

*For Immediate Release*

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## Impact Investing Continues to Gain Traction Among Wide Range of Investors

*Largest survey of impact investment market indicates more activity and interest going into 2012*

December 14, 2011 – J.P. Morgan and the Global Impact Investing Network (GIIN) released today *Insight into the Impact Investment Market*, which highlights 52 impact investors' perspectives on the state of the industry, as well as data analysis on over 2,200 of their portfolio investments. The majority of impact investors surveyed express tempered optimism: while they believe the impact investing industry is "in its infancy and growing," there is a positive outlook for the industry, with investors planning to invest almost USD 4 billion over the next year, and an expectation that impact investments will compose 5-10 percent of portfolios over the next ten years.

"J.P. Morgan's Social Finance business provides financial services to the growing market for impact investments, including committing J.P. Morgan capital and providing thought leadership," said Yasemin Saltuk, Director of Research for J.P. Morgan Social Finance and co-author of the report. "This year's survey returned more than twice as many data points as last year's survey, from a broader and more geographically diverse pool of respondents. This research provides more transparency in the growing impact investment industry, which we hope will encourage more investors to enter the market."

"This research underscores the long-term potential of impact investments while recognizing that the market is in an early stage of development," said Amit Bouri, Director of Strategy and Development at the GIIN. "The GIIN looks forward to continuing our work with industry practitioners to support market growth. We hope the analysis helps investors to effectively participate in the market, while advancing field-building activities."

The analysis relied on data collected by the GIIN, a nonprofit organization dedicated to increasing the scale and effectiveness of impact investing. Impact investments are intended to create positive impact beyond financial return. Supporting the findings of a 2010 report that included similar data gathered by the GIIN, impact investors' expectations for financial returns range from concessionary to market-beating, indicating there is room in the market for a wide range of performance.

The report also identifies opportunities and challenges in the impact investing industry. Investor use of third party systems for impact measurement has increased by 10 percent since 2010, and 65 percent of survey respondents are aligned with the GIIN's Impact Reporting and Investment Standards (IRIS). Respondents believe that the top challenge to industry growth is lack of track record of successful investments, and the biggest risks are illiquidity and uncertainty around financial returns. Increased government activity and infrastructure development are helping to address these challenges, improving market information and promoting growth.

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**About the Global Impact Investing Network:** The Global Impact Investing Network (GIIN) is a not-for-profit organization dedicated to increasing the scale and effectiveness of impact investing. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. For more information, please visit [www.thegiin.org](http://www.thegiin.org).

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