



Milan, 22.09.2017

Charter of Values

“Shareholders for Change” network (SfC)

The Shareholders for Change network (SfC) is a group of institutional investors involved in active engagement with corporations to enhance a common social agenda as an essential element of their role as bond- and shareholders. In addition SfC will engage with institutions, proxy advisors, associations and other public or private organisations to support the development of sustainable financial markets and a global economy aligned with the Sustainable Development Goals (SDG) Framework.

Members of the SfC network are linked by a common vision as well as their shared values across a wide range of issues. These shared values are the focus of their common engagement activities and are an essential part of members' own business practices.

Shared member values include:

A. SOCIAL ISSUES.

1. All human beings are born free and equal in dignity and rights¹. Everyone is entitled to all the rights and freedoms set forth in the Universal Declaration of Human Rights, without distinction of any kind².
2. Access to capital and credit should be responsibly granted to all individuals, particularly those most in need, through varied instruments such as microcredit and other mechanisms.
3. The enjoyment of the highest attainable standard of health is one of the fundamental rights of every human being without distinction of race, religion, political belief, economic or social condition³.

¹ Universal Declaration of Human Rights, Art. 1

² Universal Declaration of Human Rights, Art. 2

³ WHO, Constitution of the World Health Organization, 1946



4. Industrial relations and working conditions should be inspired by:

- freedom of association and right to collective bargaining;
- abolition of forced labour;
- elimination of child labour
- prohibition of discrimination of employment and occupation⁴.

5. Disarmament and arms limitation are essential to enhancing international peace and security, as well as for the economic and social advancement of all peoples⁵.

B. ENVIRONMENTAL ISSUES

6. Animals are "sentient beings"⁶, therefore animal welfare should not be infringed unless necessary for the well-being of human life.

7. Economic development shall be pursued by meeting the needs of the present without compromising the ability of future generations to meet their own needs⁷.

8. Biological diversity has an intrinsic value and its conservation is a common concern of mankind⁸.

9. Environmental decision-making should be participatory, with environmental justice at the basis of all actions. Environmental information must be accessible to all⁹.

10. Change in the Earth's climate and its adverse effects are a common concern of humankind and are largely a consequence of human activities¹⁰.

11. Enterprises should contribute to economic, environmental and social progress with a view to achieving sustainable development and respect for human rights¹¹.

C. GOVERNANCE

12. Addressing inequality through the promotion and implementation of tax justice is a precondition to tackling inequality and poverty¹².

⁴ As outlined by the four ILO core principles. See: International Labour Organisation, *Conventions and Recommendations*, link: <https://goo.gl/BcZAGq>

⁵ United Nations, Final Document of the Tenth Special Session of the General Assembly, 1978. Link: <https://goo.gl/HRmvQA>

⁶ *Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community*, signed at Lisbon, 13 December 2007, Article 13 of Title II

⁷ United Nations, *Report of the World Commission on Environment and Development: Our Common Future (Brundtland Report)*, 1987. Link: <https://goo.gl/Z21BSE>

⁸ United Nations, Convention on Biological Diversity, 1992. Link: <https://goo.gl/Jron1N>

⁹ United Nations Economic Commission for Europe (UNECE), *Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention)*, 1998

¹⁰ United Nations, *United Nations Framework Convention on Climate Change*, 1992

¹¹ OECD, *OECD Guidelines for Multinational Enterprises*, 2011

¹² Tax Justice Network, *Inequality & Tax Havens*, link: <https://goo.gl/hhAp12>



13. Effective and sustainable shareholder engagement is one of the cornerstones of the corporate governance model for public companies, with best practice developed through checks and balances among stakeholders¹³.

14. Greater involvement of shareholders in corporate governance is one of the levers that improves the financial and non-financial performance of companies, particularly with regard to environmental, social and governance factors¹⁴.

15. Civil society and other organisations and stakeholders, such as ethical rating agencies, regulators, etc., are essential partners of the network's engagement activities, providing critical oversight and scrutiny when challenging controversial corporate practices.

16. Transparency and disclosure practices, particularly social, environmental and governance issues, are essential elements for companies seeking to develop positive relations with their investors and other stakeholders.

17. Legal and regulatory compliance, with the letter and spirit of rules, is a minimum standard for all corporate practices.

¹³ European Union, *Directive of the European Parliament and of the Council amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement*, 2017

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