Financial Performance of Green Mutual Funds in the US
Does Environmental Screening Affect Returns?

Abstract
This thesis studies the financial performance of environmental mutual funds relative to their socially responsible investing (SRI) and conventional peers. My analysis stems from CAPM-based methodology, and I apply the Carhart (1995) multi-factor model to examine the expected returns. My empirical results show, that environmental screening of stocks doesn't have negative effect on risk-adjusted returns, and the performance of green mutual funds has been consistent with their conventional peers. On a more recent period, green mutual funds are even outperforming SRI mutual funds.

Keywords
Green Mutual Funds, Socially Responsible Investments, Fund Performance

Bachelor’s Thesis
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1. Introduction

In recent years, investors have been showing increasing interest in socially responsible investing (SRI). In the period of 2014-2016, the size of SRI market grew by 33 percent in the United States. The size of SRI market already covers approximately one fifth of all assets under professional management, $8.72 trillion in the US (US SIF, 2016). Since investing is by definition future oriented, investors’ increasing interest in socially responsible investing is not astonishing. Megatrends such as overpopulation and climate change motivate investors to include sustainable investment vehicles in their portfolios, seeking consistent long-term financial returns (US SIF, 2016). In addition to financial benefits, socially responsible investing considers environmental, social and governance (ESG) criteria in order to make a positive impact on the foregoing factors (Ibikunle & Steffen, 2015). Since environmental issues seem to be continuously top trending topics in global politics\(^1\), it seems also relevant to observe a niche of SRI funds, green funds.

Scholars have responded to the growth of SRI with a wide range of academic papers, comprehensively studying the financial performance of SRI mutual funds. It seems, that most empirical papers either fail to capture significant relations between SRI and expected returns (See e.g. Bauer et al., 2005), or find that SRI funds generally underperform conventional funds (See e.g. Renneboog et al., 2008). However, there seems to be lack of research in the niches of socially responsible investing. Green mutual fund performance receives little emphasis in finance literature, despite the intensified global discussion regarding climate change and other environmental issues.

\(^1\)e.g. Kyoto protocol (1997), Copenhagen Summit (2009) and Paris agreement (2015) have sought global commitment to reduction of greenhouse emissions under the United Nations Framework Convention on Climate Change (UNFCCC).
Since finance literature lacks current research on green mutual fund performance in the U.S, it is of interest to study the effect of environmental investing policies on expected returns in recent years. Furthermore, Galema et al. (2008) suggest that empirical studies fail to show significant relations between SRI and expected returns due to confounding effects of various SRI dimensions. Foregoing emphasizes the need for distinctive research in green investing.

In this thesis, I will study the financial performance of green mutual funds in the U.S. markets, applying a comparative approach. I compare the risk adjusted return of green mutual funds to a matched sample of SRI and conventional mutual funds. Additionally, I examine whether the performance of the funds has changed over sub-periods of 1990-2009 and 2010-2009. I apply CAPM-based methodology in order to examine my research question: “How have green mutual funds performed compared to their SRI and conventional peers?”

The limitations of my study stem from the vague definition of “green funds”. My data sample consist of US SIF certified green funds, but detailed holdings data of funds is not audited. Different fund classes of my data sample might hold overlapping equities, potentially causing excessive correlation between the returns of fund classes. There might also be funds that could be classified as “green”, even though they are not certified by US SIF. However, green fund certification of US SIF can be considered credible and generally accepted, and it has also been applied in previous literature concerning green mutual funds (e.g. Chang 2012).

The rest of my thesis is organized as follows. In Section 2, I will review the existing literature on green mutual fund performance. Section 3 provides insight on my dataset, and Section 4 discusses my econometric methodology. In Section 5, I present the empirical results of my study. Lastly, Section 6 concludes my findings and gives suggestion for further research.
2. Literature Review and Hypotheses

2.1 Financial performance of green mutual funds

The financial performance of SRI mutual funds is relatively widely studied in finance literature. Most studies fail to find statistically significant differences between SRI and conventional mutual funds (See, e.g. Hamilton & Statman 1993, Diltz 1995, Statman 2000), or find that SRI funds generally underperform (See e.g. Renneboog et al. 2008). The studies regarding the environmental dimension of SRI are much rarer. Generally, studies in green mutual fund performance find that green mutual funds slightly underperform conventional funds, or there are no statistically significant differences.

The first empirical study focusing specifically on green mutual funds is White’s (1995) analysis of green fund performance in US and German markets. According to White, the performance of green funds differed based on the market. In the US, green funds significantly underperformed the market, while there were no significant differences to be found in German markets. Climent & Soriano (2011) find similar results in the period of 1987-2009 in the US markets. However, the authors find that on a more recent period (2001-2009), the significant difference between expected returns of green funds and conventional funds had vanished. Also Chang et al. (2012) suggest that green funds generally underperform in terms of return.

Marco et al. (2013) contribute to prior research on green mutual funds by controlling effect of different market periods. Their findings suggest that US and European green mutual funds perform similarly to their conventional peers during crisis and normal market conditions, while other SRI funds tend to underperform during normal market conditions. Ibikunle & Steffen (2015) analyse the performance of European green mutual funds relative to their conventional and “black” (fossil energy and natural resource) peers. The authors apply manual screening process of green mutual funds, pursuing more reliable dataset of green funds. Consistent with prior research on the subject, Ibikunle & Steffen find that green funds tend to underperform their conventional peers in 1991-2014 period. However, consistent with Climent & Soriano (2011),
the authors find that green fund’s risk adjusted returns have significantly improved over time. Over 2012-2014, European green funds even outperformed their black peers.

A recent paper by Yuan (2017) presents results that stand in contrast to previous research regarding performance of green funds. Yuan’s sample of 28 Chinese green mutual funds significantly outperform conventional funds. According to Yuan, China’s current macroeconomic policy might have an impact on financial performance of green funds, since enterprises with poor environmental performance are facing great legitimacy pressure.

2.2 Hypotheses

Since previous research on the subject implies that green mutual fund returns have improved in recent years, I don’t expect to find any significant differences between the returns of green and conventional mutual funds. For the same reason, I also presume that there might be differences in returns of green and SRI mutual funds. Considering the theoretical background and previous research on the subject, I present two alternative hypotheses:

H1: Green mutual funds perform similarly to their conventional and SRI peers.

H2: Green mutual funds perform similarly to conventional mutual funds, but outperform SRI mutual funds.

3. Data

3.1 Mutual fund sample

Consistent with Climent & Soriano’s (2011) methodology, my analysis on green fund performance is based on matched samples of SRI and conventional funds. The funds are matched by fund size. My matching approach stems from Rudd (1981). My initial data sample
of funds includes all US-based open ended equity mutual funds in the CRSP Survivor-bias Free US Mutual Fund Database. CRSP database provides monthly return data, as well as descriptive data on fund characteristics. Since different share classes of same fund are treated as different funds in CRSP database, I follow Statman’s (2000) approach and remove duplicate funds from my dataset. From each fund, I include the class established first. If there are multiple classes established simultaneously, I include the share class with most assets. For the timeframe of my research, I cover the period of 1990:07-2017:07. The period is sufficient to examine whether my results are consistent with prior research, and also provides new information from recent years.

Since definition of a green fund is not regular, choosing credible sample of green mutual funds might be challenging. For example, Morningstar classifies funds based solely on prospectus statements (Glushkov & Statman, 2016). To obtain a credible sample of green mutual funds, I apply Sustainable, Responsible and Impact Mutual Fund and ETF Chart provided by US SIF, similarly to Chang (2012). From US SIF chart, I identify funds that have either positive, or combination (combination of positive and restricted/exclusionary strategies) impact on environmental area. After screening process, my sample consists of 46 green mutual funds.

To identify an initial sample of SRI funds, I use Thomson Reuters EIKON mutual fund screener. Using EIKON’s theme/strategy screen, I filter ethical funds from mutual fund universe. From the initial SRI fund sample, I remove funds already listed in my sample of green funds. Then, I filter the obtained list of ethical funds in CRSP Mutual Fund Database to match my remaining mutual fund criteria, and obtain a sample of SRI mutual funds. For each green mutual fund, I choose one matching SRI fund. Complete list of green and SRI mutual funds can be found in the Appendix 1.

My initial sample for mutual fund data consist of all open-ended equity mutual funds in CRSP Survivor-bias Free US Mutual Fund Database. For a matching sample, I choose five (5) conventional mutual funds for each green fund. Following Climent & Soriano, I exclude funds with less than 12 monthly observations.
Table 1 Summary of mutual funds 1990-2017

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Return</th>
<th>St. Dev</th>
<th># of funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green</td>
<td>9.22</td>
<td>13.49</td>
<td>46</td>
</tr>
<tr>
<td>SRI</td>
<td>8.96</td>
<td>14.34</td>
<td>46</td>
</tr>
<tr>
<td>Conventional</td>
<td>9.48</td>
<td>14.04</td>
<td>230</td>
</tr>
</tbody>
</table>

Table 1 summarizes annualized returns and standard deviations of each fund class. Returns and standard deviations are reported in percentage terms. Sample period: 1990:07-2017:07

Table 1 presents an overview of my mutual fund sample. The average annual returns of conventional funds are the highest, while the returns of SRI funds are the lowest. SRI funds have also the highest volatility, while the volatility of green funds is the lowest.

3.2 Market Benchmarks and Factor Portfolios

For market benchmark of my analysis, I apply CRSP value-weighted portfolio, that consists of all CRSP firms incorporated in the US and are listed in either NYSE, AMEX, or NASDAQ. However, comparison of ethically screened portfolios to standard market benchmarks (such as CRSP value-weighted index or S&P 500), might be biased due to different investing objectives of ethical funds. For robustness, I also compare the portfolio returns of to MSCI KLD 400 Social Index (KLD 400). The MSCI KLD 400 index is chosen, since it covers my whole observation period, and it is the commonly used proxy for measuring SRI performance. KLD 400 data is obtained from Datastream.

For estimation of Carhart (1997) multi-factor model, I need the factor portfolios. SMB (Small Minus Big), HML (High Minus Low) and MOM (Momentum) factors are obtained from CRSP Survivorship-Bias Free US Mutual Funds Database. Risk-free rate of return is the one-month treasury bill rate.
4. Methodology

Most previous studies in green mutual fund literature apply two alternative approaches in comparing the performances of green, SRI and conventional funds. The first method is comparing the means of groups, and the second one is the matched pair analysis. Following Climent & Soriano (2011), I apply the matched pair methodology, in order to avoid the size bias of funds in my analysis. In order to estimate the financial performance of funds, I use time series returns of equally weighted portfolios for each fund group.

My econometric methodology is based on CAPM-based alpha measure, that indicates the abnormal return of portfolio on a single factor benchmark (See Treynor, 1965; Sharpe, 1966; Jensen, 1968). The 1-factor model is estimated as follows:

\[ r_t - r_{f,t} = \alpha + \beta_{MKT} (r^m_t - r_{f,t}) + \varepsilon_t \]  

(1)

where \( r_t - r_{f,t} \) is the excess return of equal-weighted portfolio, \( \alpha \) measures the abnormal return of the portfolio, \( \beta_{MKT} \) is the measure of the portfolio’s market risk exposure, \( (r^m_t - r_{f,t}) \) is the excess return of the applied market proxy, and \( \varepsilon_t \) stands for idiosyncratic return.

However, due to criticism that the 1-factor CAPM does not sufficiently explain the expected returns (Fama & French, 1992), I apply Carhart (1997) multi-factor model. Carhart’s model is an extension of Fama-French (1992) 3-factor model, and it has become standard for evaluating mutual fund performance in finance literature. The Carhart 4-factor model is estimated as follows:

\[ r_t - r_{f,t} = \alpha + \beta_{MKT} (r^m_t - r_{f,t}) + \beta_{SMB} r^{smb}_{t} + \beta_{HML} r^{hml}_{t} + \beta_{MOM} r^{mom}_{t} + \varepsilon_t \]  

(2)

where \( r_t - r_{f,t} \) is the excess return of equal-weighted portfolio, \( \alpha \) measures the abnormal return of the portfolio, \( \beta_{MKT} \) is the measure of the portfolio’s market risk exposure and \( (r^m_t - r_{f,t}) \) is the excess return of the applied market proxy. \( \beta_{SMB} \) is the coefficient measuring the size effect, and
\( r_t^{SMB} \) is the return spread between a small cap portfolio and a large cap portfolio. \( \beta_{HML} \) measures the value premium, and \( r_t^{HML} \) accounts for difference between value and growth stock portfolios. \( \beta_{MOM} \) is the coefficient for momentum impact on the fund, and \( r_t^{MOM} \) measures the difference between past 12-month winner and loser portfolio returns. \( \varepsilon_t \) stands for idiosyncratic return.

5. Results

5.1 Single-Factor Regression Results

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>( \alpha )</th>
<th>( \beta_{MKT} )</th>
<th>( R^2_{ADJ} )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green (1)</td>
<td>-0.83</td>
<td>0.89***</td>
<td>0.94</td>
</tr>
<tr>
<td>SRI (2)</td>
<td>-1.55**</td>
<td>0.95***</td>
<td>0.95</td>
</tr>
<tr>
<td>Conventional (3)</td>
<td>-0.85</td>
<td>0.92***</td>
<td>0.93</td>
</tr>
<tr>
<td>Differences</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) - (2)</td>
<td>0.74</td>
<td>-0.06***</td>
<td>0.06</td>
</tr>
<tr>
<td>(1) - (3)</td>
<td>0.02</td>
<td>-0.03***</td>
<td>0.02</td>
</tr>
</tbody>
</table>

This table reports empirical results from CAPM-based single-factor model formulated in equation (1). Market proxy is CRSP value-weighted portfolio. \( \beta_{MKT} \) is the measure of the portfolio’s market risk exposure. Difference portfolios are long-short portfolios constructed by subtracting the returns SRI or conventional portfolios from the returns of green portfolio. All alpha measures are annualised and reported in percentage terms. The numbers in parentheses are corresponding t-statistics of coefficients. *, ** and *** denote the statistical significance at 10%, 5% and 1%, respectively. Sample period is 1990:07-2017:07.

Table 2 present empirical regression results from CAPM-based single-factor model, using CRSP value-weighted market benchmark. Over the period, SRI mutual funds have significantly underperformed the market benchmark at 0.1 level (-1.55%), while the underperformance of green and conventional mutual funds is statistically insignificant. Also the differences in expected returns between green mutual funds and their peers are insignificant. All market-betas are significant at 0.01 level. Interestingly, SRI funds are more sensitive to market risk than conventional funds, while green funds are less sensitive than conventional funds. It seems that ethical screening of investments has significant negative effect on SRI mutual fund returns,
while environmental screening doesn’t negatively affect green mutual fund returns. The explanatory level of the regression is high for each fund class, with $R^2$-values of 0.93-0.95. However, it is surprising that the model fits best for SRI funds ($R^2$ 0.95), since one could expect that CRSP value-weighted market benchmark would fit best for comprehensively diversified conventional funds.

5.2 Multi-Factor Regression Results

Table 3 reports the multi-factor regression results from 1990-2017 sample period. Market benchmark is CRSP value-weighted index. The $R^2$ measures of the multi-factor model are slightly higher than in the single-factor model, indicating multi-factor model’s superiority in explaining mutual fund returns. Over the period, all fund classes underperform the market benchmark, while underperformances of SRI funds and conventional funds are statistically significant at 0.05 and 0.1 levels, respectively. However, the alpha measures of difference portfolios remain insignificant. Consistent with single-factor results, SRI funds are most sensitive to market risk, while green funds have significantly lower exposure to market risk than both SRI and conventional funds. Green funds also have more exposure to small caps than SRI funds, but less exposure than conventional funds. Additionally, green funds have significantly more exposure to value stocks than SRI and conventional funds. Results are surprising, since earlier studies suggest that ethical funds have tendency to invest in fast
growing small-cap companies (Luther et al. 1992). A possible reason behind low SMB coefficient of green funds might be that the amount of active green mutual funds is relatively small in the first years of the period, potentially causing a small sample bias in the results. The momentum exposure of green mutual funds is significantly smaller than both peer groups, at 0.01 level on both SRI and conventional funds.

Table 4 Empirical result from multi-factor regressions 1990-2017 using MSCI KLD 400 Social Index

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>α</th>
<th>β_MKT</th>
<th>β_SMB</th>
<th>β_HML</th>
<th>β_MOM</th>
<th>R²_ADJ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green (1)</td>
<td>0.02</td>
<td>0.60***</td>
<td>0.28***</td>
<td>0.01</td>
<td>-0.12***</td>
<td>0.62</td>
</tr>
<tr>
<td>SRI (2)</td>
<td>0.01</td>
<td>0.64***</td>
<td>0.23***</td>
<td>-0.11**</td>
<td>-0.08**</td>
<td>0.59</td>
</tr>
<tr>
<td>Conventional (3)</td>
<td>0.01</td>
<td>0.61***</td>
<td>0.35***</td>
<td>-0.02</td>
<td>-0.07**</td>
<td>0.60</td>
</tr>
</tbody>
</table>

Differences

(1) - (2)  0.00 (0.62) -0.04*** (-3.57) 0.05*** (2.92) 0.12*** (6.74) -0.04*** (-3.44) 0.19
(1) - (3)  0.00 (0.28) -0.01 (-1.17) -0.07*** (-4.42) 0.04** (2.11) -0.05*** (-4.25) 0.14

This table reports empirical results from Carhart (1997) multi-factor regression formulated in equation (2). Market benchmark is MSCI KLD 400 Social index. β_MKT is the measure of the portfolio’s market risk exposure, β_SMB is the return spread between a small cap portfolio and a large cap portfolio, β_HML accounts for difference between value and growth stock portfolios, and β_MOM measures the difference between past 12-month winner and loser portfolio returns. Difference portfolios are long-short portfolios constructed by subtracting the returns SRI or conventional portfolios from the returns of green portfolio. All alpha measures are annualised and reported in percentage terms. The numbers in parentheses are corresponding t-statistics of coefficients. *, ** and *** denote the statistical significance at 10%, 5% and 1%, respectively. Sample period is 1990:07-2017:07.

To control for potential biases caused by environmental/ethical screening of green and SRI portfolios, I run the multi-factor regression again using the MSCI KLD 400 Social index as market benchmark. The results are presented in Table 4. Table 4 shows that all funds perform similarly, and neither of fund classes over- or underperform the applied market benchmark. Furthermore, all funds have significantly low market betas. SMB, HML and MOM factors are consistent with results in Table 3. Notably, the explanatory level of regression is much lower when MSCI KLD 400 Social index is applied as market benchmark. The R² values range between 0.59 and 0.62. After all, it seems that more traditional and diversified market benchmark explains the returns of environmentally and ethically screened portfolios better, despite the restrictive investment strategies of green and SRI mutual funds.
Finally, table 5 reports the multi-factor regression results from sub periods of 1990-2009 and 2010-2017. Market benchmark applied CRSP value-weighted index, since it seems to fit better for my regression than the MSCI KLD 400 Social Index. Periods are divided in order to observe whether green mutual fund returns differ over the sub-periods. In 2010-2017 more funds are active, thus my portfolios are more diversified and well-established during this period. Furthermore, results from 2010-2017 provide new information for existing literature on the subject. The $R^2$ measures of the multi-factor model are high (0.95-0.98), indicating very good explanatory level of the multi-factor model. The results in Panel A indicate that neither of the fund classes underperform the market at statistically significant level. Consistent with full-period results in table 3, SRI funds have the highest market exposure, while green funds’ exposure is the lowest. The coefficients for SMB, HML and MOM factors are consistent with full 1990-2017 period results.

![Table 5](image-url)
In Panel B, we notice that over the sub-period of 2010-2017, all fund classes significantly underperform the market benchmark at 0.01 level. Contrast between the periods is considerable, but the 2010-2017 negative alphas are consistent with finance literature, which states that most mutual funds generally underperform the market benchmarks. Green funds have also outperformed their SRI peers at statistically significant 0.05 level, while the market risk exposure of green mutual funds is significantly lower. The difference between expected return of green funds and conventional funds remain insignificant. In contrast to full period results in Table 3, green funds have significantly higher exposure to small caps than SRI and conventional funds. Results are significant at 0.05 level. Finding is consistent with previous literature on the subject (See Climent & Soriano 2010; Ibikunle & Steffen 2015). Green funds are also more exposed to value stocks than their peers. Momentum factors remain insignificant over period of 2010-2017 regarding difference portfolios.

6. Conclusions

In this thesis, I have analysed the financial performance of green mutual funds relative to their SRI and conventional peers in the period of 1990-2017. My analysis is based on matched-pair approach, applying Carhart (1997) multi-factor factor model for estimation of expected returns. I have also studied whether the performance of green mutual funds has changed over time, by studying sub periods of 1990-2009 and 2010-2017.

According to the finance theory, ethical screening of mutual funds should affect their risk-adjusted returns negatively, since it limits the fund’s ability to construct a comprehensively diversified portfolio. However, my empirical results show that green mutual funds have neither underperformed the market benchmark over the full period of observation. Furthermore, there is no significant difference between the performance of green mutual funds and conventional funds. However, SRI mutual funds seem to significantly underperform the market and green mutual funds.
Practical implications of my result state that ethical screening has a negative effect on portfolio’s risk-adjusted returns, while the effect of environmental screening is insignificant. Results stand in contrast to White (1995) and Chang (2012), but are consistent with (Marco et al. (2013) and Yuan (2017). It seems that investors can achieve risk adjusted returns consistent with conventional mutual funds, in excess of environmental value created by green investing.

For suggestions of further research, I presume that a more detailed screening of green and SRI mutual funds could produce more reliable results. Comprehensive manual auditing of investor documents and fund holdings could potentially result in a more consistent dataset of green funds. Also, considering the findings of Climent & Soriano (2011) and Ibikunle & Steffen (2015) stating green mutual fund returns have improved over time, the future performance of green mutual funds could be interesting. However, it’s important to bear in mind that financial performance of past might not predict future returns.
References


Appendix 1: List of Green and SRI Mutual Funds

Green Mutual Funds

Appleseed Fund
Ariel Appreciation Fund
Ariel Focus Fund
Ariel Fund
Aspiration Redwood Fund
Boston Common International Fund
Boston Common Large Cap Core Equity Fund
Brown Advisory Sustainable Growth Fund
Calvert Capital Accumulation Fund
Calvert Emerging Markets Equity Fund
Calvert Global Water Fund
Calvert International Equity Fund
Calvert International Opportunities Fund
Calvert Small Cap Fund
ClearBridge Sustainability Leaders Fund
Domini International Social Equity Fund
Domini Social Equity Fund
Gabelli ESG Fund Inc A
Green Century Equity
Mirova Global Sustainable Equity Fund
Neuberger Berman Socially Resp Inv
Parnassus Asia Fund
Parnassus Core Equity Fund
Parnassus Endeavor Fund
Parnassus Fund
Parnassus Mid Cap Fund
Pax ESG Beta Dividend Fund
Pax ESG Beta Quality Fund
Pax Global Environmental Markets Fund
Pax Large Cap Fund
Pax Mid Cap Fund
Pax Small Cap Fund
Portfolio 21 Global Equity Fund
Portfolio 21 Institutional
Praxis Small Cap Fund
Saturna Sustainable Equity Fund
Sentinel Sustainable Core Opportunities Fund
Shelton Green Alpha Fund
TIAA-CREF Social Choice Equity Institutional
Trillium Small/Mid Cap Mutual Fund
Walden Equity Fund
Walden Midcap Fund
Walden Small Cap Innovations Fund
Walden SMID Cap Innovations Fund
### SRI Mutual Funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>AB Funds Trust: Growth Equity Fund</td>
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<tr>
<td>AB Funds Trust: International Equity Fund</td>
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<tr>
<td>Alger Funds II: Alger Green Fund</td>
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<tr>
<td>Alger Funds II: Alger Responsible Investing Fund</td>
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<tr>
<td>Alger Institutional Fund: Alger Socially Responsible Growth</td>
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<tr>
<td>Amana Mutual Funds Trust: Growth Fund</td>
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<tr>
<td>Amana Mutual Funds Trust: Income Fund</td>
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<td>American Century Mutual Funds, Inc: Fundamental Equity Fund</td>
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<td>American Trust Allegiance Fund</td>
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<td>Azzad Funds: Azzad Ethical Fund</td>
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<td>Azzad Funds: Azzad Ethical Mid Cap Fund</td>
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<td>Bartlett Cash Reserves</td>
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<td>Bartlett Enhanced Cash Reserves</td>
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<td>BlackRock Funds: BlackRock Impact US Equity Fund</td>
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<td>Calvert Responsible Index Series, Inc: Calvert US Large Cap Core Responsible Index Fund</td>
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<td>Calvert Social Index Series, Inc: Calvert US Large Cap Core Responsible Index Fund</td>
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<td>Calvert Social Investment Fund: Equity Portfolio</td>
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<td>Calvert World Values Fund, Inc: Calvert Capital Accumulation Fund</td>
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<td>Calvert World Values Fund, Inc: International Equity Fund</td>
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<td>DFA Investment Dimensions Group Inc: CSTG&amp;E US Social Core Equity 2 Portfolio</td>
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<tr>
<td>Dreyfus Sustainable US Equity Fund, Inc</td>
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<td>Dreyfus Third Century Fund</td>
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<td>Forum Funds II: Baywood Socially Responsible Fund</td>
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<tr>
<td>Gabelli SRI Fund</td>
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<td>Gabelli SRI Green Fund, Inc</td>
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<td>Glenmede Fund, Inc: Responsible ESG US Equity Portfolio</td>
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<tr>
<td>GuideStone Funds: Growth Equity Fund</td>
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<td>GuideStone Funds: Real Estate Securities Fund</td>
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<td>GuideStone Funds: Small Cap Equity Fund</td>
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<td>Schwartz Investment Trust: Ave Maria Growth Fund</td>
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<td>Spectra Fund: Spectra Green Fund</td>
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