

# ▶▶ Socially Responsible Investing (SRI)



**Responsible Investment Week**  
**Make Money, Responsibly**

October 23-27, 2017 #RIWeek17



**BANKING  
WITH  
PURPOSE**

# ▶▶ Who is Kindred?

Kindred Credit Union is **cooperative banking** that **connects values and faith with finances**, inspiring peaceful, just, and prosperous communities.

## **Banking with Purpose for over 50 years**

- We want there to be purpose and impact in everything we do.
- People want to connect all aspects of their lives with their beliefs – including their finances.

**We believe values and faith are central to life, and financial decisions are not values-neutral.**

# ▶▶ Our offering and expertise

## **8 Full-Service Branches serving over 20,000 members**

- award winning, MemberDirect<sup>®</sup> online banking
- Open Anywhere<sup>™</sup>, online personal membership application

## **Banking, borrowing, and investing**

- personal, church, agricultural, and commercial banking
- financial and estate planning
- investment services

Expert advice, the right products and services, all with our members' best interests at heart.

# Introduction to Socially Responsible Investing

## **Socially Responsible Investing (SRI) is:**

- Considering environmental, social, and governance criteria, in addition to, financial considerations when making investment decisions
- Making investment decisions that contribute to making our world more economically, socially, and environmentally sustainable
- One of the most rapidly growing segments of the financial services industry

# Introduction to Socially Responsible Investing

## **Other names for Socially Responsible Investing (SRI):**

- Sustainable Investing
- Responsible Investing
- Green/Renewable Energy Investments
- Mission-Based Investing
- Environmental, Social and Governance analysis (ESG)
- Ethical Investing
- Impact Investing

These are all synonymous with, or sub-sets of, SRI. SRI is generally inclusive of all these terms.



# Introduction to Socially Responsible Investing

## The “Three Pillars of SRI”

- Company screening and selection
- Shareholder Advocacy
- Community Development, or ‘Impact’, Investments



# Introduction to Socially Responsible Investing

## Typical screens:

### Negative

- Tobacco
- Weapons
- Gambling
- Nuclear Energy
- Pornography

### Positive

- Employee Relations
- Environmental stewardship
- Community Relations
- Corporate Governance
- Human Rights

# ▶▶ Choosing the right companies

Consider what a company produces as well as how it is produced

Balance many social considerations to select “high quality” companies

Conduct sound financial analysis and assessments



# ▶▶ A Positive Approach to SRI...

## **A world where companies:**

- Respect the dignity and value of all people
- Build a world at peace and free from violence
- Internalize a concern for justice in a global society
- Exhibit responsible management practices
- Support and involve communities
- Practice environmental stewardship

# ▶▶ Socially Responsible Investing's #1 Myth

## Myth:

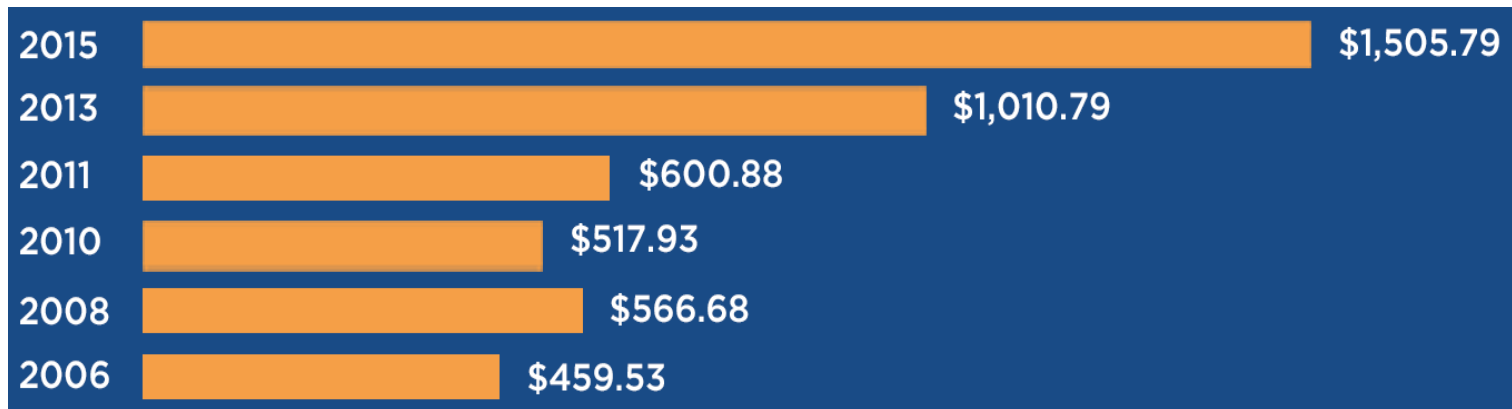
**“You have to give up financial return to achieve social responsibility”**

## Truth:

Studies show that SRI funds receive results similar to, or slightly better than, traditional investments.

# ▶▶ SRI Market Growth

Canada's socially responsible investment industry is rapidly growing, now at **\$1.5 trillion**. A 49% increase in 2 years!



Source: 2016 Canadian Responsible Investment Trends Report.

# SRI Growing Market Share

## Did you know?

Socially responsible investing now accounts for 38% of the Canadian investment industry

That's up from 31% two years prior

Source: 2016 Canadian Responsible Investment Trends Report.

# ▶▶ Investor Interest in SRI

**77%** of Canadian investors are interested in investments that incorporate economic, social, and governance (ESG) factors

**73%** of Canadian investors are not familiar with responsible investing

Source: 2017 RIA Investor Opinion Survey

# SRI with Kindred Credit Union

As a values-centred and faith-inspired credit union, Kindred takes a fresh approach to investing.

We're the only financial institution in Canada to validate our guaranteed investment certificates (GICs) as socially responsible.

We also offer mutual funds from a variety of leading companies including: Meritas SRI Funds; Ethical Funds; IA Clarington Inhance SRI Funds; and more.

# ▶▶ Why Invest Responsibly?

There are several reasons to choose socially responsible investments:

- They offer competitive and sustainable returns
- Help the environment
- Hold companies accountable
- The ability to align your values and faith with your finances
- You can make money and make a difference in the world!

## How can I learn more about SRI?

Meet with a member of Kindred's Investment team to discuss your financial goals and learn more about socially responsible investing.

If you're not close to a Kindred branch, one of our mobile financial planners can meet with you!



# ▶▶ How can I learn more about SRI?

If you're satisfied with your current financial planner, consider asking them about socially responsible investing.

You can also find a financial planner who practices and supports socially responsible investing on the Responsible Investment Association (RIA) website.



<https://www.riacanada.ca/>

# ▶▶ How can I learn more about SRI?

You can also learn more about socially responsible investing by visiting Ethiquette.



[www.ethiquette.ca/en/](http://www.ethiquette.ca/en/)

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# Questions?

