

AN INTRODUCTION TO IMPACT: IMPACT INVESTING FOR FAMILY OFFICES

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May 10, 2017

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About the Lee-Chin Institute



Founded in 2005 with a transformational gift from Michael Lee-Chin, the Lee-Chin Institute helps current and future business leaders integrate sustainability into business strategy and practices

Thematic focus areas:

- Corporate sustainability strategy, social enterprise and impact investing

Programs:

- Research and thought leadership on sustainability theories, models, strategies and practices
- Dissemination of research and leading thinking through events and the media
- Student engagement through curriculum development and support of student initiatives



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What is impact investing?

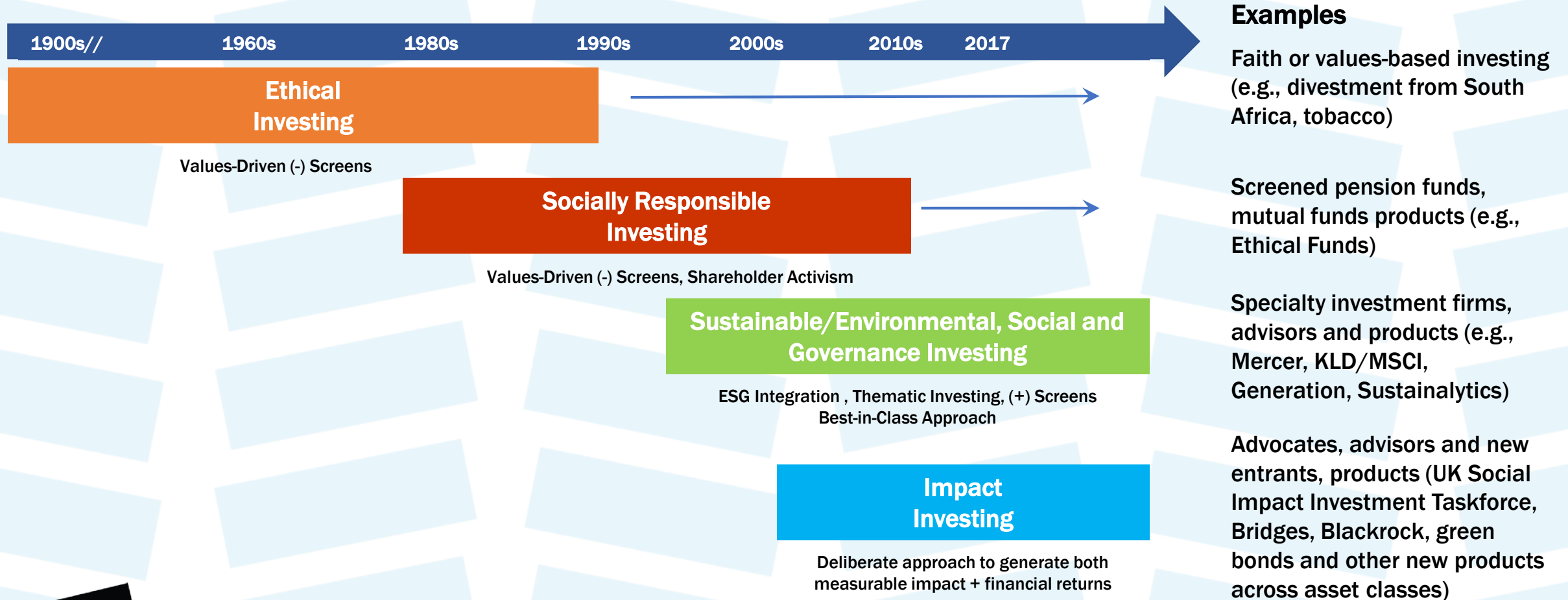
“Investments that are made into companies, organizations, and funds with the intention to generate measureable social and environmental impact alongside a financial return.”

**Global Impact
Investment Network**

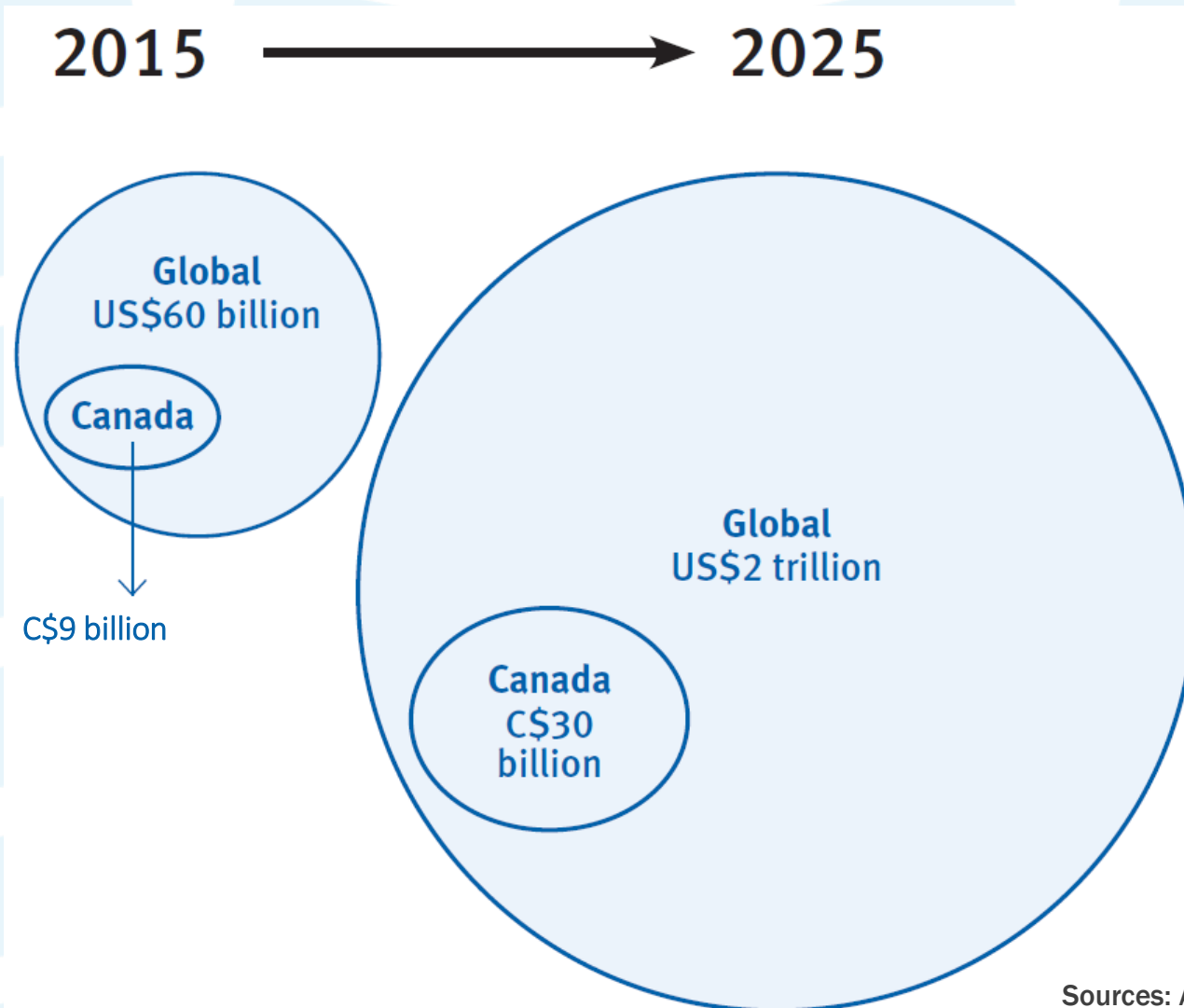
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How does impact investing relate to other responsible investments?

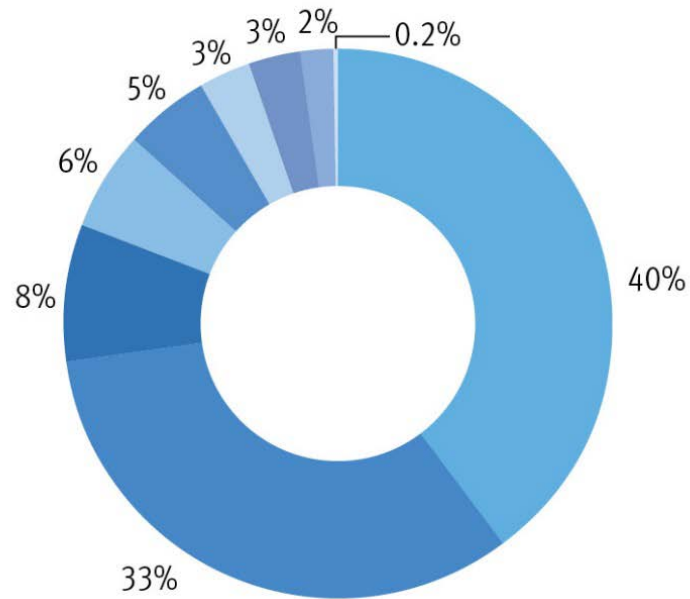


How big is the market for impact investing?

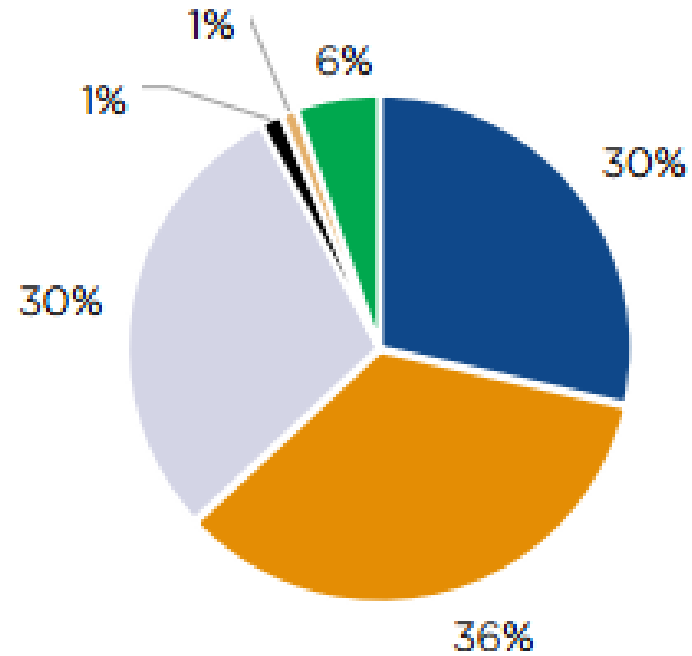


How are impact investing assets allocated?

Global Asset Allocation 2015: US\$60 Billion AUM



Canadian Asset Allocation 2015: \$C9.22 billion AUM

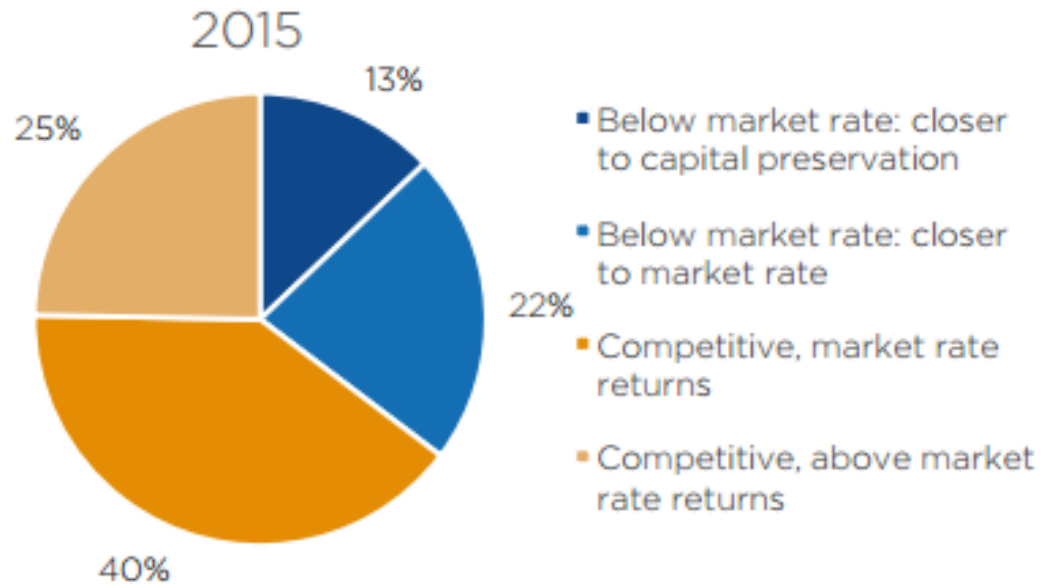


- Private debt
- Private equity/VC
- Public equity
- Public debt
- Term deposits
- Other

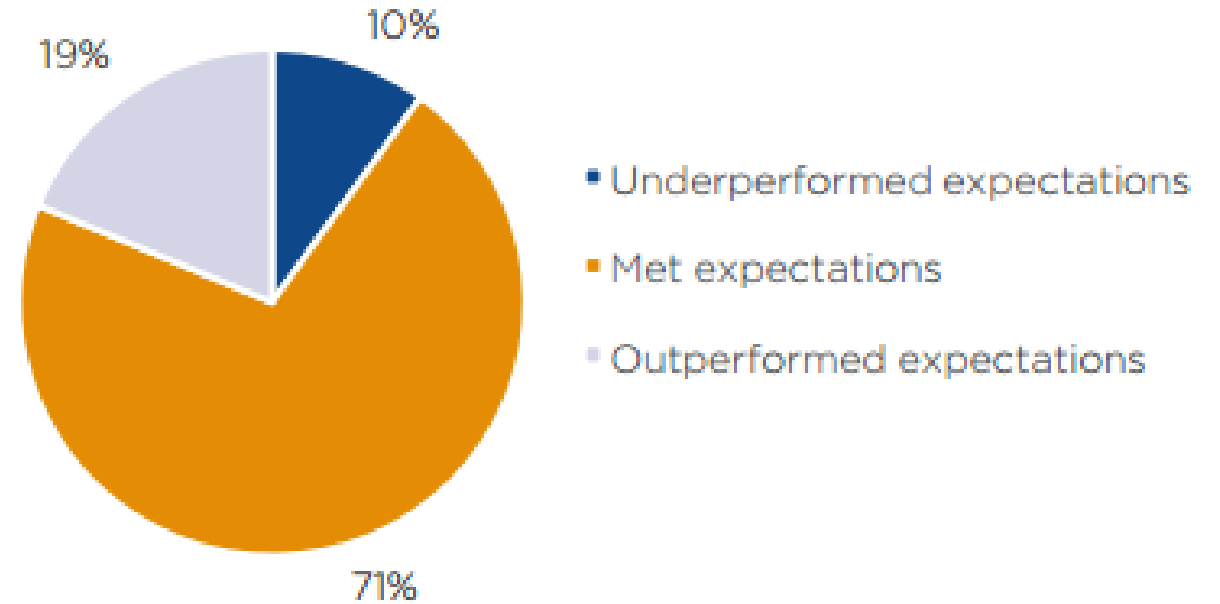
- Private debt
- Private equity
- Equity-like debt
- Public debt
- Public equity
- Real assets
- Other
- Deposits and cash equivalents
- Pay-for-performance instruments (e.g. social impact bonds)

How are investments performing?

Return Expectations (Canada 2016)

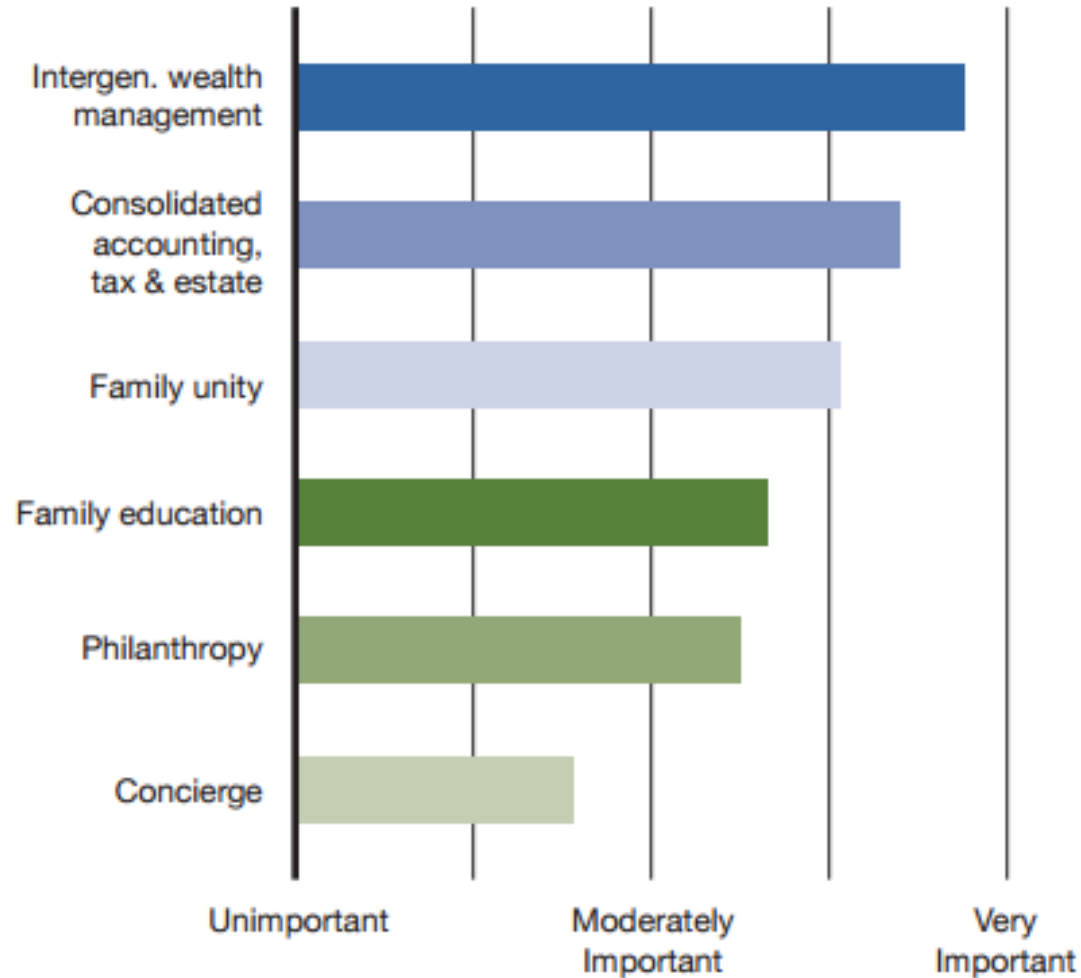


Performance Relative to Expectations (Canada 2016)



Why family offices? Integrating wealth and legacy

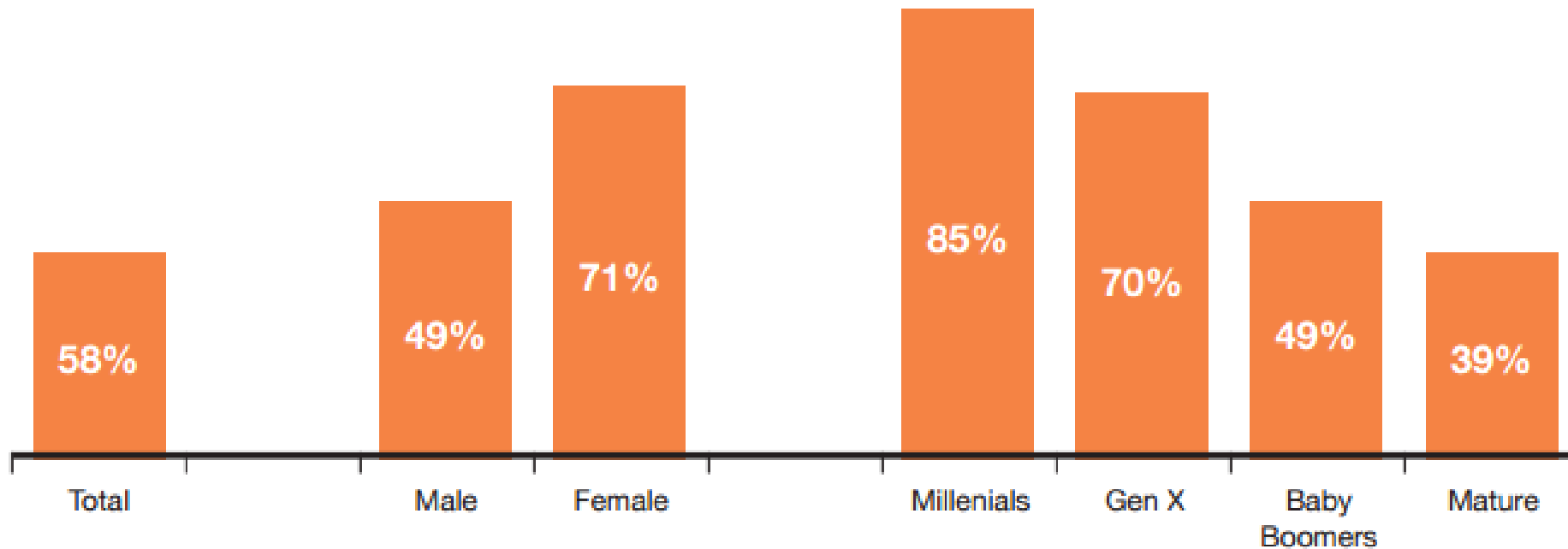
Figure 2: Objectives of the Family Office, by Importance



- Particular opportunity for integration with family charitable foundation

Who cares? Increasing interest among HNWIs

Figure 3: Percent of HNW and UHNW Adults Who Agree Social or Environmental Impact is Important to Investment Decisions⁸



Source: US Trust Bank of America Private Wealth Management, Insights on Wealth and Worth Survey 2015

Where to start: Learn



Responsible Investment Association

2016 CANADIAN IMPACT INVESTMENT TRENDS REPORT

OCTOBER 2016

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Impact Investing: A Primer for Family Offices

A report by the World Economic Forum

December 2014

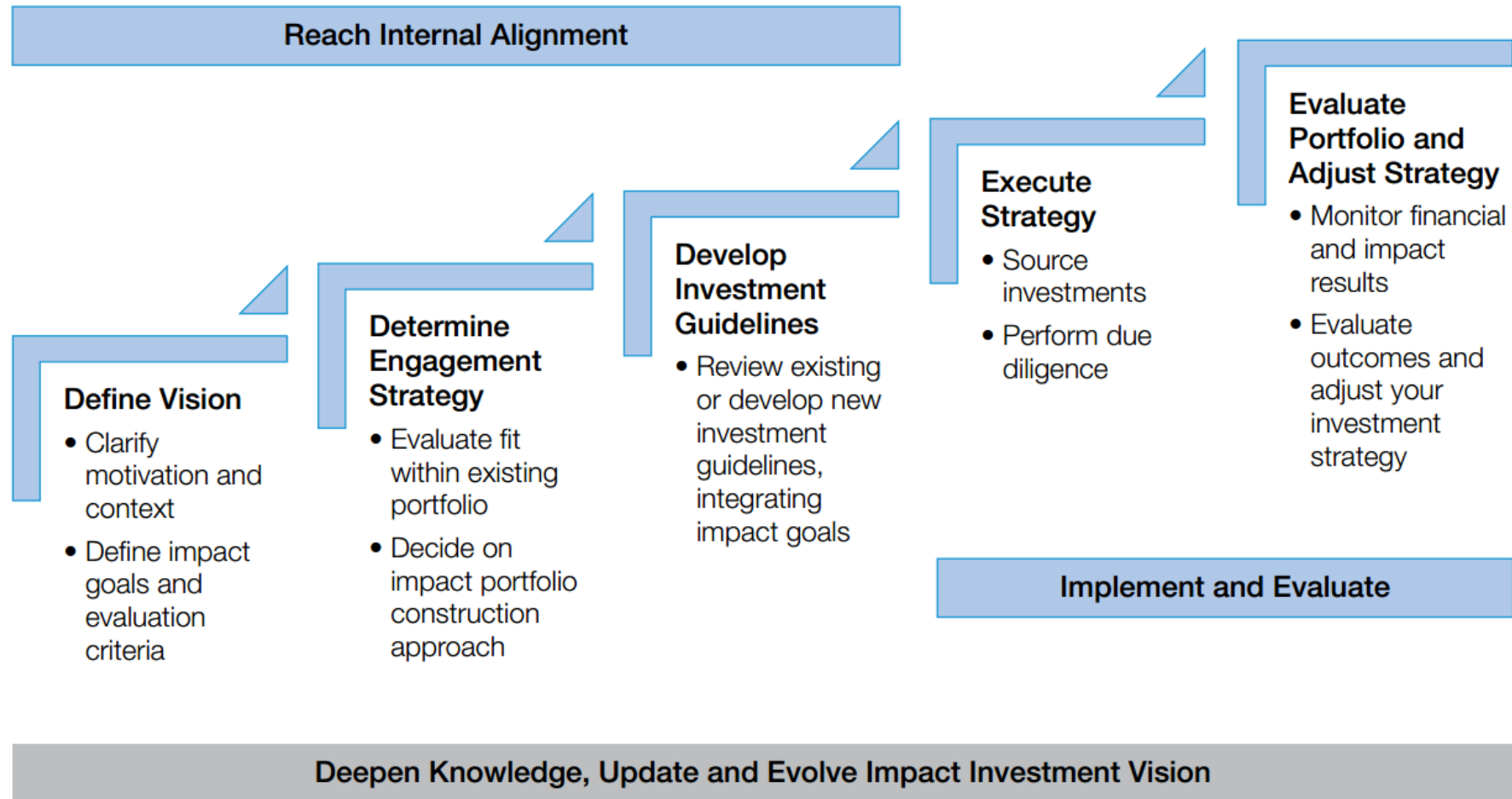


Family Offices and Investing for Impact:

*How to Manage Wealth, Expand Legacies and
Make a Difference in the World*



Where to start: Align



Where to start: Explore products (in Canada)

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Source: www.openimpact.ca