

**Press Release** 

London, Nice, Singapore, November 30, 2010

## Environmental protection is considered an investment theme by 90% of investment management professionals

In a new EDHEC-Risk Institute Publication, entitled "Adoption of Green Investing by Institutional Investors: A European Survey", EDHEC-Risk review the concept of green investing and report the results of a European survey on investment management professionals.

One of the key results of the survey is that green investing is a significant movement in which survey respondents are heavily involved. In fact, nearly 90% of respondents consider environmental protection an investment theme and the same percentage plans to do more green investing in the future.

The results of our survey show that the most popular green theme is climate change: 81.5% of the respondents who take green investing into account are concerned with climate change. Other environmental themes such as water management, anti-pollution measures, and improvement of processes are also frequently taken into account by the majority of respondents.

We also find that investors define green investing in different ways. We focus first on the definitions and concept of sustainable development, and the results show that these may not be entirely clear for respondents. Another widely-used term for making extra-financial information an integral part of investment decision making is socially responsible investment (SRI). For a clear majority (61.9%), sustainable development and socially responsible investment are two identical concepts. Such disagreement on basic definitions may further compound the fundamental difficulty of using extra-financial information in the investment process.

Survey results show that the main obstacle to green investing is the **lack of credible standards for defining and assessing green investments**. 50% of respondents report that this is the biggest obstacle to their adopting green investing criteria.

The main conclusion to this survey is that before the green investment segment can sustain further growth, work towards a sound conceptual underpinning of the green investing approach will have to be done. Furthermore, investors should always have rigorous and well-defined investment processes and analyses, besides their good intentions to be responsible to the planet and to society.

A copy of "Adoption of Green Investing by Institutional Investors: A European Survey" can be downloaded by pressing [Ctrl] and clicking on the following link:

Adoption of Green Investing by Institutional Investors: A European Survey

This study will be featured at the Green Investing Conference, which will be held at the Nice Campus of EDHEC Business School on December 10<sup>th</sup>, 2010.

EDHEC-Risk Institute

EDHEC Risk Institute—Europe

EDHEC Risk Institute—Asia



To receive an invitation to the Green Investing Conference, please contact Marie-Josée Tronchet:

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The conference programme can be accessed via the following link: Green Investing 2010

## **About EDHEC-Risk Institute**

EDHEC-Risk Institute is part of EDHEC Business School, one of Europe's leading business schools and a member of the select group of academic institutions worldwide to have earned the triple crown of international accreditations (AACSB, EQUIS, Association of MBAs). Established in 2001, EDHEC-Risk Institute has become the premier European centre for financial research and its applications to the industry. In partnership with large financial institutions, its team of 56 permanent professors, engineers and support staff implements six research programmes and eleven research chairs focusing on asset allocation and risk management in the traditional and alternative investment universes. The results of the research programmes and chairs are disseminated through the three EDHEC-Risk Institute locations in London, Nice and Singapore.

EDHEC-Risk Institute validates the academic quality of its output through publications in leading scholarly journals, implements a multifaceted communications policy to inform investors and asset managers on state-of-the-art concepts and techniques, and forms business partnerships to launch innovative products. Its executive education arm helps professionals to upgrade their skills with advanced risk and investment management seminars and degree courses, including the EDHEC-Risk Institute PhD in Finance and the EDHEC-Risk Institute Executive MSc in Risk and Investment Management.

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