



UNEP **Finance Initiative**  
Innovative financing for sustainability

# The Asset Management Working Group

---

## **What, why, who?**

“Environmental and social issues count.”

**Goldman Sachs Global Investment Research, February 2004.**

“We are firmly convinced that corporate social responsibility as a lived entrepreneurial mission is capable of creating shareholder value.”

**West LB Equity Research, February 2004.**

“Our research has shown that, in general, companies with the highest quality of governance standards tend to give better return to shareholders.”

**Deutsche Bank Global Equity Research, June 2004.**

# Who?

12 Member Firms • 9 Nations • 5 Continents • \$1.6 trillion as of 12/31/03



## Acuity Investment Management, Canada

Acuity Investment Management has gained a well-earned reputation for providing discretionary investment management and building lasting relationships with clients since 1991. More than \$2.5 billion in assets are now managed on behalf institutional, high net worth, and retail investors.

Acuity has been an early leader in the integration of sustainability criteria within the investment process, beginning with the Acuity Clean Environment Mutual Funds over a decade ago.



## BNP Paribas Asset Management, France

BNP Paribas Asset Management is the investment management arm of BNP Paribas, the leading bank in the euro zone in terms of net profits. It has 167.7 billion euros, of assets under management (as at 31/12/03) and is one of the leading players in European fund management.

Besides the teams' international expertise and recognised know-how, their professionalism reflects a strong belief and a strong involvement in the field of responsible & sustainable investment. The extra-financial analysis is intended to complement classic financial analysis by shedding light on the opportunities and risks involved in sustainable development.



## Calvert Group Ltd., USA

Calvert is the largest family of socially responsible mutual funds in the U.S. with over \$9.9 billion in assets under management among twenty-seven funds, including an extensive lineup of tax-free and taxable fixed income products in addition to socially and environmentally screened funds, allowing individual and institutional investors to pursue a broad range of investment objectives within a single fund family.

Calvert also maintains the Calvert Social Index(TM) a benchmark for measuring the performance of large, U.S.-based socially responsible companies. For more information on Calvert and its products and services, go to [www.calvert.com](http://www.calvert.com).

## Assets under management



### **Citigroup Asset Management, USA**

Citigroup Asset Management (CAM) is a leader in money management with over \$521 billion in assets under management as of December 31, 2003. CAM has developed world-class capabilities in investment management and client sales & service catering to individual and institutional investors worldwide.

Since 1987, Smith Barney Asset Management has offered a Social Awareness Investment Program, which includes customized managed accounts, a socially screened mutual fund and an annuity. Strategies seek to provide long-term growth of capital and superior, risk-adjusted returns in a manner that incorporates social and environmental guidelines.



Asset Management

### **Groupama Asset Management, France**

Identifying the Winners of Tomorrow Groupama AM is convinced that understanding environmental social and corporate governance issues can help asset managers select firms whose stocks and bonds will prove high-performing over the long term. This is an essential part of our activities as they are grounded in an active and long term asset management philosophy.

The 8th largest French asset manager, Groupama A.M addresses mainly euro-based financial institutional clients and corporations. In our organisation, we consider that extra-financial criteria (environment, social, corporate governance) have to be contemplated by our analysts as part of their global diligences.



**MORLEY**  
Fund Management

### **Morley Fund Management, United Kingdom**

At Morley we believe companies most likely to grow consistently in the future will be those that are promoting, or benefiting from, sustainable economic development. This means development that meets the needs of the present, without compromising the needs of future generations. Morley has proved its commitment to this view by recruiting one of Europe's leading SRI teams. This team has developed an excellent performance record based on a unique thematic approach driven by commitment to sustainable development.



日興アセットマネジメント

### **Nikko Asset Management, Japan**

Nikko Asset Management is the core asset management company within the Nikko Cordial Group. Our mission is to provide high quality professional investment management and advisory services to both retail and institutional clients worldwide. Having launched the first SRI fund in Japan, the Nikko Eco Fund in 1999, Nikko Asset Management joined the UNEP Financial Institutions Initiatives in 2000 and has been recognised as a leading responsible investment promoter, in collaboration with NPO, in Japan during this time.



**OLD MUTUAL**  
**ASSET MANAGERS**

### **Old Mutual Asset Managers, South Africa**

In 1993 Old Mutual Asset Managers (South Africa) (Pty) Ltd was incorporated as a wholly owned subsidiary of the Old Mutual Group (Old Mutual plc). In June 1997 it became a fully contained and independent asset management company. The South African arm of OMAM is based in Cape Town and has some R 268

billion as of December 31st, 2003 (UK£ 22.7 billion) in assets under management, making it the biggest manager of South African assets.

As a major player in the local institutional market it offers a wide range of investment products to local and international investors, including segregated and pooled portfolios (specialized, customized and international portfolios). Furthermore, OMAM (SA) manages life funds and unit trusts on behalf of the Old Mutual Group (Old Mutual (SA) and Old Mutual Unit Trusts).

## SANPAOLO IMI

### San Paolo IMI S.P.A., Italy

Sanpaolo IMI, a major Italian banking group focusing on domestic retail banking and asset management, aims at creating value with a view to long-term sustainability. As a Group operating through banking networks with deep roots in the local communities, Sanpaolo IMI's attention to the territory is fuelled by extensive interest in social and environmental issues.

The Group is by far the main actor in Italy with regard to Ethical Funds. Its asset management society was one of the first operators in Italy to offer social responsible investment products: it manages four Ethical Funds on behalf of retail investors and other social responsible investments on behalf of institutional investors.

## storebrand

### Storebrand Investments, Norway

"Profits with Principle"

Delivering Profits with principle means producing competitive investment returns while investing in companies which respect the environment and their social responsibilities. It is at the heart of Storebrand's socially responsible investments philosophy.

Storebrand is a global financial services provider, with a history dating back to 1776. Acting on behalf of investors, Storebrand is committed to delivering

shareholder value by focusing on companies with socially and environmentally responsible strategies. Storebrand brings together investment expertise with environmental authority and social responsibility. Our approach has won international recognition. [www.storebrand.com](http://www.storebrand.com).

## ABN AMRO Asset Management

### ABN AMRO Asset Management, Brazil

ABN AMRO Asset Management is the investment management activity of ABN AMRO Group, with over EUR156 billion in assets under management worldwide.

Aiming at balancing its clients' current long-term financial goals with environmental and social issues, ABN AMRO Asset Management has developed global SRI capabilities, with teams in Amsterdam, Stockholm and Sao Paulo currently managing over EUR2 billion in SRI related assets. To illustrate its pioneering vision, ABN AMRO Asset Management Brazil launched in 2001 the first SRI mutual fund in Latin America, fostering the sustainability agenda and discussion in the region.

## HSBC

### HSBC Asset Management, Europe

"Morality is as important as earnings growth"

Social Responsibility is an important part of HSBC Group strategy. Consequently, HSBC Asset Management has developed a Socially Responsible Investment capacity combining social, environmental and financial screening. HSBC Asset Management is the core global investment management business of the HSBC Group. With a network of investment and client relationship teams worldwide, HSBC Asset Management has strong global investment capabilities that are delivered to clients locally.

# What?

---

The United Nations Environment Programme Finance Initiative (UNEP FI) is a global partnership between the United Nations and more than 250 firms from across the global financial services sector.

The AMWG is a group of 12 UNEP FI member firms implementing this mission within the fund management industry.

AMWG projects are purposely small with a focus on delivering meaningful results to the financial sector.

The group benefits from CEO level involvement, collaborative decision making, international representation, the combined financial leverage of its firms within the capital markets, and the support of the United Nations.

## **Mission**

Integrate relevant environmental, social and governance criteria (ESG) into financial sector operations.

## **Work**

- Sector Specific financial analysis of ESG criteria.
- Engagement with institutional investors.

# Why?

---

There is increasing scrutiny by regulators and the investing public as to the adequacy of investment research and decision making with regard to issues such as corporate governance, environmental performance and labour practices.

A group of fund managers who are members of UNEP FI have constituted an Asset Management Working Group to explore whether these considerations are sufficiently incorporated in asset management.

Their purpose is to explore and document the materiality of environmental and social considerations and criteria as they relate to the portfolio management of mutual funds, pension funds and other institutional funds.

The group's institutional clients are increasingly interested in and asking for approaches to asset management that explicitly include such extra-financial criteria or metrics where they are or may become relevant to the investment decision.

Funds controlled by the world's governments are also increasingly requiring attention to environmental and social considerations in how these funds are managed.

While there is increasing pressure to address these issues in the investment decision process, there has been little consideration given as to how mainstream providers of financial research currently or potentially could incorporate these factors into their research and valuation of equities.

The AMWG members are therefore working with major stock brokerage firms, institutional investors, and other fund managers to develop the institutional skill sets that will enable them to efficiently respond to these issues.

## **United Nations Environment Programme Finance Initiative (UNEP FI)**

UNEP FI is a unique global partnership between UNEP and the private financial sector. UNEP FI works closely with approximately 230 financial institutions to develop and promote linkages between the environment, sustainability and financial performance. Through task forces, working groups, training programmes and research, UNEP FI aims to address the opportunities and needs that sustainable development can provide to the financial and subsequently the larger stakeholder community.

### **Group Chairs**

#### **Carlos Joly**

Advisor to the CEO, Storebrand Investments  
[carlos.joly@wanadoo.fr](mailto:carlos.joly@wanadoo.fr)

#### **Vincent Zeller**

General Manager and Chief Investment Officer, Groupama Asset Management  
[vzeller@groupama-am.fr](mailto:vzeller@groupama-am.fr)

### **UNEP Representative**

#### **Paul Clements-Hunt**

Head of Unit, UNEP FI  
[pch@unep.ch](mailto:pch@unep.ch)

### **Contact**

Jacob Malthouse  
[fi@unep.ch](mailto:fi@unep.ch)  
(41) 22 917 8268

**[www.unepfi.net/invest](http://www.unepfi.net/invest)**



**UNEP Finance Initiative**  
Innovative financing for sustainability

15 Chemin des Anémones  
CH-1219 Châtelaine, Geneva, Switzerland  
Tel. (41) 22 917 8178 Fax (41) 22 796 9240  
email [fi@unep.ch](mailto:fi@unep.ch) website [www.unepfi.net](http://www.unepfi.net)