

FONDS DE RÉSERVE POUR LES RETRAITES

Executive Board

June 28, 2005

PRESS RELEASE

The FRR (*Fonds de Réserve pour les Retraites*) will launch a selection process today for the purpose of awarding several SRI (socially responsible investment) asset management mandates. The FRR intends to award a maximum of **six asset management mandates, including one stand-by, for a global indicative amount of 600 million euros**. This global sum may grow as the FRR's resources evolve. The investment universe is restricted to **European large and mid caps**.

This RFP is the third stage in the strategy that the FRR began to implement last year, whose first two stages involved getting FRR managers to incorporate the ten principles of the UN's Global Pact into their analysis of European equities, and implementing an active policy for voting FRR proxies based on a set of publicly-disclosed guidelines. **It also illustrates the underlying characteristics of the FRR's approach to the issue of SRI:**

- **built to last** and not one-off, as a short-term strategy would harm to this type of asset management
- **ambitious**, as attested to by the amounts allocated to the RFP
- **played out on several levels of pragmatic action**, because SRI is still a largely experimental area for which no market standards exist, which also means that its success will depend on the ability of all relevant players to mobilize adequate human and technical resources.

The FRR's approach is both inclusive and multi-criteria. It does not call for excluding certain economic sectors from the manager's investment universe, but instead for giving preference when investing on the FRR's behalf in businesses that present the best profile based on a combined financial and extra-financial analysis, including **respect for international law and fundamental worker rights, job creation via improved human resources management, corporate environmental responsibility, and respect for consumers and fair trade practices in local markets**.

The first phase of this RFP process, which entails the selection of eligible candidates, opens today. Management firms that are interested, and that have a third-party portfolio management business license granted by a European regulator, have until **Thursday, August 25, 2005 at 12:30 pm (French time)** to submit their candidacy to the FRR. The procedure set forth in the French Government Bidding Code (*Code des Marchés Publics Français*) is identical to that used by the FRR in 2003-2004. The Fund's Manager Selection Committee will also be called on in the process, which should be completed by early 2006.

N.B: The candidate file (consultation rules and appendices) will be accessible today via the dedicated platform <http://www.achatpublic.com/accueil/frr/medias/index.php>. It provides all relevant details on the selection process. All of the documents related to this selection process will also be available today on the FRR's website (www.fondsdereserve.fr).