

UNDER EMBARGO UNTIL 23:00 AEDT (Australia) Monday 27th March

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**GLOBAL SUSTAINABLE INVESTMENT ALLIANCE RELEASES BIENNIAL *GLOBAL SUSTAINABLE
INVESTMENT REVIEW 2016***

Media Web Conference Scheduled for March 27 at 11:00 a.m. ET (Eastern US)

Highlights

- At the start of 2016, global sustainable, responsible and impact (SRI) investment assets reached \$22.89 trillion, a 25% increase from 2014.
- Europe accounts for over half of these assets (53%), while the United States accounts for 38%.
- In nearly every market represented in the report, sustainable investing has grown in both absolute and relative terms since the beginning of 2014.
- The largest sustainable investment strategy globally is negative/exclusionary screening, affecting \$15.02 trillion in assets, followed by ESG integration, applied to \$10.37 trillion in assets.
- Growing global concern over climate change has resulted in rising interest in green finance, including climate-aligned bonds.
- Fiduciary duty and client demand are key growth drivers for sustainable investing.

WASHINGTON, D.C., March 27, 2017 – Today the Global Sustainable Investment Alliance (GSIA) released its biennial *Global Sustainable Investment Review 2016*, showing that global sustainable investment assets reached \$22.89 trillion at the start of 2016, a 25% increase from 2014.

The *Global Sustainable Investment Review* brings together the results from regional market studies by the sustainable investment forums from Europe, the United States, Canada, and Australia and New Zealand. Market information on Japan was provided by JSIF—Japan Sustainable Investment Forum; data on Asia ex Japan was provided by the Principles for Responsible Investment. GSIA leaders Flavia Micilotta, Executive Director of Eurosif: The European Sustainable Investment Forum; Lisa Woll, CEO of US SIF: The Forum for Sustainable and Responsible Investment; Meg Voorhes, Research Director at US SIF: The Forum for Sustainable and Responsible Investment; and Simon O'Connor, CEO of Responsible Investment Association Australasia (RIAA), will host a media web conference on Monday, March 27th at 11:00 a.m. ET to discuss report findings.

In nearly every market represented in the report, sustainable investing grew in both absolute and relative terms since the beginning of 2014. Europe accounts for over half the global SRI assets (53%), and the United States for 38%. The fastest growing region is Japan—due in part to an expanded survey

that provided information for the first time on the sustainable investing activities of numerous institutional asset owners—followed by Australia/New Zealand.

The largest sustainable investment strategy globally is negative/exclusionary screening (\$15.02 trillion), followed by ESG integration (\$10.37 trillion) and corporate engagement/shareholder action (\$8.37 trillion). Negative screening is the largest strategy in Europe, while ESG integration leads in the United States, Canada, Australia/New Zealand and Asia ex Japan. Japan's primary sustainable investment strategy is corporate engagement and shareholder action. The fastest growing strategy, although also the smallest in absolute dollar terms, was impact/community investing.

Several GSIA members reported that the consideration of fiduciary duty was an important driver for sustainable investing, along with client demand.

While institutional investors still dominate the SRI market, with pension funds often comprising the largest percentage of institutional SRI assets, interest by retail investors is growing. The relative proportion of retail SRI investments in Canada, Europe and the United States increased from 13% in 2014 to 26% at the start of 2016. Over a third of SRI assets in the United States were retail.

Growing global concern over climate change has resulted in rising interest in green finance, including climate-aligned bonds. In fact, the growing interest in green bonds over the last two years has shifted the average SRI asset allocation. In 2016 in Canada and Europe, most SRI assets were in bonds (64%) followed by equities (33%). This is a flip from 2014 when 50% of assets were in equities and only 40% in bonds. China is another important contributor to the rise in green bonds as China is now the world's largest issuer of climate-aligned bonds, with \$220 billion in issuances according to the Climate Bonds Initiative.

To download the full report please visit www.gsi-alliance.org. To register for the media web conference, please email ussif@lowecom.com.

About the Global Sustainable Investment Review

Now in its third edition, the biennial *Global Sustainable Investment Review* is the only report presenting results from Europe, the United States, Canada, Asia, Japan, and Australia and New Zealand. The report draws on in-depth regional and national reports from GSIA members—Eurosif, Responsible Investment Association Australasia, RIA Canada and US SIF—as well as data and insights from the Principles for Responsible Investment, Japan SIF, LatinSIF and the African Investing for Impact Barometer. Together, these resources provide data points, insights, analysis and examples of the shape of sustainable investing worldwide.

The *Global Sustainable Investment Review 2016* was made possible through the generosity of the report sponsor, Bloomberg.

About The Global Sustainable Investment Alliance

The Global Sustainable Investment Alliance (GSIA) is a collaboration of membership-based sustainable investment organizations around the world. It includes US SIF, UK SIF, Eurosif, RIA Canada, VBDO (Netherlands) and the Responsible Investment Association Australasia (RIAA). The GSIA's mission is to deepen the impact and visibility of sustainable investment organizations at the global level. Our vision is

a world where sustainable investment is integrated into financial systems and the investment chain and where all regions of the world have coverage by vigorous membership based institutions that represent and advance the sustainable investment community. www.gsi-alliance.org