



Toby Heaps

Corporate Knights

[toby@corporateknights.com](mailto:toby@corporateknights.com)

### **Press release**

*Responsible Funds doing better on sustainability but lagging on financial performance*

TORONTO, January 8, 2025 – *Corporate Knights* today released its annual *Responsible Investment Funds Report*, highlighting the top-scoring funds on sustainability criteria as well as broader trends in the marketplace.

The exercise reviewed 3,000 Canadian equity funds, 290 of which were classified as “Responsible Funds” based on their objectives and integration.

There were two big takeaways from this year’s report:

1. Responsible Funds are invested in substantially more sustainable companies than non-responsible funds. On average, the weighted sustainability score of a Responsible Fund is 30% higher than other funds. The biggest gap was found in international equity funds, where Responsible Funds scored 40% higher than other funds in the category.
2. Responsible Funds have underperformed all other funds over the past five years. On average across four fund categories, Responsible Funds returned 8.87% vs 9.38% over the past five years on an annualized basis. Canadian equity, international equity and U.S. equity Responsible Funds slightly underperformed their non-responsible fund peers, while global equity Responsible Funds edged out their non-responsible fund peers slightly (9.27% vs 9.25%).

Each fund was assessed a score in relation to its fund category peers based on the weighted sustainability score of its holdings, according to the *Corporate Knights* Global 100 [methodology](#), which scores companies based on the portion of their revenues and investments that align with the sustainable economy (as set out in the *Corporate Knights* [Sustainable Economy Taxonomy](#)) and the sustainability of their operations.

The top 10 Responsible Funds in each of four categories (Canadian equity, U.S. equity, global equity and international equity) were published today by *Corporate Knights* and are available at [corporateknights.com](http://corporateknights.com).

“We do this ranking to help investors cut through the noise and identify which funds stand above the rest when it comes to responsible investing,” says Toby Heaps, CEO of *Corporate Knights*. “In the current environment of heightened scrutiny around sustainable investment claims, our ranking stands out as a

longtime trusted third-party validation of a fund's sustainability bona fides. Our methodology meets the acid test of credibility, with 100% transparent and clear criteria for grading funds against peers according to the weighted sustainability score of their holdings.”

See the full Responsible Funds ranking methodology [here](#).