



## The Novethic SRI Label or how to promote selective SRI

27.09.12 – Today Novethic awards its SRI (Socially Responsible Investment) Label to 109 funds for 2012. The Novethic Label, created in 2009, sets a benchmark to help individual investors in choosing SRI financial products offered by banks and insurance companies. It primarily guarantees that the funds have a consistent SRI process and a high level of transparency. The 2012 edition tightened its selectivity requirement, a first step towards more discerning SRI products to distinguish them from classic financial products.

### Guaranteeing transparency and traceability

The Novethic SRI Label is awarded to funds that are managed in a way that truly integrates Environmental, Social and Governance (ESG) criteria. It has two objectives:

- Drive investment managers towards greater transparency by asking them to disclose on their website not only clear explanations of their SRI management process but also the full list of their portfolio holdings, information that is usually impossible to find for other financial products.
- Inform individual investors where their savings is invested, in the way that consumers demand traceability on the ingredients and origin of food products or textiles.

### Foster convincing and quality SRI

Requirements were tightened for the 2012 version of the Novethic SRI Label. SRI fund distributors must now prove that their ESG analysis has a significant impact on how companies are selected for the portfolio. Otherwise, an SRI fund is no different from a traditional financial product. By promoting selective SRI funds, Novethic is boosting the value of financial products that are most closely in line with the purpose of SRI: advancing a long-term investment model linked to the real economy that encourages companies to implement solid sustainable development strategies.

### 22% of applicant funds were not awarded the Label

The Label's new criteria was announced in advance so that professionals could adapt their strategy accordingly. This explains why the number of applicants fell from 184 to 140. The change in methodology for the 2012 Label is also the main reason for the 22% refusal rate. Of the 31 funds refused, 28 failed to show that their ESG analysis had a significant impact on their management.

Most large French retail banks and insurance companies have at least one fund included in the 109 labelled funds. Individual investors can therefore request the SRI Label for their investments. They will be encouraged to do so during SRI Week, partnered by Novethic, which begins on 12 October.

[SRI fund directory](#)

[SRI Label 2012 Media Kit](#)

The Novethic logo, consisting of the word "novethic" in white, lowercase, sans-serif font on a solid orange rectangular background.

A not-for-profit organisation independent from fund providers, Novethic is a research centre providing expertise in Socially Responsible Investment (SRI) and Corporate Social Responsibility (CSR). Its websites [novethic.fr](http://novethic.fr)/[novethic.com](http://novethic.com) are an expert tool for sustainable development. Novethic is part of Caisse des Dépôts. [www.novethic.fr](http://www.novethic.fr)

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