

**Who Cares Wins Conference
Zurich, 28 September 2006**

**Opening Remarks by Gavin Power
Senior Advisor, UN Global Compact**

Thank you and good morning colleagues and friends

On behalf of the UN Global Compact, the IFC and the Swiss Department of Foreign Affairs a warm welcome indeed to this third *Who Cares Wins* conference.

Once again, the past year has seen a great deal of activity aimed at improving the integration of ESG factors into investment management.

You will find a chronology of important milestones in your briefing folders.

For each actor in the investment chain, please allow me to highlight one or two examples:

With respect to companies, many of the now more than 3000 companies in the Global Compact are publishing annual Communications on Progress or GRI reports describing implementation of our ten ESG principles, while more than 900 firms have replied to the latest call by the Carbon Disclosure Project.

With respect to brokers, the Enhanced Analytics Initiative – a collaboration of institutional investors and asset managers – reported in June that the number of sell-side and independent institutions providing ESG research is growing and has now reached 33. Both the quantity and quality of this research continue to increase.

Asset managers in initiatives such as UNEP FI's recent "Show Me the Money" report continue to explore the links between ESG issues in specific sectors and the way in which global investors value companies. Notable also is the fact that several large asset managers that are here today met with the CFA institute in May to support the inclusion of ESG aspects in the curriculum.

In the consulting field, Mercer conducted an extensive survey of US and global investors revealing that 75 percent of investors believe that ESG factors can be material to investment performance.

With respect to project finance, the enhanced Equator Principles were launched, covering more than 80 percent of the global project finance market.

And finally, in April the UN Secretary-General and global institutional investors representing nearly \$2 trillion launched the Principles for Responsible Investment, the first such international charter, aiming to integrate ESG issues into investment policies and shareholder engagement. As of today, asset owners and asset managers representing more than \$5 trillion have committed to the Principles.

So, as you can see, the trade winds are indeed favorable but challenges related to mainstreaming remain, and we will hear about some of these challenges today – and how to convert these challenges into opportunities.

Thank you and I hope you find this conference productive and enjoyable.