



# RIAA WINDOW

## Issue 61

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### RIAA NEWS

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#### Update from RIAA

Welcome to our new look RIAA Window newsletter!

RIAA team has hit the ground running in 2017 continuing on from a successful 2016 where responsible investment was front and centre of the discussions across the finance industry. RIAA has in place detailed program of work to continue to progress responsible investment with two main aims:

- To continue to be the timely and relevant hub of ESG and ethical information for members - through the delivery of our events, webinars, working groups, research and networking whilst continuing to build on the 18 events we delivered in FY 16; and
- To continue to promote and grow demand for and awareness of RI across Australia and New Zealand - through our media work, communications and importantly Certification, including building visitation to our [Responsible Returns](#) webtool.

Here is a sneak peak of the major items members can expect over the coming months:

- At least 12 events
- Launch of the biennial Global Sustainable Investment Review, the reference point that maps the size and trends in global responsible investment – 27th March 2017
- ESG Research Australia Awards Lunch, Sydney – 9th May 2017
- Investor Field Trip – May
- Responsible Investment Benchmark Report launch – Melbourne and Auckland – July/August
- National Ethical Investment Week – October
- RIAA's Australia Conference – Sydney 15 & 16 Nov
- RIAA NZ Conference – Auckland – early Nov
- Super Fund Responsible Investment Benchmark Report – early 2018

In addition, you'll also be invited to participate in:

- Regular ESG Networking events
- Working groups, such as the very active Corporate Engagement Working Group
- Certification Quarterly webinars and reports on the latest products and market developments
- The ongoing promotion of the Responsible Returns webtool
- New research papers and guides to responsible investing

#### WANT TO GET INVOLVED?

Now is a great time to become a member and participate in the activities planned for 2017!

## Welcome to our new members!

RIAA is pleased to see our active network of members continuing to grow strongly, from 147 members as at July 2015 to over 165 members today who combined manage well over \$1 trillion in assets globally. We're pleased to welcome our latest members to join:

- Paul Pellegrino (Financial Adviser - Vic)
- Jocelyn Weatherall (Financial Adviser - NZ)
- Henry Ford (Financial Adviser - NZ)
- Richard Knight (Financial Adviser - NZ)
- Arowana International (Asset Manager)
- Colonial First State (Asset Owner)
- CareSuper (Asset Owner)

Interested in joining RIAA? See our membership guide here, or feel free to get in touch with us at [info@responsibleinvestment.org](mailto:info@responsibleinvestment.org)

## RIAA Webinars

Recently RIAA has been busy on the webinar front, holding two of our popular webinars in February, the annual ESG Trends webinar and our Certification Quarterly webinar.

We kicked off the year with our ESG Trends webinar on the 8th February with guest speakers, Julia Leske (CAER), Morgan Ellis (MSCI ESG Research) and Doug Morrow (Sustainalytics) sharing their thoughts on what are likely to be the big hitting ESG trends that we can expect in 2017.

Later in February as part of our Certification Quarterly series, we looked a little closer at three of our recently certified investment products, Sandhurst Trustees Bendigo Socially Responsible Growth Fund, Maple-Brown Abbotts' Responsible Investment Fund and Stewart Investors' CFS Wholesale Worldwide Sustainability Fund. A representative from each fund gave attendees a run down on the philosophy that underpins their product and attendees were invited to ask questions to understand the finer points of each product.

Members can find recordings of each of these webinars along with our Certification Quarterly Report via the [Member Resources](#) section of the RIAA website. Please contact [joshe@responsibleinvestment.org](mailto:joshe@responsibleinvestment.org) if you need a log in.

## Working Groups

A reminder that RIAA's Corporate Engagement working group is very active and meeting regularly. We will very soon also be announcing news around our restructured Impact Investing working group. If you would like to be involved in either of these, please contact RIAA on [info@responsibleinvestment.org](mailto:info@responsibleinvestment.org)

## Submission to Treasury Consultation on Social Impact Investing

RIAA recently made a submission to the Treasury Consultation on Social Impact Investing. If you would like to view the submission in further detail it can be viewed [here](#).

## RIAA IN THE NEWS

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*Australian Financial Review: Jan 29 2017*

### **Super funds pressure banks to stop using credit cards for online gambling**

RIAA has written to the chairs of the big four banks outlining the concerns of some of its members about the growth in online gambling and the role of the banks in facilitating it through credit card merchant facilities.

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SAVE THE DATE!

**RIAA's ANNUAL AUSTRALIAN RI CONFERENCE**  
**15 & 16 Nov 2017**  
**Sydney**  
**Mark it in your diaries now!**

## UPCOMING EVENTS

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### RIAA EVENTS

Controversial Weapons Screening Webinar  
(RIAA Members Only)  
21st March 2017  
Stay tuned for more information

Global Sustainable Investment Review Launch  
27th March 2017  
London

ESG Research Australia Awards  
9th May 2017  
Sydney

Member Field Trip  
May

### INDUSTRY EVENTS

ACCSR - IIRC-Approved Integrated Reporting Training  
21 - 22 March 2017 Melbourne  
27 - 28 March 2017 Sydney  
Click [here](#) for more information

AMP Capital Responsible Investing Masterclass  
22 March 2017  
Auckland  
[More Info](#)

## FOOD FOR THOUGHT

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### Mythbusting sustainable investing

*Emma Pringle, BT Financial Group*

Originally published in Money Management, 28th February 2017

Some investors have remained focussed on financial performance but there is growing interest in sustainable investing, Emma Pringle writes.

More has been made about sustainable investing in the last few years than in the last few decades combined. Recent general interest in sustainability as well as sustainable investment preferences has catapulted this theme to the front of people's minds.

New research from BT shows that nine-in-10 Australians think that sustainable investing is important, and conventional wisdom has suggested that it is a misconception that sustainability is only for activists...

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## MEMBER NEWS

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### FTSE4Good celebrates 15th anniversary with new sustainable investment launches

Since launching FTSE4Good 15 years ago, sustainable investment models have moved from niche to the norm. FTSE Russell has celebrated the milestone by launching two new ESG indexes, the FTSE4Good Emerging Markets Index and the FTSE4Good Latin America index.

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### Ausbil IM wins \$48m mandate with Uniting Financial Services

Ausbil Investment Management have won a \$48 million mandate with Uniting Financial Services who said they chose to partner with Ausbil due to their rigorous investment approach and capacity to integrate ESG into their investment decisions.

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### Elaine Prior set to retire from Citi

Highly regarded Senior ESG analyst, Elaine Prior, will retire from Citi in the coming months. Under Elaine's stewardship, Citi has won the Best ESG Broking firm at the ESG Research Awards for seven consecutive years.

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### **CEFC signals strong investment pipeline**

Innovators and investors have come together in a new push to accelerate investment into Australia's emerging innovative clean energy sector. By bringing together the two groups, CEFC says that the discussions will help to extend the Clean Energy Innovation Funds pipeline which has already recently made three commitments to the total value of \$25m.

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### **CBUS to integrate UN's Sustainable Development Goals**

Cbus Super's new investment manager innovation and strategy, Alexandra West plans to lift the fund's sustainability credentials starting with integrating the United Nations' Sustainable Development Goals.

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### **UCA Funds welcomes bank support for credit card gambling ban**

Executive Director Michael Walsh welcomes the Australian Bankers Associates in-principle support for legislation to stop credit card gambling, but questioned why the banks needed to wait for a legislative fix.

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### **Regnan CEO steps down**

Regnan - Governance Research & Engagement Managing Director, Amanda Wilson has stepped down from her position at the company to transition to a portfolio career. Susheela Peres da Costa will step in as interim Managing Director until a replacement is found.

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### **Awareness of Sustainable Investing Grows**

The fifth annual BT Australian Financial Health Index has revealed that Australian investors are increasingly conscious of sustainability factors when deciding to invest their money.

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## **INDUSTRY NEWS**

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### **APRA: Climate change a 'material' risk for the financial system**

Australian Prudential Regulation Authority has revealed that it views climate change a 'material' risk that it will be watching more closely Australian banks, insurers and wealth managers.

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### **Vanguard extends new ethical index to Australia**

Vanguard Australia is set to launch an international shares index fund that will exclude tobacco, controversial weapons and nuclear weapons after the controversy in New Zealand over investments in foreign companies which make cluster bombs

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### **Advisers underestimate the demand for responsible investment**

Aviva surveys in the US have revealed that 81 per cent of financial advisers believed that fewer 10 per cent of their clients had a genuine interest in the responsible investing, in stark contrast to their consumer survey which indicated that 50 per cent of consumers took ethical issues seriously.

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### **Human Super: super for women**

Human Super will soon launch in Australia with a focus on superannuation specifically targeted at women. Co-founder Kuba Tymula, states that women retire with roughly 60 per cent of the superannuation assets compared to their male counterparts. This fund will be aimed at solving the superannuation gap for women.

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### **No Room For Partisan Politics in Energy**

Representatives from a wide variety of groups across Australia have banded together to challenge our political leaders to set aside partisan politics to deliver reliable, affordable, clean energy.

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**NAB launches offshore green bond**

In a first for its kind by an Australian bank, NAB has launched a public offshore green bond valued at \$690 million. The bond will refinance renewable energy and low carbon transport initiatives and assets across the UK, Europe, Australia and the Americas.

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**Morphic to launch green listed investment company**

Morphic Ethical Equities Fund, a new ethical LIC by Morpic will be underpinned by long list both negative and positive screens.

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**Trump policies unlikely to end sustainable investing trend**

US President Trumps policies may have a short term effect on mutual funds with a sustainable investing focus, but unlikely to put the brakes on the trend of sustainable investing for over the long term.

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**McKinsey Global Institute report measure the impact of short termism**

McKinsey Global Institute has released its research into the impacts of corporate short termism, finding it to be increasing in the last 5 years, however short-termism genuinely detracts from corporate performance and economic growth.

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**The state of ESG advocacy and Engagement**

Sustainability advocacy and engagement is gaining prominence in the US with over half of the 370 shareholder proposals filed concerned two issues: environment and political activity.

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**London Stock Exchange issues ESG guidelines for listed companies**

The London Stock Exchange has issues guidelines on how companies should incorporate environmental, social and governance issues into disclosure statements alongside traditional financial reporting.

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## **JOB OPPORTUNITIES**

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**Head of ESG Research**

Citi is recruiting a senior ESG analyst to lead the ESG research team.

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