

Media Release

INDONESIAN INVESTORS URGED TO CONSIDER RESPONSIBLE INVESTMENT AS PART OF THE SOLUTION TO FINANCIAL CRISIS

(London, 9 January 2009). Investors will meet on Monday at the Indonesia Stock Exchange to discuss the UN-backed Principles for Responsible Investment (PRI), and how these Principles can assist them in managing emerging environmental, social and corporate governance (ESG) issues. The discussion will also include the relevance of responsible investment in the current financial climate.

The workshop is co-hosted by Indonesia Stock Exchange (IDX), Yayasan Keanekaragaman Hayati Indonesia (KEHATI) and the PRI Initiative, and will be held in Jakarta on **12 January, 2009**. Keynote speakers include **HE Ir Rahmat Witoelar**, Minister of the State Ministry of Environment and **HE Prof. Emil Salim**, the Member of the Advisory Council to the President of Republic of Indonesia.

James Gifford, Executive Director of the PRI Initiative, said,

“We are often asked whether responsible investment is relevant in times of crisis such as these. Our response is a clear yes. The current crisis throws a spotlight on systemic failures within capital markets and the urgent need for more sustainable capital markets. By practicing responsible investment, investors can be a major part of creating that solution. Responsible investment involves enhanced analysis of a broad range of extra-financial risks, a more proactive approach to corporate governance, the monitoring of agents and increased transparency and accountability, both in investors’ own operations and those of the companies they invest in. Indeed, one of the causes of the global financial crisis was poor governance and risk management within some of the world’s largest financial institutions”.

Dami Buchori, CEO of Kehati said,

“Management of these societal and ecosystem assets properly by companies and their owners over the long term is an essential ingredient in economic success. While these issues may lose momentum in times of financial crisis, investors have an important role to play in encouraging companies to maintain a long-term approach.

“The aim of this workshop is to raise awareness about the business case for investor consideration ESG issues in mainstream investment portfolios, to showcase examples

of what responsible investment actually means and to accelerate the uptake of these practices in Indonesia”.

The workshop will also introduce the various work streams within the PRI Initiative, including the PRI Clearinghouse, which is the first global collaborative forum for institutional investors to address collective action problems on a global basis.

Notes to editor

- **For more information contact Elliot Frankal, PRI communications manager on ++ 44 (0)7989 524780 or elliott.frankal@unpri.org**

- **About the Principles for Responsible Investment (PRI)**

The Principles for Responsible Investment, convened by UNEP FI and the UN Global Compact, were launched in 2006 by UN Secretary-General Kofi Annan as a framework to help investors achieve better long-term investment returns and sustainable markets through better analysis of environmental, social and governance issues in investment process and the exercise of responsible ownership practices.

The Principles are aspirational guidelines which assist investors in integrating ESG issues into mainstream investment practices. They were developed by, and for, institutional asset owners such as large pension funds and fund managers. They encourage an ‘active ownership’ approach, involving constructive dialogue with companies to promote good practice in the management of environmental, social and corporate governance issues over the long term. They also involve commitments to the analysis of a broader range of extra-financial issues, as well as enhanced transparency. The Principles themselves, a full list of signatories and more information can be found at www.unpri.org

- **About Kehati**

Kehati is a grant making foundation, facilitating the promotion of sustainable biological resources use and urging community-based efforts to conserve biodiversity in Indonesia for the benefit of human life. See www.kehati.or.id

- **UN Global Compact**

Launched in 2000, the UN Global Compact brings business together with UN agencies, labour, civil society and governments to advance ten universal principles in the areas of human rights, labour, environment and anti-corruption. Through the power of collective action, the Global Compact seeks to mainstream these ten principles in business activities around the world and catalyze actions in support of broader UN goals. With over 5000 participating companies and other stakeholders from an 120 countries, it is the world's largest voluntary corporate sustainability initiative. www.unglobalcompact.org.

- **United Nations Environment Programme Finance Initiative (UNEP FI)**

UNEP FI is a unique global partnership between UNEP and the private financial sector that works closely with approximately 180 financial institutions to develop and promote linkages between sustainability and financial performance. Through regional activities, a comprehensive work programme, training and research, UNEP FI carries out its mission to identify, promote and realize the adoption of best environmental and sustainability practice at all levels of financial institution operations. More information: www.unepfi.org