

November 8, 2016

## Second Sustainable Investment Survey in Japan Total Sustainable Investment Balance in Japan Exceeds ¥57 Trillion

### Key Messages

- JSIF conducts its second Sustainable Investment Survey with institutional investors
- 31 respondents confirm ¥56.26 trillion of institutional investment in sustainable investment
- Institutional sustainable investment in 2016 survey is more than double that of 2015
- Total sustainable investment balance including retail investment funds reaches ¥57.06 trillion

### 1. Summary of Survey Results

The Japan Sustainable Investment Forum (JSIF) conducted its second Sustainable Investment Survey from September 8 to October 20,<sup>\*1</sup> 2016. The combined total for sustainable investment disclosed by the 31 participating domestic institutional investors was more than double the previous figure in 2015, at ¥56.26trillion.

	2016 Survey	2015 Survey <sup>*2</sup>	Rate of change
Survey period	September-October 2016	November-December 2015	
Respondents (disclosed sustainable investment balance)	34 (31)	28 (24)	+21.4% (+29.2%)
Total amount of sustainable investment	¥56,256,632,000,000	¥26,687,256,000,000	+110.7%
Percentage of total investment balance	16.8%	11.4%	+5.4%
As of:	End of March 2016 <sup>*3</sup>	Respondents' discretion	

The aggregate results of this survey together with comments from JSIF will be incorporated into the next Global Sustainable Investment Review. Further details from the 2016 JSIF Survey are expected to be released in January 2017.

[For inquiries related to this press release](#)

Japan Sustainable Investment Forum (JSIF) Administrative Office

Email: [info@japansif.com](mailto:info@japansif.com) / [jsif.jp.net@gmail.com](mailto:jsif.jp.net@gmail.com)

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\*<sup>1</sup> Question details: <http://japansif.com/JSIFsurvey2016qa.pdf>

\*<sup>2</sup> Details on previous results published in [White Paper on Sustainable Investment in Japan 2015](#)

\*<sup>3</sup> Answers were requested for figures as of the end of March 2016, but we also accepted answers on the periods volunteered by respondents. Sustainable investment totals for those periods were ¥9,882,424,000,000. The breakdown is as listed below.

- End of June 2016: ¥1,816,800,000,000
- End of July 2016: ¥830,000,000,000
- End of August 2016: ¥157,226,000,000
- End of September 2016: ¥7,078,398,000,000

### Survey distribution methods

This survey was distributed to over 50 institutions via the following methods.

- Distribution to institutions with which JSIF had previous associations
- Distribution of questionnaires to institutions contacted through details made known to us by *AL-IN* magazine, the Ministry of Environment Principles for Financial Action for the 21st Century, FTSE Russell (London Stock Exchange Group), and PRI Japan Network

### Classification of respondent institutions

	2016 Survey	2015 Survey
Asset Owner	7	7
Investment Manager	26	20
Asset Owner and Investment Manager (both apply)	1	1
Total	34	28

List of respondent institutions (in alphabetical order):

ACA Innovative Investment Management Inc.  
Allianz Global Investors Japan Co., Ltd.  
Amundi Japan Ltd.  
Asahi Life Asset Management Co., Ltd.  
Asset Management One Co., Ltd.  
BNP Paribas Investment Partners Japan Ltd.  
Comgest Asset Management International Limited  
Daido Life Insurance Company  
Daiwa Asset Management Co., Ltd.  
DBJ ASSET MANAGEMENT CO., LTD.  
First State Investments  
Fukoku Capital Management, Inc.  
J-STAR Co., Ltd.  
Mitsubishi UFJ Kokusai Asset Management Co., Ltd.  
Mitsubishi UFJ Trust and Banking Corporation  
Mizuho Trust & Banking Co., Ltd.  
MS&AD Insurance Group Holdings, Inc.  
Nissay Asset Management Corporation  
NN Investment Partners (Japan) Co., Ltd.

Pension Fund Association  
 Resona Bank, Limited  
 Robeco Japan Company Limited  
 SECOM Pension Fund  
 Sompo Japan Nipponkoa Asset Management Co., Ltd.  
 Sompo Japan Nipponkoa Insurance Inc.  
 SPARX Asset Management Co., Ltd.  
 Sumitomo Mitsui Asset Management Company, Limited  
 Sumitomo Mitsui Trust Bank, Limited  
 TAIYO LIFE INSURANCE COMPANY  
 T&D Asset Management Co., Ltd.  
 Tokio Marine Asset Management Co., Ltd.  
 Tokio Marine & Nichido Fire Insurance  
 Two additional institutions wished to remain unnamed.

Sustainable investment balance by management method (denominated in JPY millions)

	2016 Survey	2015 Survey	Rate of change
ESG integration	14,240,387	17,555,654	-18.9%
Positive (best in class) screening	3,020,214	326,955	+823.7%
Sustainability- and theme-based investment	1,036,139	785,785	+31.9%
Impact and community investment	369,657	87,642	+321.8%
ESG-related engagement / use of voting rights	19,180,014		
General engagement / use of voting rights	15,710,315	11,709,822	+198.0%
Negative screening	2,249,951	4,573,384	-50.8%
Screening based on international standards	6,741,902	6,075,200	+11.0%

- “Engagement / exercise of voting rights” in the previous survey was divided into “ESG-related” and “General” in this survey.
- In regard to the exercise of voting rights, some institutions gave combined totals for active and passive management, but the majority of the totals are thought to have been for active management. The total is presumably higher if all respondent institutions gave totals for passive management.

- The reason for the negative rate of change figure in some of the categories despite an increase in respondent institutions and the total amount of investment is thought to be because there were institutions that classified their investments differently compared with the last survey.
- As there were cases where multiple responses were received, figures are not aligned with the totals.

## 2. Sustainable Investment Balance in Japan

Japan's sustainable investment balance, as indicated above and based on responses to the survey, is ¥56,256,632,000,000 for the investment totals of institutional investors and ¥800,154,000,000 (as of the end of March 2016) for financial instrument totals of individual investors, for a combined total of ¥57,056,786,000,000.

These figures will be incorporated in the next *Global Sustainable Investment Review*. In the previously published *Global Sustainable Investment Review 2014*, there was no survey for institutional investors, so the ¥873,123,000,000 total reported at that time only accounted for retail investor funds.

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