Sustainable Investment Market Report 2014 – Switzerland

Upward trend in sustainable investments in Switzerland continues: increase of 17 per cent on the previous year

Volume of sustainable investments in Switzerland has risen to CHF 56.7 billion – role of institutional investors continues to grow – corporate pension funds and investment foundations are particularly strongly represented – cluster munitions and antipersonnel mines excluded from investments of CHF 1.9 trillion – further growth anticipated

Zurich, 7 May 2014 – Sustainable investments in Switzerland recorded further increases during 2013, thus continuing the upward trend of recent years. This emerged from the Sustainable Investment Market Report 2014 which was presented to the public by Forum Nachhaltige Geldanlagen (FNG) on 7 May. According to the report, the volume of sustainable investments in 2013 stood at CHF 56.7 billion, representing an increase of 17 per cent on the previous year’s level. Sustainable investments are investments which take not only financial but also social, environmental and governance criteria into account.

“In 2013, sustainable investments have once again grown strongly,” says Bernhard Engl, FNG’s Vice-Chair and head of FNG Switzerland, welcoming the latest market figures. “We can see that investors are increasingly coming to appreciate the advantages of sustainable investments. Factoring in environmental, social and governance investment criteria helps to produce an improved risk-return ratio, and investors also often opt for sustainable investments for reputational reasons,” explains the financial and sustainability expert. “Institutional investors have made a particularly substantial contribution to the growth in the Swiss market.”

In Switzerland, it is first and foremost corporate pension funds and investment foundations that factor sustainability criteria into their investments. However, other institutional investors, such as church institutions and charitable organisations, public pension funds and foundations, are also increasingly incorporating environmental and social criteria into their investment processes. The importance of institutional investors has thus increased overall. Their share of the sustainable investment market currently stands at 59 per cent, representing growth of five percentage points compared with the previous year. The corresponding share falling to private investors is 41 per cent.

Claudia Tober, FNG’s Executive Director, points to a further key trend in the investment market in Switzerland. “The exclusion of companies which manufacture or trade in cluster munitions and anti-personnel mines is continuing to increase in importance,” explains Ms Tober, an expert on sustainable investment. “Many asset managers have decided to abstain from investing any of the assets they manage in this type of investment. In Switzerland, this exclusion criterion is now applied to investments totalling over CHF 1.9 trillion.”

Looking at the next three years, financial players in Switzerland are anticipating further dynamic growth in the sustainable investment market. The impetus for further growth is expected to come primarily from institutional investors. However, the financial players also believe that general legal conditions and demand from private investors will have a major role to play.

FNG has been publishing comprehensive data on the sustainable investment markets in Germany, Austria and Switzerland in its market reports since 2005. The data for this study was collected by FNG. Besides being used in the market report, the data will also be incorporated in the SRI Study by the European umbrella organisation Eurosif (European Sustainable Investment Forum), which will be published in October 2014. Publication of FNG’s Sustainable Investment Market Report 2014 would not have been possible without help from the following sponsors and supporters: Union Investment, GLS Bank, Kepler Fonds Kapitalanlagegesellschaft m.b.H., oekom research AG, Swisscanto Asset Management AG, Absolut Research, Bankhaus Schelhammer & Schattera, Inrate AG and RobecoSAM AG.
Further information can be found at www.forum-ng.org. The Sustainable Investment Market Report 2014 – Germany, Austria and Switzerland (Marktbericht Nachhaltige Geldanlagen 2014) and the English version of the chapter on Switzerland, Sustainable Investments in Switzerland – Excerpt from the Sustainable Investment Market Report 2014, are available for download free of charge.

The market report will be presented to the public in Berlin on 7 May at 09.30 as part of an FNG Dialogue event. For the Swiss section of the market report, there will be a separate Media Dialogue event on 7 May at 11.00 in Zurich. Last-minute bookings to attend either event can be made by emailing presse@forum-ng.org or by phoning +49 178 710 07 04.

FNG will be available to answer any questions you may have about sustainable investment and about the Sustainable Investment Market Report 2014 at stand OG-79 at the 2! Säule trade fair on 7 and 8 May from 9.30 to 18.00 (Wed.) / 17.00 (Thurs) at the Kongresshaus, Zurich.

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Please also see:
Germany, Austria and Switzerland: Sustainable investments in Germany, Austria and Switzerland continue to grow – exclusion of cluster munitions and anti-personnel mines becomes standard practice

FNG Switzerland is part of the Sustainable Investment Forum (Forum Nachhaltige Geldanlagen, FNG), which covers Germany, Austria and Switzerland. This specialist association for sustainable investments currently has around 190 members and is committed to promoting a more sustainable approach to business within the finance industry. FNG awards the Transparency Logo for sustainable investment funds, publishes the FNG Sustainability Profiles and is a founding member of the European Sustainable Investment Forum (Eurosif).

Forum Nachhaltige Geldanlagen (FNG), the industry association for sustainable investment in Germany, Austria and Switzerland, represents more than 190 members which are working to promote sustainability in the financial sector. These include banks, investment companies, rating agencies, financial advisers and academic institutions. FNG promotes dialogue and the exchange of information between the worlds of business, academia and politics and has been working to improve the legal and political framework for sustainable investments since 2001. FNG awards the Transparency Logo for sustainable mutual funds, publishes the FNG Sustainability Profiles and is a founder member of the European umbrella organisation Eurosif.