



Asset managers are on a journey requiring increased speed to capitalise on the opportunities ahead.

Hirschel and Kramer (H&K) Responsible Investment Brand Index 2020

October 2020

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Five companies have consistently made it to the Top-10 in each of the last three years.

There is no doubt that the asset management industry is undergoing dynamic shifts that are fundamentally reshaping the future of the industry as a whole. Now in its third edition, the Hirschel & Kramer Responsible Investment Brand Index (in short RIBI™) expands the total universe of analysed European asset managers to 284 and adds further depth to the evaluation methodology, making it an indispensable tool within a rapidly evolving industry.

RIBI™ remains the only instrument out there which evaluates the asset management industry on its ability to translate its commitment to sustainable development into each asset manager's respective brand. The index evaluates actual commitment against follow-through in brand architecture and offers insights not available anywhere else.

The months following the outbreak of Covid-19 have introduced exceptional stress to global markets, and hence the asset management industry as a whole. If anything, the ESG agenda has been accelerated in many aspects, driving a continued shift from pure monetary value-creation and ROI thinking, towards a more balanced view of what is right for society at large. Beyond the ensuing debate on economical and health-related trade-offs, a good example to illustrate these shifts is climate change. While the consequences of climate change may not be fully felt for decades to come, the impact on society, the economy and regulation could be felt very tangibly in the spring of this year, when the pandemic first bit. We can all recall the satellite pictures showing reduced pollution over major cities, the clear-blue water and the dolphins in the canals of Venice and so on. Of course, this comes at an economical cost – and that hurts. What we witnessed is a glimpse into ongoing huge value shifts and how these will play out in the future. Investors, society and regulators will continue to adopt a broader perspective as to how the leverage of money can be more effectively balanced towards creating better futures for everyone.

Asset management has a huge role to play in this master plan. For companies in this industry it will become even more critical to not just express their good intent by committing to the principles of responsible investment and complying with regulatory frameworks – but to take a genuine and pro-active role in demonstrating through their brands to the world at large that this translates into positive action.

## RIBI™ 2020 – THE NEXT LEVEL

The Responsible Investment Brand Index examines which asset managers act as responsible investors and commit to sustainable development to the extent that they put it at the very heart of who they are, i.e. their brand.

In its third edition, the index aggregates the analysis of the 284 asset managers operating in Europe as listed in the Investment & Pensions Europe Journal Top 500 ranking as of December 31<sup>st</sup>, 2019. All but 28 of these companies have signed the Principles for Responsible Investments (PRI), the world's leading proponent of responsible investment supported by the United Nations.

The index takes the view that genuine involvement is demonstrated through (1) concrete actions such as, among others, committing to collective initiatives on sustainable development, or publishing proxy voting activity ('Commitment measure') and (2) the intent this emanates from within asset managers through their brand, best visible in openly and transparently communicated purpose statements and value systems that genuinely encourage the creation of greater societal value in addition to monetary returns ('Brand measure').

### The two RIBI assessment dimensions are:

- **Commitment** (vertical, hard factors): a total of seven top-level weighted-average criteria, such as level and quality of Listed Equity voting, strategy and governance of responsible investment etc. The evaluation source is based on the Principles of Responsible Investment Transparency Reports.
- **Brand**: (horizontal, soft factors): a total of eight qualitative criteria, such as expression of a Purpose statement, expression of a value system, link to societal values etc. This evaluation is based on research and subject matter expertise.

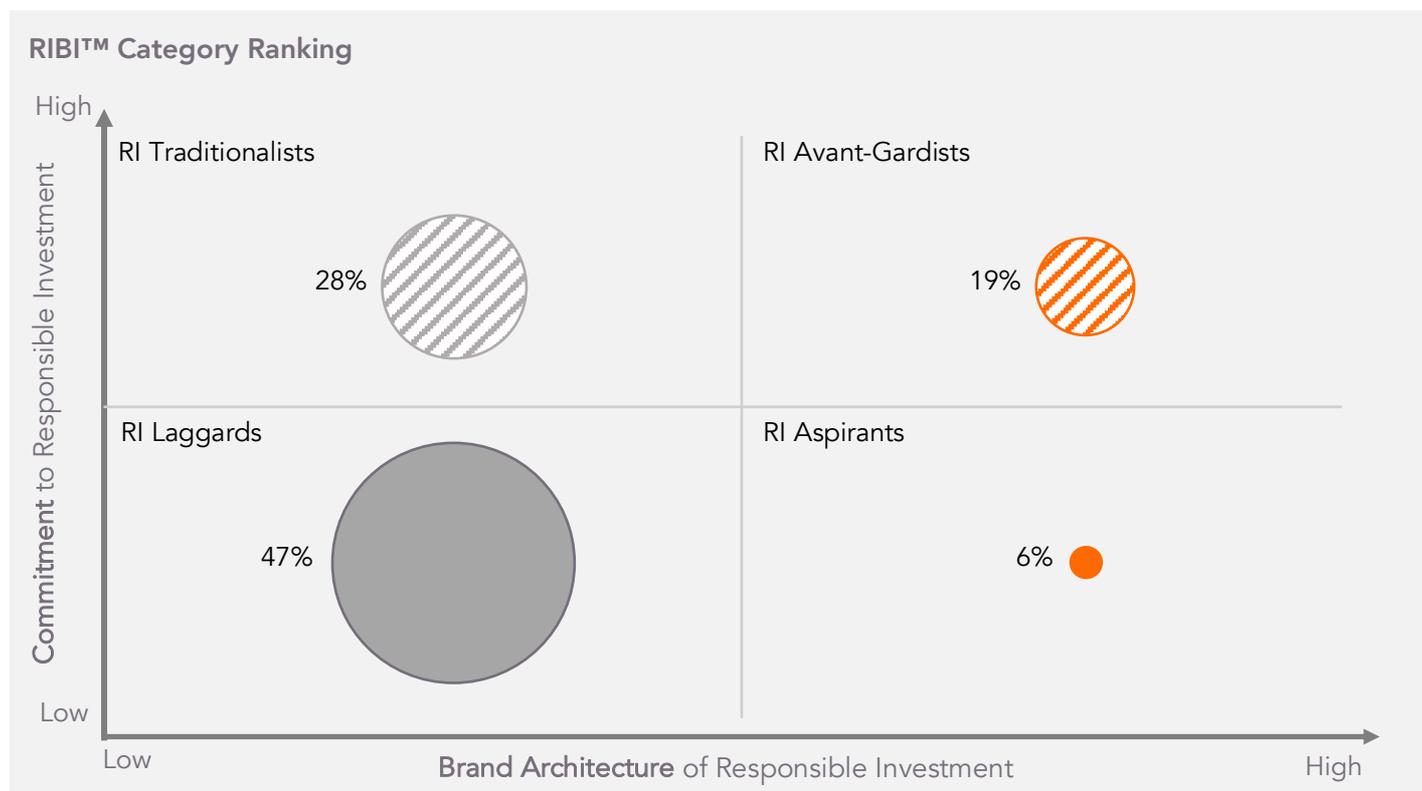
The consistency of what an investment manager commits to in terms of Responsible Investment and how it projects this in its brand is categorised in four RIBI categories:

- **Avant-Gardist**: Above average on Commitment rating and Brand rating
- **Traditionalist**: Above average on Commitment rating and below average on Brand rating
- **Aspirant**: Above average on Brand rating and below average on Commitment rating
- **Laggard**: Below average on both ratings

For 2020, the assessment methodology established three years ago has been taken to the next level, thus ensuring that the index evolves with changing industry dynamics. In its latest edition, RIBI incorporates a wide range of additional factors in order to deliver an even more refined perspective on how well asset managers convey their good intent through their brand. On the Commitment rating, up to 300 parameters are factored in, whereas on the Brand rating, additional qualitative assessments are introduced to further improve accuracy and distinction between asset managers.

A full description of the methodology can be found at the end of this report. It is also available in the methodology section on [www.ri-brandindex.org](http://www.ri-brandindex.org). All data required to calculate the RIBI ratings are sourced from publicly available information.

A heightened public focus on environmental and societal currents continues to outpace the ability of asset managers to incorporate these shifts into their brands.



Nearly a fifth (19%) of asset managers fall into the Avant-Gardist category and thereby demonstrate above average ratings on both the Commitment and Brand dimensions. While the change to previous years is marginal (+2% vs 2019 and +4% vs 2018), it is a small but nevertheless positive sign. Even when adjusting for new entrants or when looking at like-for-like comparisons, the increase remains positive. Hence the more important story here is that this is wholly attributable to the industry evolving in the right direction overall.

We are happy to see Sycomore Asset Management, Etica SGR, BNP Paribas Asset Management France, La Banque Postale Asset Management and MFS Investment Management joining the RIBI 2020 Top-10.

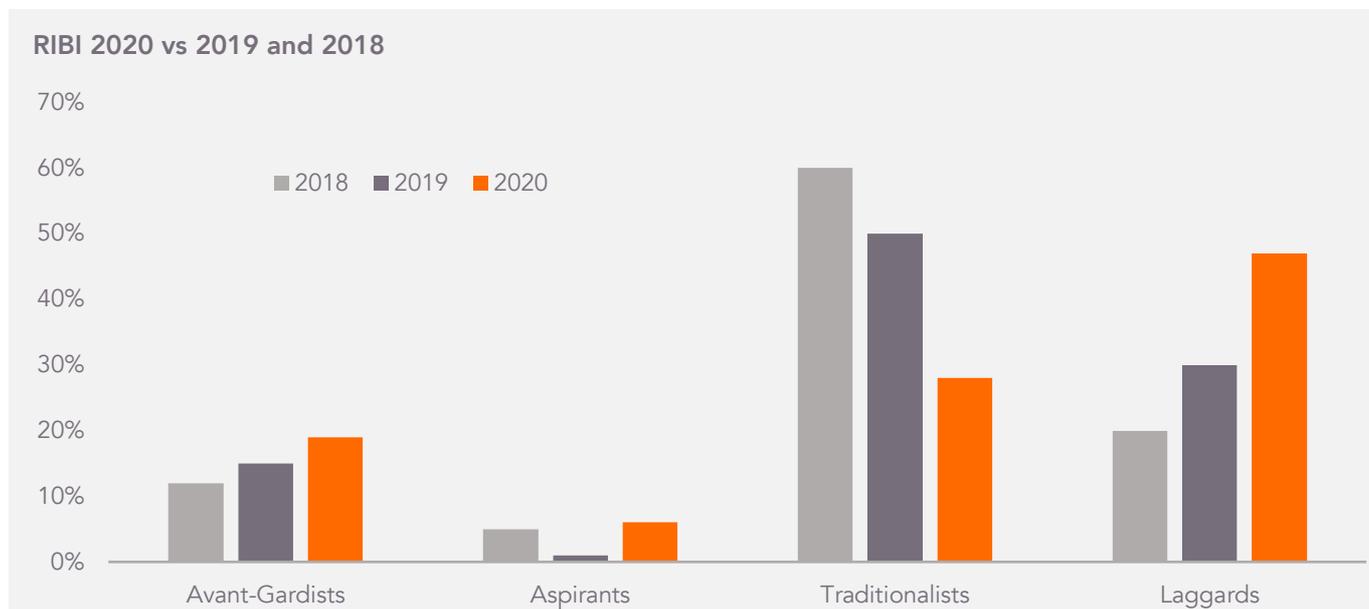
**Five companies have consistently made it to the Top-10 in each of the last three years.**

It is noteworthy that five of the top-10 asset managers in this category have managed to retain their top-ranking positions for the past three years: namely AXA Investment Managers, Federated Hermes (International Business), Candriam, DPAM and Mirova.

**The ten companies achieving the best overall score in 2020 are:**

- 1 AXA Investment Managers
- 2 Federated Hermes (International Business)
- 3 Candriam
- 4 DPAM
- 5 Sycomore Asset Management
- 6 Etica SGR
- 7 Mirova
- 8 BNP Paribas Asset Management France
- 9 La Banque Postale Asset Management
- 10 MFS Investment Management

**An increasing number of asset managers are aspiring to move into the Avant-Gardist category. While this category of Aspirants is on the up (6% vs 1% in 2019), not enough effort is being made in the other two categories.**



The most important shifts are seen in the categories of Traditionalists and Laggards. Whereas the decrease of Traditionalists to 28% (vs. 50% in 2019) may appear positive at face value, it comes at the detriment of Laggards increasing to 47% (up from 32% in 2019). This shift is explained by the expansion of the total universe under consideration and quite a number (48) of new entrants with very low ratings in both the Commitment and Branding ratings.

Indeed, 75% in the 'new' category are to be found within the Laggards. These are generally smaller companies who have not yet pushed the levers of commitment and communicating their perhaps good intent through their brands. However, it is interesting to note that the category of new smaller entrants into RIBI is fairly polarising. Either these companies are lagging behind or they are leapfrogging some of the more established houses. Two proud new entrants, Sycomore Asset Management and Etica SGR, made it straight into the top-10 in the 2020 RIBI overall ranking, demonstrating that achieving a top performance in RIBI is not necessarily a question of either scale or time.

For the first time, the Responsible Investment Brand Index's Co-Authors, Jean-Francois Hirschel and Markus Kramer have also looked at country by country benchmarks, highlighting nuances across borders. Please refer to the "Country report" section in this document.

While the number of asset managers linking their core purpose to societal goals has nearly doubled, only a handful manage to genuinely convey their commitment to Responsible Investment through their brand.

Whereas there are perceived nuances on a market-by-market basis, the picture across the European asset management landscape remains one of consternation. *"The understanding of the critical role "Brand" plays in an increasingly complex and accelerated, interconnected world is not yet present in most houses. A lot remains to be done on an individual asset manager level,"* says **Markus Kramer**, Co-Founder of the Responsible Investment Brand Index, partner at boutique brand consultancy Brand Affairs and author of the *The Guiding Purpose Strategy, A Navigational Code for Growth*.

Indeed, looking at the RIBI 2020 results, there is no doubt that the industry still thinks and works by and large in numbers. As the boundaries of clients, markets and asset managers continue to converge ever more (capital flows across borders, digital acceleration etc.), responses will have to be found to deal with questions an evolving client base is expecting answers to.

**Jean-François Hirschel**, Co-Founder of the Responsible Investment Brand Index, and CEO and Founder of H-Ideas, a company specialised in strategy and positioning in the financial industry adds: *“Above all, the main challenge the financial industry needs to address is its reputation – the need to build trust with existing customers, to establish long-term mutually profitable relationships with them and also to attract new clients. Making the connection between the financial industry and its societal responsibility through a genuinely expressed brand is a powerful way to achieve this.”*

In its broadest sense, this is about a combination of conviction and commitment, as well as a function of acting with the utmost integrity and expressing this through an asset manager’s brand.

## Conclusion

**Now, more than ever, Responsible Investment and Social Purpose represent better opportunities for investment managers.**

The nature of change we are facing in 2020 and beyond is happening at a pace most industries cannot cope with. This applies to the asset management industry as well. Competition remains not only highly concentrated, but markets are increasingly

unpredictable – yet equally and increasingly regulated, facing calls for ever more responsible actions of capital employed and full transparency towards clients and the public at large. An asset manager expressing clearly what it stands for and genuinely linking its efforts beyond profit is a way to strengthen differentiation, build recognition and establish trust. A clear and well-defined brand expression can create a strong, positive competitive differentiation.

The asset management industry is in an ideal position to answer positively to a societal demand for doing better. This is not about foregoing profit for the sake of doing good – instead, it is a call for more commitment towards clever and better answers to the problems the world faces at large. ESG and purpose-driven approaches to asset management can collectively make a tremendous contribution towards a better world for us all. The Responsible Investment Brand Index shows that while progress is being made in certain areas, the asset management industry is still on a journey that will require a significant increase in speed in order to capitalise on the opportunities ahead.

## RIBI™ 2020 – THE AVANT-GARDISTS

We are delighted to present the Avant-Gardists for the 2020 edition of RIBI in the table below.

Asset Managers keeping Avant-Gardist status of last year	Asset managers improving on their rating of last year and becoming Avant-Gardist	Asset managers entering the RIBI universe this year, and directly as Avant-Gardist
Alfred Berg	Amundi	Ardian
Aviva Investors	APG Asset Management	Etica SGR ☆
AXA Investment Managers ☆	BlackRock	Foresight Group
Bank J. Safra Sarasin	Comgest	Sycomore Asset Management ☆
BNP Paribas Asset Management France ☆	Edmond de Rothschild	
Candriam ☆	Eurizon Asset Management	
DPAM ☆	Handelsbanken	
Federated Hermes (International Business) ☆	KLP Kapitalforvaltning	
Generation Investment Management	La Banque Postale Asset Management ☆	
Groupama Asset Management	La Financière de l'Echiquier	
Impax Asset Management	Liontrust Asset Management	
Insight Investment	Lombard Odier Investment Managers	
LGT Capital Partners	M&G Investments	
Mirova ☆	Martin Currie Investment Management	
Newton Investment Management	MFS Investment Management ☆	
Nordea Investment Management	Ninety One	
Ostrum Asset Management	OFI Asset Management	
Pictet Asset Management	OP Financial Group	
Robeco	PGGM	
Schroders Investment Management	SEB	
State Street Global Advisors	Vontobel Asset Management	
Swedbank Robur		

☆ Asset manager in RIBI 2020 Global Top-10

These companies have been notified and awarded a special RIBI Avant-Gardist™ Logo as a demonstration of appreciation.

The Avant-Gardist Logo is awarded free of charge and can be used as a public identifier for leadership in the Responsible Investment Brand Index.



# Country report

For the first time this year we have included a region-by-region analysis of RIBI showing the comparative attitude towards Responsible Investment across countries and within each region in order to better understand local market specificities. We also provide a specific analysis of Boutique asset managers

## European markets overview

The RIBI 2020 European markets overview is summarised in the following graph:



The overview shows two outliers on the strong side, and two on the weak side.

On the strong side are France and Benelux, with France showing consistent strong ratings on both the Commitment and Brand side.

Benelux's overall position is strong, especially with the best Commitment rating among all analysed countries/regions.

On the weak side, Germany and Southern Europe are well below the global average. Southern Europe is weak on the Commitment side and close to average on the Brand side. Germany is very weak on Brand and slightly below market average on Commitment - a particularly puzzling position given that this is one of the biggest markets in Europe (the 4th largest one in terms of assets under management in our sample).

The other markets are closer to the Global Average with Switzerland, Scandinavia and the European hubs being slightly above average, while the UK is slightly below the Global Average, a surprising position given this is the largest market in our analysis in terms of number of asset managers (and second largest in terms of assets under management). In this globally below average market, some players however reach very strong positions.

The country by country analysis is provided in the following pages. You will also find a focus on boutique managers at the end of this section.

## Benelux

A solid, consistent approach to Responsible Investment.

### The market

		As a % of total
Number of asset managers	21	8%
Assets under management	€2 587 585 mn	5%

This is the 7th largest region in terms of the number of asset managers in the sample, and the 3rd largest in terms of assets under management.

### Benelux Top 10

Candriam	Avant-Gardist
DPAM	Avant-Gardist
Robeco	Avant-Gardist
PGGM	Avant-Gardist
APG Asset Management	Avant-Gardist
Actiam	Traditionalist
NN Investment Partners	Traditionalist
Aegon Asset Management	Traditionalist
Kempen Capital Management	Traditionalist
Assenagon Asset Management	Aspirant

### General landscape

	Benelux	Overall
Commitment rating	2.92	2.19
Brand rating	1.90	1.72

	Benelux	Overall
Avant-Gardist	24%	19%
Traditionalist	43%	28%
Aspirant	5%	6%
Laggard	28%	47%

Benelux is above the peer group average in terms of Commitment rating and Brand rating, and by a greater magnitude on the Commitment side.

The region enjoys a high proportion of Avant-Gardists (24%), above the aggregated number for the whole sample analysed. It has the smallest number of Laggards (28%).



Worth noting in this top-10 is the arrival of two new Avant-Gardists this year: PGGM and APG Asset Management who both improve on their category of last year.

The top two in this ranking, Candriam and DPAM also make it to our global top-10 ranking and at quite a high position (numbers three and four respectively). They are among these five companies which have consistently made it to the top-10 every year during the last three years.

Also interesting in this Benelux top-10 is the upper echelon of the ranking, with companies like Candriam, DPAM, Robeco and PGGM which score highly on both dimensions analysed by RIBI, Commitment and Branding, showing a quite consistent approach to Responsible Investment overall.

## European Hubs

Committed players, not fully projecting this in their brand yet.

### The market

		As a % of total
Number of asset managers	38	15%
Assets under management	€33 469 163 mn	60%

This market segment is made up of companies whose headquarters are not in Europe, but who have a strong representation in Europe as per the definition of IPE Top 400 2018, the first year RIBI was published.

This is the 2nd largest region in terms of the number of asset managers in the sample, and the largest one in terms of assets under management.

### European Hubs Top 10

MFS Investment Management	Avant-Gardist
State Street Global Advisors	Avant-Gardist
BlackRock	Avant-Gardist
Ninety One	Avant-Gardist
Nomura Asset Management UK	Traditionalist
Nuveen	Traditionalist
Eaton Vance	Traditionalist
Northern Trust Asset Management	Traditionalist
Invesco	Traditionalist
Neuberger Berman	Traditionalist

### General landscape

	European Hubs	Overall
Commitment rating	2.58	2.19
Brand rating	1.90	1.72

	European Hubs	Overall
Avant-Gardist	11%	19%
Traditionalist	50%	28%
Aspirant	3%	6%
Laggard	36%	47%

The European hubs are slightly above the peer group average, both on the Commitment rating the Brand rating. Re categories, there are less Avant-Gardists than in the whole sample, more Traditionalists and less Laggards. This shows globally more focus on the Commitment from the European hubs than on the need to project this in their brand.

### Top 10 – European Hubs



Worth noting in this top-10 is the arrival of three new Avant-Gardists this year: MFS Investment Management, BlackRock and Ninety One, who all improved on their rating of last year.

Number 2 and 3 in the ranking, namely State Street Global Advisors and BlackRock, reached this position with consistent strong ratings on the Commitment and Brand axis, while number 1, MFS Investment Management, has a very strong Brand rating, almost the maximum, and a comparatively lower Commitment rating.

Worth noting the arrival of Ninety One as an Avant-Gardist in this top-10 which, after the branding initiative it undertook this year (including the name change from Investec to Ninety One) considerably increased its Brand rating from last year, while keeping a high Commitment rating.

Among those European Hubs in the top-10, only MFS reaches a high-enough total score to make it to our global top-10 (as number 10) - the first time ever a European Hub makes it to the RIBI global top-10.

## France

The leader. An Avant-Gardist market made of up of giants and boutiques.

### The market

		As a % of total
Number of asset managers	34	13%
Assets under management	€4 769 156 mn	9%

This is the 3rd largest country in terms of number of asset managers in the sample, and also the 3rd largest one in terms of assets under management.

### France Top 10

AXA Investment Managers	Avant Gardist
Sycomore Asset Management	Avant Gardist
Mirova	Avant Gardist
BNP Paribas Asset Management France	Avant Gardist
La Banque Postale Asset Management	Avant Gardist
OFI Asset Management	Avant Gardist
Comgest	Avant Gardist
Groupama Asset Management	Avant Gardist
Amundi	Avant Gardist
Ardian	Avant Gardist

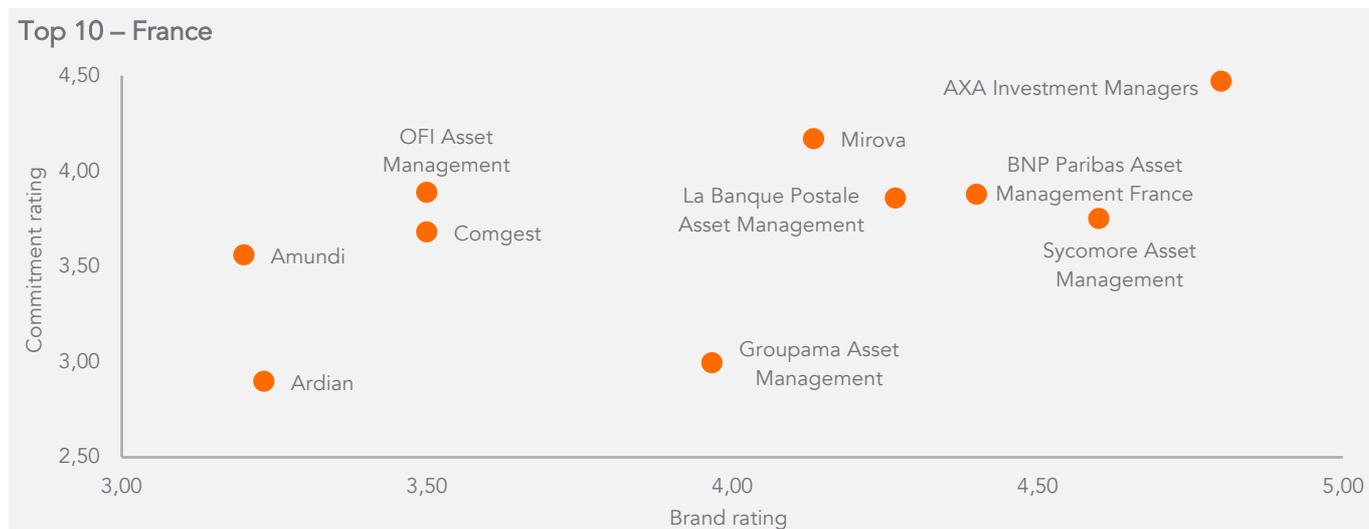
### General landscape

	France	Overall
Commitment rating	2.75	2.19
Brand rating	2.16	1.72

	France	Overall
Avant-Gardist	36%	19%
Traditionalist	32%	28%
Aspirant	0%	6%
Laggard	32%	47%

France is well above average in terms of Commitment rating and Brand rating and is the country which enjoys the highest proportion of Avant-Gardists (36%), and the smallest number of Laggards (32%). Furthermore, five French companies are present in our global Top 10 ranking, confirming France's leading position here.

While it is true that advanced regulatory measures can explain strong Commitment ratings compared to peers, it is noteworthy that French asset managers have also voluntarily made an effort to project their Responsible Investment convictions in their brand (this is actually the highest country brand rating in our analysis).



Worth noting in this top-10 is the arrival of six new Avant-Gardists this year: La Banque Postale Asset Management, OFI Asset Management, Comgest and Amundi which all improved their category compared to last year, while Sycomore Asset Management and Ardian are new comers in our universe and arrive directly with the Avant-Gardist status (Sycomore is a re-entry, as they were in RIBI in 2018 as Avant-Gardist and then exited in 2019 for size reasons).

The diversity of companies in this top-10 is worth noting, with a mix of giants that are affiliates from bank or insurance companies, and specialised boutiques, some independent and some not.

All companies in the French top-10 have strong ratings on both the Commitment and the Branding side, showing a solid consistency between what they do in terms of Responsible Investment and how they project this in their brand.

Also to be noted is a new Avant-Gardist in France, La Financière de l'Echiquier, which was a Traditionalist last year and improve its rating this year though not up to the point of making it to the top-10.

AXA Investment Managers is the leader of both the French ranking and the global ranking.

## Germany

A puzzling Laggard status for such a large European market.

### The market

		As a % of total
Number of asset managers	23	9%
Assets under management	€2 887 575 mn	5%

This is the 5th largest country in terms of the number of asset managers in the sample, and the 4th largest in terms of assets under management.

### Germany Top 10

Allianz Global Investors	Traditionalist
DWS Group	Traditionalist
Quoniam Asset Management	Aspirant
Metzler Asset Management	Traditionalist
Union Investment	Traditionalist
KGAL Investment Management	Laggard
MEAG	Laggard
First Private Investment Management	Laggard
BayernInvest	Laggard
Lupus alpha Asset Management	Laggard

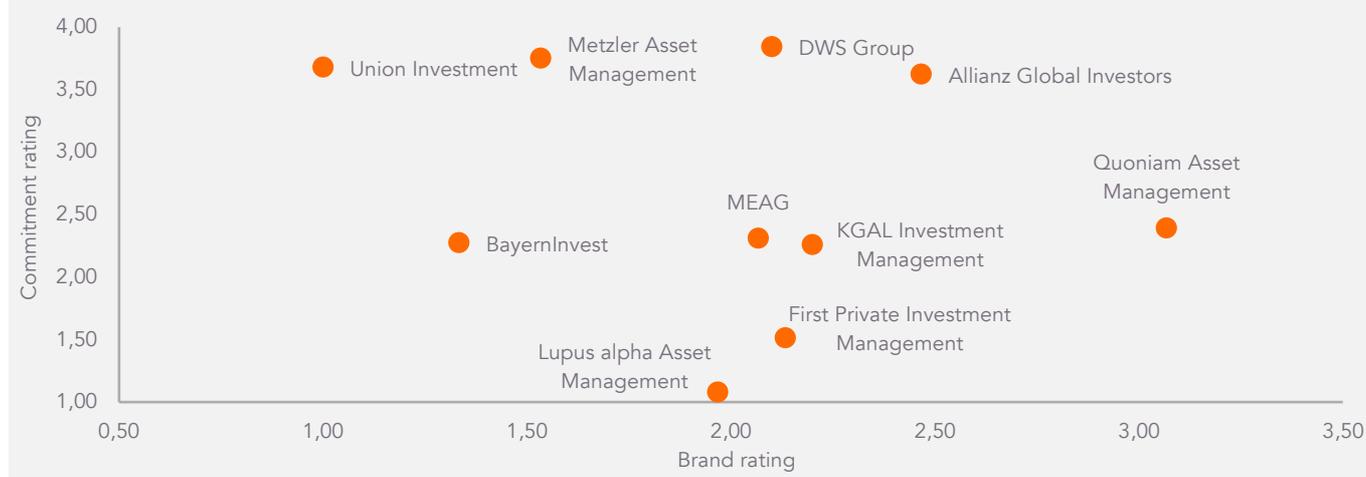
### General landscape

	Germany	Overall
Commitment rating	1.91	2.19
Brand rating	1.04	1.72

	Germany	Overall
Avant-Gardist	0%	19%
Traditionalist	26%	28%
Aspirant	4%	6%
Laggard	70%	47%

Germany is below average for both its Commitment Rating and its Brand rating. This is the only country in our analysis to show no Avant-Gardists at all, and furthermore the one with the highest proportion of Laggards (70%).

### Top 10 – Germany



As seen in many other countries, size is not a factor to make it to the top-10. And of course, the overall low scores of players in Germany means none of them make it to the global top-10.

## Scandinavia

A solid market, with a few strong players.

### The market

		As a % of total
Number of asset managers	25	10%
Assets under management	€1 219 938 mn	2%

This is the 4th largest region in terms of the number of asset managers in the sample, and the 8th largest in terms of assets under management.

### Scandinavia Top 10

Swedbank Robur	Avant-Gardist
Alfred Berg	Avant-Gardist
Nordea Investment Management	Avant-Gardist
SEB	Avant-Gardist
DNB Asset Management	Traditionalist
Handelsbanken	Avant-Gardist
KLP Kapitalforvaltning	Avant-Gardist
OP Financial Group	Avant-Gardist
Arion Bank	Aspirant
Danske Bank Asset Management	Aspirant

### General landscape

	Scandinavia	Overall
Commitment rating	2.48	2.19
Brand rating	1.78	1.72

	Scandinavia	Overall
Avant-Gardist	28%	19%
Traditionalist	20%	28%
Aspirant	8%	6%
Laggard	44%	47%

Scandinavia is above the peer group average in terms of Commitment rating and very slightly above average in terms of Brand rating. These aggregate numbers actually hide a reality where some players achieve a pretty strong Brand rating (a higher proportion of Avant-Gardists and Aspirants), while others are lagging.



Worth noting in this top-10 is the arrival of three new Avant-Gardists this year: SEB, KLP Kapitalforvaltning and OP Financial Group.

The first three in this top-10, Swedbank Robur, Alfred Berg and Nordea Investment Management simultaneously achieve a strong rating on both the Commitment axis and the Brand axis, proof of a consistent approach of placing Responsible Investment at the top of their priorities and at the heart of who they are – ie their brand.

Unfortunately, none of these regional leaders are strong enough to make it to our global top-10. Swedbank Asset Management and Nordea Investment Management were both members of the global top-10 in last year's RIBI and were overtaken by other players this year: this shows again how the playing field is changing and the bar continuously rising.

## Southern Europe

A globally lagging region with an aspiration to get there.

### The market

		As a % of total
Number of asset managers	23	9%
Assets under management	€1 541 950 mn	3%

Southern Europe covers Italy, Portugal and Spain. This is the 5th largest region in terms of the number of asset managers in the sample, and the 7th largest one in terms of assets under management.

### Southern Europe Top 10

Etica SGR	Avant-Gardist
Eurizon Asset Management	Avant-Gardist
BPI Gestão de Activos	Traditionalist
Mapfre Asset Management	Aspirant
CaixaBank Asset Management	Laggard
Generali Investments	Traditionalist
Unicaja	Aspirant
Bankia Fondos	Aspirant
Santander Asset Management	Laggard
Bankinter	Aspirant

### General landscape

	Southern Europe	Overall
Commitment rating	0.97	2.19
Brand rating	1.70	1.72

	Southern Europe	Overall
Avant-Gardist	9%	19%
Traditionalist	9%	28%
Aspirant	17%	6%
Laggard	65%	47%

Southern Europe is well below the peer group average in terms of Commitment rating and around average in terms of Brand rating. This is further confirmed when looking at the breakdown by category: this is the region where there is the highest proportion of Laggards, but also the highest proportion of Aspirants expressing a desire to go this way in their brand, but not being far enough on implementation so that it shows in their Commitment rating.



Worth noting in this top-10 is the arrival of two new Avant-Gardists this year: Etica SGR who is new in the RIBI scope and joins directly as an Avant-Gardist, and Eurizon Asset Management which improved on its ranking of last year. Etica SGR's position is very strong, enabling it to join this year's global top-10 (as number six).

## Switzerland

Some strong individual companies, an average market overall.

### The market

		As a % of total
Number of asset managers	24	9%
Assets under management	€2 618 855 mn	5%

This is the 5th largest country in terms of number of asset managers in the sample, and also the 5th largest in terms of assets under management.

### Switzerland Top 10

Bank J. Safra Sarasin	Avant-Gardist
Pictet Asset Management	Avant-Gardist
Edmond de Rothschild	Avant-Gardist
LGT Capital Partners	Avant-Gardist
UBS Asset Management	Traditionalist
Vontobel Asset Management	Avant-Gardist
Lombard Odier Investment Managers	Avant-Gardist
Partners Group	Aspirant
Mirabaud Asset Management	Traditionalist
Syz Asset Management	Traditionalist

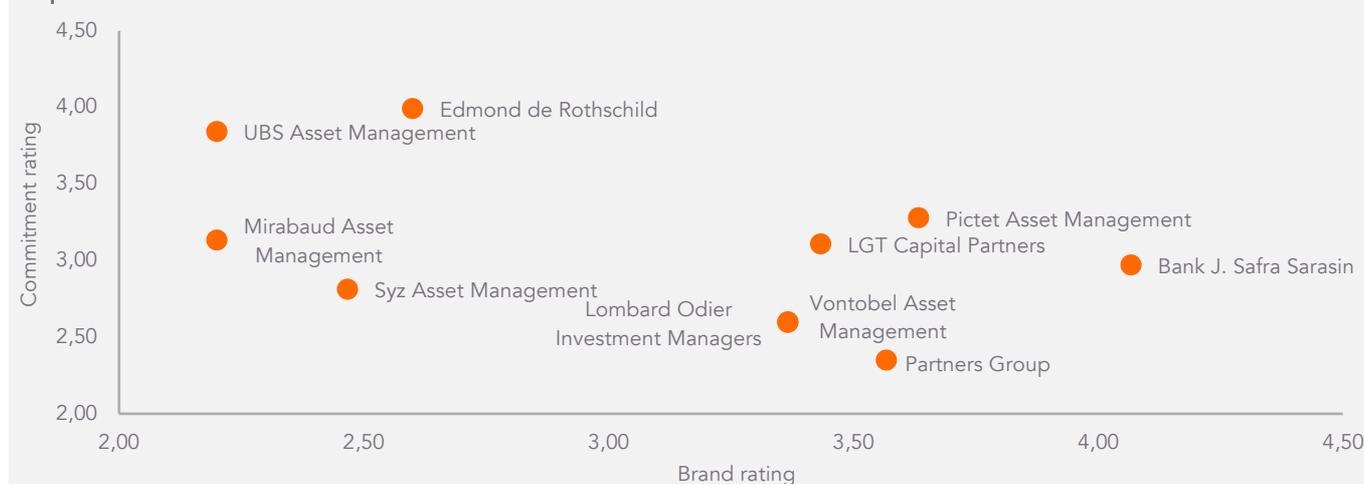
### General landscape

	Switzerland	Overall
Commitment rating	2.20	2.19
Brand rating	1.97	1.71

	Switzerland	Overall
Avant-Gardist	25%	19%
Traditionalist	21%	28%
Aspirant	8%	6%
Laggard	46%	47%

Switzerland is in line with the overall market in terms of Commitment and slightly above average in terms of Branding. This translates into a higher proportion of Avant-Gardists in this country, making it the third in the country ranking of Avant-Gardists. However, none of the Swiss companies represented here is strong enough to make it to the global top-10.

### Top 10 – Switzerland



Worth noting in this top-10 is the arrival of three new Avant-Gardists this year: Edmond de Rothschild, Vontobel Asset Management and Lombard Odier Investment Managers. With regard to the industry landscape of Switzerland, the top-10 is dominated by affiliate asset managers of banks. Size is not such an explanatory factor for making it to the top-10. In particular, it is worth noting that the banking giant UBS makes it to the top-10 (despite a below-average Brand rating but thanks to a very strong Commitment rating), while the other Swiss giant, Credit Suisse, is absent.

Partners Group makes it to the top-10 as an Aspirant - as a Private Equity specialist it is harder to score in the Commitment score methodology.

Pictet Asset Management is worth highlighting for being present in the three highest scores on both the Commitment AND Branding side, thereby presenting the best balance and consistency in our evaluation.

## United Kingdom

A good number of Avant-Gardists in a globally lagging market.

### The market

		As a % of total
Number of asset managers	56	22%
Assets under management	€6 140 253 mn	11%

This is the largest country in terms of number of asset managers in the sample, and the second largest one in terms of assets under management.

### United Kingdom Top 10

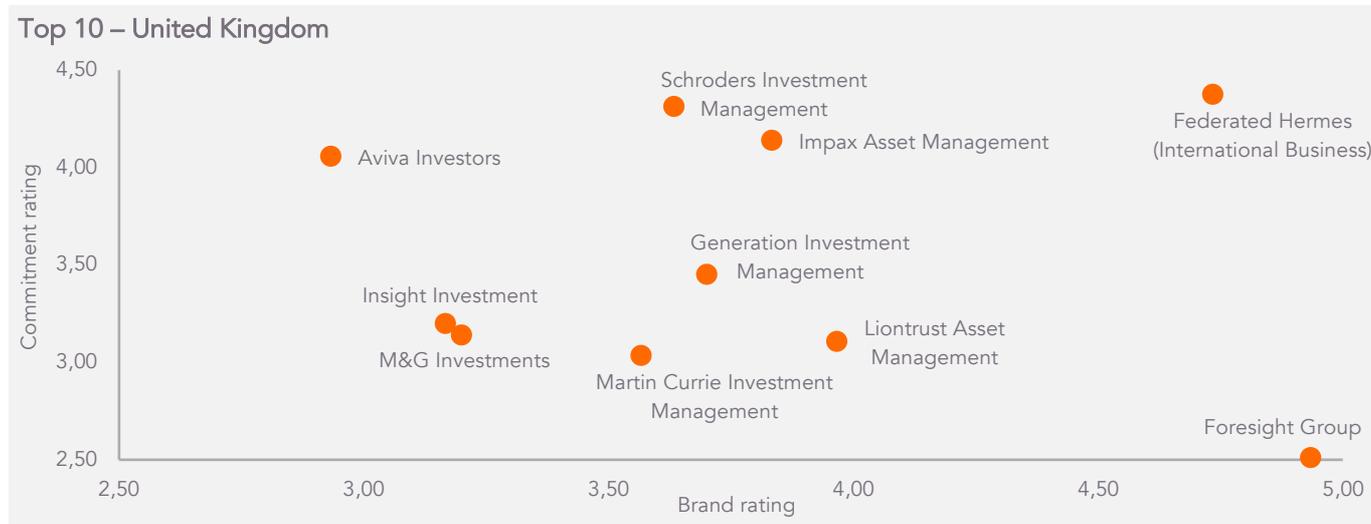
Federated Hermes (International Business)	Avant-Gardist
Impax Asset Management	Avant-Gardist
Schroders Investment Management	Avant-Gardist
Foresight Group	Avant-Gardist
Generation Investment Management	Avant-Gardist
Liontrust Asset Management	Avant-Gardist
Aviva Investors	Avant-Gardist
Martin Currie Investment Management	Avant-Gardist
Insight Investment	Avant-Gardist
M&G Investments	Avant-Gardist

### General landscape

	United Kingdom	Overall
Commitment rating	1.82	2.19
Brand rating	1.58	1.72

	United Kingdom	Overall
Avant-Gardist	20%	19%
Traditionalist	18%	28%
Aspirant	9%	6%
Laggard	53%	47%

The United Kingdom is below the overall peer group average both in terms of Commitment and Brand rating. Re this below-average result, there is an interesting proportion of Avant-Gardists (20%), roughly in line with the overall analysis, while the proportion of Laggards is bigger. We can summarise this as a market with some players who have made the decision to endorse the Responsible Investment matter and do it well, while the rest of the industry lag behind.



Worth noting in this top-10 is the arrival of 4 new Avant-Gardists this year: Liontrust, Martin Currie and M&G, who all improved their ratings compared to last year, while Foresight is a new entrant in RIBI and arrives directly as an Avant-Gardist.

As seen in some other countries, size is definitely not a factor in making it to the UK top-10 as it shows quite a diversity of players - giants, mid-size and boutique managers.

Federated Hermes (International Business) is the only player in the UK top-10 to be strong enough to also make it into our global top-10, as number 2, thanks to very strong rating on both dimensions analysed by RIBI.

## Boutiques

The attitude of Boutiques towards Responsible Investment is black and white.

### The market

		As a % of total
Number of asset managers	92	36%
Assets under management	€791 864 mn	1%

This market segment is made up of companies whose assets under management are less than €20 billion as of December 31st, 2019. This represents 36% of the companies in the overall sample and 1% of the total assets under management under review.

### Boutiques Top 10

Sycomore Asset Management	Avant-Gardist
Etica SGR	Avant-Gardist
Mirova	Avant-Gardist
Impax Asset Management	Avant-Gardist
Foresight Group	Avant-Gardist
Alfred Berg	Avant-Gardist
Martin Currie Investment Management	Avant-Gardist
La Financière de l'Echiquier	Avant-Gardist
Arion Bank	Aspirant
Majedie Asset Management	Aspirant

### General landscape

	Boutiques	Overall
Commitment rating	1.49	2.19
Brand rating	1.34	1.72

	Boutiques	Overall
Avant-Gardist	9%	19%
Traditionalist	14%	28%
Aspirant	7%	6%
Laggard	70%	47%

The boutiques are well below peer group average both on the Commitment side and the Brand side. By categories, the picture is clear with much fewer Avant-Gardists and much more Laggards than in the overall sample. It is however worthwhile looking at this in more detail as the top-10 below reveals.



Worth noting in this top-10 is the arrival of five new Avant-Gardists this year: Martin Currie and La Financière de l'Echiquier who both improve on their rating of last year, and Sycomore Asset Management, Etica SGR and Foresight Group who are new comers and enter directly as Avant-Gardists (Sycomore Asset Management is a re-entry: it was in the ranking in 2018 already as an Avant-Gardist, exited in 2019 for size reasons and is back again this year).

The first four in the ranking, Sycomore Asset Management, Etica SGR, Mirova and Impax Asset Management reach this position thanks to an overall rating well balanced between the Commitment side and the Brand side.

Sycomore Asset Management and Etica SGR have such a strong score that they make it to the RIBI 2020 Global Top-10 (as numbers five and six respectively).

## For further insights

If you would like to include deeper insights or a tailored assessment into your strategic thinking, then please do get in touch.

### For asset managers:

#### RIBI 2020

Extensive research results with insights on the evolution of the overall industry. Detailed dissection of the performance of all key players in the RIBI segments. **New this year:** includes a competitive overview with the rankings of the Top-10 on a per-country basis for major European countries.

FREE

#### INSIGHTS +

Extensive research results with detailed insights on the **evolution of your company**. A qualitative **assessment of your evolution** and a **direct comparison of your position** vs peers on each of the 15 analysed criteria (Commitment + Branding). A detailed rating of the quality of your Purpose and Values as well as recommendations for action.

€5.000

#### DEEP DIVE

Receive a tailored **INSIGHTS+** report as well as a **dedicated workshop** moderated by RIBI's two authors. This includes an in-depth preparation call in order to customise the workshop to your needs and is followed-up by **concrete recommendations** that you can use for your Responsible Investment and Brand strategy.

€15.000

### For asset owners, fund selectors and investment consultants:

#### RIBI 2020

Extensive research results with insights on the evolution of the overall industry. Detailed dissection of the performance of all key players in the RIBI segments. **New this year:** includes a competitive overview with the rankings of the Top-10 on a per-country basis for major European countries.

FREE

#### INSIGHTS +, Single manager

Extensive research results with detailed insights on the **evolution of an asset manager** of your choice. A **direct comparison of their position** vs peers on each of the 15 analysed criteria (Commitment + Branding). A detailed analysis and interpretation of what it means for you.

€5.000

#### INSIGHTS +, Multiple managers

Receive **INSIGHTS+** reports for several managers, for example, all those who manage for you, or all those ones in a specific country / region. **Comparative analysis between each of the managers** in the selected sample is provided and analysed for you.

Depending on number of managers – Please contact us.

## About the Index

The H&K Responsible Investment Brand Index (RIBI™) has been developed to identify which asset management companies act as responsible investors and commit to sustainable development to the extent that they put it at the very heart of who they are: ie in their brand. The index focuses on asset managers active in Europe. It aggregates the analysis of all 284 European asset managers listed in the Investment & Pensions Europe Journal Top 500 ranking as of December 31st, 2019.

## Methodology

The H&K Responsible Investment Brand Index is made up of two ratings, the Commitment rating which focuses on hard factors (eg level and quality of Listed Equity voting) and the Brand rating which focuses on soft factors (eg the existence of a Purpose statement and the quality of its expression). Each of these two ratings ranges from 0 (poor) to 5 (excellent).

The consistency of what an investment manager commits to in terms of Responsible Investment and how it projects this in its brand is measured via the four RIBI categories:

- Avant-Gardist: Above average on Commitment rating and Brand rating
- Traditionalist: Above average on Commitment rating and below average on Brand rating
- Aspirant: Above average on Brand rating and below average on Commitment rating
- Laggard: Below average on both ratings

Data required to calculate these ratings is sourced from publicly available information.

### The information used from the Transparency Report is as follows:

RIBI Commitment Rating criterion	Principles for Responsible Investment parameters used for the evaluation
Strategy and governance of Responsible Investment	SG01.1, SG_01.2, SG_01.8CC, SG_01.9CC, SG_07.1, SG_13.6CC, SG_14.2, SG_15.1, SG_15.3
Involvement of the asset manager in collaborative initiatives on Responsible Investment	SG09.1, SG_10.1, SG_10.2, SG_11.1, SG_11.3
Staff commitment: the number of staff dedicated to Responsible Investment out of total staff	SG_07.3, OO_02.3
Listed Equity Engagement: level and quality of engagement with companies	LEA_01.1, LEA_02.1, LEA_03.1, LEA_03.2, LEA_04.1, LEA_05.1, LEA_06.1, LEA_07.1, LEA_07.2, LEA_07.3, LEA_08.1, LEA_09.3
Listed Equity Voting: level and quality of voting	LEA_12.1, LEA_13.1, LEA_15.1, LEA_15.2, LEA_16.1, LEA_16.2, LEA_17.1, LEA_19.1, LEA_19.2, LEA_20.1
Fixed Income Engagement: level and quality of engagement with issuers	FI_14.1, FI_15.1, FI_15.3, FI_15.5, FI_16.1
Senior involvement: seniority of the staff involved in the quality control of Responsible Investment reporting	CM_01.1, CM_02.1, CM_03.2, CM_04.1, CM_05.1, CM_06.1, CM_07.1

## Commitment rating methodology

The Commitment rating is the weighted average of seven top-level criteria.

- Strategy and governance of Responsible Investment (24%)
- Involvement of the asset manager in collaborative initiatives on Responsible Investment (24%)
- Staff commitment: the number of staff dedicated to Responsible Investment out of total staff (12%)
- Listed Equity Engagement: level and quality of engagement with companies (12%)
- Listed Equity Voting: level and quality of voting (12%)
- Fixed Income Engagement: level and quality of engagement with issuers (12%)
- Senior involvement: seniority of the staff involved in the quality control of Responsible Investment reporting (4%)

The information required to evaluate each of these criteria is sourced from the Principles of Responsible Investment Transparency Reports. Similar to the Principles of Responsible Investment, recent signatories are considered to be in a grace period and as such are not evaluated by RIBI (21 managers out of the 284 analysed this year). Those managers who have not signed the PRI are assigned a 0 Commitment rating (28 managers out of the 284 analysed this year).

Asset managers are able to submit some answers to the Transparency Report in Private mode, ie not visible to the public. When the average number of private answers in a given section is above 25% and below 50%, then these criteria are removed from the evaluation. When the average number of private answers in a given section is above 50%, then this is considered to show a lack of transparency and is taken into account in the evaluation with the lowest possible rating (except for the Strategy and governance of RI section where a private mode rate above 50% cannot be considered to be lacking in transparency).

### **Brand rating methodology**

The Brand rating is based on eight criteria:

- Whether or not the asset manager expresses a Purpose (20%)
- Whether or not this Purpose connects with societal goals (7%)
- The evaluation of the quality of the expression of the Purpose based on five criteria (7%). The five equally-weighted criteria are:
  - The Purpose expresses an overarching reason why the asset manager does what it does.
  - The Purpose expression connects with both the head and the heart.
  - The Purpose expression is universal, yet unique.
  - The Purpose expression starts with an action word (verb).
  - The Purpose expression is no longer than five words.
- Whether or not the asset manager has a Values system (20%)
- Whether or not this Values system connects with societal goals (7%)
- The evaluation of the quality of the expression of the Values system based on five criteria (7%). The five equally-weighted criteria are:
  - The Values System drives behaviour and action.
  - At least one Value clearly differentiates the asset manager from others.
  - The Values System is long-term orientated and builds culture.
  - The Values System connects with the stated Purpose.
  - A maximum of five values are articulated.
- Whether or not the asset manager has a strap line which connects with societal ambitions (16%)
- Whether or not Responsible Investment is mentioned as an objective in the asset manager's corporate description (16%)

## About the Authors



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Jean-François Hirschel is the founder and CEO of H IDEAS, a company which aims at re-establishing trust in the financial world. His professional expertise lies in strategically positioning financial services companies at brand and product level. Hirschel has held senior leadership positions at Société Générale and Unigestion. He holds a MSc from EPFL Lausanne, Switzerland, and has profound knowledge and experience in Institutional, Private and Retail Banking & Asset Management.



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