Introduction

This survey of the attitudes of fund managers to Socially Responsible Investment has been carried out by the Environment and Sustainability Services Team of Deloitte & Touche. Our team is multi-disciplinary and includes environmental scientists and engineers, economists, human rights specialists, accountants and specialists in change management, information systems, corporate governance and human resources. We specialise in advising businesses on:

- developing appropriate strategies for managing the risks and opportunities presented by the sustainable development and corporate social responsibility agendas;
- building organisational capacity to implement those strategies through training, system development and change programmes;
- reporting progress to stakeholder groups.

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Copies of our 2000 SRI Survey can be obtained from:
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Terminology

We have set out below some guidance as to how we have used certain terms and abbreviations in the survey document.

SRI (Socially Responsible Investment) - an investment process which places a more significant weighting on the importance of good environmental, social and ethical performance of companies than “usual” investment practices

CSR (Corporate Social Responsibility) - there are several definitions of CSR but it could be thought of as how a company manages its business processes to generate shareholder value through minimising impact on the environment and having a positive impact on society

Sustainable Development - development which meets the needs of today’s society without compromising the ability of future generations to meet their needs

“Social” Performance - performance related to issues such as labour standards, child labour, health & safety, community investment, human rights

Negative Screening - the exclusion of certain companies, or industry sectors, from investment portfolios on the basis of their profile against various environmental, social or ethical criteria

Positive Screening - the building of investment portfolios from companies which have been actively selected on the basis of their strong performance on environmental, social or ethical issues

Engagement - the use by investors of robust dialogue with the Boards or other management of companies with the aim of altering corporate behaviour in relation to environmental, social or ethical issues

Shareholder activism - the exercise of shareholder powers through general “protest” voting at Annual General Meetings, or the support of SRI-related shareholder resolutions