EUROPEAN ASSET ALLOCATION SURVEY 2016

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CONTENTS

WELCOME

In the European Asset Allocation Survey 2016, we provide a comprehensive overview of asset allocation across the European pension industry and highlight emerging trends among institutional investors.

2015 brought political uncertainty, further unconventional policy from central banks, and bouts of market weakness, and 2016 looks to be characterised by more of the same. The sell-off in equity markets in August 2015 was repeated early in the new year; Japan has followed the eurozone into negative interest rate territory; and the potential for "Grexit" has given way to the possibility of "Brexit". Several 2015 elections in Europe returned equivocal results (think of Spain), and this year promises a US election like no other.

Although we continue to expect markets to be driven as much by politics as by economics, we have identified a number of investment themes that aim to help investors navigate this challenging environment.

- Reduced market liquidity: Many markets are suffering from substantially reduced liquidity, which lays the foundation for more severe bouts of volatility and the potential for "gap moves". Investors should consider the potential impact of sharp falls in asset prices, while at the same time being alert to — and in a position to capitalise on — opportunities that may be created by such shocks.
- A maturing credit cycle: Some of the most recent developments in credit markets — increased leverage, weaker credit standards, and an increase in M&A activity — broadly mirror those that tend to be seen in the later phase of the credit cycle. These conditions argue for robust risk management (including consideration of tail risk protection where appropriate) as well as being alive to the opportunities that may arise in distressed debt.
- Tilt from beta to alpha: We continue to believe there is a scarcity of "easy beta" (market returns) given the current level of valuations across most major markets. One way to address the challenge posed by a lower-return world is to seek a greater contribution to portfolio returns from alpha (manager skill).
- Think long term: Many institutional investors retain a long time horizon but fail to exploit all the benefits that may be available to them. In particular, long-term investors are able to capture illiquidity premia and attractive sources of alpha in private markets, and should be able to behave in a contrarian manner when market dislocations arise.

The results of our survey suggest that investors are concentrating on strategy more than ever, and we would encourage investors to focus on diversity and robustness in a world that appears likely to exhibit lower returns and fatter tails.

Nathan Baker
Principal

Phil Edwards
European Director of
Strategic Research

KEY FINDINGS

NEGATIVE YIELDS BEGIN TO BITE

Although bond allocations across Europe in aggregate remained broadly flat over the year, regions experiencing some of the lowest yields, such as Sweden and Germany, saw bond exposures fall. In the case of German Contractual Trust Agreements (CTAs, which have a greater degree of freedom in asset allocation), this move was quite pronounced, with a fall in the average bond exposure of six percentage points. There is also some evidence that within bond portfolios there has been a shift away from (low- or negative-yielding) domestic government bonds towards (higher-yielding) non-domestic and/or corporate bonds. The varied responses of plans across Europe to the challenge of negative yields reflect the complex interplay of regulatory constraints, the availability of acceptable alternatives, and investor risk tolerance.

SMALLER UK PLANS MOST EXPOSED TO BREXIT-RELATED VOLATILITY

Relative to larger plans, smaller plans tend to have a higher exposure to UK assets (domestic markets occupy 30% of smaller plan equity portfolios versus 16% for larger plans), lower levels of currency hedging (the average hedge ratio is 39% for smaller plans versus 45% for larger plans), and a less dynamic investment strategy (trigger-based hedging strategies are less commonly used). Although the impact of the referendum on capital markets remains unclear, the combination of these factors suggests that the "average" smaller plan may be more exposed to volatility associated with the referendum.

INSTITUTIONAL INVESTORS KEEP THE FAITH WITH EMERGING MARKETS

Although retail investor flows into/out of emerging markets remain volatile, institutional allocations have, on the whole, held steady. In spite of disappointing performance over a number of years, emerging markets continued to account for 6% of overall assets (unchanged from last year) and both emerging market equity and debt remain common components of institutional portfolios across Europe.

CASHFLOW-DRIVEN FINANCING TO THE FORE

The proportion of defined benefit plans that are now cashflow negative (that is, when monthly outgoings to meet pension payments are higher than monthly contributions into the plan, leading to a cash demand on the asset portfolio) has risen from 37% to 42% since last year's survey. This has fuelled interest in income-generative assets and cashflow-driven financing strategies. Such approaches involve the asset portfolio being tailored to more closely meet the projected liability cashflows while ensuring funding-level stability.

SURVEY PARTICIPANTS

Our 2016 survey gathered information on nearly 1,100 institutional investors across 14 countries, reflecting total assets of around €930 billion. The charts below show the composition of survey participants both by country and size of plan assets.

As in previous years, the largest group of survey participants was UK-based (see Chart1). Around half of the participants (by number) represent plans with assets under €100 million, whereas 13% had assets over €1 billion (see Chart 2). Although smaller in number, these larger plans continue to dominate the overall assets under review (see Chart 3).

Some year-on-year turnover among survey participants is inevitable, but the majority of the plans have remained part of the survey over time, allowing us to identify trends in asset allocation based on a robust core of data.

Chart 1: Split of Total Survey Assets by Country

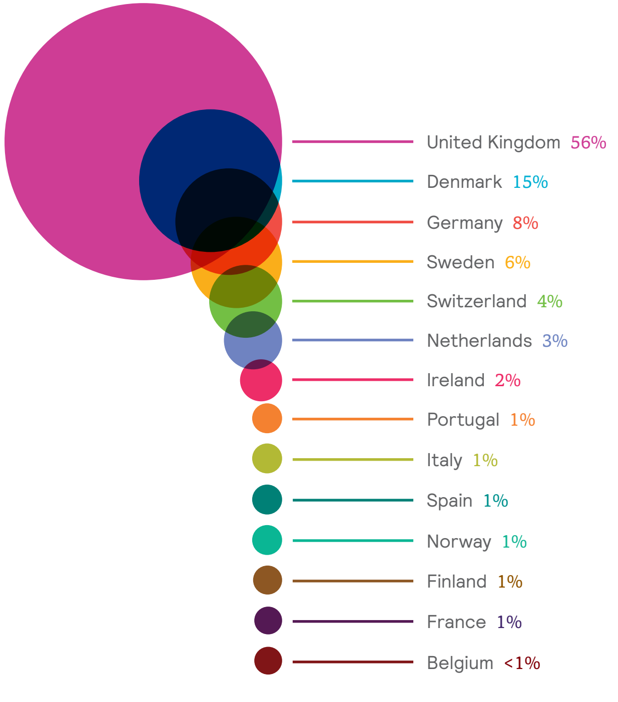


Chart 2: Split of Total Survey Participants by Plan Size

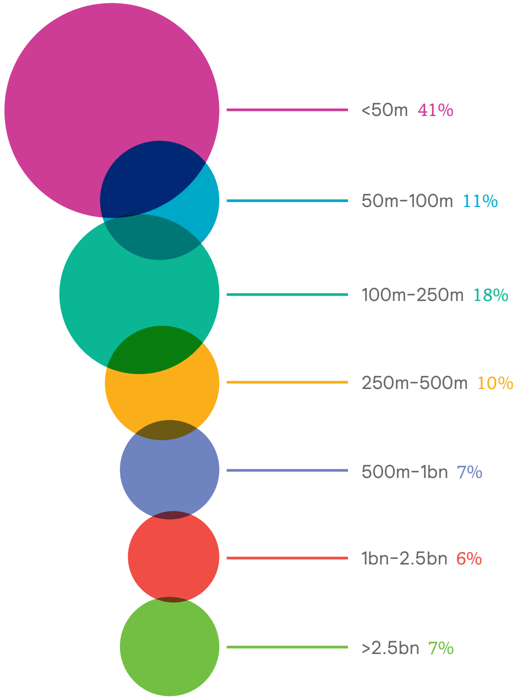
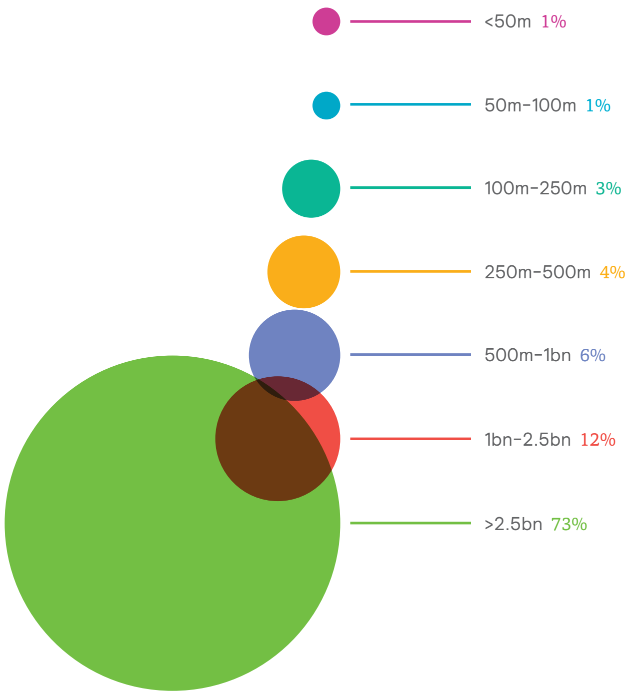


Chart 3: Split of Total Survey Assets by Plan Size



ASSET ALLOCATION

Charts 4 and 5 show the broad allocation of plan assets broken down by country. Plans in Belgium and Sweden continue to have the highest average equity weightings, whereas plans in Denmark and Germany (excluding CTAs) exhibit the lowest equity exposure. Since last year's survey, average equity allocations have ticked down slightly, offset by a corresponding rise in allocations to alternative assets (discussed further in Section 9).

Chart 4: Broad Strategic Asset Allocation by Country

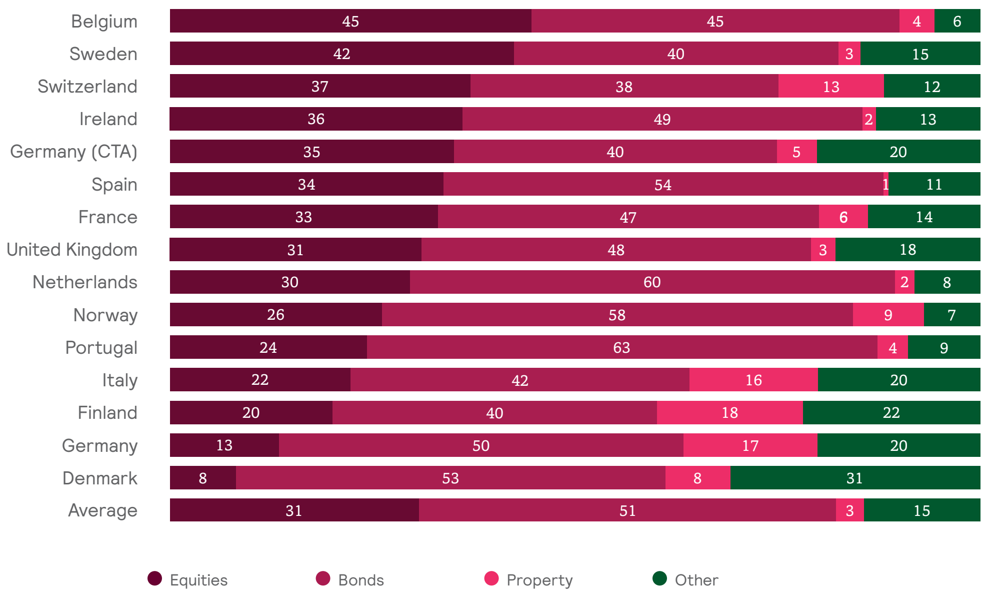
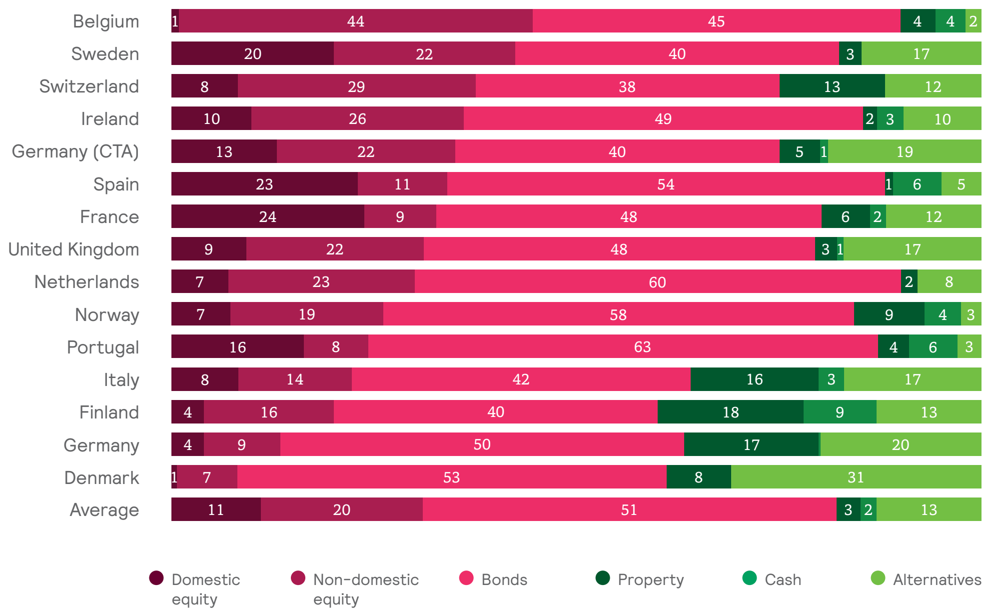


Chart 5: Strategic Asset Allocation by Country



These broad trends are not reflected in each underlying country. It is notable that in Germany and Sweden, where long-dated sovereign yields have been around (or at times below) below zero, bond allocations actually fell. This was particularly true for German CTA plans, whose investment strategies are relatively unencumbered from a regulatory perspective.

The proportion of equities invested outside the domestic market continues to vary considerably by country, but the overall "domestic bias" remains similar to last year, with domestic exposure now representing around 35% of the average plan's equity portfolio. Whereas a bias towards eurozone equities will have been supportive of returns during 2015, the opposite has been true so far in 2016.

The make-up of plans' bond portfolios (see Chart 6) is heavily country-specific. The composition of the average portfolio is little changed compared with last year, with government bond allocations forming the largest component, and the average corporate bond allocation representing just over a third of all bond holdings.

Chart 7 shows the change in overall allocations in the UK over the last 13 years. The long-term reduction in equity exposure continued in 2015, with the average plan equity allocation falling to a new low of 31%. As was the case last year, this largely corresponded with a slight increase in alternative assets rather than bonds, reflecting the need for plans to generate outperformance above their liabilities in order to close the funding gap. This continues to feed through into demand for income-generative assets offering a yield premium to government bonds.

Chart 6: Bond Portfolio Allocation by Country

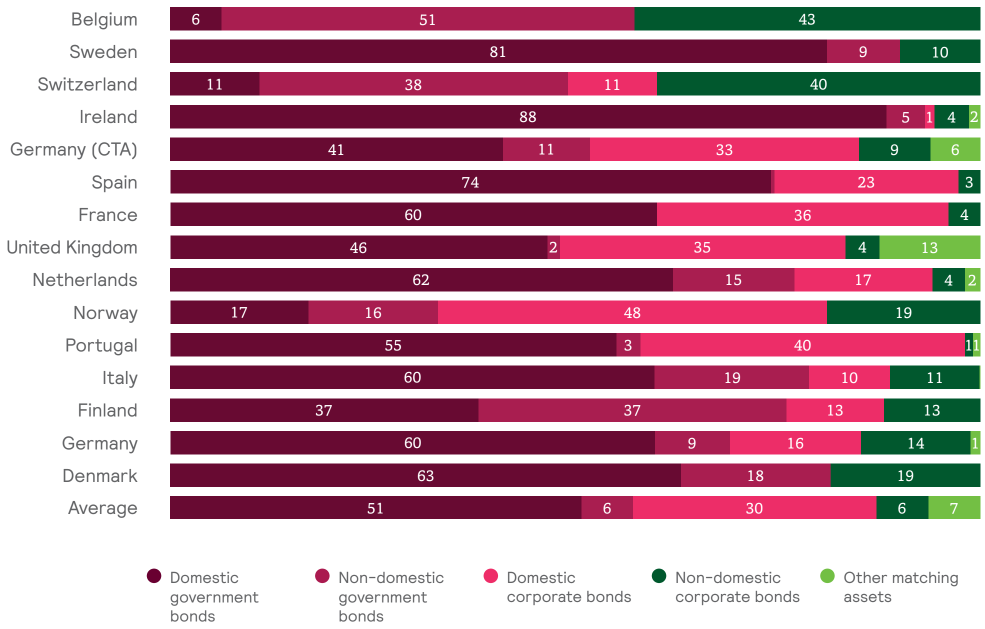
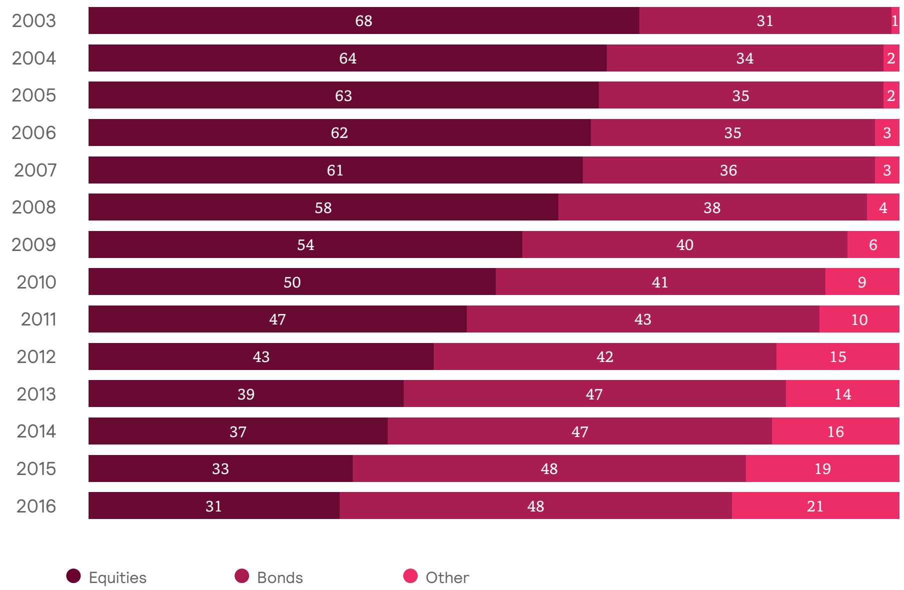
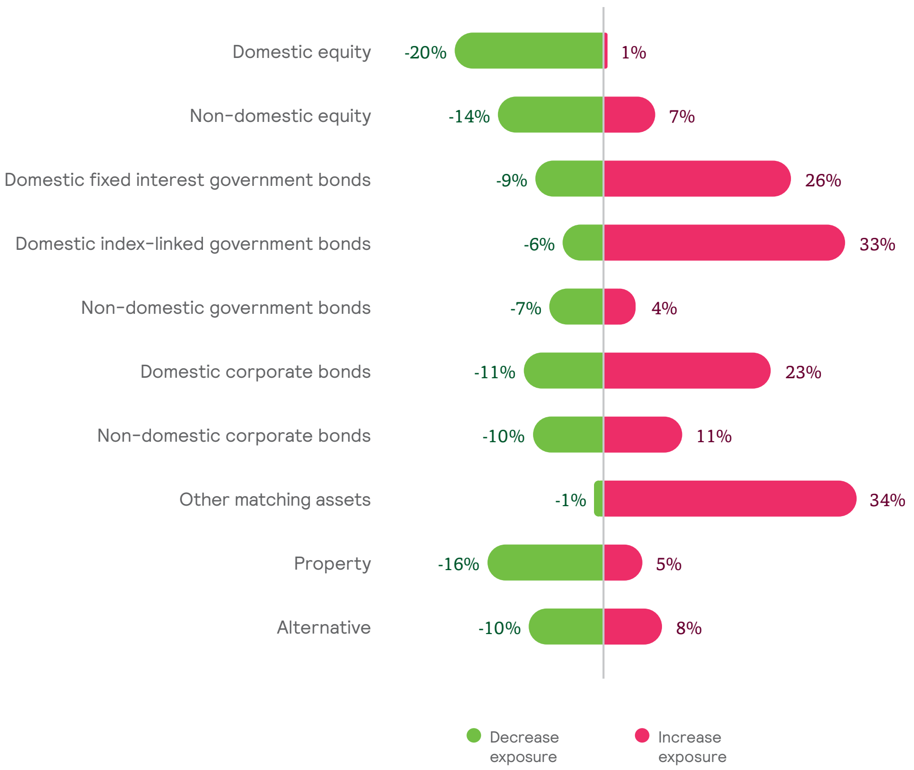


Chart 7: Changes in broad strategic asset allocation for UK plans



Looking forward (see Chart 8), plans are, on the whole, expecting to continue reducing allocations to equities and to increase exposure to domestic government bonds and other matching assets. In a marked change from previous years, the number of plans expecting to reduce allocations to alternatives (in particular, property) exceeds those expecting to increase allocations in the year ahead. In the case of property, this may reflect the strong returns experienced in a number of markets in recent years.

Chart 8: Percentage of Plans Expecting to Change Investment Strategy



"Although we think many assets are less attractively priced than they have been in recent years, short term opportunities have arisen in areas such as high yield bonds".

"Geopolitical risks loom over the global economy but predicting the impact of any resulting shocks is very difficult, if not impossible. Investors looking through the politics can find a relatively benign picture in terms of the global economy, albeit with volatility associated with the pace of Fed tightening and slowing growth in China. Although we think many assets are less attractively priced than they have been in recent years, short term opportunities have arisen in areas such as high yield bonds".

Rupert Watson - Head of Asset Allocation

"This enables investors to generate positive yields in the low - sometimes negative - yield environment we are currently in".

"When you invest 40%–50% in bonds – as is typical for German institutional investors – you feel the challenge to search for yield. In response, German investors have broadened their opportunity set to include, for example, emerging market debt and direct senior loan financing. This enables investors to generate positive yields in the low - sometimes negative - yield environment we are currently in".

Herwig Kinzler - Investments Markets Leader, Germany

INVESTMENT GOVERNANCE

Pension plan governance covers a wide range of topics, from the composition of the trustee group to the way in which decisions are delegated to sub-groups or third-party providers, to the complexity of the investment arrangements and the number of ideas and opportunities that are considered. Our survey results continue to highlight a clear link between the size of a plan and the amount of time and resources devoted to the consideration of investment issues.

Chart 9 illustrates how asset allocation varies with plan size. Although equity exposures don't appear to obey a clear pattern, the average plan allocation to alternative assets — which can include complex and less liquid strategies — is higher for larger plans, which typically have greater resources.

The delegation of investment activities by plan participants (shown in Chart 10) remains similar to last year. Strategic asset allocation decisions continue to reside with the highest level of decision-making body, such as the plan trustee or board of directors, for the vast majority of plans (92%). Regular review of the investment strategy is increasingly recognised as best practice, with almost 60% of plans now reviewing their strategy at least once a year.

Chart 9: Strategic Asset Allocation by Plan Size

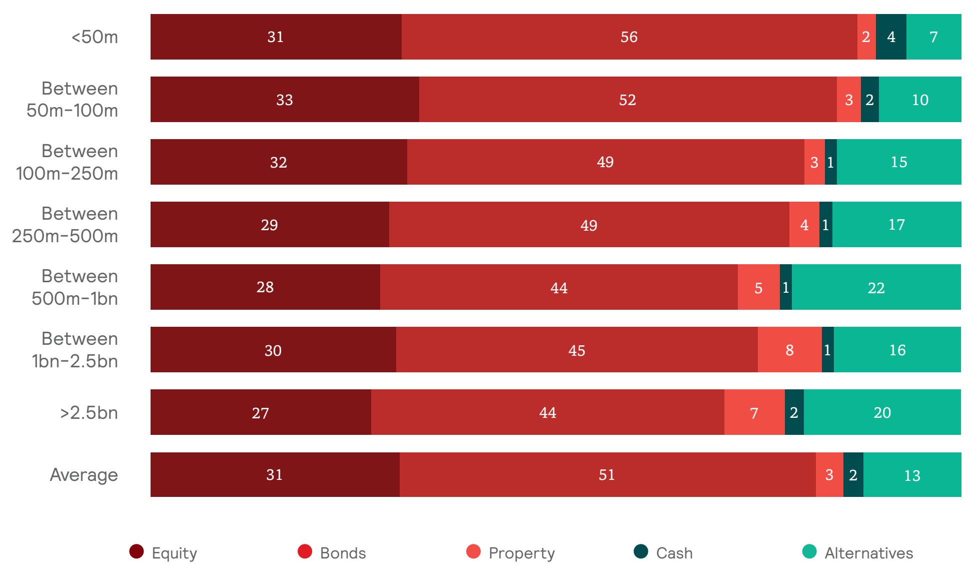
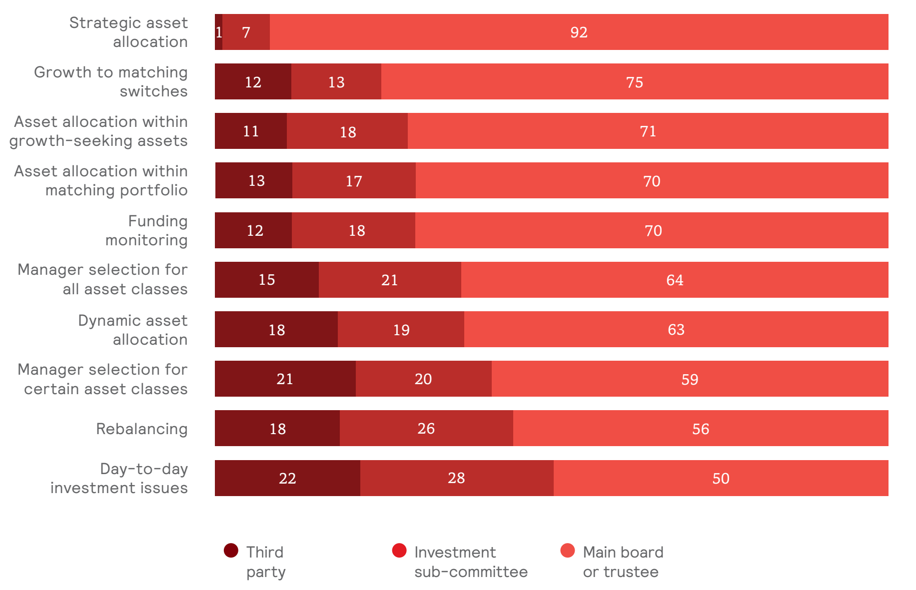


Chart 10: Breakdown of Responsibilities Around the Investment Cycle



Around 40% of plans delegate some degree of manager selection, either to an investment sub-committee or third party, whereas day-to-day decisions are delegated by around half of survey participants. Chart 11 illustrates that the nature of any delegation is partly a function of plan size: smaller plans are more likely to appoint a fiduciary manager and larger plans are more likely to use an investment subcommittee.

Charts 12–14 consider the average number of active mandates, the average outperformance target for such mandates, and the extent to which passive mandates are used, by plan size. There remains a clear trend whereby larger plans exhibit a greater use of active management and tend to use higher conviction managers, with a corresponding preference for passive mandates by smaller plans.

Chart 11: Responsibility of day-to-day Investment Issues by Plan Size

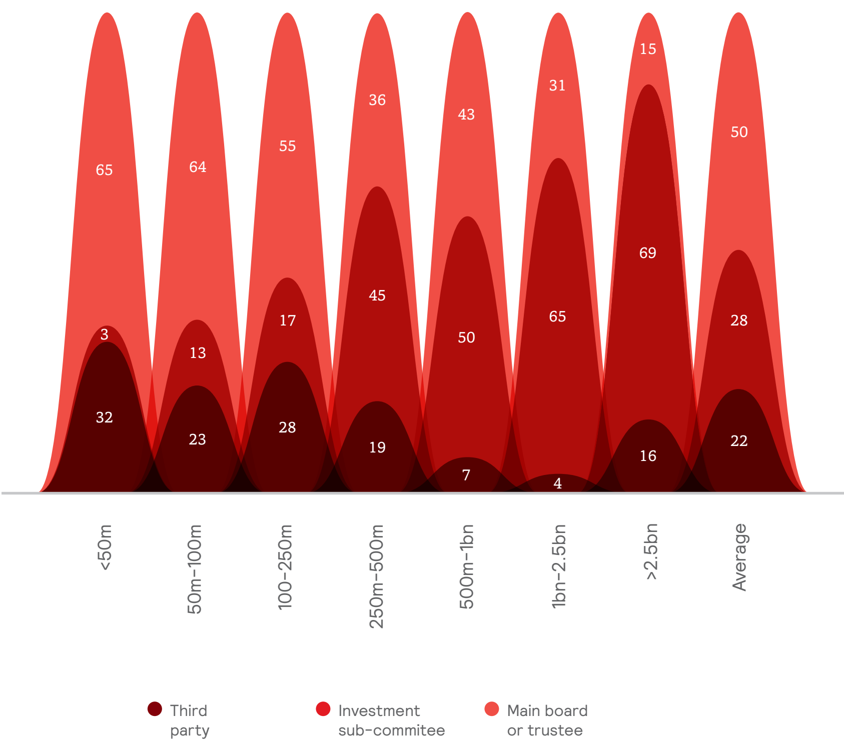


Chart 12: Average Number of Mandates by Plan Size

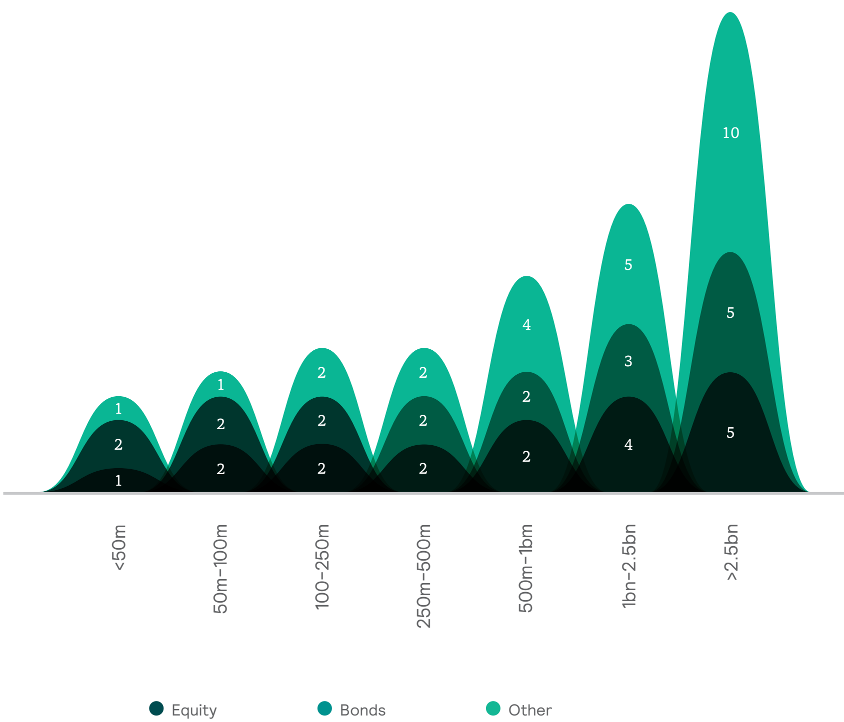


Chart 13: Average Active Manager Out Performance Targets by Plan Size

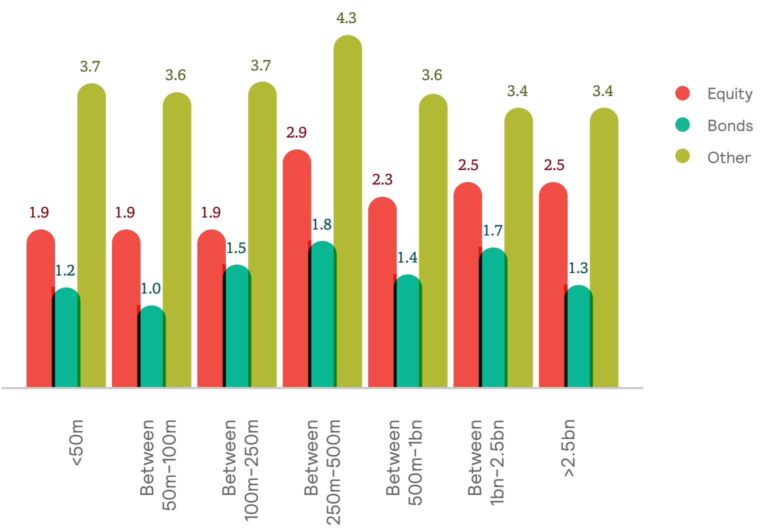
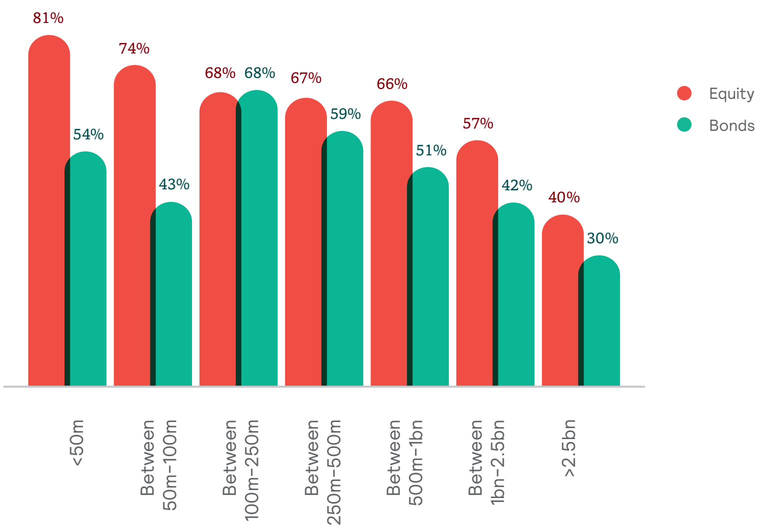


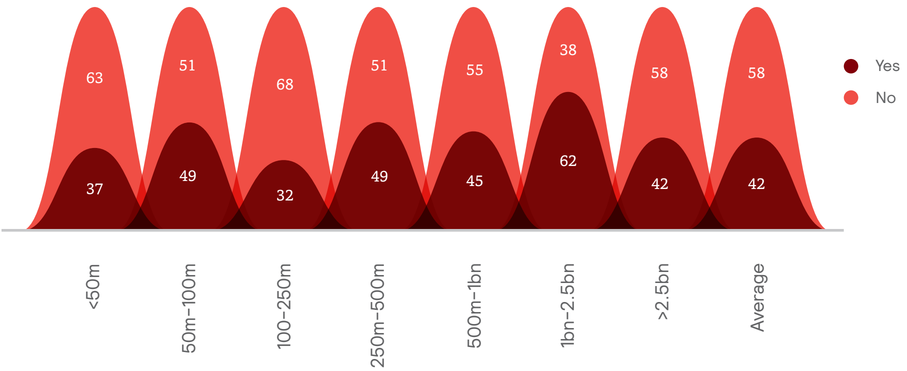
Chart 14: Proportion of Equity and Bond Assets Managed on a Passive Basis



Exchange-traded funds (ETFs) have attracted significant attention (and assets) in recent years, but such structures are rarely used by institutional investors — only 3% of participants in our survey reported any direct exposure to ETF vehicles. Although ETFs may provide a useful way of implementing a desired market exposure over a short space of time (for example, as part of a transition), they are not usually the lowest-cost approach to achieving a passive market exposure for institutional investors.

As plans increase in size, the number of managers they appoint typically increases, leading to higher operational requirements. Investor interest in providers' middle- and back-office functions also appears to be a higher priority for larger investors, with plans between €1 billion and €2.5 billion making the greatest use of operational due diligence reviews (see Chart 15).

Chart 15: Proportion of Plans Carrying Out Operational Due Diligence by Plan Size



DE-RISKING FOR UK DEFINED BENEFIT PLANS

"At a portfolio level, de-risking remains a common goal for many pension plans – market sensitive "trigger" mechanisms have been seen to be very effective in this regard."

Charts 16a–16f provide further detail on the de-risking of UK defined benefit (DB) plans, the largest single type of plan in the survey. The allocation of such plans is now commonly guided by a strategic "journey plan", in part because many plans have been closed (to new entrants and future accrual) in recent years. When, as is often the case, the plans are underfunded, a journey plan is designed to align the future investment strategy with the gradual recovery of the funding position.

"Improved risk management is a key objective for many investors. This relies on frameworks that can successfully identify opportunities across asset classes and implement allocations in a timely fashion. At an asset class level, we are seeing increased use of absolute return strategies within bond portfolios and interest in factor-based approaches within equities. At a portfolio level, de-risking remains a common goal for many pension plans – market sensitive "trigger" mechanisms have been seen to be very effective in this regard."

Niall O'Sullivan - Deputy CIO, Europe

Chart 16A: Long Term Funding Objective

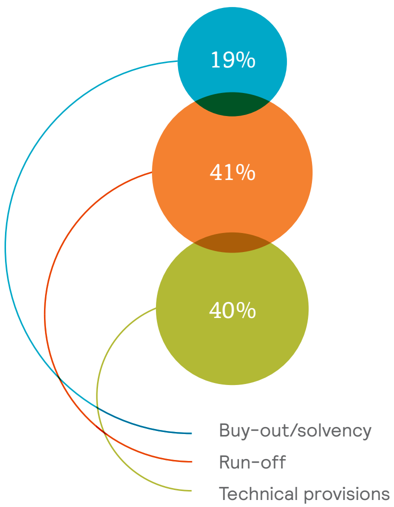


Chart 16B: Run-off Basis

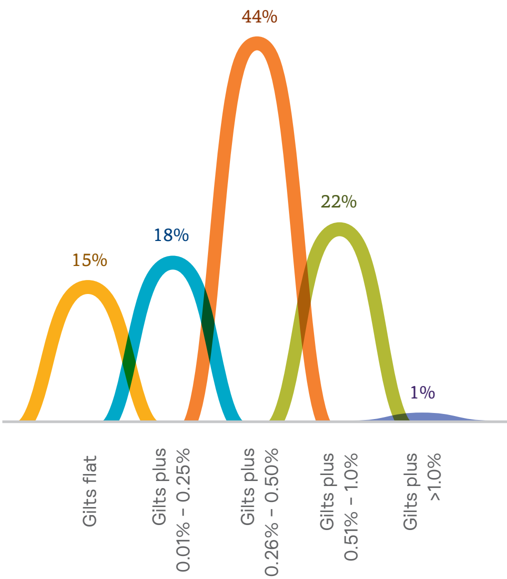


Chart 16C: Implementation of De-risking

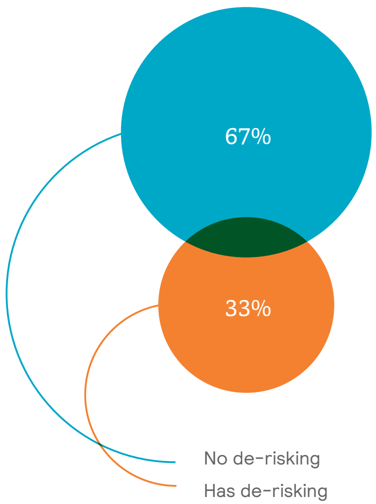


Chart 16D: Timeframe for De-risking

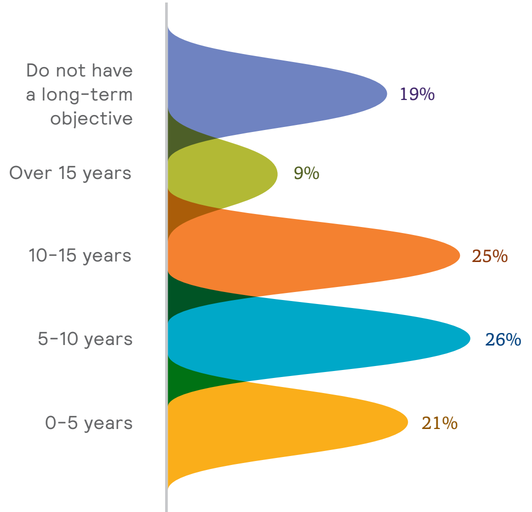


Chart 16E: Delegation of De-risking

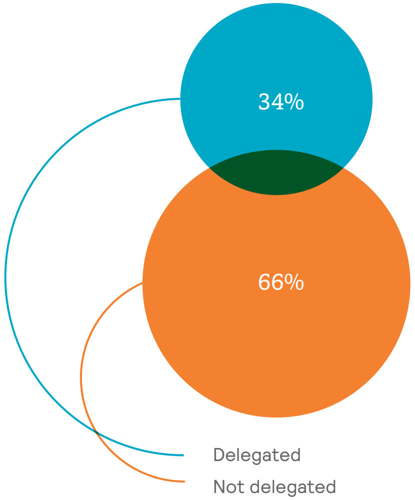
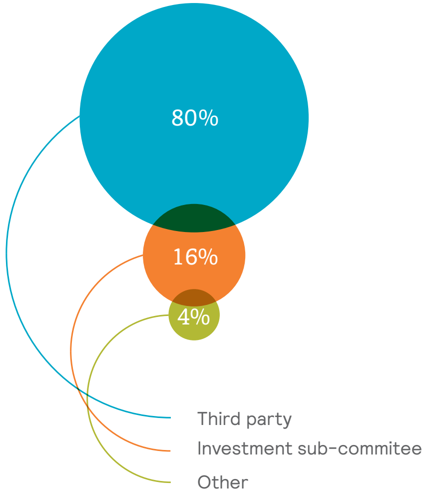


Chart 16F: Who De-risking is Delegated to



The proportion of DB plans that have defined a specific long-term funding objective (beyond their "technical provisions" liabilities) has increased to 60% this year (see Chart 16a). This objective is typically either the transfer of plan liabilities to an insurer (a buyout) or, more frequently, a "run-off" strategy (sometimes described as "self-sufficiency"). In the latter case, the associated basis on which the liabilities are valued varies by plan, but usually reflects a modest premium above the risk-free rate (see Chart 16b).

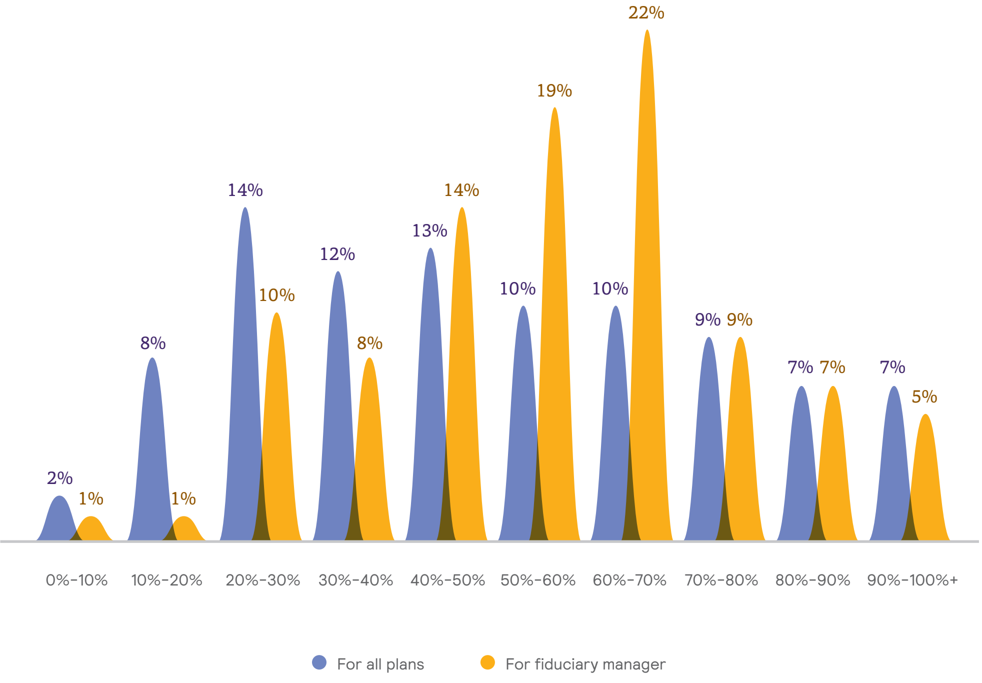
One-third of plans have put in place a de-risking framework to guide their journey towards their funding objectives (see Chart 16c). The associated time frame for reaching full funding varies – not least due to the range of plan funding levels today – but most plans are aiming to achieve their objective within the next 15 years (see Chart 16d). Two-thirds of plans with such a framework have delegated implementation to a fiduciary manager, who will typically monitor the plan's funding level and automatically de-risk the plan's portfolio in line with a set of pre-agreed funding level triggers (see Charts 16e and 16f).

RISK MANAGEMENT

The largest component of the overall asset allocation for the average plan remains the bond allocation. As well as acting as a diversifier to equity allocations, for many liability-related investors the bond portfolio also seeks to "hedge", to the desired extent, changes in the actuarial valuation of the liabilities. This liability-hedging role is particularly important in regions that require pension plans to update their funding plans regularly based on a mark-to-market valuation of the liabilities (which will be driven to a significant degree by changes in bond yields and, in some countries, inflation expectations).

Chart 17 sets out the approximate level of interest rate hedging in place for participant plans. The wide range of hedge ratios observed (around an average of 50% across all plans) in part reflects the spread of bond allocations within plan portfolios, but may also point to the wide range of views that exist around the likely path of interest rates and bond yields. We note that, for those plans that have delegated the design of their matching portfolio to a fiduciary manager, the associated hedge ratios are typically higher. This in part reflects the ability of a fiduciary manager to help investors overcome the complexity associated with derivative-based liability hedging strategies. When liabilities have inflation linkages, plans have often adopted differed hedge ratios for interest rates and inflation.

Chart 17: Interest Rate and Inflation Hedging Ratio as a Percentage of Funded Liability



Hedging portfolios have evolved over the last decade to include a range of instruments beyond physical bonds. Charts 18a–18e illustrate that those pension plans that use such instruments have become large players in the government bond repo markets, whereas interest rate and inflation swaps remain popular hedging instruments. As shown in Chart 19, the most popular means for implementing liability hedging is via pooled vehicles, offering a lower-governance alternative to separate accounts.

Chart 18A: Government Bond Repos

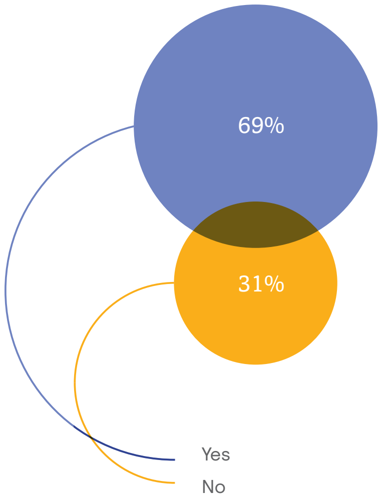


Chart 18B: Interest Rate Swaps

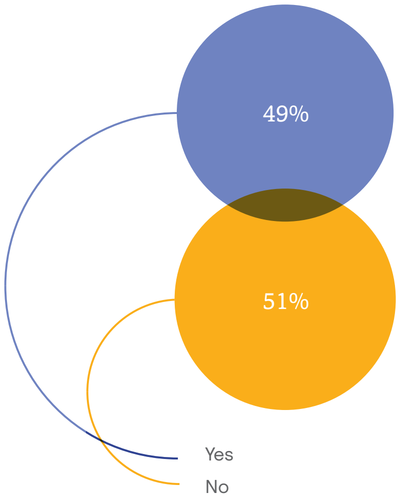


Chart 18C: Inflation Swaps

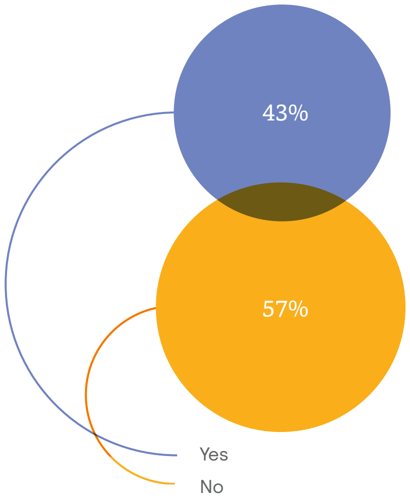


Chart 18D: Government Bond TRS

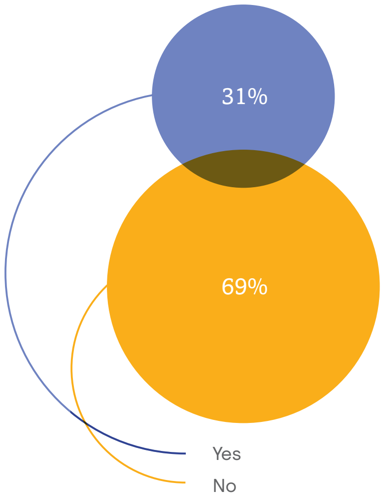


Chart 18E: Swaptions

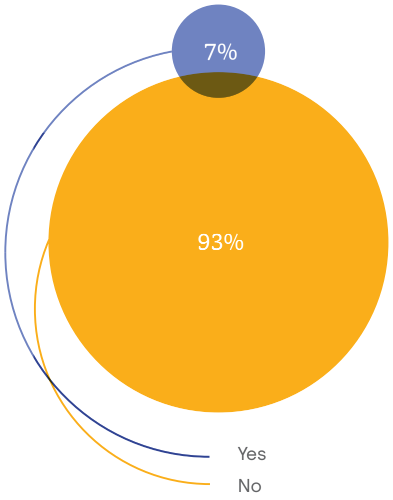
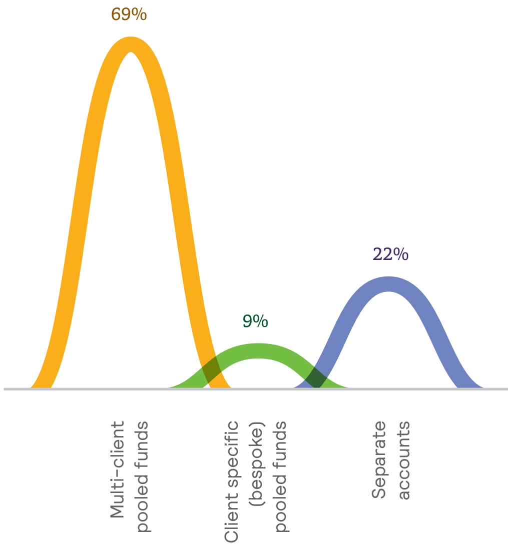


Chart 19: Vehicles Used for Liability Hedging



Looking at how plans expect to increase their liability hedge ratios from here, Chart 20 shows that plans commonly expect this to be a result of de-risking trades out of equities and into bonds. In 42% of cases, plans expect to increase their level of hedging should bond yields increase, down from 47% last year. The use of phased or time-based approaches to increasing hedging remains relatively uncommon; however, the percentage of plans employing such approaches has increased since last year to 8%. At the margins, this may indicate an increasing willingness among plans to get on with hedging rather than awaiting increases in yields.

Chart 20: Methods for Increasing Hedging

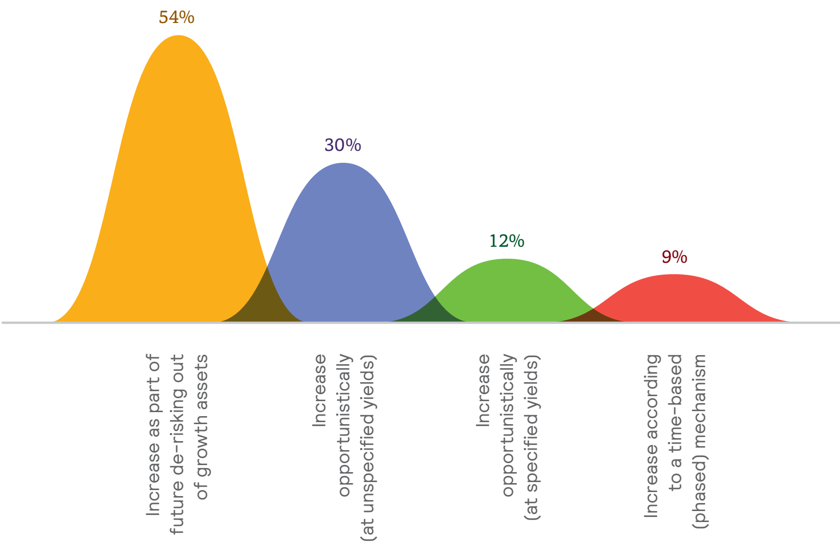
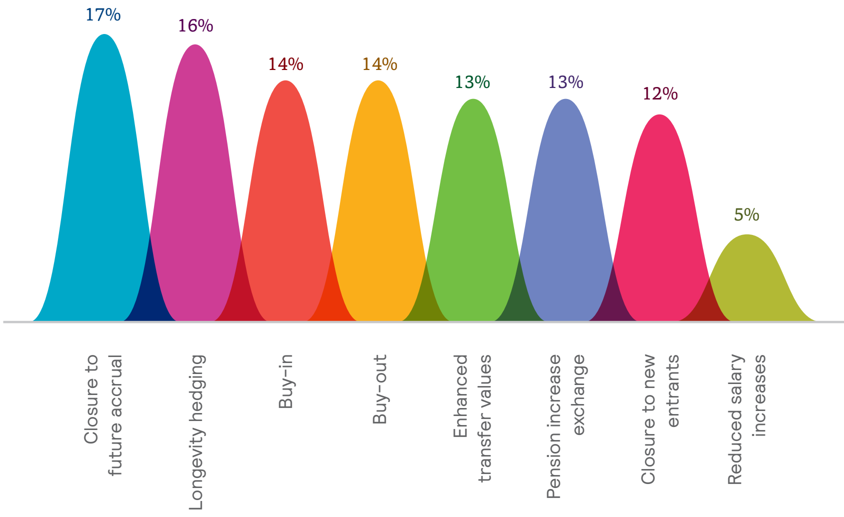


Chart 21: Proportion of Plans Considering Risk Management Exercises Over the Last Year



For those 12% of plans that have specified yields at which they are seeking to increase hedging, the average (long-term risk-free) yield at which they would start such an increase is 2.9%, and the yield at which they would be expecting to be fully hedged is 4.1%. Although these yields are considerably higher than the associated sovereign yields at the time of the survey, such trigger-based approaches may benefit plans should increased volatility in the bond market provide temporary opportunities to "lock in" at higher yields.

Liability risk management encompasses a range of strategies beyond interest rate and inflation hedging, and plans considered a variety of liability management approaches over 2015, as shown in Chart 21. These can be grouped into "ways to curb future liability growth", such as closure of plans to new entrants or future accrual; "approaches to managing existing liabilities", such as enhanced transfer values, pension increase exchange exercises, and reduced salary increases; and the "transfer of liability risks to another party" through longevity hedging, buy-ins, or buyouts.

Closure to future accrual is the most widely considered of these strategies, followed by longevity hedging, which is typically brought about through a longevity swap that — when added to an interest rate and inflation hedging programme — can be seen as an alternative to buy-in or buyout, and an approach that is now available for smaller as well as larger plans.

Charts 22a–22c consider the degree to which plans are cashflow negative; that is, when a plan has matured to the point that regular outgo to meet liabilities exceeds income from investment and contributions. In all, 42% of plans surveyed are currently cashflow negative (up from 37% last year) and, of those that are not, nearly 80% are expected to become so over the next 10 years. In seeking to meet net cash outgo, most plans disinvest assets, but 31% have instructed their investment managers to distribute income when possible (to reduce the transaction costs associated with disinvestment). A small number of plans (4%) have adopted a cashflow-matching approach, whereby portfolios are designed such that their income and principal receipts are aligned with liability cashflow requirements. This represents a marginal increase from last year, and we expect portfolios to become increasingly "cashflow-driven" over time as DB plans continue to close and mature.

Chart 22A: Proportion of Plans that are Cashflow Negative

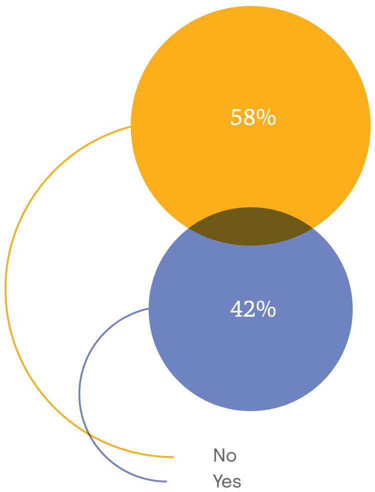


Chart 22B: Expected Time for Cashflow Positive Plans to Become Cashflow Negative

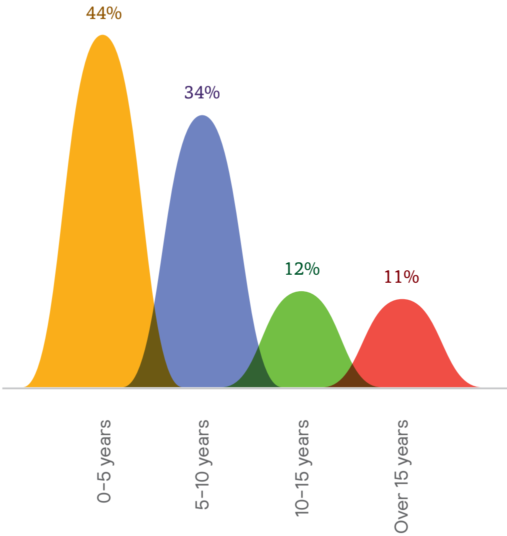
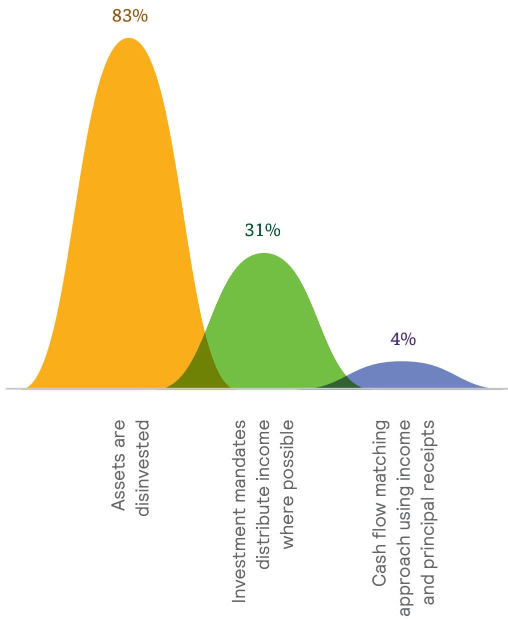


Chart 22C: Methods of Meeting Cashflow Negative Outgoings



EQUITY PORTFOLIOS

Charts 23–25 consider plan equity performance by plan size, underlying allocation, and currency exposure. Although equity allocations are smaller than they were a decade ago, we have seen plans construct equity portfolios in an increasingly thoughtful manner. This has not only included a reduction in domestic bias, particularly by larger plans, but also the gradual acceptance of emerging markets as a material component of the overall equity universe. Low-volatility equities provide a defensive component to an equity portfolio and are the most frequently adopted approach to reducing equity volatility after reducing the size of the overall equity allocation. Strategies that focus on hedging the worst-case scenarios ("tail risks"), such as put options, are less common among plan participants, although 10% of plans have either considered or implemented such strategies in the last year.

Chart 23: Total Equity Split by Plan Size

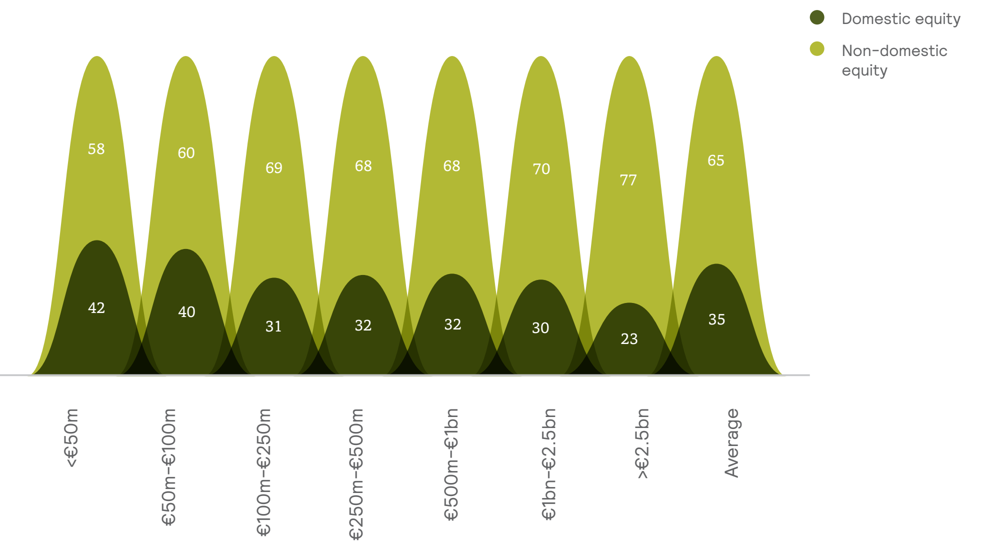
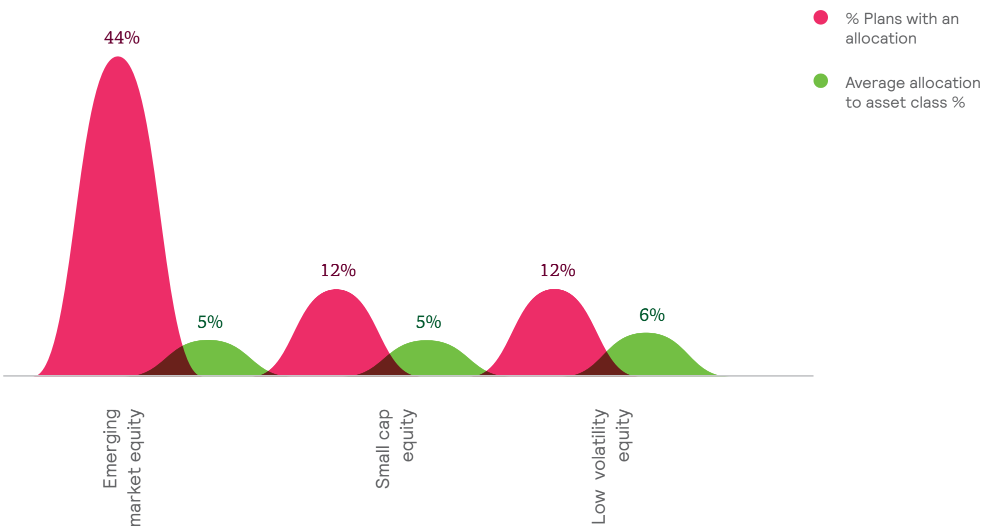
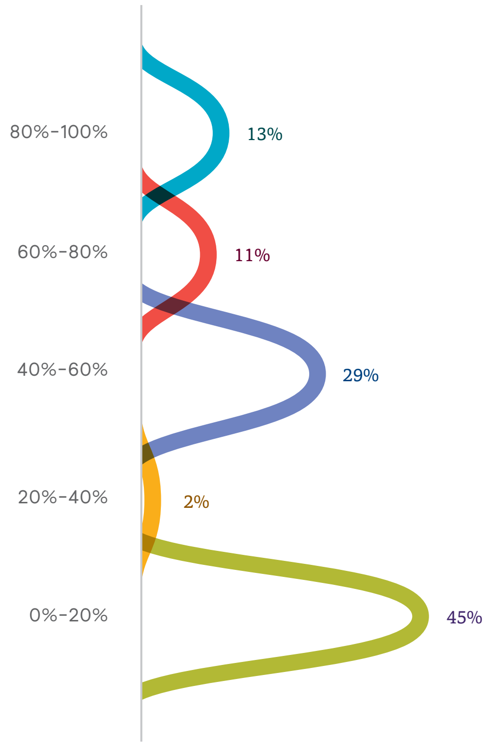


Chart 24: Strategic Allocation to Selected Equity Strategies



Non-domestic exposures clearly bring foreign-exchange risk, and of the plans that have a formal currency-hedging policy, the majority hedge at least 40% of the risk. However, the proportion of plans hedging less than 20% of exchange-rate risk has increased to 44% from 35% last year, which may reflect a response by some plans to the ongoing strength of the US dollar relative to European currencies. Currency hedging also varies with plan size: our survey results suggest the average hedge ratio for the largest plans is 13% higher than that of the smallest plans.

Chart 25: Target Currency Hedge Ratios for Equity Portfolios



ALTERNATIVE INVESTMENTS

With the use of alternatives continuing to increase among plan participants, this section considers the nature of underlying alternative investment strategies that plans are employing. Charts 26a and 26b consider five broad buckets:

- Private equity, both via fund of funds and direct investment.
- Growth-oriented fixed income, which considers fixed income assets and strategies expected to generate returns in excess of government bonds and investment-grade credit.
- Real assets, for which the return is expected to come largely from the yield on a physical asset with some degree of inflation exposure, such as real estate, infrastructure, and natural resources.
- Hedge funds, both via direct hedge fund exposures and through funds of hedge funds.
- Multi-asset, which largely relates to diversified growth funds, diversified beta funds, and risk parity (accepting that these strategies are not mutually exclusive).

Chart 26A: By Type of Asset Classes

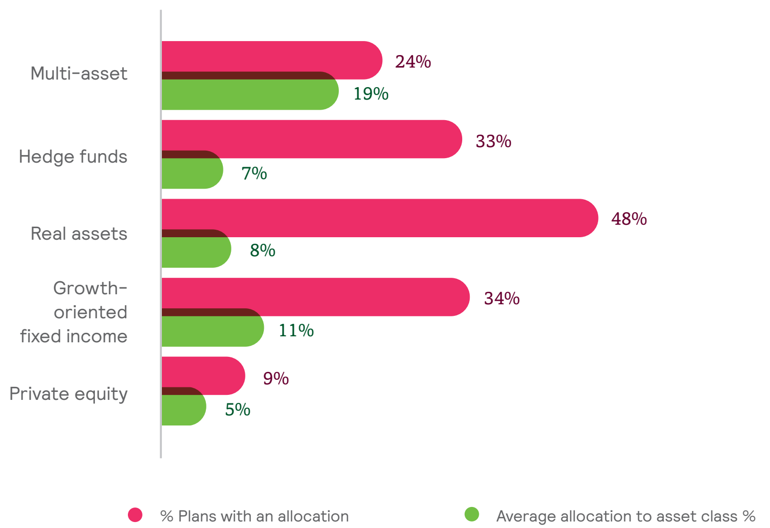


Chart 26B: For Plans Employing a Fiduciary Manager

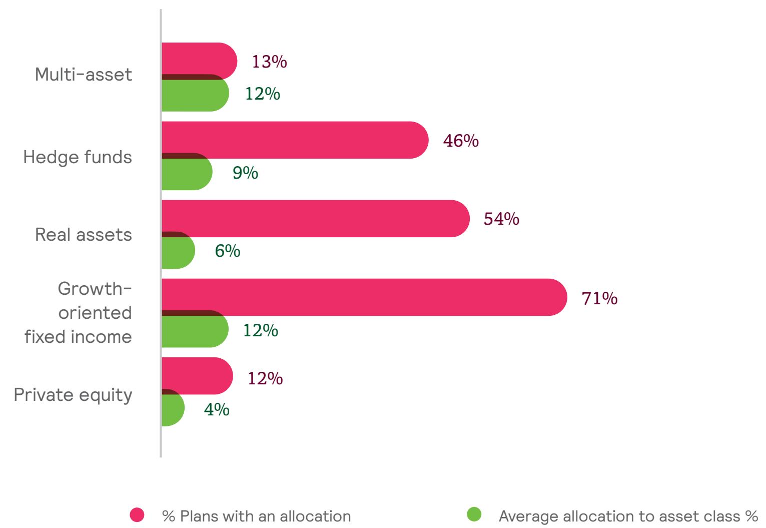


Chart 26a shows that hedge funds, real assets, and growth-oriented fixed income remain the most popular forms of alternative. The average size of allocation varies between 5% and 19% of total plan assets, with multi-asset strategies seeing the largest average allocations. This may be expected given that such strategies are often seen as a "one-stop shop" for governance and fee-constrained investors seeking a diversified and relatively liquid portfolio. Chart 26b considers only the subset of plans using a fiduciary manager and shows an increased tendency for such plans to obtain alternatives exposure through explicit growth oriented fixed income, real estate, and hedge fund allocations rather than multi-asset funds.

Charts 27–31 consider plans' allocations within each of the alternative asset categories identified. Growth-oriented fixed income allocations continue to be dominated by emerging market debt, high yield, and multi-asset credit. Relative to last year, exposures to emerging market debt have decreased, which in part is likely to be a response to disappointing returns over a period of years, as well as to a shift towards multi-asset credit funds as a means of building a diversified credit exposure.

Chart 27: Strategic Allocation to Private Equity

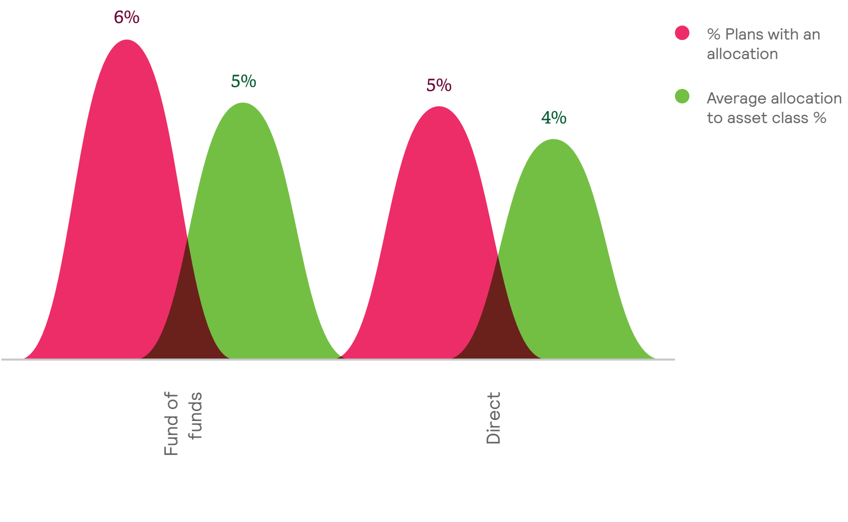


Chart 28: Strategic Allocation to Growth-orientated Fixed Income

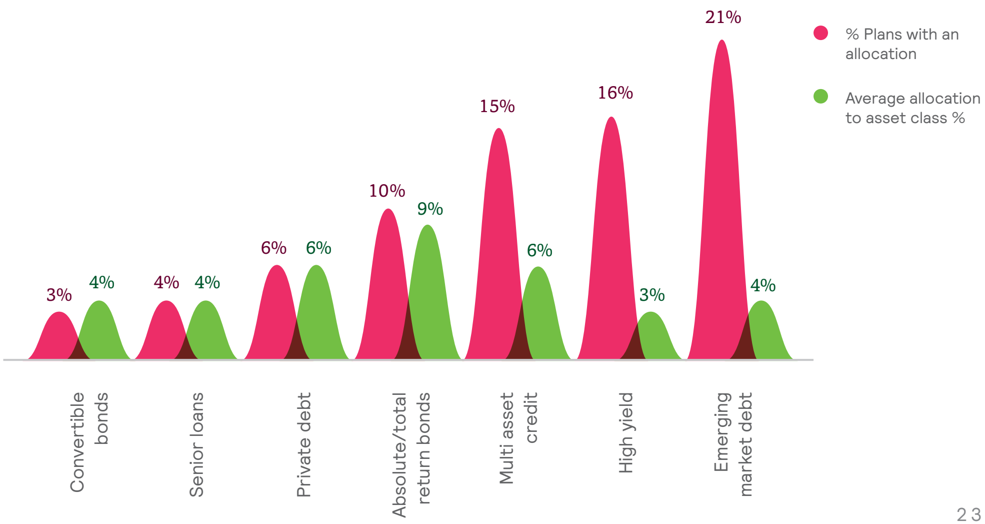


Chart 29: Strategic Allocation to Real Assets

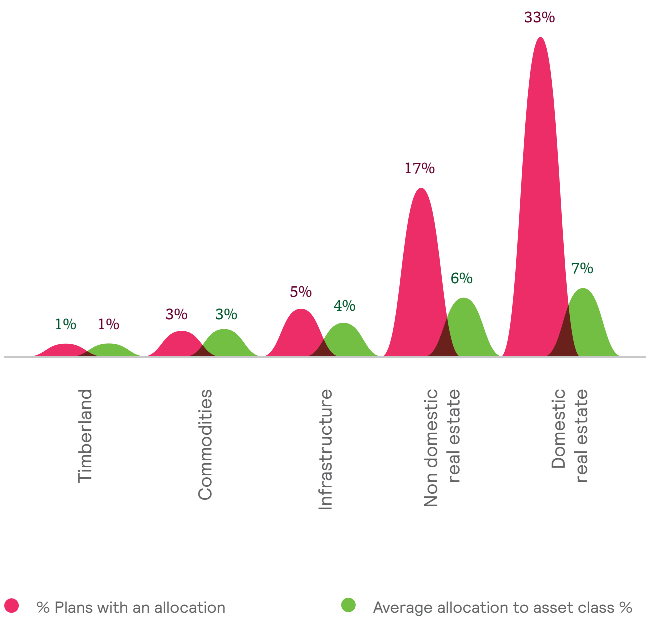


Chart 30: Strategic Allocation to Hedge Funds

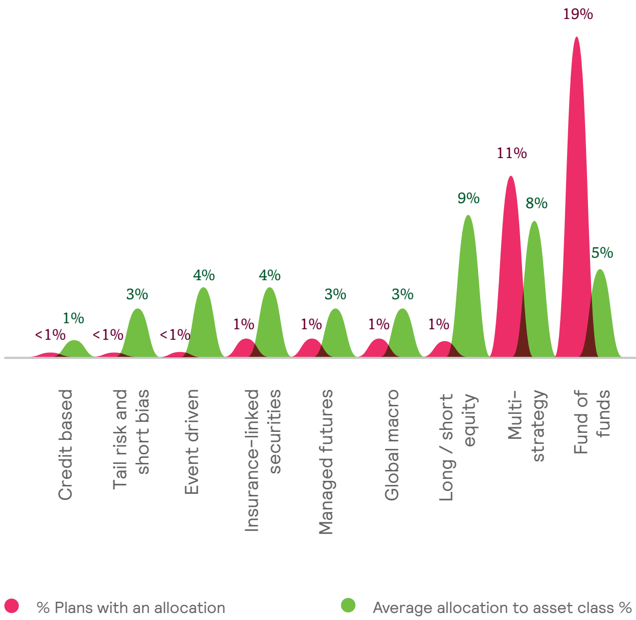
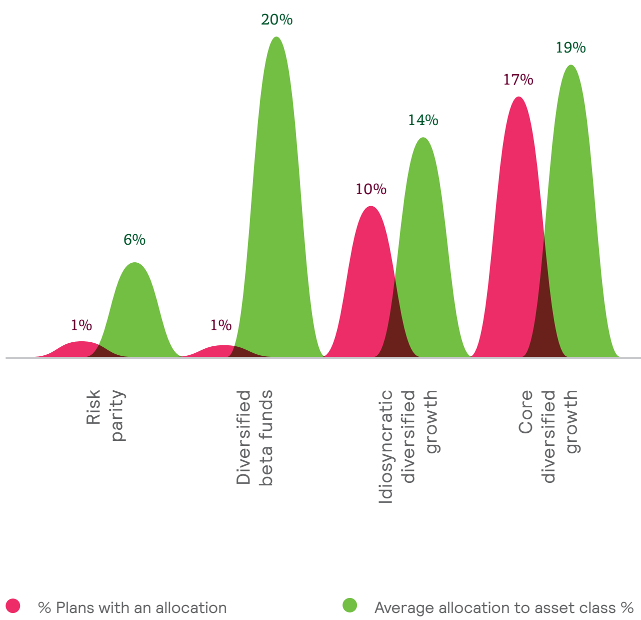


Chart 31: Strategic Allocation to Multi-asset



Real asset allocations remain dominated by real estate, with the overall increase in real estate exposure relative to last year having been driven by increasing allocation to overseas investment (17% of plans have exposure to non-domestic real estate compared to 8% last year).

Fund of hedge funds remain the most common means of hedge fund exposure. Although debate continues around the cost-effectiveness of hedge fund investment, we have seen a gradual reduction in fees paid by institutional investors. This year, the average base and outperformance fees paid for hedge fund exposures were 1.5% p.a. and 14% p.a., respectively.

Turning to multi-asset funds, the most popular vehicles remain diversified growth funds, which can themselves be broken down into “core” funds (which are expected to rely on market returns to achieve growth over time) and “idiosyncratic” funds (which place a greater emphasis on tactical asset allocation and specific trade ideas to create a portfolio less reliant on market returns). In the current low-return environment, we expect investors to express a preference for idiosyncratic over “beta heavy” core strategies.

RESPONSIBLE INVESTMENT

As with last year's study, we have targeted our survey on the drivers behind environmental, social, and corporate governance (ESG) integration, as well as on two key areas of focus within responsible investment: first, investor stewardship and active ownership rights, and second, the investment risks and opportunities posed by climate change.

As we have done in previous years, we surveyed participants about the drivers behind the decision to integrate ESG issues into their investment processes (see Chart 32). We note that the options are not exclusive, with some asset owners motivated by a combination of reasons. This year, 79% of those surveyed responded to this question, a significant increase from 55% last year. The financial materiality of ESG risks is the key driver behind integration (cited by 20% of respondents), followed by reputational risks (cited by 16% of respondents).

Chart 32: Key drivers behind consideration of ESG risks

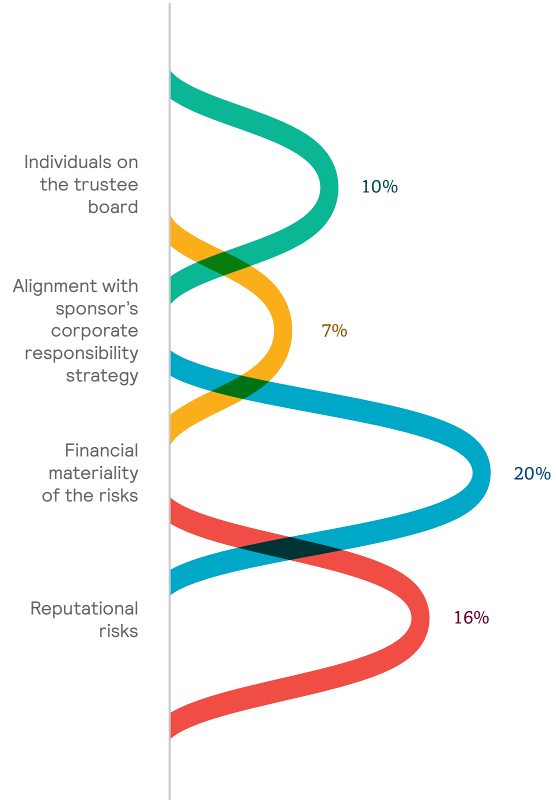
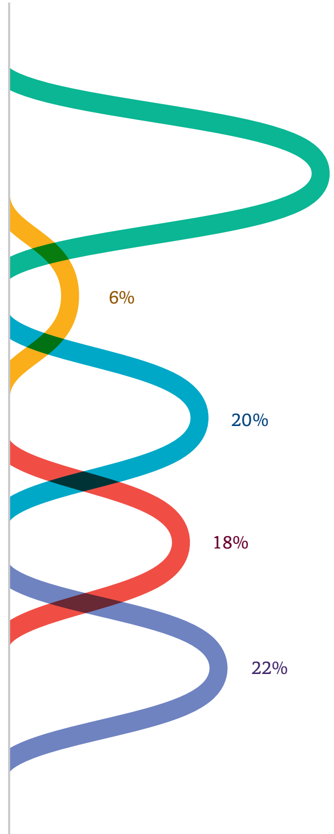


Chart 33: Stewardship and Consideration of ESG Issues



> "We expect incorporation of these sustainable themes in mainstream portfolio construction to increase over time."

"We are seeing manager fund offerings evolve due to the increased focus on ESG by investors. Sustainable equity strategies are typically designed to identify companies positioned to benefit from addressing challenges in climate change, resource scarcity and social development, whilst less liquid strategies may also incorporate allocations to timberland and agriculture. We expect incorporation of these sustainable themes in mainstream portfolio construction to increase over time."

Jillian Reid - Principal, Responsible Investment

Although stewardship is most relevant to equities as an asset class, given the increasing recognition that ESG risks can be financially material, we are somewhat surprised to find that 33% of asset owners surveyed do not consider stewardship and ESG issues at all, although this is a slight improvement on last year (down from 35%).

Anecdotally, we are seeing an increase in expectations of disclosure, albeit only 6% of asset owners currently report on their stewardship activities publicly (the same as last year). We continue to anticipate growth in public reporting by asset owners as these issues move further into the mainstream of financial discussion.

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