

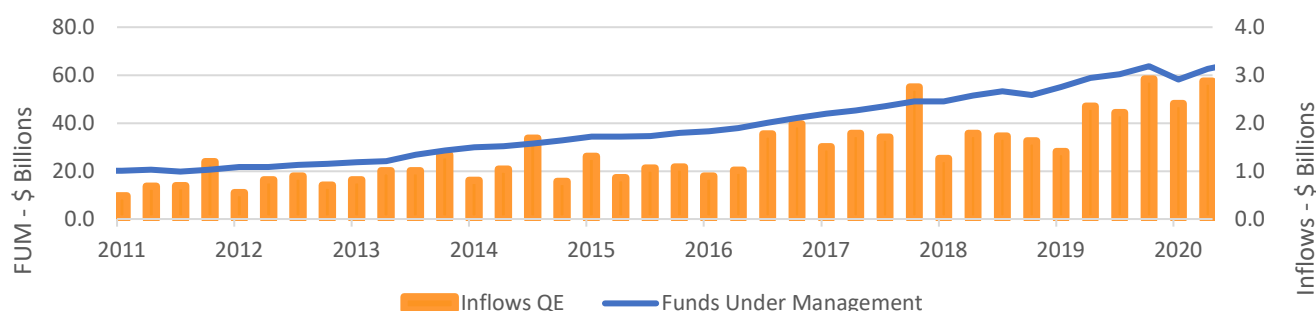
Market Overview

Release Date: 10 February 2021

Australia & New Zealand Responsible Investments Sep-20

7.8% Annual Growth in Responsible Investment Funds Outpacing the Wider Market

The Responsible Investment Managed Funds market, as captured by Plan For Life across Australia and New Zealand (including RIAA certified and non-certified responsible investments), accounted for over \$65bn of Funds Under Management in 2020 up 7.8% over the past year as investment markets recovered from early 2020 falls. On average, annual growth in Responsible Funds has exceeded the wider market by 3.8% p.a. consistently over the past 3 years and total Responsible Funds have had negative quarterly Net Flows only twice since 2015.



Australian Investment Responsible funds, including both Retail and Wholesale Unit Trusts, while posting slower annual growth than the ETF and NZ sub-markets, still rose 7.2% amidst a wider Investment market that fell 1.6% over the past year. The corresponding Australian Super Responsible sub-market fell 2.4% over the latest year but recorded a 5 year CAGR of 8.9% and holds over 14% of overall Responsible Investment Funds Under Management. ETFs have been slower to embrace Responsible Investment as a focus but are growing rapidly in terms of both FUM and products, now with 13 products making up the current total and FUM rising 54% over the past year. New Zealand Responsible Funds now comprise \$10.2bn of Funds Under Management, which is over 14% of the total NZ Retail market, and have defied falling investment markets to post significant recent growth.

Funds Under Management								
\$millions	2020		2019		2015		Growth Rates	
							Annual	5yr CAGR
Australian Investment	36,641	56.24%	34,178	56.57%	20,109	58.20%	7.21%	12.75%
Australian Super	15,789	24.23%	16,171	26.76%	10,328	29.89%	-2.36%	8.86%
New Zealand	10,232	15.70%	8,459	14.00%	3,734	10.81%	20.95%	22.34%
Exchange Traded Funds	2,492	3.82%	1,614	2.67%	379	1.10%	54.35%	45.72%
Totals	65,154	100.00%	60,423	100.00%	34,550	100.00%	7.83%	13.53%

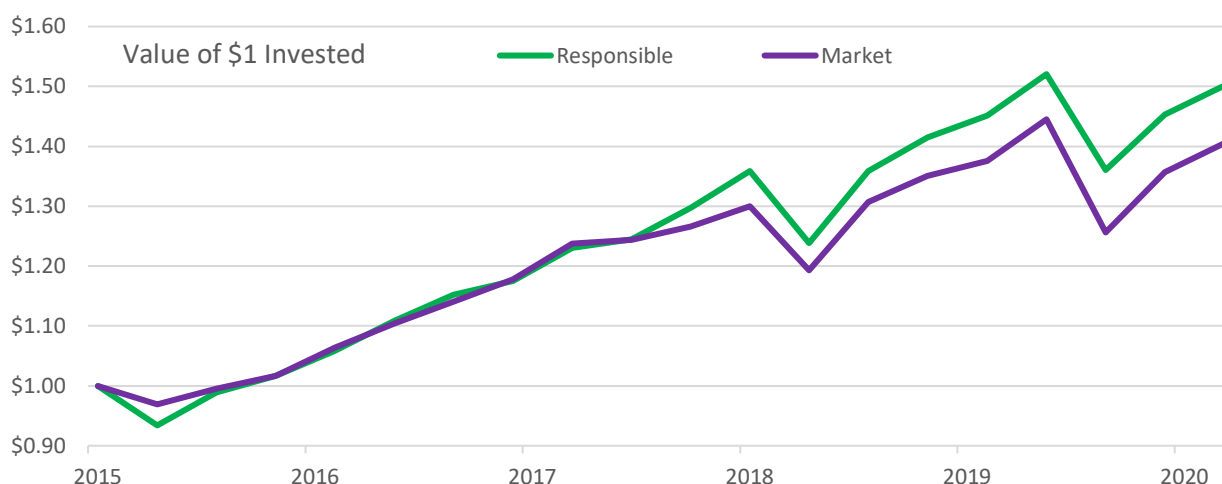
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Investment Performance – Overseas Equity Trusts

Responsible International Equity Trusts have on average clearly outperformed comparable Trusts over the past 5 years, closely tracking the wider market when rising but displaying more resilience during turbulent periods.



About the Market Overview

This Market Overview is provided by Plan For Life, Actuaries and Researchers. Plan For Life is an ISS Market Intelligence brand (ISS MI), part of Institutional Shareholder Services (ISS). [Read more about ISS.](#)

The Responsible Investment Managed Funds market definition used in this report includes Australian and New Zealand funds that are RIAA certified and non-certified responsible investments. Detailed Responsible Investment dataset is available, including a comprehensive set of market share statistics and full history for Superannuation and Investments covering Australian Retail, Australian Wholesale, Exchange Traded Funds and New Zealand Fund markets. <https://www.pflresearch.com/responsible-investments>

Plan For Life are specialists in collecting data and reporting accurate statistical information and analyses covering financial services, funds management and life insurance markets. This Market Overview is designed to give managing directors, marketing managers and other senior managers a timely and comprehensive overview of the performance of individual companies and the overall market. Plan For Life is an ISS Market Intelligence brand (ISS MI), part of Institutional Shareholder Services (ISS). <https://www.pflresearch.com/>

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Data Collection and Estimation Techniques Data is collected from companies in the managed funds market covering funds under management, gross inflows, gross outflows, net inflows unit prices and investment return rates. Gross Inflows represents an indication of new business sales. Data is thoroughly checked and queries are raised with data providers if data is significantly different from trends or compared to other companies. Where inflow or outflow data is unavailable, we make estimates based on market behaviour from similar investments in compatible markets. When companies provide actual inflow and outflow data these replace estimates. This estimation procedure, coupled with our rigorous direct data collection, enables us to prepare high quality, reasonable and comprehensive data for every Manager.