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Global Asset Management
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FOREWORD

The Global Sustainable Investment Alliance (GSIA) is an international collaboration of membership-based sustainable investment organizations. Our mission is to deepen and expand the practice of sustainable investment through intentional international collaboration. We are pleased to present the Global Sustainable Investment Review 2018, the fourth edition in the series since our inaugural review of sustainable investment worldwide in 2012.

Since 2016, when we released our last biennial review, sustainable and responsible investing has continued to grow in each of the five main regions discussed in this report: Australia and New Zealand, Canada, Europe, Japan and the United States, with particularly robust growth in Japan. In each of these regions, sustainable investing commands a sizable share of total professionally managed assets. We are also pleased to provide snapshots on sustainable investing in Latin America and in Africa.

We want to thank the many sponsors—listed in the Acknowledgments page—of the regional research reports used to prepare the Global Sustainable Investment Review 2018. We also thank Hermes Investment Management, RBC Global Asset Management and UBS for the financial support they provided for the global review. Without the generous support of these sponsors, this report and the research on which it is based would not have been possible. We are grateful to US SIF: The Forum for Sustainable and Responsible Investment, which led the production of the report, and particularly to US SIF Research Director Meg Voorhes.

Sincerely,

Masaru Arai, Chair
Japan Sustainable Investment Forum

Dustyn Lanz, CEO
Responsible Investment Association Canada

Simon O’Connor, CEO
Responsible Investment Association Australasia

Will Oulton, Chair
Eurosif, the European Sustainable Investment Forum

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US SIF: The Forum for Sustainable and Responsible Investment and the US SIFFoundation
EXECUTIVE SUMMARY

In early 2017, the Global Sustainable Investment Alliance (GSIA) released the *Global Sustainable Investment Review 2016*, which collated the results from the market studies of regional sustainable investment forums for Europe, the United States, Canada, Japan, and Australia and New Zealand. In the period since the last report was released, the global sustainable investment market has continued to grow, and in most of the regions covered by GSIA’s member organizations, its share of professionally managed assets has also grown. This report summarizes the status of sustainable and responsible investing in these markets at the start of 2018.

Generally in this report, when discussing the global tally of sustainable investing assets and how they break down by region or strategy, the assets are presented in US dollars. To show trends within each region over time, however, we present assets in the local currencies so as not to introduce exchange rate fluctuations.

Sustainable investing is an investment approach that considers environmental, social and governance (ESG) factors in portfolio selection and management. For the purpose of this global report and for articulating our shared work in the broadest way, GSIA uses an inclusive definition of sustainable investing, without drawing distinctions between this and related terms such as responsible investing and socially responsible investing. This report primarily uses the term sustainable investing.

Globally, sustainable investing assets in the five major markets stood at $30.7 trillion at the start of 2018, a 34 percent increase in two years. In all the regions except Europe, sustainable investing’s market share has also grown. Responsible investment now commands a sizable share of professionally managed assets in each region, ranging from 18 percent in Japan to 63 percent in Australia and New Zealand. Clearly, sustainable investing constitutes a major force across global financial markets.

From 2016 to 2018, the fastest growing region has been Japan, followed by Australia/New Zealand and Canada. These were also the three fastest growing regions in the previous two-year period. The largest three regions—based on the value of their sustainable investing assets—were Europe, the United States and Japan.

Sustainable investment encompasses the following activities and strategies:

1. Negative/exclusionary screening,
2. Positive/best-in-class screening,
3. Norms-based screening,
4. ESG integration,
5. Sustainability themed investing,
6. Impact/community investing, and
7. Corporate engagement and shareholder action.

As in 2016, the largest sustainable investment strategy globally is negative/exclusionary screening ($19.8 trillion), followed by ESG integration ($17.5 trillion) and corporate engagement/shareholder action ($9.8 trillion). Negative screening remains the largest strategy in Europe, while ESG integration continues to dominate in the United States, Canada, Australia and New Zealand in asset-weighted terms. Corporate engagement and shareholder action is the dominant strategy in Japan.
Norms-based screening has lost ground in Europe, with substantially fewer assets managed under this strategy than in 2016. Despite modest growth in Canada, and more rapid growth in Japan in assets managed under norms-based screening, the global total of these assets fell from 2016 to 2018.

Impact investing is a small but vibrant segment of the broader sustainable and responsible investing universe in all the markets studied. GSIA defines impact investing as targeted investments aimed at solving social or environmental problems. Community investing, whereby capital is specifically directed to traditionally underserved individuals or communities, is included in this category, as is finance that is provided to businesses with an explicit social or environmental purpose.

In Europe, total assets committed to sustainable and responsible investment strategies grew by 11 percent from 2016 to 2018 to reach €12.3 trillion ($14.1 trillion), but their share of the overall market declined from 53 percent to 49 percent of total professionally managed assets. The slight drop may be due to a move to stricter standards and definitions. Although exclusionary screens remain the dominant strategy at €9.5 trillion, this is down from the €10.2 trillion reported under this strategy in 2016. Corporate engagement and shareholder action is now the second most widely practiced strategy, up from third place in 2016, with the assets involved in this strategy growing 14 percent. Norms-based screening, which was the second most widely practiced strategy in 2016, now ranks in fourth place. Meanwhile, ESG integration moved from fourth place to third place; the assets managed under this strategy grew 60 percent from 2016 to reach €4.2 trillion in 2018; notably this growth occurred after Eurosif adopted a stricter definition of ESG integration for its 2016 study.

Sustainable investing in the United States continues to expand. Total US-domiciled assets under management using sustainable strategies grew from $8.7 trillion at the start of 2016 to $12.0 trillion at the start of 2018, an increase of 38 percent. Of this, $11.6 trillion is held by asset management firms and community investment institutions applying ESG criteria in their investment analysis and portfolio selection, predominantly through ESG integration and negative screening. ESG integration, the dominant strategy, is used across an estimated $9.5 trillion in assets. The US sustainable investing total also includes $1.8 trillion in US-domiciled assets at the beginning of 2018 held by institutional investors or asset managers that filed or co-filed shareholder resolutions on ESG issues at publicly traded companies from 2016 through 2018. Assets managed with sustainable investing strategies now represent 26 percent of all investment assets under professional management in the United States.

In Japan, sustainable investing assets quadrupled from 2016 to 2018, growing from just 3 percent of total professionally managed assets in the country to 18 percent. The growth has made Japan the third largest center for sustainable investing after Europe and the United States. The leading sustainable investing strategy in the country is corporate engagement and shareholder action, deployed by assets totaling ¥141 trillion, followed by ESG integration, which is practiced across ¥122 trillion. In the last few years, a number of developments have driven the significant expansion in the sustainable investment market in Japan. The first is the Abe administration’s continuing encouragement of private sector investment as part of its economic growth strategy, as well as initiatives by various government bureaus. Adding to the growing awareness of sustainable investing in Japan were the decisions by two major institutional asset owners to become signatories to the Principles for Responsible Investment: the giant Government Pension Investment Fund in 2015 and the Pension Fund Association in 2016.

From 2016 to 2018, assets managed with responsible investment strategies in Canada grew by 42 percent. The growth is even more impressive in terms of market share. Responsible investments now account for just over 50 percent of professionally managed assets in the country, up from 38 percent in 2016. This marks a major milestone in the history and development of responsible investing in Canada. The most prominent responsible investing strategy practiced in Canada, in asset-weighted terms, continues to be ESG integration, with corporate engagement in second place. The most rapidly growing strategy was negative screening; assets managed with this
strategy grew 64 percent over the two-year period. Impact investing continues to be a small category, but one that experienced rapid growth—60 percent—since 2016.

The 2018 surveys by the Responsible Investing Association of Australasia (RIAA) reveal that a responsible approach to investing—one that systematically considers environmental, social and corporate governance and/or ethical factors across the entire portfolio—now represents 63 percent of the assets managed professionally in the two-country region, up from 51 percent in 2016. In Australia, 78 percent of the responsible investing assets are managed through what RIAA terms a “broad” strategy that emphasizes ESG integration and corporate engagement, while 22 percent are managed through the “core” responsible investment strategies of screening, sustainability themed investing or impact investing. Broad responsible investing approaches account for 53 percent of responsible investing assets in New Zealand.
INTRODUCTION

The Global Sustainable Investment Alliance (GSIA) is pleased to release the Global Sustainable Investment Review 2018, the fourth edition of this biennial report. This review continues to be the only report collating results from the market studies of regional sustainable investment forums from Europe, the United States, Japan, Canada, and Australia and New Zealand. It provides a snapshot of sustainable investing in these markets at the start of 2018 by drawing on the in-depth regional and national reports from GSIA members—Eurosif, Japan Sustainable Investment Forum (JSIF), Responsible Investment Association Australasia, RIA Canada and US SIF.

Since the launch of the inaugural study in 2012, the sustainable investment market has continued to grow and evolve globally. While each region’s approach to sustainable investment is slightly different, some trends have had a global reach. Every region again saw a rise in ESG integration and sustainability themed investing.

This report also includes data on the African sustainable investing market for the third time since the 2012 edition of the Review, thanks to the cooperation of the African Investing for Impact Barometer based at the University of Cape Town’s Graduate School of Business. Additionally, the Principles for Responsible Investment shared highlights on developments in several countries in North, Central and South America.

Together, these resources provide data points, insights, analysis and examples of the shape of sustainable investing worldwide.

Generally in this report, when discussing the global tally of sustainable investing assets and how they break down by region or strategy, the assets are presented in US dollars. Sustainable investing assets for 2018 are reported as of December 31, 2017, except for Japan, which reports as of March 31, 2018, and currencies were converted to US dollars at the exchange rate prevailing at the time of reporting, for comparability. To show trends within each region over time, however, we present assets in the local currencies so as not to introduce exchange rate fluctuations. Refer to Appendix 1 for more information on methodology and data. Refer to Appendix 3 for a table of the sustainable investing assets in each region in its local currency in 2016 and 2018, and the percentage growth for both the regional and global strategy totals over this period.
SUSTAINABLE INVESTING DEFINED

Sustainable investing is an investment approach that considers environmental, social and governance (ESG) factors in portfolio selection and management. For the purpose of this global report and for articulating our shared work in the broadest way, GSIA uses an inclusive definition of sustainable investing, without drawing distinctions between this and related terms such as responsible investing and socially responsible investing. This report primarily uses the term sustainable investing.

The GSIA definitions of sustainable investment, published in the Global Sustainable Investment Review 2012, have emerged as a global standard of classification. These are:

1. **NEGATIVE/EXCLUSIONARY SCREENING**: the exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG criteria;

2. **POSITIVE/BEST-IN-CLASS SCREENING**: investment in sectors, companies or projects selected for positive ESG performance relative to industry peers;

3. **NORMS-BASED SCREENING**: screening of investments against minimum standards of business practice based on international norms, such as those issued by the OECD, ILO, UN and UNICEF;

4. **ESG INTEGRATION**: the systematic and explicit inclusion by investment managers of environmental, social and governance factors into financial analysis;

5. **SUSTAINABILITY THEMED INVESTING**: investment in themes or assets specifically related to sustainability (for example clean energy, green technology or sustainable agriculture);

6. **IMPACT/COMMUNITY INVESTING**: targeted investments aimed at solving social or environmental problems, and including community investing, where capital is specifically directed to traditionally underserved individuals or communities, as well as financing that is provided to businesses with a clear social or environmental purpose; and

7. **CORPORATE ENGAGEMENT AND SHAREHOLDER ACTION**: the use of shareholder power to influence corporate behavior, including through direct corporate engagement (i.e., communicating with senior management and/or boards of companies), filing or co-filing shareholder proposals, and proxy voting that is guided by comprehensive ESG guidelines.

The sum of these individual strategies, after adjusting for double counting since some assets are managed using more than one strategy, results in the sustainable assets under management included in this report. In the report, the aggregated figure is referred to as sustainable investment or investment taking into account ESG concerns, without making a judgment about the quality or depth of the process applied.
GLOBAL SUSTAINABLE INVESTMENT 2016–2018

GROWTH OF GLOBAL SUSTAINABLE INVESTING ASSETS

At the start of 2018, global sustainable investment reached $30.7 trillion in the five major markets shown in Figure 1, a 34 percent increase in two years.

**FIGURE 1: SNAPSHOT OF GLOBAL SUSTAINABLE INVESTING ASSETS, 2016–2018**

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>$ 12,040</td>
<td>$ 14,075</td>
</tr>
<tr>
<td>United States</td>
<td>$ 8,723</td>
<td>$ 11,995</td>
</tr>
<tr>
<td>Japan</td>
<td>$ 474</td>
<td>$ 2,180</td>
</tr>
<tr>
<td>Canada</td>
<td>$ 1,086</td>
<td>$ 1,699</td>
</tr>
<tr>
<td>Australia/New Zealand</td>
<td>$ 516</td>
<td>$ 734</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 22,838</strong></td>
<td><strong>$ 30,683</strong></td>
</tr>
</tbody>
</table>

Note: Asset values are expressed in billions of US dollars. All 2016 assets are converted to US dollars at the exchange rates as of year-end 2015. All 2018 assets are converted to US dollars at the exchange rates at the time of reporting.

Sustainable investment assets are continuing to climb globally, with some regions demonstrating stronger growth than others within their local currencies. As shown in Figure 2, the largest increase over the past two years was in Japan, where sustainably managed assets grew over 300 percent. In the United States, growth from 2016 to 2018 is slightly higher than over the previous two years (38 percent versus 33 percent). Elsewhere, sustainable assets continued to rise, but at a slower pace than between 2014 and 2016.

**FIGURE 2: GROWTH OF SUSTAINABLE INVESTING ASSETS BY REGION IN LOCAL CURRENCY 2014–2018**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>€ 9,885</td>
<td>€ 11,045</td>
<td>€ 12,306</td>
<td>12%</td>
<td>11%</td>
<td>6%</td>
</tr>
<tr>
<td>United States</td>
<td>$ 6,572</td>
<td>$ 8,723</td>
<td>$ 11,995</td>
<td>33%</td>
<td>38%</td>
<td>16%</td>
</tr>
<tr>
<td>Canada (in CAD)</td>
<td>$ 1,011</td>
<td>$ 1,505</td>
<td>$ 2,132</td>
<td>49%</td>
<td>42%</td>
<td>21%</td>
</tr>
<tr>
<td>Australia/New Zealand (in AUD)</td>
<td>$ 203</td>
<td>$ 707</td>
<td>$ 1,033</td>
<td>248%</td>
<td>46%</td>
<td>50%</td>
</tr>
<tr>
<td>Japan</td>
<td>¥ 840</td>
<td>¥ 57,056</td>
<td>¥ 231,952</td>
<td>6692%</td>
<td>307%</td>
<td>308%</td>
</tr>
</tbody>
</table>

Note: Asset values are expressed in billions. All 2018 assets in this report are as of 12/31/17, except for Japan, whose assets are as of 3/31/18.
As shown in Figure 3, the proportion of sustainable investing relative to total managed assets grew in almost every region, and in Canada and Australia/New Zealand responsible investing assets now make up the majority of total assets under professional management. The exception to this trend is Europe, where sustainable investing assets have declined relative to total managed assets since 2014. At least part of the market share decline in Europe stems from a shift to stricter standards and definitions for sustainable investing.

**FIGURE 3: PROPORTION OF SUSTAINABLE INVESTING RELATIVE TO TOTAL MANAGED ASSETS 2014-2018**

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>58.8%</td>
<td>52.6%</td>
<td>48.8%</td>
</tr>
<tr>
<td>United States</td>
<td>17.9%</td>
<td>21.6%</td>
<td>25.7%</td>
</tr>
<tr>
<td>Canada</td>
<td>31.3%</td>
<td>37.8%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Australia/New Zealand</td>
<td>16.6%</td>
<td>50.6%</td>
<td>63.2%</td>
</tr>
<tr>
<td>Japan</td>
<td>3.4%</td>
<td>18.3%</td>
<td></td>
</tr>
</tbody>
</table>

Note: In 2014, data for Japan was combined with the rest of Asia, so this information is not available.

In terms of where sustainable and responsible investing assets are domiciled globally, Europe continues to manage the highest proportion, with nearly half of global sustainable investing assets, as shown in Figure 4. However, this is a decline from 2016 when Europe managed nearly 53 percent of sustainable investing assets. Meanwhile, Japan has shown impressive growth, as its proportion of global sustainable investing assets has quadrupled since 2016. The proportions of global sustainable investing assets in the United States, Canada and Australia/New Zealand have remained largely level over the past two years.

**FIGURE 4: PROPORTION OF GLOBAL SUSTAINABLE INVESTING ASSETS BY REGION 2018**
SUSTAINABLE INVESTMENT STRATEGIES

The largest sustainable investment strategy globally continues to be negative or exclusionary screening, as shown in Figure 5, with a combined $19.8 trillion in assets under management. This is followed by ESG integration, which has grown by 69 percent over the past two years, to $17.5 trillion in assets. Negative screening is the largest strategy in Europe, while ESG integration commands the majority of assets in the United States, Canada, Australia and New Zealand. Meanwhile, corporate engagement and shareholder action constitute the predominant strategy in Japan.

Although total assets are much lower in the three strategies of sustainability-themed investing, positive or best-in-class screening and impact or community investing, all have shown impressive growth over the past two years, as shown in Figure 6. At the start of 2018, positive screening was deployed across $1.8 trillion in assets, followed by sustainability-themed investing with $1.0 trillion in assets, and impact/community investing with $444 billion in assets. Although norms-based screening remains more than double the size of these three strategies, it is the only strategy to have declined since 2016—a decrease of 24 percent—to $4.7 trillion in assets.
Regional differences in the prevalence of sustainable and responsible investing strategies can be seen in Figure 7. Some differences are definitional. For example, Australia and New Zealand combine positive, negative and norms-based screening into one bucket and do not track corporate engagement as a stand-alone strategy, so their assets are restricted to four of the seven strategies shown in Figure 7. The United States does not track norms-based screening, and for the purposes of producing an overall tally of sustainable investing assets, counts only the portion of corporate engagement assets that are deployed in filing shareholder resolutions. Still, we are able to see some interesting regional variations. Although Japan holds 7 percent of global sustainable investing assets, it accounts for a much greater share of global assets dedicated to corporate engagement and shareholder action. Canada represents 6 percent of global sustainable investing assets, but 17 percent of assets within norms-based screening strategies. Over three-quarters of norms-based screening takes place in Europe, while the United States holds the majority of global assets in sustainability investing, impact/community investing, positive/best-in-class investing and ESG integration.

**FIGURE 7: REGIONAL SHARES, BY ASSET WEIGHT, IN GLOBAL USE OF SUSTAINABLE INVESTING STRATEGIES 2018**

<table>
<thead>
<tr>
<th>Region</th>
<th>Impact/community investing</th>
<th>Sustainability themed investing</th>
<th>Positive/best-in-class screening</th>
<th>Norms-based screening</th>
<th>Corporate engagement and shareholder action</th>
<th>ESG integration</th>
<th>Negative/exclusionary screening</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>28%</td>
<td>17%</td>
<td>36%</td>
<td>77%</td>
<td>56%</td>
<td>28%</td>
<td>55%</td>
</tr>
<tr>
<td>United States</td>
<td>66%</td>
<td>77%</td>
<td>60%</td>
<td>na</td>
<td>18%</td>
<td>54%</td>
<td>40%</td>
</tr>
<tr>
<td>Japan</td>
<td>2%</td>
<td>1%</td>
<td>3%</td>
<td>6%</td>
<td>13%</td>
<td>7%</td>
<td>1%</td>
</tr>
<tr>
<td>Canada</td>
<td>3%</td>
<td>3%</td>
<td>1%</td>
<td>17%</td>
<td>12%</td>
<td>9%</td>
<td>4%</td>
</tr>
<tr>
<td>Australia/NZ</td>
<td>1%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3%</td>
<td>1%</td>
</tr>
</tbody>
</table>

**GLOBAL MARKET CHARACTERISTICS**

**INSTITUTIONAL AND RETAIL INVESTORS:** Investments managed by professional asset managers are often classified as either retail or institutional. Retail assets are personal investments by individuals in professionally managed funds purchased in banks or through investment platforms with relatively low minimum investment levels, while assets classified as “institutional” are managed on behalf of institutional asset owners such as pension funds, universities, foundations and insurers through investment products with higher minimum investment levels. Although institutional investors tend to dominate the financial market, interest by retail investors in sustainable and responsible investing has been steadily growing since this report began differentiating between these two investment classifications in
2012. At that time, institutional investors held 89 percent of assets compared with 11 percent held by retail investors. At the start of 2018, the retail portion had grown to one quarter (shown in Figure 8).

**FIGURE 8: GLOBAL SHARES OF INSTITUTIONAL AND RETAIL SUSTAINABLE INVESTING ASSETS 2016–2018**

![Figure 8](image)

Note: Institutional and retail investor data were not collected in Australia/New Zealand.

**ASSET ALLOCATION:** Sustainable investments now extend across the range of asset classes commonly found in diversified investment portfolios, as shown in Figure 9, which shows the asset class allocation reported in Europe, the United States, Japan and Canada in 2018. Collectively in these regions, a majority of assets were allocated to public equities: 51 percent at the start of 2018. The next largest asset allocation is in fixed income, with 36 percent. This is a reversal from 2016 when, with only Europe and Canada reporting on asset class allocation, 64 percent of sustainable investing assets were in fixed income and 33 percent were in public equities. In 2018, real estate/property and private equity/venture capital each held 3 percent of global sustainable investing assets. Sustainable investments can also be found in hedge funds, cash or depository vehicles, commodities and infrastructure; these assets are reflected in the “other assets” category shown in Figure 9.

**FIGURE 9: GLOBAL SUSTAINABLE INVESTING ASSET ALLOCATION 2018**

![Figure 9](image)

Note: Other includes hedge funds, cash/deposits, commodities, infrastructure, and not otherwise specified. Asset allocation data were not collected in Australia/New Zealand.
REGIONAL HIGHLIGHTS

EUROPE

In Europe, where sustainable investing has long been broadly practiced and accepted, there are signs that the market is maturing. From 2016 to 2018, sustainable investing assets grew at a modest pace, but not as quickly as the overall universe of assets professionally managed in Europe, which reached a record high of €25.2 trillion, according to the European Fund and Asset Management Association’s 2018 report.

Part of the reduction in the share of the European investment market may lie in the robust debate over defining sustainable investing. As Eurosif was writing its 2018 study, the European Commission was considering action points to finalize its sustainable finance policy. The work around the development of a taxonomy for sustainable investing, the definition of a green bond standard and an eco-label are examples of the main elements that will influence and guide investors. In early March 2019, the European Parliament adopted rules under its Sustainable Finance Action Plan to require asset managers to use a common reporting standard to disclose how they consider ESG factors and to prevent them from “greenwashing”—overstating their commitment to sustainable investing.

Anticipating the stricter standards and definitions, some European asset managers—particularly in France and Germany—reported lower sustainable asset values for the 2018 Eurosif survey than in 2016. (This came on top of Eurosif’s decision, two years earlier, to narrow its definition of ESG integration, causing European assets in this strategy to fall between the 2014 and 2016 Eurosif reports.)

Against this backdrop, Eurosif’s 2018 survey results show clear signs of consolidation in the industry.

The data suggests there are now two de facto “essentials” for sustainable investors in Europe. One is that investors cannot do without at least some form of ESG integration, which grew 60 percent in Europe from 2016 to 2018 based on the assets affected and was the fastest growing strategy in 2018. Second, there is a trend to more active management underlined by strong growth in assets deployed for corporate engagement, which grew 14 percent from an already high base over the two-year period. Owners and producers increasingly feel they need to be more vocal and show their engagement through their ownership rights.

The assets involved in corporate engagement reached close to €5 trillion, while assets involved in negative screening receded slightly to €9.5 trillion at the start of 2018.

The major decrease registered in the survey was norms-based screening, which fell 38 percent from 2016 to €3.1 trillion in 2018. Assets deployed in best-in-class strategies grew 19 percent, in line with the previous two-year period.

Sustainability themed investments remain stable, while Impact investing is now at €108 billion, an increase of 10 percent since 2016. The growth in impact investing, although modest, demonstrates that investors are becoming more cognizant of its potential and want to make a difference by choosing specific categories of investments.
UNITED STATES

Sustainable investing in the United States continues to expand at a healthy pace. Total US-domiciled assets under management using sustainable investing strategies grew from $8.7 trillion at the start of 2016 to $12.0 trillion at the start of 2018, an increase of 38 percent, according to US SIF’s 2018 Trends report.

Of this, $11.6 trillion is held by asset management firms and community investment institutions applying ESG criteria in their investment analysis and portfolio selection, predominantly through ESG integration and negative screening. It also includes $1.8 trillion in US-domiciled assets at the beginning of 2018 held by institutional investors or asset managers that filed or co-filed shareholder resolutions on ESG issues at publicly traded companies from 2016 through 2018. The overall sustainable investing total of $12.0 trillion represents 26 percent of all investment assets under professional management in the United States.

US SIF identified 365 money managers and 1,145 community investing institutions in 2018 incorporating ESG criteria into their investment analysis and decision-making processes across a wide array of investment vehicles and asset classes. Of this $11.6 trillion total:

- $8.6 trillion was managed on behalf of institutional investors and $3.0 trillion was managed on behalf of individual investors,
- $2.6 trillion—or 22 percent—was managed through registered investment companies such as mutual funds, exchange traded funds, variable annuities and closed-end funds,
- $588 billion—or 5 percent—was managed through alternative investment vehicles, such as private equity and venture capital funds, hedge funds and property funds,
- $753 billion was managed through other commingled funds,
- $185 billion was managed by community investing institutions, and the balance—$7.5 trillion, or 64 percent—was managed through undisclosed investment vehicles, highlighting the limited nature of voluntary disclosures by money managers incorporating ESG criteria.

MOTIVATIONS FOR SUSTAINABLE INVESTING: Of the 365 money management firms whose data US SIF gathered, a subset of 141 with combined ESG assets of $4.2 trillion voluntarily responded to a question on their motivations for incorporating ESG criteria into their investment process. The leading motivation, based on the number of money managers citing it and the assets they represent, is client demand. But over half the respondents also cited such reasons as: to fulfill mission or values, to pursue social or environmental benefits, to improve returns over time, to minimize risks and to fulfill fiduciary duty. For the first time in 2018, US SIF asked whether implementing one or more of the UN Sustainable Development Goals was a motivation. Although only 40 percent of the responding managers cited this as a factor, they collectively represented more than $2 trillion in ESG assets.

TOP ESG CRITERIA: As in 2016, many money managers continue to report they apply “ESG incorporation” or “ESG integration” across all or a majority of their assets, without further specification. Money managers reporting in more detail said that climate change was the leading ESG issue for them in asset-weighted terms; the assets to which this criterion applies more than doubled from 2016 to 2018 to $3.0 trillion.

US money managers report that they apply tobacco-related restrictions to $2.9 trillion in assets and weapons-related restrictions to $1.9 trillion in assets, the latter a nearly five-fold increase from 2016. Money managers also report that they consider such issues as conflict risk, human rights and corruption across more than $2 trillion in assets.
ENGAGEMENT: The leading issue raised in shareholder proposals from 2016 through 2018, based on the number of proposals filed, was “proxy access.” Investors filed 353 proposals at US companies during this period to facilitate shareholders’ ability to nominate directors to corporate boards and to have access to companies’ proxy statements to discuss their nominees. As a result of the strong investor support for these proposals, the share of S&P 500 companies with proxy access policies grew from 1 percent in 2013 to 65 percent in 2017. Disclosure and management of corporate political spending and lobbying were also top concerns. Shareholders filed 295 proposals on this subject from 2016 through 2018. Many of the targets were companies that have supported lobbying organizations that oppose regulations to curb greenhouse gas emissions.

Investors are increasingly engaging in ways other than filing shareholder resolutions. A subset of survey respondents, including 49 institutional asset owners with more than $1 trillion in total assets and 88 money managers with $9.1 trillion in assets under management, reported that they engaged in dialogue with companies on ESG issues.

JAPAN

In Japan, sustainable investing assets quadrupled from 2016 to 2018, growing from just 3 percent of total professionally managed assets in the country to 18 percent. The growth has made Japan the third largest center for sustainable investing after Europe and the United States. The leading sustainable investing strategy in the country is corporate engagement and shareholder action, deployed by assets totaling ¥141 trillion, followed by ESG integration, which is practiced across ¥122 trillion.

In the last few years, several developments have driven the significant expansion in the sustainable investment market in Japan, ushering in a new stage of sustainable investment.

The first is the Abe administration’s continuing encouragement of private sector investment as part of its economic growth strategy, as well as many concrete initiatives by various government bureaus. In 2017 alone:

- The Financial Services Agency revised Japan’s Stewardship Code and instituted follow-up meetings to review the Stewardship Code and the Corporate Governance Code.

- The Ministry of Economy, Trade and Industry released the Ito Review 2.0 and formulated its Guidance for Collaborative Value Creation to function as a common language for corporations and investors.

- The Ministry of the Environment established Green Bond Guidelines and consolidated issues raised at councils conducted by the ESG Working Group to examine investment that is mindful of sustainability issues.

Adding to the growing awareness of sustainable investing in Japan were the decisions by two major institutional asset owners to become signatories to the Principles for Responsible Investment and to promote policies based on those principles. The giant Government Pension Investment Fund (GPIF) became a signatory in 2015. The Pension Fund Association became a signatory in 2016.

GPIF is actively working to encourage institutional investors to seriously engage in stewardship and ESG investment through such initiatives as establishing the Global Asset Owners Forum and the Business and Asset Owners Forum. GPIF also conducted and released the results of its Survey of Listed Companies about Institutional Investors’ Stewardship Activities. In July 2017, GPIF began passively tracking three ESG indices for Japanese equities. Two of the selected indices are based on broad ESG criteria and the other explicitly focuses on gender diversity and the empowerment of women. In November, GPIF called for applications for a global environmental stock index.
SUSTAINABLE INVESTING IN LATIN AMERICA

LatinSIF, which was created in 2013 to promote sustainable investing in the region, became part of PRI in 2018. The fused Latin SIF and PRI networks have a strong presence in five countries—Brazil, Chile, Columbia, Mexico and Peru—that together have 65 PRI signatories with collective assets under management of $1.2 trillion (although not all of these assets use sustainable investment strategies).

In 2018, several developments took place in these markets, as discussed below.

Brazil:
- In May, pensions regulator CMN published a new standard to govern the investment practices of occupational pension plans. Among other changes, it clarified that ESG issues must be considered in the pension funds’ regular risk assessment process.
- B3, the Brazilian stock exchange, introduced the option of identifying a bond as a “green bond” (upon the appropriate certification). This segmentation gives more visibility to these types of securities, which helps attract investors that are interested in diversifying their portfolios with bonds linked to sustainable investment.
- The Finance Innovation Lab, the most important forum on sustainable finance in Brazil, celebrated its first anniversary. Led by the Inter-American Development Bank (IDB), the Brazilian Association for Development and the Brazilian Securities and Exchange, the Lab aims to develop financial instruments to foster sustainable investment in Brazil. In addition, it has been proposing regulatory changes to prepare the market for these opportunities.
- The insurance industry signed the Rio declaration on climate risk transparency by the Brazilian insurance industry, in line with the recommendations of the Financial Stability Board’s (FSB) Task Force on Climate-related Financial Disclosures (TCFD).

Mexico:
- Pension fund regulator CONSAR is encouraging institutional investors to consider ESG topics in their investment decisions for the retirement plans of their clients.
- The Mexican stock exchange created a green finance advisory council with the support of organizations like Climate Bond Initiative and key financial institutions to support the development of green bonds and to ask for better ESG information to make investment decisions.

Colombia:
- The green protocol initiative created in 2012 to engage Colombian banks in promoting better environmental and social practices in lending was expanded to include the promotion of responsible investment.
- The Colombian financial regulator (Superintendencia Financiera) began asking financial institutions for information about their work around climate change risk and green finance.

Chile:
- UNEP FI and CAF (the Development Bank of Latin America) showcased the progress made by national banking institutions and international banks operating in Chile in integrating practices that support sustainable development into their operations.

Peru:
- The PIR (Programa Inversión Responsable) continued its work since 2014 to promote responsible and sustainable investment in Peru.

Argentina:
- In chairing the G20 presidency in 2018, the Argentinian government promoted the mobilization of capital towards a green and inclusive economy in line with the UN Sustainable Development Goals (SDGs) and the Paris Agreement.
- The 25th session of the Conference of the Parties (COP 25) to the UN Framework Convention on Climate Change is expected to take place in Chile in November 2019, which is likely to drive further interest in sustainable finance in Latin America.
In a related development, the Institutional Investors Collective Engagement Forum was established to support engagement between institutional investors and corporations.

Additionally, the Japan Securities Dealers Association is working to promote the UN Sustainable Development Goals, while the Japan Exchange Group joined the UN's Sustainable Stock Exchanges Initiative (SSE). These developments have made it easier for Japanese investment managers to commit themselves to ESG stewardship and investment activities.

**CANADA**

From 2016 to 2018, responsible investment continued to experience rapid growth in Canada. Survey data collected from more than 100 asset managers, asset owners and publicly available sources indicates that Canadian investors increasingly view environmental, social and governance factors as important components of their investment decisions. (All asset figures cited in this section are in Canadian dollars.)

Assets in Canada managed with at least one responsible investing strategy grew from $1.5 trillion at the start of 2016 to $2.1 trillion at the start of 2018, an increase of 42 percent. Responsible investing now accounts for 51 percent of all Canadian assets under professional management—up from 38 percent just two years earlier. This marks a major milestone in the history and development of responsible investing in Canada.

The most prominent responsible investing strategy practiced in Canada, in asset-weighted terms, is ESG integration, which is applied across $1.9 trillion in assets.

The second-most prominent responsible investing strategy is corporate engagement. Of the organizations that engaged with corporations, the most common issues were corporate governance, climate change and executive compensation.

Norms-based screening, which aligns investment policies with international standards such as the United Nations Global Compact, is the third-most prominent strategy by assets. Negative screening or exclusion is fourth based on assets.

With the rise of ESG integration in fixed income, this asset class accounts for a much greater share of responsible investing than in previous years. Whereas public equities previously accounted for 40 percent—and fixed income for 27 percent—of responsible investing assets two years ago, the latest data shows these asset classes are almost equal, at 36 percent and 34 percent, respectively.

Impact investing continues to grow rapidly. In the past two years, it jumped from $9.2 billion to $14.8 billion, reflecting the rising demand for impact across asset classes, including public markets.

From 2016 to 2018, assets in retail mutual funds designated or labeled as responsible investing increased 34 percent, from $8.3 billion to $11.1 billion. Assets in exchange-traded funds dedicated to responsible investing more than doubled, from $98 million to $241 million. The growth of assets in these products reflects the rising demand for responsible investing among individual investors within a growing product landscape. Survey respondents reported a total of $435.7 billion assets managed on behalf of individual investors, compared with the $118.5 billion survey respondents reported two years ago.

Concurrently, the number of Canadian asset managers who are signatories to the Principles for Responsible

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1. All figures are stated in Canadian dollars.
Investment grew from 38 to 56 over this period. The rapid uptake of responsible investing in Canada is being driven largely by the growing business case for incorporating environmental, social and governance factors into investment decisions. Survey respondents reported their top four reasons for considering ESG factors are: (1) managing risk, (2) improving returns over time, (3) meeting client or beneficiary demand, and (4) fulfilling fiduciary duty.

Institutional investors are increasingly bullish on the outlook for responsible investing, with 87 percent of respondents expecting moderate to high levels of growth over the next two years. This is an increase from the last survey, in which 80 percent of respondents expected moderate to high growth.

AUSTRALIA AND NEW ZEALAND

The 2018 surveys by the Responsible Investment Association of Australasia reveal that a responsible approach to investing—one that systematically considers environmental, social and corporate governance and/or ethical factors across the entire portfolio—now represents a significant part of the Australian finance sector and is the expected minimum standard of good investment practice in New Zealand.

For the first time, Australasia (Australia and New Zealand) is the region with the greatest proportion of responsible investment assets relative to total assets under management, with 63 percent of assets in Australasia using a responsible investment approach.

AUSTRALIA:  Assets under management using a responsible investment approach continue to rise and increasingly are delivering strong (above benchmark) results. (All asset figures cited in this section are in Australian dollars.)

At the start of 2018, responsible investment accounted for $866 billion in assets under management, up 37 percent from $633 billion in 2016. Of the 2018 total, 78 percent are managed through a “broad” responsible investment strategy that emphasizes ESG integration and corporate engagement, while 22 percent are managed through the “core” responsible investment strategies of screening, sustainability themed investing or impact investing. RIAA determined the broad responsible investing category by assessing the ESG integration practices of 112 asset managers that state a public commitment to responsible investment and only including those who can demonstrate a detailed and systematic approach to ESG integration. The broad and core strategies combined represented nearly 56 percent of the $1.56 trillion in total assets professionally managed in Australia at the start of 2018.

For the second year in a row, there was a significant increase in the use and number of negative screens applied. The most common screens are on weapons, tobacco and gambling, with a significant growth in screens over climate, human rights and adult content.

For the second year, asset managers were asked to identify the key drivers of responsible investing growth. Forty-four percent of the respondents cited ESG factors’ impact on performance, slightly more than the number—42 percent—who cited demand from institutional investors.

NEW ZEALAND:  Sustainable investing assets in New Zealand grew by 133 percent from 2016 to 2018.

Broad responsible investing approaches—centered on ESG integration—continue to make up the largest portion of total responsible investment assets, 53 percent in 2018. The organizations that practice ESG integration range from community trusts to crown financial institutions, including the sovereign wealth fund of New Zealand, and encompass both investment managers and asset owners. Core responsible investment strategies—and specifically the use of negative screens—jumped substantially for the second year running and now account for 47 percent of

2. All figures are stated in Australian dollars.
The sustainable investing market, as new entrants and large managers launched or expanded product offerings to screen out tobacco and controversial weapons investments. Other major screened issues include nuclear power and gambling.

For the second year the survey asked investment organizations to identify the key drivers of responsible investing growth. The top three responses were:

- Alignment to mission, cited by 56 percent of respondents
- ESG factors impact on performance, cited by 50 percent, and
- Growing awareness of ESG risks impact on value, cited by 36 percent.
CONCLUSION

In almost all the markets represented in this report, sustainable investing has grown in both absolute and relative terms in the two years since the beginning of 2016. As a result, sustainable investing represents more than 50 percent of total professionally managed assets in Canada, Australia and New Zealand, nearly half in Europe, 26 percent in the United States and 18 percent in Japan.

This growth reflects the expanding awareness of the business case for sustainable investing. Asset managers in the United States, Canada, Australia and New Zealand reported in regional surveys that major motivations for their use of sustainable investing strategies are the desire to minimize risk and improve financial performance over time. This may also explain why the sustainable investing strategy of ESG integration has become more widely deployed globally, with 60 percent more global assets managed with this strategy in 2018 than in 2016. Negative screening and corporate engagement are popular and often complementary strategies to ESG integration in each of the five regions.

The quest for positive impact remains an important motivation, too. A majority of money managers in the United States and New Zealand cited the desire to achieve social and environmental benefit or to fulfill their firms’ missions as factors in their work. Investment initiatives related to combating climate change, responding to environmental challenges or implementing the UN Sustainable Development Goals were in evidence throughout the five regions.

The data collected by the five regions demonstrate, too, that sustainable investing is increasingly accessible. Sustainable investing options are available across asset classes and through a broadening array of investment vehicles, including those suitable for retail investors.
APPENDIX I: METHODOLOGY AND DATA

Each region covered by this report uses a slightly different method to collect data for its respective report. The consolidation in this report is made on a best effort basis, but some regional inconsistencies may remain. All 2018 assets are reported as of December 31, 2017, except for Japan which reports as of March 31, 2018. For figures which are not displayed in the region’s local currency, currencies have been converted to US dollars at the exchange rate prevailing on December 31, 2017, (or March 31, 2018, in the case of Japan) for comparability. Historical 2016 data are reported as of December 31, 2015, except for Japan, which is reported as of March 31, 2016. Historical 2014 data are reported as of December 31, 2013, except for Japan, which is reported as of September 30, 2014. Figures which compare trends within a region have been kept in their local currencies to avoid introducing the effects of fluctuating currency exchange rates into the calculations; aggregated global totals have been converted to US dollars as of the dates these asset totals were reported. Readers should consult each regional report for more detail on data and data collection methods.

EUROPE

In 2016, Eurosif’s board members reached a consensus on a broad definition of sustainable and responsible investing to represent their common view at a European level and to reflect the European Commission’s efforts to develop a taxonomy for sustainable finance. According to Eurosif, “Sustainable and responsible investment (“SRI”) is a long-term oriented investment approach which integrates ESG factors in the research, analysis and selection process of securities within an investment portfolio. It combines fundamental analysis and engagement with an evaluation of ESG factors in order to better capture long-term returns for investors, and to benefit society by influencing the behavior of companies.”

Eurosif’s 2018 study conducted data collection using, for the most part, an Excel-based questionnaire of quantitative and qualitative questions that was sent to key SRI market participants including asset managers, banks and asset owners (pension funds, universities, foundations, state-owned players/national funds and insurance companies). The study covers 13 distinct markets: Austria, Belgium, Denmark, France, Germany, Italy, Netherlands, Norway, Poland, Spain, Sweden, Switzerland and the United Kingdom. Data collection took place from March to July 2018; in total, 263 asset managers and asset owners with combined assets under management of €20 trillion participated in the survey, representing market coverage of 79 percent.

The major innovation in the methodological approach of this 8th edition was the collaboration with an academic partner, the University of Antwerp, which supported the analysis and elaboration of the data. The researchers were engaged from April to September and worked in collaboration with Eurosif directly and the individual SIFs where needed. More detail on Eurosif’s current methodology is available in the European SRI Study 2018.

UNITED STATES

With its research partners, the US SIF Foundation developed an information request that was circulated via email to 628 money managers and 1,182 institutional investors from April through August 2018. Money managers and institutional investors responding to this information request provided much of the data for this report. Survey recipients were asked to detail whether they considered ESG issues in investment analysis and portfolio selection, to list the issues considered, and to report the value of the US-domiciled assets affected as of December 31, 2017. The information request also asked respondents to report their total US-domiciled assets as of year-end 2017 and whether they filed shareholder resolutions or engaged in other shareholder engagement activities. Additionally, the
research team collected additional data from public and third-party sources. The US SIF Foundation was able to identify 390 money managers with $30.1 trillion in assets under management; of these money managers, 365 were found to incorporate ESG criteria into their investment analysis and decision-making processes, affecting $11.6 trillion in assets under management, before double-count controls were implemented. Additionally, the research team identified 662 institutional investors with total assets of $8.7 trillion; of these institutions, 496 were confirmed as incorporating ESG criteria across $5.61 trillion in assets as of December 31, 2017. More detail on the methodology is available in the Report on US Sustainable, Responsible and Impact Investing Trends 2018, available from the US SIF Foundation website.

JAPAN

The Japan Sustainable Investment Forum (JSIF) undertook two surveys to provide the data included in this report. The first survey took place in September 2017 and received 34 responses out of 58 sent. The second took place in September 2018 and received 40 responses out of 42 sent; for the remaining two institutional investors, JSIF was able to find publicly available information. JSIF solicited the cooperation of PRI signatory institutions with locations in Japan in order to spread awareness of the survey. The 42 respondents reported ¥556 trillion in total assets, of which 41.7 percent—¥232 trillion—were managed using sustainable investing strategies. To calculate the percentage presented in Figure 2 of these sustainable investing assets in total professionally managed assets in Japan, JSIF used Japan’s Flow of Funds Accounts data compiled by the Bank of Japan for the denominator. More information about the Sustainable Investment Surveys can be found on the JSIF website.

CANADA

The Responsible Investment Association collected data from 106 asset managers and asset owners via electronic surveys and emails between June 2018 and September 2018. This data was supplemented with secondary research using dozens of publicly available sources. To count total Canadian responsible investing assets, RIA used a methodology based on the criterion of certainty: it only counted assets about which it was certain. For instance, if an investment manager indicated that its responsible investing policies apply to “a majority” of its assets under management, RIA counted only 51 percent of its AUM as responsible investing assets. Therefore, this cautious approach indicates a conservative estimate of Canadian responsible investing assets. After subtracting externally managed assets from the total reported responsible investing assets, RIA found that surveyed asset managers and asset owners represent C$2.13 trillion in assets under management.

During their analysis, RIA discovered anomalies in the 2016 data for thematic ESG investing and positive screening. It found that two survey respondents made errors in the 2015 survey when reporting figures for positive screening and thematic ESG investing. As a result, RIA adjusted the 2015 figures for thematic investing and positive screening, which is also reflected in this report. More detail on the methodology is available in the 2018 Canadian Responsible Investment Trends Report.

AUSTRALIA AND NEW ZEALAND

Data used to compile Responsible Investment Association Australasia’s Australia and New Zealand Benchmark reports were collected from the following sources: directly supplied by asset managers and asset owners; Morningstar statistics for total assets under management; RIAA’s database and industry contacts; and desk research of publicly available information. Because many asset managers apply several investment strategies to the same assets, the data collection survey required respondents to identify a single primary responsible investment strategy. The survey also requested that respondents nominate any secondary strategies applied in order to determine the depth of responsible investment strategies applied, to identify any overlap of approaches and to assist in categorizing funds.
All New Zealand assets were converted to Australian dollars as of December 31, 2017, in order to combine assets for the region for this report. Since RIAA has one category for screening which includes positive/best-in-class, negative/exclusionary and norms-based screening strategies, all of these assets have been categorized in the negative/exclusionary category for this report.

More detail on the methodology is available in the Responsible Investment Benchmark Report 2018 Australia and Responsible Investment Benchmark Report 2018 New Zealand, both available on the RIAA website.
APPENDIX 2: GLOSSARY

BEST-IN-CLASS/POSITIVE SCREENING: Investment in sectors, companies or projects selected from a defined universe for positive ESG performance relative to industry peers.

CORPORATE ENGAGEMENT AND SHAREHOLDER ACTION: Employing shareholder power to influence corporate behavior through direct corporate engagement (i.e. communicating with senior management and/or boards of companies), filing or co-filing shareholder proposals, and proxy voting that is guided by comprehensive ESG guidelines.

ESG: Environment, social, and governance—refers to sustainable investment criteria used alongside traditional financial criteria in managing and selecting investments.

ESG INTEGRATION: The systematic and explicit consideration by investment managers of environmental, social and governance factors into financial analysis.

IMPACT INVESTING: Targeted investments aimed at solving social or environmental problems. Impact investing includes community investing, where capital is specifically directed to traditionally underserved individuals or communities, or financing that is provided to businesses with a clear social or environmental purpose.

INSTITUTIONAL INVESTORS: Organizations that generally manage large sums of money, including pension funds, insurance companies, investment companies, foundations, charities, public authorities and universities.

NEGATIVE/EXCLUSIONARY SCREENING: The exclusion from a fund or portfolio of certain sectors, companies or practices based on specific ESG criteria.

NORMS-BASED SCREENING: Screening of investments based on compliance with international norms and standards such as those issued by the OECD, ILO, UN and UNICEF; may include exclusions of investments that are not in compliance with norms or standards or over and underweighting.

SRI: A generic term covering sustainable, responsible, socially responsible, ethical, environmental, social investments and any other investment process that incorporates environmental, social and governance issues.

SUSTAINABILITY THEMED INVESTING: Investment in themes or assets that address specific sustainability issues such as climate change, food, water, renewable energy, clean technology and agriculture.

SUSTAINABLE INVESTMENT: An approach to investment where environmental, social and governance factors, in combination with financial considerations, guide the selection and management of investments.
## APPENDIX 3: DATA TABLE

<table>
<thead>
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<th></th>
<th>2016 Bn</th>
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<th>2018 Bn</th>
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<td>Europe</td>
<td>United States</td>
<td>Canada (in CAD)</td>
<td>Australia/New Zealand (in AUD)</td>
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<td>Global (USD)</td>
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<th>Global (USD)</th>
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<td>740.8%</td>
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<td>-31.1%</td>
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<td>303.4%</td>
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<td>18.7%</td>
<td>346.6%</td>
<td>29.7%</td>
<td>na</td>
<td>112.7%</td>
<td>125%</td>
<td></td>
</tr>
<tr>
<td>Sustainability themed investing</td>
<td>2.5%</td>
<td>966.6%</td>
<td>61.3%</td>
<td>34.5%</td>
<td>15.0%</td>
<td>269%</td>
<td></td>
</tr>
<tr>
<td>Impact/community investing</td>
<td>10.4%</td>
<td>139.0%</td>
<td>60.0%</td>
<td>117.5%</td>
<td>-14.2%</td>
<td>79%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>11.4%</td>
<td>37.5%</td>
<td>41.6%</td>
<td>46.1%</td>
<td>306.5%</td>
<td>34%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Assets for 2016 were reported as of 12/31/15 for all regions except Japan, which reported as of 3/31/16. Assets for 2018 were reported as of 12/31/17 for all regions except Japan, which reported as of 3/31/18. Conversions from local currencies to US dollars were at the exchange rates prevailing at the date of reporting. The totals shown are net values after adjustments to remove double-counting, since managers may apply more than one strategy to a given pool of assets.
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