

**UKSIF survey shows pension fund trustees lead progress on Responsible Investment**

**London, 3<sup>rd</sup> June 2009** — The 2009 UKSIF “Responsible Business: Sustainable Pension” report released today shows clear and exciting evidence that a group of Responsible Investment (RI) champions is beginning to emerge among UK corporate pension funds. Trustee leadership is driving this change.

BT Pension Scheme retained its Platinum ranking in this second bi-annual survey, while The Barclays UK Retirement Fund, BP Pension Fund and HBOS Final Salary Pension Scheme all progressed to a Gold ranking from Silver. Three quarters of repeat respondents achieved a higher score this year than in 2007.

The survey found that trustees of three quarters of surveyed funds now believe that ESG (environmental, social, governance) factors can have a material impact on the fund’s investments in the long term. Two thirds of trustees thought it was important to align the plan’s RI policy with the fund sponsor’s CSR policies.

UKSIF, the sustainable investment and finance association, surveyed the pension funds of UK companies highly regarded for their Corporate Responsibility. The initiative was sponsored by leading investment managers Hermes Fund Managers and KBC Asset Management.

Michael Deakin, Chair of the UKSIF Sustainable Pensions Advisory Board said:

The survey is sponsored by:



“Given all the challenges faced by pension fund trustees over the last two years, I find the clear signs of progress made on implementing Responsible Investment policies very encouraging. More funds now have a Responsible Investment policy, and more significantly, of those funds that completed both the 2007 and 2009 surveys more than half have achieved a higher ranking this year.”

Rupert Clarke, Chief Executive Officer of Hermes Fund Managers said: “It is very positive to see such progress and co-operation amongst pension funds, which is the foundation stone for a truly responsible approach to asset management and ownership. We now need a similar commitment from their investment managers, to re-examine investment processes and engage more effectively with companies on their behalf”.

Steve Falci, Vice President - Sustainable Investment, KBC Asset Management Ltd said: “As pension funds navigate their course over the coming years, Sustainable and Responsible Investment practices provide essential elements for delivering the requisite long term returns required to meet pension obligations. Investors are increasingly seeing that consideration of material environmental, social and governance issues will be an important component of future returns.”

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### **Contact**

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### **Notes to Editors**

**About the 2009 “Responsible Business: Sustainable Pension” survey**  
The 2009 UKSIF “Responsible Business: Sustainable Pension” is based on questionnaire responses from the corporate pension funds of UK listed companies in the FTSE4Good Index and the Carbon Disclosure Leadership Index 2008. The survey was first run in 2007. Responses are treated confidentially – specific funds are only named as exemplars and with their permission.

See [www.uksif.org/sustainablepensions](http://www.uksif.org/sustainablepensions) to read the 2009 report.

### **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. It also seeks to ensure that individual and institutional investors can reflect their values in their investments. Its more than 200 members include 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 the UKSIF Sustainable Pensions Project (SPP)**

The UKSIF Sustainable Pensions Project ([www.uksif.org/sustainablepensions](http://www.uksif.org/sustainablepensions)) assists UK occupational pension funds in adopting more sustainable and responsible investment strategies. It seeks to encourage pension schemes to consider environmental, social and governance issues in their investment decisions, with the goal of protecting and enhancing long-term shareholder value and financial returns for the scheme beneficiaries.

The UKSIF Sustainable Pensions Project provides resources for pension fund trustees and their advisers. In addition to the survey, these include the UKSIF Sustainable Pensions Library and our quarterly e-newsletter. All resources are free to use and available at [www.uksif.org/sustainablepensions](http://www.uksif.org/sustainablepensions)

The project is overseen by an independent Sustainable Pensions Advisory Board, chaired by Michael Deakin. The other members of the Sustainable Pensions Advisory Board are:

Sally Bridgeland, BP Pension Trustee Ltd  
Tim Currell, Hewitt Associates  
Duncan Exley, FairPensions  
Jane Goodland, Watson Wyatt  
Emma Hunt, Mercer  
Peter Montagnon, Association of British Insurers (ABI)  
Will Oulton, FTSE Group  
Andrew Parker, BT Pension Scheme  
David Paterson, NAPF  
Mike Taylor, London Pension Fund Authority

*Board members serve in a personal capacity. Organisational affiliations are given for information only.*

### **About Michael Deakin**

Michael Deakin is Director of Michael Deakin Consultancy Ltd and has over 25 years investment experience. He is currently a member of the board of the

London Pension Fund Authority and of the Pension Protection Fund. He is also a trustee of the HBOS pension fund though did not play any part in their submission to the UKSIF survey. He retired as Chief Investment Officer for Insight Investment, the investment management business of the HBOS Group, at the end of September 2003.

### **About Hermes Fund Managers**

Hermes is a multi boutique asset manager with a truly long-term and responsible approach to delivering investment returns. As a multi boutique it offers its clients the best combination of specialist investment teams and products along with a robust operating platform from which to run them.

Hermes offers investment solutions which range from alternative strategies such as fund of hedge funds, commodities and our engagement focus funds to real estate, private equity and specialist equity products. Hermes invests assets on behalf of 202\* clients across these product areas and has £25.7bn\* under management. Additionally, it helps pension funds meet the highest standards of responsible long term ownership through its innovative Equity Ownership Service, which has over £40 billion\* of assets under stewardship.

Hermes is the advisor and principle investment manager for the BT Pension Scheme (BTPS) and BTPS is also the 100% owner of Hermes. This unique relationship gives Hermes a long term parent whose requirement for investment excellence is perfectly aligned with that of all of its other clients and provides a privileged insight which informs its product development.

\* As at 31 March 2009

### **About KBC Asset Management Ltd**

KBC Asset Management believes that a wave of investment and innovation is underway in response to key mega-trends that are shaping the way we live. Dramatic population growth, increased urbanisation and industrialisation, together with global warming are creating tremendous pressure on our eco system and the ability to sustainably supply precious resources such as water, energy and arable land.

KBC Asset Management has been one of the earliest pioneers in managing environmental thematic strategies focused on investing in companies providing solutions to these global sustainability challenges.

KBC Asset Management launched its first Environmental Strategies in 2000 and has a long term strategic commitment to environmental thematic and sustainable strategies. The commitment was fortified in 2008 with the addition of three new members to our specialist Environmental Team and with the creation of our dedicated Sustainable Strategies Group, led by Steve Falci.

KBC Asset Management Ltd is part of the Belgian based KBC Asset Management Group, which manages over EUR162.2bn\* in assets. It has been delivering competitive products and services for over 25 years.

\* As at 31 December 2008