



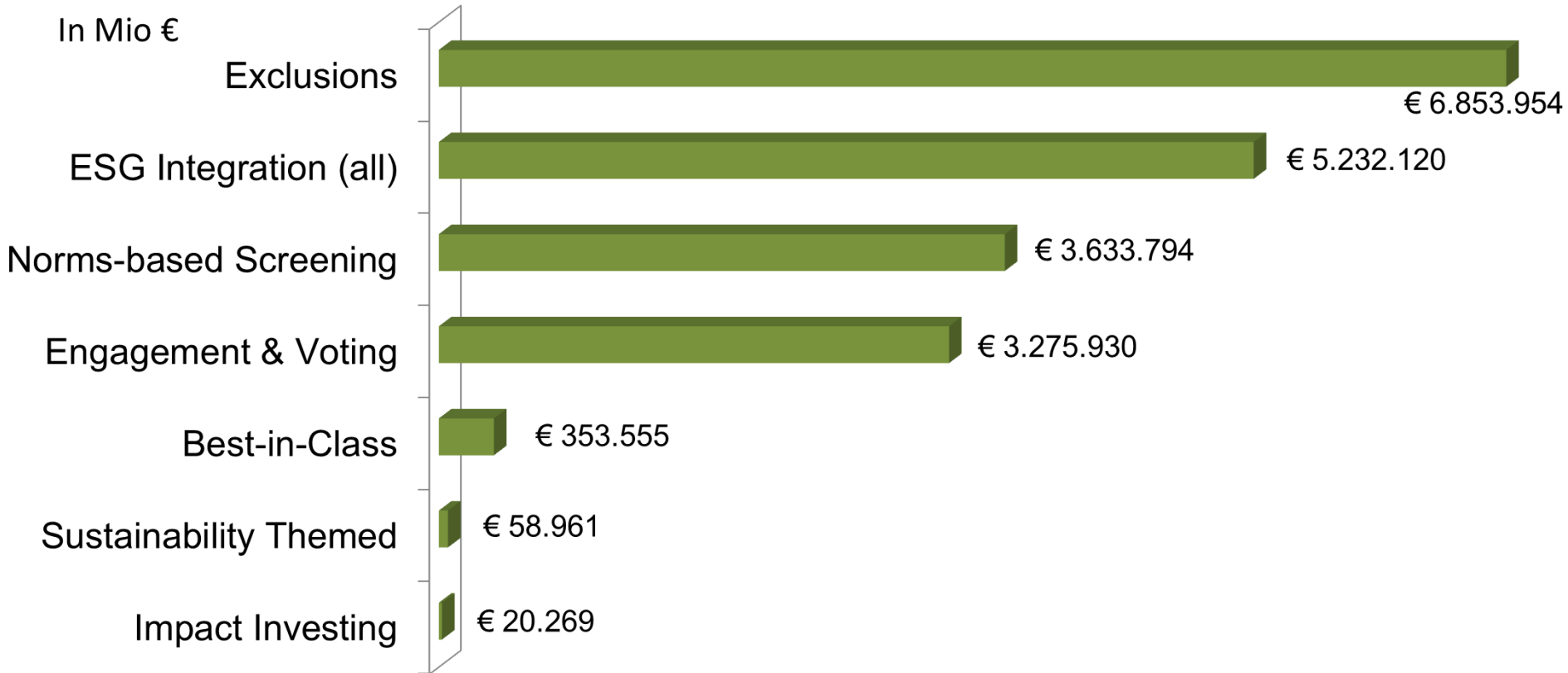
# Introduction

## Sustainable and Responsible Investment Strategies

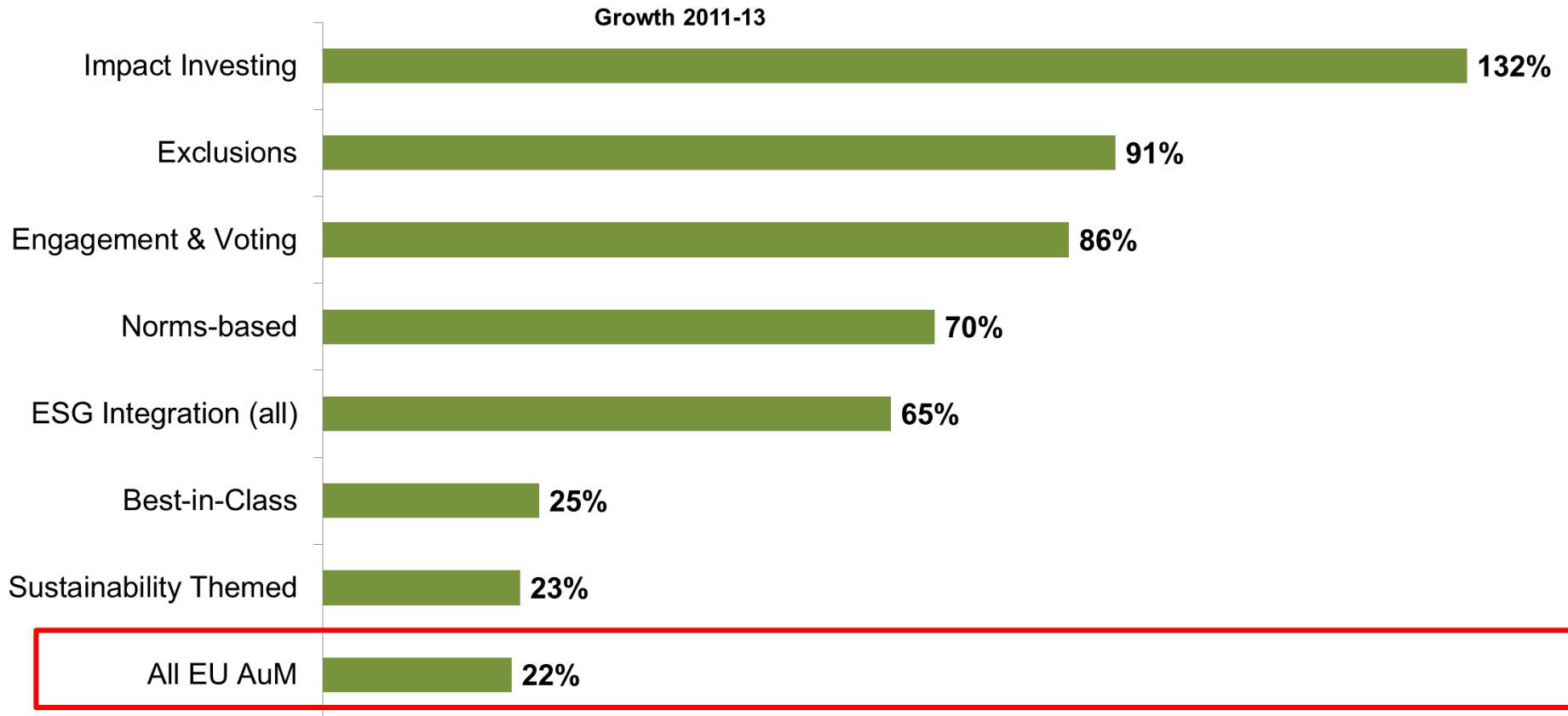
- Sustainability themed
- Best-in-Class and Positive screening
- Norms-based screening
- Exclusions
- ESG Integration
- Engagement and voting
- Impact investing

# Exclusions Still Dominates SRI Strategies In Europe

In Mio €

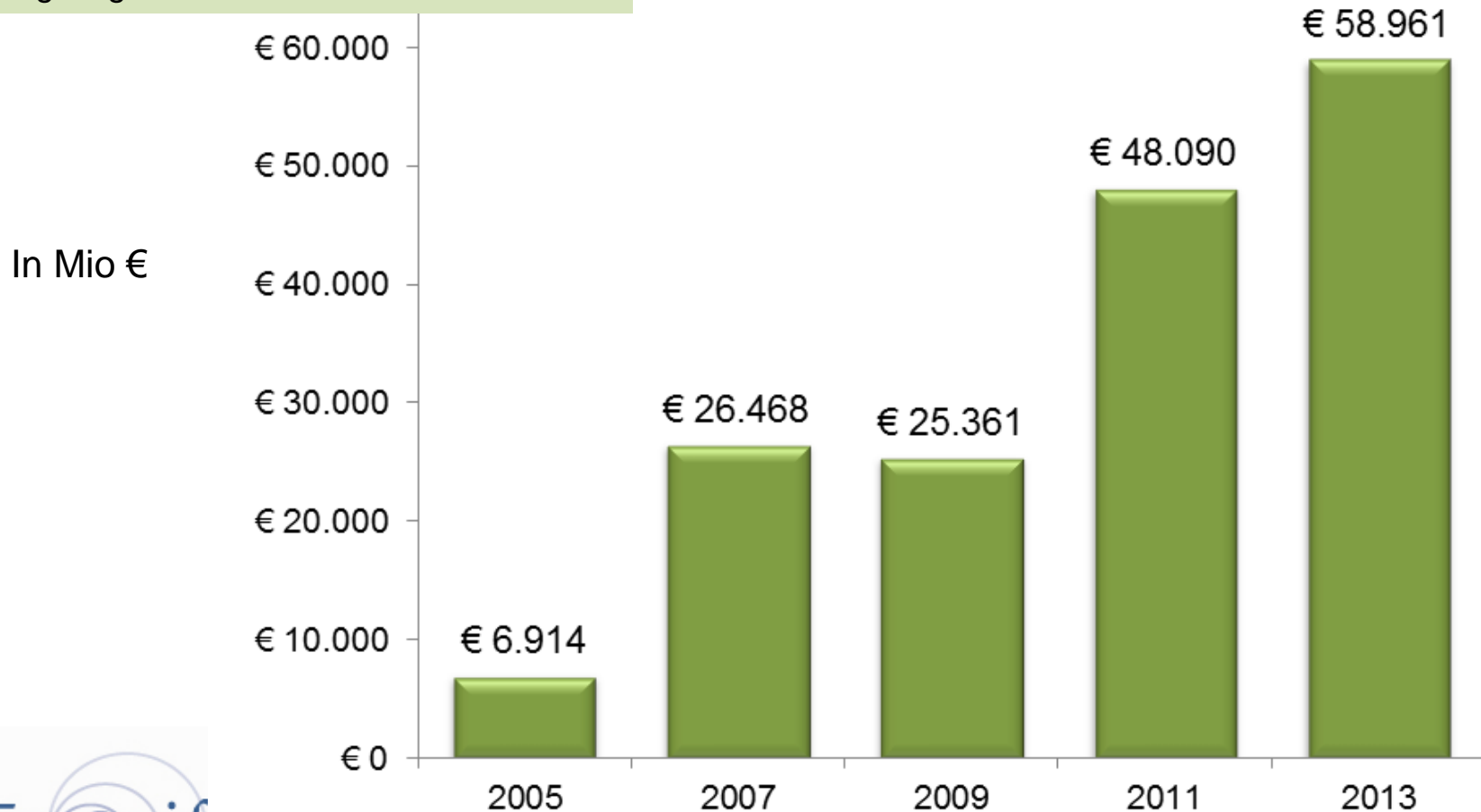


# All Strategies Have Experienced Double Digit Growth



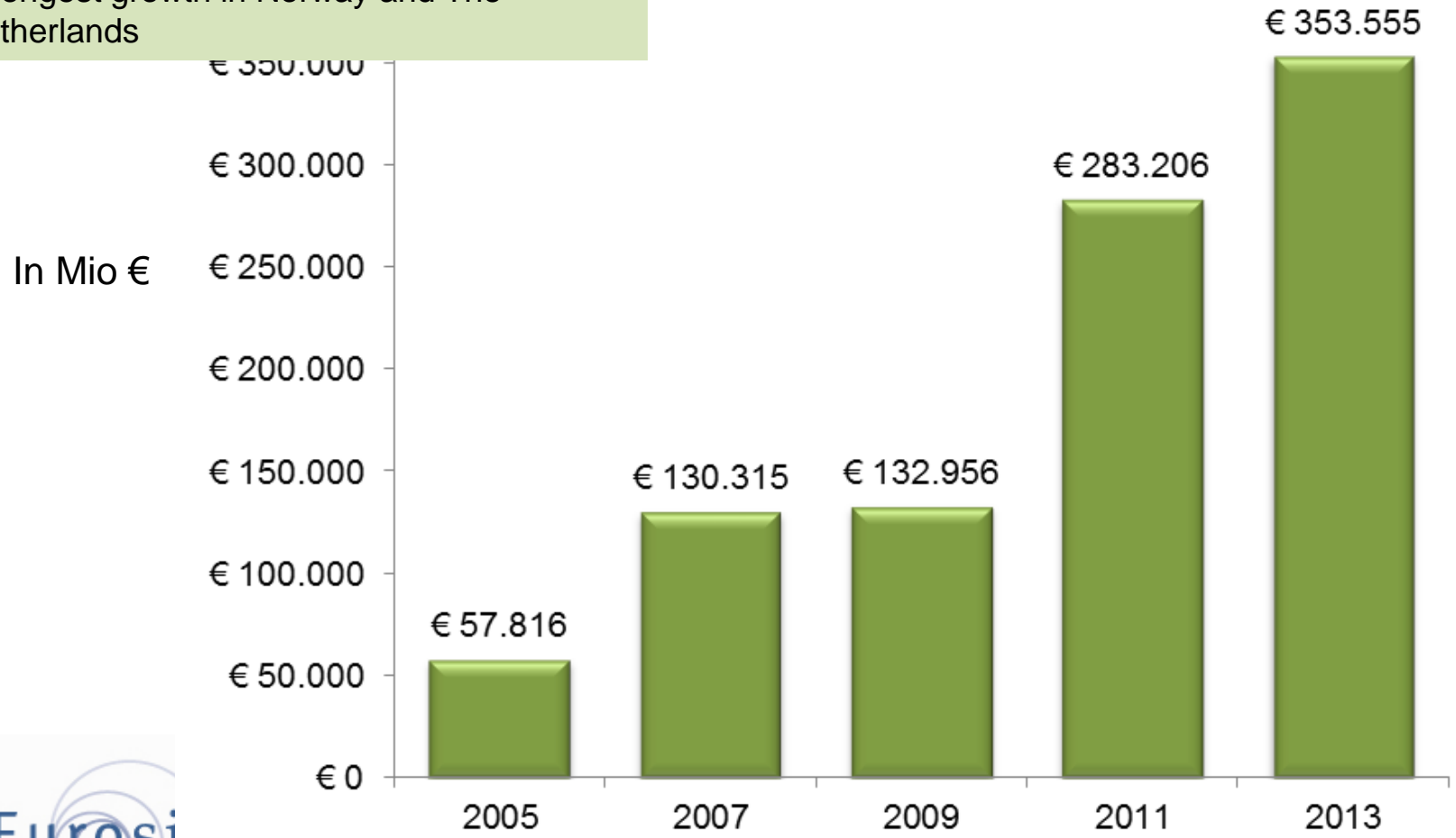
# Sustainability-themed Grows But Remains Concentrated And Niche

- ~+31% CAGR since 2005
- Netherlands, UK, Switzerland: >90% market
- Strongest growth in France & Sweden



# Best-in-Class Follows A Similar Narrative: Strong Growth But Concentration

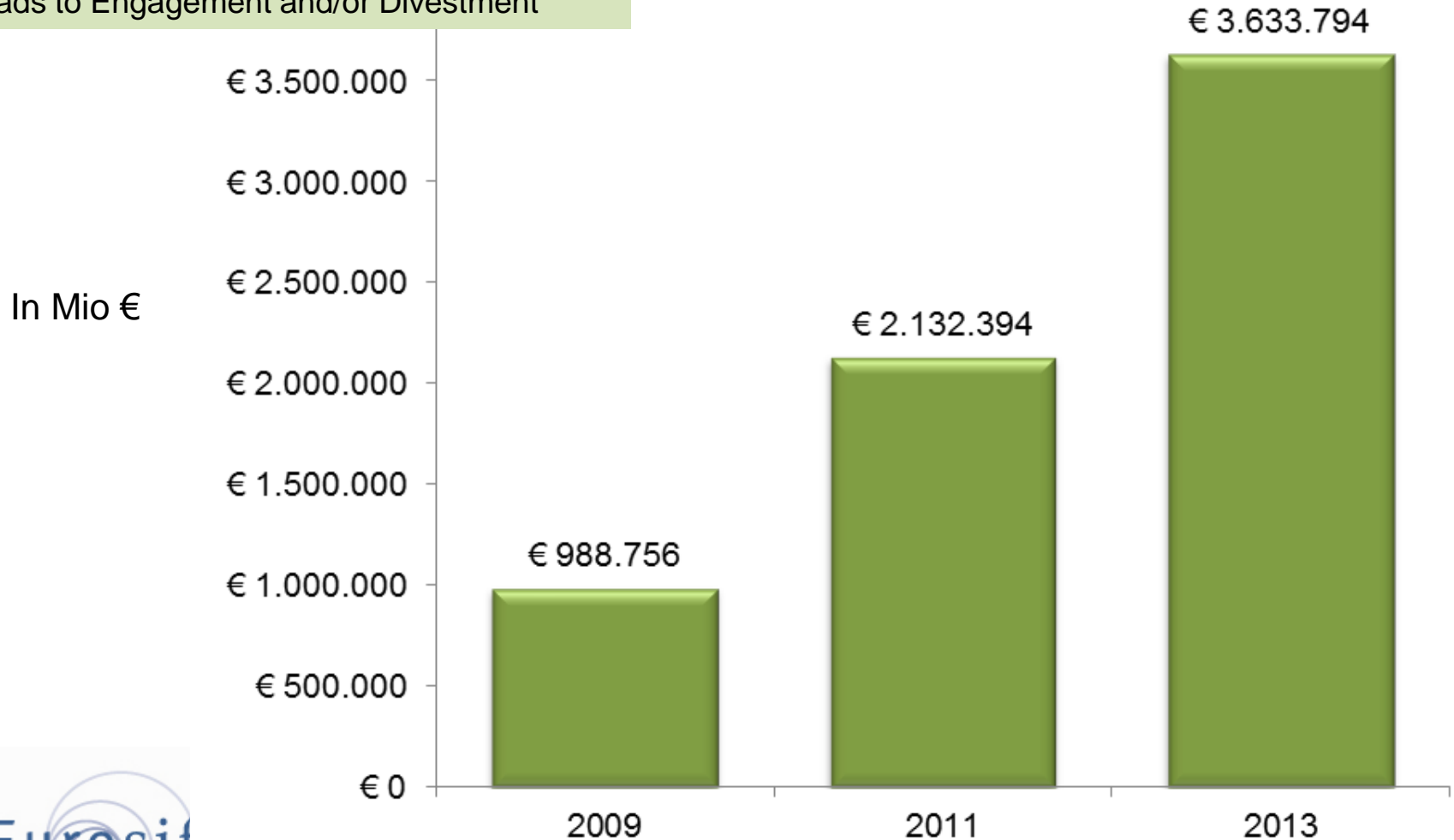
- ~+26% CAGR since 2005
- France ~ 50% market share
- Strongest growth in Norway and The Netherlands



Source: Eurosif

# Norms-based Screening Has Grown By 39% CAGR Since First Measured in 2009

- Mainly UNGC but also ILO and OECD
- Leads to Engagement and/or Divestment



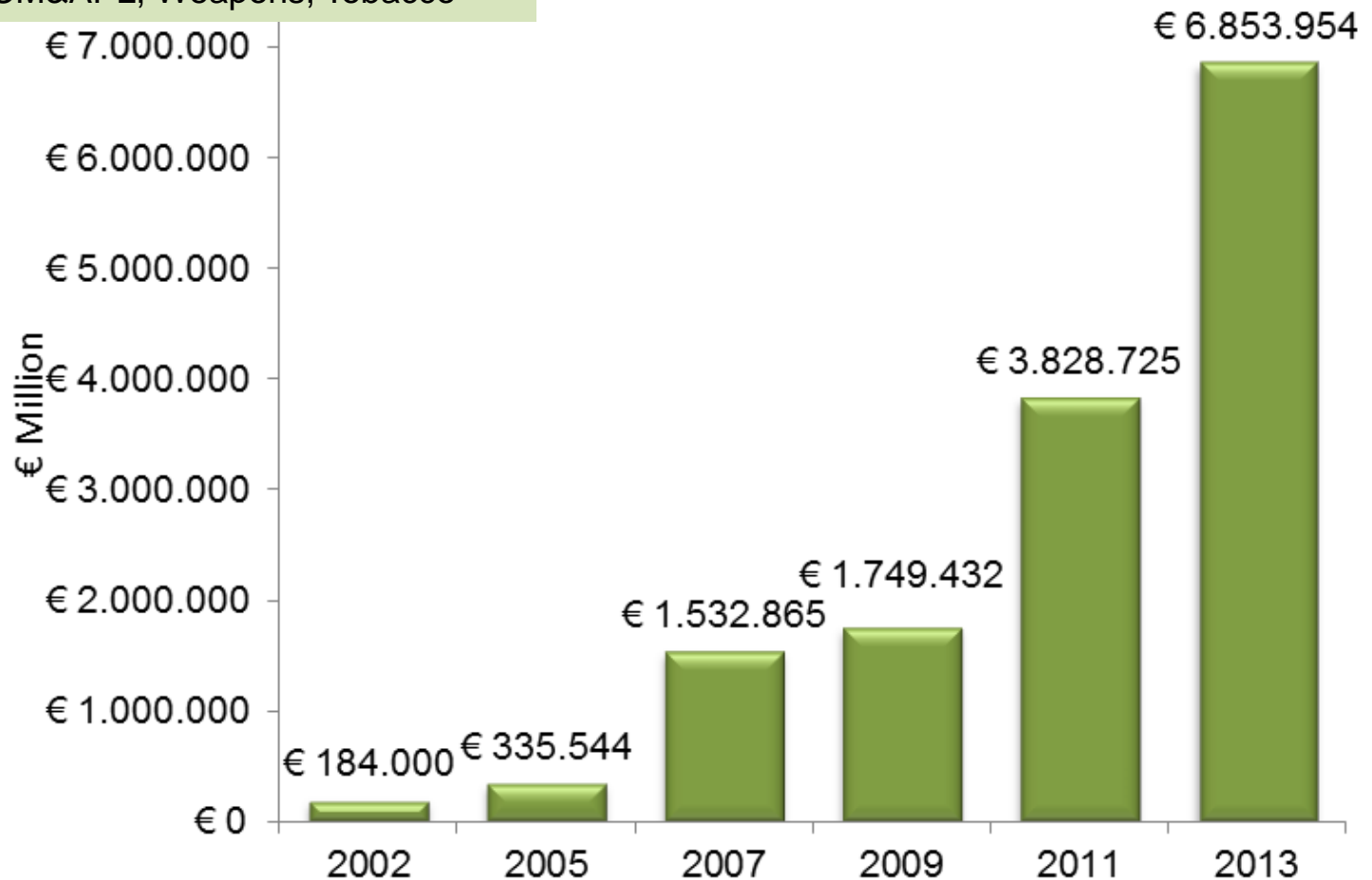
# Norms-based Is Not A Nordic Phenomenon (Only) Anymore

Country (€ Mn)	2011	2013	CAGR
Austria	€ 3,862	€ 5,467	19%
Belgium	€ 19,744	€ 20,235	1%
Finland	€ 62,336	€ 64,667	2%
France	€ 679,566	€ 1,119,040	28%
Germany	€ 11,255	€ 10,177	-5%
Italy	€ 314,248	€ 351,754	6%
Netherlands	€ 166,359	€ 746,125	112%
Norway	€ 550,834	€ 798,682	20%
Poland	€ 13	€ 773	671%
Spain	€ 1,119	€ 14,247	257%
Sweden	€ 259,346	€ 420,718	27%
Switzerland	€ 192	€ 10,454	638%
United Kingdom	€ 63,520	€ 71,456	6%
Europe (13)	€ 2,132,394	€ 3,633,794	31%

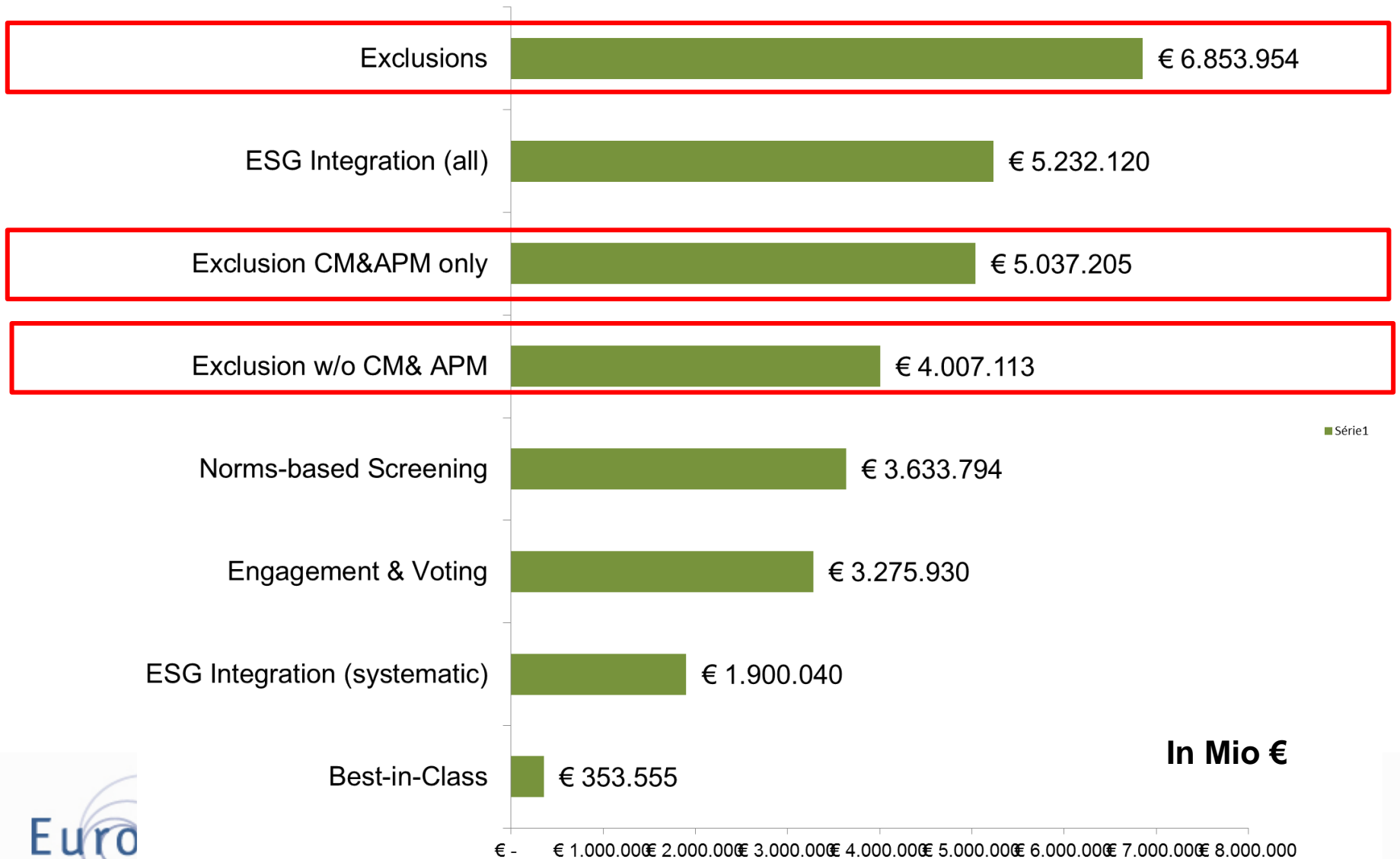


# Exclusions Continue Strong Growth Mainly Due to Deployment Over Broad Asset Ranges (“Overlays”)

- ~+39% CAGR since 2002
- Most consistently applied strategy across markets
- Popular overlays: CM&APL, Weapons, Tobacco



# Exclusions Remain The Dominant Strategy Whatever Way You Look At It



# Integration Of ESG Factors - Reminder

The **explicit** inclusion by asset managers of ESG risks and opportunities into traditional financial analysis and investment decisions based on a **systematic process** and appropriate research sources.

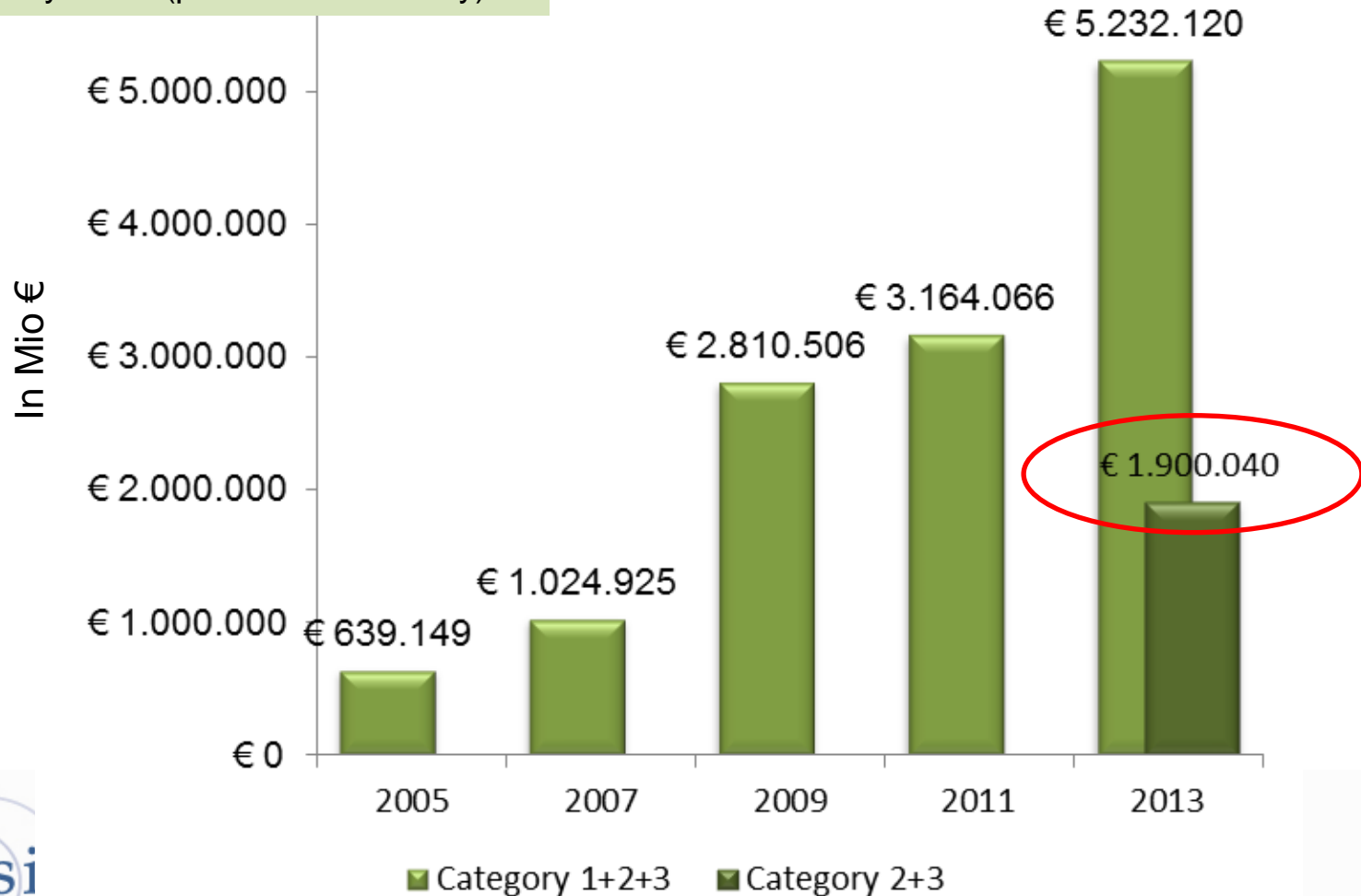
In Eurosif Study this year:

Non-systematic  
(e.g. diffusion of ESG  
research to  
mainstream  
investment managers)

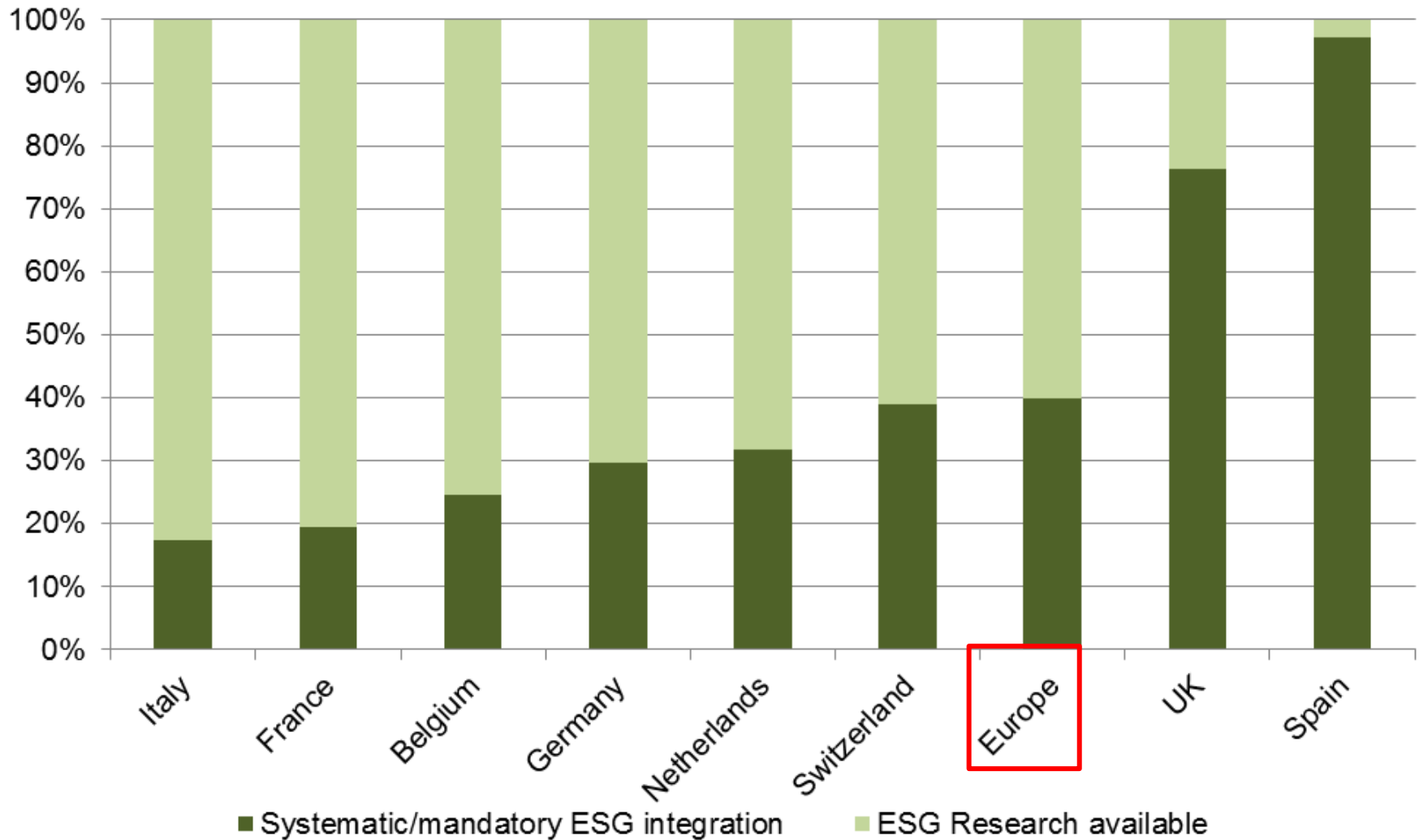
Systematic and/or  
formalised integration  
processes with  
potential portfolio  
construction  
constraints

# Systematic ESG Integration Is Estimated To Cover About 10% of EU AuM

- ~+39% CAGR since 2002
- Most Assets in France, UK and Netherlands
- Has grown everywhere (plateau in Germany)

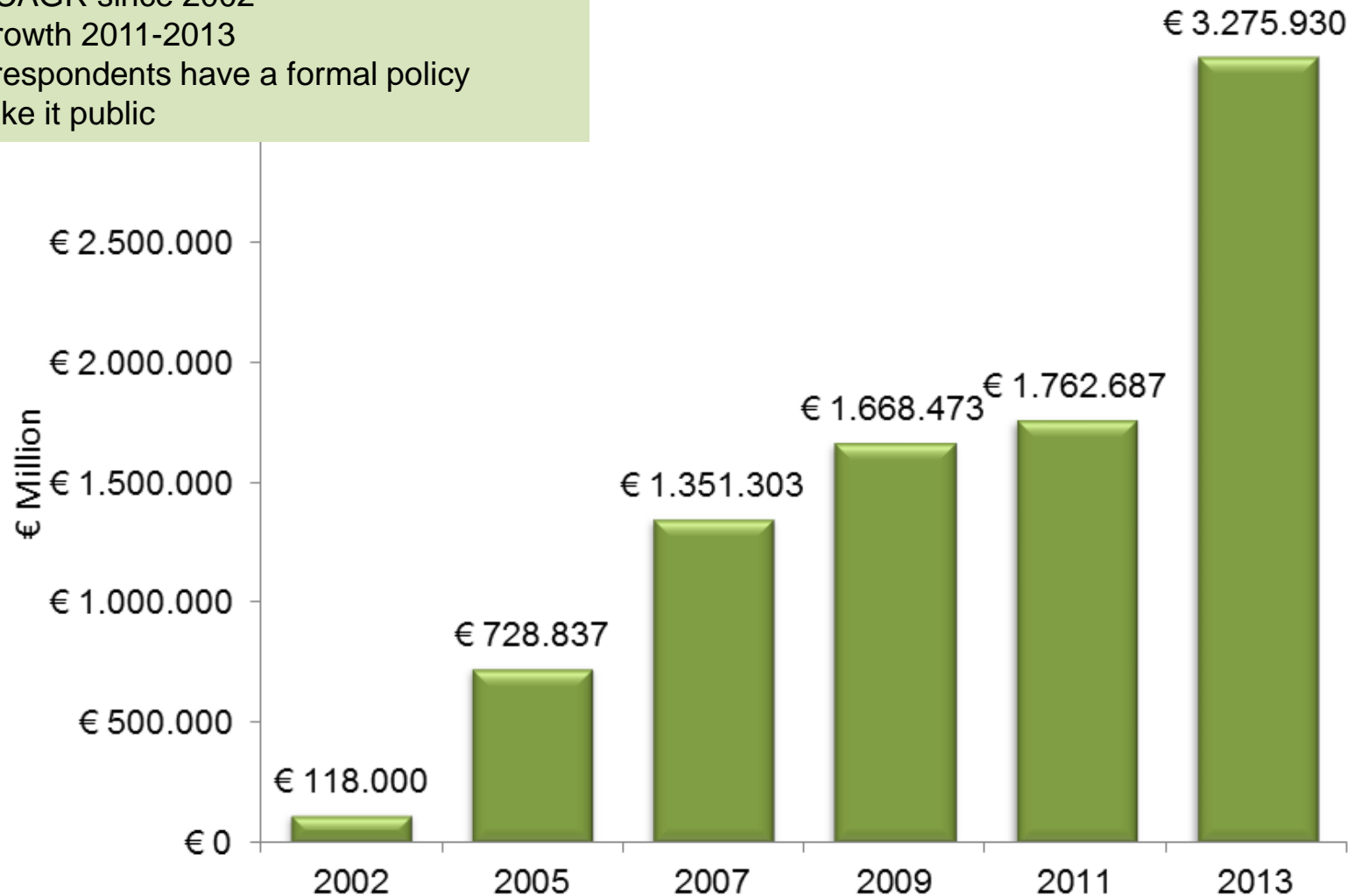


# ESG Integration Practices Vary By Market



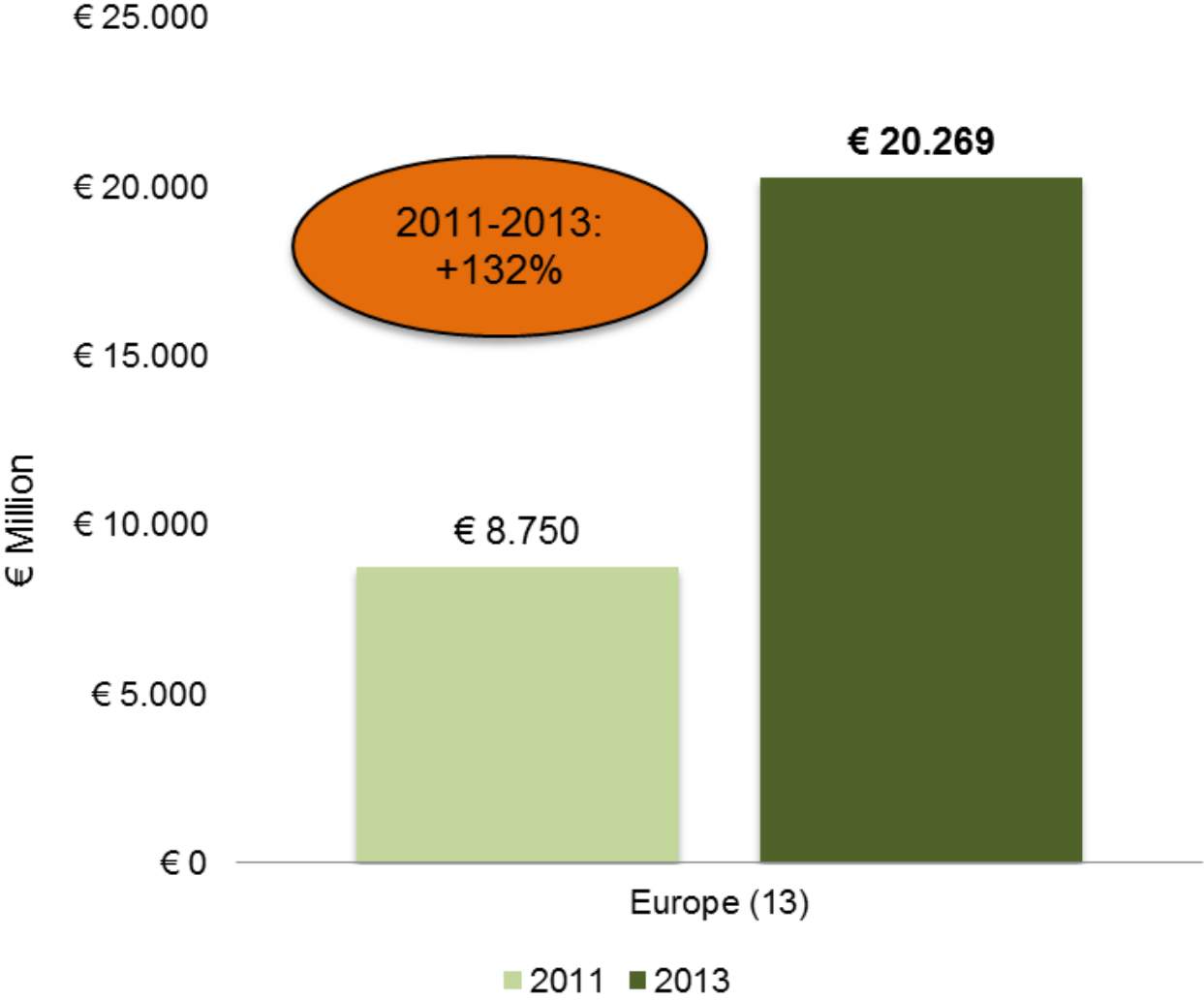
# Assets Subject To Engagement And Voting Policies Have Grown Significantly

- ~+35% CAGR since 2002
- +86% growth 2011-2013
- 42% of respondents have a formal policy
- 24% make it public



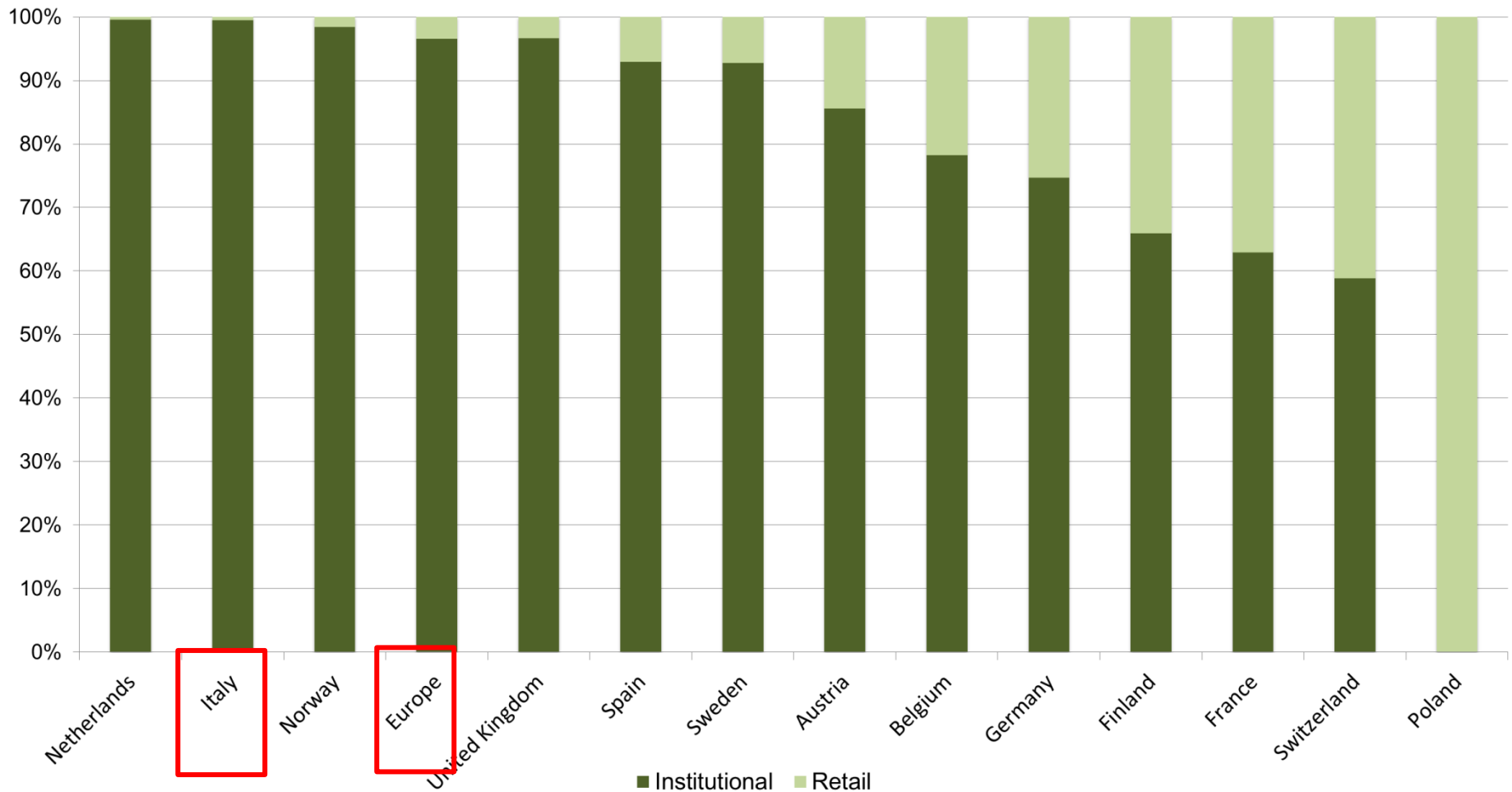
Source: Eurosif

# Impact Investing Is The Fastest Growing Strategy



Source: Eurosif

# The European SRI Market Remains Largely Driven By Institutional Investors, Albeit In Different Proportions





# Perceived Drivers of SRI Growth (Next 2-3 Years)



# Key Takeaways

- **Clear momentum for responsible investing in Europe & Switzerland;**
- **Exclusions dominate but European Investors tend to also adopt other approaches as well;**
  - See Engagement & voting, Norms-based, Integration
- **Positive signals around the recognition of the materiality of ESG by the broader investment community (ESG Integration);**
  - 12% of EU AuM managed according to formalised ESG Integration
- **Impact Investing still niche but fastest growth approach.**

# Contact / Follow Eurosif



François Passant, Executive Director  
[francois@eurosif.org](mailto:francois@eurosif.org)



[www.twitter.com/eurosif](http://www.twitter.com/eurosif)



LinkedIn/eurosif  
<http://www.linkedin.com/groups/Eurosif-3290984/about>