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***THE OPPORTUNITIES OF THE SOCIALLY AND
RESPONSIBLE INVESTMENTS (SRIs)
FOR A FINANCIAL “NEW DEAL”***



PURPOSE OF THE PRESENTATION:

**Talking about the opportunities that can be offered
by Sustainable or Socially and Responsible
Investment**



1) What is Sustainable or Socially and Responsible Investment ?

2) What kind of strategies are preferred by SRI in the European countries?

3) Why can we consider SRI a new and a better way of doing finance?

1) What are Ethical Finance and the Socially and Responsible Investment (SRI)?

- Ethical Finance is a way of doing finance that respect the environment and the human rights.

Its approach in investment doesn't consider the only aspect of monetary earnings.

This approach, in fact, consider other values, such as the respect for the environment or the social one, putting at the centre of its attention the Human person, his economic capacities and his social role.

2) What kind of strategies are preferred by SRI in the European countries?

According to EUROSIF* Reports 2012, there are several strategies in an ethical approach (*Sustainability themed investment; Best-in-Class; Norms-based screening; Exclusions; Integration; Engagement and Voting; Impact Investing*).

The first strategy choosed (according to a temporary point of view) is the *Exclusions* one, while the new category introduced for the first time by Eurosif Report 2012 is the *Impact Investing* one.

- * EUROSIF is the «*European Sustainable and Responsible Investment Forum*», a network born in 2001 among 5 European countries , that produces a Report about SRI in European countries every 2 years.

EXCLUSIONS

This is a strategy of *negative screening**:

It's impossible to invest in sectors or in particular firms considered Not Sustainable (we can consider so all the sectors «socially critics», such as the tobacco sector, the armaments industry or the nuclear one and so on...)

* Examples of *positive screening* are the strategies of *Best in class* or *Sustainability themed investment*

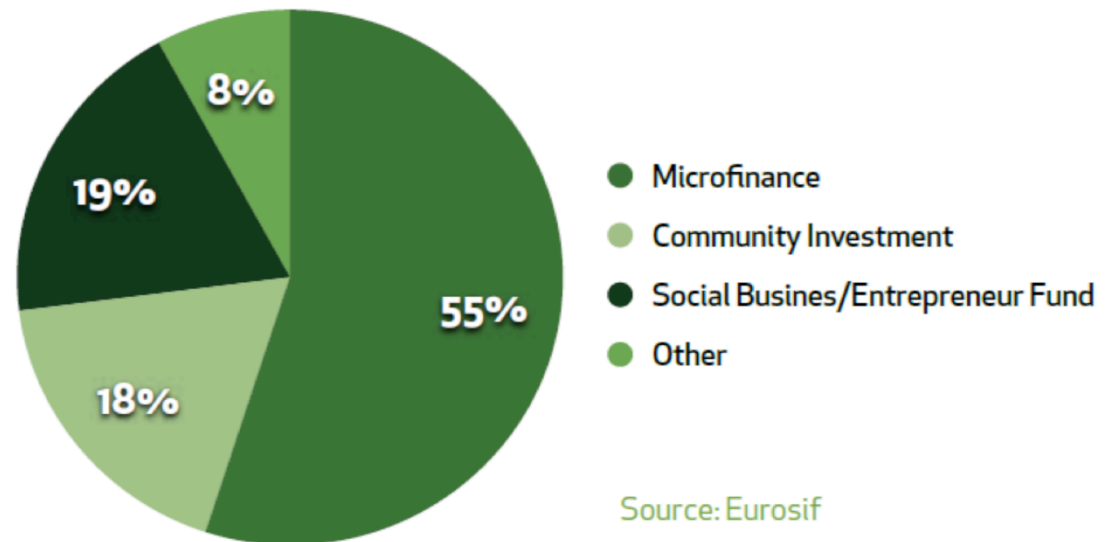
Impact Investing

Impact Investments are all the investments in firms, organizations or funds having the aim to realize environmental or social effects together with a monetary earning

Microfinance

Social Business

*Community
Investments*

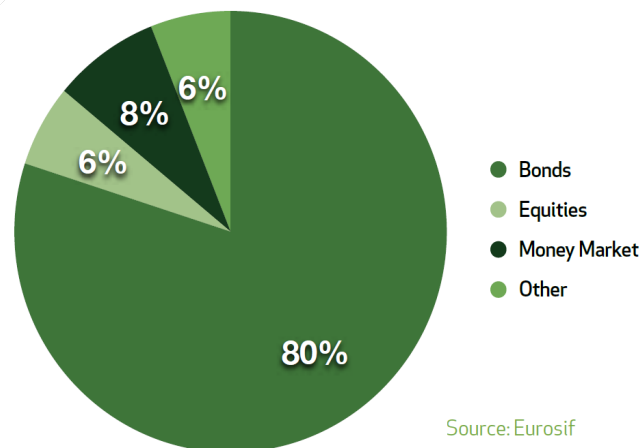
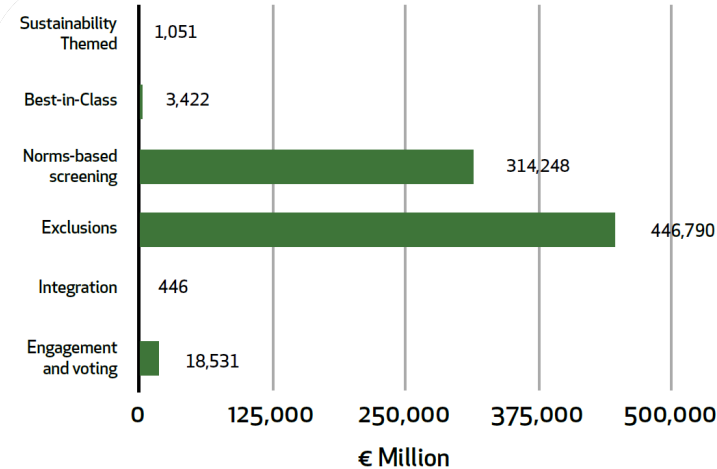


SRI in Italy

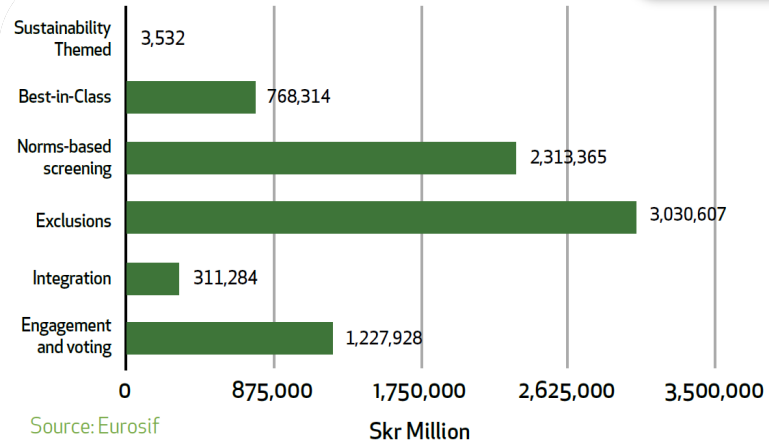
*Main strategies:
Exclusions e Norms-
Based screening*

*Main importance of
Assicuration
Companies and of
Mutual Funds in the
development of SRI
market in Italy*

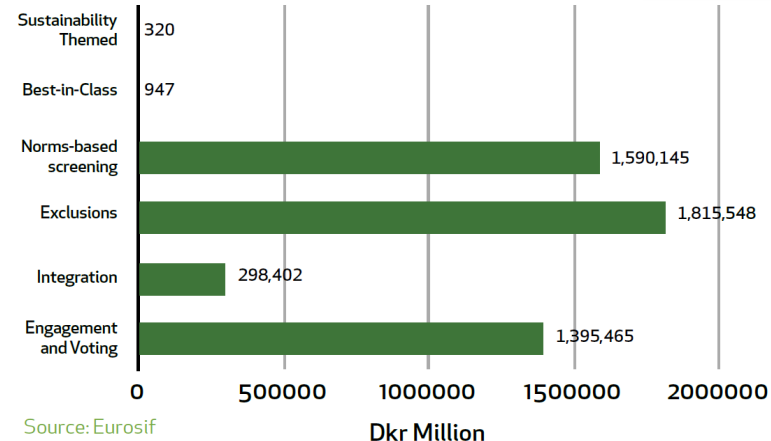
*Predominanza bonds in
the asset allocation*



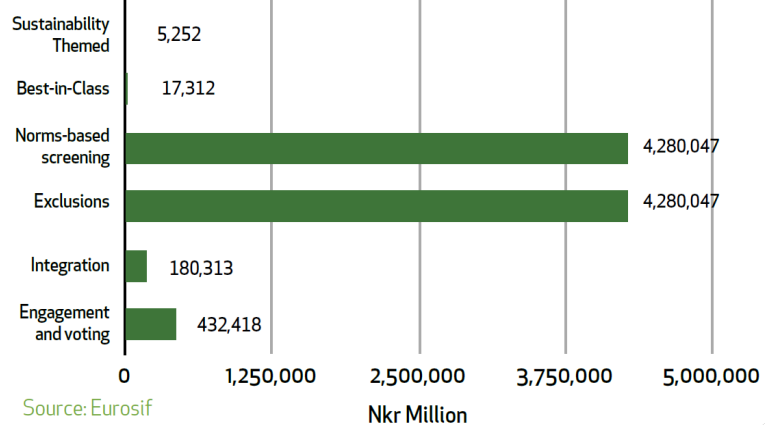
Sweden



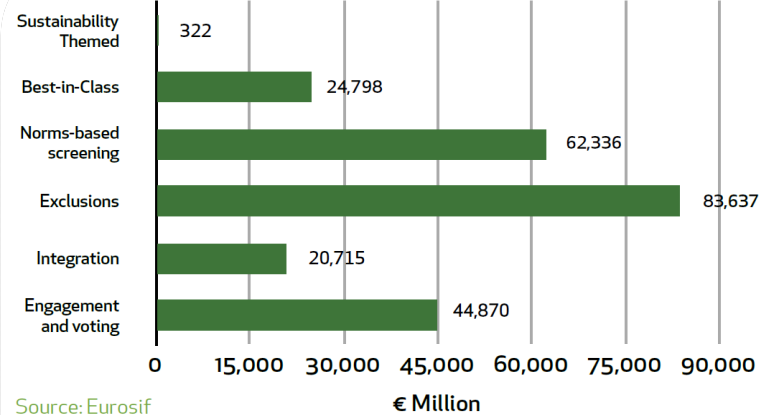
Denmark



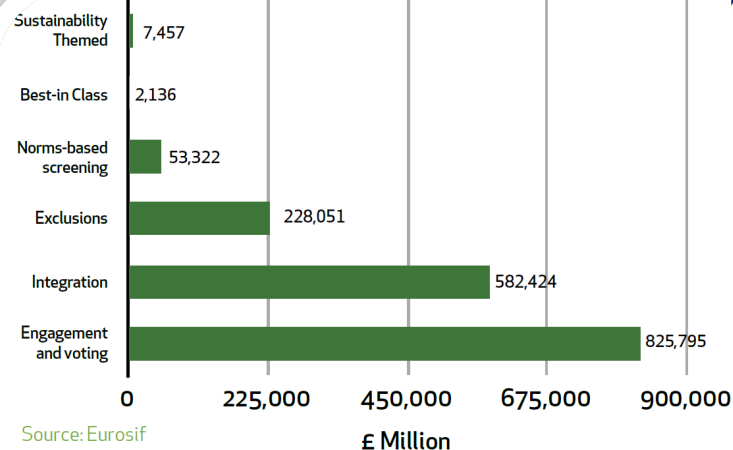
Norway



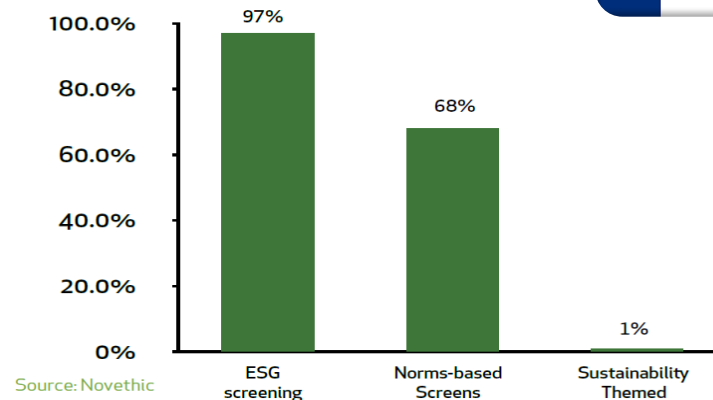
Finland



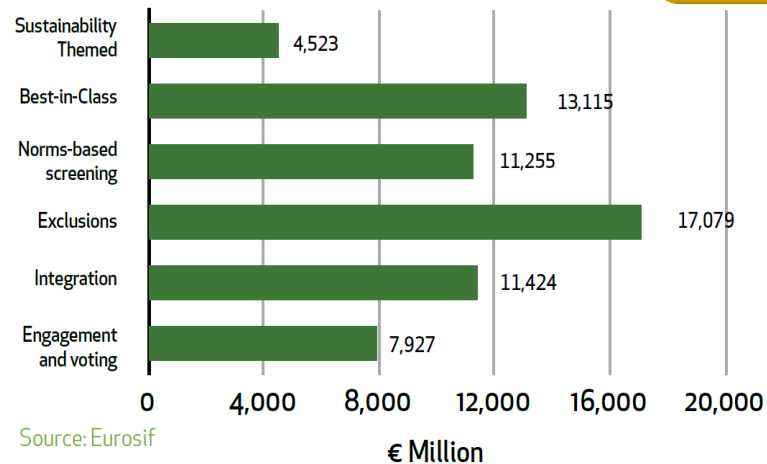
United Kingdom



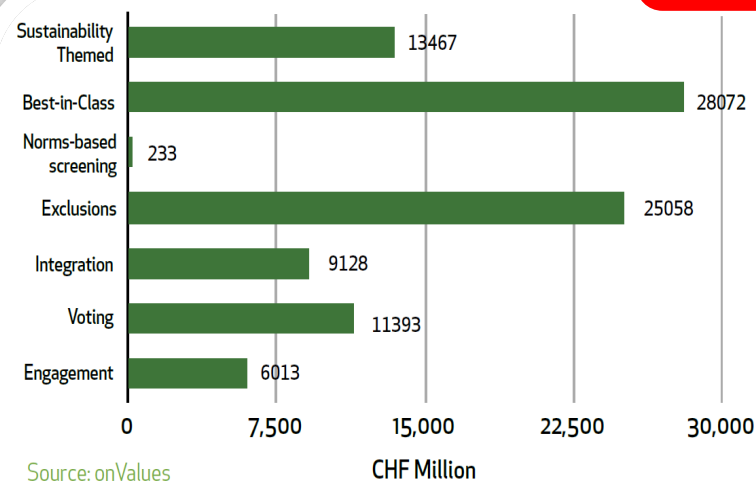
France



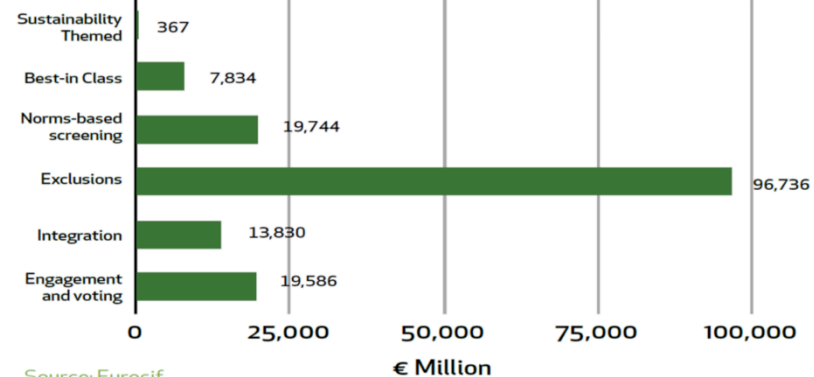
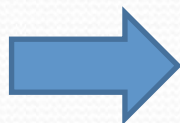
Germany



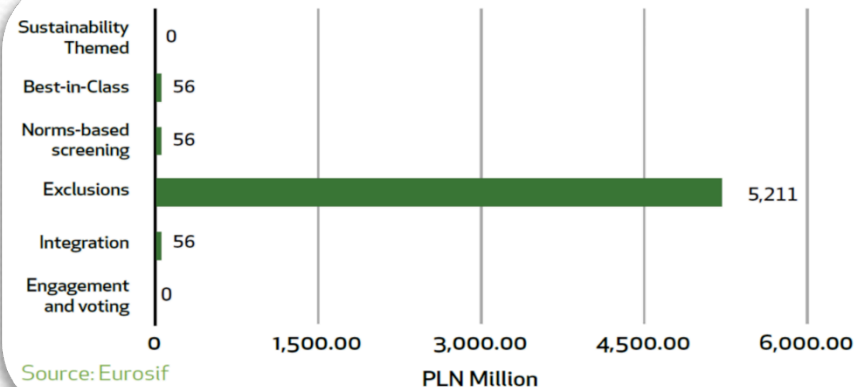
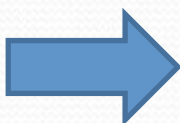
Switzerland



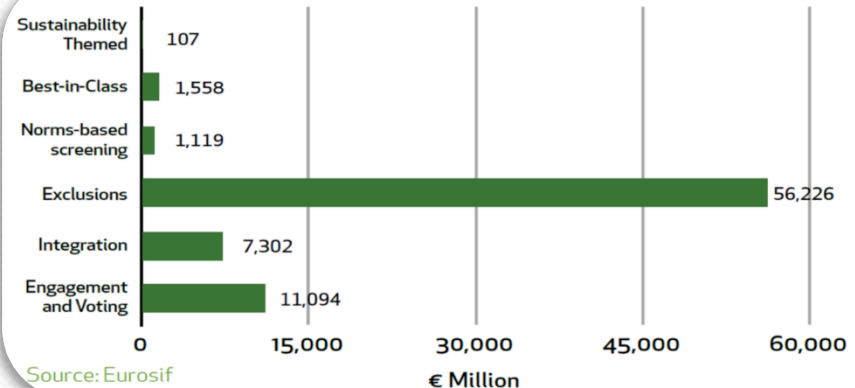
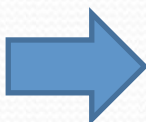
Belgium



Polland



Spain





3) Why can we consider SRI a new and a better way of doing finance?

To give an answer to this question it's necessary to give an answer to another question:

Why SRI has had a little diffusion in the financial contest compared with «traditional finance»?

Causes of the lower diffusion of Ethical approach in Financial contest

SRI Funds, according to most of the investors, were characterized by:

- **lower performances** (caused by lower possibilities of choice in their investments)
- **higher costs** (caused by the necessity of higher studies and analyses of different economic sectors)



But...

**RECENT STUDIES ABOUT COSTS AND
PERFORMANCES OF SRI FUNDS (COMPARED WITH
TRADITIONAL FUNDS) SHOW THAT
THESE ARE DETRIMENTAL CONVICTIONS!**

The best performance is for
ETICA SGR' Responsible Funds (ETICA SGR is the asset management society controlled by Banca Popolare Etica, the main Ethical Financial Institution in Italy)

VINCE L'ETICA

SOCIETÀ	PATRIMONIO	PUNTI	PERFORMANCE PONDERATA		
			A 5 ANNI	A 3 ANNI	A 1 ANNO
Etica	439.198	6	15,14%	20,26%	0,24%
Pioneer Investments	44.860.210	6	8,77%	33,95%	1,38%
Gruppo Fideuram	24.773.251	6	7,72%	21,99%	0,82%
Arca	12.171.502	6	7,42%	18,89%	2,23%
Agora	106.037	5	14,25%	16,40%	6,09%
Ubi Pramerica	14.206.642	5	10,08%	15,75%	0,21%
NorVega	629.947	5	10,05%	12,72%	3,19%
Carige am	3.513.384	5	9,67%	10,54%	1,05%
Eurizon Capital	62.320.000	5	5,57%	13,18%	0,13%
Bnp Paribas am	60.284.250	5	3,82%	31,27%	-0,47%
Banca Finnat	619.609	4	15,45%	19,31%	-1,79%
Amundi group	4.765.938	4	15,42%	18,56%	-0,77%
Sella Gestioni	1.373.844	4	7,23%	12,17%	-0,27%
Alletti Gestille	3.921.000	4	3,88%	20,67%	-4,04%
Anima	22.730.416	4	3,62%	19,80%	-2,06%
Allianz Global Investors	14.653.040	4	3,58%	51,59%	-1,66%
Bpvi Fondi	325.773	4	3,44%	12,01%	-0,83%
Euromobiliare am	6.801.090	4	1,58%	10,58%	0,32%
Ersel am	1.896.000	4	-2,36%	19,96%	0,13%
Gruppo Generali	12.703.160	2	0,18%	11,96%	-4,12%
Mediolanum Gest. Fondi	19.260.981	2	-7,68%	30,25%	-1,89%
Consultinvest	450.488	2	-11,65%	24,97%	-8,03%
Nextam Partners	289.664	1	-3,00%	13,73%	-4,92%
Zenit	83.559	1	-4,08%	9,01%	-6,43%
Aureo Gestioni	2.266.664	1	-8,62%	9,31%	-3,84%
Azimut Gestione Fondi	10.821.000	1	-10,97%	15,54%	-2,05%
Acomea	325.386	1	-13,84%	12,21%	-7,92%
MEDIE PERFORMANCE		-	3,14%	18,76%	-1,31%

Source: Review «Il Mondo», february 2012

Conclusions (1)

SRI Funds, based on the Sustainable and Responsible Investment, **aren't more expensive and don't give lower performances compared with the traditional ones .**

In these years of crisis the SRI show not only an increasing trend (while the Investment Funds based on traditional finance show a falling trend) but also better performances.

So, it's necessary to change the conviction that
«ethic in finance is a beautiful thing but it isn't convenient»
SRI Funds can really offer a «New Way», just a «New Deal» to improve Finance all over the world.





Thanks for your attention!

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