



# 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 September 30, 2016. 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
Parnassus Core Equity Institutional	PRILX	Parnassus	US Large Cap Core	5 star
TIAA-CREF Social Choice Equity Institutional*	TISCX	TIAA-CREF Asset Management	US Large Cap Core	3 star
Walden Midcap	WAMFX	Boston Trust & Walden Funds	US Mid Cap	4 star
Pax Small Cap Institutional	PXSIX	Pax World	US Small Cap	4 star
Domini International Social Equity Institutional	DOMOX	Domini	International Equity	5 star
Northern Global Sustainability Index	NSRIX	Northern Funds	Global Equity	4 star

\*Underlying fund in Fidelity Charitable impact investing pool

## 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
TIAA-CREF Social Choice Bond Institutional	TSBIX	TIAA-CREF Asset Management	US Fixed Income	5 star
Calvert Long-Term Income Institutional	CLDIX	Calvert Investments	US 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 Institutional	CFWIX	Calvert Investments	Natural Resources Sector Equity	4 star
Pax Global Environmental Markets Institutional	PGINX	Pax World	Global Equity	4 star
Calvert Global Energy Solutions	CGAYX	Calvert Investments	Energy Sector Equity	4 star
Portfolio 21 Global Equity Institutional	PORIX	Portfolio 21	Global Equity	3 star
ETFs				
iShares MSCI ACWI Low Carbon Target	CRBN	BlackRock	Global Equity	
Guggenheim S&P Global Water	CGW	Guggenheim Investments	Sector Equity	
PowerShares Cleantech Portfolio	PZD	PowerShares	Sector 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
Parnassus Endeavor Institutional	PFPWX	Parnassus	US Large Cap Growth	5 star
Steward Global Equity Income Institutional	SGISX	Steward Funds	Global Equity	4 star
Praxis Growth Index Institutional	MMDEX	Praxis Mutual Funds	US Large Cap Growth	5 star
Pax Ellevest Global Women’s Index Institutional	PXWIX	Pax World	Global Equity	3 star
CRA Qualified Investment Institutional	CRANX	Community Capital Management	US Fixed Income	4 star
Access Capital Community Investment Institutional	ACCSX	RBC Global Asset Management	US Fixed Income	4 star

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