

Socially Responsible Investment: are the French public interested?

42% of the French public want to know about the socially responsible investment credentials of the next financial product or service that they buy, according to a national opinion survey published today.

The national online consumer survey, conducted by Ipsos MORI on behalf of non-profit research organisation EIRIS, explores public attitudes to socially responsible investment (SRI) in France. It also marks the launch of the first ever national SRI week in France.

The 1020 respondents who took part in the survey said that banks and financial institutions should prioritise protecting human rights (60% rated between 7 and 10 on the priority scale), protecting the environment (60%) and tackling climate change (54%) when lending or investing money.

Ethical issues such as avoiding tobacco companies (31%) or arms manufacturers (36%) were also issues many respondents thought banks and financial institutions should prioritise.

Key survey findings

Significant Interest in SRI

- 57% of those who said they are interested in finding out more about the ethical credentials of financial products and services said they are likely to take these considerations into account when deciding which savings or investment products to buy in future

Financial performance

- Only 17% of respondents think that SRI products 'are less likely to perform as well as similar standard products'

Human rights and environment protection have priority

- Respondents were presented with a list of issues and asked on a scale of 1-10' (with 1 being low priority and 10 high priority) 'to what extent do you think banks and financial

institutions should prioritise the following issues when deciding who they will or will not lend money to or invest in

- Issues emerging as the highest priority were equally protecting human rights (60% scoring 7 - 10) and protecting the environment (60%), followed by tackling climate change (54%), investing in fair trade (52%), good governance (45%) and avoiding arms manufacturers (36%)
- A smaller proportion prioritised the avoidance of companies involved in genetic engineering (25% scoring 7 - 10), the manufacturing of alcohol (28%), gambling (29%) and tobacco (31%)

Barriers: low awareness, lack of information and some mistrust

- 59% of those surveyed could not name or describe in detail any SRI products
- Awareness is low even among those that stated they were interested or likely to consider SRI credentials when next choosing a product or service; 61% of those interested and 59% of those likely to consider could not name or describe in detail any SRI product
- The survey highlights a lack of information and a lack of clarity as key barriers to people purchasing SRI products. 50% of respondents agree that 'there is not enough information available on how SRI products make a visible difference in the world'; 45% agree that they 'don't know where to go to find out information' and 44% of respondents agree that 'the information available is not clear enough'
- 37% agree that they would not buy SRI products because they 'do not trust the claims of financial providers'. 33% of respondents agree that they would not buy ethical financial products because 'there is no external verification of the ethical claims such products make'

Nadia Laine, Head of Client Services (Europe) at EIRIS said: "Our survey provides firm evidence of growing interest in socially responsible finance, suggesting that the message that it is possible to both make money and make a positive difference when investing responsibly is starting to get through to consumers. But levels of awareness, trust and confidence in SRI products are low. The industry must respond with greater transparency and provide clearer information on how saving and investing can make a positive difference. Our survey suggests that demand for ethical financial products and services is set to continue as more consumers question how and where their money is invested".

"French consumers attitude towards ethical products is quite in line with the attitude of the British. In the UK, a larger priority is given to ethical issues such as avoiding arm manufacturers (61% in the UK compared to 36% in France) or tobacco (37% vs. 31%) but

contemporary issues, whether they are social or environmental, remain the most important priority for the French and the British alike.¹” she continued.

“This week, the French national SRI week highlighted a dynamic SRI French market and the willingness of SRI actors to turn towards French consumers” added Grégoire Cousté, Project Manager at the French Social Investment Forum (FIR).

¹ A similar consumer survey was conducted in the UK by Ipsos Mori on behalf of EIRIS in November 2009, the results of which can be downloaded www.eiris.org/media

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Notes to editors

1. The National Online Consumer Survey was conducted by Ipsos MORI on behalf of non-profit research organisation EIRIS, to gauge current interest in SRI products among French consumers, explore post credit-crunch attitudes to responsible finance; and identify current barriers to investing. A sample of 1020 French adults aged between 16 and 64 years responded to the online survey across France. Fieldwork was conducted using an online method and took place between September 17 and September 19 2010. Data have been weighted to the known population of France.
2. The National Online Consumer Survey conducted by Ipsos MORI in GB was carried out 30th October – 2nd November 2009. A sample of 1037 British adults aged between 16 and 64 years responded to the online survey across Great Britain. Data was weighted to the known population of Great Britain.
3. Supported by the French ministry of Ecology, Energy, Sustainable Development and Sea (MEEDMM), the first SRI week in France is organised by the French Social Investment Forum (FIR), whose mission is to promote SRI, in partnership with numerous SRI actors. The SRI week allows individuals and professionals to understand SRI better, its aims and processes and its issues through events organised in France during that week.
4. EIRIS is a leading global provider of independent responsible investment research. EIRIS' responsible investment services are used by more than 100 asset owners, asset managers, banks, stock brokers, governments and charities from across Europe, North America, Australia and Asia. We work with major index providers around the world including FTSE, the Johannesburg Stock Exchange and Mexican Stock Exchange. EIRIS research covers 3,000 companies in Europe, North America and the Asia Pacific region. In addition to overseas offices in the US and France, our global network of research partners enables us to further extend our research coverage. The EIRIS partner network includes research organisations in Australia, France, Israel, Germany, Spain and South Korea. For further information, please visit www.eiris.org

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