

By: Acting Director of Finance
To: Superannuation Fund Committee – 23 November 2007
Subject: **CLIMATE CHANGE**
Classification: Unrestricted

Summary: To seek agreement to join the Institutional Investors Group on Climate Change.

FOR DECISION

INTRODUCTION

1. For many years considerations of “ethical” investment have focussed on the issue of investing in companies whose products are perceived as being unethical. As a Fund we have not imposed “ethical” restrictions on managers in-part because of our fiduciary responsibility to maximize returns and also because of the difficulty of achieving a consensus on what we should not invest in.
2. There are now emerging a range of different issues relating to investment such as the environment and climate change which pension funds as responsible long term investors need to give consideration to. This report specifically addresses climate change.

INSTITUTIONAL INVESTORS GROUP ON CLIMATE CHANGE

3. The Institutional Investors Group on Climate Change (IIGCC) is a forum for collaboration between pension funds and other institutional investors on issues related to climate change. IIGCC seeks to:
 - (1) Promote better understanding of the implications of climate change amongst its members and other institutional investors.
 - (2) Encourage companies and markets in-which IIGCC members invest to address any material risks and opportunities to their business associated with climate change and a shift to a lower carbon economy.

IIGCC MEMBERS

ABP Investments
Baptist Union of Great Britain
BBC Pension Trust
BEDFORDSHIRE COUNTY COUNCIL PENSION FUND
Blackrock
BNP Paribas Asset Management
CCLA Investment Management
Central Finance Board of the Methodist Church
Climate Change Capital
Co-operative Insurance Society
CORPORATION OF LONDON PENSION FUND
Credit Agricole Asset Management
ENVIRONMENTAL AGENCY PENSION FUND
Ethos Foundation
FEC Management
Generation Investment Management
GREATER MANCHESTER PENSION FUND
Henderson Global Investors
Hermes
HSBC Investments
Integral Development Asset Management
Insight Investments
Joseph Rowntree Charitable Trust
LONDON BOROUGH OF HOUNSLOW PENSION FUND
LONDON BOROUGH OF ISLINGTON PENSION FUND
MERSEYSIDE PENSION FUND
Morley Fund Management
Northern Trust
PGGM Investments
PruPIM
Schroders
The Church Commissioners for England
Transport of London Pension Fund
Universities Superannuation Scheme
WEST MIDLANDS PENSION FUND
WEST YORKSHIRE PENSION FUND