



Eurosif

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PRIME: Helping Foundations Use “the Other 95%”
Eurosif and Bellagio Forum publish “Primer” for Endowed Foundations

Paris, France: Eurosif (European Social Investment Forum) along with the Bellagio Forum for Sustainable Development (BFSD) announce the publication of PRIME: the Primer for Responsible Investment Management of Endowments. Download PRIME at www.eurosif.org/publications.

Most foundations have a charter aimed at making a difference in the world in which we live. The single most important resource to achieve this goal is through financial donations from the endowment itself or from the income generated from endowments. In a given year, a foundation typically spends up to 5% of its capital on grantmaking; the other 95% remains in the foundation as endowed capital to support grantmaking for the years to come. Thus, high returns on the endowed capital invested are a key to success. Increasingly, however, this is not enough.

The reputation risk of endowments being associated with speculative or unethical business practices, or investments that are in contrast with a Foundation's objective, has increasingly been an agenda item for Foundation Boards. Some boards are also asking whether the investment policy for its endowed capital is indeed aligned with the Foundation's mission..

The Eurosif / Bellagio Forum PRIME Toolkit, produced in cooperation with the European Foundation Centre, aims at helping foundation officers, directors and trustees better understand Responsible Investment practices (often called Socially Responsible Investment or SRI) and integrate them into mandates they give to asset managers entrusted with the management of their endowments.

Eurosif Executive Director Matt Christensen adds: “PRIME has been developed by leading experts in the field of Responsible Investment in order to meet the growing needs of foundations. This toolkit will equip foundation trustees with the key factors they need to know in order to integrate SEE issues into the long-term management of their endowments.”

Bellagio Forum Chairman Michael Hoelz explains: “Our goal is to provide more clarity and greater understanding about Responsible Investment practices. The Toolkit will serve not only endowed foundations, but also the mainstream financial service providers interested in the field. We aim to supply readers with the resources they need as the Social/Environmental/Ethical (SEE) issues become increasingly relevant to good asset management.”

The PRIME Toolkit addresses the following questions:

- Why should my foundation be interested in Responsible Investment at all?
- Should my foundation's board be concerned about how our endowment is invested?
- Which Responsible Investment approaches are most appropriate to our foundation' overall mission and goals?
- Can a Responsible Investment strategy give returns equivalent to other investment approaches?
- What does Responsible Investing mean in terms of fulfilling my fiduciary responsibility?



Notes to Editor

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Eurosif (The European Social Investment Forum), a pan-European network whose mission is **to Address Sustainability through Financial Markets**. Recognized across Europe as the premier multi-stakeholder forum for SRI, Eurosif is a not-for-profit association, with membership drawn from leading pension funds, asset managers, NGOs, trade unions, academic institutes and research providers that together represent assets totaling over €600bn. The key benefits that Eurosif members receive include EU lobbying, SRI information and European wide initiatives that integrate SRI and Corporate Governance issues into the financial services sector.

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The **Bellagio Forum for Sustainable Development** (BFSD) is an international network of grant-providing institutions striving to attain environmental balance, economic stability and social progress. The Forum brings together individuals from foundations and businesses to build trust, dialogue and effective partnerships. If you would like to learn more about the Forum please contact us at: info@bfd.org.