

Colonial First State Global Asset Management

## Press Release

18 February 2009

### **GLOBAL EMERGING MARKETS SUSTAINABILITY FUND NOW AVAILABLE TO AUSTRALIAN INVESTORS**

The Colonial First State Wholesale Global Emerging Markets Sustainability Fund ('Fund') was today launched in Australia. With a disciplined approach to investing in sustainable companies in emerging economies, the Fund is the first of its kind in the Australian market.

The Fund is managed by Colonial First State Global Asset Management's award-winning Asia Pacific and Emerging Markets team who are based in Edinburgh, Hong Kong and Singapore. The team's Global Emerging Markets funds have consistently outperformed their benchmarks over the long term. The Asia Pacific (ex Japan) / Global Emerging Markets team was named Global Pensions' Emerging Markets Manager of the Year in 2008; Angus Tulloch, who heads the team, was awarded Investment Week's Fund Manager of the Decade in 2006.

David Gait manages the Fund's portfolio. Mr Gait covers all emerging markets with a specific focus on sustainable and responsible investment. He is also the lead portfolio manager for the team's Asia Pacific Sustainability Product which was launched three years ago.

Mr Gait said: "We look for long-term growth in emerging markets by taking an innovative approach to sustainability and applying a disciplined investment process. We place an emphasis on high-quality management and companies that have a positive impact on local sustainable development."

The Fund also has a strong focus on active engagement. "While the Fund will not employ formal negative screening, we do not anticipate investing in companies operating in high risk sectors, such as tobacco or armaments, for two reasons," Mr Gait said.

"First, we believe the environmental, social and governance risks facing such companies are particularly high and difficult to quantify. Second, at the heart of our Sustainability Product is a focus on identifying companies which are well positioned to seize new sustainability opportunities. Companies operating in high risk sectors do not, in our view, fit naturally into such a strategy."

Emerging economies are classed as those that are included in the MSCI Emerging Markets Free Index, or those that are categorised by the World Bank as middle or low-income, or that are not members of the Organisation for Economic Co-operation and Development.

The objective of the Fund is to achieve long-term capital growth through investing in companies in emerging economies, including those listed on developed market exchanges whose activities predominantly take place in emerging market countries. The Fund will be measured against the MSCI Emerging Markets Free Index. The minimum investment in the fund is \$500,000.<sup>1</sup>

Colonial First State Global Asset Management is a signatory to the UN Principles for Responsible Investment.

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

Colonial First State Global Asset Management is the consolidated asset management division of the Commonwealth Bank of Australia Group, one of the largest financial institutions in Australia. Colonial First State Global Asset Management is Australia's largest manager of Australian sourced funds, employing more than 200 investment professionals.

At 31 December 2008, Colonial First State Global Asset Management managed more than A\$128 billion across a diverse range of asset classes including Australian and global shares, short term investments, fixed interest and credit, property securities, direct property, global resources, unlisted infrastructure and listed infrastructure securities.

In March 2007, Colonial First State Global Asset Management signed the UN Principles for Responsible Investment, which provide a framework for including environmental, social and governance issues for investment decisions. Colonial First State Global Asset Management has undertaken to utilise this framework for the funds for which it provides investment management services, including this Fund.

The Fund named in this document is offered by Colonial First State Investments Limited ABN 98 002 348 352 AFS Licence Number 232468. An Information Memorandum (IM) describing the Fund is available from Colonial First State Global Asset Management by contacting the institutional business development team. The information provided in this document is given in good faith and is derived from sources believed to be accurate. It should not be considered as a comprehensive statement on any matter and should not be relied upon as such. Neither Colonial First State Investments Limited, nor any associated companies, nor any of their employees or directors give any warranty of reliability or accuracy of the information in this document, including any negligent errors or omissions. Neither Colonial First State Investments Limited nor any other company in the Commonwealth Bank Group of companies guarantees performance or the return of capital.

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<sup>1</sup> We may accept amounts less than the minimum, at our discretion if we are satisfied the minimum balance will be invested within a reasonable time.