

For immediate release

Unique Novethic Survey

SRI market in France: now valued at 12.5 billion euros, including 3.6 billion euros invested in bonds

February 7, 2007 (Paris) – Novethic, a subsidiary of the Caisse des Dépôts and center for research on SRI (Socially Responsible Investment), wraps up 2006 with an assessment of the major changes in the market for SRI* funds sold in France (assets under management, number of funds, principal trends). The 137 SRI funds now available in France now have assets under management valued at more than 12 billion euros (compared with 10 billion euros at year-end 2005), an increase of 26% in one year.

Assets under management continue to rise

Assets invested in SRI funds sold in France rose by 26% in 2006. They totaled 5 billion euros at year-end 2004, rising to **10 billion euros** by year-end 2005 and reaching **12.5 billion at year-end 2006**. Money market and bond funds registered in France made a major contribution to growth. In particular, Natexis AM beefed up its SRI range, making a spectacular contribution to growth in the process. In a parallel development, equity funds—registered in France and abroad—drove the movement from the beginning of last year, posting growth in assets under SRI management of 29% and 30%, respectively.

If we focus on **funds registered in France only, they hold assets currently valued at 8.4 billion euros**, compared with 3.6 billion euros at the end of 2004. In other words, **assets under management have more than tripled in the space of just two years.**

Number of funds available also rising

One of the highlights of 2006 was the number of SRI funds created. **Today, 137 funds** are on the market, sold by 45 asset management firms, compared with 128 at year-end 2005 and 80 at year-end 2002. The number of funds available has increased by **70% in four years**, attributable to the move by some French players to expand their range of funds (such as Natexis AM and Prado Epargne), as well as to the arrival of new funds sold by foreign players. They include LODH Invest International SRI Quant (LODH) and Living Planet Fund (UBS Global AM and Sarasin).

SRI bond funds being developed

The interest on the part of institutional investors in SRI is reflected in the emergence of a new type of product, in addition to the SRI funds predominantly invested in equities. SRI bond funds, which cover the spectrum of fixed-income products, have developed substantially in France. At year-end 2006, they accounted for more than **30% of all SRI assets**, versus 15% at year-end 2003. Over the same period, SRI assets in these vehicles went from **720 million euros to 3.6 billion euros**.

This SRI bond offering, which includes **around thirty funds**, began to develop gradually in France three years ago alongside the pure equity product range (78 funds) and the range predominantly invested in equities (15 funds). There are also about ten diversified funds, mainly invested in bonds. Thanks to the emergence of these products, their promoters have begun to devise new extra-financial assessment methods that are applicable to national governments, local governments and international organizations. Novethic surveyed them, producing the first comprehensive assessment of the SRI bond processes. It is scheduled for release to the public on February 23, 2007.

Click here to download the 2006 scorecard (Novethic Indicator):

http://www.novethic.fr/novethic/upload/com/Indicateur_bilan_2006.pdf

Click here to download the survey of SRI bond funds in France:

http://www.novethic.fr/novethic/upload/com/Synthese_ISR_obligataire_EN.doc

**Socially Responsible Investment (SRI): Socially responsible investment integrates social and environmental criteria into investment decisions. These criteria supplement rather than supplant financial considerations, with the aim of limiting the risks involved in investing and enhancing global performance. For more information, visit the Novethic web site: [click here](#).*

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.