

For immediate release

France, Europe's fourth largest SRI market

Paris, September 12, 2006: According to statistics compiled by Novethic, which were used by Eurosif to evaluate the French market for its European SRI Study – 2006, France is now Europe's fourth largest SRI market, with invested assets totaling €8.2 billion. This is 8% of the European SRI (socially responsible investment) market. Since 2003, the SRI market segment has grown by 92% in France. Over the same period, the European SRI market grew by 36%.

SRI in Europe: the Netherlands and the United Kingdom top the list, followed by Belgium and France

The *European SRI Study – 2006* analyzes SRI (Socially Responsible Investment) in nine European countries (Austria, Belgium, France, Germany, Italy, The Netherlands, Spain, Switzerland and the United Kingdom). Working in collaboration with Eurosif, Novethic used the findings of its statistical and qualitative surveys to provide information on the French market.

With €8.2 billion in assets, France accounts for 8% of the European SRI market, and is positioned **in fourth place** after The Netherlands (€41.5 Bn, where ethical exclusion or screening is the dominant practice), the United Kingdom (€30.5 Bn, of which €22.5 Bn using the positive selection approach based on environmental, social and/or governance criteria) and Belgium (€9.5 Bn).

At the European level, although the market for SRI in the broadest sense of the term is estimated to be worth more than 1,000 billion euros, i.e. 10-15% of the asset management market, the so-called **core SRI** approaches (i.e. the most thorough SRI approaches that consider social and environmental criteria in financial management) **represent only €100 billion**.

The French market is very dynamic, with the appearance of new players in the pension fund and employer-sponsored retirement savings segments

The French market is playing catch-up. Since 2003, SRI has expanded by 92% in France. Over the same period, the European SRI market grew by 36%.

One of the distinguishing traits of the French SRI market compared to others in Europe is the growing role played by employer-sponsored employee savings plans and pension funds. The trade unions are beginning to get involved in defining the SRI considerations used to make SRI investments on behalf of employee savings plans. In the years ahead, Novethic and Eurosif anticipate a preponderant role for public institutions such as the ERAFP (*Etablissement de la Retraite Additionnelle de la Fonction Publique*), which have been set up to help fund pensions for civil servants.

The French market is way behind when it comes to SRI integration and engagement

The French market is characterized by the **predominance of positive selection-based approaches of the best-in-class kind**, based on **environmental, social and governance criteria**. **At the end of 2005**, the **inclusion** of extra-financial considerations in asset management concerned more than **€5 billion in assets under management**, compared with €641 billion at the European level. This gap is attributable to the still small number of French institutional investors that use this more transversal approach to the asset selection process.

To download "The European SRI study 2006" : http://www.eurosif.org/publications/sri_studies

About Novethic:

A subsidiary of *Caisse des Dépôts et Consignations*, Novethic is a leading center for resources, information and expertise pertaining to SRI and corporate social and environmental responsibility. Its web site (www.novethic.fr) is a comprehensive resource for responsible economic actors.

About Eurosif: The European Social Investment Forum is a non-profit pan-European organization whose mission is to promote and develop sustainable, responsible development and better corporate governance. Eurosif's members are pension funds, financial services firms, universities, research groups and NGOs. It represents more than 600 billion euros in assets via its members.