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MEDIA RELEASE

Most Australians want their super invested responsibly

Most Australians (54%) would rather invest in a responsible super fund than a super fund which only considers maximising financial returns (46%), according to a national poll released today by the Responsible Investment Association Australasia (RIAA).

“This demonstrates the enormous potential for growth in the responsible investment sector – with still only \$152 billion or 16%ⁱ of total assets under management invested in responsible investment products,” said RIAA CEO Simon O’Connor.

“Even more significant is that seven in ten Australians (69%) think it’s important for super funds to make responsible investments, for example, by investing in companies that build clean energy infrastructure or avoiding investment that harm the community like tobacco.”

This strong support for responsible super funds – funds that consider the environmental, social and governance issues of the companies it invests in - isn’t confined to a particular age group, with the highest level of support amongst young Australians aged 18-24 and those aged 50 or older (both 60%).

“People are now cottoning on to the fact that you can invest responsibly *and* maximize financial returns. A large majority of Australians (82%) believe that responsible super funds perform as well as or better than ‘traditional’ super funds. This is supported by findings in the *Responsible Investment Benchmark Report 2013* showing 5-year returns post-GFC have been stronger for responsible investment funds than the benchmark and mainstream funds,” said O’Connor.

The research clearly signals the major impediments to people switching to responsible investment options: not enough independent information available (47%); and insufficient time to look at and compare all the options (44%).

“There is a substantial opportunity for the industry to respond to the investment preferences of most Australians. We need to step-up engagement and make it easier for members to choose products by providing information that is relevant, trustworthy and accessible.”

“The clear majority of Australians want their super funds invested in well managed companies which are making positive environmental and social impacts, or that avoid investments which harm the community. Anything less runs contrary to the basic expectations of Australians. All investors, including super funds and financial advisers, should take note of this message.

“The good news is, performance results show us clearly that we can invest responsibly and maximise financial returns,” said O’Connor.

NOTES TO THE EDITORS

For media inquiries or a copy of the report call Claudia Guinness on 02 8228 8100 or 0439 893 098.

The national poll was conducted online by Lonergan Research among 1,026 Australians aged 18 years or older, between the 5th and 7th November 2013.

Appendix: What people want from a responsible investment

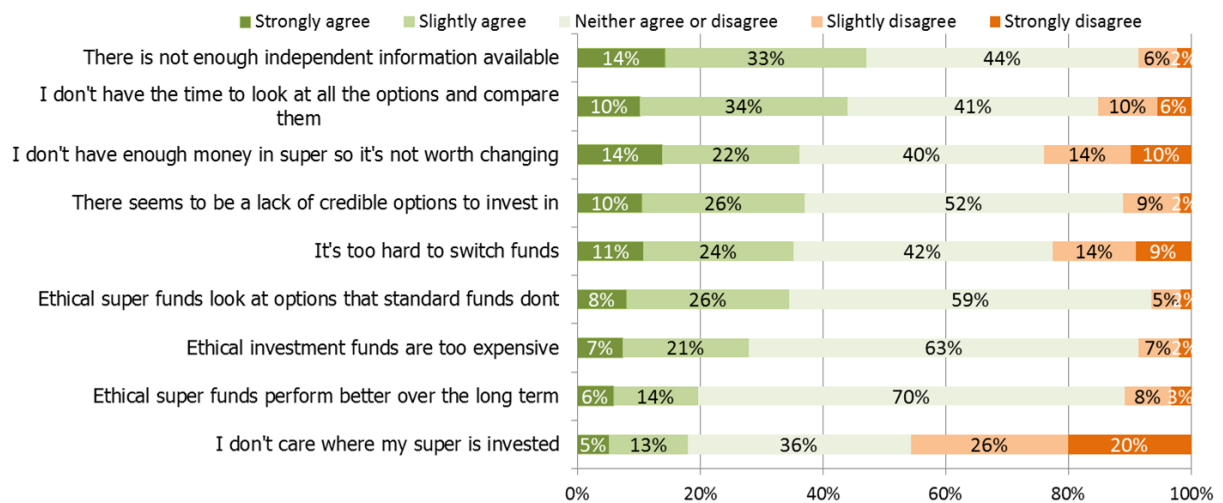
Would you rather invest in a super fund that...?	Total	Gender		Age			
		Men	Women	18-24	25-34	35-49	50+
Considers the environmental, social and governance issues of the companies it invests in AND maximises financial returns	54%	49%	60%	60%	52%	47%	60%
Only considers maximising financial returns	46%	51%	40%	40%	48%	53%	40%

Is it more important for a super fund to...?	Total	Gender		Age			
		Men	Women	18-24	25-34	35-49	50+
Invest in 'doing good' (e.g. investing in companies that build clean energy infrastructure)	36%	34%	39%	36%	38%	42%	31%
Avoid 'doing harm' (e.g. NOT investing in companies that harm the environment, manufacture weapons etc.)	33%	32%	34%	36%	40%	28%	32%
Neither	31%	34%	28%	28%	22%	30%	37%

If there were two super funds, one that invests in responsible investments (i.e. that takes into account environmental, social, ethical and governance considerations) and a standard super fund; how well do you think they'd perform financially over a year?

	Financial performance	%
Responsible fund performs better	<1% better	5%
	1-3% better	9%
	4-5% better	5%
	>5% better	9%
	Total 28%	
Standard fund performs better	<1% better	2%
	1-3% better	8%
	4-5% better	3%
	>5% better	5%
	Total 18%	
No difference	54%	

Do you agree or disagree with the following statements regarding switching to a responsible or ethical super fund (or option within a super fund)?



ABOUT THE RESPONSIBLE INVESTMENT ASSOCIATION AUSTRALASIA:

RIAA is the industry body representing responsible investors throughout Australasia, with the aim of promoting responsible investment, to accelerate its uptake and deepen its impact.

Our members represent a cross section of the investment industry, from super funds, fund managers, service providers to financial advisers. RIAA's membership currently consists of over 150 investment organisations and individuals, who manage over \$500 billion in funds under management.

RIAA acts as a hub for the responsible investment industry, supporting its members by amplifying issues, advocating on their behalf and delivering solutions with the goal of achieving the mission of promoting stable markets, maximising financial returns and creating positive environmental, social, governance and ethical outcomes.

ⁱ RIAA (2013) Responsible Investment Benchmark Report <http://www.responsibleinvestment.org/riaa-research/>