

PRESS RELEASE

21 June 2007

Mistra invests in a new ethical fund for growth markets

As the first investor in a new ethical fund, Mistra (the Swedish Foundation for Strategic Environmental Research) is once more taking the initiative. BankInvest, the Danish company, has started a new ethical fund for Global Emerging Markets Debt SRI*. This fund will invest in corporate and government bonds on the world's growth markets.

The fund applies an assessment based on positive criteria combined with a traditional negative filter.

'Bonds on a growth market are an interesting investment. The SRI product now offered by BankInvest is particularly interesting, and it's in line with Mistra's investment policy,' says Märtha Josefsson, chair of Mistra's Asset Management Committee.

This is the fifth fund with an SRI profile in which Mistra is the pioneering initial investor. This time, Mistra is joined by three fellow investors: the Swedish Trade Union Confederation (LO), the Finnish Church and the Church of Norway. Last year, Mistra made a similar investment in a new Global Emerging Market Equity SRI fund with BankInvest.

Why, then, has Mistra chosen this fund? According to Eva Thörnelöf, Mistra's Administrative Director, for reasons of risk spread it is advisable to have a large selection of asset types in the total portfolio — types that are not mutually correlated. For certain asset categories, a sustainability profile is difficult to obtain since they are insufficiently transparent.

'That's why it's so good when an asset manager and investors jointly invest in funds with a sustainability profile where they haven't been available to date. Especially in developing countries, it's important to work for enterprise that's sound in social and environmental terms,' she says.

Mistra's total capital, SEK 3.8 billion, has been invested 100% according to sustainability criteria since April 2007. Accordingly, Mistra has attained its objective of managing the entire portfolio in line with sustainability criteria by 2007 at the latest.

'We're now fairly sure that sustainability criteria in asset management actually improve the financial return,' says Märtha Josefsson.

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