

## **INVESTMENT DECISIONS OF NON-PROFIT ORGANISATIONS AND THE RELEVANCE OF SUSTAINABILITY**

The purpose of this literature review is to examine how and if non-profit organisations (NPOs) invest their financial resources ethically. Diverse topics like accountability of NPOs, their sustainability as well as their effectiveness and investment behaviour within different European countries are explored. It is discovered that Spanish, German, British and Norwegian NPOs act homogenous with more than half having an investment policy. Socially responsible investments are mostly implemented with negative screening. Tobacco and weapons are the most avoided industries to invest into but other sin industries like pornography were also mentioned. NPOs seem hesitant to disclose their annual report. This lack of transparency negatively impacts the accountability of NPOs towards donors and stakeholders. This study presses for all NPOs to develop a socially responsible investment policy as it is their mission to benefit the greater good and they should embrace all methods to support that.

**Keywords:** non-profit organisation; socially responsible investment; sustainability; accountability