

## Press Release

### **Colonial First State Global Asset Management commits to the United Nations' Principles for Responsible Investment**

**1 March 2007:** Colonial First State Global Asset Management has today become a signatory to the United Nations' Principles for Responsible Investment (UN PRI), a voluntary program which encourages best practice in environmental, social and corporate governance issues.

"As Australia's largest investor and with a global business, we take our responsibility to our clients very seriously," said Warwick Negus, Chief Executive Officer, Colonial First State Global Asset Management.

"Colonial First State Global Asset Management has a long track record on sustainability and governance issues and we have had in place a dedicated sustainability manager for some years, developing and supporting sustainability programs across our business," Mr Negus said.

"By signing the UN PRI, Colonial First State Global Asset Management is further embedding the practices it already has in place. By encouraging investee companies to look at their own environmental, social and governance practices, we are encouraging higher levels of transparency and responsibility from the business community."

"In our property funds business, for example, the Commonwealth Property Office Fund and CFS Retail Property Trust have, for four consecutive years, each been selected for inclusion in the prestigious Dow Jones Sustainability Index, as well as the FTSE 4 Good Index. This is a direct reflection of their commitment to sustainability initiatives."

"The signing of these principles also links to our commitment and active role in corporate governance in the Australian market."

Mr Negus said the voluntary, aspirational scheme required fund managers to ask the question of those companies into which Colonial First State Global Asset Management invests: 'what are you doing about environmental, social and corporate governance issues?'

"The principles born out in the UN PRI are very much in line with issues of great importance to our clients and us," he said.

"We recognise we can play an important role in global efforts to improve environmental, social and corporate governance practices."

Mr Negus said Colonial First State Global Asset Management already considered environmental, social and governance issues (ESG) in varying degrees across its business.

“The UN PRI simply provides a framework to integrate these considerations into our investment processes in a consistent manner, thus better servicing our clients,” he said.

The six underlying principles to which signatories agree when they participate in the UN PRI state that:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.

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#### **About Colonial First State Global Asset Management**

Colonial First State Global Asset Management is Australia’s largest asset manager of Australian-sourced funds, employing more than 190 investment professionals located in Sydney, London, Edinburgh, Singapore and Hong Kong.

The business manages more than A\$132 billion across a diverse range of asset classes including Australian and global shares; cash, fixed interest, and credit; property securities, hedge funds, direct property, private equity, global resources and infrastructure.

Colonial First State Global Asset Management offers tailored investment solutions for retail, wholesale and institutional investors and aims to create wealth for its investors by applying an active and disciplined approach to managing money.

#### **About UN PRI**

In early 2005 the United Nations Secretary-General invited a group of the world’s largest institutional investors to join a process to develop the Principles for Responsible Investment (PRI). Individuals representing 20 institutional investors from 12 countries agreed to participate in the Investor Group. The Group accepted ownership of the Principles, and had the freedom to develop them as they saw fit.

The Group was supported by a 70-person multi-stakeholder group of experts from the investment industry, intergovernmental and governmental organizations, civil society and academia. The process, conducted between April 2005 and January 2006 involved a total of five days of face-to-face deliberations by the investors and four days by the experts, with hundreds of hours of follow-up activity. The Principles for Responsible Investment emerged as a result of these meetings.

The process was coordinated by the United Nations Environment Programme Finance Initiative and the UN Global Compact. The PRI reflect the core values of the group of large investors whose investment horizon is generally long, and whose portfolios are often highly diversified. However, the Principles are open to all institutional investors, investment managers and professional service partners to support.

**ENDS**

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