



## **UKSIF Guide to Child Trust Funds, December 2005**

This report has been compiled by the UK Social Investment Forum (UKSIF) for parents and other individuals looking for responsible investment options in Child Trust Funds (CTF's). The official Government website for CTF's listing the main facts, providers and distributors can be found at [www.childtrustfund.gov.uk](http://www.childtrustfund.gov.uk).

Most CTF providers have an arrangement with one or several fund managers to invest their equity investments (i.e. investments in company shares). The CTF may also offer investment into cash, property or bonds. This report lists **only** the fund managers who offer equity-based responsible investment (also known as ethical and socially responsible investment or SRI) and are members of the UK Social Investment Forum (UKSIF) and/or its European equivalent, the European Social Investment Forum (Eurosif). Columns 8 and 9 highlight these memberships. UKSIF and Eurosif have websites which include information about the providers and responsible investment, including descriptions of screening and engagement – see [www.uksif.org](http://www.uksif.org), [www.eurosif.org](http://www.eurosif.org) and our consumer website [www.investability.org](http://www.investability.org).

The table on page 2 provides basic details for the **ethically screened equity CTF fund options** that we have identified via links from the Government CTF website. The funds listed use ethical screening criteria in selecting the companies they invest in and classify themselves as ethical investment funds.

We have included a link to the fund manager's general responsible investment webpages (column 10). To help you find out more about the specific fund, we have quoted the aims of the fund, as described in the provider's literature (column 11), and included a weblink to information on the fund and its screening criteria (column 12).

Column 13 highlights whether or not the fund is a signatory to Eurosif's Transparency Guidelines for Retail SRI Funds. Signatories to the guidelines are committed to publicly outlining the fund's approach to responsible investment and openly providing information about their screening criteria, research processes and other responsible investment policies. See [www.eurosif.org/pub2/2activ/initvs/transp/particpts.shtml](http://www.eurosif.org/pub2/2activ/initvs/transp/particpts.shtml) for a copy of the guidelines and the signatories' May 2005 responses.

In addition to screening, the fund manager may undertake engagement with companies on environmental, social or ethical issues on behalf of the fund. Information on the fund manager's engagement policy and activities should be available via the fund manager's website (column 10). Fund managers piloting Eurosif's transparency guidelines covering engagement and voting are highlighted in column 14.

We hope the table below will act as a useful overview for those seeking responsible investment CTF's and that the weblinks will help you find further information on the choices available. Consumers are encouraged to seek advice before making any investment decisions and should read our disclaimer before continuing.

### **Disclaimer**

*This publication should not be construed as an offer to buy or sell any security or other financial instrument. It should not be taken as financial advice or seen as an endorsement of any particular company or individual. The content is intended for use as a source of general information only, and consumers should always seek further information and advice before purchasing any investment. Policies, products and criteria change and the reader should always check with the fund manager and CTF provider for up to date information. Whilst this information is believed to be taken from reliable sources at the time of publication, UKSIF can give no guarantee that it is accurate or complete. UKSIF does not accept liability for any errors, and neither UKSIF nor any of its members, affiliates, directors, employees or other representatives will be liable for damages, losses, costs, claims, liabilities or expenses arising out of or in connection with the use of this publication.*

**Ethically screened equity fund options offered by fund managers active in responsible investment compiled by UKSIF, December 2005**

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Trading Name <sup>i</sup>	Registered Name <sup>ii</sup>	Stakeholder <sup>iii</sup>	Fund Manager (FM) <sup>iv</sup>	Name of Screened Fund <sup>v</sup>	Trading Name Web-link	Trading Name Telephone	FM Member UKSIF? <sup>vi</sup>	FM Member Eurosif? <sup>vii</sup>	FM Responsible Investment Web	Screened Fund Aims	Screened Fund Web	Fund signatory to Fund Transp <sup>viii</sup> Guidelines	FM Piloter Eng & Voting Transp <sup>ix</sup> Guidelines <sup>x</sup>
Squaregain <i>via Self Select Shares CTF Option</i>	Squaregain	<input checked="" type="checkbox"/>	Various (Please see <a href="http://www.squaregain.co.uk">www.squaregain.co.uk</a> )	Several Screened Funds available (to list use <a href="http://www.squaregain.co.uk">www.squaregain.co.uk</a> fund search facility)	<a href="http://www.squaregain.co.uk">www.squaregain.co.uk</a>	0870 600 6044	Some. Cross reference to UKSIF member directory	Some. Cross reference to Eurosif website	Access via individual fund manager where available	Squaregain offers an ethical search facility on its site. To identify ethically screened funds, go to <a href="http://www.squaregain.co.uk">www.squaregain.co.uk</a> select 'Market Focus', and then 'Fund Focus'. Select 'Fund Finder' on the menu on the left. This will take you to the search feature. Once there, select 'Ethical' under 'S&P Specialist Sector'. The available Funds have a tick under the 'Tradable' heading.	<a href="http://focus.squaregain.co.uk/en/funds/funder/index.html">focus.squaregain.co.uk/en/funds/funder/index.html</a>	Some. Cross reference with EuroSIF website	Some. Cross reference with EuroSIF website
The Children's Mutual	Tunbridge Wells Equitable Investments Company Ltd	<input checked="" type="checkbox"/>	CIS Unit Managers Limited	UK FTSE4Good Tracker Trust		0845 600 1953	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<a href="http://www.cis.co.uk">www.cis.co.uk</a>	A unit trust that tracks the performance of the FTSE4Good™ UK Index. To be included on the FTSE4Good™ UK Index, companies must meet certain criteria including working towards reducing their impact on the environment. It excludes industries such as tobacco producers; manufacturers of parts for or whole nuclear weapons systems; nuclear power generators and manufacturers of whole weapons systems.	<a href="http://www.ftse.com/ftse4good/">www.ftse.com/ftse4good/</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Children's Mutual	Tunbridge Wells Equitable Investments Company Ltd	<input checked="" type="checkbox"/>	Insight Investment Funds Management Ltd	Insight Investment European Ethical Fund	<a href="http://www.thechildrensmutual.co.uk">www.thechildrensmutual.co.uk</a>	0845 077 1899	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<a href="http://www.insightinvestments.com/Responsibility/product/product_retail_investors.asp">www.insightinvestments.com/Responsibility/product/product_retail_investors.asp</a>	To achieve long-term capital growth by investing primarily in shares of UK and/or European companies which meet a range of ethical criteria. The ethical policy of the fund is to invest in a range of companies which make a positive contribution to society, carry out good employment practices, aim to protect the environment and make use of natural resources.	<a href="http://www.insightinvestments.com/Documents/advanced_factsheets/european_ethical_advanced.pdf">www.insightinvestments.com/Documents/advanced_factsheets/european_ethical_advanced.pdf</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Children's Mutual	Tunbridge Wells Equitable Investments Company Ltd	<input checked="" type="checkbox"/>	Insight Investment Funds Management Ltd	Insight Investment Evergreen Fund	<a href="http://www.thechildrensmutual.co.uk">www.thechildrensmutual.co.uk</a>	0845 077 1899	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<a href="http://www.insightinvestments.com/Responsibility/product/product_retail_investors.asp">www.insightinvestments.com/Responsibility/product/product_retail_investors.asp</a>	To achieve long-term capital growth by investing in shares of companies throughout the world whose products, processes or services contribute to the restoration and renewal of the earth's ecology or to a cleaner and healthier environment.	<a href="http://www.insightinvestments.com/Documents/advanced_factsheets/evergreen_advanced.pdf">www.insightinvestments.com/Documents/advanced_factsheets/evergreen_advanced.pdf</a>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Share Centre <i>via Child Investment Account CTF Option</i>	The Share Centre	<input checked="" type="checkbox"/>	Various	Several Screened Funds available	<a href="http://www.sharecentre.com">www.sharecentre.com</a>	0129 641 4541	Some. Cross reference to UKSIF member directory	Some. Cross reference to Eurosif website	Access via individual fund manager where available	The Share Centre offers a number of ethical Funds. Unlike Squaregain there is no ethical search filter in place on the Share Centre's website to identify the ethical funds. The ethical funds are listed within a range of investments offered by fund managers.	<a href="http://www.sharecentre.com/web/default_Research.htm">www.sharecentre.com/web/default_Research.htm</a>	Some. Cross reference with EuroSIF website	Some. Cross reference with EuroSIF website

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### **Explanation of columns in table**

<sup>i</sup> As outlined by the Government's list of registered providers and distributors – see

[www.childtrustfund.gov.uk/OpeningAnAccount/WhereToOpenAnAccount/fs/en?CONTENT\\_ID=4003490&chk=MEXLxO](http://www.childtrustfund.gov.uk/OpeningAnAccount/WhereToOpenAnAccount/fs/en?CONTENT_ID=4003490&chk=MEXLxO)

<sup>ii</sup> As outlined by the Government's list of registered providers and distributors – see

[www.childtrustfund.gov.uk/OpeningAnAccount/WhereToOpenAnAccount/fs/en?CONTENT\\_ID=4003490&chk=MEXLxO](http://www.childtrustfund.gov.uk/OpeningAnAccount/WhereToOpenAnAccount/fs/en?CONTENT_ID=4003490&chk=MEXLxO)

<sup>iii</sup> For information on stakeholder accounts see: [www.childtrustfund.gov.uk/OpeningAnAccount/TypesOfAccount/fs/en?CONTENT\\_ID=4003854&chk=YgFmd5](http://www.childtrustfund.gov.uk/OpeningAnAccount/TypesOfAccount/fs/en?CONTENT_ID=4003854&chk=YgFmd5)

<sup>iv</sup> Most CTF providers offer more than one equity investment option, some of which are managed by third party fund management firms. Understanding who the fund manager is for each particular fund option is important for responsible investment investors. This is because it is the fund manager's policy that determines the approach to responsible investment.

<sup>v</sup> The funds included in this table are all ethically screened responsible investment funds and employ social, environmental and/or ethical screening criteria in the selection of their investments.

<sup>vi</sup> UKSIF is the UK Social Investment Forum. UKSIF is the UK's membership network for responsible investment. The UKSIF website at [www.uksif.org](http://www.uksif.org) hosts information on responsible investment including descriptions of screening and engagement and a Members Directory which provides descriptions and contact information about our members.

<sup>vii</sup> Eurosif, the European Social Investment Forum, is a pan-European group whose mission is to encourage and develop sustainable and responsible investment and better corporate governance - see [www.eurosif.org](http://www.eurosif.org).

<sup>viii</sup> The fund is a signatory to the Eurosif Transparency Guidelines for Retail SRI Funds - see [www.eurosif.org/pub2/2activ/initvs/transp/particpts.shtml](http://www.eurosif.org/pub2/2activ/initvs/transp/particpts.shtml). The website includes a copy of the signatories May 2005 response to the guidelines.

<sup>ix</sup> The fund management firm is piloting Eurosif Transparency Guidelines for addressing Environmental, Social and Governance issues within Institutional Investment (Research, Investment Decision Making, Activism & Voting) –see [www.eurosif.org/pub2/2activ/initvs/transpev/index.shtml](http://www.eurosif.org/pub2/2activ/initvs/transpev/index.shtml).