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### 1. Eurosif Update

#### **Eurosif to hold its annual Advisory Council Meeting in London on December 1st, 2005**

Every year Eurosif holds a meeting especially designed as a forum of exchange and networking exclusively for its member affiliates. This one-day event allows us to provide members with a “year in review” on various projects around SRI across Europe as well as provide members with an opportunity to interact with one another, share ideas and express how they wish to see Eurosif moving forward in the future.

In order to best accommodate our members’ travel schedules, we have decided to hold our meeting in London the day before a large CSR event organised by the UK Presidency of the EU. Their conference is entitled “Investing in the future: a European conference on CSR and the finance sector”. Our meeting will take place during the day on December 1st, and the UK Presidency conference will start that evening.

More information on the Advisory Council Meeting will be sent to members shortly. For more information please contact Sarah Clawson at [sarahc@eurosif.org](mailto:sarahc@eurosif.org).

More info on the UK EU Presidency CSR conference:

<http://www.csr.gov.uk/feature.shtml>.

#### **Eurosif's sector report on Chemicals due out this month**

The second in a series of sector reports will be released in a few weeks. Eurosif is partnering with the research agency EIRIS (Ethical Investment Research Services) and a steering committee of asset managers to produce a concise analysis of the social and environmental issues as well as the potential risks and opportunities for companies’ long-term returns in the chemical sector.

The sector reports aim at helping policy makers, mainstream asset managers, companies, and pension fund trustees understand risks that lie outside the realms of traditional financial analysis, but may influence investments.

The report will be available to download from the Eurosif web site via:

For more information please contact Sarah Clawson at [sarahc@eurosif.org](mailto:sarahc@eurosif.org).

#### **Three new signatories to the Retail Transparency guidelines**

The French arm of HSBC Investments (with fund HSBC Valeurs Responsables), Lombard Odier Hentsch & Cie (with two funds LODH Invest - The International SRI Quant Fund) from Switzerland, and the Ethical Funds Company (Canada) have joined the existing signatories. HSBC Investments is the first French signatory to the guidelines.

For more information, please contact [jeromet@eurosif.org](mailto:jeromet@eurosif.org).

#### **Handbook on cross border active shareholding: email now to be in the address book!**

As the handbook closes in on publication, Eurosif is bringing together a reading committee composed of European SRI and corporate governance experts to help finalise the document. A section will be dedicated to companies/organisation that provide services in the field of active shareholding (fund management, proxy voting, various advisories, guidelines initiators, etc) across Europe.

**To ensure that your company/organisation is mentioned in the handbook, please contact [jeromet@eurosif.org](mailto:jeromet@eurosif.org).**

### **Institutional SRI study update under way**

Eurosif has begun scoping its 2006 Institutional SRI study, to be released in the spring of 2006.

More info: [jeromet@eurosif.org](mailto:jeromet@eurosif.org).

### **Eurosif public speaking events:**

Matt Christensen will be speaking at Dexia sponsored events on European SRI Trends, in Amsterdam on Sept 8th and Vienna on Sept. 9th.

At the TBLI conference, Matt will moderate a roundtable on 'Fund Performance & Strategy-Are SRI funds performing and what are some strategies for creating and maintaining an SRI portfolio' (Nov 3rd)

At the EU Presidency conference, Matt will speak on the theme of "Enhancing transparency and improving research of extra-financial risks and opportunities"(December 2nd).

Straight talk: Eurosif is planning to have an open meeting in January '06 in Barcelona as part of its Straight Talk events. More in due course.

## **2. EU Update**

### **Corporate governance: European Forum makes progress on common approach to responsible company management**

The European Corporate Governance Forum, which examines best practices in Member States in the field of corporate governance, held its second meeting in Brussels on 20 June 2005.

Key topics discussed were:

**Shareholders' rights:** key to good governance, their exercise should be facilitated (in particular cross border shareholders' voting rights). A broad analysis should be undertaken on key remits of shareholders. In this context, the forum welcomed the consultation paper on the enhancement of shareholders' rights that was recently published by the Commission ([IP/05/561](#)).

**Internal control and risk management:** An increase in disclosure requirements is to be introduced by forthcoming modifications to the Company Law. However the forum insisted that it is necessary to review the balance between increased disclosure requirements and the increased charge they bring on companies.

The next meeting of the Forum is planned for November 2005.

For more information, see:

[europa.eu.int/comm/internal\\_market/company/ecgforum/index\\_en.htm](http://europa.eu.int/comm/internal_market/company/ecgforum/index_en.htm)

### **EESC opinion on information and measurement instruments for CSR in a globalised economy**

On 8th June 2005, the European Economic and Social Committee adopted an opinion on "Information and Measurement Instruments for CSR" by a wide majority. The text gives an overview of developments in the field of CSR transparency and makes proposals to extending the use of CSR instruments and make the measurement of CSR more reliable and more transparent.

## **3. News from Eurosif members**

**Eurosif welcomes new member SNS Asset Management (SNS AM),**  
a Dutch asset manager for institutional investors.

SNS AM has integrated all activities related to asset management - from research to administration - into a single organisation and can be seen as a "one-stop shop for SRI mandates". For more on SNS Asset Management, please see:

[www.eurosif.org/pub2/4mem/dir/sns.shtml](http://www.eurosif.org/pub2/4mem/dir/sns.shtml)

### **DJSI Review 2005 results to be published**

The results of the DJSI Review 2005 will be published on September 7, 2005. Registration for access is free of charge and now available at [www.sustainability-indexes.com/registration.jsp](http://www.sustainability-indexes.com/registration.jsp)

### **EIRIS survey: UK and Netherlands top corporate governance league**

According to a survey released by EIRIS, companies based in the UK and the Netherlands have the best over-all corporate governance standards in the developed world. For a full copy of the research briefing please visit:

[www.eiris.org/Files/Otherpublications/corpgov05.pdf](http://www.eiris.org/Files/Otherpublications/corpgov05.pdf)

### **Ethos quarterly report available**

To access Ethos quarterly report, please go to:

[www.ethosfund.ch/upload/report/r43f\\_050630\\_er\\_trimestre\\_.pdf](http://www.ethosfund.ch/upload/report/r43f_050630_er_trimestre_.pdf)

### **FEE publishes a Discussion Paper on Assurance for a Sustainable Supply Chain**

This Discussion Paper emphasises the business case for sustainable supply chains and provides background and guidance on management of supply chains with an emphasis on aspects, such as codes of conduct, where independent assurance and related services may be particularly valuable.

Comments and feedback from Eurosif members are welcomed.

[www.fee.be/fileupload/upload/PR58.DP.Sus%20Supply%20Chain.Final296200541624.pdf](http://www.fee.be/fileupload/upload/PR58.DP.Sus%20Supply%20Chain.Final296200541624.pdf)

### **GEXSI first newsletter available**

For an update on GEXSI (Global Exchange for Social Investment) activities and projects please go to:

[www.gexsi.org/GEXSINewsletterNo1.doc](http://www.gexsi.org/GEXSINewsletterNo1.doc)

### **Henderson's latest publications**

- A study into the relative carbon intensity (a comparison between the carbon emissions and financial results) of the companies in the UK equity market; it reviewed the quality and quantity of current disclosures to investors. For more, please see:

[www.henderson.com/global\\_includes/pdf/sri/SRICarbon100Report.pdf](http://www.henderson.com/global_includes/pdf/sri/SRICarbon100Report.pdf)

- A carbon audit of one of Henderson's SRI funds, Global Care Income.

[www.henderson.com/global\\_includes/pdf/sri/SRIClimateFriendly.pdf](http://www.henderson.com/global_includes/pdf/sri/SRIClimateFriendly.pdf)

### **KLD**

- **Launch of the Global Climate 100 Index.** This new index is made up of companies that KLD expects to offer near-term solutions to global warming through renewable energy, alternative fuels, clean technology and efficiency.

- **Coverage of nuclear power industry increased.** The number of industries KLD reviews for inclusion in its Nuclear Power Involvement Report which reviews companies involved in producing electricity using nuclear reactors has increased to 104.

### **Mercer Investment Consulting produces climate change guide**

IIGCC (Institutional Investor Group on Climate Change) and Carbon Trust commissioned Mercer Investment Consulting to produce a guide for pension trustees on climate change. The final guide, '*A climate for change: a trustee's guide to understanding and addressing climate risk*' was published in August and is now available online.

Please [click to download guide 'A climate for change'](#) [PDF from [Carbon Trust website](#)].

### **Oikocredit - "Small loans - Great change; Building a future with microfinance"**

Oikocredit International Microfinance Symposium was held in Bonn on 10 June. It gathered some 700 investors, experts and beneficiaries from 43 countries. This symposium focused mainly on increasing public awareness of the pros and cons of microfinance and the impact it has on communities and individuals. For a full report on the event:

[www.oikocredit.org/site/microcredit/doc.phtml?p=Symposium2](http://www.oikocredit.org/site/microcredit/doc.phtml?p=Symposium2)

### **Bank Sarasin publishes sustainability report and study on emerging countries**

- To access Bank Sarasin's report, please go to [www.sarasin.ch/sarasin/show/main/public/1,1015,1000306-0-2,FF.html](http://www.sarasin.ch/sarasin/show/main/public/1,1015,1000306-0-2,FF.html)
- Bank Sarasin releases a study on emerging countries, showing that sustainable emerging countries sovereign bonds are considered an attractive alternative for portfolios. Available at: [www.sarasin.com](http://www.sarasin.com)

### **Vigeo and Ethibel merge to form the Vigeo Group**

On 15 June, the plan to merge the two businesses was approved by shareholders at the Annual General Meetings of Vigeo and Ethibel, sealing the formation of the Vigeo group, Europe's first corporate social responsibility rating agency.

## **4. News from SIFs**

### **FFS – Italy**

#### **Developing SRI for institutional investors**

After the release of the "Futuro di Valore" handbook (SRI for institutional investors), the project goes on with a training programme that involves all parties interested in the development of SRI. Several training seminars are scheduled for the next two months. Partners in the organisation are Assogestioni (Association of asset managers), Assofondipensione (Association of occupational pension funds), ABI (Italian banking Association), ANIA (Association of Italian Insurers). The website [futurodivalore.it](http://futurodivalore.it), fully dedicated to institutional SRI, will be online by the end of October.

#### **FFS and microcredit**

In the framework of the international year of microcredit, FFS has received a grant from the Ministry of Foreign Affairs and Fondazione Cesar (Unipol Insurances) to carry on a feasibility study of a microcredit fund dedicated to institutional investors. The outcome of the research is expected by November 2005.

### **UKSIF – United Kingdom**

#### **UKSIF Chair, Treasurer and Chief Executive meet Stephen Timms, Minister for Pension Reform**

Emma Howard Boyd, Peter Webster and Penny Shepherd were part of small group that met Stephen Timms in July. The minister confirmed that he is keen to see further progress on socially responsible investment, having introduced the original SRI disclosure regulation. Action points for ministerial consideration that were discussed included: trustee empowerment; enabling DC scheme members to have greater, informed choice; reporting of SRI engagement; and the creation of a sustainable investment commission. For further details, see Engaged Investor's exclusive 'Timms for Change' at [www.engaged-investor.com](http://www.engaged-investor.com) or contact [penny.shepherd@uksif.org](mailto:penny.shepherd@uksif.org).

### **VBDO – The Netherlands**

#### **VBDO debates with listed companies**

On June 1st, VBDO organised its second debate on transparency with a listed company. This time ABN-Amro hosted the meeting and had a lively debate about its csr-report with NGO's, investors and other listed companies. The first debate was with TNT. These debates are meant to develop the 'market of CSR-information' by stimulating demand as well as supply. The ministry of economic affairs finances this VBDO project, which is carried out in close partnership with the Dutch platform of NGO's ([www.mvo-platform.nl](http://www.mvo-platform.nl)) on CSR and the Dutch

network of companies and CSR ([www.samen.nl](http://www.samen.nl)). For reports on the outcome of the debates (in dutch) see the vbdo website:

For ABN AMRO: [www.vbdo.nl/index.php?nl/persberichten//256](http://www.vbdo.nl/index.php?nl/persberichten//256)

For TNT: [www.vbdo.nl/index.php?nl/persberichten//253](http://www.vbdo.nl/index.php?nl/persberichten//253).

### 5. SRI news in Europe & elsewhere

#### **UK: ethical savings and investments break through the £10bn barrier**

A study by Co-operative Financial Services (CFS) said the level of ethical investment rose 18% to £10.6bn during 2004. A total of £5.5bn had been put into 'socially responsible' funds and £5.1bn deposited in ethical banks and credit unions.

#### **France: SRI investment up 128% in a year**

Figures released by Novethic show a considerable increase in SRI in France over a year: total SRI AUMs are up 76% to reach €6.9bn. 60% of these funds are held by institutional investors, a significant increase over the past year.

[www.novethic.fr](http://www.novethic.fr).

#### **Fonds de Réserve pour les Retraites selecting SRI managers**

The €19bn French reserve fund has started to select managers for up to six socially responsible investing mandates worth a total of €600m; the minimum size of the mandates will be €50m, with a five-year duration. *In its RFP, the Fonds de Réserve made mention of Eurosif's transparency guidelines.*

#### **Enhanced Analytics Initiative releases broker evaluation**

Broker evaluation over the period of Nov 2004 to April 2005 was released in June: The evaluation serves as the basis for EAI's members of their respective brokerage commissions to research houses which are best effective at analysing extra financial issues and intangibles. The four best organisations in this evaluation are (alphabetical order): Bernstein Research, CM-CIC Securities, DrKW, and UBS Investment Research.

For more please [download press release from Enhanced Analytics website](#) [PDF].

#### **SiRi Company launches the SiRi Alert Service**

SiRi Company, an independent provider of CSR research, launches the SiRi Alert Service, an information solution addressing environmental and social issues. The service provides an on-going and detailed follow-up on the involvement of 1000 companies worldwide in a variety of sustainability issues.

[www.siricompany.com](http://www.siricompany.com).

#### **Italian institutional investors back green initiative**

Institutional investors including the Italian legal pension scheme, Cassa Nazionale di Previdenza Forense, and bank foundations Fondazione Cariplo and Fondazione Cariverona are providing the majority of the capital to a holding company set up in June to invest in clean energy initiatives. This holding (Atmos) will invest in clean energy initiatives.

#### **Carbon Disclosure Project 3 (CDP3) report to be launched**

The CDP3 information request was signed by 143 institutional investors representing assets of \$20 trillion (against 95 institutional investors and \$10 trillion assets for CDP2 in 2004). It was sent to the top 500 corporations by market value in the US (the FT500) on 1st Feb 2005, asking for disclosure of investment relevant information concerning their greenhouse gas emissions. The report analyzing the response of companies is to be launched according to the schedule below:

- 14 September, JPMorganChase, New York.
- 19 September, ABN AMRO, Amsterdam.
- 27 September, London Stock Exchange, London.
- 4 October, Development Bank of Japan, Tokyo.

- 28 October, Axa, Paris.

### **USA - Illinois governor signs Sudan divestment bill**

A new state law requires Illinois to divest about \$1 billion worth of pension investments in companies that do business in Sudan to protest the ongoing humanitarian crisis in the country's Darfur region.

### **Japan: Kyoto Calls on World Mayors to Create Global Warming Council**

Kyoto City announced on June 15, 2005 that its mayor, Yorikane Masumoto, will call on mayors of the world to create a "World Mayors' Council on Climate Change" (tentative name), an international network of municipalities dedicated to curbing global warming. The council would work in cooperation with the International Council on Local Environmental Initiatives (ICLEI), with which about 470 local governments from 67 countries are affiliated.

[www.japanfs.org/db/database.cgi?cmd=dp&num=1084&dp=data\\_e.html](http://www.japanfs.org/db/database.cgi?cmd=dp&num=1084&dp=data_e.html).

## **Surveys and Reports**

### **Climate Change and the Financial Sector: An Agenda for Action – WWF and the Allianz Group**

Jointly launched by WWF and the Allianz Group, "Climate Change and the Financial Sector: An Agenda for Action", the report identifies both risks and opportunities due to climate change for financial service providers in asset management, banking and insurance and provides 21 recommendations on how to act. The report is available online at:

[www.panda.org/epo](http://www.panda.org/epo).

### **Energy Security & Climate Change: Investing in the Clean Car Revolution – Merrill Lynch and World Resources Institute**

Copies of the report can be obtained via the WRI website:

[pubs.wri.org](http://pubs.wri.org).

### **Financial Risks of climate change – ABI (Association of British Insurers)**

This work shows that the worldwide costs of major storms is likely to increase by as much as two-thirds taking the total cost in an average year to £15billion (\$ 27billion). The report also explains that these costs can be reduced if governments take action now, in such fields as carbon emissions reduction, coastal defense and flood protection improvement. For the full report, please see:

[www.abi.org.uk/climatechange](http://www.abi.org.uk/climatechange).

### **International Survey of CSR Reporting – KPMG**

KPMG has released its 2005 International Survey of Corporate Responsibility Reporting. The survey found a substantial increase in the percentage of companies issuing standalone CSR reports, from 45 percent in 2002 to 52 percent in 2005 for Fortune 250 companies.

### **Market survey of SRI Funds in France – Novethic and Ethicity**

This survey looks at the expectations of French SRI retail investors, the products on offer and how they meet investors' expectations.

To access the results of the survey (in french), please go to:

[www.novethic.fr/novethic/upload/com/Presentation\\_220605.ppt](http://www.novethic.fr/novethic/upload/com/Presentation_220605.ppt).

## **6. Upcoming events**

### **Green Power Central and Eastern Europe**

7-9 Sept 2005, Prague

[www.greenpowerconferences.com](http://www.greenpowerconferences.com).

### **Mission-Related Investment**

A presentation by FB Heron Foundation (USA) on their MRI strategy

8 Sept 2005, London (free)

[Download details of MRI seminar](#) [PDF, 103kb], or  
contact [Montanut.Turnbull@said-business-school.oxford.ac.uk](mailto:Montanut.Turnbull@said-business-school.oxford.ac.uk).

### **Annual SRI in the Rockies Conference**

25-28 September 2005, Snowbird Resort, UT

[www.sriintherockies.com](http://www.sriintherockies.com).

### **Responsible consumption, organised by the European Commission with Alternatives Economiques**

26 September 2005, Brussels

[europa.eu.int/comm/employment\\_social/soc-dial/csr/050926\\_cover\\_en.html](http://europa.eu.int/comm/employment_social/soc-dial/csr/050926_cover_en.html)

### **The art of good business – Adding value through Corporate Social Responsibility**

29 Sept – 1st Oct 2005, Lucca, Italy

[www.svneurope.com](http://www.svneurope.com).

### **"Competitiveness and new Business Strategies: Corporate Social Responsibility"**

The 1st Italian banking forum on CSR, organised by the Italian Banking Association (ABI)

3-4 Oct 2005, Rome, Italy

[www.bancariaeditrice.it](http://www.bancariaeditrice.it).

### **10th European Roundtable on Sustainable Consumption and Production**

5-7 Oct 2005, Antwerp, Belgium

[www.vito.be/erscp2005](http://www.vito.be/erscp2005).

### **The End of CSR & the Return of Ethics**

14 Oct 2005, Vught, The Netherlands.

[Download details of "The end of CSR..."](#) [PDF, 182kb] or

see: [www.zininwerk.nl](http://www.zininwerk.nl) or mail to [mcs@zininwerk.nl](mailto:mcs@zininwerk.nl).

### **Sustainable Innovation 05: Global 'state of the art' in sustainable product/service development and Design**

24-25 Oct 2005, Farnham, UK

[www.cfsd.org.uk/events/tspd10](http://www.cfsd.org.uk/events/tspd10).

### **UNEP FI Global Roundtable**

25-26 October 2005, New York, USA

[www.unepfi.org/ny/](http://www.unepfi.org/ny/).

### **'Creating the Climate for Change' The 2nd Sustainable Energy Finance Roundtable**

27 October 2005, New York, USA

[www.sefi.unep.org/index.php?id=57](http://www.sefi.unep.org/index.php?id=57).

### **Carbon Finance 2005 - Risk and opportunities in emissions markets**

31 Oct & 1 Nov 2005, London

[www.environmental-finance.com/envfin/CF2005.pdf](http://www.environmental-finance.com/envfin/CF2005.pdf).

### **BSR 2005 Annual Conference**

1-4 Nov 2005, Washington DC

[www.bsr.org](http://www.bsr.org).

### **TBLI Annual Conference**

2-4 Nov 2005, Frankfurt

[www.tbli.org](http://www.tbli.org).

### **Green Power Mediterranean**

14-16 Nov 2005, Rome



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[www.greenpowerconferences.com](http://www.greenpowerconferences.com).

### **UK EU Presidency's CSR Conference**

1-2 Dec 2005, London

<http://www.csr.gov.uk/feature.shtml>.

### **Global Forum on Sustainable Development**

2-3 Dec 2005, Paris

[www.equitable-forum.org/2005/index.html](http://www.equitable-forum.org/2005/index.html).