

Media note

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AXA INVESTMENT MANAGERS RELEASES RESPONSIBLE INVESTMENT OUTLOOK FOR 2016

AXA Investment Managers (AXA IM) has released its **Responsible Investment Outlook 2016**, highlighting a growing interest in responsible investing by investors worldwide.

AXA IM has been a pioneer of responsible investing (RI) for almost 20 years. The firm expects RI to move from being a specialist investment area to a 'must have' by institutional investors in 2016. In Australia, AXA IM is managing approximately \$70m in a locally domiciled ESG Global SmartBeta equity pooled fund - AXA IM ACWI SmartBeta Equity Fund – which has outperformed the MSCI ACWI ex-Australia Index by 4.9% since inception (to 31 December 2015).

The 2016 Outlook looks at key themes and issues for investors in 2016, which are dominated by impact and climate change. The main insights relevant to Australian institutional investors include:

- Impact investment will become a key trend in responsible investment. While the impact investing market is still young, it has been predicted to grow to as much as US\$500 billion by 2019 (1% of global assets). AXA IM sees impact as a wave – it started with alternatives but will roll on to touch all asset classes.
- The recent COP21 agreement clearly reflects a worldwide awareness for the long-term risks of climate change on environment and economies. AXA IM expects that investors will be looking at emerging investment opportunities from climate change as well as on the related governance implications.
- A number of significant investors divested from the most carbon intensive sectors in 2015 and AXA IM predicts this trend will accelerate in 2016. So far, more than 5,000 institutions have divested from fossil fuel investments representing close to US\$3.4 trillion. Nevertheless, a mix of both divestment and engagement is likely to result in most positive outcomes for the environment.
- Green bond issuance will continue to increase in 2016 signalling the need for selectivity. 2015 was the fourth consecutive record year for the issuance of green bonds. The corporates are now the number one issuers of green bonds making up around 45% of total issuance in 2015.
- The importance of addressing environmental issues at AGMs will rise significantly.

A copy of *AXA IM Responsible Investment Outlook 2016* is attached. For a further comment, or an interview with **AXA IM's Paris-based Global Head of Responsible Investment Matt Christensen**, please contact:

www.axa-im.com  

**Susie Bell
Honner
02 8248 3747
susie@honner.com.au**

About AXA Investment Managers

AXA Investment Managers is an active, long-term, global, multi-asset investor focused on enabling more people to harness the power of investing to meeting their financial goals. By combining investment insight and innovation with robust risk management, we have become one of the largest asset managers in Europe with ambitions to become the chosen investment partner of investors around the world.

With approximately €669bn in assets under management as of end September 2015, AXA IM employs over 2,300 people around the world and operates out of 28 offices in 21 countries. AXA IM is part of the AXA Group, a global leader in financial protection and wealth management.

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