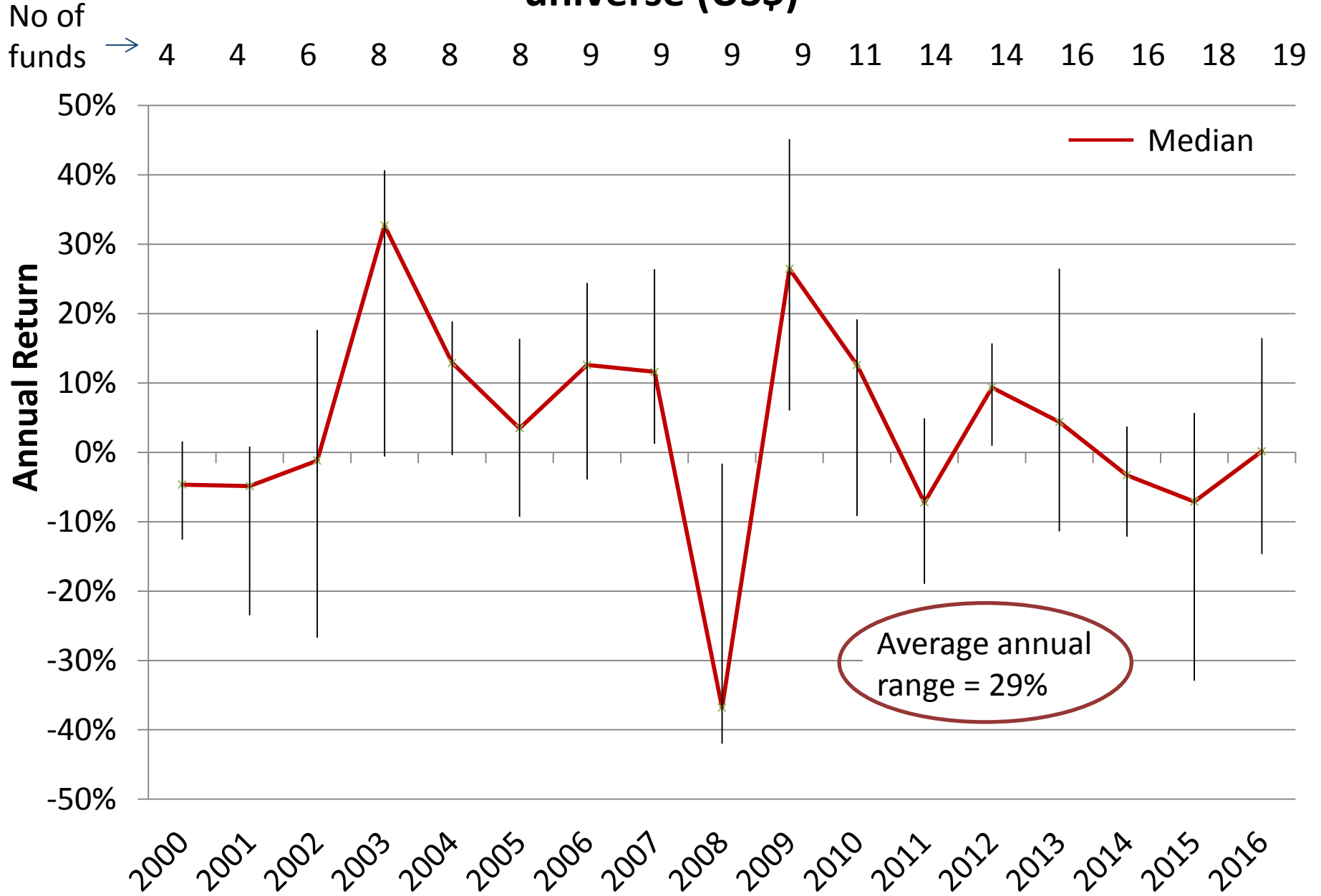




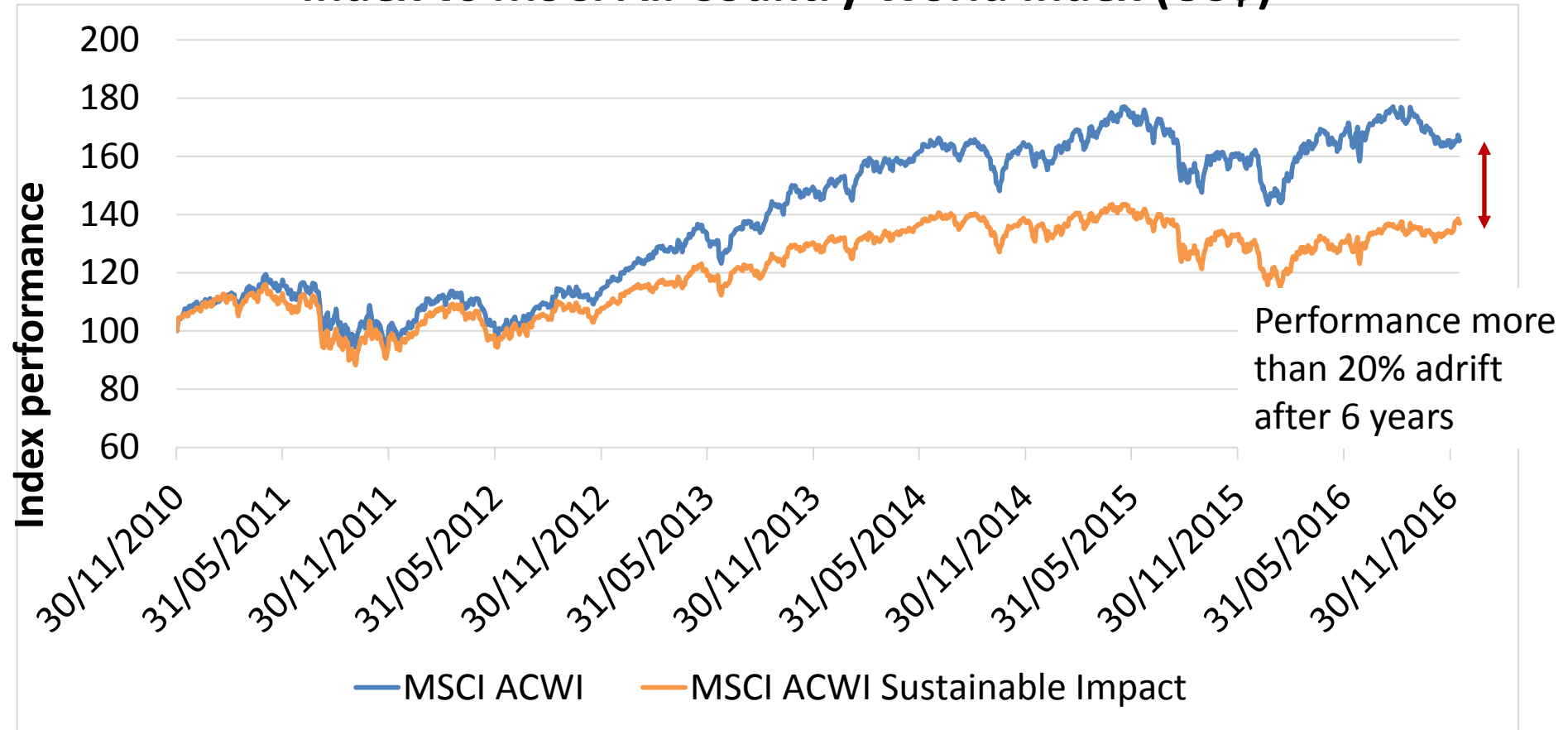
## The analyst's view

- Search term problem – unable to source ‘social investment’ universe.
- Search on ‘social’ returns too broad – yields green bonds, ethical funds, socially responsible funds, and more.
- ‘Social impact’ funds have wide dispersion of returns – categorisation problem or differences in manager skill?
- If social investment partly involves investing for regular yield – dividends, coupons, interest, the volatility of annual returns appears high.
- Performance challenge – real or illusory
- Pension plans investing in funds need a resident fund universe.
- Identification of a universe + description of sector could be a first step to levelling playing field for social investment.

# Annual performance of all 'social impact' funds from Bloomberg universe (US\$)



# Daily performance of MSCI All Country 'sustainable impact' World Index vs MSCI All Country World Index (US\$)



The MSCI ACWI Sustainable Impact Index aims to identify companies that derive at least 50% of their revenues from products and services that address environmental and social challenges. The index, which excludes companies that fail to meet minimum environmental, social and governance (ESG) standards, weights securities by the percentage of revenue derived from products or services that address the themes of climate change, basic needs, natural capital, and empowerment.