

An investor initiative in partnership with
UNEP Finance Initiative and the
UN Global Compact

Media release

ISTANBUL STOCK EXCHANGE AND FEDERATION OF EURO-ASIAN STOCK EXCHANGES HOST RESPONSIBLE INVESTMENT EVENT

(Istanbul, 21 January 2010). The "Principles for Responsible Investment Turkey Workshop", co-organized by the United Nations-backed Principles for Responsible Investment (PRI), the Federation of Euro-Asian Stock Exchanges (FEAS) and the Istanbul Stock Exchange, was held at the Istanbul Stock Exchange (ISE) on January 21, 2010, Thursday. The workshop was organized to consider an opportunity for Turkish investors to join the United Nations-backed responsible investment network representing almost US\$20 trillion of assets under management.

Following the opening speeches by **Huseyin Erkan**, Chairman and CEO of the Istanbul Stock Exchange and President of FEAS, and **Ulrika Richardson Golinski**, a ceremony took place on the occasion of Istanbul Stock Exchange becoming a signatory to the Principles of Responsible Investment under the category of "Professional Service Partner".

Speakers including **Gurman Tevfik**, CEO of İş Asset Management, **Ertunc Tumen**, Executive Vice President of Ak Asset Management, **Tankut Taner Celik**, General Manager of ING Asset Management, **Dr. Melsa Ararat**, Director and Faculty Member of Sabancı University, **Xavier Desmadryl** HSBC Global Asset Management and **Dr. Yilmaz Arguden**, Network Representative of Global Compact, Turkey discussed with Turkish capital market participants the challenges of factoring in environmental, social and corporate governance (ESG) issues into their investment processes. The event also considered how the Turkish investment community can both learn from and share their experiences of responsible investment with global peers.

The 'Principles for Responsible Investment' Initiative (PRI), co-organizer of the workshop, already has over 670 investment institutions from 37 countries that are signatories to its six Principles. There is however only one signatory from Turkey and it is hoped today's event and Istanbul Stock Exchange's signing up the Principles will spark greater interest in responsible investment in the Turkish capital markets paving the way for other market participants to join the Initiative as well. There are already over 150 Turkish institutions who participate in the UN Global Compact, the world's largest voluntary corporate responsibility network and a UN partner of the PRI.

Remarks of the representatives of the event co-organizers :

Hüseyin Erkan, Chairman and CEO of the ISE and President of FEAS, said;

“As the Istanbul Stock Exchange, we highly value the ESG issues as a critical component of contemporary business practices. With this in mind, we work closely with the local and international business community to encourage discussion, research and implementation of environmental, social and corporate governance issues. We are proud to be co-operating with UNPRI as one of its signatories and also hosting this meeting in Istanbul. I am sure, this partnership with UNPRI will be mutually beneficial in not only creating awareness of the ESG concepts, but also for fostering investors’ understanding of these key issues.”

Aril Seren, the Secretary General of FEAS, said;

“Throughout the FEAS (Euro-Asian) Region, ESG issues are becoming more important for direct investors as well as portfolio investors. To answer the need created by investors, FEAS has formed a task force to study, work with and report to the FEAS Members, how and why these issues should be taken up. The UNPRI initiative is designed to pave the way for FEAS Members in their efforts to attract the interest of their stakeholders, on ESG issues.”

Dr. James Gifford, Executive Director of the PRI, said:

“In recent years we have seen an overwhelming number of mainstream investors from across the world agree that ESG issues, such as climate change or corporate governance, can affect the performance of investment portfolios and should therefore be considered alongside more traditional financial factors.

“That is easier said than done however, and I hope Turkish investors can join the global conversation about how best these issues can be integrated into investment decisions, and how investors can work as active and collaborative shareholders to change corporate behaviour on ESG issues.”

Notes to editor

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- **United Nations Development Programme**
UNDP is the UN’s global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. We are on the ground in 166 countries, working with them on their own solutions to global and national development challenges. As they develop local capacity, they draw on the people of UNDP and our wide range of partners.
- **The Principles for Responsible Investment (PRI)**
The Principles for Responsible Investment, convened by UNEP FI and the UN Global Compact, was established 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 themselves, a full list of signatories and more information can be found at www.unpri.org

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

UNEP FI is a unique public-private partnership between UNEP and the global financial sector. UNEP works with over 170 banks, insurers and investment firms, and a range of partner organisations, to develop and promote linkages between sustainability and financial performance. Through its comprehensive work programme encompassing research, training, events and regional activities, UNEP FI carries out its mission to identify, promote and realise the adoption of best environmental and sustainability. More at www.unepfi.org???

- **UN Global Compact**

Launched in 2000, the UN Global Compact brings business together 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 to catalyse actions in support of broader UN goals. With more than 5,200 participating businesses from over 130 countries, it is the world's largest voluntary corporate sustainability initiative. More at: www.unglobalcompact.org.

- **Istanbul Stock Exchange**

Established in 1985, the Istanbul Stock Exchange (ISE), is the only securities exchange in Turkey to provide trading in a wide variety of securities, namely, stocks, exchange traded funds, warrants, government bonds, Treasury bills, corporate bonds, money market instruments (repo/reverse repo), foreign securities etc. With its legal framework in line with the European capital markets and modern technology, clearing and settlement in accordance with international standards, advanced intermediary services such as research, investment consultancy and portfolio management, and free repatriation of principal and proceeds for foreign investors, the ISE is a secure platform for international investors. More at: www.ise.org