UKSIF promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment. We also seek to ensure that individual and institutional investors can reflect their values in their investments.
UK Social Investment Forum (UKSIF)
Mission, Values and Operating Principles

Mission
The UK Social Investment Forum (UKSIF) is the membership network for sustainable and responsible financial services. UKSIF promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment. We also seek to ensure that individual and institutional investors can reflect their values in their investments.

Values and Beliefs
1. UKSIF is a values-led organisation whose primary purpose is to achieve its mission.
2. UKSIF regards its members as its primary stakeholders but also recognises a responsibility to wider civil society, in the UK and internationally, and to the environment and future generations. It draws its strength from the expertise and contacts of its members in financial services providers and other financial services stakeholders. While it operates similarly to a trade association, it does not exist to defend and advance particular member interests. It therefore looks particularly to its members' expertise rather than their individual or collective commercial interests in deciding how best to fulfil its mission.
3. UKSIF believes in and seeks to stimulate and encourage the provision of a healthy market in responsible finance products. This includes encouraging a sufficient range of products to address diversification and differing values and financial requirements. It includes also taking a lead in encouraging innovative new approaches to achieving social and environmental impact and supporting the identification and removal of market failures.
4. UKSIF supports transparency, effective governance and management processes, principles-based regulation and “treating customers fairly”. It believes that these should be achieved by voluntary action rather than compulsion where possible. However, if encouraging a voluntary approach fails, legal or regulatory compulsion is acceptable so long as sufficient attention is given to effective implementation.
5. UKSIF believes that, so long as accurate information is available, it is the role of customers and the market to select preferred responsible finance strategies. UKSIF does not endorse specific strategies in preference to others (eg. screening v. engagement).
6. UKSIF is willing to endorse or approve good practice standards in transparency, governance, management processes and similar. In doing this, it celebrates the positive rather than criticises the negative – it will “name and fame” but not “name and shame”. Surveys, awards and similar initiatives help to identify market leading solutions. UKSIF will undertake and endorse surveys, awards and similar where these “name and fame” rather than “name and shame”.

Operating Principles
1. UKSIF operates in the “co-operative space” where a critical mass of its members wish to work together to grow and develop responsible finance rather than the “competitive space” where they compete for their share of the resulting market.
2. UKSIF's core business activities are
   • to provide a membership network, delivering information, networking and other services to its members
   • to inform, educate and influence the public, the media, government and other external audiences
   • to undertake specific projects which advance sustainable and responsible finance
3. UKSIF obtains its core funding from membership, including the provision of membership services; as such, it seeks to achieve its mission in ways which secure the continuing support of a critical mass of members.
4. UKSIF seeks to build on its core funding from members by attracting project funding from sources compatible with its mission. These include sponsorship from members, charitable grants and government contracts.
5. UKSIF seeks to undertake a critical mass of activities that enable it to be a sustainable organisation that can deliver its mission. However, it avoids doing activities that are already being addressed effectively by other organisations. And where other organisations are more suitable and can be encouraged to take action, UKSIF prefers to be a catalyst rather than a competitor.
6. Corporate governance is within UKSIF's scope in principle. However, UKSIF has decided that its work on corporate governance should be limited to the interface between governance and social / environmental / ethical (SEE) issues i.e. SEE governance / corporate responsibility governance. UKSIF does not seek to develop a specific competence on conventional governance issues, as this is already well served by other organisations.
Chair & Chief Executive’s Report

As more people recognise the strategic importance of sustainable finance, UKSIF’s role of supporting its development and growth remains as vital as ever. Our membership is increasing, and with it our ability to influence the climate for sustainable and responsible finance and the wider investment world.

The success of two of our key projects, National Ethical Investment Week and the Sustainable Pensions Project demonstrate that the financial services industry has an appetite to develop knowledge and leadership on sustainable and responsible finance. New areas of work such as FiNneSse (Finance Network for Sustainable Energy) show the breadth of our ambition. As the number of our stakeholders grows, we will seek opportunities to fulfil our overall strategic aim:

To ensure that the UK finance sector is the world leader in advancing sustainable development through financial services.

In 2008, UKSIF coordinated the first-ever National Ethical Investment Week. Its achievement can be measured in the support the week received from the media, industry groups such as AIFA, and NGOs such as WWF-UK and Oxfam. The experience gained from the campaign points the way towards increasingly effective communication with financial advisers and mainstream investors.

In 2007, the Sustainable Pensions Project launched three publications assessing leadership and best practices in applying responsible investment policies to pension funds in the UK. With the weight of this important research behind us, UKSIF will continue to encourage corporate and local government pension funds to put responsible investment policies into action. We will also maintain a dialogue with the Personal Accounts Delivery Authority to ensure that the new national pension scheme is a responsible investor, and that it also offers quality ethical investment options.

In our work with the public, the media and government, we have seen a broader and deeper understanding of the potential of sustainable and responsible finance. But tougher economic times will require that we demonstrate its importance and viability in all market conditions.

However, in our membership, our board of directors, and our staff we have a wealth of experience and innovative thinking that will be indispensable as we move forward. Our gratitude is due to everyone who has helped make the past year so successful.

Steve Waygood
Chair

Penny Shepherd MBE
Chief Executive

2007-2010 Strategic Aims

To ensure that the UK finance sector is the world leader in advancing sustainable development through financial services.

In order to achieve this, UKSIF aims to

Grow Customer Demand

so that by 2010
• most mass affluent and high net worth consumers, pension funds and charity investors are aware of the concept of sustainable and responsible financial services
• where products are available that meet their needs, a significant percentage of these customers purchase them

Ensure Access to High Quality Supply

so that by 2010
• a broad range of sustainable and responsible financial services are available
• these meet the needs of mass affluent and high net worth consumers, pension funds, charity investors and other customers
• these deliver commercial opportunities for all industry actors

Ensure that the Operating Environment for the UK Finance Sector encourages and enables leadership in Sustainable and Responsible Finance

so that by 2010
• senior financial services decision makers, government and regulators support the importance of financial services that advance sustainable development and a long-term responsible approach to wealth creation and management
• leading practitioners and other opinion formers have a shared and robust analysis of the drivers and inhibitors for sustainable and responsible financial services and agreement on the best menu of actions to ensure systemic change

Continuously improve UKSIF’s capacity to achieve its mission and strategic aims

so that by 2010
• there is increased senior level support for innovation by UKSIF members and strategic support for UKSIF projects
• our resources are fit for purpose, our activities are sustainable and of high quality & our impact is increasingly highly regarded
Uksif Activities and Achievements
We aim to Grow Customer Demand

In 2008, Uksif coordinated the first-ever cooperative marketing campaign promoting green and ethical investment options. For financial advisers, National Ethical Investment Week provided the opportunity to develop expertise and reach out to individuals who want to make a difference with their money, as well as an excellent financial return.

Coverage of the week appeared in almost every national newspaper as well as the financial services trade press. NGOs such as WWF-UK and Oxfam also issued statements of support. With the help of an established advisory board, Uksif has developed a sound campaign structure that will ensure the week’s continued success.

Pensions Minister Mike O’Brien gave the keynote address at a House of Commons reception for National Ethical Investment Week. He commended the campaign “not just because it embraces issues that are inherently good or right, but because I believe it is only by people and institutions embracing these concepts that we will create a better future for our children and grandchildren.”

National Ethical Investment Week 2008 was supported by Gold sponsors Henderson Global Investors and Norwich Union and Silver sponsor Friends Provident.

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National Ethical Investment Week 2008 was supported by Gold sponsors Henderson Global Investors and Norwich Union and Silver sponsor Friends Provident.
We aim to Ensure Access to High Quality Supply

ONLINE TRAINING COURSE FOR FINANCIAL ADVISERS
As part of our programme of adviser support, UKSIF continues to promote the free online training course on green and ethical investing, enabling advisers to better serve the growing number of individual investors who want to add a green or ethical investment to their portfolio.

Our survey of financial advisers who have taken the course shows that 81% found the course useful, while 90% said that the course made them more confident in advising on green and ethical investments.

EUROPEAN SRI TRANSPARENCY GUIDELINES
In Spring 2008, UKSIF spearheaded the UK launch of a new logo for signatories of the European SRI Transparency Guidelines. Adherents to the Guidelines are able to use the logo to demonstrate openness as well as their commitment to disclose accurate, adequate and timely information. The logo will also allow consumers, financial advisers, asset managers and research providers to better understand the SRI policies and practices related to the signatories’ funds.

THOMSON REUTERS EXTEL SURVEY
UKSIF partnered again in 2008 with Extel Surveys on the SRI and Sustainability Survey and Awards. This year the Award for Leading Pan-European Brokerage Firm for SRI and Sustainability was presented at the main Extel Survey Awards Lunch. UKSIF is proud to work with Thomson Reuters in ensuring the continuing success of the Survey and in particular the greater awareness and participation in it by fund managers and investment banks.

FiNeSse
In February 2008 UKSIF enhanced its activity in the renewable energy sector with the launch of The Finance Network for Sustainable Energy (FiNeSse), established with the Renewable Energy Association (REA). FiNeSse supports high quality investment in renewable energy by offering financiers and sustainable energy entrepreneurs the opportunity to learn from each other and to build deeper relationships.

Over 150 people attended the inaugural event in February 2008. FiNeSse meets quarterly and provides a forum for investors to learn about emerging trends and meet experts in this rapidly growing field.

ANALYST SEMINARS
UKSIF runs a regular series of seminars for investment analysts and researchers which examines emerging environmental, social and governance (ESG) topics. These seminars provide members with access to the latest thinking from a range of stakeholders from business, finance, government, NGOs and academia.

Highlights from 2007-2008 include:

Sustainable Investment in India
UK launch of The Energy and Resources Institute (TERI) Europe’s report

Investing for Life: Access to Medicines in Developing Countries
Based on an Oxfam report, with speakers from Oxfam, GlaxoSmithKline and F&C Management

Investment Prospects in the Biofuels Sector
In association with LowCVP with speakers from Department of Transport, Biofuels Corp and Henderson Global Investors

Palm Oil and Sustainability
Speakers from Sainsbury’s, AAK plc, WWF-Scotland, CFS and Roundtable on Sustainable Palm Oil (RSPO)

Nuclear: A Sustainable Future?
Joint event with EuroSif, with keynote speakers Lady Barbara Thomas Judge, Chairman of the UK Atomic Energy Authority and Tom Burke of Rio Tinto

Risks and Opportunities in the Global Mining and Metals Sector
In association with the International Council on Mining and Metals (ICMM), with panelists from Anglo American, Xstrata and Insight Investment

International Working Group (IWG)
“Bridging the Global Divide: Sharing Promising Practices in Sustainable Investing”
Hosted in London by UKSIF, the IWG Symposium brought together investors from North America and Europe to share views and debate best practices in sustainable and responsible investment from around the world.

The three day event featured a special education seminar, several networking opportunities, company meetings, and a day of panels and presentations.
**Finances and Governance**

UKSIF is a not-for-profit membership network in operation since 1991. Its more than 200 members include fund managers, banks, investment banks, financial advisers, investment consultants, pension funds, research providers, NGOs, trade unions and individuals. The organisation is run by a Secretariat and governed by an elected Board of Directors.

Core expenditure is primarily funded by membership fees. Programme expenditure is funded by grants and sponsorship. In 2007, our core expenditure was £193,000 and programme expenditure was £123,000. Our latest 2008 budget anticipates core expenditure of £253,000 and programme expenditure of £145,000.

Our audited accounts are sent to members, and are available upon request to members of the public.

**UKSIF Expenditure 2008**

Total Expenditure £398,000

- **Core Activities and Member Services:** £253,000
- **Retail Activities:** £125,000
- **Sustainable Pensions:** £20,000

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**UKSIF Membership allows your organisation to:**

- Participate in the UK-based network representing the broadest set of stakeholders in the sustainable finance sector.
- Receive regular, up-to-date information with “What’s New”, UKSIF’s monthly e-newsletter, and feature your organisation’s news in its pages.
- Increase your network of contacts in sustainable finance and access the industry knowledge and experience of our members and staff.
- Join cooperative efforts to influence government and policy makers on behalf of responsible finance.
- Attend UKSIF’s members-only programme of events, including relevant aspects of our highly-regarded series of analyst and marketing seminars.
- Access high-level information and presentations, available only on the members’ section of our website.
- Receive invitations to networking opportunities such as our AGM and social events, as well as to events organised by UKSIF members and other leading business organisations.
- Benefit from involvement in major industry initiatives such as National Ethical Investment Week and the Sustainable Pensions Project.
- Highlight your organisation’s details in the membership directory available at www.uksif.org.
- Expand business opportunities and profile through sponsorship of UKSIF resources and activities.

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**Membership Fees**

<table>
<thead>
<tr>
<th>Group Category</th>
<th>By negotiation</th>
<th>(£10,000 minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Category 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Banks/Managers</td>
<td>Funds &lt;£5bn:</td>
<td>£5,000</td>
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<tr>
<td></td>
<td>Funds &lt;£1bn:</td>
<td>£3,000</td>
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<tr>
<td></td>
<td>Funds &lt;£0.25bn:</td>
<td>£1,500</td>
</tr>
<tr>
<td></td>
<td>Other:</td>
<td>£900</td>
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<tr>
<td><strong>Category 2</strong></td>
<td>Staff &gt;50:</td>
<td>£1,500</td>
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<tr>
<td>Professionals</td>
<td>Staff 20-49:</td>
<td>£750</td>
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<td></td>
<td>Staff 10-19:</td>
<td>£400</td>
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<tr>
<td><strong>Category 3</strong></td>
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</tr>
<tr>
<td>Pension Funds,</td>
<td>Staff 2-9:</td>
<td>£200</td>
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<tr>
<td>Charities and</td>
<td>Sole Trader/RI:</td>
<td>£100</td>
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<tr>
<td>Others</td>
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<td></td>
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<tr>
<td>Assets &gt;£25bn:</td>
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<td></td>
</tr>
<tr>
<td>Assets &gt;£0.5bn:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
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<td></td>
</tr>
<tr>
<td>Assets &gt;£50m:</td>
<td></td>
<td></td>
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<tr>
<td>Other</td>
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<tr>
<td>Individual Supporters</td>
<td>£40</td>
<td>(all fees exclude VAT)</td>
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</table>
UKSIF Members and Affiliates at 30 June 2008 include

Banks & Building Societies
Barclays PLC
Co-operative Financial Services (CFS)
Ecology Building Society
HSBC Holdings Plc
Lloyds TSB Group Plc
NatWest
Triodos Bank
Unity Trust Bank

Investment Management Institutions
Aberdeen Asset Management
AEGON Asset Management
AXA Investment Managers
Baillie Gifford & Co
Capricorn Investment Group
Catalyst Fund Management and Research Ltd
Cazenove Capital Management Ltd
CCLA Investment Management Ltd
Credit Suisse Asset Management
cru Investment Management
Ecclesiastical Insurance Group
Epworth Investment Management
F&C Management Ltd
Fidelity Investments
Friends Provident Life and Pensions Ltd
Generation Investment Management LLP
Governess for Owners
Henderson Global Investors
Hermes Investment Management Ltd
Impax Group
Insight Investment
Jupiter Asset Management
King and Shaxson
Legal & General Investment Management
M&S Money
Marwyn Investment Management Ltd
Morley Fund Management
Newton Investment Management
Norwich Union
QUADRIS Environmental Investments Ltd
Rathbone Greenbank Investments
RCM (UK) Ltd
Sarasin and Partners
Schroder Investment Management (UK)
Skandia Investment Management
Standard Life Investments
Stargate Capital
Threadneedle Investments

Investment Banks
Citi Investment Research
Credit Agricole Cheuvreux
Dresdner Kleinwort
Goldman Sachs
Morgan Stanley & Co International Ltd
Oddo Securities
UBS (Investment Bank)
WestLB Equity

Investment Consultants
AllenbridgeEPIC Investment Advisers
Hewitt Associates
Mercer Investment Consulting
Watson Wyatt LLP

Occupational Pension Funds
Environment Agency Pension Fund
London Pensions Fund Authority
Railpen Investments
Universities Superannuation Scheme

Independent Financial Advisers
Aptitude IFA
Archtrust Financial Services Ltd
Ashlea Financial Planning Ltd
Barchester Green Investment
Bromige Ltd
C F Bartlett & Co Ltd
Ethical Futures
The Ethical Investment Co-operative
Ethical Investments
Ethical Investors Group
Ethikos LLP
Evans Ash Financial Services LLP
Fabcats
Finanse Green
G/EIA Partnership Ltd
Heron House Financial Management
Highcliffe
Holden and Partners
I adviser
Ian White
Imperial Independent
Innovate Financial Services
The Insurance Partnership
Intermediate Financial Planning Ltd
Investing Ethically
Kingswood Consultants
McCarthy Taylor
Medical and Professional
Orkney IFA
Platinum (SRI) Financial Services
Prest Financial Services
Social Investment Advisers Ltd
Southgate Financial Services Ltd
Tamar IFA
Tanya Pein
Thompson Little
Towers of Taunton (Financial Services) Ltd
Your Money Matters

Research Providers & Professional Advisory Firms
Acclimatise
Agulhas
Andig Consulting
Professor Andy Mullineux
Asset4
Bates Wells & Braithwaite
Carbon International
Centre for Social and Environmental Accounting Research
Centre Info SA - Sustainable Investment Consulting
Clifford Chance LLP
CO3
Corporate Register.com Ltd
CSR Consulting Ltd
Cushman & Wakefield
Delsus
EIRIS

Ethical Money
Ethical Screening
FTSE Group
FundZoo
Greenspire Advisors
Innovest Group
Inspire Invest
Investing For Good
Kaleidoscope Policy and Research
KLD Research & Analytics
Manifold
oekom research AG
PIRC Ltd
Sancroft
Standards International
SustainAbility
Synaptic Systems Ltd
Truost
Upstream
Vigeo Group

Other Organisations
Amnesty International
Angier Griffin
Association for Sustainable & Responsible Investment in Asia (ASRIA)
Aston Reinvestment Trust
Big Invest Company Ltd
Business in the Community (BITC)
Carbon Disclosure Project
Carbon Trust
Centre for Tomorrows Company
Charles Scanlan
Clear Profit
Community Development Finance Association (CFA)
ECCR
Ethical Consumer Magazine
Ethical Investment Association (UK)
Ethical Performance
European Social Investment Forum (Eurosif )
Fair Investment Company
Fair Pensions
Forum for the Future
Greenpeace
Highland Opportunity Ltd
The Joseph Rowntree Charitable Trust
New Economics Foundation
Oikocredit
Oxfam
Polden-Puckham Charitable Foundation
Prairie Trust
Responsible Investment Association Australasia (RIAA)
SEIU
Shared Interest
Social Investment Forum (USA)
Social Investment Organization (Canada)
SRI Briefings
SROI-UK
Traidcraft Exchange
UNISON
unite the union
WWF-UK
wwwolf
### Board of Directors

<table>
<thead>
<tr>
<th>Name</th>
<th>Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Steve Waygood (Chair)</strong></td>
<td>Morley Fund Management</td>
</tr>
<tr>
<td><strong>Sagarika Chatterjee (Vice Chair)</strong></td>
<td>F&amp;C Management</td>
</tr>
<tr>
<td><strong>Charles Middleton (Vice Chair)</strong></td>
<td>Triodos Bank</td>
</tr>
<tr>
<td><strong>Peter Webster (Treasurer)</strong></td>
<td>EIRIS</td>
</tr>
<tr>
<td><strong>Mark Campanale</strong></td>
<td>London Bridge Capital</td>
</tr>
<tr>
<td><strong>Lee Coates</strong></td>
<td>Ethical Investors Group</td>
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<tr>
<td><strong>Michael Deakin</strong></td>
<td>Michael Deakin Consultancy</td>
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<tr>
<td><strong>Julia Dreblow</strong></td>
<td>Friends Provident</td>
</tr>
<tr>
<td><strong>Katie Gordon</strong></td>
<td>Cazenove Capital Management</td>
</tr>
<tr>
<td><strong>Robin Keyte</strong></td>
<td>Towers of Taunton</td>
</tr>
<tr>
<td><strong>Rodney Schwartz</strong></td>
<td>Catalyst Fund Management</td>
</tr>
<tr>
<td><strong>Meagan Thompson-Mann</strong></td>
<td>Yale School of Management</td>
</tr>
</tbody>
</table>

Board members serve in a personal capacity. Organisational affiliations are given for information only.

### Advisory Group Members

**Member Services Advisory Group:** Susan Aagenes (Innovest), Giles Chitty (Holden and Partners), Marianne Harper-Gow (Baillie Gifford), Jane Goodland (Watson Wyatt), Katie Gordon (Cazenove Capital Management – Chair), David Harris (FTSE), Therese Niklasson (Threadneedle Investments), Naheeda Rashid (Hermes), Amanda Young (CCLA)

**EIRIS/UKSIF Charity Project Advisory Group:** Lee Coates (Ethical Investors Group), Graham Collins (NCVO), Alistair Hanton (EIRIS Foundation), Jeff Hayes (Cazenove Capital Management), Stephen Hine (EIRIS), Mark Mansley (Rathbone Greenbank Investments), Roger Morton (formerly Joseph Rowntree Charitable Trust), Gill Nunn (Charities Aid Foundation), Penny Shepherd (UKSIF – Chair), Andrew Studd (Bates, Wells and Braithwaite), Peter Webster (EIRIS), Neville White (CCLA)

**National Ethical Investment Week Advisory Board:** Brigid Benson (Ethical Investment Association), Lee Coates (Ethical Screening), Margaret Craig (ABI), Chris Cummings (AIFA), James Dalby (Norwich Union), Sonia Di Nallo (Henderson Global Investors), Julia Dreblow (Friends Provident), Jen Morgan (WWF-UK), Mark Robertson (EIRIS), Penny Shepherd (UKSIF – Chair)

**Sustainable Pensions Advisory Board:** Sally Bridgland (BP Pension Fund), Tim Currell (Hewitt), Michael Deakin (Michael Deakin Consultancy – Chair), Duncan Exley (FairPensions), Reg Hinkley (BP Pension Fund), Emma Hunt (Mercer), Peter Montagnon (ABI), Will Oulton (FTSE), Andrew Parker (BT Pensions), Mike Taylor (LPFA)