“Business leaders who align their business strategy and technical development with sustainability and social accountability will deliver superior long-term results to shareholders.”

- Al Gore -

EVENT OUTCOMES
1. UNEP FI ANNUAL GENERAL MEETING
2. NIKKEI GLOBAL ENVIRONMENT AND BUSINESS LEADERS’ SUMMIT
3. FOURTH UNEP FI - GRI WORKING GROUP MEETING

MEMBER SHOWCASE
4. NEW REPORT URGES FINANCIAL INSTITUTIONS TO TACKLE HUMAN RIGHTS ISSUES
5. ABN AMRO BECOMES A UNEP FI SIGNATORY
6. INSIGHT INVESTMENT BECOMES A UNEP FI SIGNATORY
7. VICSUPER HAS RELEASED ITS INAUGURAL SUSTAINABILITY REPORT

ACTIVITIES
8. NEW CHAIR AND CO CHAIR FOR LATIN AMERICAN TASK FORCE
9. WATER ON THE INTERNATIONAL AGENDA

EVENT WIRE
10. FINANCE FOR CARBON SOLUTIONS: THE CLEAN DEVELOPMENT MECHANISM FROM THE FINANCIAL SECTOR PERSPECTIVE (Buenos Aires, Argentina, Side Event, UNFCCC COP 10)
11. 4th ANNUAL EMISSIONS TRADING CONFERENCE (London, UK)
12. INTERNATIONAL CONFERENCE ON SUSTAINABLE FINANCE IN EMERGING MARKETS (Sao Paulo, Brazil)
13. CORPORATE NON-FINANCIAL REPORTING, HARNESSING THE BENEFITS (London, UK)

NEWS
14. UN SURVEY FINDS MOST COMPANIES NOT REPORTING ON SOCIAL, ENVIRONMENTAL RISKS
15. INSTITUTIONS CHALLENGE BANKS AND BROKERS
16. SURVEY OF REPORTING ON CORPORATE SOCIAL RESPONSIBILITY BY THE LARGEST LISTED COMPANIES IN CENTRAL AND EASTERN EUROPE
17. SOUTH AFRICA TAKES BANKS TO THE TOWNSHIPS

EVENT OUTCOMES
1. UNEP FI Annual General Meeting
   Groupama, Paris, France, October 21st

The Initiative held its AGM at the headquarters of Groupama in Paris, where 60 UNEP FI signatories were represented, and what was to be a landmark event in the development of the Initiative. Following the merger of the Financial Institutions Initiative (FII) and the Insurance Industry Initiative (III) at the 2003 AGM under one framework, this year's AGM saw the acceptance of a proposed constitution for the Initiative under which it will operate.

The AGM reviewed all the activities undertaken in 2004 from all the Working Groups and various Regional Task Forces. Representatives from each of these groups made a presentation on their activities followed by a Questions and Answers session. The Secretariat gave an overview of the 2005 proposed Work Programme and Budget allocation, as well as the strategic direction for UNEP FI over the next two years. One of the other issues covered on the day was the election for the “Open” positions to the UNEP FI Steering Committee. The Steering Committee contains a representative from UNEP and includes a number of seats for the Working Groups and Regional Task Forces. The “Open” positions allow signatory companies to be elected directly onto the Committee by their fellow signatories. This year Bank of America, Insurance Australia Group (IAG) and Rabobank (Netherlands) were elected for a two year term on the Committee. The next AGM will be held on the eve of the Global Roundtable in New York during October 2005.
2. Nikkei Global Environment and Business Leaders' Summit
Tokyo, Japan, November 4th

This prestigious annual summit, hosted by Nihon Keizai Shimbun since 1993 is a forum for business leaders in Japan to discuss the global environment. For the 12th Summit, with the imminent Russian ratification of the Kyoto Protocol, the theme was the "Kyoto Protocol and the Direction of Japan". Key speakers were Mr. Elliot Morley, Minister for Environment and Agri-Environment of UK and Mr. Kakutaro Kitashiro, Chairman of IBM Japan and was attended by more than 600 participants.

UNEP FI Special Representative in the Asia Pacific Region, Mr Takejiro Sueyoshi, took part in the final panel session together with five CEOs from major corporations in Japan. He introduced UNEP FI and the actions taken by global financial institutions on climate change. Mr. Sueyoshi comments “as seen in this Summit, climate change is finally beginning to be discussed seriously in Japan. The Japanese industry is home to some of the most environmentally advanced companies with the latest technology but as a country, Japan is struggling to define its response to climate change and we have a long way to go in meeting the Protocol’s target”.

3. Fourth UNEP FI - GRI Working Group Meeting
Rabobank, Utrecht, Netherlands, October 25 - 26th

The UNEP FI - GRI Working Group gathered for a fourth time to discuss the feedback received from the public consultation of the draft set of environmental performance indicators - designed to address the environmental impacts of retail, commercial and corporate banking, asset management and insurance sector products and services - that ran from June to September of this year. Over the course of the two day meeting the group successfully modified the original set of 15 indicators that were launched for public consultation, which will now allow them to move towards the finalisation of the first draft of the GRI Financial Services Sector Supplement (Environment) before the end of 2004. Plans are afoot to then begin a piloting process of this Sector Supplement in 2005 when it has been approved by the GRI.

For updates on this project please visit [http://www.unepfi.org/gri](http://www.unepfi.org/gri) or contact:
Niamh O’ Sullivan, niamh.osullivan@unep.ch

MEMBER SHOWCASE


A report published today by F&C Asset Management and KPMG has highlighted the need for financial services firms to improve their risk management approach to projects and practices which may associate them with human rights violations. As the investment community becomes increasingly governance-conscious, it is particularly concerned with subsequent loan defaults, reputational risks, staff security concerns, litigation threats and poor supply chain management.

For further information on the study: [http://www.isisam.com/AboutUs.asp?pageId=2.8](http://www.isisam.com/AboutUs.asp?pageId=2.8)


5. ABN AMRO Holding N.V. Join UNEP FI
[http://www.abnamro.com](http://www.abnamro.com)

ABN AMRO offers a wide range of banking services and operates in over 60 countries. In providing financial services ABN AMRO plays an important role in society as an intermediary in capital flows and international trade. In line with our Corporate Values and Business Principles we are committed to continuously improving the integration of sustainable development into our working environment and business processes, amongst others by providing responsible financial services and by pursuing opportunities in that respect. Our aim is to play a proactive role in contributing to sustainable development in our areas of influence. We are accountable and open about our sustainability performance.

For more information contact:
Vincent van Assem: vincent.van.assem@nl.abnamro.com

6. Insight Investment Join UNEP FI

Insight Investment is the asset management business of the Halifax and Bank of Scotland Group (HBOS plc) and manages over £74 billion of assets (as at September 04). Insight has commitment to include corporate governance and sustainability performance in its financial analysis, and to engage with the companies it invests in to encourage best practice. Insight believes that doing so is both a basic responsibility of investors and serves the long-term interests of its clients.
Insight's responsible investment commitment applies to Insight's mainstream funds, not just to its ethically screened portfolios. It is delivered by an 8-strong IR team that addresses issues ranging from board structure and financial mismanagement, to issues of reputation risk, human rights and climate change. Interested readers can subscribe to receive regular reports on Insight's IR based shareholder activism at the following address:

For more information contact:
Steve Waygood: Steve.Waygood@insightinvestment.com

7. VicSuper has Released its Inaugural Sustainability Report

VicSuper, the trustee and manager of one of the largest Australian superannuation funds has released its inaugural sustainability report.

Based on information from the GRI, the VicSuper Sustainability Report 2004 is the first report by a superannuation or pension fund in the world to report in accordance with the 2002 GRI Guidelines and to publicly provide this level of transparency about its operations, investments and future direction.

VicSuper believes that building a sustainable superannuation fund is the key to meeting its members' needs and contributing positively to the economy, society and the environment. The report sets out the key strategies and commitments that the company has adopted in its quest to create a sustainable superannuation fund.

“Sustainability is the most important issue facing business today. This particularly relates to the superannuation industry given the impact it has on the economy, society and the environment as the custodian of AUD$596 billion of Australian’s retirement savings,” said Bob Welsh, VicSuper’s Chief Executive.


ACTIVITIES

8. New Chair and Co-Chair for UNEP FI Latin American Task Force

The LATF is pleased to announce the appointment of Christopher Wells of ABN AMRO-Banco Real in Brazil and Lawrence Pratt of INCAE in Costa Rica as the new Chair and Co-Chair of the Task Force. UNEP FI looks forward to working with both highly qualified individuals in creating new momentum for sustainable finance in Latin America. The LATF would also like to take this opportunity to thank the departing chair, the Corporación Andina de Fomento (CAF), for their vital support during the start-up phase of the Task Force.

To support and guide the LATF’s overall work program, an advisory group to the LATF was recently established, comprised of 9 individuals with broad experience in finance and sustainability issues. In working with this accomplished group, the LATF is able to draw on each adviser’s area of expertise, ranging from cleaner production and sustainable venture capital to public policy and the international sustainable finance debate. Through advisory group members, the LATF will be able extend its network to a diverse set of local and international actors.

Regarding its work programme, the LATF is exploring a training workshop on the environmental and social aspects of credit risk in Colombia for early 2005. Furthermore, a significant part of the Task Force will meet at the Conference on Sustainable Finance in Emerging Markets (see events section below) to further discuss 2005 activities as well as the specifics of an agenda for the Brazilian market.

For further information on the LATF please contact:
Mareike Hussels: mareike.hussels@unepfi.org or visit http://unepfi.org/latf

9. Water on the International Agenda

The World Water Week 2005 has recently announced its participating dates August 21-27, in Stockholm, Sweden. UNEP FI will once again participate in this important international event hosting the seminar "Finance for Water Solutions: How capital markets, banks, insurers and asset managers can work for water" in collaboration with the Stockholm International Water Institute (SIWI). The seminar will look into the role of financial markets in the water sector, and how they can bridge the large financial gap needed to achieve the Millennium Development Goals.

Also, from November 30th - December 2nd, the Global Water Partnership (GWP) will organize an event in El Salvador which will evaluate and assess the water challenges that currently underpin Central America. Among different topics, Rainwater Harvesting (RWH) will be looked further to evaluate its potential benefits for local communities. UNEP FI has an interest in this subject as it can be linked to micro-finance. Two case studies of the linkages between RWH and Micro-finance will be presented in the upcoming study on the opportunities in the water sector for financial institutions with the collaboration of the International Rainwater Harvesting Alliance (IRHA).

For further information contact:
Alberto Pacheco Capella: alberto.pacheco@unep.ch
10. Finance for Carbon Solutions: The Clean Development Mechanism from the Financial Sector Perspective
Buenos Aires, Argentina, December 15, 2004
UNFCCC COP 10

UNEP FI will launch its new CEO Briefing on the Clean Development Mechanism at the upcoming United Nations Framework Convention on Climate Change (UNFCCC) Tenth Conference of the Parties (COP 10).

The event will highlight what the financial sector can offer in terms of other carbon solutions, and understanding the risks and opportunities for CDM projects as viewed by the financial sector.

The Side Event:
6:00 p.m. - 8:00 p.m.
Room CCTV1

11. 4th annual Emissions Trading Conference
London, UK, November 22-23, 2004
Euromoney Energy Events

"The impact of the EU Emissions Trading Scheme on industry and finance"

With the EU Emissions Trading Scheme coming into force from 1 January 2005 this event offers a timely opportunity to familiarise yourself with the mechanics and consequences of this new era in European energy and climate policy.

For further information visit:
http://www.euromoneyenergy.com

12. International Conference on Sustainable Finance in Emerging Markets
São Paulo, Brazil, November, 22–23, 2004

The Center for Sustainability Studies of the Fundação Getulio Vargas Business School in São Paulo is convening an international Emerging Markets Conference. With support from the IFC, the event will bring together renowned experts in sustainable finance from Latin America, Africa and Asia to exchange experience and discuss the situation of their respective financial markets. Both the UNEP FI network as well as the Latin American Task Force will have an important presence at the event and look forward to engaging with more stakeholders at this occasion.

For more information contact:
ces@fgvsp.br or visit
http://www.ces.fgvsp.br

13. Corporate Non-Financial Reporting, Harnessing the Benefits
London, UK, November 23-24, 2004

Brought to you by Ethical Corporation, this conference will cover the key issues to give you the key tools to make your non-financial reporting more relevant, more useful and more believable to all your stakeholders.

Companies already confirmed to speak include BP, McDonald’s, Fujitsu, HGB Group, mm02, National Grid Transco, The Body Shop, Westpac, and many more.

For more information on this conference, please visit http://www.ethicalcorp.com/reporting

NEWS

14. UN Survey Finds most Companies not Reporting on Social, Environmental Risks

1 November 2004 – The United Nations environment agency today released a new survey that finds most of the world's top-ranking corporations failing to inform investors about the impact of environmental and social issues on their business opportunities.

Co-authored by the UN Environment Programme, in partnership with the private firms SustainAbility and Standard & Poor, the survey points out that despite an increasing demand by investors, analysts, lenders and insurers, only three of the "Top 50" companies revealed their assessment of the key environmental and social risks in their reports this year.

http://www.sustainability.com/

15. Institutions challenge banks and brokers
Leading European institutional investors are challenging the investment banking and broking industries to provide research on socially responsible investment (SRI) issues. They have told their banks and brokers they will allocate up to 5 per cent of their commission budget to the issue. The launch of this report is in association with the new Enhanced Analytics Initiative.

For more on this story visit: http://www.pggm.nl/About_PGGM/Press_and_issues/Press_releases_and_news_items/Press_releases_and_news_items/041018_institutions.asp?SourcePageID=16358

16. Survey of Reporting on Corporate Social Responsibility by the Largest Listed Companies in Central and Eastern Europe

The Partners for Financial Stability (PFS) Programme, part of the East-West Management Institute (EWMI), publishes its third semi-annual Survey of Reporting on Corporate Social Responsibility (CSR) by the 10 Largest Listed Companies (by Market Capitalization) in Central and Eastern Europe. The survey provides current data concerning companies’ disclosures on a range of CSR issues in annual reports.

To view the report visit: http://www.ewmi.hu/capitalmarkets_research.php

EWMI works in partnership with government and non-government entities to design and implement responsive programs for financial sector reform.

For more information on the PFS Program or EWMI contact:
Geoffrey Mazullo: Director, gmazullo@ewmi.hu or visit:
http://www.ewmi.hu

17. South Africa Takes Banks to the Townships
October 12 2004
Financial Times

In a township in the south-east of Johannesburg, Standard Bank last month opened a “Bank in a Box”. The no-frills modular structure rests on a concrete slab and is easily portable should the location prove disappointing. The bank will have opened 21 similar units in urban townships and remote rural areas by year-end. The push comes as Standard and its rivals hasten to meet the requirements of their industry’s Black Economic Empowerment charter, approved last year.

For more on this story:
http://news.ft.com/cms/s/3450c3a8-1beb-11d9-8af6-00000e2511c8.html

To unsubscribe: email: LISTSERV@peach.ease.lsoft.com and in the body of the email type “signoff UNEPFI”
To subscribe: email: LISTSERV@peach.ease.lsoft.com and in the body of the email type “subscribe UNEP FI”

END.

The UNEP FI e-bulletin is a monthly publication of the United Nations Environment Programme Finance Initiative.
United Nations Environment Programme
Division of Technology, Industry and Economics
Economics and Trade Branch
Finance Initiative Unit

Chief Editor:
Paul Clements-Hunt

Editor:
Henry Thomas henry.thomas@unep.ch

Disclaimer:
The views expressed in this publication are not necessarily those of UNEP or UNEP FI, or of its signatories, nor does UNEP FI or its signatories take any responsibility for actions taken as a result of views or opinions expressed in this publication.
Copyright 2004 - UNEP FI