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1. Eurosif Update

Institutional Transparency Guidelines for Engagement

This UKSIF-led Eurosif project took off this spring. A first Steering Group of practitioners gathered on May 27th to discuss a first draft - a framework guideline allowing managers to report to the level they are most suited to and reflecting the most recent developments on the market.

Following wider consultation, a second meeting will take place on July 15th.

Pension Programme Update

Following last month's distribution of the outline to Eurosif members, Eurosif and contributors are pursuing the Programme through field research and interviews across Europe. The programme's Advisory Council will get together on June 25 in Brussels to review the ongoing effort and help shape the Programme's evolution. For more information, please contact Jérôme Tagger at jeromet@eurosif.org

Eurosif Public Speaking Roles

Eurosif was one of two keynote speakers at Reed Elsevier's Bi-Yearly Summit Meeting held in Paris for the CEOs of their leading employment marketing agencies. Reed Elsevier is a world leading publisher and information provider, operating in four core markets: Science & Medical, Legal, Education, Business.

The Summit was held in Paris and Eurosif led a presentation on CSR Factors in Investors Making Decisions. The other speaker was Denise Kingsmill, a leading thinker in developing tools on Human Capital Management Reporting (www.accountingforpeople.gov.uk). The Summit showed the mainstreaming evolution of CSR and SRI as participants were eager to learn how to incorporate these areas into the services that they provide as well as internally in the way that they do business.

Eurosif spoke at an invitation only event in Rome on May 28 to the leading clients of Italian Asset Manager Pioneer Investments. SRI was positioned as a growing and important area for the pension funds and foundations to learn about as they continue to search for new ways to manage their funds.

New Eurosif Website launched

Eurosif has finalised their new and improved website. Some of the menus have been reorganised with the aim to improve user navigation and general structure. The new version of the site is now up and running, and we welcome your feedback at the following address: sarahr@eurosif.org.

New Eurosif services available to members

EU Insider: Eurosif has started a service that will be distributed on a quarterly basis to members on EU happenings related to SRI. It will go beyond the references in this newsletter to provide more detail on how Eurosif is involved in the latest debates and animated discussions at the European Parliament and the European Commission. Eurosif will provide readers with an insiders' look at the issues with commentary and thoughts about the position

of Directives and Policy Makers vis-à-vis SRI and Corporate Governance. The first issue will be distributed in mid-June.

News Flash: Eurosif will send information to members when an important item affecting SRI has been announced. These will be short, to the point and timely. News flashes will concentrate mostly around issues of legislation or announcements of large pools of assets being put into SRI.

2. EU Update

Final High Level Meeting for Multi-Stakeholder Forum on CSR to be held on June 29

The final high level meeting of the EU CSR Forum will take place on 29 June 2004. Eurosif submitted a recommendation to the Forum that investors be more transparent in whether or not they integrate social and environmental risks in their fund management criteria. The 4 roundtables have now completed their work and [their reports can be downloaded](#) from forum.europa.com.

Eurosif in EC Meeting on role of SMEs

On May 18, Eurosif was invited to a meeting with leading players from industry, NGOs, and Trade Unions to discuss the role of SMEs in CSR. Case studies were presented from two French industrial companies on their attempts to foster CSR within their supply chains. The group discussed ways to encourage CSR among SMEs which included mandatory audits, spot checks and incentives for better contract terms. Business in the Community (BITC) also spoke about ways in which they are working to encourage CSR within their constituency in the UK. Eurosif spoke in the discussion on the role that social venture capital can play in encouraging SMEs to adopt CSR. The discussion talked through what types of incentives could be created for both investors (private equity/venture capital) as well as new companies so that CSR policies might be integrated into business plans that receive funding.

Elections in the EU

Due to the upcoming elections, activities at Parliament and the Commission have been a bit slow. Eurosif expects to see it pick up in July and certainly by September.

3. News from Eurosif members

Eurosif welcomes Economistas sin Fronteras as a new member

EsF (Economists without Borders) is a Spanish non profit that uses the resources of economists towards efforts and initiatives most in need of business skills for success. Their geographic focus extends from Spain to the developing world. The organisation leads its own activities as well as provides support to larger organisations that lack resources of skilled economists.

For more, please see www.ecosfron.org

Dexia Asset Management doubles its assets under SRI Management in Q1 2004

In the first quarter of 2004, Dexia Asset Management (Dexia AM) has doubled its assets under SRI management by acquiring new institutional mandates.

FTSE4Good releases Criteria Development and Company Engagement 2003-2004 Report

This report shows that FTSE4Good has encouraged a marked improvement in the disclosure of human rights and environmental policy, codes of practice and management systems and processes.

[The report is available here](#) (PDF on www.ftse.com).

ISIS website is updated in line with Eurosif's transparency guidelines

As advocates of corporate transparency, ISIS is committed to improving its own transparency. ISIS are the first UK-based investor to apply the Eurosif Transparency Guidelines to not only retail SRI Funds, but also to ethically screened funds for institutional clients. Please see the

newly updated GSRI section of the ISIS website, which applies the guidelines: www.isisam.com/aboutus.asp?pageid=2.8.2. Any feedback should be sent to sagarika.chatterjee@isisam.com.

KLD Research and Analytics launches new SRI index in the US

KLD Research and Analytics, an SRI Research firm, launched on June 1 2004 a new SRI index that adjusts the weighting of companies to their social and environmental performance, while controlling risk. The KLD Select Social Index gives more weight to companies with a strong record/performance in KLD social and environmental analyses, and less weight to those companies underperforming in those areas. The index contains about 350 stocks. For more please see www.kld.com.

SAM Sustainable Asset Management launches a new Investment Fund under Luxembourg Legislation

The SAM Sustainable Global Equity Fund is invested in around 50 to 70 international companies that are leaders with regard to economic, ecologic and social criteria. The launch of this new investment fund is a first step to further extend SAM's fund range. For this purpose, Daniel Häfele, former CEO of FONDVEST, has joined SAM as new Head of Fund Development & Distribution.

4. News from SIFs

FFS – Italy

Italian SIF working towards UK-style disclosure obligation for pension funds

The Permanent Committee for Social Affairs of the Italian Senate has approved an amendment to the pension reform regulation that introduces a UK-style disclosure obligation for pension funds. The amendment has been drafted by FFS and supported through two hearings at the Senate and a number of direct contacts with several members of the Committee. The bill must now be discussed by the Senate as a whole and then passed to the lower House (and eventually come back to the Senate again). The key point is that the amendment has been signed and voted by senators from all political parties and accepted by the representative of the government.

For more information please contact Davide Dal Maso at dalmaso@finanzasostenibile.it.

FIR – France

FIR's Annual Forum for European Responsible Investment to be held on June 24-25 in Paris

The second edition of the Annual Forum for European Responsible Investment (FAIRE) will be held in Paris June 24-25, 2004. 20 European companies will be presenting their sustainable strategy and policies to the European SRI and mainstream financial community. The roadshow will also feature roundtables on various SRI-related issues.

For further information or to register, please visit www.frenchsif.org or call +33 8 70 72 60 22.

VBDO - The Netherlands

New website launched

The VBDO website has been redesigned. News and recent publications are more readily available, and the site has both an English and a Dutch version.

See: www.vbdo.nl

VBDO publishes 3rd edition of the Dutch Sustainability Money guide

VBDO, together with the National Consumer Organisation and consultant DHV has published the third edition of the Dutch Sustainability Money guide. This initiative was sponsored by the Dutch Ministry of Environment. The guide is in Dutch and gives a detailed overview of all the SRI-retail products. It is available from

www.vbdo.nl/downloadfile.php?file=44

UKSIF – UK

UKSIF's Executive Director to chair the advisory group for EIRIS's new charity adviser
Helen Wildsmith will be chairing the advisory group for this new workstream funded by the EIRIS Foundation. This builds on the joint report published by CAF, EIRIS and Just Pensions last year (Do UK charities invest responsibly?).

The report may be downloaded via www.justpensions.org

UKSIF collaborative engagement programme

Helen Barnes will be coordinating meetings over the coming months with fund managers and companies who have been identified as weak by the Gradient methodology (which promotes best practice management of supply chain labour standards).

For more information about Gradient visit www.gradient-index.net.

5. SRI news in Europe & elsewhere

€100bn Norwegian Government Petroleum Fund to be run under ethical guidelines

The €100bn Norwegian Government Petroleum Fund (pension fund) will be run in totality under ethical guidelines. These guidelines comprise three elements: 1-exercise of ownership rights to promote long-term financial return, 2-exclusion of companies that produce certain weapons, 3-exclusion of companies in which there is deemed to exist an unacceptable risk of contributing to violations of fundamental humanitarian principles, gross violations of human rights, gross corruption or severe environmental degradation. This is the second institution to apply SRI guidelines to the totality of its assets, after the French pension fund F2R.

For more please see odin.dep.no/fin/engelsk

Firms back European pension directive

A new survey has found that multinational companies in Europe would welcome the opportunity to have a single fund to finance their European Union-based pension obligations. A third of the respondents were found to have already considered a single pension fund while another third were 'looking into the idea'.

The directive will enable Institutions for Occupational Retirement Provision to operate on a cross-border basis. Multinational companies will be able consolidate all their EU pension assets and liabilities into a single pan-European IORP.

For more on this survey by Hewitt Associates please refer to www.ipe.com.

UK Government proposals for the OFR published

The UK government published its proposals for the Operating and Financial Review (OFR) on 5 May. Under these proposals, British company directors will have to discuss the effects of social and environmental issues on their business.

Those proposals can be found at www.dti.gov.uk/cld/financialreview.htm.

Companies are also encouraged to report on employee issues using the guidelines produced by the 'Accounting for People' Task Force, another government working group (report available from www.accountingforpeople.gov.uk/task.htm).

"Interestingly, the government is proposing that companies should be required to state formally that they have considered specific issues, even if they conclude there is nothing significant enough to report on - in other words, the directors would have to say 'We have considered environmental issues and concluded that we do not need to report on them'. This clearly creates interesting opportunities to challenge OFRs." said Rob Lake, head of SRI engagement and corporate governance for Henderson Global Investors, and a member of the OFR working group, the independent committee that drafted the guidelines.

The OFR document is open for public consultation and comments until Aug 6th, 2004.

The Netherlands: 'Pension funds will have to adapt to benefit from new corporate governance regulations', says the head of SCGOP

At a conference organised by ABN Amro Mellon in the Netherlands, Jos Van Niekerk, director of the Netherlands' Corporate Governance Research Foundation for Pension Funds (SCGOP), outlined his opinion on shareholders power and the Tabaksblat corporate governance code (to be implemented in 2005). His views, presented in an article published on IPE.com, are that the corporate governance of companies should be improved, but pension funds also have a duty to ensure that their own governance is up to the expected standards, and to play their roles as shareholders.

Sustainability Leadership Award 2004 open for nominations

This award, to be presented at the Sustainability Forum in Zurich on August 26 2004, honours personal leadership for implementing the principles of sustainability. Nominations can be sent in until June 15th 2004. Further details including a nomination form are available at www.sustainability-award.com.

Jewish Institutional Investors Form Shareholder Engagement Network in the US

The Jewish Shareholder Engagement Network gathers institutional investors and represents assets of more than \$1.3bn. It is based on the notion that Jewish tradition supports such shareowner action as active proxy voting and dialogue with companies.

6. Upcoming events

Scandinavian Institutional Investing and Corporate Governance and Investor Responsibility Summits

June 8-9, 2004, Grand Hotel, Oslo, Norway

Details available on: www.imn.org

FIR's Annual Forum for European Responsible Investment (FAIRE)

June 24-25, 2004, Palais Brongniart, Paris

Details on www.frenchsif.org/en/ or call +33 8 70 72 60 22

(also details in [SIF News section](#))

World Bank SRI Analyst workshop

June 29, 2004, Boston, USA.

Contact Lauren Compere at lcompere@bostoncommonasset.com

ASRIA's Third International Conference

July 15-16, 2004, Singapore

Visit www.asria.org

Forum Barcelona 2004: Globalization and Economic Development - The Role of Corporations in the 21st Century (ESADE sponsored conference)

July 19-22, 2004, Barcelona, Spain.

See: www.barcelona2004.org/eng/eventos/dialogos

Ethical Corporation Asia 2004 Conference

September 2004, Hong Kong

www.ethicalcorp.com/content.asp?ContentID=550

SRI Course for Religious Organisations in Spain

September 17-18, 2004, Salamanca, Spain

EABiS colloquium 2004 : Challenges of Sustainable Growth

September 27-28, 2004, Vlerick Management School, Gent, Belgium

See: www.vlerick.com

UNEP Finance Initiative – Green Power Central and Eastern Europe

September 28-29, Budapest, Hungary

Ethical Corporation USA 2004 Conference

October 6-7, 2004, New York, New York, USA

www.ethicalcorp.com/content.asp?ContentID=550

SRI in the Rockies Conference

October 7-10, 2004, Colorado, USA

Details available on: www.sriintherockies.com

Corporate Social Reporting Europe 2004

November 2004, London, UK

CSR/EU Conference

Nov 8-9, 2004, Maastricht, The Netherlands

More on this in future Eurosif Newsletters

Triple Bottom Line Investing (TBLI) 2004

November 11-12, Amsterdam, The Netherlands

See: www.tbli.org