

Abstract

Ethical investment has long historical tradition, but has found its supporter comparatively late. It is a growing market segment, especially driven by institutional investors. The motives of such investments are mostly religious, social or environmental. The link between ethics and investment means, that the earnings result from clear conscience. There are several expressions for ethical investments in the practice used, i.a. sustainable investment, green money or social responsible investment (SRI).

The current study focus on the evaluation and performance of ethical investments, which is analysed from a theoretical and empirical view. The study consists of two empirical parts, even a meta-analysis and qualitative interviews with ethical investment consultants.

In addition to different evaluation methods, the focus in the evaluation part of this work lies on ethical ratings from sustainable rating agencies. It should be analysed, what role ethical ratings in the practice have and what the criteria for ethical-correct investments are. In the course of the performance analysis, it should be analysed whether a positive, negative or neutral coherence between an ethical investment mind and the financial performance exists.

It has been shown that ethical ratings have an important role in the practice, especially the ratings from well-known rating agencies. Furthermore there is a subjective evaluation noticeable, concerning the definition of ethical criteria. In addition, both empirical studies confirm a neutral coherence of the performance. Ethical investors do not have to fear disadvantages in the performance question.