



# Revealed: the top 10 fund houses 'truly committed' to ESG in 2019

By Jessica Beard / 15 Oct, 2019 at 08:00



Awareness of responsible investing may be on the rise but most fund houses still struggle to express their good intentions through their brand.

That is the headline finding from the H&K Responsible Investment Brand Index 2019, which in its second year running, has ranked 220 European asset managers based on their ability to embed responsible investment approaches into their brand.

This separates the genuinely committed from those perceived to be riding ESG hype by measuring whether a fund house's good intent is also communicated through their brand and evaluates whether there is actual commitment against follow-through in brand architecture.

The index and report was created by Jean-François Hirschel, founder and CEO of financial research group H-Ideas, and Markus Kramer, partner at specialist consultancy Brand Affairs.

## How deep is the commitment?

The report found two thirds of companies analysed formally commit as responsible investors, often by signing the UN's Principles for Responsible Investment.

That said, the vast majority (75%) of these asset managers are failing to translate this commitment into their brand.

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Commenting on engagement, Hirschel said: 'While ESG assets under management are growing, public awareness is on the rise, media volume is burgeoning and regulatory demand increasing, the industry has made little progress in expressing its good ESG-intent through brand.'

Only 29 of the 220 companies assessed consciously reflect their intent within their brand and only five managing to do so through an impactful purpose statement that clearly goes beyond monetary returns and addresses greater social good.

Half the industry has remained in the 'traditionalist' category, meaning they are committed to responsible investment but are not translating this commitment into their brand.

Commenting on the integration of ESG into funds, UBS WM senior analyst equity manager research David Hochuli said in the report: 'If an asset manager really believes ESG improves what it does, and it is not detrimental to its investment process, then there shouldn't be a distinction between ESG products and the flagship product range.'

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### The top 10

Leading the way in the responsible investment space, here's the rundown of the top 10 asset managers in the index:

1. Axa Investment Management
2. Hermes Investment Management

3. Candriam
4. Swedbank Asset Management
5. Ostrum Asset Management
6. Mirova
7. Nordea Investment Management
8. Degroof Petercam Asset Management
9. Robeco
10. Bank J. Safra Sarasin

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## Deeper dive on 2019 rankings

Axa IM has taken the top spot in the index, ahead of Hermes, which ranked first [last year](#). Ostrum Asset Management, Nordea Asset Management and Robeco have broken into the top 10 this year, after failing to make the cut in 2018.

This came to the detriment of Pictet AM, Groupama AM and Sycomore AM, which all lost their respective spots in the top 10, finding themselves relegated this year.

Commenting on the latest findings, co-founder of the index Markus Kramer said: 'While public and regulatory pressure and a clear exposure to media is on the rise, there is no apparent traction yet in how asset managers connect their responsible investment actions to their brand, and more importantly, to a greater social good – ie their purpose.'

The two authors have identified genuine involvement as demonstrated through concrete actions, such as committing the UN PRIs or publishing proxy voting activity and the intent which emanates from within asset managers through their brand.

Expanding on the [inaugural Responsible Investment Brand Index](#) released in 2018, the group has built on the existing methodology used by taking into consideration additional factors to

deliver a more refined perspective on how well asset managers convey their good intent through their brand.

The research also took into account the point of view of asset owners and manager selectors by means of qualitative, in-depth interviews with senior representatives from major institutions across Europe.

The index aggregates the analysis of all 220 asset managers operating in Europe as listed in the Investment & Pensions Europe Journal Top 400 ranking as of December 2018.