

Social Investment Forum

2009 Annual Report



Social Investment Forum

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About the Social Investment Forum

The Social Investment Forum (SIF) is the U.S. membership association for professionals, firms, institutions and organizations engaged in socially responsible and sustainable investing (SRI). SIF and its members advance investment practices that consider environmental, social and corporate governance criteria to generate long-term competitive financial returns and positive societal impact. Our vision is a world in which investment capital helps build a sustainable and equitable economy.

SIF's members include investment management and advisory firms, mutual fund companies, research firms, financial planners and advisors, broker-dealers, banks, credit unions, community development organizations, non-profit associations, and pension funds, foundations and other asset owners. SIF members practice SRI through methods such as portfolio selection analysis, shareholder advocacy and community investing.

Report Overview and Boundary

Throughout this report, "Social Investment Forum" and "SIF" refer collectively to two linked entities: The Social Investment Forum Ltd., a non-profit 501(c)(6) membership association, and The Social Investment Forum Foundation, a non-profit 501(c)(3) research and education arm. The Social Investment Forum Foundation is a Type I supporting organization under 509(a)(3) of the Internal Revenue Code. It supports the programmatic activities of The Social Investment Forum Ltd., which is its sole member. This report, unless otherwise noted, covers both the Limited and Foundation entities.

The following annual report covers the 2009 calendar year, which also represents the fiscal year for the Social Investment Forum Ltd. and the Social Investment Forum Foundation.

For the purposes of the Global Reporting Initiative, this report is a self-declared A level GRI report completed in accordance with the GRI's third generation G3 guidelines. GRI's sector supplement for non-governmental organizations also was followed in assembling this report. It has been submitted to GRI for reporting level verification.

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CEO and Chair 2009 Year in Review

Dear Members and Other Stakeholders,

While 2009 was a challenging year for the Social Investment Forum (SIF) and its members as a result of the financial crisis, it also was one of transformation and progress for the organization. During 2009, SIF entered into the final phase of our transition from a more than decade long relationship with Green America (formerly Co-op America) serving as SIF's secretariat. We also set out to achieve the goals outlined in our 2009 operational plan, and our progress against these goals is reviewed throughout this annual report.

In addition, our board began a year-long strategic planning process in 2009 that culminated in March 2010 with the creation of SIF's long-term strategic goals. They are:

- Support members' professional and organizational development.
- Create greater public awareness of socially responsible investing (SRI) through research, media and public policy advocacy.
- Substantially increase the numbers of individuals and institutions engaged in SRI.
- Increase SIF membership.
- Create a financially viable business model.

The U.S. and global financial crisis created a difficult budget situation for SIF in 2009. With so many SIF members paying dues based on their assets under management (AUM), we ended up with fewer dues dollars than anticipated, even taking account for conservative projections made at the end of 2008. Other sources of revenue, such as sponsorships and donations from members and non-members, were difficult to realize because of the prevailing economic conditions. To manage expenses, SIF postponed a major research project to 2010 and eliminated much of our travel budget, and SIF staff voluntarily reduced their work week and resulting pay to 80 percent time for several weeks in the third quarter. In 2009, SIF closed the year with a \$131,000 deficit (which included employee vacation liabilities), leaving it with a reserve of \$60,000. Our budgetary goal in 2010 is to produce a modest surplus and to build back our reserve. For more details, see the financial statements on pages 18 through 28.

In our program areas, we ramped up our efforts to develop our policy program and to provide a stronger voice for SIF's members in Washington. While researching the eighth edition of our biennial Report on Responsible Investing Trends in the United States, SIF issued its first report on investment consultants' views on and knowledge about responsible investing. Our vibrant and diverse programmatic offerings through our conferences, teleconference events and working groups gave our members numerous opportunities to learn, grow their businesses and expand the field of SRI. Highlights of these efforts are described below.

PUBLIC POLICY: The transition at SIF took place against a backdrop of tremendous changes in U.S. society—not only the election and inauguration of President Barack Obama, but also the implosion of the financial markets and the country's descent into a recession. The housing bubble and the risky financial products implicated in the financial crisis underscored, as perhaps never before, the urgency for the mainstream financial services industry to follow the core principles of transparency, accountability and sustainability—all integral to socially responsible investing. Thus, even as SIF and our members struggled with the budgetary challenges presented by the economic crisis, we were also more keenly aware of the need to make our voices heard—on Capitol Hill, in executive branch agencies and in the media.

We began 2009 with a letter to then President-Elect Obama listing our key priorities for the new administration, including comprehensive financial reform, climate change legislation and better corporate disclosure of environmental, social and governance (ESG) issues.

SIF members and staff met on numerous occasions with Securities and Exchange Commission (SEC) Commissioners and staff to discuss our pertinent policy priorities. We were delighted when the SEC, at our suggestion, named several representatives of the SRI industry, including three SIF members, to its newly created Investor Advisory Committee. This offers SIF an excellent opportunity to continue its dialogue with the SEC and its staff and to advance our policy priorities. In July, with the support of more than 50 major investment firms and professionals, SIF submitted recommendations to the SEC on mandatory disclosure on environmental, social and corporate governance (ESG) issues.

In September, we issued our seven priorities for financial reform, which guided our work with the House of Representatives and Senate:

- improved corporate governance,
- mandatory ESG disclosure,
- regulation and oversight of all types of all types of financial products,
- sufficient funding for the SEC and other regulators,
- creation of a systemic risk regulator,
- better consumer protection, and
- improvements in oversight of ratings agencies.

SIF was active in engaging House Financial Services Committee staff and Senate Banking Committee staff on these issues and in mobilizing members to write letters to Congress and the media.

Throughout the year, we saw many victories on the policy front:

- In October, the SEC overturned a policy preventing shareholders from submitting resolutions to companies on financial risks related to environmental and social issues. In December, the SEC approved a new rule on *Proxy Disclosure Enhancements*, which calls on companies to disclose whether diversity is a factor in considering candidates for nomination to the board of directors, and, if so, how they assess the effectiveness of their board diversity programs and policies.
- In December, the House of Representatives passed a financial reform bill that called for the creation of an independent Consumer Financial Protection Agency, regulation of derivatives markets, a “say on pay” for investors and other provisions SIF members endorsed.

RESEARCH AND PUBLICATIONS: During 2009, research also continued to be a priority. We issued an updated second edition of *Mission in the Marketplace*, our guide to socially responsible investing for foundations and endowments, and an introductory guide to community investing for faith-based investors. In December, we released the results of our survey of investment consulting firms regarding their clients’ growing interest in responsible investing

and how they are responding. Also in December, two SIF working groups issued reports on ESG disclosure.

MEMBER RESOURCES AND SERVICES: We are continuing to make progress on our other priorities too by providing additional tools and resources to our members. Our members-only section now includes not only a quarterly newsletter, launched in 2009, but a communications toolkit, sample letters about making the case for SRI during the financial crisis, downloadable SIF logos for members to display on their websites, and fact sheets and slide presentations. In June, we organized our second Capitol Hill Day in which we provided training on media relations and on communicating effectively with congressional offices, and coordinated SIF member meetings with their Representatives and Senators.

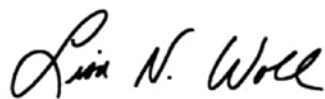
CONFERENCES: In addition to SRI in the Rockies 2009, held in Tucson, Arizona, SIF co-produced conferences with the Financial Times, Institutional Investor and Responsible Investor in New York City, as well as several member receptions in Boston, Chicago, New York City and San Francisco.

WORKING GROUPS: Our Advocacy & Public Policy Working Group (APP), Community Investing Working Group (CIWG), Indigenous Peoples Working Group (IPWG), International Working Group (IWG) and Sustainable Investment Research Analyst Network (SIRAN) also held events and meetings throughout the year. In addition, they promoted SIF's new guide to community investing for faith-based investors, published reports on trends in ESG disclosure, helped coordinate our Capitol Hill Day, and coordinated the filing of shareholder proposals on indigenous peoples' rights.

More information on all of these activities is available in this report, along with information on our board, management team, financials and policies.

On another reporting note, I'm pleased to announce that this annual report inaugurates our reporting using the Global Reporting Initiative (GRI) guidelines. It follows GRI's third-generation *G3 Guidelines* and meets the GRI's A-level reporting standard. SIF's proposal to the SEC for mandatory corporate ESG disclosure asks for GRI reporting, and we are proud to demonstrate to companies that we practice what we advocate. The GRI's focus on sustainability is certainly one we share, and the concept of sustainable development is embedded in our organizational mission and vision.

Sincerely,



Lisa Woll, CEO
Social Investment Forum



Cheryl Smith, Chair
Social Investment Forum
President, Trillium Asset Management

Public Policy

OPERATIONAL GOAL	YEAR-END STATUS
Send SIF policy priorities to Obama transition team.	Priorities sent in January 2009.
Develop a strategy to advance legislation adding an SRI option to the federal employees retirement plan.	Strategy complete and a relationship developed with Rep. Jim Langevin (D-R.I.) for introduction of a bill.
Monitor key regulatory agencies and work with relevant congressional committees on the array of issues with an impact on SRI.	SIF monitored and reported to members on key policy priorities throughout the year, and we interacted with the Securities and Exchange Commission, the Environmental Protection Agency, the Department of Labor and with staff and members of the U.S. House of Representatives and U.S. Senate to advance SIF's policy priorities.

SIF began the year by issuing a letter to then President-elect Barack Obama asking him to move swiftly to advance shareholder rights and corporate responsibility on several fronts. Each of these priorities is outlined below, along with a summary of our activities and progress.

SECURITIES AND EXCHANGE COMMISSION (SEC)

Access to the proxy ballot: On August 10, SIF submitted a comment letter to the SEC expressing support for the SEC's proposal, *Facilitating Shareholder Director Nominations*. The proposal would have created a new rule to allow certain shareholders to nominate directors and to have these nominees included in the company's proxy materials, instilling democratic principles and greater accountability in America's boardrooms. To nominate a director under the proposal, shareholders, either by themselves or by pooling shares with other stockholders, would have to hold for one year:

- 1 percent of voting securities for corporations with \$700 million or more in total market value worldwide, or total assets for registered investment companies.
- 3 percent of voting securities for issuers with \$75 million or more, but less than \$700 million, in market value, or assets for investment firms.
- 5 percent of voting securities for issuers with less than \$75 million in market value, or assets for investment companies.

They also would have to sign a statement declaring their intent to continue to hold their shares through the date of the annual meeting and certify that they are not holding their shares to challenge the control of the company or to gain more than minority representation on the board of directors. Shareholders are also limited to nominating the greater of one director or the number of directors representing up to 25 percent of the company's board. In the case of a staggered board, any shareholder nominees previously elected pursuant to Rule 14a-11 of the Securities Exchange Act and continuing to serve on the board beyond the upcoming election of directors would count against the 25 percent cap.

In addition to offering support for this proposal, SIF commented on a few questions posed by the SEC. SIF expressed support for the largest shareholder group gaining access to the proxy, instead of the first to file, in cases where the number of nominees exceeded the maximum set by the SEC. On October 6, SIF staff met with Commissioner Aguilar and discussed the SEC's plans to move ahead with its proposed rule. On Capitol Hill, as part of the debate over financial reform, the House bill gave the SEC authority to act on proxy access (the Senate bill was still in process and not complete in 2009).

PROXY DISCLOSURES: Additionally, SIF submitted comments to the SEC in September supporting its proposed rule, Proxy Disclosure and Solicitation Enhancements. The five areas we focused on were: disclosures of board diversity policies and director classifications by race and gender; requirement of companies to report voting results within four days of annual meetings; disclosure of companies' compensation policies and related risks to their shareholders; disclosure of consultant compensation when they recommend executive or director compensation; and board oversight of compensation practices. The SEC passed this rule in a four-to-one vote in December.

ESG DISCLOSURE: In meetings with Commissioners Aguilar and Walter and SEC staff in early 2009, the SEC asked SIF to provide more details on our request for mandatory ESG disclosure. SIF responded in July with a full proposal to the SEC. The proposal has two parts. The first asks the SEC to require companies to report annually on a set of sustainability performance indicators in accordance with the reporting framework of the Global Reporting Initiative (GRI). The second asks that the SEC issue interpretative guidance to clarify that companies are required to disclose short- and long-term sustainability risks in the Management Discussion and Analysis section of the 10-K (MD&A).

To date, more than 80 organizations representing more than \$500 billion in assets under management have signed the proposal. SIF also sent the proposal not only to the SEC's commissioners, but also to the SEC's newly formed Investor Advisory Committee. SIF met with Commissioners Aguilar, Paredes and Walter, as well as Chairman Schapiro on this topic and others of concern to SIF members.

SHAREHOLDER RESOLUTIONS: In January, SIF asked the SEC to restore, within the first hundred days of the new Obama Administration, the right of investors to propose and vote upon resolutions asking a company to evaluate how such specific risks may affect the company's business. The SEC held a closed meeting on this topic with corporate lawyers and investors, including several SIF members. In October, it issued a staff legal bulletin permitting shareholder proposals addressing financial implications of sustainability risks, as long as they address significant public policy issues.

DEPARTMENT OF LABOR (DOL)/ERISA

In October 2008, the Assistant Secretary of Labor for the Employee Benefit Security Administration took the unfortunate step of issuing two bulletins (29 CFR 2509.08-1 and 29 CFR 2509.08-2) modifying the Department of Labor's official view on fiduciary duties. The bulletins sought to limit investment management discretion as well as the exercise of shareholder rights by pension fund fiduciaries subject to ERISA, the Employee Retirement Income Security Act. In a letter to the department, we explained our concern that the bulletins appeared to place inappropriate and unworkable obstacles in the path of fiduciaries that are actively working to address environmental, social and governance risks to their

portfolios, and that the bulletins appear to break with previous DOL guidance relating to proxy voting and consideration of ESG issues in investment.

In September, SIF and several members of the policy committee and APP working group drafted a letter in response to Phyllis Borzi, the recently appointed Assistant Secretary of Labor for Employee Benefits Security. On December 15, a SIF delegation consisting of SIF staff and representatives of SIF members met with Borzi and senior staff of the Department of Labor to elaborate on our concerns.

ADDRESSING CLIMATE CHANGE

In January, SIF urged the Obama Administration to assert global leadership in combating climate change by investing in and providing tax incentives to stimulate clean and renewable energy and energy efficiency; committing to substantial greenhouse gas reductions; investing in green collar jobs and training; and ensuring that a U.S. cap and trade system sets a firm price for carbon and other greenhouse gas emissions responsible for global warming.

Additionally, SIF submitted a comment in June to the U.S. Environmental Protection Agency (EPA) on its proposed rule for mandatory reporting on greenhouse gas emissions after organizing a conference call for SIF members with senior EPA staff to brief them on the rule's provisions and impact. The rule, which was formally adopted in October 2009, requires annual reporting beginning March 31, 2011 (for emissions during 2010) by fossil fuel suppliers, engine and vehicle manufacturers, and all facilities that directly emit 25,000 metric tons or more of carbon dioxide equivalent. SIF's comment welcomed the proposed rule as a critical first step in managing and eventually curbing U.S. greenhouse gas emissions. However, we also underscored the importance to SIF members of obtaining GHG emission data not only by facility, but also for the entire parent company, particularly if it is publicly traded. In March 2010, the EPA issued a proposed amendment to require reporting facilities to identify their parent companies.

A cap and trade bill sponsored in the House by Henry Waxman (D-C.A.) and Edward Markey (D-M.A.), the American Clean Energy and Security Act of 2009, passed the House in June but never made it to a floor vote in the Senate.

ADDRESSING THE CONTINUING FINANCIAL CRISIS

Our *Social Investment Forum Priorities for Financial Reform* was a response to President Obama's proposed *Financial Regulatory Reform: A New Foundation* and were the framework for our responses to the House and Senate financial reform bills. SIF focused on the following key issues: improved corporate governance; disclosure on environmental, social and governance factors; regulation and oversight of all investment products, including hedge funds and derivatives; providing sufficient resources to regulators; creation of a systemic risk regulator; creation of a Consumer Financial Protection Agency; and improving credit rating agencies. SIF met with the staffs of Representative Barney Frank (D-M.A.), chairman of the House Financial Services Committee, and Banking Committee Chair Senator Christopher Dodd (D-C.T.), as well as with other House and Senate offices, to discuss our views on financial reform legislation.

In August, SIF hosted a member-wide conference call on financial reform. The call featured Kara Stein, the staff director of the Senate Banking Committee, Securities Subcommittee; Rich Ferlauto, then chair of Shareowners.org (now a senior official with the SEC's Office of Investor Education and Advocacy); and Heather Booth, executive director of Americans for Financial Reform.

ADDING AN SRI OPTION TO THE THRIFT SAVINGS PLAN

In the 108th, 109th and 110th Congresses, legislation was introduced to create an SRI or corporate social responsibility option for employees in the Federal Thrift Savings Plan. A number of other public sector, as well as private sector employers, already provide one or more SRI retirement plan options to their employees. SIF worked with Representative Langevin's staff to produce a bill for introduction in 2010.

CREATING AN OFFICE FOR SOCIAL INNOVATION IN CORPORATE SOCIAL RESPONSIBILITY

SIF met with the Obama administration transition team in January to discuss a potential Office for Social Innovation in Corporate Social Responsibility. In April, the Obama Administration created the White House Office of Social Innovation and Civic Participation. It is unclear if the office will look at corporate social responsibility, but SIF continues to press this priority to the Obama Administration.

Research and Publications

OPERATIONAL GOAL	YEAR-END STATUS
Conduct and foster cutting-edge industry research that builds credibility for SRI in academic, financial and policy circles; increases visibility for SRI and SIF in media circles; and provides a key information service to members.	SIF issued several new research reports and publications in 2009, including the findings from its first ever survey of investment consultants regarding their views and predictions on responsible investing.
Complete and release Trends report by January 2010.	SIF delayed the Trends report by one year due to funding constraints associated with the financial crisis. However, we continued with preparations for the survey and consulted with members and other experts to improve the survey.
Partner with other organizations to co-brand and broaden distribution of research.	SIF partnered with Pensions & Investments and Eurosif on its 2009 report on investments consultants.
Continue to update and support the Mutual Fund Performance Chart and the Community Investing Database.	Both were regularly updated and supported by SIF in 2009.

While preparing for the launch of the eighth edition of the highly anticipated *Trends Report*, SIF conducted its first survey on investment consultants' activities related to SRI. SIF's working groups also issued two reports on ESG disclosure in 2009. These efforts are described below.

GEARING UP FOR TRENDS: This past year was one of preparation for SIF's launch of the research process for the 2009/10 edition of the *Report on Socially Responsible Investing Trends in the United States*. The biennial "Trends Report" has become the leading source of information on the growth of socially responsible investing in the United States. Our last edition, for example, was covered by more than 30 media outlets, including *The Wall Street Journal*, *Barrons* and *Financial Week* and continued to garner interest more than two years after publication.

Unfortunately, the severe recession and market downturn reduced the marketing budgets of sponsors for Trends. As a result, SIF leadership reluctantly decided to delay the rollout of the survey until 2010.

However, the SIF research committee, under the guidance of SIF Research Director Meg Voorhes and *Trends* Project Director Josh Humphreys, made progress in updating the survey instrument (and also contracted with Informa Investment Solutions to handle the survey processing) to reflect the sophistication of the SRI industry and the growing consideration of environmental, social and governance criteria in investment analysis. These changes will enable us to better capture institutional investors' and money managers' involvement in shareholder advocacy networks, consideration of governance as well as environmental and social issues in investment analysis, and support of community investing institutions. We also hope to elicit information for the first time on the reasons money managers and institutional investors engage in responsible investing strategies.

MISSION IN THE MARKETPLACE: We posted a revised second edition of *Mission in the Marketplace*, a guide to socially responsible investing for foundations and endowments, to our website in April. The new edition provides up-to-date information on SRI performance and on recent shareholder advocacy success stories and campaigns. We publicized the new edition's availability in an email to the general list-serve and in a banner ad on our home page.

COMMUNITY INVESTING TOOLKIT FOR THE FAITH COMMUNITY: This introductory guide, which we published in May, discusses the recent growth in community investing and features profiles of religious organizations that have launched community investing programs. The concept for the handbook developed out of a roundtable discussion of religious investors that SIF convened in 2007, in which attendees asked for an introductory guide on community investing's impact, and on ways for faith-based investors to get involved.

INVESTMENT CONSULTANT STUDY: In December 2009, SIF released *Investment Consultants and Responsible Investing*, which found that U.S. investment consultants believe that the growing interest of their clients in environmental, social and governance issues and responsible investing is not going to be a short-lived phenomenon. Nearly nine out of 10 (88 percent) of the 40 firms responding believe that client interest in ESG will continue to grow over the next three years, and none believe it will decrease.

The report was part of a transatlantic initiative with Eurosif, which released the findings from its own survey of European investment consulting firms on the same day. Investment consulting firms are often seen as "gatekeepers" because of the role they play in advising asset-owning clients on investment strategies and investment managers. SIF and Eurosif conducted their parallel surveys to gain a better understanding of investment consultants' expertise and capacity with regard to ESG issues, the demand they perceive from clients for integration of ESG analysis into investment policy, and whether they perceive this market to be growing.

The U.S. survey was sponsored by four SIF members: Bloomberg, Calvert Investments, Sentinel Investments and TIAA-CREF. SIF conducted the survey in cooperation with *Pensions & Investments*, which sent the questionnaire by email to the contacts in P&I's database of investment consultants.

REPORTS ON ESG DISCLOSURE: In December, two SIF working groups issued reports on corporate environmental, social and governance reporting trends. The first report, *Corporate Sustainability Disclosure in Emerging Markets*, by the International Working Group's Emerging Markets Disclosure Project (EMDP), analyzed sustainability reporting practices of the top 10 companies by market capitalization in 10 of the world's largest emerging markets—Brazil, China, India, Indonesia, Israel, Malaysia, Mexico, the Russian Federation, South Africa and South Korea—using data supplied by the United Nations Conference on Trade and Development (UNCTAD). The report documents the wide disparities in reporting norms across these countries, and it will serve as a baseline for the EMDP's country teams to measure their progress as they embark on corporate engagement efforts to improve transparency in several of these markets in 2010.

The second report, *S&P 100 Sustainability Reporting Comparison*, by the Sustainable Investment Research Analyst Network (SIRAN), reviewed sustainability reporting trends among the S&P 100 in the United States. The report found that the number of S&P 100 companies producing sustainability reports with performance data jumped by more than a third in the past year, and that many more U.S. companies are using the Global Reporting Initiative's guidelines in producing reports.

Media and Conferences

OPERATIONAL GOAL	YEAR-END STATUS
Develop a communications toolkit for members on the concept and practice of SRI.	Toolkit made available to members. Website materials, including top 10 questions about SRI, updated.
Explore feasibility of launching an “SRI Week” to raise awareness of SRI in the United States.	Conducted research conducted into launching an SRI week in the United States, using UKSIF’s Ethical Investing Week events as a model.
Launch a quarterly e-newsletter.	SIF launched its quarterly newsletter for members in March 2009 and published four issues in 2009.
Expand co-branded SIF conference offerings.	SIF began hosting conferences with the Financial Times and Responsible Investor during 2009.

MEDIA: In 2009, SIF issued 15 official press releases, several press advisories surrounding major events, and conducted numerous interviews with media outlets. In August, Lisa Woll wrote an op-ed piece on ESG disclosure that appeared in the *Christian Science Monitor* and another piece on ESG disclosure for *Environmental Finance* magazine in September.

TOOLS FOR MEMBERS: Throughout the year, SIF updated and expanded the toolkit for members to explain the concept and practice of SRI.

CONFERENCES: SIF co-produced three major conferences in 2009 and several smaller member events throughout the year. Its working groups also hosted events, which are described later in this report.

SRI IN THE ROCKIES 2009: The 20th annual SRI in the Rockies conference—*From Crisis to Opportunity: Investing for a Sustainable Economy*—in Tucson, Arizona, attracted more than 500 attendees, including 160 first-timers—a significant success in a year when many firms in the financial sector cut travel budgets. First Affirmative Financial Network, a SIF member, produces the conference, and SIF staff and several SIF members assisted in developing the agenda.

Public policy and the economic crisis received a great deal of attention in two plenary sessions. In one, economist Jamie Galbraith critiqued the U.S. economy in a presentation entitled, “No Return to Normal: The Great Crisis, the Dismal Science and the Exit Strategy Illusion.”

In another plenary session, Smeeta Ramarathnam, chief of staff to SEC Commissioner Luis Aguilar, and Damon Silvers, associate general counsel for the AFL-CIO, discussed the issues for SRI investors in the debate over financial reform.

FINANCIAL TIMES CONFERENCE: SIF partnered with the Financial Times to produce a conference on March 2 in New York City. The event brought together corporate social responsibility executives, fund managers from the SRI community, institutional investors, financial advisors and civil society organizations including speakers from Calvert, ICCR, Jessie Smith Noyes Foundation and Goldman Sachs.

INSTITUTIONAL INVESTOR CONFERENCE: On January 12-13, SIF co-produced with Institutional Investor Events the 3rd Annual Forum on Responsible Investing. The conference, titled *ESG on the Ground: Enhancing Profitability Through Sustainable Investing*, took place at the Union League Club in New York City. It also included a second day with an interactive half-day workshop led by the PRI (Principles for Responsible Investment) Secretariat.

RESPONSIBLE INVESTOR CONFERENCE: On June 25, SIF also partnered with Responsible Investor magazine to co-sponsor a one-day conference in New York City on Integrating *ESG into Mainstream Portfolios*. Deputy and Research Director Meg Voorhes moderated a panel on “Corporate reporting, ESG integration, fiduciary duty and the U.S. regulatory environment under the Obama administration.”

MEMBER RECEPTIONS: Throughout the year, SIF held member receptions to facilitate member networking and to keep members updated on SIF activities. In 2009, SIF held member receptions in Boston, Chicago, Philadelphia, New York City and San Francisco.

Working Groups

OPERATIONAL GOAL	YEAR-END STATUS
Host a Capitol Hill advocacy day for members.	SIF, together with the Advocacy and Public Policy Working Group (APP) hosted a "Hill Day" and an associated training in June.
Agree upon a firm definition for community investing and conduct education and outreach work using it.	The Community Investing Working Group (CIWG) finalized its definition and created associated web and print materials for distribution.
Increase the number of mutual funds directing assets into community investing.	CIWG held meetings on structural barriers to mutual funds engaging in community investing, including a session at the SRI in the Rockies conference venue just before the formal start of that conference.
Develop a guidebook for American Indian leaders and financial officers that outlines the integration of social and environmental values and concerns with investment decision-making.	In consultation with the Indigenous Peoples Working Group (IPWG), SIF staff drafted an SRI guide for American Indians. The final document was distributed in 2010.
Organize filings of shareholder proposals related to indigenous peoples and offensive images and human dignity; environmental issues with special attention to the impacts of extractive industries; and issues of free, prior-informed consent.	IPWG members submitted several shareholder proposals during 2009 on indigenous peoples' rights.
Award a Certified Financial Planner (CFP) training scholarship to an American Indian student.	IPWG awarded its first CFP scholarship in 2009.
Host educational, issue specific in-person and teleconference events for research analysts and other SRI practitioners.	Both the International Working Group (IWG) and the Sustainable Investment Research Analyst Network (SIRAN) held meetings throughout the year on a wide range of sustainability topics.
Host company calls for research analysts throughout the year.	SIRAN hosted several company calls during 2009 for analysts.
Support working group meetings, conference calls, events and activities.	SIF's work with its working groups spanned research reports, in-person and teleconference events, as well as trainings.

Programmatic work at the Social Investment Forum is largely carried out by staff, but also occurs through Working Groups, where staff works with committed members in several networks focused on advocacy and public policy, community investing, indigenous peoples and SRI, international SRI issues and sustainable investment research and analysis. The groups' activities are described in this section. SIF is indebted to the dedicated members who volunteered their time to participate on steering committees, organized calls and events, and provided their expertise.

ADVOCACY & PUBLIC POLICY (APP): APP held a conference call in April for SIF members on the Employee Free Choice Act in conjunction with SIRAN. The presenters were David Bonior, a former Congressman and member of President Obama’s Economic Advisory Board, and Lawrence Mishel, President of the Economic Policy Institute. In June, APP held an Advocacy and Training Day on Capitol Hill, which featured an introductory training session on Advocacy 101 and meetings with U.S. Senate and House staff on priority issues, including financial reform, an SRI option for Federal employees under the Thrift Savings Plan and mandatory ESG disclosure. APP also co-hosted a breakfast with SIF and its Policy Committee to brief members on SIF’s policy initiatives at SRI in the Rockies in October.

SIF staff member Kristin Lang worked with Stu Dalheim (chair) of Calvert Investments, Conrad MacKerron of As You Sow, Johann Klaussen of First Affirmative Financial Network, Julie Gorte of Pax World, Leslie Lowe of the Interfaith Center on Corporate Responsibility, Lincoln Pain of Effective Assets, Shelley Alpern of Trillium Asset Management, and Tim Smith of Walden Asset Management on APP in 2009.

COMMUNITY INVESTING WORKING GROUP (CIWG): In May, as noted in the earlier section on Research and Publications, SIF published a resource guide on community investing for faith-based investors—*Community Investing Toolkit for the Faith-Community*. CIWG members were active in promoting the new guide, including at several conferences and meetings on community investing. Also in May, CIWG co-hosted a faith-based conference in Cleveland with the Sisters of Notre Dame and UBS. In October, CIWG held two successful events at SRI in the Rockies to discuss SIF initiatives in this area and to look at structural barriers to community investing for mutual funds. Additionally, more than 160 individuals from across the country traveled to Madison, Wisconsin, to attend a daylong conference in November on community investing organized by Forward Community Investments, a statewide CDFI based in Madison, with support from SIF members.

CIWG also continued to survey SRI firms on their commitments to community investing and announced their 2009 achievers of the “1% or More in Community” Campaign at SRI in the Rockies in October.

SIF staff member Zachary Hasychak worked with CIWG committee chair Kathy Stearns of Arc Advisors and steering committee members David Berge of Underdog Ventures, Cliff Rosenthal of the National Federation of Community Development Credit Unions, Andy Loving of Just Money Advisors, Donna Katzin of Shared Interest, Vanessa Lowe of United Universalist Association Committee on SRI, Frank Altman of Community Reinvestment Fund, Debbie Kobak of Shorebank, Michael Swack of the University of New Hampshire, Saurabh Narain of National Community Investment Fund, Sister Pamela Buganski of Sisters of Notre Dame of Toledo, Elizabeth Glenshaw of Calvert Foundation (now with Clean Yield) and Linnie McLean of Trillium Asset Management in 2009.

INTERNATIONAL WORKING GROUP (IWG): In March and April, the IWG held a webinar series on “The Role of Business in Fragile States.” Four calls took place with panels focusing on challenges facing businesses, case studies on corporations operating in fragile states, and vulture funds and sovereign debt. In May, IWG also held a joint conference call with SIRAN on carbon intensity in mutual funds and greenhouse gas regulation and later in the year hosted another joint teleconference with SIRAN members on the Johannesburg Stock Exchange’s

SRI Index and its bearing on corporate accountability in South Africa. In July, Marc de Sousa Shields spoke on the development of CSR in transitional, emerging and developing country markets. In September, IWG held a joint call with SIRAN on EarthRight's report on Total and Chevron's Yadana Gas Pipeline in military-ruled Burma.

IWG also hosted a symposium at SRI in the Rockies, *Investing in a Healthy Planet: Challenges & Opportunities in Sustainable Food Production*. Speakers and panels focused on the role investors can play in making the global food system more sustainable. Topics included energy and climate change, third-party certification of sustainable agriculture, water and labor rights.

Also in October, the IWG held a meeting with the International Finance Corporation on the IFC's Policy and Performance Standards, which came into effect in 2006 and are undergoing a review process.

Kristin Lang worked with co-chairs Alison Bevilacqua of Legg Mason Investment Counsel and Lauren Compere of Boston Common Asset Management, in addition to committee members Simon Billenness of the Sierra Club, Andrika Boshyk of Social Investment Organization in Canada, Ashley Hamilton of SHARE Canada, Alya Kayal of Calvert Investments, Sonia Kowal of Robert Brooke Zevin Associates, Craig Metrick of Mercer, Dan Nielsen of Christian Brothers Investment Services, Jacob Park of Green Mountain College and Marc de Sousa Shields of Enterprising Solutions Global Consulting on IWG in 2009.

The Emerging Markets Disclosure Project (EMDP), a special project of IWG aimed at promoting better ESG disclosure practices among emerging market companies, has country teams in Brazil, India, Indonesia, South Korea and South Africa. The teams devised work plans in 2009 to establish priorities and approaches for engaging companies in those markets on their sustainability reporting practices. In March 2009, the EMDP distributed an emerging markets survey to United Nations Principles for Responsible Investment (UNPRI) members, U.S. SIF members, and other global partners to assess the level of investment in emerging markets by investors engaged in SRI and the ESG issues that held the most interest for these firms in respect to assessing emerging market companies. Using this information, EIRIS and the EMDP launched the Emerging Markets Investor Survey Report: An analysis of responsible investment in emerging markets at the Responsible Investor conference in June 2009. In December 2009, the EMDP, in coordination with the United Nations Conference on Trade and Development (UNCTAD), released a baseline study titled *Corporate Sustainability Disclosure in Emerging Markets*, which analyzed ESG reporting data for Brazil, China, India, Indonesia, Israel, Malaysia, Mexico, the Russian Federation, South Africa, South Korea and Taiwan. The International Finance Corp. of the World Bank and the UNPRI provided technical support to the project in 2009. Steering committee chairs Lauren Compere of Boston Common Asset Management and Mike Lombardo of Calvert Investments led the EMDP with staff assistance from Kristin Lang and Peter DeSimone.

INDIGENOUS PEOPLES WORKING GROUP (IPWG): In February, Program Coordinator Sylvia Panek, as well as several other members of the IPWG, spoke on a panel at the Native American Finance Officers Association (NAFOA) Winter Conference in Las Vegas, NV. In June, the IPWG's judging committee chose Jason Campbell as the winner of the first Native American Certified Financial Planner (CFP) scholarship. Jason is a member of the Spokane Tribe of Indians and lives in Cusack, Washington. The scholarship enabled him to take the College of Financial Planning's 10-month online certification course.

Meanwhile, the advocacy subcommittee filed a shareholder resolution with FedEx, citing concerns with its sponsorship of the Washington Redskins professional football team. In addition, several IPWG members, including Boston Common Asset Management and Trillium Asset Management, signed onto an amicus brief supporting the Native plaintiffs in *Harjo v. Pro-Football Inc.* on the issue with the Washington team.

IPWG also held a pre-conference session at SRI in the Rockies in Tucson, Arizona in October that brought together Native leaders and SRI practitioners to share experiences in socially responsible investing. Eight tribes attended “Building Bridges: Native Communities, Native Peoples and SRI,” in addition to advocates from a broad range of disciplines.


Throughout the year, the IPWG worked on a guide to socially responsible investment strategies for American Indians that includes examples of SRI strategies currently being used in tribal portfolio management. IPWG plans to launch the guide in 2010.

SUSTAINABLE INVESTMENT RESEARCH ANALYST NETWORK (SIRAN): In 2009, SIRAN held company calls with American Electric Power, Citigroup, ExxonMobil, Freeport McMoran, Intel, IBM, Merck, Phillips-Van Heusen, Smithfield and Timberland.

Additionally, SIRAN released a report in March that looked at the ESG reporting practices of 40 large companies throughout different emerging market economies, and it also issued a report in December on the sustainability reporting trends among the S&P 100.

During the first quarter, SIRAN held a “themed” series of meetings for SIRAN analysts on the topics of climate change regulation and the human right to water. In June, SIRAN held an educational teleconference on hydraulic fracturing or “fracking” for natural gas and its environmental impact on drinking water.

Financials



Drolet + Associates PLLC
CERTIFIED PUBLIC ACCOUNTANTS

To Board of Directors
Social Investment Forum, Ltd
Social Investment Foundation, Inc
Washington, DC

Independent Accountant's Review Report

We have reviewed the accompanying consolidated statement of financial position of Social Investment Forum, Ltd. (the Forum) and Social Investment Foundation, Inc. (the Foundation) as of December 31, 2009 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these consolidated financial statements is the representation of the management of the Forum and the Foundation.

A review consists principally of inquiries of the Forum and the Foundation personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

The review of the basic consolidated financial statements was made for the purpose of expressing limited assurance that there are no material modifications necessary for the consolidated financial statements to be in conformity with GAAP. The supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic consolidated financial statements.

Drolet + Associates, PLLC

Washington, DC
July 19, 2010

1901 L Street, NW Suite 250 Washington, DC 20036 T 202.822.0717 F 202.822.0739
www.drolet-and-associates.com

SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
 See Accountant's Review Report
 December 31, 2009

ASSETS	
Cash and cash equivalents	\$ 265,287
Prepaid expenses	2,657
TOTAL CURRENT ASSETS	267,944
PROPERTY AND EQUIPMENT	
Computers and phone equipment	3,778
Accumulated depreciation and amortization	(630)
TOTAL PROPERTY AND EQUIPMENT	3,148
SECURITY DEPOSIT	5,774
TOTAL ASSETS	\$ 276,866
LIABILITIES AND NET ASSETS	
Accounts payable and accrued expenses	\$ 33,827
Deferred revenue	176,676
TOTAL CURRENT LIABILITIES	210,503
DEFERRED RENT	6,299
TOTAL LIABILITIES	216,802
NET ASSETS	
Unrestricted	60,064
TOTAL NET ASSETS	60,064
TOTAL LIABILITIES AND NET ASSETS	\$ 276,866

The accompanying notes are an integral part of these financial statements.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATED STATEMENT OF ACTIVITIES
See Accountant's Review Report
For the Year Ended December 31, 2009**

	Unrestricted	Temporarily Restricted	Total
REVENUES			
Membership dues	\$ 579,959		\$ 579,959
Contributions	20,507		20,507
Sponsorship	60,950		60,950
Event related income	37,295		37,295
Investment income	2,436		2,436
Other revenue	25,694		25,694
Net assets released from restrictions	35,000	\$ (35,000)	-0-
TOTAL REVENUES	761,841	(35,000)	726,841
EXPENSES			
Program services	680,494		680,494
Management and general	92,253		92,253
Membership development	64,117		64,117
Fundraising	21,380		21,380
TOTAL EXPENSES	858,244	-0-	858,244
CHANGE IN NET ASSETS	(96,403)	(35,000)	(131,403)
NET ASSETS, BEGINNING OF YEAR	156,467	35,000	191,467
NET ASSETS, END OF YEAR	\$ 60,064	\$ -0-	\$ 60,064

The accompanying notes are an integral part of these financial statements.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
See Accountant's Review Report
For the Year Ended December 31, 2009**

	Program services	General and administrative	Membership development	Fundraising	Total
Salaries	\$ 322,608	\$ 27,510	\$ 27,828	\$ 15,054	\$ 393,000
Employee benefits and payroll taxes	53,597	4,547	4,246	2,574	64,964
Recruitment and training		599			599
Payroll and benefits administration		5,072			5,072
Consulting	187,671	24,769	23,989		236,429
Office expenses	94,377	7,717	8,054	3,752	113,900
SIF - Sponsored events	8,486	133			8,619
Staff meals, lodging and travel	13,755	12,338			26,093
Financial services and fees		5,094			5,094
Miscellaneous		4,474			4,474
TOTAL EXPENSES	\$ 680,494	\$ 92,253	\$ 64,117	\$ 21,380	\$ 858,244

The accompanying notes are an integral part of these financial statements.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATED STATEMENT OF CASH FLOWS
See Accountant's Review Report
For the Year Ended December 31, 2009**

CASH FLOWS FROM OPERATING ACTIVITIES

CHANGE IN NET ASSETS	\$ (131,403)
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Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:

Depreciation	630
Increase in prepaid expenses	(2,657)
Increase in security deposit	(5,774)
Increase in accounts payable and accrued expenses	23,400
Increase in deferred revenue	163,053
Increase in deferred rent	6,299

NET CASH PROVIDED BY OPERATING ACTIVITIES	53,548
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CASH FLOWS FROM INVESTING ACTIVITIES:

Purchases of property and equipment	(3,778)
-------------------------------------	---------

NET CASH USED IN BY INVESTING ACTIVITIES	(3,778)
---	----------------

NET INCREASE IN CASH AND CASH EQUIVALENTS	49,770
--	---------------

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	215,517
---	----------------

CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 265,287
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The accompanying notes are an integral part of these financial statements.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
See Accountant's Review Report
For the Year Ended December 31, 2009**

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Principles of
Consolidation and
Organization**

Social Investment Forum (the Forum) is a nonprofit organization incorporated under the laws of New York in November 1984. The objective and purpose of the Forum is to increase public awareness of the social impact of investments and to encourage awareness of the opportunity to apply ethical value and constructive social goals to investment decisions.

Social Investment Forum Foundation (the Foundation) is a nonprofit organization incorporated under the laws of Massachusetts in June 1989. The objective and purpose of the Foundation is to support the activities and purpose of the Forum by assuming the responsibilities for, and the management of, certain educational, research, charitable and scientific activities.

The consolidated financial statements include the accounts of the Forum and the Foundation. All interorganization balances have been eliminated in consolidation.

The Forum and the Foundation are funded primarily by member dues, contributions and sponsorship revenues.

The Forum and the Foundation's programs include promotion and education of socially responsible investing, the publication of an annual resource guide and events, seminars and public policy forums relating to the concept of socially responsible investing and business practices.

**Basis of
Accounting**

The accompanying consolidated financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

Tax Status

The Forum is exempt from Federal and state income taxes under Section 501(c)(6) of the Internal Revenue Code. The Foundation is exempt from Federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is a supporting Organization to the Forum.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
See Accountant's Review Report
For the Year Ended December 31, 2009**

**NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)**

**Accounting for
Uncertain Tax
Positions**

In 2009, the Forum and the Foundation adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FIN 48). FIN 48 requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. The implementation of FIN 48 had no impact on the Forum and the Foundation's consolidated statements of financial position or consolidated statements of activities. The Forum and Foundation do not believe its consolidated financial statements include, or reflect, any uncertain tax positions.

**Cash and Cash
Equivalents**

The Forum and the Foundation consider as cash and cash equivalents amounts in checking and operating accounts.

**Property and
Equipment**

The Forum and the Foundation capitalize all property and equipment acquisitions of \$3,000 and above. Property and equipment are recorded at cost, if purchased, or fair market value at date of donation, if contributed. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

**Functional
Expense
Allocation**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Contributions

Contributions are recorded in unrestricted, temporarily restricted or permanently restricted net assets, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted support is recorded as unrestricted support if the restriction is met in the same accounting period as the support is received.

SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
See Accountant's Review Report
For the Year Ended December 31, 2009

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Estimates The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deferred Revenue Deferred revenue consists of membership dues and sponsorship revenue received in advance of the calendar year applicable.

NOTE B - PENSION PLAN

The Forum maintains a 401(k) plan (the Plan) for all employees of the Forum who meet certain age and service requirements. Under the terms of the Plan, the Forum makes a safe harbor match and a discretionary contribution for employees participating in the Plan. All employees are eligible to participate upon employment. The Forum and Foundation's contribution under the Plan was approximately \$17,500 for the year ended December 31, 2009.

NOTE C – LEASE COMMITMENTS

The Forum and the Foundation conduct their operations from a leased facility. Under the terms of the lease the base rent increases annually based on scheduled increases provided for in the lease. Under accounting principles generally accepted in the United States of America (GAAP) all rental payments, including fixed rent increases, are recognized on a straight-line basis over the term of the lease.

Future minimum rental payments required under the operating lease is as follows:

<i>Year Ending December 31,</i>	Amount
2010	\$ 72,204
2011	74,000
2012	75,852
2013	77,748
2014	26,128
Total	\$ 325,932

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
See Accountant's Review Report
For the Year Ended December 31, 2009**

NOTE D – RELATED PARTY TRANSACTIONS

The Forum and the Foundation share staff and board members and the Forum is the sole member of the Foundation. The Forum and the Foundation reimburse each other for certain personnel, office expenses, and combined invoices on a quarterly basis. As of December 31, 2009, the Forum was owed approximately \$111,000 by the Foundation. This amount was fully paid in the first quarter of 2010.

The Forum and the Foundation are affiliated with Green America, an organization established under Section 501(c)(3) of the Internal Revenue Code. Green America is a non-paying member of the Forum and they provide technical support and database management among other services to the Forum and the Foundation under an agreement requiring quarterly payments of \$18,125 through December 31, 2010.

The Forum and the Foundation are also affiliated with First Affirmative Financial Network (FAFN). FAFN is a paying member of the Forum and it pays the Forum for services in the promotion and planning of a conference relating to socially responsible investing.

NOTE E - SUBSEQUENT EVENTS

Subsequent events were evaluated through July 19, 2010, which is the date the financial statements were available to be issued.

**SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATING DETAILED STATEMENT OF FINANCIAL POSITION
See Accountant's Review Report
December 31, 2009**

	Social Investment Forum	Social Investment Foundation	Eliminating Entries	Consolidated Total
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 167,768	\$ 97,519		\$ 265,287
Due from Social Investment Foundation	110,909		\$ (110,909)	-0-
Prepaid expenses	2,657			2,657
TOTAL CURRENT ASSETS	281,334	97,519	(110,909)	267,944
PROPERTY AND EQUIPMENT				
Computers and phone equipment	3,778			3,778
Accumulated depreciation and amortization	(630)			(630)
TOTAL PROPERTY AND EQUIPMENT	3,148	-0-	-0-	3,148
SECURITY DEPOSIT	5,774			5,774
TOTAL ASSETS	\$ 290,256	\$ 97,519	\$ (110,909)	\$ 276,866
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	\$ 33,162	\$ 665		\$ 33,827
Due to Social Investment Forum		110,909	\$ (110,909)	-0-
Deferred revenue	159,176	17,500		176,676
TOTAL CURRENT LIABILITIES	192,338	129,074	(110,909)	210,503
DEFERRED RENT	6,299			6,299
TOTAL LIABILITIES	198,637	129,074	(110,909)	216,802
NET ASSETS				
Unrestricted	91,619	(31,555)	-0-	60,064
TOTAL LIABILITIES AND NET ASSETS	\$ 290,256	\$ 97,519	\$ (110,909)	\$ 276,866

SOCIAL INVESTMENT FORUM, LTD
SOCIAL INVESTMENT FOUNDATION, INC
CONSOLIDATING DETAILED STATEMENT OF ACTIVITIES
See Accountant's Review Report
For the Year Ended December 31, 2009

	Social Investment Forum	Social Investment Foundation	Eliminating Entries	Consolidated Total
REVENUES				
Membership dues	\$ 447,181	\$ 132,778		\$ 579,959
Contributions	1,500	19,007		20,507
Sponsorship	31,250	29,700		60,950
Event related income	26,885	10,410		37,295
Investment income	1,578	858		2,436
Other revenue	16,274	9,420		25,694
TOTAL REVENUES	524,668	202,173	\$ -0-	726,841
EXPENSES				
Salaries	219,968	173,032		393,000
Employee benefits and payroll taxes	35,381	29,583		64,964
Recruitment and training	599	-0-		599
Payroll and benefits administration	5,072	-0-		5,072
Consulting	168,846	67,583		236,429
Office expenses	67,115	46,785		113,900
SIF - Sponsored events	415	8,204		8,619
Staff meals, lodging and travel	24,389	1,704		26,093
Financial services and fees	4,936	158		5,094
Miscellaneous	4,474	-0-		4,474
TOTAL EXPENSES	531,195	327,049	-0-	858,244
CHANGE IN NET ASSETS	\$ (6,527)	\$ (124,876)	\$ -0-	\$ (131,403)

2009 SIF Board of Directors



Frank Altman
President & CEO, Community
Reinvestment Fund



Sarah Cleveland
Director, Watson Wyatt
Investment Consulting



Joanne Dowdell
Senior Vice President and Director
of Corporate Responsibility,
Sentinel Investments



Ingrid Dyott, Treasurer*
Vice President and
Managing Director,
Neuberger Berman



Julie Goodridge**
President, NorthStar Asset
Management



Paul Hilton**
Director, Advanced
Equities Research,
Calvert Investments



Michael Lent
Chief Investment Officer,
Veris Wealth Partners



**Kathy Leonard,
Vice Chair***
Vice President, Investments,
UBS Financial Services



Leslie Lowe
Program Director, Energy &
Environment, Interfaith Center
on Corporate Responsibility



Mary Jane McQuillen
Director of Socially
Aware Investment,
ClearBridge Advisors



Amy Muska O'Brien
Director, Global Social &
Community Investing,
TIAA-CREF



David Sand
Managing Director,
Access Capital Strategies

**Executive Committee*

***Julie Goodridge served on the SIF board from January until August 2009. Paul Hilton was elected to replace her in October 2009.*

2009 SIF Board of Directors cont.



**Reggie Stanley,
Vice Chair***

Senior Vice President and
Chief Marketing Officer,
Calvert Investments



Kathy Stearns, Secretary*

Founder, Arc Advisers



Cheryl Smith, Chair*

President, Trillium Asset
Management Corp.



Lisa Woll, CEO

Social Investment Forum



David Wood

Director, the Institute for
Responsible Investment,
Boston College Center for
Corporate Citizenship



Betsy Zeidman

Director, Center for Emerging
Domestic Markets, and
Research Fellow,
Milken Institute

2009 BOARD ELECTIONS: At SIF's annual meeting at SRI in the Rockies, SIF members voted in three new and two returning board members for three-year terms beginning in 2010:

- Client-oriented: Jan Bryan, a Certified Financial Planner and AIF professional advisor with the First Affirmative Financial Network.
- Community-oriented: Cliff Rosenthal, President and CEO of the National Federation of Community Development Credit Unions.
- Research and educational: Leslie Lowe, Director of the Energy & Environment Program at the Interfaith Center on Corporate Responsibility.
- Institutional and individual investor: Ingrid Dyott, Managing Director of Neuberger Berman's SRI Team, to fill the open 3-year term; and Paul Hilton, Director of Advanced Equities Research at Calvert, to fill the remainder of the term and vacancy created by Julie Goodridge's resignation.

We also said thank you and farewell to our three outgoing members, Kathy Stearns of Arc Advisers, Kathy Leonard of UBS Financial Services and Reggie Stanley of Calvert Investments. All three were actively involved SIF board members as well as members of the Executive Committee.

Staff

As of year-end 2009, SIF had the following full-time staff members:



Lisa Woll
CEO



Peter DeSimone
Director of Programs



Sylvia Panek
Program Coordinator,
IPWG and SIRAN



Meg Voorhes
Deputy Director/
Research Director



Kristin Lang
Program (APP and IWG) &
Communications Coordinator



Zack Hasychak
Community Investing Program &
Membership Coordinator

Board Practices

BOARD AT LARGE: SIF's board of directors manages and controls the affairs and property of the organization, including setting organizational policies, raising funds, adopting the annual budget and hiring, evaluating, supervising and terminating the Chief Executive Officer.

BOARD SIZE AND ELECTIONS: SIF's board size is limited to 17 directors, of which 12 directors are elected at-large by and from the membership at SIF's annual meeting by a majority of members voting either in person or by proxy. Another four are appointed from among the membership by the board serving at the time vacancies become available. If a director steps down before her term is complete, a replacement is appointed by a majority vote of the board of directors to serve out the term. One director seat is automatically assigned to SIF's CEO, although it is a non-voting seat.

TERM LENGTH AND LIMITS: The term of a director is three years. At-large directors and appointed directors are limited to two terms of service, for a total of six years, at which time they must cycle off the board. After a minimum of one year, an ex-director once again is eligible to serve on the board and may run for election as an at-large director, or again be eligible to fill one of the four appointed director seats.

CLASSIFIED BOARD: The at-large directors shall be divided into three, staggered-term classes. Each class consists of one director from each of the four membership categories:

- Client-oriented—individuals and organizations that advise and/or act at the direction or on behalf of their investor clients in the placement of investments.
- Community-oriented—individuals and organizations that are organized to provide capital to community-based economic development and social service projects, and place loans or investments primarily in such projects.
- Research and educational—educators, journalists, publications, and other individuals and organizations that conduct research and/or provide information to investment advisors and vendors, and the general public, regarding the social responsibility of publicly-traded corporations, capital needs for community development, issues of public policy, and other matters relevant to the practice of social investment.
- Institutional and individual investor—foundations, religious organizations, corporations and other organizations and individuals engaged, in some or all of their investment activity, in program-related or personal investments motivated by social concerns.

EXECUTIVE DIRECTORS: There are at least four and up to five executive members of the board, who with the CEO also comprise the board's executive committee. First, the chair is the principal officer of SIF and presides at all meetings of the board of directors and the executive committee. She exercises general charge and supervision of the affairs of the organization, subject to the control of the board and serves as an ex officio member on all board committees. The vice-chair performs the duty of the chair at the request of the chair or in the event of the chair's absence or disability. (The bylaws provide for the board to name additional officers, and for several years, including in 2009, the board named a second vice-chair.) The secretary has general responsibility for SIF's books, board documents, policies and minutes of board meetings, and the treasurer has general responsibility for SIF's funds, financial records, property and securities.

BOARD DIVERSITY: For the four appointed director positions, the board and its nominating committee are required to seek to diversify the board in terms of gender, race, religion, ethnic origin, sexual orientation, geographic representation and business focus within the field of social investing.

DIRECTOR COMPENSATION: Directors are not compensated for their time and are only reimbursed for expenses if approved by a majority vote of the board.

SEPARATION OF CHAIRMAN AND CEO: The CEO is prohibited from serving as the chair of the board.

MEETINGS: The board holds at least three in-person meetings per year, and held three in 2009. It also held by telephone two meetings of the entire board and four of the executive committee in 2009.

DIRECTOR ATTENDANCE: Directors must attend at least two-thirds of all board meetings (in person and by telephone) or risk being asked to resign.

COMMITTEES: There are two standing committees of the board, the executive committee comprised of the four to five executive directors and the CEO, and the nominating committee. For 2009, the Executive Committee members were Cheryl Smith (Chair), Kathy Leonard (Vice Chair), Reggie Stanley (Vice Chair), Kathy Stearns (Secretary), Ingrid Dyott (Treasurer) and Lisa Woll (CEO). All committees of the board must have at least three directors, with one chairing. The executive committee can approve changes to policies and other matters to ensure the smooth day-to-day operations of the Forum. However, it is not allowed to fill vacancies on the board or on any board committee amend or repeal the SIF's bylaws, or take any action that affects more than 5 percent or \$5,000 of SIF's budget, whichever is higher. It also needs to report all of its actions outside of ordinary business to the full board within 14 days. The nominating committee deals with vacant board seats and issues related to director elections. [In 2009, its members were: Michael Lent (chair), Kathy Leonard, Ingrid Dyott, Mary Jane McQuillen and Lisa Woll.]

In addition to these two committees, the board also had the following committees in 2009:

- **Governance:** reviews and updates SIF's governance practices [Leslie Lowe (chair), Reggie Stanley, Michael Lent and Lisa Woll].
- **Membership:** assesses membership dues and requirements, as well as new membership categories and recruitment efforts [David Sand (chair), Ingrid Dyott, Kathy Stearns, Betsy Zeidman and Lisa Woll].
- **Development:** evaluates development efforts aimed at growing SIF [Julie Goodridge/Paul Hilton (chair), Frank Altman, Sarah Cleveland, Reggie Stanley and Lisa Woll].
- **Audit:** reviews SIF's books and accounting practices [Cheryl Smith (chair), Joanne Dowdell and Ingrid Dyott].

BY-LAWS: A full copy of the Social Investment Forum's bylaws is available to members through the Member Center on the SIF website.

ANNUAL REVIEW: The board conducts an annual self-review, led by the chair.

Organizational Policies and Practices

THE ENVIRONMENT: SIF staff is strongly encouraged to use public transportation or other shared rides whenever possible when travelling on SIF business. SIF also participates in the Washington Metropolitan Area Transit Authority's SmartBenefits program, which allows employees to pay for public transportation expenses with pre-tax income. All employees in 2009 commuted to work using public transportation or on foot. SIF also recycles office paper, cardboard, drink containers and other recyclable items, including toner cartridges for its printers. It donates or responsibly recycles all used electronic equipment. SIF staff and guests also use non-disposable drink containers, plates, napkins and utensils, and SIF staff composts its coffee grounds.

ENVIRONMENTAL CONSIDERATIONS FOR CONFERENCES: SIF considers the sustainability initiatives of the prospective venues it reviews during the site selection process for conferences. These considerations include energy use, use of renewable energy, green building certifications, water use, recycling and waste management, use of local organic food, food donations, stakeholder relations and labor practices. SIF also weighs whether a site is compliant with the Green Hotel Initiative and whether it has calculated its carbon footprint, with the goal of reducing its greenhouse gas emissions. In addition, attendees to SRI in the Rockies are encouraged to purchase carbon offsets for their travel.

CARBON FOOTPRINT: In 2010, SIF will embark on a process to measure its carbon footprint using The Greenhouse Gas Protocol developed by the World Resource Institute and the World Business Council for Sustainable Development. In addition to reporting on results, SIF will investigate ways to reduce its carbon footprint or, if feasible, become carbon neutral. SIF can confirm that it has no Scope One emissions (direct emissions) or Scope Two emissions (indirect greenhouse gas emissions from power consumption at company-owned or controlled facilities), as defined by the protocol. It does, however, have Scope Three emissions related to power consumption at its leased office facility in Washington, DC, commuting by employees, business travel and paper consumption. SIF's initiative to measure its carbon footprint will focus here.

NON-DISCRIMINATION: SIF's anti-bias policy states that it "shall not discriminate and shall take affirmative action to ensure that it conducts all business without regard to a person's race, color, religion, gender, age, affectional or sexual orientation, marital or familial status, national origin, ancestry, non-job related disability, veteran status, or other unlawful basis." As an organization based in the District of Columbia, SIF also is prohibited from discriminating in employment based on gender identity.

EMPLOYEE BENEFITS: Although it is not required to do so by law, SIF offers employees a group health and dental plan and subsidizes benefits for it. It also provides a 401(k) plan, matches contributions up to 5 percent of an employee's annual salary before taxes and offers SRI investment options through Social K. SIF also provides sick, vacation and personal leave to all employees.

POLICY DEVELOPMENT: SIF staff is in the midst of developing more comprehensive policies for employees to present to the board for approval in 2010. Completing this first GRI report was part of this effort, as it assisted SIF staff in pinpointing areas for improvement.

POLITICAL CONTRIBUTIONS: While SIF engages a policy advocate who works for SIF 10 hours a month, and has its staff advocate on various policy issues on behalf of the SIF membership, SIF does not make political contributions or endorse candidates for public office.

SIF 2009 Member Benefits

During 2009, SIF members enjoyed the following benefits:

- Cutting-edge research, including the flagship Report on Socially Responsible Investing Trends in the United States, that builds knowledge about SRI in media, academic and policy circles.
- Resources, including fact sheets, presentations and sample letters to the editor to help members make the case for SRI to their clients, constituents and communities.
- Invitations to webinars, receptions and conferences, either complimentary or at substantial discounts, on a wide range of responsible investment issues.
- Networking opportunities with hundreds of industry leaders through SIF member working groups, electronic discussion groups, member-wide conference calls, webinars and in-person events.
- Increased visibility through SIF's print and electronic member directories, online mutual fund performance chart, media referrals and opportunities to sponsor the SIF website, member directory and high-profile publications.
- Referrals for their business services through SIF's joint enrollment program in the Green America Business Network, which reaches over half a million green consumers and investors.
- Updates on important developments in SRI through SIF's newsletter and other communications.
- A stronger voice in policy through SIF's leadership, resources and training.
- Media and public education campaigns that enhance the visibility, credibility and growth of SRI.

SIF members are eligible for all voting privileges and to run for the board of directors.

Global Reporting Initiative (GRI) Index

In accordance with the GRI's G3 Guidelines, SIF is including the following GRI Index to assist readers in locating particular information on SIF pertaining to the GRI's indicators.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
1. STRATEGY AND ANALYSIS		
1.1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy.	See CEO letter, page 3.
1.2	Description of key impacts, risks, and opportunities.	SIF contributes to the planet's sustainability through its policy and other programs and by advancing the field of socially responsible investing (SRI). Details on these activities appear throughout this report.
2. ORGANIZATIONAL PROFILE		
2.1	Name of the organization.	Social Investment Forum Ltd. and Social Investment Forum Foundation, collectively known as Social Investment Forum (SIF).
2.2	Primary brands, products and/or services.	The Social Investment Forum or "SIF" is a membership association that provides services to its members, creates external knowledge of SRI through media and policy advocacy, conducts research on issues of importance to its members and to advancing the field of SRI and holds conferences and other types of in-person and virtual events to inform its members and assist them in networking. Its other brands include: the Advocacy & Public Policy Working Group (APP), the Community Investing Working Group (CIWG), the Indigenous Peoples Working Group (IPWG), International Working Group (IWG) and the Sustainable Investment Research Analyst Network (SIRAN). Also see member benefits on page 36.
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	See report overview and boundary on page 2.
2.4	Location of the organization's headquarters.	Washington, DC, USA
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	One (United States).

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
2.6	Nature of ownership and legal form.	Dual non-profit membership association and non-profit foundation. See page 2 & 23.
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Professionals, firms, institutions and organizations engaged in socially responsible and sustainable investing in the United States.
2.8	Scale of reporting organization, including: ~Number of employees; ~Net sales (for private sector organizations) or net revenues (for public sector organizations); ~Total capitalization broken down in terms of debt and equity (for private sector organizations); and ~Quantity of products or services provided.	Six full-time employees; approximately 375 members in 2009; see financials on page 18.
2.9	Significant changes during the reporting period regarding its size, structure, or ownership including: ~The location of, or changes in operations, including facility openings, closings, and expansions; and ~Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations).	During 2009, SIF entered into the final phase of its transition from a more than decade long relationship with Green America (formerly Co-op America) serving as SIF's secretariat.
2.10	Awards received in the reporting period.	None.
3. REPORT PARAMETERS		
Report Profile		
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Calendar year 2009.
3.2	Date of most recent previous report (if any).	SIF produced an annual report in 2008 that covers its activities from the summer of 2007 through the summer of 2008. It has never produced a sustainability or GRI report before this one.
3.3	Reporting cycle (annual, biennial, etc.).	Annual.
3.4	Contact point for questions regarding the report or its contents.	Peter DeSimone Director of Programs Social Investment Forum 910 17th Street, NW, Suite 1000 Washington, DC 20006 peter@socialinvest.org p. 1+202.872.5359 f. 1+202.775.8686
Report Scope and Boundary		
3.5	Process for defining report content, including: ~Determining materiality; ~Prioritizing topics within the report; and ~identifying stakeholders the organization expects to use the report.	Staff and board review.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Entire organization.
3.7	State any specific limitations on the scope or boundary of the report.	Carbon emissions from leased facilities (Washington, DC office) and suppliers were not calculated
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Not applicable.
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	SIF's assessment of its carbon footprint and plans to measure its Scope Three emissions are based on the Greenhouse Gas Protocol developed by the World Resource Institute and the World Business Council for Sustainable Development.
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business measurement methods).	None.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	None.
3.12	Table identifying the location of the Standard Disclosures in the report.	This GRI Index.

Assurance

3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	SIF plans to submit its annual report to GRI to verify its reporting level. SIF submitted its financials to an independent auditor for review and plans to report to its board, members and the public on the results. SIF at this time does not have plans to submit the other portions of the report for independent verification.
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4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT

Governance

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	See governance section of this report on page 32.
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organization's management and the reasons for this arrangement).	Separate independent chair and CEO.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	See governance section of this report on page 32.
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	SIF does not have shareholders. SIF members and staff have the ability to make recommendations to board members. SIF also holds an annual, in-person meeting for its board directors, members and staff, and members elect the board. (See board practices on page 32.)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	SIF's board directors are not compensated. The CEO's compensation is approved by the board and is tied closely to the organization meeting its strategic goals, which are outlined in the CEO letter on page 3.
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	The board has a conflict of interest policy that is available to the public upon request.
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	See governance section of this report on page 32.
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	See organizational policies and practices section of this report on page 34.
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	See governance section of this report on page 32.
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	See governance section of this report on page 32.
Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	SIF and its members endorse the precautionary principle in their dialogues with corporations and in their own operations.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	While not a signatory to other initiatives, SIF endorses and supports its global sister SIF organizations, Ceres, the Interfaith Center on Corporate Responsibility, the Investor Network on Climate Risk and the UN Principles for Responsible Investment. SIF also has coordinated policy work with American for Financial Reform, the Council of Institutional Investors and other organizations.
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: ~has positions in governance bodies; ~participates in projects or committees; ~provides substantive funding beyond routine membership dues; ~views membership as strategic.	See above.

Stakeholder Engagement

4.14	List of stakeholder groups engaged by the organization.	SIF's primary stakeholders are its members. A list of SIF members is available at http://www.socialinvest.org/directory/ . SIF's other primary stakeholders are its employees. SIF staff undergoes regular reviews with the CEO, and the board regularly evaluates the CEO's performance. Staff is welcome to report recommendations and concerns to the board, too. SIF also conducts advocacy work in Washington, DC, and therefore regularly meets with members of Congress and their staffs, in addition to officials of several regulatory organizations within the U.S. government, including the Environmental Protection Agency, the Department of Labor and the Securities and Exchange Commission. SIF also co-produces conferences with the Financial Times, First Affirmative Financial Network and Responsible Investor. Finally, while SIF formerly had a relationship with Green America, it continues to pay Green America for various technical and support services and cooperates with Green America on raising awareness of SRI among retail investors.
4.15	Basis for identification and selection of stakeholders with whom to engage.	Members: SIF is a membership association so its mission, strategy and operating plans are largely developed in consultation with members. Members—through their dues and sponsorship of key programs—provide the majority of SIF's annual revenues. Employees: SIF would not be able to fulfill its mission, strategic objectives and operating plan without its employees. Conference partners: Advancing public knowledge of SRI is integral to SIF's mission, and our conference partners help us achieve these goals. Legislators and regulators: In order to advance responsible investing practices, it is sometimes necessary to advocate for legislative and regulatory changes, and to educate and support policymakers on these issues.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. Also please indicate the principles formulated at corporate level that guide your company's stakeholder engagement at site level. Please attach/provide supporting documents or indicate website.	SIF engages all of its members through its communications, including list-serves and reports, as well as events, including teleconference sessions, conferences and member receptions. SIF also holds an annual in-person meeting for its members and surveys its members periodically on their evaluation of SIF's services and priorities. See also comments related to 4.14 above.
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	SIF's staff and members gave input to and its board approved its strategic goals, which are outlined in the CEO letter on page 3. SIF's policy committee and board also approved its policy priorities, which are outlined in the public policy section of this report on page 6.

MANAGEMENT APPROACH AND PERFORMANCE INDICATORS

Economic

Economic Disclosure on Management Approach

EC	<p>DISCLOSURE ON MANAGEMENT APPROACH Provide a concise disclosure on the Management Approach items outlined below with reference to the following Economic Aspects:</p> <ul style="list-style-type: none"> • Economic Performance; • Market Presence; and • Indirect Economic Impacts. 	SIF is a membership organization that represents professionals, firms, institutions and organizations engaged in socially responsible and sustainable investing in the United States. It measures its economic performance in part by the number of members it has, and the dues it collects each year. A summary of these dues is reviewed in the financial section of this report on page 18.
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Economic Performance Indicators

Aspect: Economic Performance

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	See financials on page 18.
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	See climate change discussion on page 34.
EC3	Coverage of the organization's defined benefit plan obligations.	See financial on page 18 and organizational policies and practices on page 34. SIF does not have a defined benefit plan. It operates a 401(K) defined contribution plan for its employees, as noted on p. 34.
EC4	Significant financial assistance received from government.	None.

Aspect: Market Presence

EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	The federal minimum wage in the United States is \$7.25, and the minimum wage in Washington, DC, where all of SIF's employees work, is \$7.55. Based on a 40-hour workweek, SIF's lowest paid employee earns significantly greater than double the minimum wage.
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INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	SIF taps local suppliers for IT projects and for catering local events. However, it contracts for catering and other services for events outside of the Washington Metropolitan area. It also contracts with a membership consultant and a research firm in New York and a research consultant in Massachusetts. In 2009, SIF also purchased computer equipment from Texas-based Dell and office supplies from Quill, which is based in Philadelphia. SIF does not have official policies in this area, although it looks for responsible suppliers that embrace sustainability practices. It also does not have an estimate for the percentage of its spending with local, Washington metropolitan area businesses.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	All SIF staff lived in the Washington metropolitan area before they were hired, although SIF has no rules restricting its geographic area for recruiting.
<i>Aspect: Indirect Economic Impacts</i>		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Not applicable
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	SIF spent \$457,964 on salaries and benefits in 2009, its greatest economic impact on the local community in Washington, DC, where it operates. SIF's total spending was \$858,244 in 2009. It has not applied a multiplier effect to calculate that true economic impact of this spending. It is investigating methods for 2010.
Environmental		
<i>Environmental: Disclosure on Management Approach</i>		
EN	DISCLOSURE ON MANAGEMENT APPROACH Provide a concise disclosure on the Management Approach items outlined below with reference to the following Environmental Aspects: <ul style="list-style-type: none"> • Materials; • Energy; • Water; • Biodiversity; • Emissions, Effluents, and Waste; • Products and Services; • Compliance; • Transport; and • Overall. 	See discussion on organizational policies and practices on page 34.
<i>Environmental Performance Indicators</i>		
EN	Materials used by weight or volume. See Indicator Protocol for guidance on calculation.	SIF did not measure its paper consumption in 2009, but it is seeking to do so in 2010. Also see discussion on policies and practices on page 34.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
EN2	Percentage of materials used that are recycled input materials.	100 percent of paper, toner cartridges and electronic equipment.
<i>Aspect: Energy</i>		
EN3	Direct energy consumption by primary energy source.	None.
EN4	Indirect energy consumption by primary source.	SIF is calculating its indirect energy consumption for 2010.
EN5	Energy saved due to conservation and efficiency improvements.	It is SIF office procedure to turn off all lights and non-dedicated server computer equipment every evening. SIF's offices use fluorescent and compact-fluorescent bulbs to conserve energy, and the building owner leasing space to SIF, SIF member Self-Help, has undertaken several other energy conservation initiatives, including placing motion detectors on lights in many common areas.
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	None.
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	See above.
<i>Aspect: Water</i>		
EN8	Total water withdrawal by source.	Not applicable.
EN9	Water sources significantly affected by withdrawal of water.	None.
EN10	Percentage and total volume of water recycled and reused.	None.
<i>Aspect: Biodiversity</i>		
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	None.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	None.
EN13	Habitats protected or restored.	None.
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	None.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	None.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
<i>Aspect: Emissions, Effluents and Waste</i>		
EN16	Total direct and indirect greenhouse gas emissions by weight.	SIF has no Scope One or Two emissions. It is in the midst of calculating its indirect, Scope Three emissions.
EN17	Other relevant indirect greenhouse gas emissions by weight.	Not applicable.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	SIF staff strives to conserve energy and reduce consumption of paper products. SIF's conference programs also seek environmentally responsible venues and means for attendees to offset carbon emissions related to travel. SIF participates in the Washington Metropolitan Area Transit Authorities' Smart Benefits program to encourage its staff to use public transportation, and SIF staff all rode public transportation to work or walked in 2009. (Also see organizational policies and practices on page 34.)
EN19	Emissions of ozone-depleting substances by weight.	None.
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	None.
EN21	Total water discharge by quality and destination.	None.
EN22	Total weight of waste by type and disposal method.	As mentioned above, SIF is attempting to calculate its consumption of paper.
EN23	Total number and volume of significant spills.	None.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	None.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	None.
<i>Aspect: Products and Services</i>		
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	SIF is reevaluating its printing options to explore using greater recycled content and soy based ink in printed materials and limits printed materials whenever possible by leveraging electronic media.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	SIF sells reports from time to time that are intended to be used as a reference. SIF encourages end users.
<i>Aspect: Compliance</i>		
EN28	Monetary value of significant fines and total number of non-monetary sanctions/convictions for non-compliance with environmental laws and regulations.	\$0

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
<i>Aspect: Transport</i>		
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	None.
<i>Aspect: Overall</i>		
EN30	Total environmental protection expenditures and investments by type.	\$0
Labor Practices and Decent Work Performance Indicators		
<i>Aspect: Employment</i>		
LA1	Total workforce by employment type, employment contract, and region.	Six full-time employees in Washington, DC, performing administrative, managerial, research, writing and policy work.
LA2	Total number and rate of employee turnover by age group, gender, and region.	16.7 percent; one female employee left SIF voluntarily on her own accord in 2009, and SIF hired one male employee in 2009. Both employees were based in Washington, DC. SIF does not report age data on employees.
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	SIF does not have part-time employees, interns or volunteers.
<i>Aspect: Labor/Management Relations</i>		
LA4	Percentage of employees covered by collective bargaining agreements.	0%
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	No policy.
<i>Aspect: Occupational Health and Safety</i>		
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	0%
LA7	Rates of injury, occupational ieseases, lost days, and absenteeism, and total number of work-related fatalities by region. Please include industry benchmarks, if available, in Additional Comments.	SIF had no work-related accidents, injuries or fatalities in 2009. (As noted above, SIF does not have interns or volunteers.)
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	None.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
LA9	Health and safety topics covered in formal agreements with trade unions.	Not applicable.
<i>Aspect: Training and Education</i>		
LA10	Average hours of training per year per employee by employee category.	Senior SIF staff trains and mentors junior staff weekly. Staff, from time to time, is given the opportunity to attend conferences, classes and other types of trainings to enhance their professional development.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	SIF staff undergoes annual reviews and set goals for each year that are regularly monitored, including goals that will help them advance professionally.
LA12	Percentage of employees receiving regular performance and career development reviews.	100 percent.
<i>Aspect: Diversity and Equal Opportunity</i>		
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Board: eight white women, two black women, one Asian woman, five white men and one black man. In addition, a white woman on the board was replaced with a white man in August 2009. Staff: four white women and two white men. SIF does not report age data on its board or staff.
LA14	Ratio of basic salary of women to men by employee category.	In the "subordinates" job band (three people), the average male salary is 0.87 of the average female salary. In the "managers" job band (three people), the average male salary is 0.66 of the average female salary.
Human Rights		
<i>Aspect: Disclosure on Management Approach</i>		
HR	<p>DISCLOSURE ON MANAGEMENT APPROACH Provide a concise disclosure on the following Management Approach items with reference to the Human Rights Aspects listed below. The ILO Tripartite Declaration Concerning Multinational Enterprises and Social Policy (in particular the eight core conventions of the ILO which consist of Conventions 100, 111, 87, 98, 138, 182, 20 and 1059), and the Organization for Economic Cooperation and Development Guidelines for Multinational Enterprises should be the primary reference points.</p> <ul style="list-style-type: none"> • Investment and Procurement Practices; • Non-discrimination; • Freedom of Association and Collective Bargaining; • Abolition of Child Labor; • Prevention of Forced and Compulsory Labor; • Complaints and Grievance Practices; • Security Practices; and • Indigenous Rights. 	SIF upholds all of the ILO's core conventions as enshrined in the ILO's Fundamental Principles and Rights at Work. In addition, SIF's Indigenous People Working Group promotes indigenous peoples' rights. Also see organizational policies and practices on page 34.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
Human Rights Performance Indicators		
<i>Aspect: Investment and Procurement Practices</i>		
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not applicable.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	None, although SIF considers potential suppliers' labor and human rights policies and practices when making purchasing decisions.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Zero.
<i>Aspect: Non-Discrimination</i>		
HR4	Total number of incidents of discrimination and actions taken.	Zero.
<i>Aspect: Freedom of Association and Collective Bargaining</i>		
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	None.
<i>Aspect: Child Labor</i>		
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	None.
<i>Aspect: Forced and Compulsory Labor</i>		
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures taken to contribute to the elimination of forced or compulsory labor.	None.
<i>Aspect: Security Practices</i>		
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	None.
<i>Aspect: Indigenous Rights</i>		
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	None.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
Society		
<i>Society: Disclosure on Management Approach</i>		
SO	DISCLOSURE ON MANAGEMENT APPROACH Provide a concise disclosure on the following Management Approach items with reference to the Society Aspects: <ul style="list-style-type: none"> • Community; • Corruption; • Public Policy; • Anti-Competitive Behavior; and • Compliance. 	See the public policy section of this report on page 6.
Society Performance Indicators		
<i>Aspect: Community</i>		
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	None.
<i>Aspect: Corruption</i>		
SO2	Percentage and total number of business units analyzed for risks related to corruption.	None.
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	None.
SO4	Actions taken in response to incidents of corruption.	None.
<i>Aspect: Public Policy</i>		
SO5	Public policy positions and participation in public policy development and lobbying.	See the public policy portion of this report on page 6. SIF's process for determining public policy positions is available to its members on the members-only portion of its website.
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	\$0
<i>Aspect: Anti-competitive Behavior</i>		
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Zero.
<i>Aspect: Compliance</i>		
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations (e.g. human rights).	\$0

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
Product Responsibility		
<i>Product Responsibility: Disclosure on Management Approach</i>		
PR	DISCLOSURE ON MANAGEMENT APPROACH Provide a concise disclosure on the following Management Approach items with reference to the Product Responsibility Aspects: <ul style="list-style-type: none"> • Customer Health and Safety; • Product and Service Labeling; • Marketing Communications; • Customer Privacy; and • Compliance. 	SIF does not have any formal policies in this area. It protects its members' information by keeping it on a secure server. It does not sell this information to third parties.
Product Responsibility Performance Indicators		
<i>Aspect: Customer Health and Safety</i>		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	When producing publications, SIF takes into account recycled content of paper to be used and the use of environmentally friendly inks.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services, by type of outcomes.	None.
<i>Aspect: Product and Service Labeling</i>		
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	None.
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	None.
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	SIF elicits input from its members through its list-serves and at its in-person annual meeting. It also sought the feedback of members during its 2009 strategic planning process through an online survey.
<i>Aspect: Marketing Communications</i>		
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	None.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	Not applicable.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
<i>Aspect: Customer Privacy</i>		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Zero.
<i>Aspect: Compliance</i>		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	\$0
Sector Supplement Indicators for Non-Governmental Organizations		
NGOSS1	Involvement of affected stakeholder groups, (as per the organization's mission statement), in the design, implementation, monitoring and evaluation of policies and programs.	Members have input into SIF's policies and programs through several channels: board representation, annual in-person meeting, periodic surveys on events and other priorities, and contacting SIF directly. See the governance section of this report on page 32 for more information on the representation of key member groups on the board.
NGOSS2	Feedback and complaints mechanism in relation to programs and policies and responsive actions taken, including self-noted breaches of policies.	As mentioned earlier, SIF elicits feedback from its members through its list-serves, annual meeting and occasional surveys. As a result of this input, SIF's board approved five strategic goals for the organization for 2010-2012. In addition, SIF has created a strategic operations plan designed to outline the path for how SIF will achieve its strategic goals. This is available to members through SIF's member center and a review of progress to date on this plan will be sent to all members annually.
NGOSS3	System for program monitoring and evaluation, (including measuring program effectiveness and impact), learning, how the organization changes its program as a result and how it reports on this.	SIF staff undertakes an annual review of its programs to evaluate their effectiveness in helping SIF achieve its operational goals for each year. This report is delivered to the board once a year, along with presentations from the CEO, deputy director and director of research, and the director of programs.
NGOSS4	Measures in place to ensure due attention to gender and diversity is integrated into program design and implementation, as well as in the monitoring, evaluation and learning cycle.	As mentioned earlier, SIF has a board diversity policy.
NGOSS5	Process to formulate, communicate, implement and change your advocacy positions and public awareness campaigns.	SIF's board and policy committee approve SIF policy priorities and positions.
NGOSS6	Processes to take into account and coordinate with the activities of other actors.	SIF's staff, and at times board and policy committee, approve SIF's coordination of activities with other organizations.
NGOSS7	List standards used for tracking and allocating resources.	SIF's accounting systems ensure that it allocates funding to the proper pools and programs.

INDICATOR		
NO.	DESCRIPTION	SIF DISCLOSURE
NGOSS8	Breakdown of funding received by source, including listing of 5 largest individual donations.	<p>Revenue sources by type: membership dues (76 percent), sponsorships (8 percent), events (4.9 percent), donations (2.7 percent), and other (3.4 percent).</p> <p>Top five donors/individual revenue sources:</p> <ol style="list-style-type: none"> 1. Network membership dues, FAFN (\$53,960) 2. Membership dues, TIAA-CREF (\$26,250) 3. Membership dues, Bloomberg (\$26,250) 4. Membership dues, Parnassus (\$26,250) 5. Membership dues, Calvert (\$24,295)
NGOSS9	Mechanisms for workforce feedback and complaints, including number of complaints received and their resolution.	<p>As mentioned earlier, all SIF staff undergo annual reviews and set goals with their supervisor, which are monitored throughout the year. In the case of the CEO, SIF's board reviews the CEO's performance and goals annually. The board also sets goals for itself and reviews those regularly.</p>



Social Investment Forum

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