Press Release: 6th Sustainable and Responsible Investment Study 2014

## Double-digit growth of the European Sustainable and Responsible Investment (SRI) market signals change in investors’ mindset

*All responsible investment strategies have grown at double-digit rates between 2011 and 2013, faster than the broad European investment market. Growth rates range from +22.6% (Sustainability themed) to +132% (Impact investing). This compares to an estimated +21.7% for the broad European investment market.*

October 9, 2014, Brussels – EUROSIF, the European Sustainable Investment Forum, today unveils the findings of its 6th Sustainable and Responsible Investment Study, first published in 2003. The Study highlights the scale of Sustainable and Responsible Investment practices and trends in Europe and across 13 European countries.

**For the first time, the Study provides new detailed insights on Exclusions, European Impact investing and Environmental, Social and Governance (ESG) integration practices.**

### Exclusions go mainstream

Assets subject to exclusion criteria grew by 91% between 2011 and 2013 and cover an estimated 41% (€6.9 trillion) of European professionally managed assets. Exclusions cover more assets than any other SRI strategy and have the most consistent usage across Europe. Voluntary exclusions related to Cluster Munitions and Anti-Personnel Landmines (CM&APL) are most common. They cover about 30% (€5.0 trillion) of the European investment market. Other Exclusion assets, not related to CM & APL, cover about 23% (€4.0 trillion) of the market.

### Engagement and voting makes significant progress

Assets subject to Engagement and voting policies have grown by 86% over the period to reach €3.3 trillion, versus €1.8 trillion in 2011. Half of that growth comes from the UK, with other key contributors being the Netherlands, Norway and Sweden; however, strong progress is recorded in all markets. Belgium (+94%), Italy (+193%) and Germany (+48%) also record impressive growth figures.

### Impact investing is the fastest growing strategy

For the first time, the Study provides a growth figure for Impact investing, which was the fastest growing strategy in Europe, exhibiting +132% growth since 2011. It has grown to an estimated €20 billion market. Key markets for this strategy are the Netherlands and Switzerland, representing an estimated two thirds of European assets, followed by Italy, the United Kingdom and Germany. Microfinance represents an estimated 50 % of European Impact investing assets.

### Forty percent of ESG integration assets follow structured investment processes

The Study sheds light on how the integration of non-financial factors into investment decisions is implemented. All forms of ESG integration have grown by 65% since 2011, making this one of the fastest growing strategies. Almost 40% of these assets are subject to investment processes incorporating non-financial criteria. Other Integration assets relate to situations where non-financial research is made available to mainstream investment teams.

In commenting on these results, EUROSIF’s Executive Director, Francois Passant, notes:

*The continuous growth of SRI practices in Europe signals a positive change in attitudes toward stewardship and the materiality of Environmental, Social and Governance matters. Discussions are shifting from whether SRI makes sense or not from a financial return standpoint, to how its tangible impacts can be measured. Increasingly, investors and other industry stakeholders will push the market in this direction, bringing it to a new level of maturity.*

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