

PRESS RELEASE

***IIGCC RESPONDS TO EU ROAD MAP WITH CALLS FOR POLICY
FRAMEWORK TO STIMULATE PRIVATE SECTOR INVESTMENT IN
RENEWABLE ENERGY***

Urgent need for more detailed proposals to reduce buildings-related emissions

9th March, 2011

In response to the publication yesterday of the European Union's Roadmap to 2050 and Energy Efficiency proposals, the Institutional Investors Group on Climate Change (IIGCC), the leading European investors' forum for collaboration on climate change, emphasised the need for EU policy makers to work with the institutional investor community to shape policy which encourages the private investment necessary to meet a 80% reduction in greenhouse gas emissions by 2050.

Ole Beier Sørensen, Chairman of the IIGCC and Chief of Research and Strategy with the Danish pension fund ATP said:

"While the Roadmap and energy efficiency plan provide greater clarity about the European path towards a low carbon future, the emissions reduction targets outlined will not be achieved without focused incentives, a high and sustained price on carbon and credible policy frameworks which stimulate private investment.

According to EU estimates outlined in the Roadmap, additional investment of €270bn will be required annually over the next 40 years to move the world towards a low carbon economy. Separate estimates have suggested the private sector will need to provide by far the largest share of this capital at around 85%. It is crucial, therefore, that policy creates incentives for low carbon investments and future funding mechanisms are structured to take the commercial realities faced by investors into account. In addition, the EU and – in particular – its member states must take more determined steps to meet energy efficiency targets.

Regulatory certainty, ambitious cross border infrastructure programmes and well-designed funding mechanisms, alongside firm, non-retroactive policies to support investment in renewable energy will be central to meeting an 80% emission reduction target by 2050.

The EU must ensure that climate and budget policy supports a viable low carbon growth path and policy making bodies must work with the institutional investor community to harness its capital and benefit from its expertise."

Paul McNamara, chairman of the IIGCC Property Working Group and head of Research at PRUPIM said:

"Although it is pleasing to note that policy-makers have recognised the necessity of tackling buildings-related emissions in order to meet this target, increasing the rate of refurbishment on one-eighth of Europe's publicly-owned building stock from 1.5% per annum to 3% per annum can only ever make a modest contribution to emissions reduction.

It is imperative that the opportunity to drive energy efficiency in buildings is not lost and that workable, detailed solutions are promoted which effect a fundamental shift in the behaviour of the private real estate market. The IIGCC believes there is now an urgent need for the EU and national governments to enter a meaningful dialogue with the property investment and

occupier communities across Europe in order to agree the most effective and least disruptive solutions.”

For further information please contact:

Stephanie Pfeifer, IIGCC

+ 44 (0) 7790 580 177

Nathan Williams, Capital MSL

+ 44 (0) 207 307 5343

NOTES TO EDITORS

About the Institutional Investors Group on Climate Change (IIGCC)

The Institutional Investors Group on Climate Change (IIGCC) is a forum for collaboration on climate change for European investors. The group’s objective is to catalyse greater investment in a low carbon economy by bringing investors together to use their collective influence with companies, policymakers and investors. The group currently has 72 members, representing assets of around €6.5trillion.

In detail, the IIGCC’s objectives are to: 1. encourage a pro-active approach amongst asset owners and asset managers on climate change; 2. improve company disclosure/performance on climate change; 3. encourage public policy solutions that ensure a move to a low carbon economy and which are consistent with long-term investment objectives.

For further information see www.iigcc.org .

IIGCC Membership, March 2011

Amundi	Fourth Swedish National Pension Fund	PGGM Investments
APG Investments	Generation Investment Management LLP	PKA
ATP Fund	Global Energy Efficiency and Renewable Energy Fu	Platina Partners
Aviva Investors	Greater Manchester Pension Fund	PRUPIM
Baptist Union of Great Britain	Grosvenor Investment Limited	Railpen Investments
BBC Pension Trust	Henderson Global Investors	Robeco
Bedfordshire Pension Fund	Hermes	Roman Catholic Diocese of Plymouth
BlackRock	Hg Capital	Roman Catholic Diocese of Portsmouth
BMS World Mission	HSBC Investments	Roman Catholic Diocese of Salford
BNP Paribas Investment Partners	Hudson Clean Energy	Sampension
BT Pension Scheme	Impax Asset Management	Sarasin & Partners LLP
CBRE Investors	Insight Investment	Schroders
CCLA	Invicta Capital	Scottish Widows Investment Partnership
Central Finance Board of the Methodist Church	Joseph Rowntree Charitable Trust	Second Swedish National Pension Fund
Church of Sweden	Kent County Council Pension Fund	South Yorkshire Pensions Authority
Climate Change Capital	Kleinwort Benson Investors	The Church Commissioners for England
Co-operative Asset Management	London Borough of Hounslow Pension Fund	The Church in Wales
Corporation of London Pension Fund	London Borough of Islington Pension Fund	The Church of England Pensions Board
Earth Capital Partners	London Borough of Newham Pension Fund	The United Reformed Church
Environment Agency Pension Fund	London Pensions Fund Authority	Third Swedish National Pension Fund
Environmental Technologies Fund	Merseyside Pension Fund	Universities Superannuation Scheme (USS)
Ethos Foundation	Nordea Investment Funds	West Midlands Pension Fund
F&C Management Ltd	Northern Trust	West Yorkshire Pension Fund
First Swedish National Pension Fund	Osmosis Investment Management	William Leech Charitable Trust