



UK
Social
Investment
Forum

*Working with others to promote
socially responsible investment*

UKSIF calls on government to seize “historic opportunity” to build an investment culture that recognises responsibility and environmental limits

The UK Social Investment Forum (UKSIF) [2] has today called on the government [3] to seize the “historic opportunity” offered now to bring together its major long-term commitments to pension reform and to leadership in sustainable development. This is needed to deliver sustainable and responsible investment [4] of pension savings, it claims.

UKSIF has criticised the marginalising of sustainable investment in the Turner Commission’s proposals for a National Pension Savings Scheme. It contrasts this with the Prime Minister’s 2005 commitment to address the “truly challenging agenda” of sustainable development by “working across departmental boundaries ... channelling the power of business by stimulating the market to innovate ... and influencing the individual everyday choices we all make” [5].

Welcoming the personal commitment of Minister for Pension Reform Stephen Timms MP, UKSIF has proposed to him a challenging package of measures for action:

- Requirements for pension funds to publicise their social responsibility policies and offer responsible investment choices suitable for their members
- Stimulation for new investment vehicles that meet social and environmental needs
- A commitment that any National Pension Savings Scheme will match or exceed European best practice in sustainable investment
- Creation of a new Sustainable Investment Commission to champion and catalyse change

Penny Shepherd, UKSIF Chief Executive said

“Sustainable development and pension reform are natural bedfellows. Both need a long-term approach. Now is the time to bring them together.

An investment culture for the challenges of the 21st century will require wide acceptance of the imperative of sustainable investment and responsible ownership, and an understanding of fiduciary responsibility that encourages and enables this. In response, the pensions industry will need to deliver a new wave of innovation in concepts, tools and products.

We welcome the Minister’s long-standing commitment to sustainable and responsible investment. We are inspired by his vision that socially responsible investment and corporate social responsibility are key to the government’s overall strategy of promoting long-term sustainable investment.

Our package of measures offers a way to work with the financial services industry to turn commitment into action and vision into reality.”

ENDS

Notes to Editor

1. UKSIF's submission ***Next Steps towards Sustainable & Responsible Investment*** is available from info@uksif.org or penny.shepherd@uksif.org.
2. The UK Social Investment Forum (UKSIF) is the UK's membership network for socially responsible investment (SRI). UKSIF's primary purpose is to promote and encourage the development and positive impact of SRI amongst UK based investors. UKSIF believes that all material social, environmental and ethical (SEE) issues should be integrated into standard investment practice and that individual investors should be able to reflect their values in their investments.

The Forum was launched in 1991 to bring together the different strands of SRI nationally and to act as a focus and a voice for the industry. UKSIF's 200+ members and affiliates include retail and institutional fund managers, financial advisers, SRI research providers, consultants, trade unions, banks, building societies, community development finance institutions, NGOs and individuals interested in SRI.

For information on the UK Social Investment Forum, visit www.uksif.org.

3. UKSIF was responding to the invitation of Minister for Pension Reform Stephen Timms MP to make recommendations on measures to drive sustainable investment. The invitation was issued at a meeting of leading SRI practitioners convened at the minister's request in 2005. The meeting was reported by "Engaged Investor" magazine, July/August 2005.
4. The submission defines "sustainable investment" as "investment which delivers financial security and sustainable development at the same time".
5. "Securing the future: delivering the UK sustainable development strategy" (Mar 2005), Page 4.

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