

UKSIF WELCOMES MPs' CALL FOR GREATER FOCUS ON SUSTAINABLE INVESTMENT

Parliamentary Committee's proposals on the Stewardship Code echo trade body's representations on issue

London, 25 July 2013 - The UK Sustainable Investment and Finance Association (UKSIF) welcomed today's call from the Business, Innovation and Skills Select Committee for the Stewardship Code to better take into account environmental, social and governance (ESG) factors. UKSIF was also pleased with the Committee's recommendation that the Government actively follow through on the recommendations of the Kay Review into Equity Markets and Long-Term Decision Making.

Caroline Escott, UKSIF Head of Government Relations, said:

"UKSIF has always believed that understanding the environmental, social and governance (ESG) risks which face businesses is a key part of good asset ownership and we therefore welcome the Committee's recommendations that the Stewardship Code be changed to better encompass these factors.

We are also pleased to note the Committee's determination to ensure that Kay's recommendations "do not get kicked into the long grass". Although any targets and benchmarks must be clear and well-designed, it is vital that the Review does not become a 'missed opportunity' to create capital markets that better serve the needs of long-term investors, companies and savers.

More specifically, we are particularly happy to see that our efforts – alongside those of others such as Caroline Lucas MP – to get the MPs' Pension Fund to sign up to the Stewardship Code have been vindicated and that the Committee's report states that the Fund's trustees will sign up to the Code. Leadership in this field by our elected representatives is central to raising awareness of the importance of demand by pension funds and other asset owners for good stewardship practices".

Contact

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Notes to editors

Interviews with Caroline Escott are available on request.

About UK Sustainable Investment and Finance Association (UKSIF)

The UK Sustainable Investment and Finance Association (UKSIF) supports the UK finance sector to be a global leader in advancing sustainable development through financial services. We promote and support responsible investment and other forms of finance that advance sustainable economic development, enhance quality of life and safeguard the environment. Founded in 1991, UKSIF has over 250 members including pension funds, asset managers, research providers, financial advisers, banks and non-governmental organisations. For more information, please visit www.uksif.org.

About the Kay Review

The '[Kay Review of Equity Markets and Long-Term Decision Making](#)' was led by Professor John Kay and commissioned by the Department for Business, Innovation and Skills. It was tasked with examining the

performance of UK equity markets and its final report – published in July 2012 - recommended a number of measures including regulatory support for fiduciary standards, more effective reporting and enhancements to the UK Stewardship Code.

About the UK Stewardship Code

The UK Stewardship Code was first published by the Financial Reporting Council (FRC) in July 2010 and aims to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and the efficient exercise of governance responsibilities. The Stewardship Code is run on a 'comply or explain' basis, and costs nothing to sign up to. For more information, please visit the FRC's website [here](#).

About The Parliamentary Contributory Pension Fund

The Parliamentary Contributory Pension Fund (PCPF) is a funded, defined benefit pension scheme, where Members and the Exchequer share the costs. The Fund is made up of two schemes – an MPs' Pension Scheme and a Ministers' Pension Scheme. For more information, please see this [Commons Library Standard Note](#).