



Eurosif

Press Release: embargoed until Tuesday September 30, 2008 (midnight)

Eurosif Study reveals a European SRI Market valued at €2.7 trillion

Paris, France – October 1, 2008: Eurosif has just published the latest Sustainable and Responsible Investment (SRI) figures and trends in its "European SRI Study 2008". This unique study, sponsored by Groupama Asset Management, Highland Good Steward Management, I.DE.A.M (Crédit Agricole Asset Management Group) and Natixis Asset Management, highlights the scale of European SRI as well as European and National trends across thirteen countries, including for the first time Denmark, Finland, Norway and Sweden.

Based on a survey of asset managers and self-managed asset owners, the report reveals that total SRI assets under management (AuMs) have reached €2.7 trillion as of December 31, 2007 and represent as much as 17.5% of the asset management industry in Europe. This corresponds to a remarkable growth of 102% since December 31, 2005 (or a compound annual growth rate of 42%).¹

Eurosif's study finds that the European SRI market's growth is driven by:

- An increasing demand from institutional investors, for which responsible investment becomes a matter of risk management, particularly around the area of climate change,
- A further mainstreaming of Environmental, Social and Governance (ESG) considerations into traditional financial services,
- External pressure from NGOs and media,
- A growing interest from individuals, particularly wealthy individuals.

Eurosif's Executive Director Matt Christensen states: "In spite, and because of, the ongoing financial market turmoil, environmental, social and governance issues are becoming more relevant as important criteria for investors. SRI is growing dramatically and becoming more refined as an overall approach that meets the diverse interests of European investors. In the past two years, we also see the emergence of SRI thematic funds and a greater focus on areas such as property, private equity and microfinance."

Eurosif continues to segment the SRI market with Core SRI estimated at €512 billion and Broad SRI at €2.2 trillion. Core SRI consists of elaborated screening strategies systematically impacting portfolio construction and often implying a values-based approach while Broad SRI partly represents the mainstreaming of SRI and the growing interest of large institutional investors in this area.

Core SRI consists of ethical exclusions (more than two negative criteria) as well as different types of positive screening (Best-in-Class, SRI theme funds, etc.). Germany, France and Switzerland show the fastest growth in Core SRI while the UK and Netherlands retain the largest markets. Broad SRI is composed of three SRI strategies which include simple exclusions, engagement, and integration of ESG risks into traditional financial analysis. For the Broad segment, the Netherlands has experienced the fastest growth followed by France. The UK remains the largest Broad SRI market.

The European SRI market is clearly driven by institutional investors although High Net Worth Individuals (HNWIs) are also exhibiting a growing influence in shaping its evolution. Discretionary mandates are the SRI vehicles most often used but this varies at national levels. Equities remain the preferred SRI asset class, but fixed income and alternative asset classes are now cumulatively representing half of the total for SRI allocations.

To view the report, please go to www.eurosif.org/publications/sri_studies

On October 8th, using this same link, you will be able to view a special video highlighting the key aspects of the study.

¹ The growth figure is calculated on the nine countries covered on both Eurosif's 2008 and 2006 studies: Austria, Belgium, France, Germany, Italy, Spain, Switzerland, the Netherlands and the UK.

Notes to Editors

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EUROSIF, the European Sustainable Investment Forum, is the pan-European network whose mission is to **address sustainability through the financial markets**. Eurosif works as a partnership of the national Social Investment Forums (SIFs) within the EU and with the support and involvement of Member Affiliates. Recognised as the premier European forum for sustainable investment, Eurosif's Member Affiliates are drawn from leading pension funds, asset managers, NGO's, trade unions, academic institutes and research providers, together representing assets totalling over €1 trillion. The key benefits that Eurosif affiliate members receive include ground-breaking research, EU interfacing, and European wide initiatives that integrate ESG issues into the financial services sector.

SPONSORS

Groupama Asset Management

With 88 billions euros of AuM's (December 31, 2007), subsidiaries included, Groupama Asset Management is the 6th largest asset management company in France. Its client base includes institutional investors, corporations, external distributors and Groupama companies. Based in Paris, the management company extended its geographic coverage in Europe and Canada and is developing a variety of portfolio management approaches acknowledged for their excellence. Since the early 2000's Groupama AM has been committed to SRI strategy and was convinced that responsible investment is triggering a virtuous circle that will foster sustainable development and positive growth. Furthermore ESG integration is perfectly aligned with long-term financial performance and is a valuable and suitable opportunity to assume its social duty and fiduciary responsibility.

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Highland Good Steward Management, LLC was founded in May 2004 and the Good Steward Enhanced Fund, Ltd was opened in December 2007. HGSM is based upon an idea for a suite of investment products that employ an ESG investment policy integration. The ESG policy is developed and maintained with input from a 15 member Consulting Board and a multi-member ESG Research Consortium with a 'best-in-class' approach to screening and engagement policies. HGSM's investment products employ sustainable investment policy integration based upon ESG principles. The research is provided by a multi-member Research Consortium which provides research on issuers from around the world.

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IDEAM, a subsidiary of the Crédit Agricole Asset Management Group (CAAM Group), is dedicated to Socially Responsible Investment (SRI). IDEAM centralises the extra-financial and quantitative research activities for the promotion and development of SRI products. IDEAM is specialised in SRI management for associations and charitable groups, solidarity funds and cause-based-investing funds. They are also in charge of putting together innovative projects based on Environmental, Social and Corporate Governance (ESG) themes, by accompanying companies and financial institutions that are becoming more and more interested in this area.

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Natixis Asset Management is the European expert of Natixis Global Asset Management. Based in Paris, it is one of the leading European asset managers with nearly €360 billion of funds under management at 30 June 2008 and more than 600 employees. In addition, Natixis Asset Management, ranked number one in France for Socially Responsible Investment (source Novethic) at 30 June 2008, offers products in this area across all asset classes and SRI areas of expertise for all types of client.

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