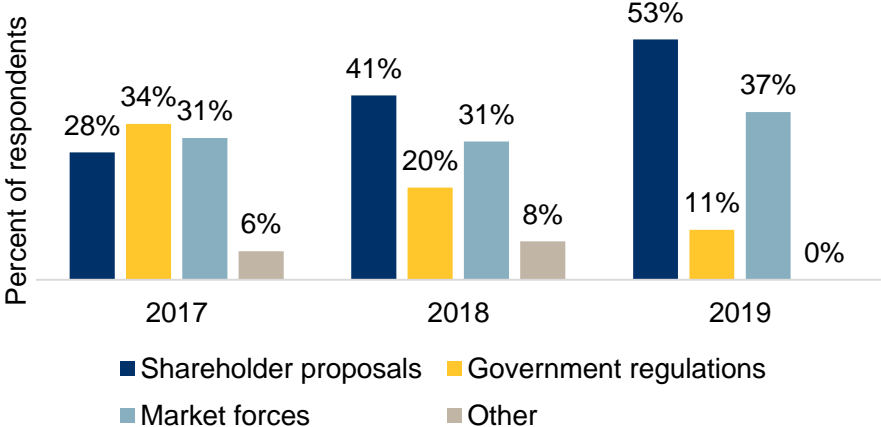
U.S.



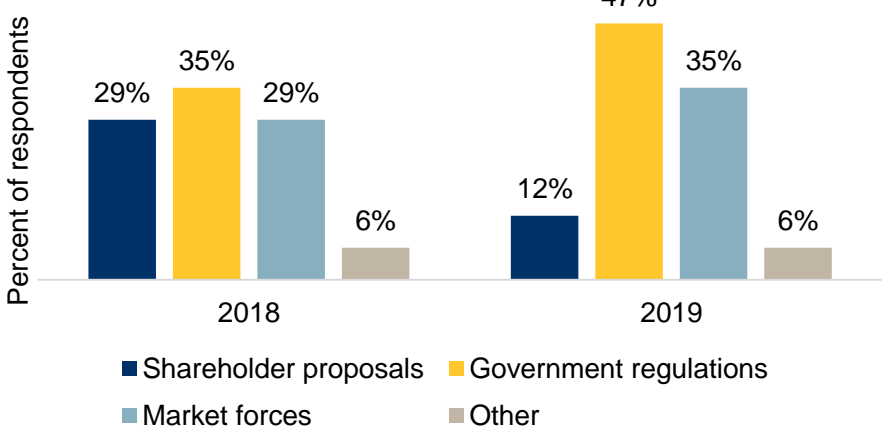
Canada



Europe/UK



Asia\*

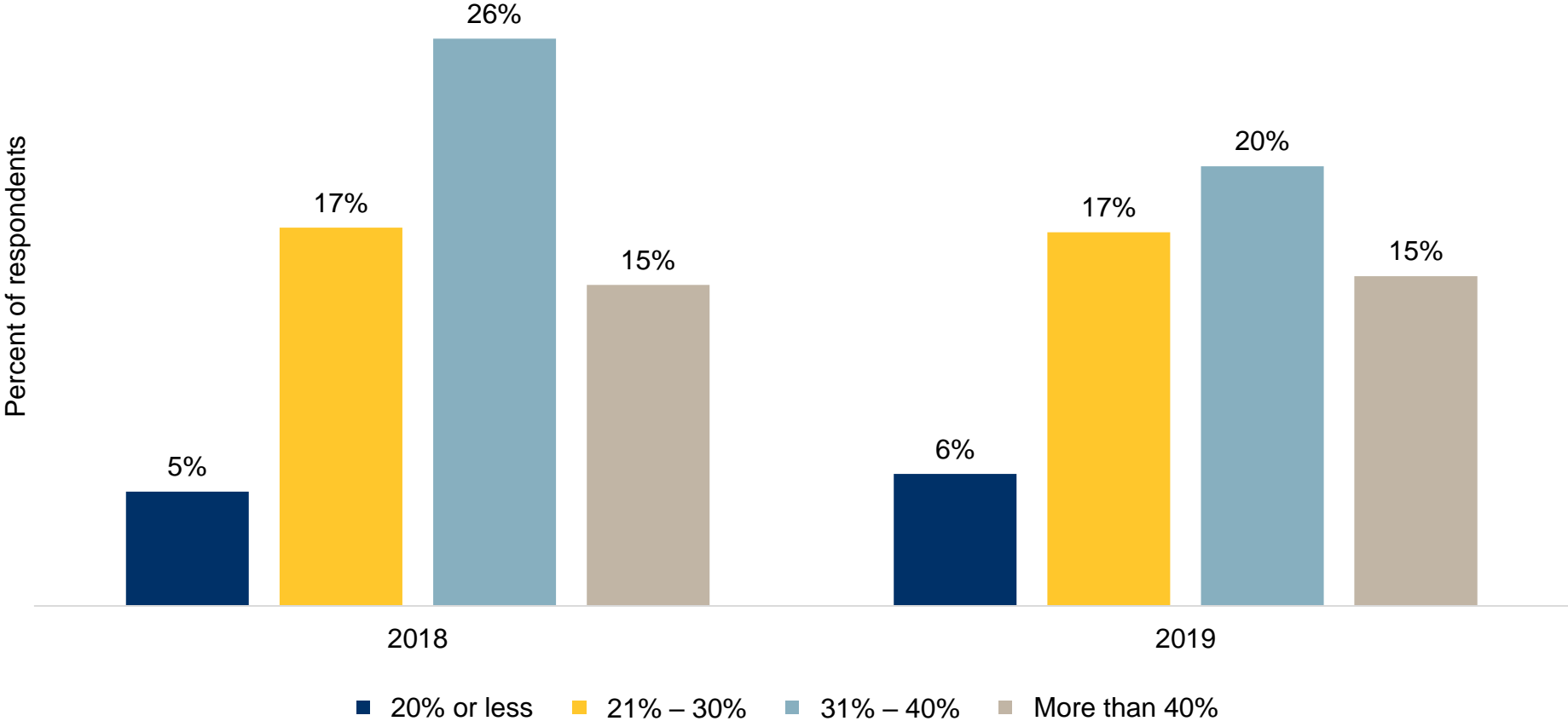


\*Sample size not statistically significant. Data for 2017 not available.

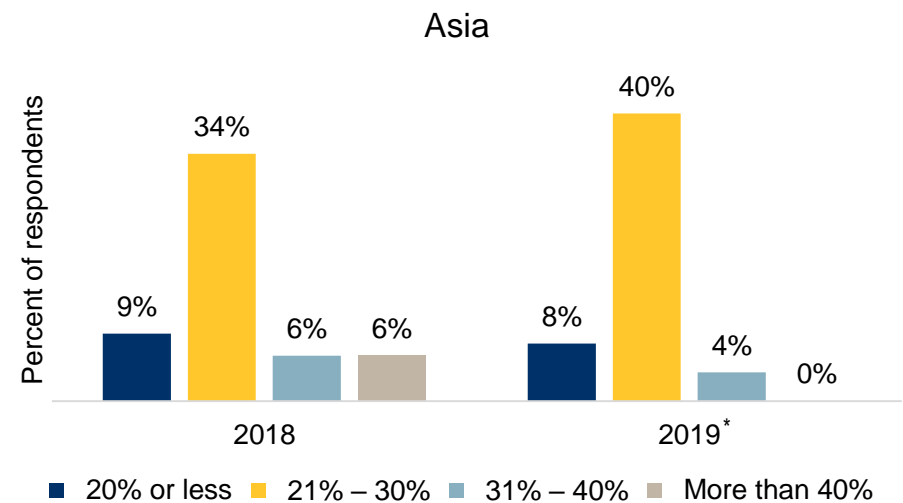
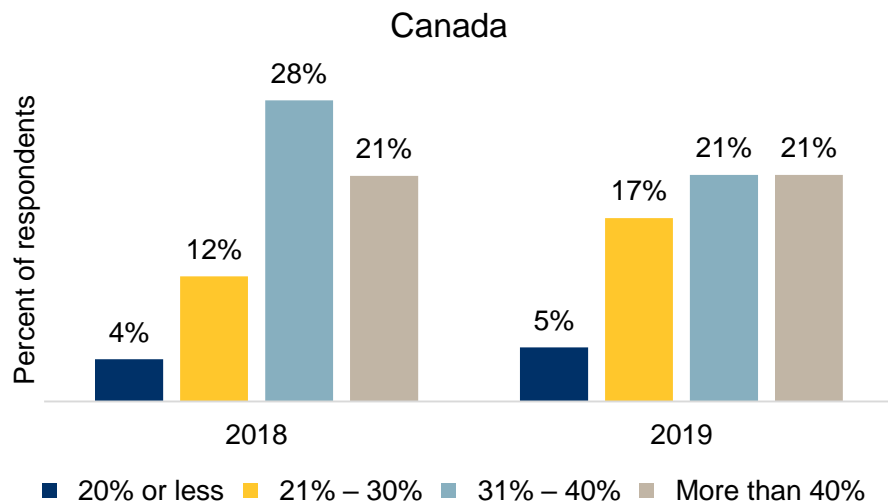
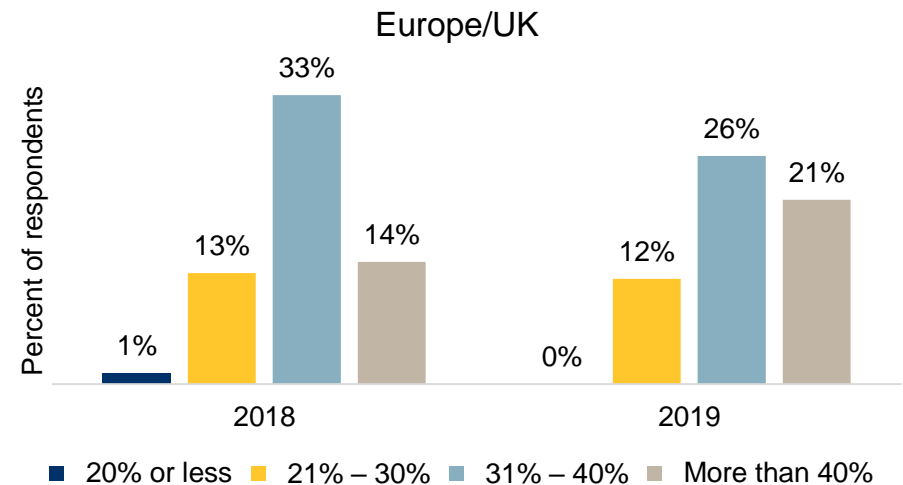
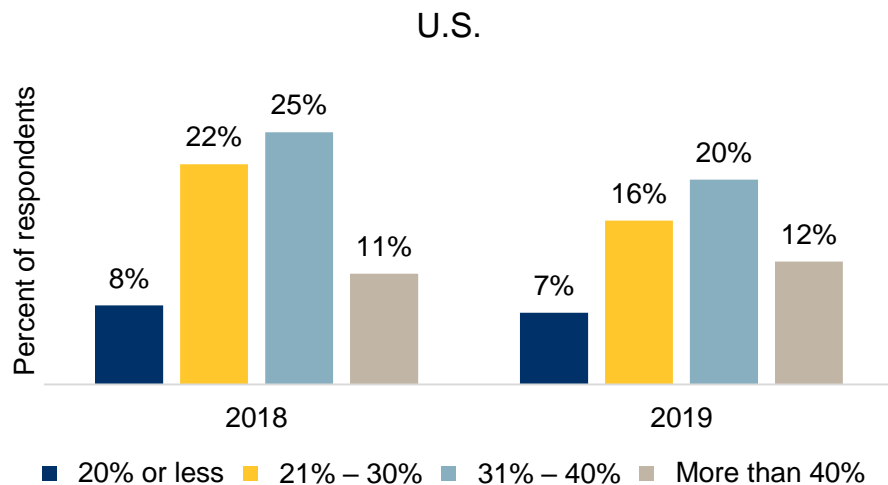


# What would be a reasonable non-binding target for the board of an issuer to adopt regarding gender diversity?

(all respondents)



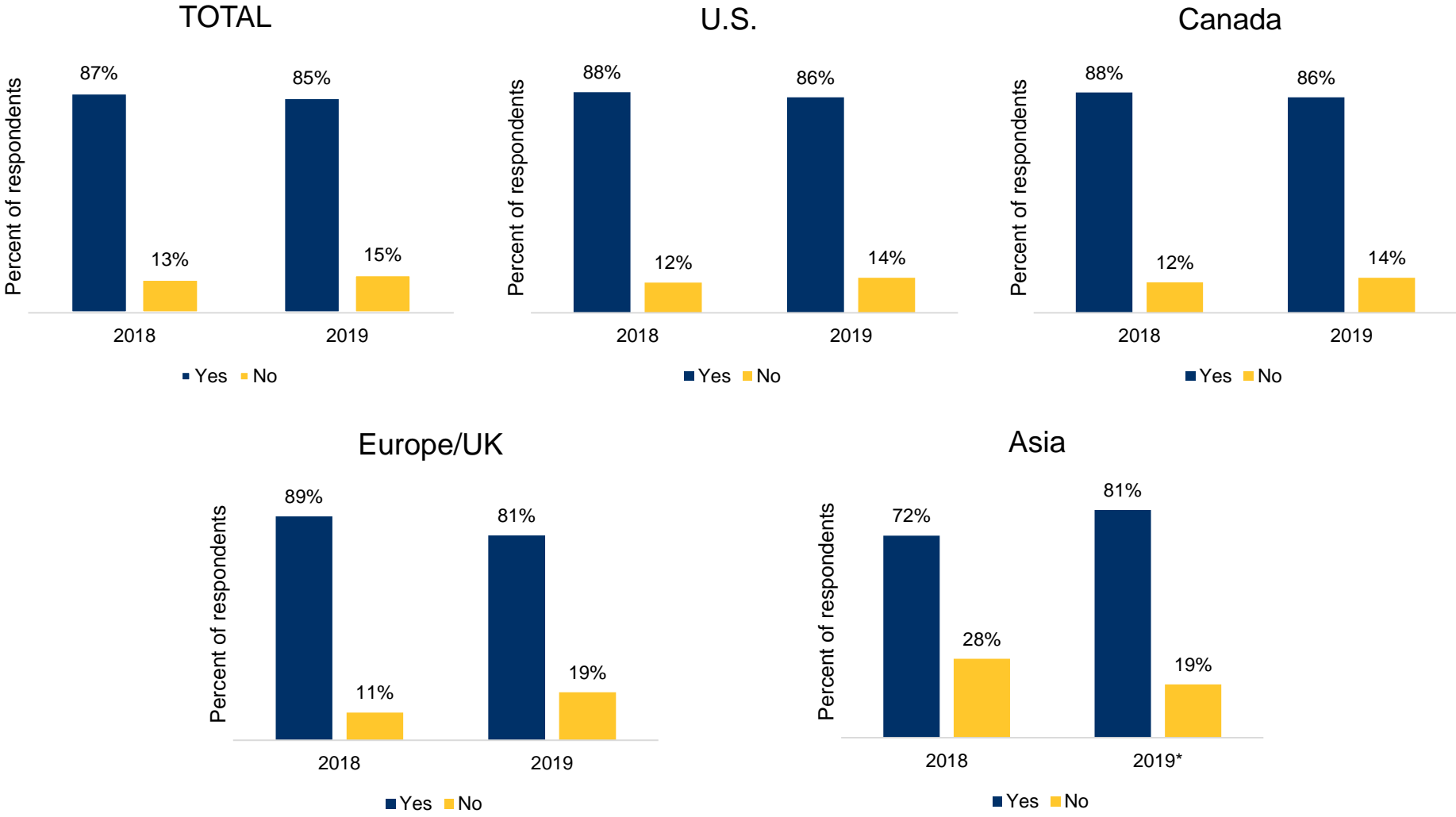
# What would be a reasonable non-binding target for the board of an issuer to adopt regarding gender diversity?



\*Sample size not statistically significant.



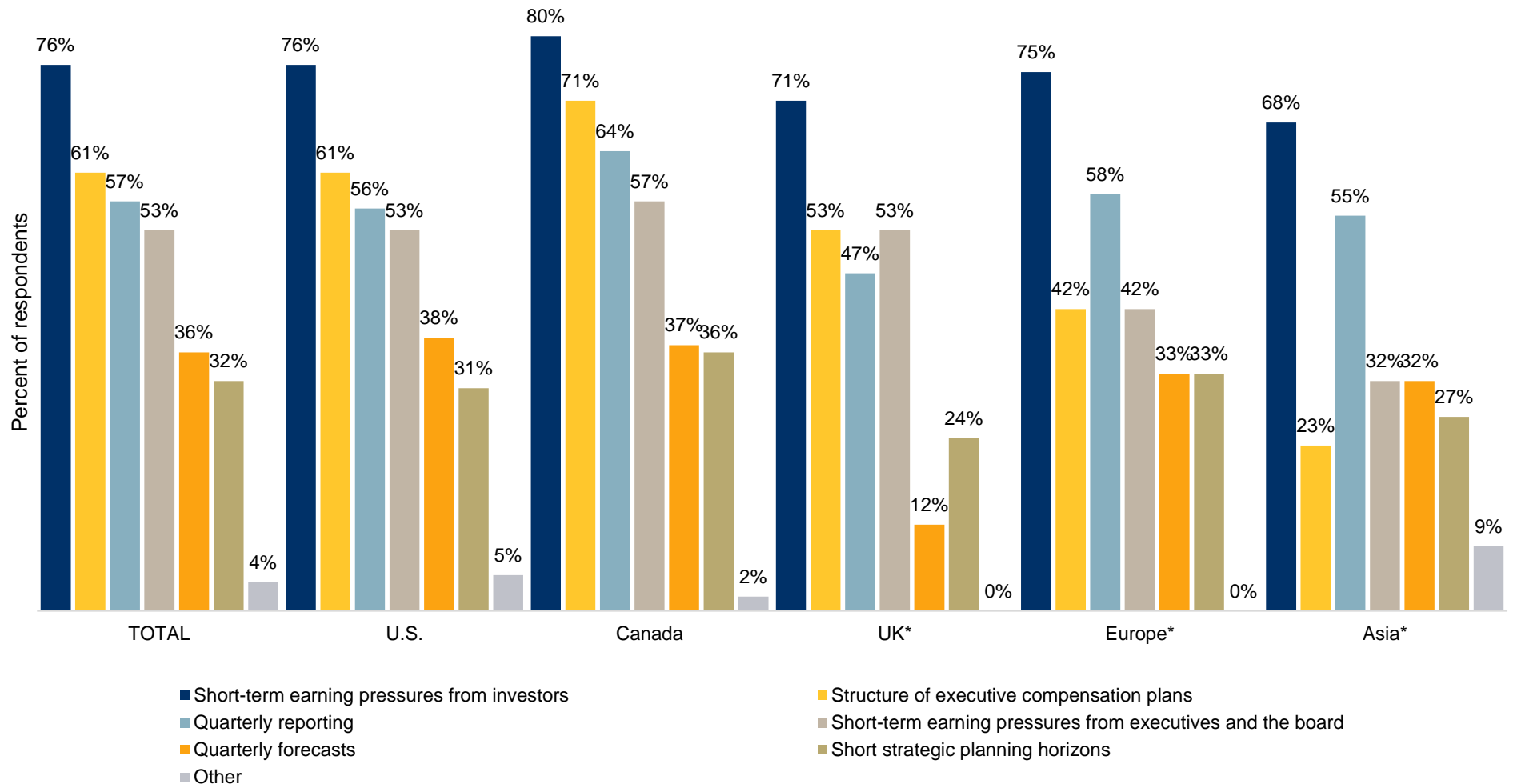
# Do you think corporations are too focused on short-term financial results?



\*Sample size not statistically significant.

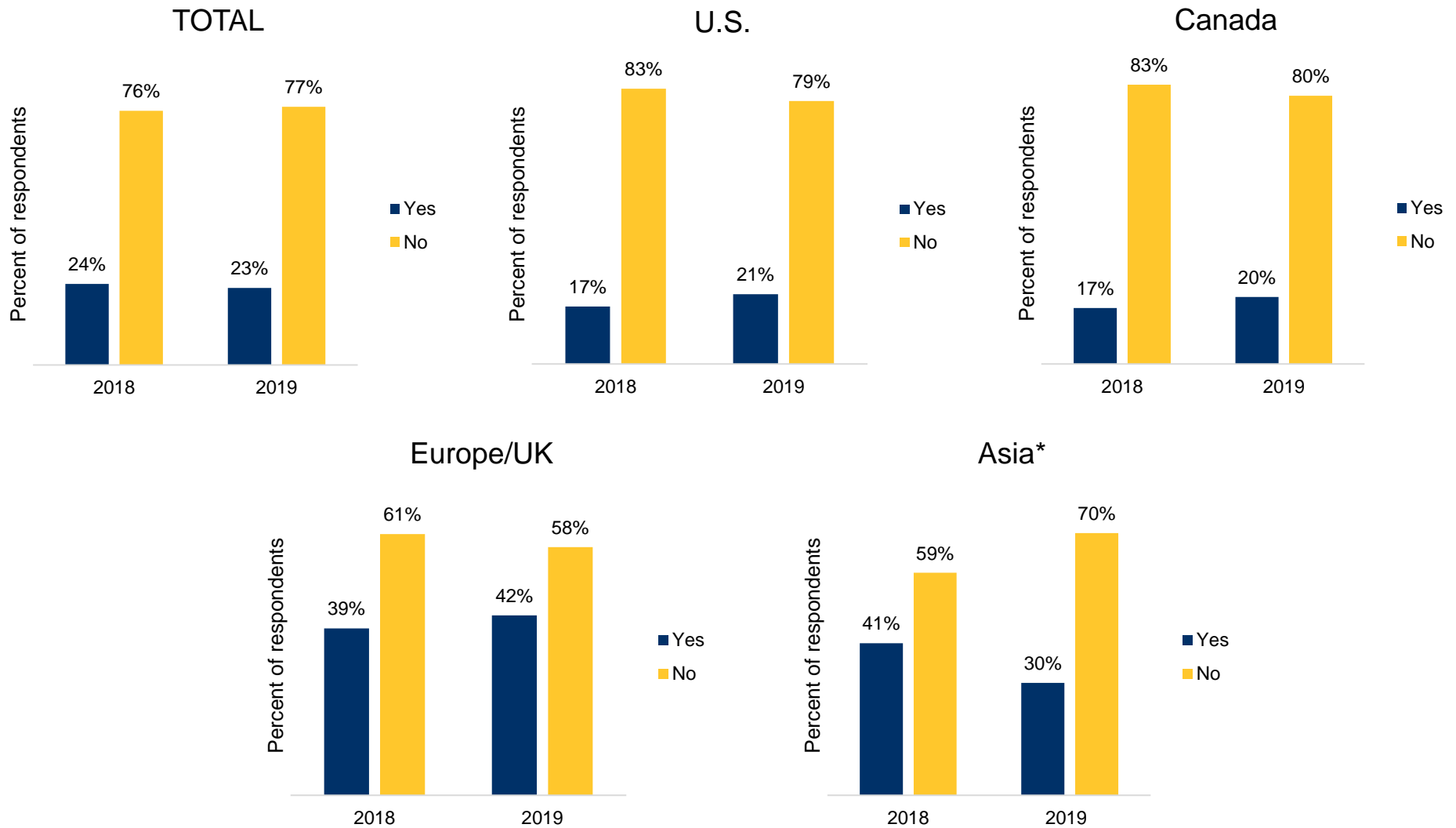


# What do you think is causing that short-term focus?



\*Sample size not statistically significant.

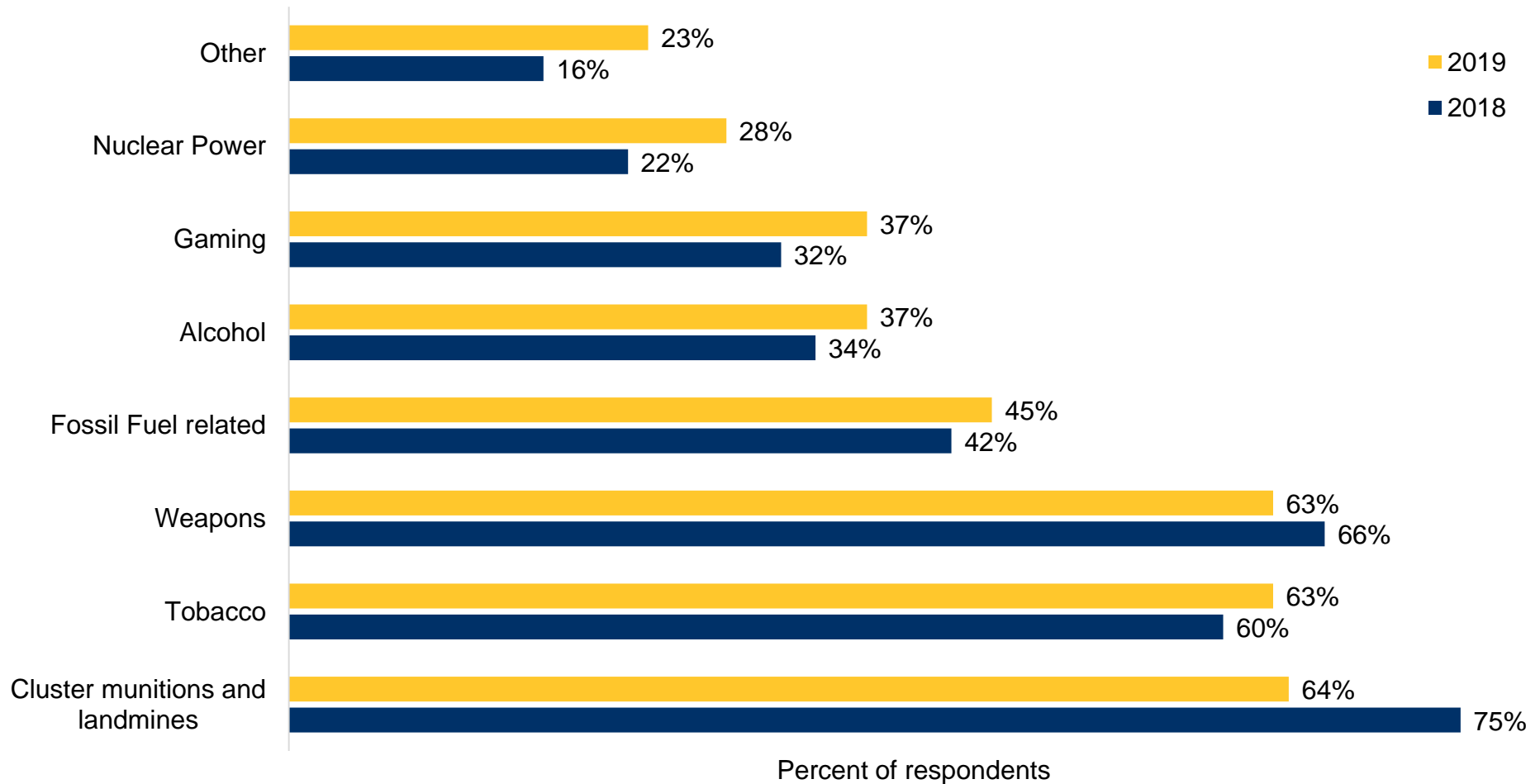
# Do you require your external asset manager(s) to apply any negative Socially Responsible Investment (SRI) screens to your portfolio?



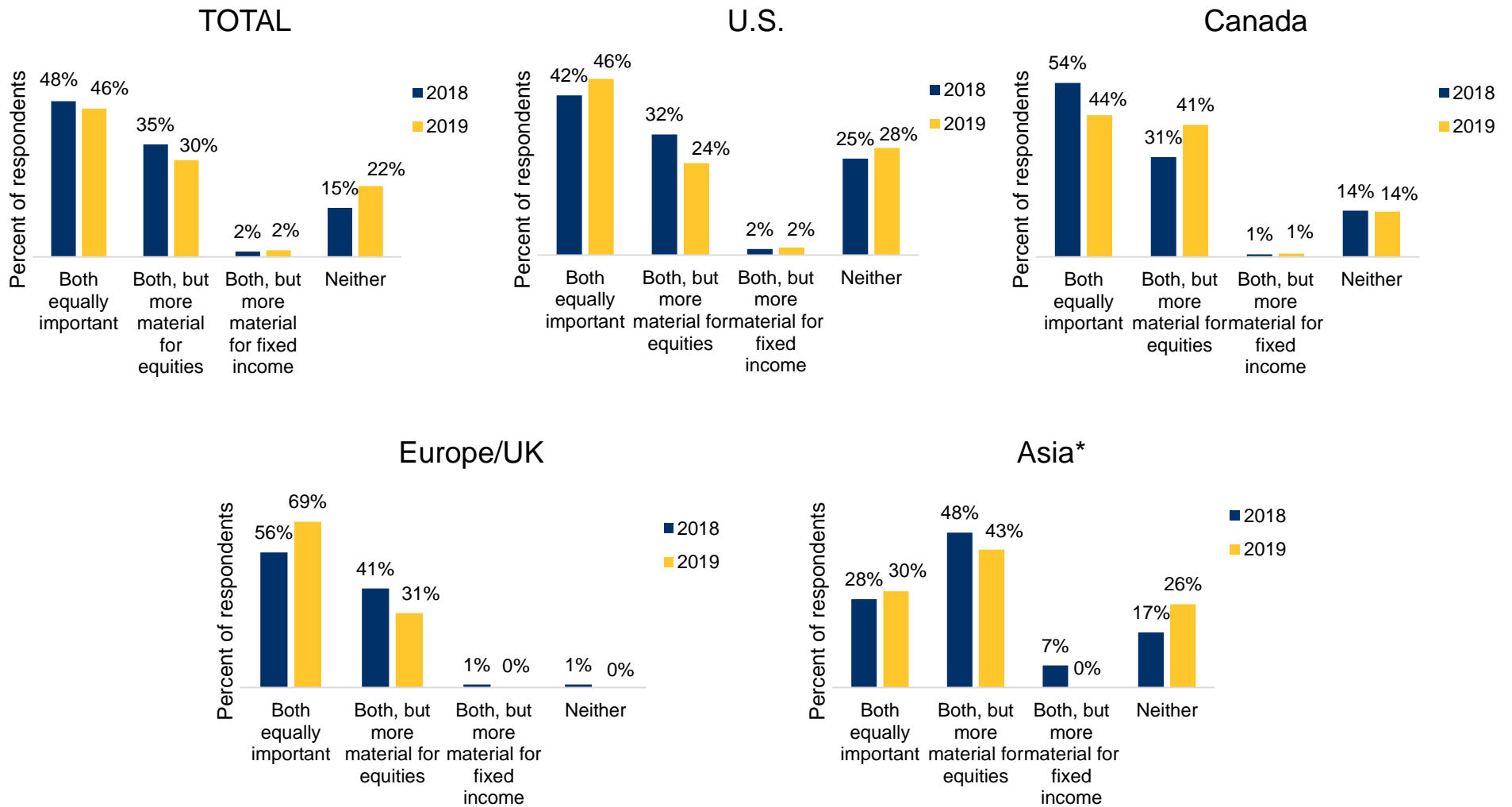
\*Sample size not statistically significant.

# Which screens are applied?

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

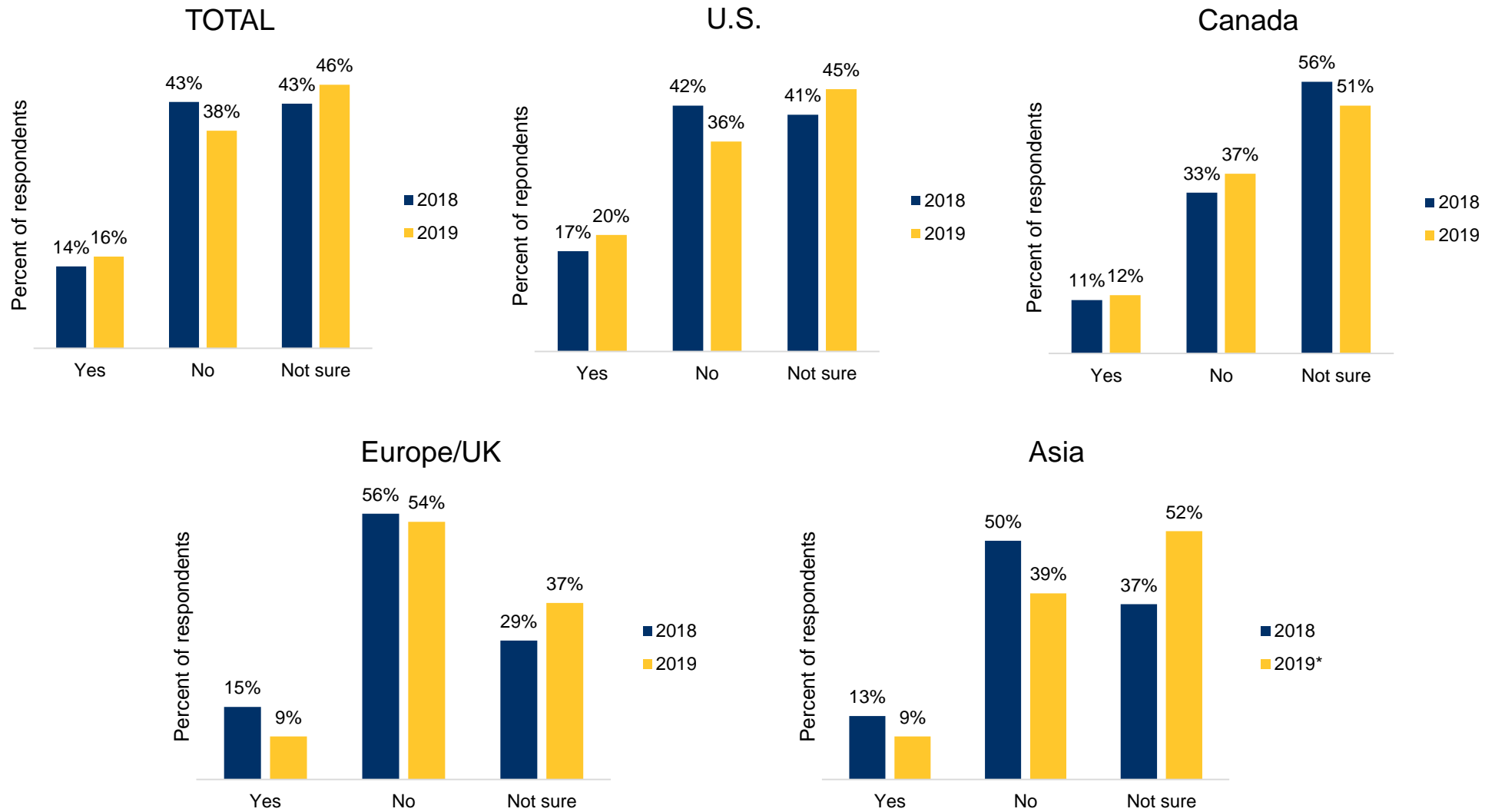


# Is it important to incorporate ESG factors into both equity and fixed income strategies?



\*Sample size not statistically significant.

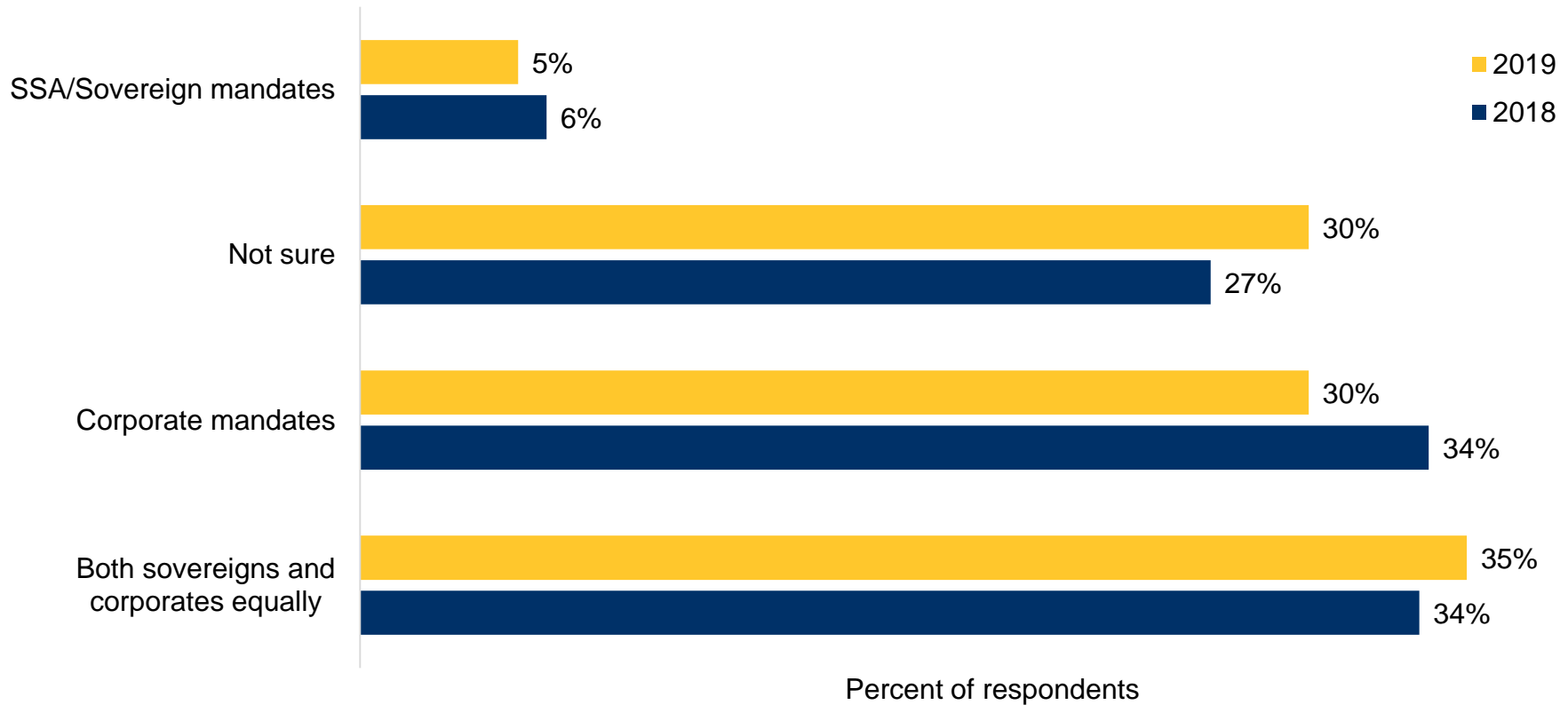
# Do you believe that there are sufficient fixed income product offerings that incorporate ESG factors?



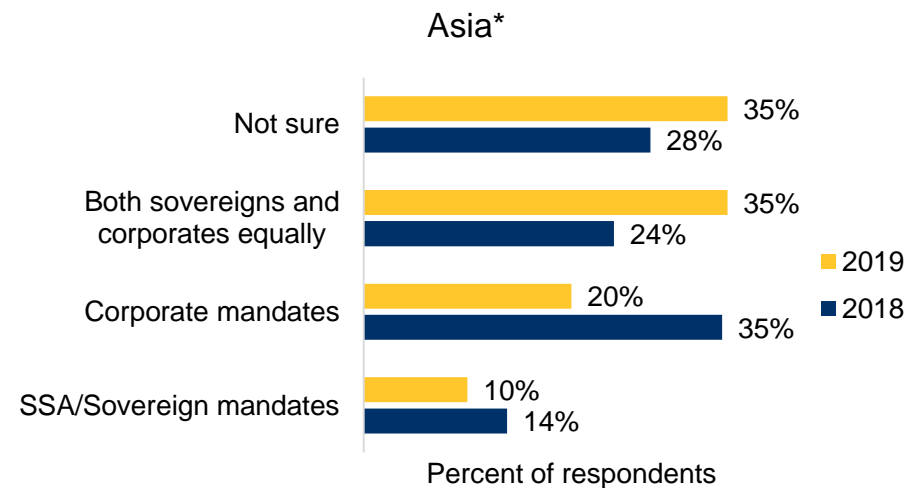
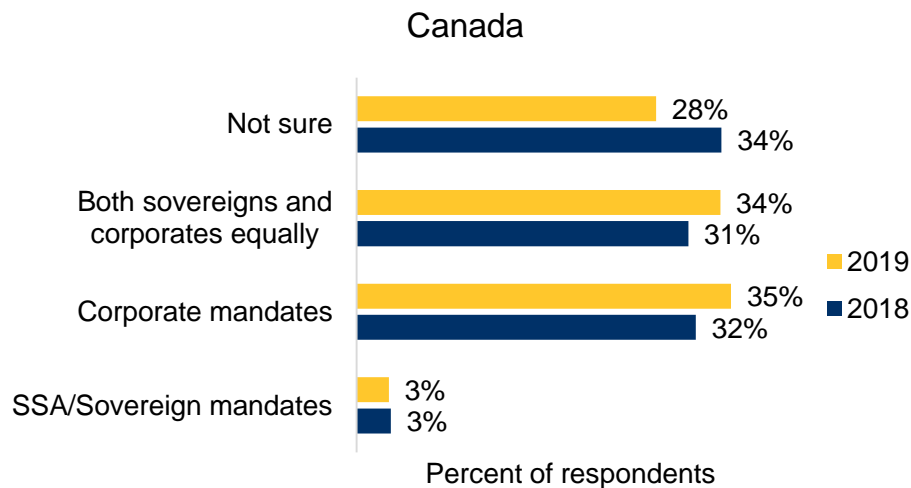
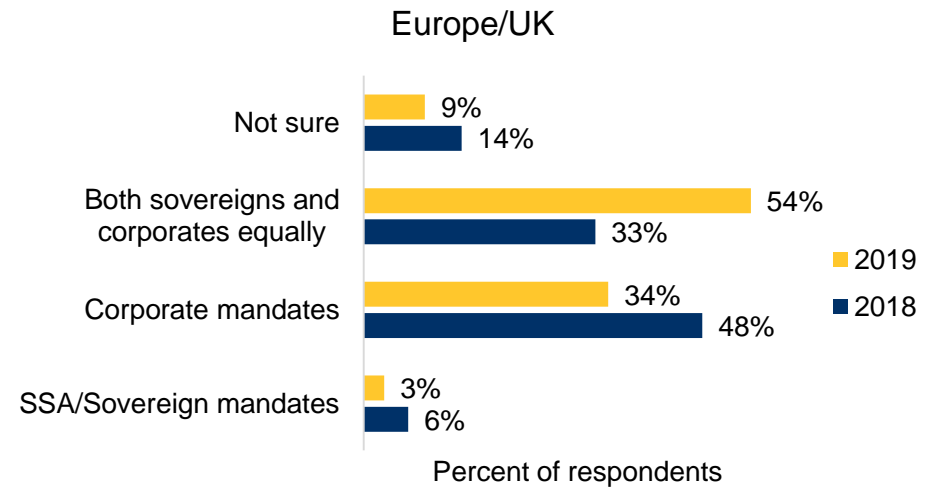
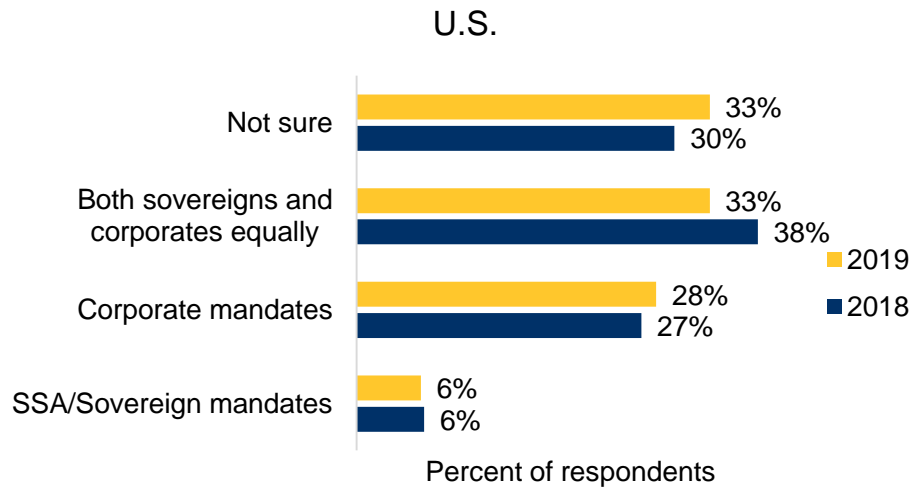
\*Sample size not statistically significant.

# 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?

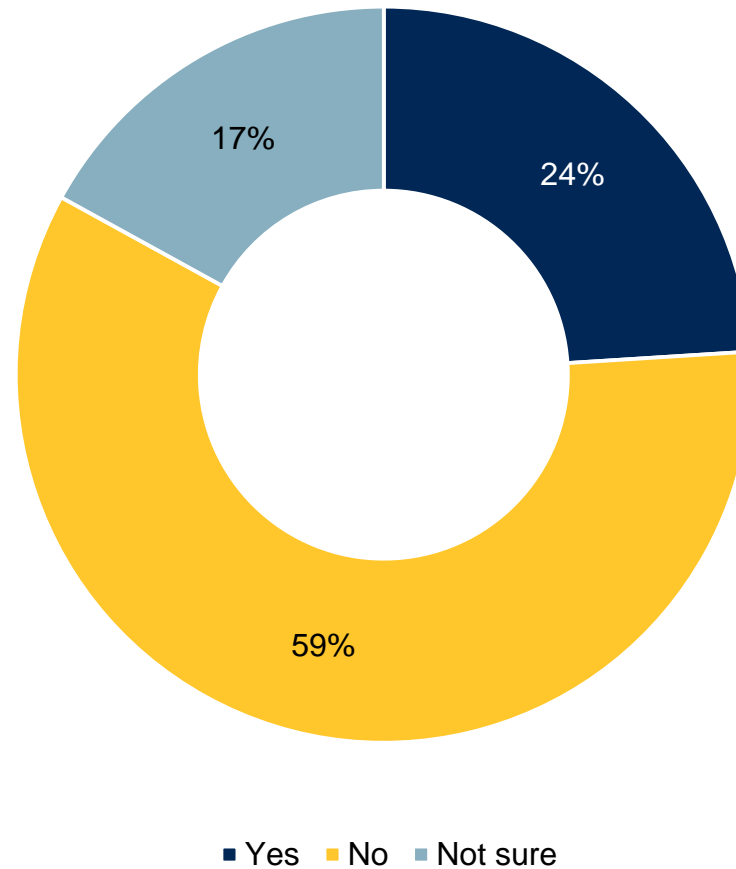


\*Sample size not statistically significant.

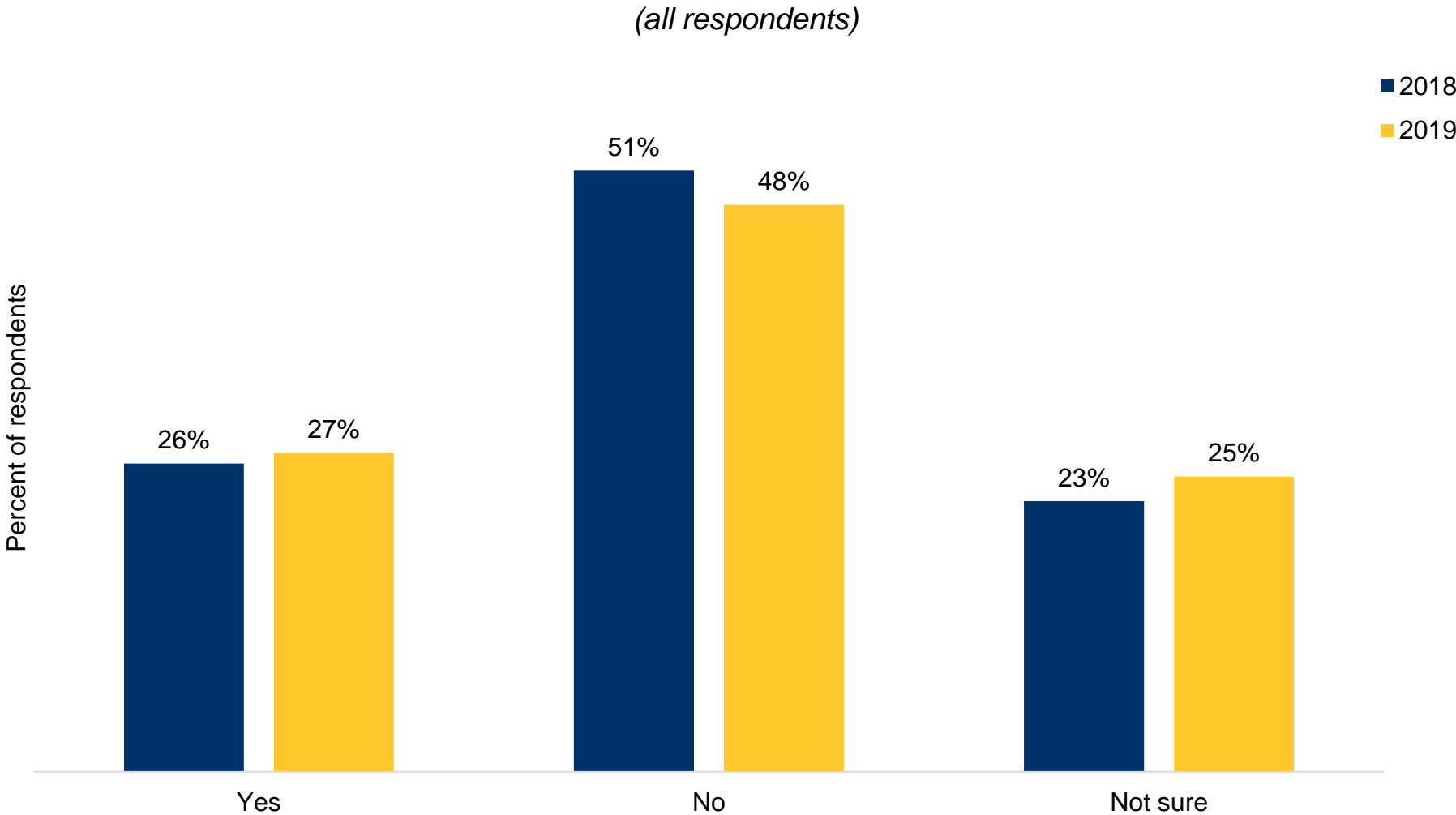


# Do you/your company have a climate action policy?

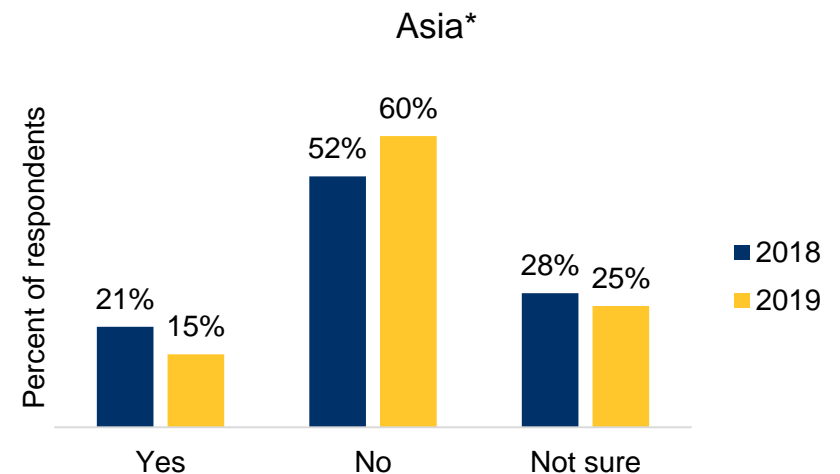
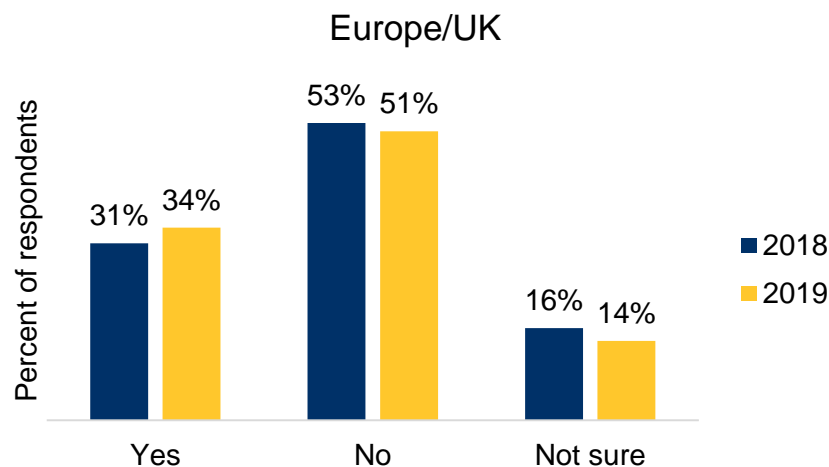
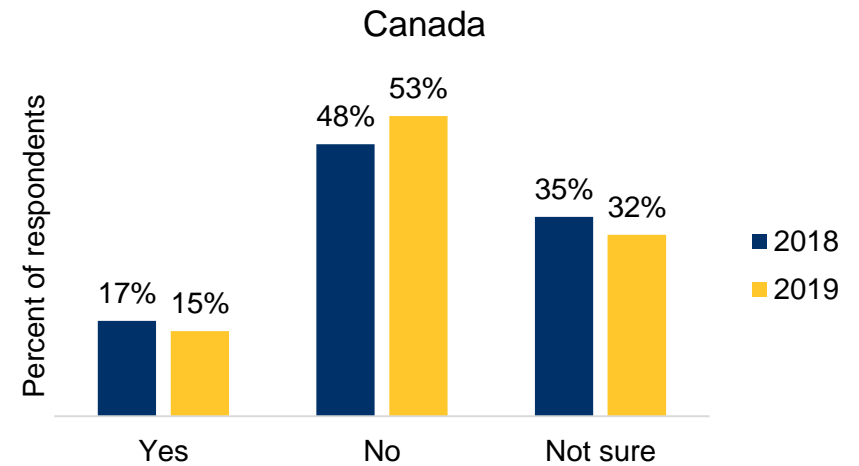
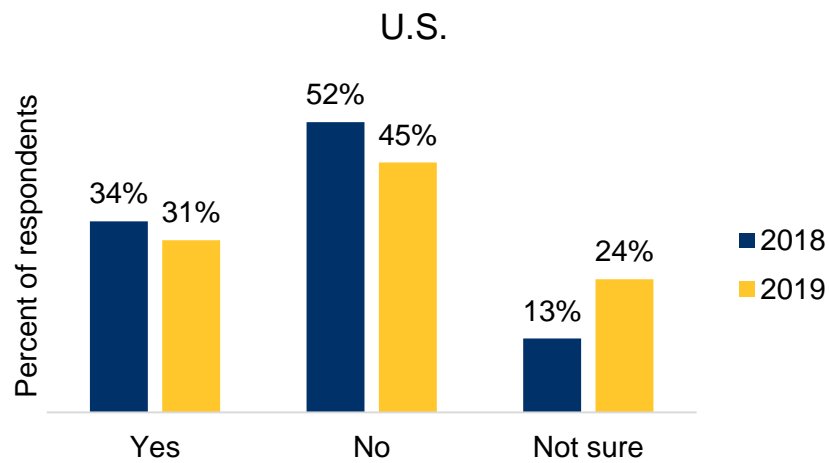
*(all respondents)*



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



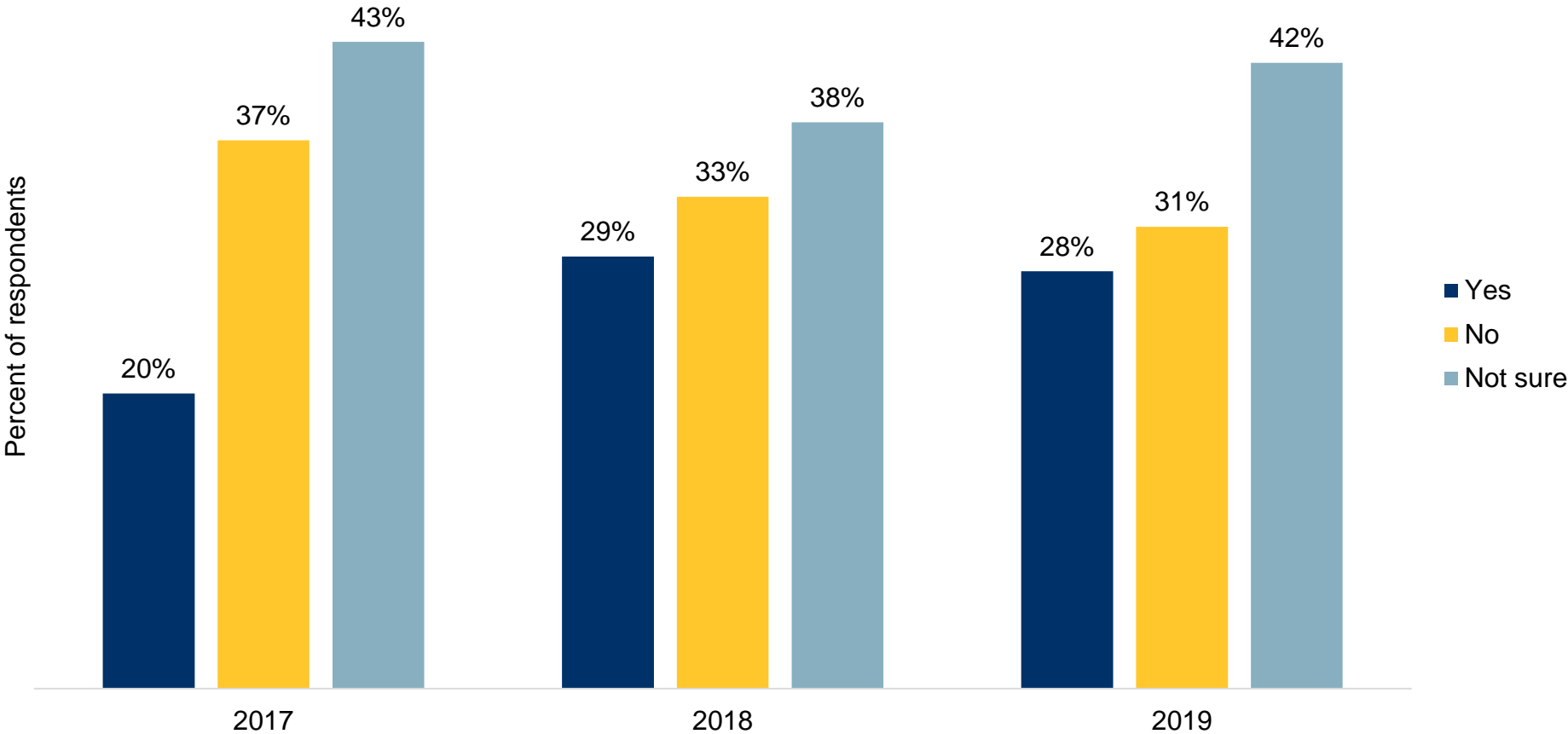
# Do you currently hold any impact products in your portfolio?



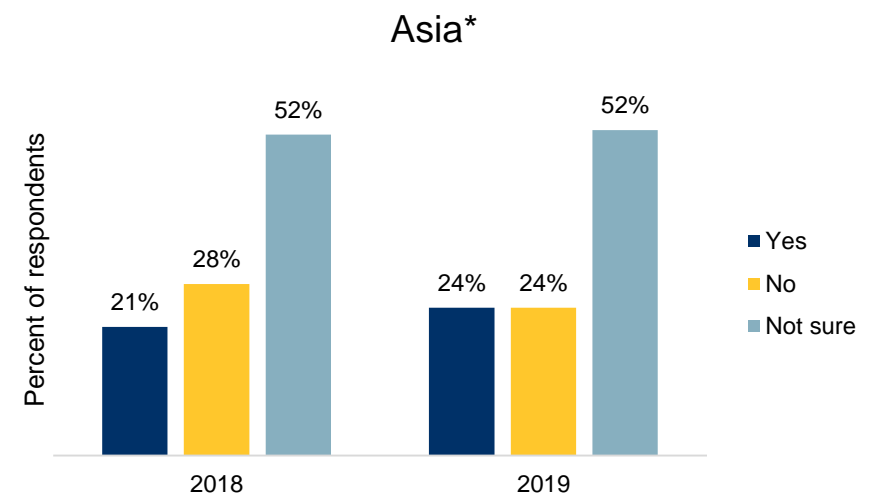
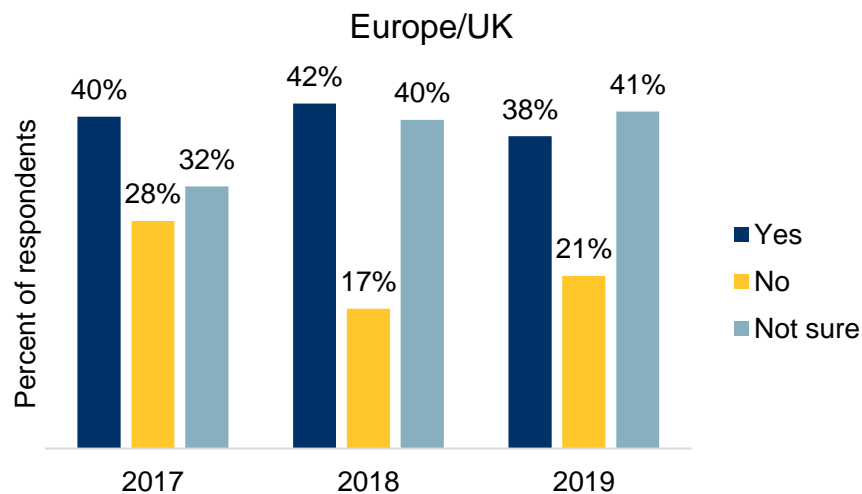
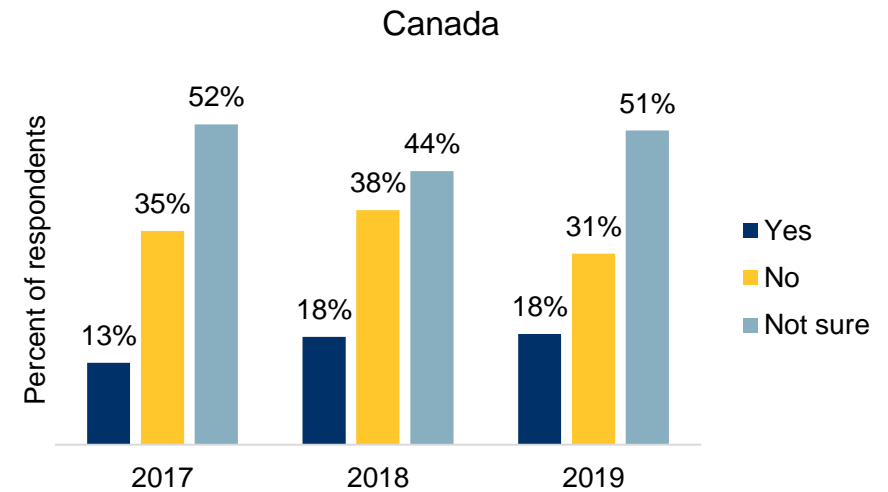
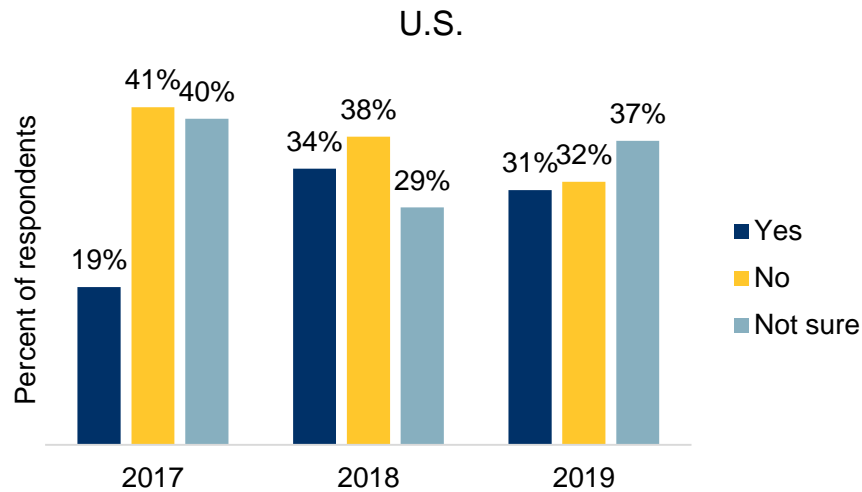
\*Sample size not statistically significant.

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

(all respondents)



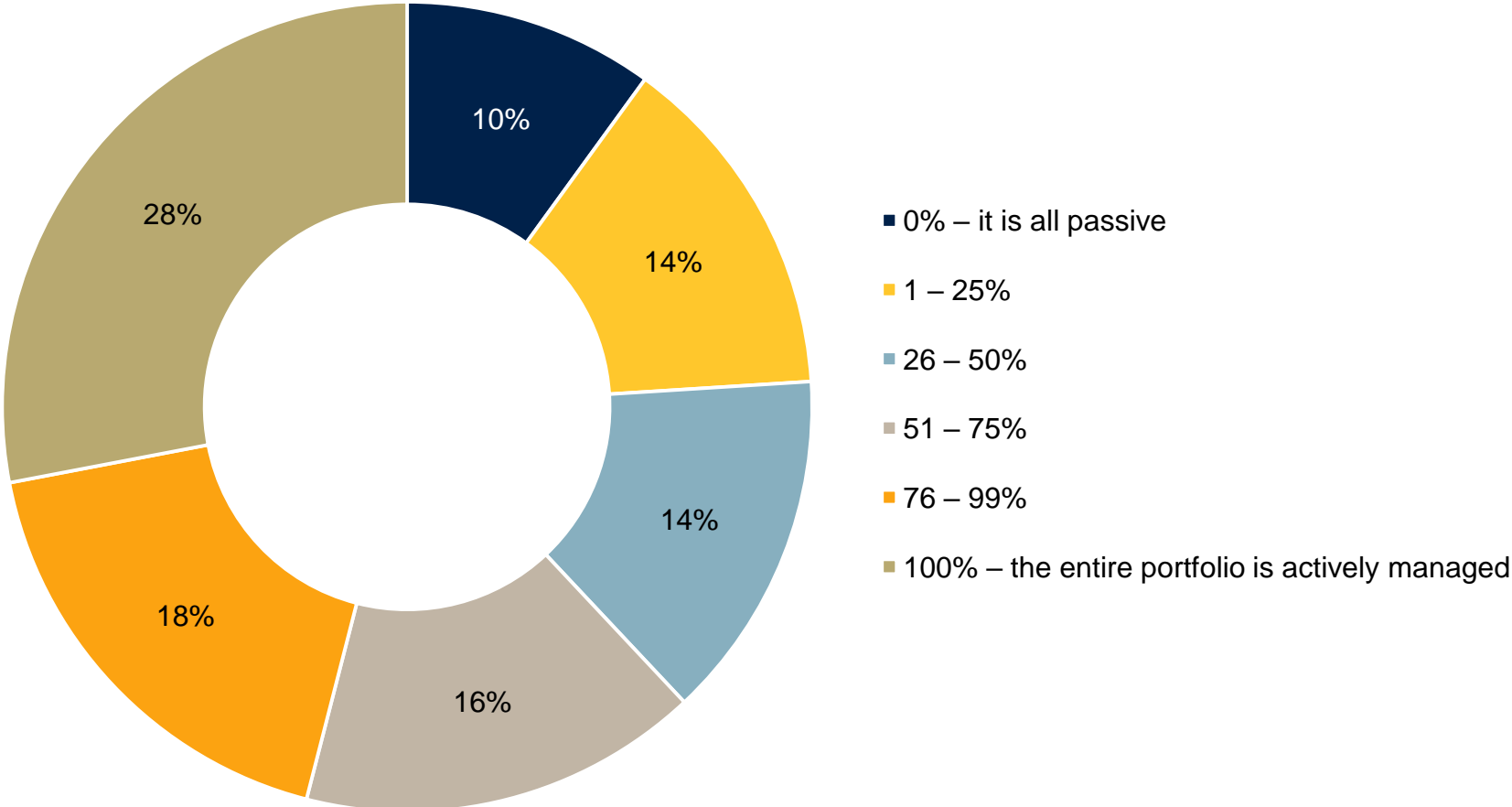
# Do you expect to allocate funds to Impact Investing as opposed to ESG/SRI in the next 1-5 years?



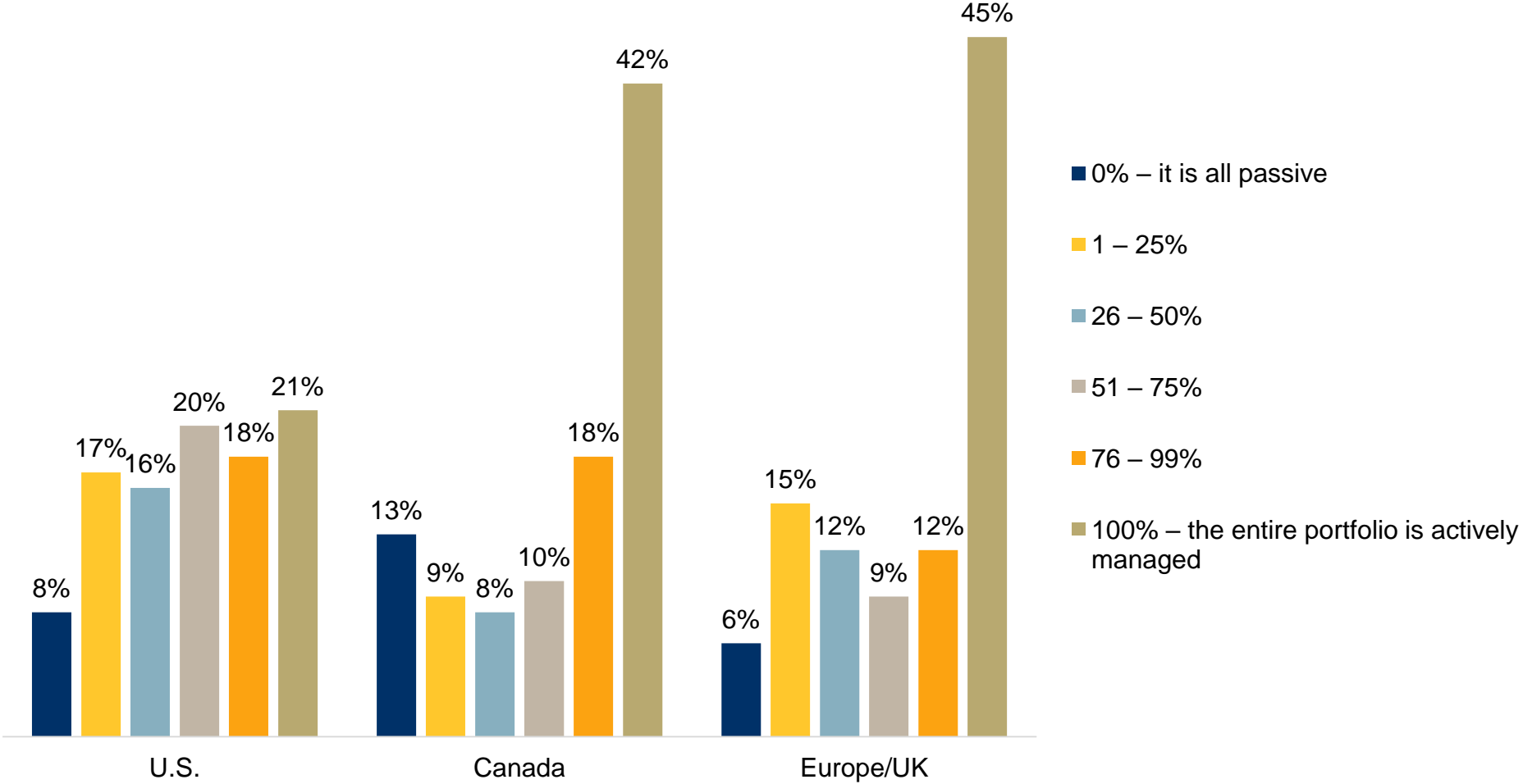
\*Sample size not statistically significant. Data for 2017 not available.

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

(all respondents)

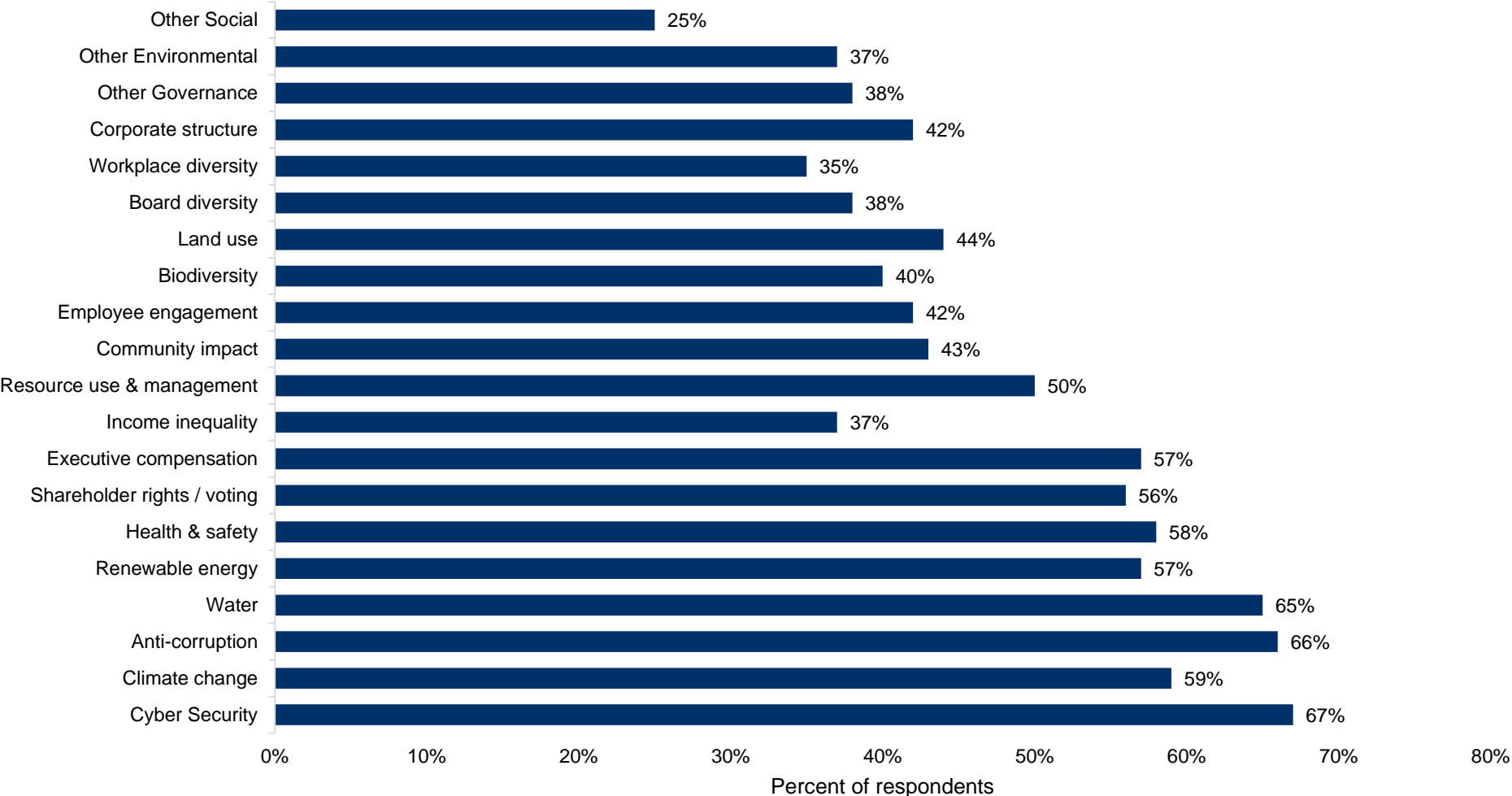


# Of your portfolio that falls under the umbrella of responsible investing, what percent is actively managed (versus passively managed or index-based)?



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

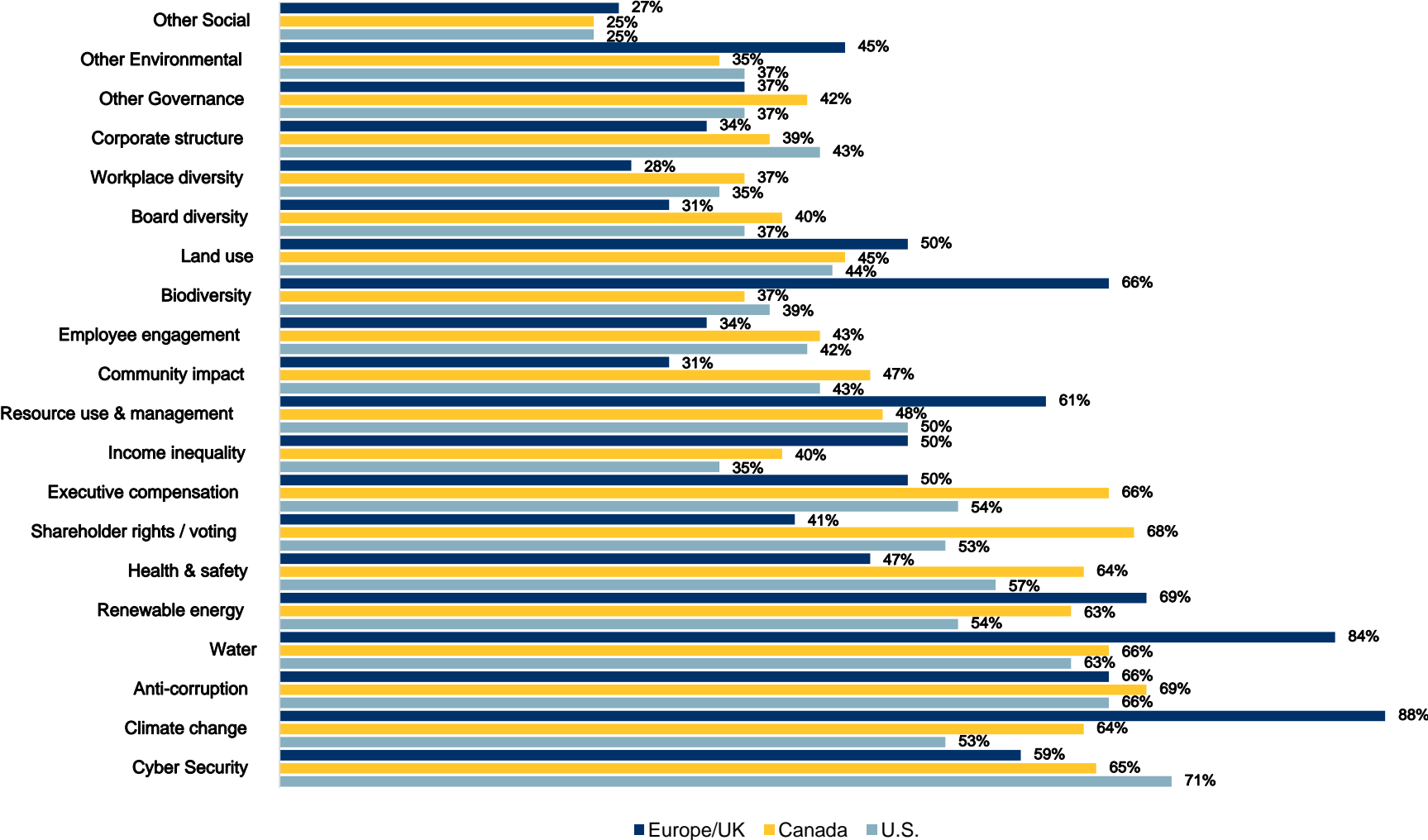
*Ranked on a scale of 0-5, 0 being not concerned, 5 being very concerned (Top 2 Concerned)  
(all respondents)*





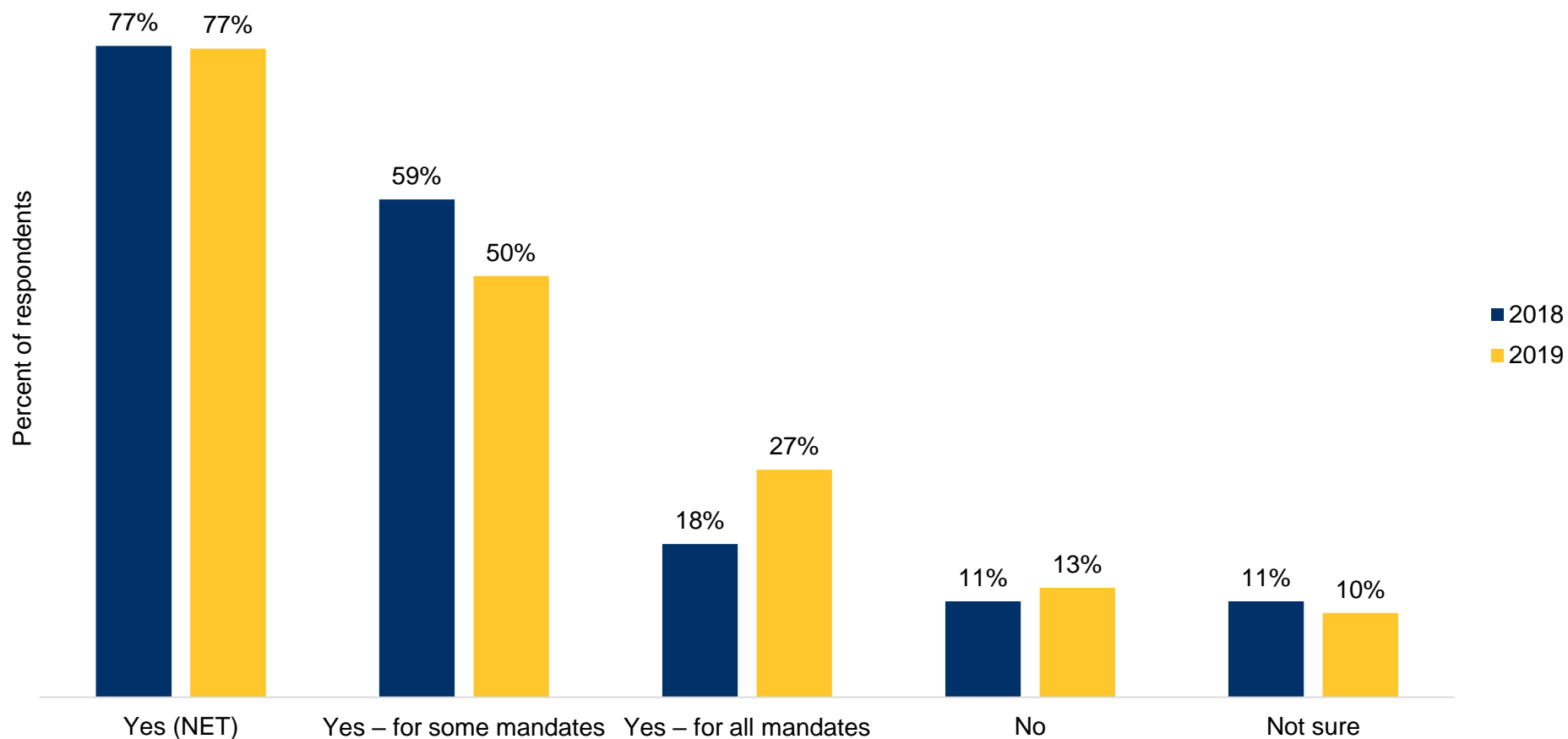
# Among the issues you would consider while investing, how concerned are you about the following...

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



# Investment Consultants

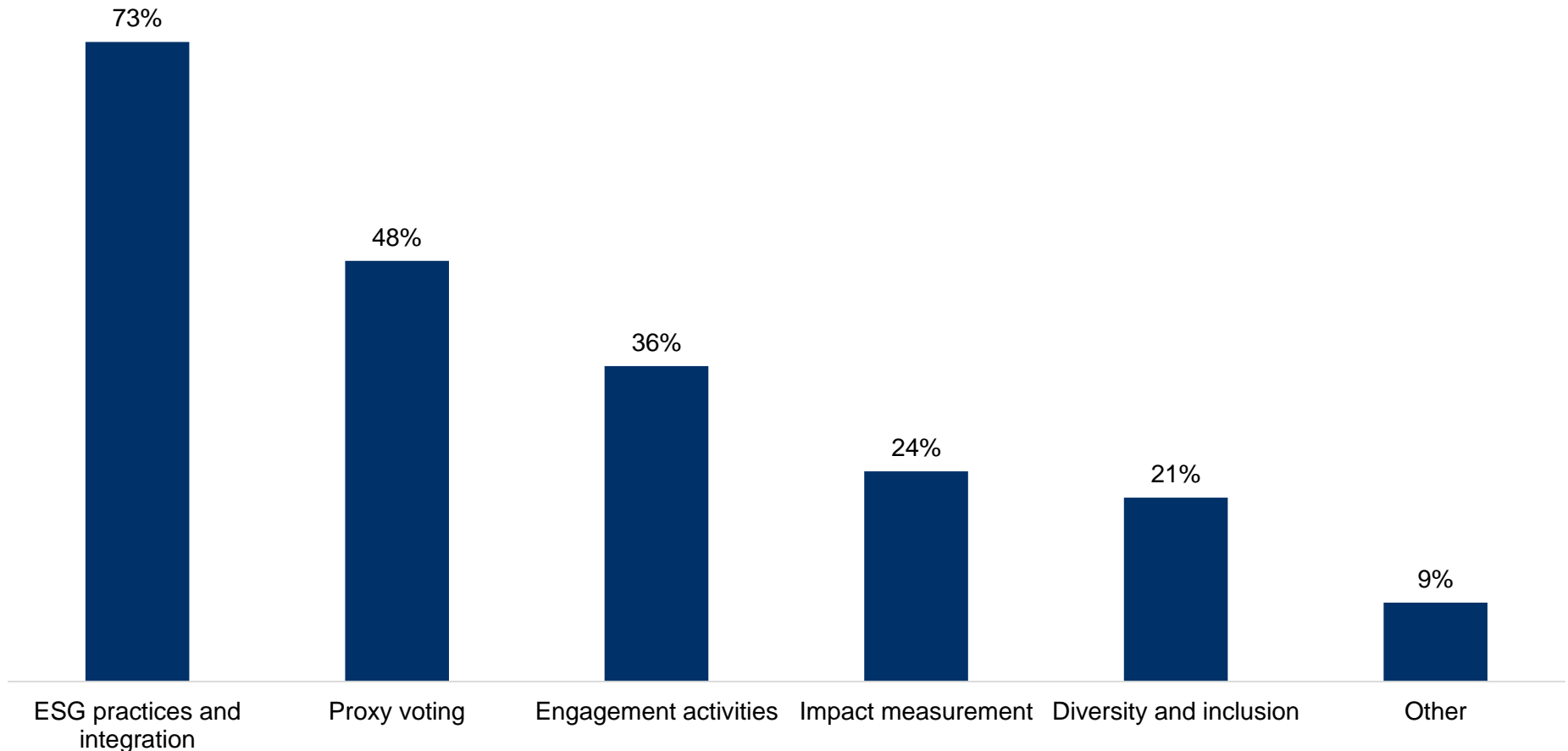
Do you employ external managers who incorporate ESG factors into their portfolio management process?



# 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

This document is provided by RBC Global Asset Management (RBC GAM), the asset management division of Royal Bank of Canada (RBC) for informational purposes only and may not be reproduced, distributed or published without the written consent of RBC GAM or its affiliated entities listed herein. This document does not constitute an offer or a solicitation to buy or to sell any security, product or service in any jurisdiction. This document is not available for distribution to people in jurisdictions where such distribution would be prohibited.

RBC GAM is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management Inc., RBC Global Asset Management (U.S.) Inc., RBC Global Asset Management (UK) Limited, RBC Global Asset Management (Asia) Limited, and BlueBay Asset Management LLP, which are separate, but affiliated subsidiaries of RBC.

In Canada, this document is provided by RBC Global Asset Management Inc. (including PH&N Institutional) which is regulated by each provincial and territorial securities commission with which it is registered. In the United States, this document is provided by RBC Global Asset Management (U.S.) Inc., a federally registered investment adviser. In Europe this document is provided by RBC Global Asset Management (UK) Limited, which is authorised and regulated by the UK Financial Conduct Authority. In Asia, this document is provided by RBC Global Asset Management (Asia) Limited, which is registered with the Securities and Futures Commission (SFC) in Hong Kong.

This document has not been reviewed by, and is not registered with any securities or other regulatory authority, and may, where appropriate, be distributed by the above-listed entities in their respective jurisdictions. Additional information about RBC GAM may be found at [www.rbcgam.com](http://www.rbcgam.com).

This document is not intended to provide legal, accounting, tax, investment, financial or other advice and such information should not be relied upon for providing such advice. RBC GAM takes reasonable steps to provide up-to-date, accurate and reliable information, and believes the information to be so when printed. RBC GAM reserves the right at any time and without notice to change, amend or cease publication of the information.

Any investment and economic outlook information contained in this document has been compiled by RBC GAM from various sources. Information obtained from third parties is believed to be reliable, but no representation or warranty, express or implied, is made by RBC GAM, its affiliates or any other person as to its accuracy, completeness or correctness. RBC GAM and its affiliates assume no responsibility for any errors or omissions.

Past performance is not indicative of future results. Return estimates are for illustrative purposes only and are not a prediction of returns. Actual returns may be higher or lower than those shown and may vary substantially over shorter time periods. It is not possible to invest directly in an unmanaged index.

Some of the statements contained in this document may be considered forward-looking statements which provide current expectations or forecasts of future results or events. Forward-looking statements are not guarantees of future performance or events and involve risks and uncertainties. Do not place undue reliance on these statements because actual results or events may differ materially from those described in such forward-looking statements as a result of various factors. Before making any investment decisions, we encourage you to consider all relevant factors carefully.

© / TM Trademark(s) of Royal Bank of Canada. Used under license. © RBC Global Asset Management Inc., 2019.

**In Canada:** [institutions@phn.com](mailto:institutions@phn.com)

**In the US:** [gamusmarketing@rbc.com](mailto:gamusmarketing@rbc.com)

**Internationally:** [gamukmarketing@rbc.com](mailto:gamukmarketing@rbc.com)

**Visit our website:**

<http://www.rbcgam.com/corporate-governance-and-responsible-investment/index.html>

