



## PRESS RELEASE

### EUROPEAN SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) MARKET ALMOST DOUBLE SINCE 2008, IN SPITE OF THE FINANCIAL CRISIS

*Despite the slowdown in economic growth during the past two years, Eurosif's 2010 European SRI Study reveals the expansion of the European SRI market, now totaling approximately €5 trillion assets under management (AuM)*

The European SRI Market is undergoing a transformative period, having significantly grown since 2008. Eurosif's 2010 European SRI Study estimates the total European SRI Market at €5 trillion AuM. The ongoing financial crisis combined with disasters such as the *Deepwater Horizon environmental disaster* in the *Gulf of Mexico* have acted as a wake-up call for many investors, making them more aware of the need to integrate Environmental, Social and Governance (ESG) issues into investment decisions. With the accelerated growth in both the Core and Broad SRI segments, institutional investor demand is playing a key role in the mainstreaming of European SRI.

Created with the support of Amundi, BNP Paribas Investment Partners, Crédit Agricole Cheuvreux and Edmond de Rothschild Asset Management, the 2010 European SRI Study highlights the scale of the European SRI Market as well as European and National trends across nineteen countries, including for the first time the Baltic States, Poland, Greece and Cyprus.

Based on the self-reporting of asset managers and self-managed asset owners, the study reveals that the total SRI assets under management (AuM) have increased from €2.7 trillion to €5 trillion, as of December 31, 2009. This represents a spectacular growth of about 87% since the data was previously collected two years before.

In order to help investors, policy makers and the public simplify what is inherently a complicated topic due to the many SRI strategies available, Eurosif utilises Core SRI (estimated at €1.2 trillion) and Broad SRI (estimated at €3.8 trillion) as a means to segment the SRI market. Core SRI consists of norms- and values- based exclusions and different types of positive screens while Broad SRI encompasses simple exclusion, engagement and integration approaches.

Institutional investors remain the main drivers of the SRI Market with a share of 92% of the total AuM, although the share of retail investors has also slightly increased since 2008, particularly in Austria, Belgium, France and Germany.

Another important finding of the study is that bonds are now the favoured asset class among SRI investors, representing 53% of total SRI assets, while equities have dropped down to 33%. Microfinance funds are also beginning to generate interest from SRI investors and Eurosif predicts the alternative asset class to grow quickly as investors demand integration of ESG criteria into more diverse areas.

The study makes it clear that European SRI is in a remarkable place today when even compared to the bull market prior to the financial crisis. The Eurosif Executive Director, Matt Christensen, concludes:

*The previous questions about 'financial performance' of SRI funds are now being replaced by queries about how to best measure the ESG impacts in order to meet the rising expectations of investors. These newer questions about how to best tackle and measure ESG factors in fund management will remain an evolving process with many unforeseen and interesting innovations in the coming years.*



Eurosif (the European Sustainable Investment Forum) is a pan-European network and think-tank of national Sustainable Investment Forums whose mission is to Develop Sustainability through European Financial Markets. Current affiliate members of Eurosif include institutional investors, financial service providers, academic institutes, research associations and NGOs. The association is not-for-profit entity that represents assets totaling over €1 trillion through its Member Affiliates.

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If you would like to know more about the topic or schedule an interview with Eurosif, please contact Ioana Dolcos at [press@eurosif.org](mailto:press@eurosif.org) or at +33 (0)1 40 20 07 67.

#### Quotes:

*"The remarkable resilience of the SRI market in the face of the ongoing global financial crisis should encourage asset managers in providing a clear and transparent approach towards their investors. Certainly the next challenge is to make SRI funds even more attractive and comprehensible to retail clients, helping them to find a common ground between their needs, risk profiles and values."*

Mr. Pierre Schereck, Chairman and CEO, IDEAM (Amundi Group)

*"To continue to sustain its development, SRI is going to need a range of innovative strategies that demonstrate the added financial, social and environmental value of the investments being made. There is no doubt in our minds that the emergence of these new investment solutions will pave the way for the gradual integration of ESG criteria within conventional asset management."*

Mr. Philippe Marchessaux, CEO, BNP Paribas Investment Partners

*"As this survey demonstrates, despite the crisis, decision makers are taking extra-financial criteria into account at an impressive pace. We hope this will convince all companies to further improve both their disclosure and their performance on ESG related issues in order to meet the ever-increasing investor expectations."*

Mr. Jean-Claude Bassien, Chairman and CEO, Crédit Agricole Cheuvreux

*"The growth of SRI into a mainstream practice mirrors our own organisation's conviction of the importance to include ESG criteria in financial analysis. The Eurosif survey provides ample evidence of the weight that ESG factors can lend towards generating regular and long term capital growth."*

Mr. Philippe Couvrecelle, Chairman of the Board, Edmond de Rothschild Asset Management