

RESPONSIBLE INVESTING

Responsible Investing is no longer simply about excluding “sin” stocks. It’s about investing to achieve both a positive impact on society and favorable investment results. It turns out that embracing environmental, social and governance (ESG) best practices is good business. More and more investors are discovering that it is possible to earn competitive returns with portfolios that reflect their values.

In recent years, interest in issues such as climate change, water conservation, workplace diversity, and human rights has intensified and moved Responsible Investing into the mainstream. More than \$8.7 trillion was invested using Responsible Investing criteria in 2016 — a 33% increase since 2014.

As Responsible Investing gains ground, more investment managers are offering ESG-focused investments. But not all responsible investment strategies are created equal. Our integration of fundamental research, ESG data analysis, and direct company engagement helps align your investments with your values — without losing focus on performance. Our comprehensive approach is built on Calvert’s Four Pillars of Responsible Investing:



PERFORMANCE

Responsible Investing doesn’t mean giving up on investment returns. Research suggests that companies with high scores for their ESG commitments tend to have better management, higher expected growth and lower cost of capital — which may translate into better financial results for investors.² For example, initiatives to reduce and reuse waste, improve energy efficiency or conserve natural resources can produce savings that flow to a company’s bottom line. Likewise, companies with strong corporate governance may void costly workforce problems or regulatory sanctions.

RESEARCH

Our focus on performance is driven by a commitment to researching all of the companies we invest in. We combine traditional financial research with in-depth ESG analysis. A key component of this research is our focus on materiality, which identifies the ESG factors we believe are likely to positively influence a company’s financial performance and societal outcomes.

ENGAGEMENT

Rigorous research often sheds light on areas where companies can improve their ESG commitments. We encourage the companies we invest in to make positive change and tangible progress in the way they do business. Our engagements seek to achieve bottom-line impact, with many companies reporting an increase in operating efficiencies.

IMPACT

When you invest responsibly, how you achieve your investment performance matters just as much as reaching your financial goals. At Bleakley, we report how our investment portfolios are doing with material, insightful metrics from a social, environmental and financial perspective.