



# Socially Responsible Investment Funds

Impact investing exemplifies the idea that one can “do well while doing good” with one’s investments. In other words, one can purposefully make investments that help achieve certain social and environmental benefits and also generate financial returns. It’s a broad term that refers to everything from investing in organizations with an explicit social mission aligned with one’s values to avoiding investing in companies with practices that one believes have a negative impact. It can also be more expansively defined to include recommending grants to organizations and projects that can blend these grant funds with investment capital in order to support larger or higher-risk projects that may not otherwise be financially viable.

There are a number of funds (mutual funds and ETFs) that consider environmental, social and governance (ESG) factors as part of their investment approach. They may further focus on specific issues or themes, such as clean energy or community development. The below funds represent a sample of the socially conscious investments that could be held in a donor-advised fund’s portfolio. Each option was identified in Morningstar as Socially Conscious; mutual funds are rated 3 stars or higher. Additional investment criteria (e.g. risk-adjusted return, category return rankings) were used to evaluate the list. Performance data is as of June 30, 2020. Please note that this does not represent a full list of socially responsible investment funds. Fidelity Charitable does not endorse these funds and provides this list for reference purposes only.

## Broad-Based ESG Equity

A growing number of public equity funds are categorized as socially responsible or socially conscious. Many actively consider environmental and social factors in their selection of securities and in portfolio construction. Some funds positively weight companies that perform well on environmental, social and governance (ESG) factors, while others screen out companies with poor environmental and social performance or that operate in certain “sin” sectors like alcohol, firearms, tobacco and gambling. The screening approaches and analytical methods employed by fund managers vary, ranging from review of a limited set of criteria to application of complex scoring algorithms.

Fund Name	Ticker	Firm	Category	Morningstar Rating
American Century Sustainable Equity Fund	AFEIX	American Century Investments	US Large Cap Core	5 star
Brown Advisory Sustainable Growth Fund	BAFWX	Brown Advisory	US Large Cap Growth	5 star
Walden Midcap Fund	WAMFX	Boston Trust Walden Inc.	US Mid Cap	5 star
Calvert International Equity Fund	CWVIX	Calvert Research and Management	International Equity	5 star
Mirova Global Sustainable Equity Fund	ESGYX	Natixis Investment Managers	Global Equity	5 star
Vanguard FTSE Social Index Fund	VFTNX	Vanguard	US Large Cap Core - Index	5 star

## Broad-Based ESG Fixed Income

There are also a growing number of fixed income products that consider social and environmental factors. These bond funds may similarly analyze ESG performance to inform their selection of securities. They may also invest in municipal bonds targeted to sustainable infrastructure or community development projects.

Fund Name	Ticker	Firm	Category	Morningstar Rating
DFA Social Fixed Income Fund	DSFIX	Dimensional Fund Advisors	US Core Fixed Income	5 star
Domini Impact Bond Fund	DSBIX	Domini	US Core Plus Fixed Income	5 star
RBC BlueBay High Yield Bond Fund	RGHYX	RBC Global Asset Management	High Yield Fixed Income	5 star

## Environmentally Focused Funds

There are several mutual funds that are primarily focused on addressing environmental issues. These funds may invest in companies that are “best in class” at managing or mitigating environmental risks. Additionally, they may select companies that are delivering solutions and services to help address environmental challenges, such as improving water quality or reducing greenhouse gas emissions.

Fund Name	Ticker	Firm	Category	Morningstar Rating
Calvert Global Water Fund	CFWIX	Calvert Research and Management	Natural Resources Sector Equity	5 star
Riverbridge Eco Leaders Fund	ECOLX	Riverbridge Partners, LLC	US Midcap Growth	5 star
AllianzGI Water Fund	AWTPX	AllianzGI	Natural Resources Sector Equity	5 star
ETFs				
Invesco Water Resources	PHO	Invesco	Sector Equity	
iShares Global Clean Energy	ICLN	BlackRock/iShares	Sector Equity	
SPDR MSCI ACWI Low Carbon Target	LOWC	SSGA Funds Management, Inc	Global Equity	

## Other Thematically Focused Funds

There are several funds with investment strategies focused on specific social issues, such as gender, community development, or religious values. These thematically focused funds may focus on companies that generate revenue from products or services that address a social issue (e.g. affordable housing) or they may focus on aspects of the company’s behavior or management that relates to a social issue (e.g., gender-lens investors may focus on companies with significant female leadership)

Fund Name	Ticker	Firm	Category	Morningstar Rating
Pax Ellevest Global Women's Index Fund	PXWIX	Pax World Funds	Global Equity	3 star
CRA Qualified Investment Fund	CRANX	Community Capital Management	US Government Fixed Income	3 star
Eaton Vance Worldwide Health Science Fund	EIHSX	Eaton Vance	Health Sector Equity	4 star
Praxis Impact Bond Fund	MIIX	Praxis Mutual Funds	US Core Fixed Income	3 star

For more information about socially responsible investment funds, please contact your charitable planner, financial advisor, or the Private Donor Group service team at at **800-874-7940**.