

News

Socially responsible investing needs global standards to expand – Dexia

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EUROPE – Global standards would benefit the further expansion of the socially responsible investment (SRI) space, according to Dexia Asset Management.



Cécile de Lasteyrie, head of SRI development at Dexia AM, told IPE: "Investors talk about SRI a lot, but it is complicated for them to do.

"They need to understand how and what to invest in, which is why transparency is key to the development of SRI.

"And to aid transparency and full disclosure in the space, it would help to have standards."

Currently, only local standards exist – there are no global initiatives.

Dexia AM is very active in local professional associations to contribute to some common definitions in the space.

"SRI covers so many different approaches that there is a need for clarification, for which you have to go back to basics," de Lasteyrie said.

Since the financial crisis, there has been more media and investor interest in SRI, with even those who were previously unconvinced starting to look at it.

"Of course, not all [of them] invest, as investors remain cautious right now," de Lasteyrie said.

"Investors are also increasingly asking about the corporate social responsibility of their asset manager."

De Lasteyrie is also a strong believer in separating SRI from financial analysis.

Because the asset manager was one of the first adopters of SRI in 1994, it felt compelled to start off with the separation of the financial and non-financial space.

But it has maintained it ever since, largely due to the short-term nature of financial analysis, which is at odds with the medium to long-term approach of SRI.

France and the Netherlands are keen implementers of SRI, according to de Lasteyrie.

Demand for SRI is also growing in Germany and Italy, but she sees less interest in the space in Spain.

SRI makes up roughly one-quarter of Dexia AM's €79.3bn assets under management.

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