

# What's New in Social Investment

March 2002

prepared for members and affiliates of the UK Social Investment Forum  
For further details, please contact us at [info@uksif.org](mailto:info@uksif.org) or 020 7749 4880

## For Your Action

### **Please check your entry on the UKSIF website – [www.uksif.org](http://www.uksif.org)**

We will be doing a full revision of the printed membership directory this month for publication in the spring. Details will be taken from your entry on our website. If you have not updated your entry recently, please check it and let us know if any details are out of date. The cut off date for changes to the directory is **31 March 2002** so please send amendments as soon as possible to [selva.romero@uksif.org](mailto:selva.romero@uksif.org).

### **Opportunities to brief parliamentarians**

Following the success of the July 2001 SRI supplement, UKSIF is working with Parliamentary Brief to produce a second SRI supplement for 2002. For opportunities to brief their circulation on your organisation's views on SRI please contact Caroline Lodge on 020 7381 1611.

### **Consultation period begins on the government's response to the Myners Review**

The Department for Work and Pensions has opened the consultation period on the government's response to the Myners Review of Institutional Investment. The consultation documents, issued in October 2001, can be downloaded from [www.dwp.gov.uk/consultations/consult/2002/myners/index.htm](http://www.dwp.gov.uk/consultations/consult/2002/myners/index.htm). Responses should be sent to Julie Skeet, Department for Work and Pensions, 3<sup>rd</sup> Floor, The Adelphi, 1-11 John Adam Street, London, WC2N 6HT by **Friday 3 May 2002**. For further information, please e-mail [julie.skeet@dwp.gsi.gov.uk](mailto:julie.skeet@dwp.gsi.gov.uk).

### **SAI seeks comments on the SA8000 ethical trading standard**

Social Accountability International (SAI), which administers the SA8000 ethical trading standard seeks comments and critiques on SA8000 from stakeholders and interested parties. The SA8000 ethical trading standard was set up to provide guidance for retailers trying to monitor their supply chains. For further information, please contact [martin@sa-intl.org](mailto:martin@sa-intl.org).

## **Job Opportunities**

### • *Senior SRI Analyst*

Aberdeen Asset Management is seeking a senior analyst with an undergraduate degree, sound knowledge of SRI issues and several years' experience working in the SRI/fund management field to join the SRI team based in Glasgow. Competitive salary and excellent benefits package. Please send a CV to Ruth McKaig at Aberdeen Asset Management, 1 Albyn Place, Aberdeen AB10 1YG or to [ruth.mckaig@aberdeen-asset.com](mailto:ruth.mckaig@aberdeen-asset.com).

### • *Board Director*

The Ethical Investment Research Service (EIRIS) is looking to appoint two new voluntary board directors for its Public Information Advisory Group. The board directors will be expected to attend EIRIS board and public information meetings (held 3 times a year), as well as providing some guidance and support between meetings. EIRIS are particularly interested in hearing from women, who are currently underrepresented on the EIRIS board. For further information, please visit [www.eiris.org](http://www.eiris.org).

### • *Project Manager*

The New Economics Foundation (NEF) are looking to recruit a project manager for their new EQUAL project, which aims to strengthen and develop the growing UK social enterprise sector. The successful candidate will have a good knowledge of UK economic development, strong research, communication and project management skills. The deadline for applications is **4 March 2002** and interviews will be held on 13 March 2002. The salary is between £23,108 – £25,612 p.a. Application forms are available (CV's will not be accepted) from Sue Carter at [sue.carter@neweconomics.org](mailto:sue.carter@neweconomics.org).

### • *Sales and Marketing*

oekom research AG have a vacancy in a sales and marketing role. Candidates should be educated to degree level (ideally with a marketing or finance background), have business experience and be fluent in English and German. For further details on the role, please contact Robert Hassler on +49 89 5441 8450 or Marnie Bammert at [bammert@oekom-research.com](mailto:bammert@oekom-research.com).

## **UKSIF News**

### **UKSIF appoint new Executive Director**

UKSIF has appointed Helen Wildsmith as its new Executive Director. Helen joined UKSIF on 4 February 2002 from the Centre for Business & Society at Ashridge Management College where she was Assistant Director. Prior to this, Helen worked for the NatWest Group after graduating with a first class degree in Management Science from the London School of Economics (LSE). Helen worked on a variety of strategic projects for 7 years, before leaving to return to the LSE to complete a part-time MSc in the Social Policy Department whilst working as a freelance consultant. For further information, please visit the Hot Links Box at [www.uksif.org](http://www.uksif.org).

### **UKSIF submit EC CSR Green Paper response**

UKSIF submitted its response to the EC's CSR Green Paper on 21 December 2001. The response can be viewed at the Hot Links Box at [www.uksif.org](http://www.uksif.org) and on the Commission's website [www.europa.eu.int](http://www.europa.eu.int) with other selected responses. It has been reported that in total over 300 organisations responded to the Green Paper.

### **UKSIF publish report on CDFIs**

UKSIF has published a report entitled 'Community Development Finance Institutions (CDFIs): A New Financial Instrument for Social, Economic and Physical Renewal' to celebrate and promote the work of CDFIs across the country. CDFIs are an emerging breed of financial service providers that specialise in lending to organisations and businesses in disadvantaged areas and under-served markets that are often refused loans by banks. They aim for social as well as financial returns. The report shows CDFIs work in action through six case studies with examples of their clients. The report also lists UKSIF members that are involved in Community Development Finance as well as outlining recent developments in the sector. It has generated considerable press coverage for the sector, including an article in Regeneration and Renewal, 22 February 2002. For further information and copies of the report contact [ros.boyle@uksif.org](mailto:ros.boyle@uksif.org).

### **3<sup>rd</sup> Annual Community Development Finance Conference: 20-21 June 2002, Glasgow**

'The 3<sup>rd</sup> Annual Community Development Finance Conference: Risk, Reward, Values' will take place in Glasgow on 20-21 June 2002 with a pre-conference training day on 19 June. Key speakers will include Sir Edward George, Governor of the Bank of England and Nigel Griffiths MP, Minister for Small Business. Key workshop themes include building CDFI capacity, developing new CDFIs, understanding the market and its clients, making investments and providing the support framework. Early booking discounts are available from now until **15 April 2002**. For further information, please visit [www.cdfi.org.uk](http://www.cdfi.org.uk) or contact [info@cdfi.org.uk](mailto:info@cdfi.org.uk).

### **UKSIF article for the Green Money Journal**

The February 2002 edition of the Green Money Journal features an article by UKSIF, which provides an overview of the recent developments of SRI in the UK. The journal also features an article on the developments of SRI in Europe by the Triple P Performance Centre. To read the article, please visit [www.greenmoney.com](http://www.greenmoney.com).

## **News from Members and Affiliates**

### **People Moves**

- Karina Litvack has been promoted to Director of Governance and SRI at Friends, Ivory and Sime (FIS) following the departure of Craig Mackenzie. Litvack was the team's former Director of Research. FIS has also appointed Kirsty Thomas as Senior Analyst to lead their engagement programmes on human rights, labour standards and environmental credit risk. Thomas joins from Goldman Sachs International.
- Jupiter has recruited Susie Wood as an assistant analyst in the Environmental Research Unit. Wood worked with Anglican Water for a year investigating the extent to which sustainable development is integrating into their procedures and has completed a MSc in Environmental Consultancy. Jupiter has also appointed Ken Taylor to help promote their SRI/ SIPP business and better service IFAs.
- Justin Alexander has joined the SRI team at Schroder Investment Management.
- oekom research has appointed Dr Arnt Meyer as Head of Sales and Marketing. Meyer previously worked as a research associate at the University of St. Gallen's Economics and Ecology Institute.
- Alan Banks has been appointed Chief Executive of Global Risk Management Services (GRMS). Banks previously worked at UBS Warburg as Managing Director and has spent the last three years as a corporate and management advisor.

- Andrea Westall has been appointed the new deputy director of the New Economics Foundation (NEF). Westall previously worked as a senior policy figure at the London Business School and a research fellow at the Institute for Public Policy Research. Sarah Forster has joined the Enterprising Communities team as Interim Programme Director. Sarah joins NEF after spending four months working as a NEF associate studying the feasibility of a wholesaling intermediary for the CDFI industry in the UK.

### **HBOS develop SRI capacity**

Rachel Crossley, Craig Mackenzie and Steve Waygood have moved to develop the SRI capacity at HBOS, with the team of three expected to grow to six in due course. Crossley joined at the beginning of February and Mackenzie and Waygood will be in position by the end of March. Commenting on his appointment, Mackenzie said, "There are enormous opportunities in the potentially massive distribution channel. Each of HBOS's 20 million customer contacts is a potential customer for SRI". For further information, please contact Steve Ainger on 020 7321 1358.

### **HSBC launch pan-European SRI research services**

HSBC Investment Bank has launched a pan-European SRI research service to provide a combination of research, seminars and conferences on the environmental and social performance of companies for its institutional investment clients. For further information, please contact [mike.tyrrell@hsbcib.com](mailto:mike.tyrrell@hsbcib.com).

### **Morley environmental reporting policy update**

Morley reports positive progress following the launch of their corporate governance voting policy on company environmental reporting. Subsequent to issuing its policy Morley wrote to over one hundred FTSE100 and 250 companies who did not meet their criteria in this area with "responses flooding in after only a couple of days". Morley says they will be voting against the resolution to adopt the report and accounts for any companies that have given dismissive responses. For further information, please visit [www.morleyfm.com](http://www.morleyfm.com).

### **WWF file BP shareholder resolution**

WWF and a transatlantic coalition of British, European, Canadian and American investors have filed a resolution calling on BP to disclose how it measures and minimises risk to shareholder value from drilling in environmentally or culturally sensitive areas, such as the coastal plain of the Alaskan Arctic National Wildlife Refuge. Shareholders will vote on the resolution at BP's AGM on 18 April 2002. The resolution reflects investment guidelines issued by the Association of British Insurers in October 2001. The shareholder resolution coincides with President Bush and Congress preparing to debate whether to allow oil and gas drilling in the Arctic Refuge. According to the February edition of Professional Pensions, The Local Authority Pension Fund Forum (LAPFF) will discuss whether to back the resolution at its next meeting. For further information on the resolution, please visit [www.wwf.org.uk](http://www.wwf.org.uk).

### **PIRC publishes 'Annual Corporate Governance Review'**

In December 2001, Pensions Investment Research Consultants published its 'Annual Corporate Governance Review', which analysed corporate governance structures, remuneration packages and proxy voting among 547 of the UK's largest companies. The report reveals that director's pay continues to increase, with base salaries for executive directors at FTSE100 companies rising by 12.8% in 2001. The report found that the contractual notice periods for directors continues to fall. However, this is not reflected in reductions of compensation payments to departing directors, which remain on average more than one year's worth of salary. The report shows that levels of voting turnout in the FTSE All Share Index has not improved with only 51.4% of shares voted. 11 of the FTSE100 companies had turnouts of less than 40% and 3 registered turnouts of less than 20%. For further information, please contact Alan MacDougall on 020 7247 2323.

### **Manifest calls on the Takeover Panel for rule clarification**

Following the government's response to the Myners Review, the Manifest Voting Agency received a number of enquiries about possible inconsistencies in how active governance could be perceived in the context of controlling a company. In response, Manifest has asked the Takeover Panel to review its rules on concert parties and to issue new guidance to investors. For further details visit [www.manifest.co.uk](http://www.manifest.co.uk).

### **EIRIS surveys the top 100 charities**

The Ethical Investment Research Service (EIRIS) undertook a survey into the investment policies of the top 100 UK charities by income. 25 of the 47 charities that responded to the EIRIS survey, representing funds worth c. £26bn, had a formal ethical investment policy. A further 5 had an informal policy or were in the process of developing a formal one. For further information, please contact [www.eiris.org](http://www.eiris.org).

### **FTSE4Good announces partnership with the ISEA**

FTSE has recently announced a partnership with the Institute of Social and Ethical Accountability (also known as AccountAbility). They will be working together on methods to integrate labour standards into the FTSE4Good index. For further information, please visit [www.ftse.org](http://www.ftse.org).

### **Amnesty & IBLF produce 'Business and Human Rights – A Geography of Corporate Risk'**

Amnesty International UK and the Prince of Wales International Business Leaders Forum have published a new study linking human rights to corporate risk. The publication, 'Business and Human Rights: A Geography of Corporate Risk' illustrates areas of the world where companies are most vulnerable to the costs and reputational risks associated with human rights violations. It aims to raise companies' awareness of the human rights contexts of their activities and to encourage them to develop appropriate practices and procedures. The findings are presented in a series of seven annotated world maps covering eleven industry sectors. For further information see [www.humanrightsrisk.org](http://www.humanrightsrisk.org).

### **US Social Investment Forum publish 2001 Report on SRI trends in the US**

The US Social Investment Forum (US SIF) has published a report entitled '2001 Report on Socially Responsible Investing Trends in the United States'. The report reveals that SRI assets in the US topped a record \$2 trillion in assets in 2001, capping two years of outsized growth despite a market turndown. Assets in socially screened investment portfolios rose by 36% from the second half of 1999 to the middle of 2001. There are now 230 SRI mutual funds in the US, up from 168 socially screened funds identified in 1999. Nearly two thirds of all socially screened funds tracked by the Forum earned one of the two highest rankings for performance from either Lipper or Morningstar or both. To access the report and for further information, please visit [www.socialinvest.org/areas/news/2001-trends](http://www.socialinvest.org/areas/news/2001-trends).

### **oekom research launch Country Rating Index**

oekom research's 'Country Rating Index' is a result of a six-month long study and aims to help institutional investors wishing to make sustainable investments to evaluate fixed-interest-bearing investments. oekom research worked closely with experts and organisations, such as the UN, OECD, WHO and Amnesty International to select 130 indicators to give a picture of a country's environmental and social situation. oekom research analysed 30 OECD countries and Russia. Four Scandinavian countries take the top spots in the index with Russia at the bottom of the list. For further information, please visit [www.oekom.de](http://www.oekom.de).

### **KLD includes adult entertainment as exclusionary screen**

Kinder, Lydenberg, Domini & Co (KLD) now include adult entertainment involvement as an exclusionary screen in SOCRATES, an online social and environmental performance database of over 3,000 US corporations. KLD have responded to the growing number of institutional investors, wishing to monitor companies involved in the adult entertainment industry. For further information, visit [www.kld.com](http://www.kld.com).

### **KLD launch the KLD Nasdaq Social Index**

Kinder, Lydenberg, Domini & Co (KLD) and The Nasdaq Stock Market announced the launch of the KLD-Nasdaq Social SM Index, the first socially screened index of Nasdaq companies. The index is market value weighted, reflecting the performance of approximately 290 of the largest Nasdaq listed corporations. Based on the Nasdaq Composite Index, the KLD-Nasdaq Social SM Index is the first to unite the Nasdaq family of indexes with the growing demand for SRI. To construct the index, KLD applied social and environmental criteria to Nasdaq Composite domestic companies with over \$1bn in market capitalisation. For information, visit [www.kld.com](http://www.kld.com) and [www.nasdaq.com](http://www.nasdaq.com).

### **UNEP appoint Storebrand VP as Chairman of the Insurance Industry Committee**

Storebrand's Vice President Carlos Joly has been appointed the new Chairman of the United Nations Environment Programme's Insurance Industry Committee. Mr Joly was a principal figure behind drafting the Insurance Industry Initiative Statement in 1995 and replaces Walter Jakobi. The voluntary initiative, comprising of fund managers, life insurers, general insurers and UNEP is designed to integrate environmental considerations into companies internal and external business operations. For further information, please contact Stephen Williams on 020 7960 7915.

### **Forum for the Future launch new online directory of sustainability**

Forum for the Future has launched a new website, which is designed to fulfil the role of a 'first-stop-shop' information resource on sustainability projects. The directory consists of a collection of projects, activities, processes and technologies across different sectors that have been innovative or forward thinking practice in a particular field. For further information, please visit [www.forumdirectory.org.uk](http://www.forumdirectory.org.uk).

### **BITC launch online database of CSR reports**

Business in the Community (BITC) have launched a new online research tool called 'Impact on Society Reporting', providing a database of CSR reports. The database provides a common set of indicators against which companies can be measured across areas such as the environment, the workplace, the community and human rights. For further information, please visit [www.bitc.org.uk/iosreporting](http://www.bitc.org.uk/iosreporting).

### **Henderson Global Investors launch first SRI fund in Hong Kong**

Hendersons has launched an SRI fund in Hong Kong as part of their Horizon range. The fund invests in Asian companies in sectors such as health, education and the environment. For further information, please visit [www.henderson.com](http://www.henderson.com).

### **Jupiter publish The Green Gauge guide**

Jupiter has published a new guide which explains the way that Jupiter's green funds select the companies of the future. The Green Gauge guide gives potential investors a valuable insight into what green investment means and how they can make money whilst supporting environmental best practice. For further information, visit [www.jupiteronline.co.uk](http://www.jupiteronline.co.uk).

### **Pavilion Asset Management launch SRI retail fund**

Pavilion Asset Management launched its first SRI retail investment fund on 21 January 2002. The Pavilion SRI fund will utilise the experience of the UK Equities investment team, who have run the Family Charities Ethical Fund, a dark green fund, since 1993. For further details visit [www.pavilionfunds.com](http://www.pavilionfunds.com).

### **iHilal launch Muslim compliant products and services**

iHilal have launched the UK's first fully regulated financial services platform to offer funds, pensions and mortgages that are compliant with Islamic Law (Shari'ah). As well as offering Shari'ah-compliant products to serve the UK's 2.5 million Muslims, iHilal provides a one-stop information service to IFA's, including a guide to Islamic finance and a news feed provided by Dow Jones on Shari'ah-compliant stock information. For further information, visit [www.ihilal.com](http://www.ihilal.com).

### **CAF rename the Ethical Plus Fund to the CAF Social Responsible Investment Fund**

The Charities Aid Foundation (CAF) has renamed the 'CAF Ethical Plus Fund' to the 'CAF Socially Responsible Investment Fund' to reflect the scope and focus of its investment as predominantly positive, rather than negative screening. For further information, please visit [www.CAFonline.org](http://www.CAFonline.org).

### **Ethical Money launch insurance services**

Ethical Money has teamed up with Norwich Union to provide a range of insurance products. For further information, please visit [www.ethicalmoneyonline.com](http://www.ethicalmoneyonline.com).

### **Holden Meehan publish guide on SRI**

Holden Meehan has issued the eighth edition of 'The Holden Meehan Guide to Socially Responsible Investment'. The guide provides a basic introduction and analysis of the subject and is targeted for retail investors. For further information, please visit [www.holden-meehan.co.uk](http://www.holden-meehan.co.uk).

### **Co-op Bank introduces FTSE4Good bond and green mortgage**

The Co-operative Bank has introduced a Guaranteed Stockmarket Bond based on the FTSE4Good UK 50 index. It is reported to be the first deposit bond to offer the opportunity to invest in UK companies that meet international CSR standards. Co-op Bank has also launched a fixed rate flexible mortgage at 5.39% until 30 April 2005, which includes a free home energy rating report with property valuations. Co-op Bank has also been shortlisted for the second time for three categories (social, environmental and sustainability) in the Association of Chartered Certified Accountant (ACCA) awards. For further information, please visit [www.co-operativebank.co.uk](http://www.co-operativebank.co.uk).

### **Ecology Building Society enjoys lending boom**

In October 2001, the Ecology Building Society saw the highest monthly lending figures in its 20-year history, with net lending of £1.08 million. This represents an 84% increase since October 2000 for the specialist environmental savings and mortgage provider. For information, visit [www.ecology.co.uk](http://www.ecology.co.uk).

### **Triodos Bank commits VC funding to leading carbon-offset business**

Triodos Bank has committed to the second round of venture capital funding for Future Forests, a leading firm in best practice carbon offsetting. Future Forests have over 100 corporate clients and 10,000 private carbon offset accounts. Since its first carbon offset programme in 1997, Future Forests has planted over 250,000 trees to offset the carbon emissions for clients, including the World Economic Forum, Swiss Re, Hilton Hotels, Avis and 2002 Brit Awards. Future Forests manages gold standard forestry offset programmes in 63 locations worldwide. Visit [www.futureforests.com](http://www.futureforests.com) and [www.triodos.com](http://www.triodos.com).

### **NEF report reveals rapid growth in ethical consumerism**

A NEF report entitled 'Taking Flight: The Rapid Growth of Ethical Consumerism' reveals an 18% growth in ethical consumerism in the UK, from £4.8 billion in 1999 to £5.7 billion in 2000. This compares to 2.8% for the economy as a whole. NEF is using figures from the Ethical Purchasing Index, launched by NEF and the Co-operative Bank. For further information, please visit [www.neweconomics.org](http://www.neweconomics.org).

### **Shared Interest publish 2001 Review of Business**

Shared Interest has published a Review of Business for 2001. The review reflects upon Shared Interest's activities and financial performance. For further information, please visit [www.shared-interest.com](http://www.shared-interest.com).

## **Other News and Information**

### **Innovest start European expansion with two senior appointments**

Innovest Strategic Value Advisors announced an expansion of its European presence, starting with two senior appointments. Sir Mark Moody-Stuart, former chairman of the Royal Dutch/Shell group has been appointed to Innovest's board of directors and Neil Marsh has been recruited as European Managing Director. Mr Marsh was previously founder and Managing Director of Global Risk Management Services.

### **SSgA secure first client under REO programme**

State Street Global Advisors (SSgA) announced that Aberdeen City Council is the first client to benefit from its recent strategic alliance with Friends, Ivory & Sime (FIS). With FIS's Responsible Engagement Overlay (REO) programme, SSgA becomes the first passive manager to offer socially responsible index tracking funds in the UK, enabling Aberdeen CC to pursue environmental, ethical and social objectives through its £300 million portfolio. For further information, please visit [www.ssga.com](http://www.ssga.com).

### **ACBE publish key questions for the pensions industry**

The Advisory Committee on Business and the Environment (ACBE), in conjunction with industry players, has published a six page guide on what investment consultants, fund managers and trustees of pension funds should be asking themselves in order to evaluate social and environmental risk to capital. The guide, 'Better Returns: How Sustainable are your Investments', is available from [ACBE@defra.gsi.gov.uk](mailto:ACBE@defra.gsi.gov.uk).

### **LAPFF to press for improved global warming reporting from companies**

The Local Authority Pension Fund Forum is set to launch a new shareholder engagement initiative aimed at persuading leading companies to report on their carbon emissions in line with government guidelines. The decision was taken at the Forum's Annual Conference in early December and is based on research analysing the compliance of FTSE100 companies with guidelines produced by the Department for Environment, Food & Rural Affairs (DEFRA). The research revealed that only five FTSE100 companies complied fully with DEFRA's minimum disclosure requirements, whilst 55 FTSE100 companies did not heed the requirements at all. For further information, please visit [www.lapfforum.org](http://www.lapfforum.org).

### **KPMG sends benchmark SRI survey to UK fund management institutions**

KPMG has sent a 'benchmark survey' to 120 UK investment management institutions in order to establish the level of SRI in the City. The survey asks for the number of funds adopting SRI principles, the number of staff employed to research SRI issues and their expectations for growth in SRI. KPMG plan to publish the results later this year and to undertake a similar survey at the European level in the next quarter. For further information, please contact Ashton Shuttleworth on 020 7311 5260.

### **CSFI survey on the risks facing the banking sector**

The Centre for the Study of Financial Innovation (CSFI) have published a report, entitled 'Banana Skins 2002', in which the CSFI rank the risks, including environmental risk, facing the banking sector. For further information, please visit [www.csfi.org.uk](http://www.csfi.org.uk).

### **First GRI Board of Directors announced**

A major step towards the establishment of the Global Reporting Initiative (GRI) as a permanent independent institution occurred in January 2002 with the appointment of the first Board of Directors. Fourteen directors from a variety of stakeholder groups and geographical locations accepted invitations from the nominating committee. For details, visit [www.globalreporting.org/News/Updates02/January](http://www.globalreporting.org/News/Updates02/January).

### **West Midland fund employs Euro proxy voting**

The £5 billion West Midlands Pension Fund has signed up to proxy voting in Europe with the European Corporate Governance Service (ECGS). ECGS is an alliance of corporate governance research and advisory groups in Europe and is managed by the Pensions Investment Research Consultants. ECGS provides corporate governance analysis and proxy voting advice on companies in the FTSE Eurotop 300 index. For further information, please contact Brian Bailey at Wolverhampton City Council, administrator of the West Midlands Pension Funds on 01902 554500.

### **New shareholder rules become law in Canada**

In November 2001, the Canadian government enacted amendments to Canada's leading corporate statute - the Canadian Business Corporations Act (CBCA), which eliminates the right of corporate management to reject shareholder proposals deemed to be 'primarily for the purpose of promoting general economic, political, racial, religious, social or similar causes.' The change brings Canadian corporate law more into line with US law on this matter, which does not discriminate against shareholder proposals on economic, political, racial, religious or social grounds. For further information, please visit [www.socialinvestment.ca](http://www.socialinvestment.ca).

### **Canadian poll finds 59% of shareholders want socially responsible pensions**

Over half (59%) of Canadian shareholders say they prefer pension funds with investments in socially responsible companies instead of those that seek only the highest returns. Furthermore, business executives should expand their responsibilities to embrace a broader social ethic. The results are taken from a poll conducted by Vector Research for the Canadian Democracy and Corporate Accountability Commission. For further information please visit [www.corporate-accountability.ca](http://www.corporate-accountability.ca).

### **Domini urges SEC to require voting disclosure**

In a letter to the US Securities and Exchange Commission (SEC), Domini Social Investments outlines the benefits of mutual fund managers disclosing their proxy voting practices to their investors. It urges the SEC to propose a rule requiring all mutual funds to adopt and publish proxy-voting policies and to publicly disclose their proxy votes. Domini was the first mutual fund manager in America to disclose proxy votes. They are published at [www.domini.com](http://www.domini.com) along with the firm's annual proxy voting guidelines. For further information, please e-mail [smoser@domini.com](mailto:smoser@domini.com).

### **CalPERS adopts new model for emerging markets investment**

CalPERS, the California Public Employees Retirement System (the largest pension fund in the USA) has completed a review of emerging markets countries for future investment decisions. The process takes into account broad financial factors as well as transparency, political stability and labour standards. As a result of the review CalPERS will begin taking a public equity position in Poland and Hungary whilst eliminating its positions in Thailand, the Philippines, Malaysia and Indonesia. See [www.calpers.com](http://www.calpers.com).

### **ISEA to launch Gradient**

The Institute of Social and Ethical Accountability (ISEA), also known as AccountAbility has launched a rating and ranking system called Gradient to assess and compare companies' performance on labour standards in the supply chain. The rating system uses data from corporate sustainability reports and civil society groups. It will focus on management policies on labour standards rather than social standards prevailing within suppliers' factories where the goods are produced. ISEA expects Gradient to be used by investors, trade unions and NGO's as well as companies. For further information, please visit [www.accountability.org.uk](http://www.accountability.org.uk).

### **ASrIA analyse the potential Asian market for SRI funds**

Following the official launch at the inaugural conference on SRI, the Association for Sustainable and Responsible Investment in Asia (ASrIA) has published a 40-page booklet entitled 'SRI in Asia - The Business Case for Sustainable and Responsible Investment in Asia'. As well as providing background information and up-to-date statistics on the Asian SRI market, the report analyses the potential of untapped markets for SRI funds, including mainland China and Taiwan. To download a copy of the report, please visit [www.asria.org/pro/news&events/SRIinAsiaBook](http://www.asria.org/pro/news&events/SRIinAsiaBook).

### **SiRi Group publishes report on green, social and ethical funds in Europe**

The Sustainable Investment Research International (SiRi) Group have published a report entitled 'Green, Social and Ethical Funds in Europe 2001' in co-operation with CSR Europe and Euronext. The study, which covers 17 European countries found that a number of SRI funds available to private investors increased by 58% to 251 funds between January 2000 and June 2001. Total assets under SRI management increased by 36%, from 11.1bn euros at the end of 1999 to 15.1bn euros in mid-2001. However, the report claims that despite the impressive increase in SRI funds across Europe, the sector represents only a 'very limited portion' - just 0.43% of total assets managed by European funds, although in the UK alone it amounted to 1.03%. For further information, please visit [www.sirigroup.org](http://www.sirigroup.org).

### **ERM and CSR Network survey results on CSR reporting**

A survey undertaken by Environmental Resources Management (ERM) reveals that 79 FTSE100 companies publish information on social issues relating to their business. However, ERM have serious doubts over the quality of reporting as few companies have moved beyond 'corporate gloss' in their policy statements with only a quarter of the 79 companies using quantitative methods to back up what they say. For further information, please visit [www.erm.co.uk](http://www.erm.co.uk). The 2001 Benchmark Survey conducted by CSR Network found that 66% of the 100 largest firms listed in Fortune magazine's Global 500 (i.e. G100 corporations) used their websites as mechanisms for environmental and social reporting. The survey also found for the first time ever that half of the G100 firms produced global environmental reports, up from 44% in 1999. However, only 13% are prepared to expose their reports to external scrutiny through formal verification. For further details, please visit [www.csrnetwork.com](http://www.csrnetwork.com).

### **US social mutual funds beat critics' predictions in 2001**

According to SRI World Group, US social mutual funds experienced competitive financial performance in 2001 dispelling predictions that they would under perform because they were heavily weighted with poorly performing tech stocks. For further information, please contact Jay Falk at [jfalk@sriworld.com](mailto:jfalk@sriworld.com).

### **Calvert Social Investment Fund wins Social Investment Award**

The US based Calvert Social Investment Fund has received Business Ethics Magazine's large cap fund Social Investment Award for above average performance and social leadership. Calvert is the largest family of socially responsible funds in the US. For further details visit [www.business-ethics.com](http://www.business-ethics.com).

### **SRI fund launched in South Africa by Fraters**

Frater Asset Management launched 'The Fraters Earth Equity Fund' in October 2001. The fund aims to deliver investment performance through the promotion of good corporate citizenship and an overlay of constructive engagement and shareholder activism. Fraters believe that the South African market for SRI will expand and diversify following current trends. For information, visit [www.fraters.co.za](http://www.fraters.co.za).

### **Dutch reward ethical investment consumers**

A smartcard has been launched in Rotterdam to reward green behaviour, such as recycling and buying eco-label products. Participants will be able to spend reward points on public transport, buying organic food and ethical investment products etc. It is an ambitious two-year project and is expected to spread to other Dutch cities and the rest of Europe. For further information, please contact David Boyle at [david.boyle@neweconomics.org](mailto:david.boyle@neweconomics.org).

### **The New Academy of Business launches a CSR journal**

The New Academy of Business has launched a quarterly academic journal on CSR entitled 'The New Academy Review' edited by the former director of Manchester School of Business. For further information, please contact Tom Cannon on 0161 434 2989.

### **FSA resource on ethical investment sent to all secondary schools**

The Financial Services Authority (FSA) have produced a teaching resource on ethical investment entitled 'But is it Fair? - Why your investments matter'. The module forms one of five in the "Make the Most of it!" series, which aims to develop the financial capabilities of pupils' aged 14 to 19. The resource provides lesson plans, ideas and materials for teachers and covers several curriculum areas. It has been sent to the PSHE/ Citizenship Co-ordinator at every secondary school and sixth form college in the UK. For further details contact [steve.stillwell@fsa.gov.uk](mailto:steve.stillwell@fsa.gov.uk).

### **GEXSI launched to identify projects for social investment**

At the 2002 World Economic Forum the Global Exchange for Social Investment (GEXSI) was launched to help social investors evaluate potential projects for funding. Initiatives are rated by a consortium of companies and organisations against strict financial, organisational, and portfolio criteria. The GEXSI is in its pilot stage and is offered as a directory and website. For further information, visit [www.gexsi.org](http://www.gexsi.org).

## **Book Releases**

### **Marcel Jeucken, Sustainable Finance and Banking**

'Sustainable Finance and Banking: The Financial Sector and the Future of the Planet' by Marcel Jeucken provides an argument for involving financial institutions in plans for sustainable development. The book is available for purchase from [www.amazon.co.uk](http://www.amazon.co.uk).

### **Minu Hemmati, Multi-stakeholder Processes for Governance and Sustainability**

'Multi-stakeholder Processes for Governance and Sustainability: Beyond Deadlock and Conflict' by Minu Hemmanti is now available. It is a practical guide, which explains how multi-stakeholder processes can be organised to resolve complex issues and sustainable forms of development. To order a copy and for further information, please contact the UNED Forum on 020 7930 5893.

### **Simon Zadek, 3<sup>rd</sup> Generation Corporate Citizenship: Public Policy & Business in Society**

In collaboration with Accountability, Simon Zadek has published 'Third Generation Corporate Citizenship: Public Policy and Business in Society'. Zadek argues that for corporate citizenship to work there needs to be a decisive move beyond individual leadership, philanthropic gestures and PR stunts towards collective action with government and civil society. The book can be purchased from [www.amazon.co.uk](http://www.amazon.co.uk).

## **Forthcoming Conferences and Courses**

### ***SRI and CSR***

*EIA Meeting*, 4 March 2002, London. For further information, contact [dvincent@ethicalinvestments.co.uk](mailto:dvincent@ethicalinvestments.co.uk).

*Sustainable Futures: Imperial College and London School of Economics Alternative Careers Fair*, 6 March 2002, London. Presentations from Dresdner, EIRIS, Ethical Money and Storebrand. For further information, please contact Henry Thoresby at LSE at [thorwex@dircon.co.uk](mailto:thorwex@dircon.co.uk).

*Ethical Investment: Social and Ecological Criteria for Financial Investment*, 12-13 March 2002, Salzburg. For further information, please visit [www.vergil.at](http://www.vergil.at).

*Capturing the Value of Ecosystems Services: Developing Markets for Environmental Assets*, 13-14 March 2002, London. Speakers include UKSIF directors, E. Howard Boyd, Jupiter and M. Campanale, Hendersons. For further information, please visit [www.katoombagroup.org](http://www.katoombagroup.org) and [www.forest-trends.org](http://www.forest-trends.org).

*Institute of Business Ethics: Introduction to Business Ethics*, 14 March 2002, London. For further information, please e-mail [info@ibe.org.uk](mailto:info@ibe.org.uk).

*UNEP Finance Initiative: Annual Global Roundtable Meeting on Finance and Sustainability – Financing a Sustainable Future: Strategies, Partnerships and Opportunities*, 14-15 March 2001, Rio de Janeiro, Brazil. For further information, please visit [www.unepfi.net/rio](http://www.unepfi.net/rio).

*ECCR (Ecumenical Council for Corporate Responsibility) Training Day - Engaging with Companies*, 16 March 2002, London. For further information, please visit [www.eccr.org.uk](http://www.eccr.org.uk).

*PIRC's Socially Responsible Investment Conference: From Social Concern to Investor Focus*, 18 March 2002, London. For further information, please contact Janice Hayward at [JaniceH@pirc.co.uk](mailto:JaniceH@pirc.co.uk).

*Christian Ethical Investment Group's Annual Meeting*, 18 March 2002, London. See [www.ceig.org](http://www.ceig.org).

*IMN's UK and Irish Pensions and Investing Summit, Featuring an Alternative Investing Workshop*, 3–4 April 2002, Dublin, Ireland. For further information, please visit [www.imn.org](http://www.imn.org).

*The 2002 Annual Conference of CERES, The Coalition for Environmentally Responsible Economies*, 17-19 April 2002, Washington DC, USA. For further information please e-mail [raposa@ceres.org](mailto:raposa@ceres.org).

*The Environmental Industries Commission's Conference on Profiting in the Green Economy*, 24 April 2002, London. For further information, please visit [www.ei-uk.co.uk](http://www.ei-uk.co.uk).

*Ethical Corporation Conference 2002: The Business Case for Corporate Social and Environmental Responsibility*, 24-25 April 2002, London. Speakers include representatives from Hendersons, Jupiter, Morley and Schroders. For further information, please e-mail [christian@ethicalcorp.com](mailto:christian@ethicalcorp.com).

*Alternative Investment Forum 2002*, 29-30 April, London. For further information, please e-mail [enquiries@irc-conferences.com](mailto:enquiries@irc-conferences.com).

*Eurosif Conference: Public Policy and SRI*, Either 24 or 30 April 2002 (final date tbc), Frankfurt, Germany. For further information, please visit [www.eurosif.info](http://www.eurosif.info).

*Eurosif Paris Interchange Conference*, 23 May 2002, Paris, France. For details visit [www.eurosif.info](http://www.eurosif.info).

*PIRC's Conference: Pension Fund Reactions to the Myners Report*, 25 May 2002, London. For further information, please visit [www.pirc.co.uk](http://www.pirc.co.uk).

*IMN's European SRI Conference*, 29 May 2002, Stockholm, Sweden. For details visit [www.imn.org](http://www.imn.org).

*The 2<sup>nd</sup> Ethical Investment Management Conference*, 18-19 June 2002, London. For further information, please visit [www.euromoneyplc.com](http://www.euromoneyplc.com).

*The 4<sup>th</sup> Triple Bottom Line Investing Conference*, 7-8 November 2002. Brussels, Belgium. For further information, please contact [www.tbli.org](http://www.tbli.org).

## **Community Finance, Regeneration and Community Development**

*The Planning Green Paper Consultation Seminars Part 3*, 7 March 2002, Newcastle. For further information, please contact BURA on 0800 0181 260.

*Managing Change in London's Community Organisations*, 11 March 2002, London. For further information, please visit [www.bassac.org.uk](http://www.bassac.org.uk).

*Social Enterprise: Building London's Social Economy*, 14 March 2002, London. See [www.sel.org.uk](http://www.sel.org.uk).

*Regeneration Funding: Complexity, Accessibility and Equality*, 20 March 2002, London. For further information, please visit [www.capitaconferences.co.uk](http://www.capitaconferences.co.uk).

*The National Social Economy Conference*, 21 March 2002, Dudley. See [www.socialeconomy.org](http://www.socialeconomy.org).

*Clann Credo 2002 Annual Conference*, 25 March 2002, Dublin, Ireland. E-mail [paul@clanncredo.ie](mailto:paul@clanncredo.ie).

*Local Strategic Partnerships: Lessons Learned So Far*, 26 March 2002, London. For further information, please visit [www.neilstewartassociates.co.uk](http://www.neilstewartassociates.co.uk).

*London Policy X-change*, 25 April 2002, London. For further information, please visit [www.bassac.org.uk](http://www.bassac.org.uk).

*5<sup>th</sup> Annual Conference of the Micro Finance Institutions in Central and Eastern Europe*, 16-18 May 2002, Budapest. For further information, please visit [www.mfc.org.pl](http://www.mfc.org.pl).

*International Association of Investors in the Social Economy (INAISE) Annual Conference*, 23-24 May 2002, Mulhouse, France. For further information, please visit [www.inaise.org](http://www.inaise.org).

*The 3<sup>rd</sup> Annual Community Development Finance Conference: Risk – Reward – Values*, 20-21 June 2002, Glasgow. For further information, please visit [www.cdfi.org.uk](http://www.cdfi.org.uk).

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