Darmstadt Definition of sustainable financial investments

Sustainable financial investments contribute to sustainable developments. They make this possible due to an extensive analysis of the investment objects. This analysis takes into account economic and social achievements, natural sustainability and societal developments.

From an economic perspective sustainability requires that
-profits are made on the basis of long-term production and investment strategies instead of short-term profit maximization
-profits from financial investments are in acceptable relation to the profits from real added value
-the fulfilment of basic needs (e.g. water) is not in danger

From an ecological perspective sustainability requires that profit making is consistent with
-the increase of the resource productivity
-the investment in renewable resources
-the regaining and recycling of used material and substances
-sound global and local ecological systems (e.g. rain forests, seas)

From a social and cultural perspective sustainability requires that profit making is consistent with the
-development of human capital (responsibility for jobs, education and further education, support of self-dependent work, compatibility of job and family, respect for the individuality of people),
-development of the social capital (creation of opportunities for gainful employment, balance of the generations, no discrimination against minorities, functioning regions, support of civil-societal acting),
-development of the cultural capital (respect for cultural variety in consideration of the protection of personal civil rights and liberties and societal integrity, mobilizing the potential of cultural variety).

The contribution "Sustainable financial investments for sustainable developments" results above all from the application of the "best-in-class principle". According to this principle, always *those* investment objects are preferred that fulfil best the sustainability criteria within one category (e.g. countries, branches). This approach supports the competition towards a higher natural and social sustainability in countries and enterprises.

The criteria for sustainable investment decisions can be applied to the following investment objects: Shares, bonds and debentures (corporate bonds and government bonds), property funds and closed funds, investment funds and direct investments (wind energy parks, solar energy installations), certificates.
On the 15th and 16th April 2004, an expert group deliberated upon and decided unanimously on this definition in Darmstadt. The experts were invited to this dialogue –initiated by the Forum Nachhaltige

Geldanlagen (Forum for Sustainable Financial Investments) and the Verein ethisch orientierter Investoren (Corporate Responsibility Interface Center CRIC e.V.)- by the heads of the project group ethical-ecological rating, professors Johannes Hoffmann and Gerhard Scherhorn. The participants were:

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