

Ethical can be profitable

CONSCIENCE: You don't have to pay too high a price to remain Earth-friendly

BY STEPHANIE WHITTAKER
FOR CANWEST NEWS SERVICE

For Malcolm Johnson, it's the environment; for Joan Hadrill, the effort to end war.

What these people have in common is they've put their money where their values are.

Johnson's investment portfolio includes income trusts from two companies that generate wind power and another that cultivates trees for reforestation.

Hadrill's portfolio includes Ethical Funds, the Vancouver-based company that sells socially responsible mutual funds. Hadrill, a peace activist, had specific criteria for her investment adviser: "I'm against weapons manufacturing and don't want any stocks in that area."

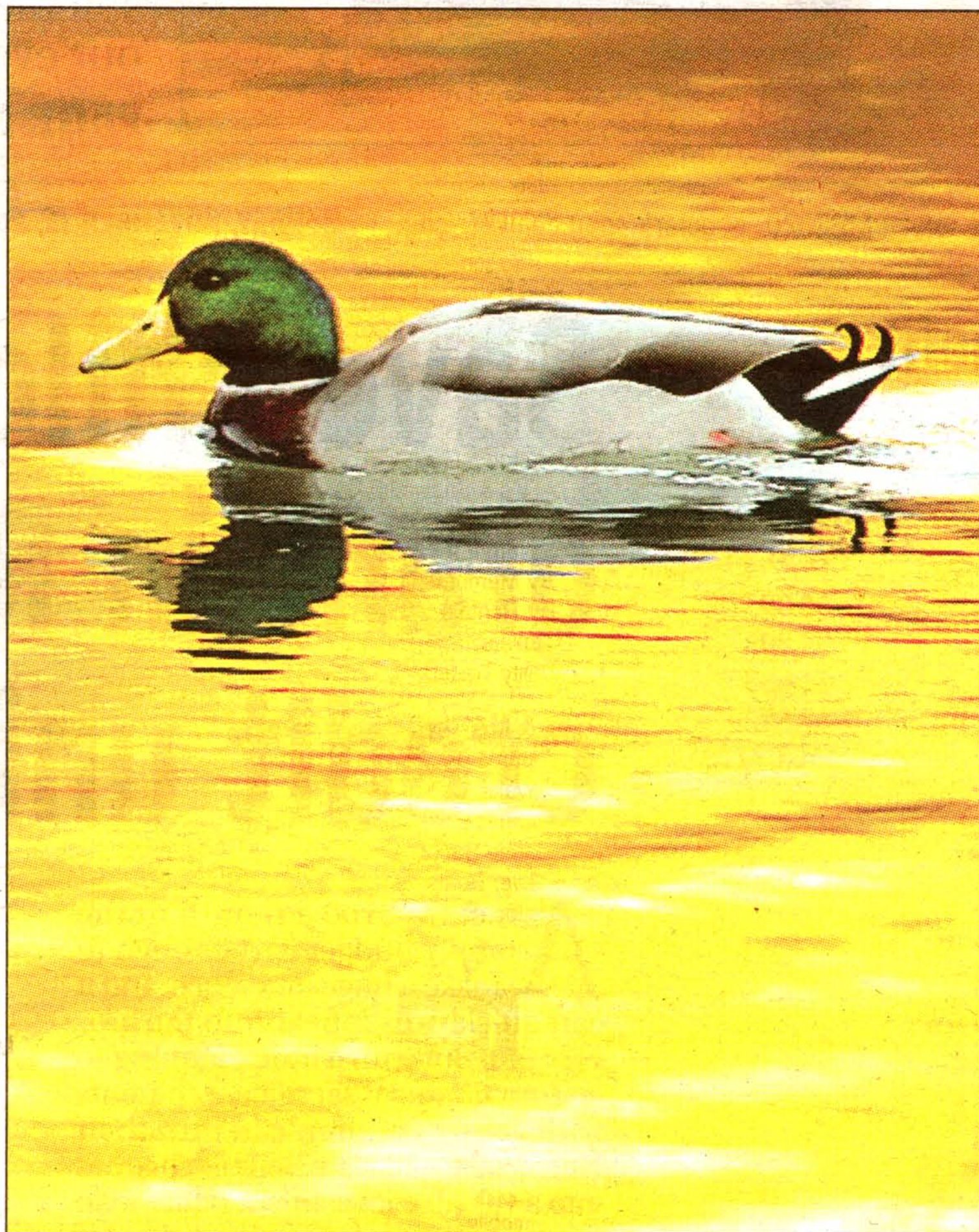
She also said she wanted companies with sustainable business practices.

Johnson does his own exhaustive investment research and uses a discount brokerage.

"I try to buy stocks that are sustainable and that don't harm Mother Earth," he said.

As investors who want their portfolios to reflect their values vis-a-vis the environment, social responsibility and good corporate governance, Hadrill and Johnson are members of a growing segment of the Canadian investing public. Socially responsible investing is a niche market, but it's growing, observers say.

Investing in a socially responsible way is as much about investment products people don't buy as ones they do. The three key criteria for SRI are the



Some ethical investments make barely a ripple for wildlife. — AP FILE

environment, social responsibility and governance — ESG — as it applies to business practices.

"Socially responsible investing represented 3.6 per cent of assets under management in 2004," said Eugene Ellmen of the trade association Social Investment Organization.

By calculating the number of unit-holders in socially respon-

sible funds, the SIO estimates between 300,000 and 500,000 Canadians invest in this sector of the market. Ellmen said a 1999 survey by Ideation Research found 11 per cent of Canadian investors cited themselves as "very interested in SRI."

The problem is most financial advisers are uninformed about socially responsible investing.

In fact, the past 15 years has seen an increase in the number of SRI funds. They include Ethical Funds, Meritas, Acuity Funds and Inhance, among many others. Ellmen estimates Canadian socially responsible investing has doubled in the past decade.

Elaine McHarg, chief marketing officer at Vancouver-based Ethical Funds Co., which holds \$2.2 billion in assets, said the reason an increasing number of Canadians are opting into SRI is "because the issues that are important to social responsibility are headline issues, climate change and what the military is doing, for instance."

Brenda Plant, founder and co-director of Ethiquette Inc., an information service on socially responsible and environmental products and services, agreed there's a growing interest in SRI.

"After the United Nations recently drafted its principles on responsible investment, it affected such institutional investors as the Caisse de depot, which signed on. That means the Caisse will be promoting environmental, social and governance issues," she said.

"People thought they'd take a financial hit from investing in this way," Plant said. "But studies show SRI vehicles perform the same as the market if not better."

She said the biggest obstacle to getting socially responsible investment products into more hands is the mainstream community of investment advisers.

"Many don't know what it is and they're scared of it."

— Montreal Gazette

ON THE MOVE



Brian Robinson is new manager of professional development, **Association of B.C. Forest Professionals.**



Steve Keough has joined **Peak Potentials Training** as executive director, **SuccessTracs Coaching Program.**



Jillian Smith becomes international sales manager for business development at the **Vancouver Convention Centre.**



Ron Edgar is now a sales manager for **Peak Potentials Training.**



Diana Reid joins the **Vancouver Convention Centre** as sales manager for business development in eastern U.S.

On the move or just promoted? We want to know! Send your details (company and employee's name, position, head shot in JPEG format) to onthemove@png.canwest.com

MINDING YOUR OWN BUSINESS

Music-makers are right in tune with children

Name/Title: Jessica Kaplan and Mario Margaritis

Business: Name Your Tune West

Contact: www.nytwest.ca; 604-540-9596; 1-866-720-TUNE

Number of employees: 2

Time in service: Three months

What do you do? We make made-to-order, personalized CDs for kids. We put the child's name into all the songs on our CD, such as *Wheels on the Bus* and *If You're Happy and You Know It*. Children hear their own name in their favourite songs and everybody can sing along — we all know the words.

How did you get into the business?

My oldest friend — we went to nursery school together — started the business in Toronto three years ago. We thought it was a fantastic idea and it's had huge success there.

We were ready to start our own business and after watching the business grow in Toronto, we thought we would bring it here. We don't have a store — people can order the CDs online or by phoning us.

Are you seeing some success yet?

We're just getting started, but people are pretty excited about the CD — they love hearing their baby's names in the songs. And it's fantastic to see a child's eyes light up when they hear their name in the music.

What is your biggest challenge?

Keeping up with all the new baby names. The CDs are produced in a studio in Toronto and all the songs are recorded by a professional singer. Every few months we have to go into the studio and add more names to the list.

Future plans?

We want to get the music out to more children and we're working on expanding across B.C. and Alberta.

Want to be in Minding Your Own Business?

Follow this format and send your info into *The Province* at onthemove@png.canwest.com. Include your phone number.



Jessica Kaplan and Mario Margaritis.