



Institutional Investors Group on Climate Change

IIGCC ISSUES ENVIRONMENTAL GUIDELINES FOR PROPERTY INVESTMENT COMMUNITY

Investors' forum calls for common set of guidelines to fight carbon emissions

13th September, 2010: The Institutional Investors Group on Climate Change (IIGCC), the leading European investors' forum for collaboration on climate change, has today issued guidelines to help pension funds gather the necessary information to understand climate risks and opportunities in their property portfolios. Through these guidelines, IIGCC hopes that pension funds, trustees and fund managers will be able to see through the bewildering array of industry measurement standards and collate simple but meaningful environmental metrics for their funds.

As the belief grows that climate change issues will affect the prospective performance and value of property assets, the guidelines use current work from the UK Green Property Alliance to provide pension funds and other investors with a clear set of questions to ask their property fund managers regarding the environmental impact of their portfolio. In turn, the guidelines also inform property fund managers about the environmental data they will increasingly likely have to provide to their pension fund clients.

Paul McNamara, Head of the IIGCC Property Working Group, comments: "The belief is growing that buildings with higher environmental standards will provide higher net income growth, be seen as lower risk, and thus deliver higher returns going forward. However, for pension funds and trustees seeking to understand how their property portfolios are positioned in this regard, the growing proliferation of environmental metrics, standards and labels is baffling. Our hope is that, by expressing pension funds needs, these guidelines will, over the medium term, encourage the move to a common set of industry metrics and standards."

Eric Linden, Associate Director at CB Richard Ellis Investors noted that “ In order for pension funds to fully understand the environmental impact of their portfolio, they need simple, meaningful, metrics that are cheap and practical to gather across all properties.”

According to IIGCC, the development of a simple and consistent set of metrics is an essential first step towards establishing environmental performance measurement practices for property to sit alongside the already well established process of investment performance measurement.

Paul McNamara, Head of the IIGCC Property Working Group, continued: “The current ‘blizzard’ of standards, metrics and labels is now almost to a point where it is hindering progress in the field of responsible property investment. IIGCC believes that pension funds and their representative bodies should use their influence to encourage the multiple providers of environmental measurements to work more closely together to better ensure mutual compatibility between their various measures. In time, metrics could be developed which allow a comparison of the environmental performance of different fund managers and, who knows, perhaps even play a part in manager selection.”

For a copy of Climate Impact Reporting For Property Investment Portfolios, please go to: www.iigcc.org.

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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 61 members, representing assets of around €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, August 2010

Alfred Berg	Environment Agency Pension Fund	London Pensions Fund Authority
Amundi	Environmental Technologies Fund	Merseyside Pension Fund
APG Asset Management	Ethos Foundation	Northern Trust
ATP	F&C Management Ltd	Osmosis Investment Management
Aviva Investors	Generation Investment Management LLP	PGGM Investments
Baptist Union of Great Britain	Good Energies	PKA
BBC Pension Trust	Greater Manchester Pension Fund	PRUPIM
Bedfordshire Pension Fund	Grosvenor Fund Management	Robeco
BlackRock	Henderson Global Investors	Schroders
BMS World Mission	Hermes	South Yorkshire Pensions Authority
BNP Paribas Investment Partners	HgCapital	The Church of England Pensions Board
BTPS	HSBC Investments	The Church in Wales
CB Richard Ellis Investors	Hudson Clean Energy	The Roman Catholic Diocese of Plymouth
CCLA Investment Management	Impax Asset Management	The Roman Catholic Diocese of Portsmouth
Central Finance Board of the Methodist Church	Insight Investment	The Roman Catholic Diocese of Salford
Church Commissioners for England	Invicta Capital	United Reformed Church
Climate Change Capital	Joseph Rowntree Charitable Trust	Universities Superannuation Scheme
Co-operative Asset Management	Kent County Council Pension Fund	West Midlands Metropolitan Authorities Pension Fund
Corporation of London Pension Fund	London Borough of Hounslow Pension Fund	West Yorkshire Pension Fund
Earth Capital Partners	London Borough of Islington Pension Fund	William Leech Charitable Trust
	London Borough of Newham Pension Fund	