



European socially responsible investment 'reaches €1 trillion'

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The amount invested in socially responsible investments (SRI) in Europe has passed the €1 trillion (£674 billion) mark, according to a recent report.

Eurosif, the European social investment forum, carried out a survey of nine European countries, including the UK, to reveal the progress SRI had made over the last few years.

The organisation estimates that some 15 per cent of total funds under management in Europe now follow socially responsible criteria – a growth of 36 per cent since December 2002.

Key to the expansion of the SRI market is the improved credibility of the "business case" for this type of investment, coupled with greater industry concern for ethical investment.

Pension funds and institutional investors with ethical governance issues have become major players in the field, Eurosif's report revealed.

Matt Christensen, Eurosif's executive director, remarked: "Across Europe, there are signs of robust SRI strategies, increased mandates from institutional players and the growing involvement of more traditional financial services providers."

He added that the "one constant" in the field of European SRI is continued innovation and diversity.

Last month, the Ethical Investors Group said it is "not proven" that ethical investments yield lesser returns in comparison to non-ethical funds over the long term.

The group claimed that the fact that so many companies are now offering ethical products is proof that they are no less profitable for businesses than other types of fund.