



Eurosif

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Will European Chemicals Reach a Sustainable Future?

Eurosif, in partnership with EIRIS (Ethical Investment Research Services), today publishes an overview report of the Chemical sector. This is the second such report in a series of publications aimed at raising awareness among a wide European audience on the nature and understanding of the social and environmental issues, as well as the related business opportunities, potentially affecting long-term returns and productivity within the sector.

This sector report aims at helping policy makers, mainstream and specialist SRI investors, pension fund trustees, and companies understand risks that are not consistently integrated into traditional financial analysis, but which have the potential to influence companies' shareholder value and fund managers' investment decisions. It describes the companies' impacts on the environment and society, discusses the opportunities and risks such issues present and outlines ways in which companies can address them.

Eurosif and EIRIS worked with a steering committee made up of asset managers from ABN Amro Asset Management, Crédit Agricole Asset Management, Dexia Asset Management, Henderson Global Investors and UBS Asset Management to debate the issues in the report and develop a way to present both the stakeholder and financial points of view.

"Having identified the chemicals sector as a priority for our social, environmental and ethical research for investors, we were delighted to work with Eurosif to illustrate the importance of these issues and how they affect this growing industry", says Mary Paterson, Research Manager at EIRIS.

Eurosif and EIRIS have highlighted five key challenges for the chemical sector over the next five to ten years: Climate Change, Resource Use, Chemicals of Concern in Products, Chemical Process Safety and Marketplace Conduct.

Nick Robins from Henderson Global Investors commented, "This report clearly describes the top five sustainability challenges for the chemical sector in the next five to ten years. We believe investors should be taking a closer look at these issues and companies should be showing strategic competence in their management of them. Importantly, there are also a number of opportunities for companies to provide solutions to these challenges and therefore generate attractive returns for investors."

This second report on the chemical industry follows Eurosif's first publication on the hotel & tourism sector last June. The third one, due out in November, will concentrate on automobiles. Eurosif will work with the research agency SAM (Sustainable Asset Management) for the automobile study.

"Eurosif is pleased with the growing success of this series in demonstrating the key non-financial risks the chemical sector faces. We expect that investors and policy makers will find this note timely due to EC discussions on the REACH directive", says Matt Christensen, Eurosif's Executive Director.

To view the report please go to www.eurosif.org.

Notes to Editors

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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. Current members of Eurosif include pension funds, financial service providers, academic institutes, research associations and NGO's. The association is a not-for-profit entity that represents assets totalling over €600bn through its membership. The key benefits members receive from Eurosif are EU lobbying, SRI information and European wide initiatives that promote and explain the SRI and Corporate Governance sectors.

Eurosif's goal is to aid the integration of social, environmental and ethical issues and healthy corporate governance into European financial services, and to provide a multi-stakeholder network to share best practices on Socially Responsible Investment.

Eurosif's aims are:

- To inform, educate and provide a European network for discussion about sustainable and responsible financial services.
- To initiate and publish research related to legislation, policies and practices for the integration of social, environmental and ethical issues into European financial services.
- To encourage transparency, disclosure and active ownership, with regard to corporate practice and governance on social, environmental and ethical issues.
- To actively expand the above European network by supporting the development of existing SIFs and encouraging the creation of new national SIFs.

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EIRIS is one of the largest independent SRI research organisations in Europe. Our core business is carrying out research into corporate environmental and social performance. We provide global coverage, offering data on more than 60 research areas for some 2,800 companies.

EIRIS is an independent, non-profit organisation. EIRIS does not promote one particular view on ethical issues. Rather, we provide clients with the information they need to put their own principles or those of their clients into practice.

The majority of EIRIS clients access research through Ethical Portfolio Manager (EPM), a software product designed to simplify investing according to a socially responsible or sustainable investment policy. EPM provides access to all EIRIS research which can then be filtered, scored or screened according to each individual user's requirements.