



**Eurosif**

Press Release: Friday June 17<sup>th</sup>, 2005

## **European Hotels Get a Wake-up Call**

Eurosif, in partnership with Vigeo, today publishes an overview report of the "Hotel and Tourism" sector 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 Vigeo worked with a Steering Committee made up of asset managers Banco Fonder and Insight Investment, as well as WWF – Italy to debate the issues in the report and develop a way to present both the stakeholder and financial points of view.

"We feel this sector report provides an essential understanding of both where the social and environmental issues stem from, as well as how they may affect investors in the hotel and tourism industry", says Sylvain Guyoton, head of SRI Research Operations at Vigeo.

Eurosif and Vigeo have highlighted six main potential risks for the hotel and tourism sector: Climate Change, Environmental degradation, Labour standards and working conditions, Human rights and corruption, Local community investment and Safety and security threats.

Rachel Crossley from Insight Investment commented, "This report succinctly outlines the key social, ethical and environmental risks that we believe investors and companies should be taking a closer look at. Mismanagement of these risks – or conversely, failure to capitalise on opportunities - has the potential to affect companies' reputations and their financial performance."

This report is the first in a series of sector reports Eurosif is producing this year. The second one, due out in July, will concentrate on chemicals and the third, due out in September will focus on automobiles. Eurosif will work with the research agency EIRIS (Ethical Investment Research Service) for the chemical sector and SAM (Sustainable Asset Management) for the automobile study.

"We are pleased to be able to use this series of sector reports as a way to bring together our members' expertise to illustrate the importance of these issues to European policy makers and mainstream financial services providers" says Matt Christensen, Eurosif's Executive Director.

To view the report please go to [http://www.eurosif.org/pdfs/eurosif-sr\\_hotel-tourism.pdf](http://www.eurosif.org/pdfs/eurosif-sr_hotel-tourism.pdf).

## **Notes to Editors**

### **Eurosif**

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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.

### **Vigeo**

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Vigeo's stated mission and goal is to become the European leader in the field of corporate social responsibility (CSR) and socially responsible investment (SRI) evaluation and rating. In that vein, VIGEO will endeavour to provide innovative, reliable, transparent and value-adding products and services for the benefit of both corporations and investors.

Vigeo's key products and services cover all major European indices and include:

- Investor-Solicited Ratings
- Corporate-Solicited Ratings
- SRI Equity Indices

Vigeo's evaluations and ratings centre on CSR, which is in turn an integral part of sustainable development. Vigeo's definition of CSR is rooted in the principles promulgated by the European Commission. A "socially responsible" company will thus be one that not only fully complies with the obligations of applicable legislation and conventions, but one that integrates social and environmental factors into its global strategic decision making, policies and practices.