

**Dysfunctional investment practices are hampering sustainable recovery, says UKSIF in leading think tank report**

**London, 22 July 2009** – Regulatory and cultural changes could allow the investment sector to accelerate the transition to a sustainable economy, says UKSIF Chief Executive Penny Shepherd, in a chapter published last week as part of the report “From Crisis to Recovery” by “Think Tank of the Year” Green Alliance. Shepherd’s policy proposals appear alongside recommendations from seven other leading commentators on how to transform the economy in the wake of the downturn.

The chapter, called “Reshaping capital markets for a sustainable recovery”, recommends that:

1. Pension funds and other major investment owners should be required to report on how they implement their sustainable investment policies
2. Publicly owned investment holders should be required to be responsible owners and report annually on their progress
3. Greater transparency should be demanded of both companies and institutional investors
4. The objectives of financial regulators should enable them to take greater account of the wider public interest, including sustainable development.

The report has been published as government and opposition lay out their proposals for financial reform.

Penny Shepherd MBE, UKSIF Chief Executive said: “The current debates on financial reform offer the most significant opportunity in our lifetimes to ensure

that the investment system meets the needs of providers and users of capital in new and better ways and, at the same time, protects and supports the real economy, society and the environment. To achieve this we must tackle the underlying issues that drive today's dysfunctional investment approaches.”

Chris Hewett of Green Alliance said: “At this time of financial crisis, we have a win-win opportunity for transformation to a better, more stable economy and a low carbon future. This publication shows the growing appetite for more radical interventions from government and investors.”

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### **Contact**

Stephanie Walker, Communications, tel. 020 7749 9953.  
[stephanie.walker@uksif.org](mailto:stephanie.walker@uksif.org)

### **Notes to Editors**

#### **About the report “From crisis to recovery”**

This publication is part of Green Alliance's sustainable economy theme of work exploring the opportunity to build a new sustainable economic model that is good for business, quality of life and the environment.

Download the report: [http://www.green-alliance.org.uk/grea\\_p.aspx?id=4156](http://www.green-alliance.org.uk/grea_p.aspx?id=4156)

#### **About UKSIF**

UKSIF, the sustainable investment and finance association, promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment. Founded in 1991, its more than 200 members including pension funds, banks, asset managers, investment consultants, research providers, financial advisers and non-governmental organisations. For more info, visit [www.uksif.org](http://www.uksif.org)

#### **About Green Alliance**

Green Alliance is an influential environmental think tank working to ensure UK political leaders deliver ambitious solutions to global environmental issues. Green Alliance has just been named Think Tank of the Year in the 2009 Public Affairs News awards. For more info, visit [www.green-alliance.org.uk](http://www.green-alliance.org.uk)