

HIV/AIDS ENGAGEMENT FRAMEWORK

The Ethical Investment Advisory Group recognises that HIV/AIDS represents arguably the major human tragedy of our time. The socio-economic devastation is evident in every level of society, impacting all areas of people's lives, including income and poverty. This in turn has a bearing on the economic growth prospects of countries heavily affected by this pandemic and proves a significant threat to any company reliant on robust workforces in these countries. HIV/AIDS will undoubtedly weigh heavily on the operations and profitability of companies via:

- Increased costs and adverse impact on business overall
- Higher labour turnover and reduced labour productivity, leading to lost experience & skills
- Higher health insurance and funeral benefits
- Increased absenteeism, recruitment and training costs
- Lower morale as a result of illness, suffering and loss of colleagues, family and friends
- Declining markets and threats to the consumer base

The EIAG sets out below an investment framework that seeks to be in keeping with the thinking and work of the Church of England's Mission & Public Affairs Council. This refers particularly to the Church of England's affirmation to combat HIV/AIDS, being mindful of the statement issued by the Primates of the Anglican Communion in May 2003 that the "Body of Christ has AIDS". The Church's engagement should reflect and be mindful of the theology of divine compassion, of equal significance, of neighbourly love and of justice. This framework is intended to apply to any company with significant operations in countries with widespread HIV/AIDS prevalence rates, and in particular Africa, India and the Far East.

- *An active engagement policy should be applied to companies whose business has significant operations in countries that are, and are likely to be, deeply affected by HIV/AIDS. In keeping with the framework, the Group:*
 - *is committed to encouraging engagement with companies in which the Church's three main investing bodies invest, so as to ensure the socio-economic risks of HIV/AIDS are taken into account within business operations;*
 - *recognises that the three investment bodies can play a proactive role in encouraging companies to consider their responsibilities to the societies in which they operate. In turn, companies with operations in countries deeply affected by HIV/AIDS can provide support to their workforce, advanced prevention measures, and help to those who are suffering by providing better education, counselling and treatment, and a greater chance of improving and prolonging their lives;*
 - *will seek to affirm the view that companies which take environmental and social factors into consideration, will tend to be the better managed and therefore provide better investments over the long term;*

National Governments and International health authorities have the primary responsibility for tackling HIV/AIDS through education and preventative measures. The Group however recognises that companies are uniquely placed to provide education and support to their staff and the communities in which they operate. The Group is of the belief that companies can play a vital role in tackling HIV/AIDS by assisting in the alleviation of suffering of those who are affected.

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