

Press release**Long-term risk management, the primary driver for ESG issues amongst asset owners**

Paris, 27 November 2009 - Today Novethic, with the support of BNP Paribas Investment Partners, releases the results of its survey "Asset owners as active shareholders: Attitude towards and motivation behind ESG policies." For this second edition of the survey, over sixty French and UK investors were queried on their perception of their responsibility as shareholders on corporate ESG policies. Results attest to a clearer understanding of the importance of ESG factors.

Reduce long-term risks by integrating an ESG approach

Investors seem convinced that ESG issues must be fully integrated into long-term management because they contribute to reducing risk and can improve financial performance. This opinion is shared by all UK respondents and 94% of French respondents. Despite this common viewpoint, cultural differences remain, especially in terms of their consideration for each of the ESG issues. 65% of French investors look at all three issues as a whole, as do 45% of UK investors. However, while none of the UK respondents consider the social aspect the most important, it is the main focus of 19% of French respondents. They are also divided on environmental issues, which are stressed by 10% of UK investors but only 3% of the French. Lastly, only 13% of those surveyed in France highlight the importance of governance, versus 45% of those in the United Kingdom.

French investors more active on social issues

Asset owners certainly understand the appeal of ESG criteria, but their willingness to influence corporate ESG strategies has declined sharply since 2008. 58% of French respondents stated that they are willing to do so (as against 71% the previous year) as are 48% of UK respondents (versus 72% in 2008). The two countries do not share the same priorities in terms of shareholder activism. Again, the majority of French respondents (53%) believe that they must act in all three areas while nearly half of UK respondents focus on governance measures. However, no UK investors feel it is their role to become involved in companies' social policies. This trend grows stronger when it comes to redundancy plans, with two-thirds of French asset owners stating that they would demand an explanation from the company, compared with only one-third of the British.

Unanimous on climate change and executive compensation

The majority of the investors surveyed have understood that climate change will have a global economic impact on all companies, although this applies to a higher proportion of UK respondents (63% versus 52%). Both French and UK asset owners expect companies to define an energy consumption policy, set targets to lower greenhouse gas emissions and provide standardised environmental reporting. Another point of agreement is executive compensation, which 75% of the investors surveyed believe they should supervise. They feel that they are in a better position to do so as shareholders, as opposed to public authorities or the companies themselves. This opinion is shared by nearly all UK respondents and 60% of French respondents.

To view the survey, go to: http://www.novethic.com/novethic/v3_uk/upload/ESG_Survey_2009.pdf

About Novethic: Novethic, a part of Caisse des Dépôts, is the leading research center in France on Corporate Social Responsibility (CSR) and Socially Responsible Investments (SRI) as well as a sustainable expert media. Novethic provides resources and mobilises business leaders, investors and NGOs and other stakeholders on key topics related to CSR and SRI. As the only source of analytical and statistical information on the French SRI market, the research center conducts thematic studies, analyses product trends and assesses the management processes of nearly 200 SRI funds. Visit www.novethic.com

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