

First Sentier MUFG Sustainable Investment Institute publishes research on microfibre pollution causes, effects and required interventions

Wednesday, 19 January 2022: The First Sentier MUFG Sustainable Investment Institute, a joint venture initiative between First Sentier Investors and Mitsubishi UFJ Trust and Banking Corporation, has published new research on the growing issue of microfibre pollution.

Microfibres are tiny particles shed from textiles and clothing that are released into wastewater and the air, much of which ultimately reach the world's oceans. An estimated 5.6 million metric tonnes - equivalent to the approximate weight of the world's population of humpback and blue whales combined - of synthetic microfibres were already in the environment by 2015¹. A further 0.5-4.3 million metric tonnes² of synthetic and natural microfibres could be entering the environment each year. Since global textile production and consumption is likely to continue to expand, annual microfibre release – if left unaddressed – could increase by 54% by 2030³.

The institute's latest paper, [Microfibres: the invisible pollution from textiles](#), looks at the sources and scale of microfibre pollution, its pathways into the environment, and how its accumulation can affect the environment and human health. Their microscopic size means microfibres can be easily ingested by even the smallest of organisms, which has been found to cause serious damage in small marine organisms at the foundation of the food chain. When microfibres are ingested and move up the food chain, they can eventually contaminate human food. The report also outlines actions that policymakers, textile and clothing manufacturers, retailers, and investors can take to address microfibre pollution.

Velina Karadzova, head of the First Sentier MUFG Sustainable Investment Institute, said: "Although microfibres are already prevalent in our air, land and sea, interventions can be taken along a product's life cycle to address microfibre pollution. Our aim with this research is to highlight this important issue and outline specific policy, industry and engagement actions that should be taken to prevent microfibres from entering the environment in the first place – the most efficient method of addressing the problem."

This report builds on [the institute's inaugural report](#) on the wider issue of microplastic pollution and its effect on environmental and human health. Synthetic microfibres are the largest proportion – an estimated 35% - of microplastics pollution that reaches the ocean annually. The microplastics study outlined regulatory, behavioural and operational actions that should be taken to remove this pollution and stop more from entering the environment.

First Sentier and MUFG jointly launched the institute in May 2021 to help increase understanding of how investment behaviour and decisions can contribute to better outcomes for the environment and society. The institute will develop and publish macro-level research on emerging sustainability and sustainable investment topics that have yet to receive the attention needed to achieve large-scale change. Since sustainability factors increasingly affect the performance of companies, sectors, and economies, the aim of the research is to enhance awareness of sustainable investment, report on trends and best practice, and promote a greater understanding of how such issues can affect long-term investment performance.

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Footnotes

1. Gavigan, J., Kefela, T., Macadam-Somer, I., Suh, S. & Geyer, R. Synthetic microfiber emissions to land rival those to waterbodies and are growing. *PLoS One* **15**, 1–13 (2020).
2. Internal estimate. See Exhibit 1 and Appendix 1 in the [microfibres report](#) for calculation details.
3. Source: The Nature Conservancy & Bain & Company. [Toward eliminating pre-consumer emissions of microplastics from the textile industry.](#)

About First Sentier MUFG Sustainable Investment Institute

The First Sentier MUFG Sustainable Investment Institute is jointly supported by First Sentier Investors and Mitsubishi UFJ Trust and Banking Corporation, a consolidated subsidiary of MUFG. The institute aims to help increase awareness and encourage action on important but under researched and emerging ESG-related issues. It will publish research on topics that can advance sustainable investing. An external academic advisory board informs the institute's research agenda and ensures its publications meet high standards of rigour.

For more information, visit firstsentier-mufg-sustainability.com

About First Sentier Investors

First Sentier Investors manages more than US\$178.6 billion in assets, as at 30 September 2021, on behalf of institutional investors, pension funds, wholesale distributors, investment platforms, financial advisers and their clients worldwide.

The firm operates as a standalone global investment management business with offices across Europe, the Americas, and Asia Pacific. First Sentier Investors' expertise spans a range of asset classes and specialist investment sectors focused on delivering sustainable investment success based on responsible investment principles. First Sentier Investors is a signatory to the UK Stewardship Code.

Formerly known as First State Investments, the firm was acquired from the Commonwealth Bank of Australia in August 2019 by Mitsubishi UFJ Trust and Banking Corporation, a wholly-owned subsidiary of Mitsubishi UFJ Financial Group, Inc.

For more information, visit firstsentierinvestors.com

About MUFG

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shared and sustainable growth for a better world. MUFG's shares trade on the Tokyo, Nagoya, and New York stock exchanges.

For more information, visit mufg.jp/english

About the Trust Bank

Mitsubishi UFJ Trust and Banking Corporation, as a core member of MUFG, provides its customers with a wide range of comprehensive financial solutions leveraging unique and highly professional functions as a leading trust bank. Such financial solutions include real estate, stock transfer agency, asset management and investor services, and inheritance related services, in addition to banking operations. We aim to realize our vision to be the trust bank that creates "a safe and affluent society" by always supporting our customers' and society's challenges based on Trust, and thus created a new key concept: "Create a Better Tomorrow".

For more information, visit tr.mufg.jp/english

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