

YOUR MONEY

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Return on Responsibility: Sustainable Investing for Your Portfolio

As winter quickly approaches, one of the most common questions asked by Whistlerites is “Will we have snow?”. It’s a reasonable question. Unpredictable winters and the constant threat of forest fires in the summer are just two of the ecological issues facing Whistler. Even VANOC has had to plan for the possibility of a warm winter in 2010.

Because Whistler is a community whose businesses rely on its pristine environment and beautiful seasons, it is particularly sensitive to the effects of global warming. The more important question becomes, “What can we do?”. Aside from joining Greenpeace or chaining ourselves to trees, is there another way to combat global warming and secure the future of our children? The answer is a resounding, Yes!

You can reflect your values in your investment decisions, *without compromising your returns*, by socially responsible investing (SRI). Specifically, you can construct your portfolio to include companies that have a positive impact. Using a methodical approach, SRI seeks to avoid companies and industries that are environmentally unfriendly, that invest in undesirable sectors, or have sub-par human rights standards.

Canada’s first SRI fund was introduced in 1986 and yet many Canadians still have misconceptions about responsible investing. They believe that SRI cuts into

the profits of their investment portfolios. They are wrong. Consider the Jantzi Social Index, which tracks 60 Canadian companies passing a set of broadly based environmental, social, and corporate governance standards. When comparing its annualized compound returns to the performance of the TSX, there has not been a compromise on returns.

Given the competitive returns, many investors are catching on to the SRI trend. The Social Investment Organization reports that SRI has increased by nearly 668% since 2004 and now has more than \$500 billion invested. SRI has also entered the political arena, becoming a fixture within the campaigns of the upcoming US election. The Canadian government has also stepped up and is now considering carbon taxation as a method of policing offending corporations.

I firmly believe that it is time for investors to step up to the plate and thoroughly analyze their current investing mandate. You can make a difference. And, of course, there is the other return on investment - skiing through endless powder on countless bluebird days.

Questions about socially responsible investing? Kim Inglis is an Investment Advisor with Canaccord Capital and would be pleased to answer all your questions. Contact her at 604-643-7753 or via email at kim_inglis@canaccord.com. Member CIPF.