

PRESS RELEASE

Investors call for 'green' focus in economic recovery measures

Public and private investment should support greener future

London, 1 April 2009 - A group of major investors, representing over £400 bn¹ in funds under management, has today written to the UK Prime Minister, as Chair of this week's London Summit, supporting a strong 'green' element in programmes of fiscal stimulus undertaken by governments.

The investors' intervention follows President Obama's announcement of a stimulus package containing major investments in low-carbon energy and energy efficiency and echoes calls for 'green new deal' by others such as the UN's Environment Programme and Lord Stern, the former head of the UK Government Economics Service.

Paul Abberley, Chief Executive, Aviva Investors London, one of the ten senior executives signing the letter, said: "Green investment isn't only for governments. Many private investors also want the opportunity to invest in green projects such as low-carbon energy and energy efficiency. This requires the right kind of policies and appropriate financial instruments. We are keen to keep talking to governments about how private sector investment can be mobilised to help make the recovery from this economic crisis a sustainable one."

The initiative was convened by UKSIF, the sustainable investment and finance association, and the UK-based business-led think tank, Tomorrow's Company.

¹ At 31 December 2008

Penny Shepherd, UKSIF Chief Executive, said: “The stimulus packages now being considered by several governments will be all the more powerful if they lever in private investment from responsible investors seeking long-term sustainable returns. This requires some detailed work to design frameworks and financial instruments that encourage investors to participate. Governments need to keep engaging in debate with investors so that the private sector’s potential can be fully harnessed.”

Tony Manwaring, Chief Executive of Tomorrow’s Company, said: “Business has the tools to build a sustainable and successful economy – from low-energy light-bulbs to carbon capture. Investors have the capital to fund such assets and products. What we now need is more of what President Obama has begun – a series of policies from governments that unlock the financial power of investment along with the practical capacity of business to deliver tomorrow’s green economy.”

The text of the letter to the Prime Minister reads:

“We write as a group of investors to add our voices to those of the UN Environment Programme, Lord Stern and numerous business leaders who have called for a strong ‘green’ focus in the public stimulus packages under discussion in the G20 summit meeting and elsewhere.

“Long-term returns on investment depend on the recovery from the current crisis being a sustainable one, which safeguards the environment as well as reviving the economy. Investment in low-carbon energy, for example, can more effectively boost demand, create jobs, increase energy security, reduce dependence on fossil fuels and revitalise growth markets.

“Private sector investment has a major role to play in such a recovery and there is now an opportunity to construct stimulus packages in such a way as to lever in funding from institutional investors who act on behalf of millions of shareholders,

pension fund members and savers. We therefore encourage governments to work closely with the investment community to shape frameworks which encourage private capital to be mobilized, as well as public funds, to bring about a truly sustainable recovery.”

The letter is signed by:

Paul Abberley, Chief Executive of Aviva Investors London, Aviva Investors;
Paul Sharman, Chief Executive, The Co-operative Asset Management;
Alain Grisay, Chief Executive, F&C Management plc;
Rupert J Clarke, Chief Executive, Hermes Fund Managers Ltd;
Edward Bonham Carter, Chief Executive Officer, Jupiter Asset Management Limited;
Sean Hawkshaw, Chief Executive Officer, KBC Asset Management Ltd;
Howard Pearce, Head of Pension Fund Management, Environment Agency;
Mike Taylor, Chief Executive, London Pensions Fund Authority;
Michael Quicke, Chief Executive, CCLA Investment Management Ltd;
Elizabeth Haigh, Head, Rathbone Greenbank Investments.

- Ends -

Contact

Tomorrow's Company: Gerard O' Donnell - tel. +44 (0) 20 7222 7443.
gerard@tomorrowscompany.com

UKSIF: Stephanie Walker - tel. +44 (0) 20 7749 9953.
stephanie.walker@uksif.org.

Notes to Editors

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. Our 200+ members include over 50 asset managers and other financial institutions, together with pension funds, investment consultants, research

providers, non-governmental organisations and financial advisers. For more information, visit www.uksif.org.

About Tomorrow's Company

Tomorrow's Company is a leading 'think' and 'do' tank, focused on business success, the changing role of business and the relationship between business and society. We describe ourselves as a 'think' and 'do' tank because we deal not only in ideas but in their implementation, working with companies as they put new thinking into practice. We have partners among businesses, investors, consultancies, civil society, government, research and academic institutions, students and many others. We look at the 'big picture', thinking strategically and holistically, working with people who are interested in leadership, governance, sustainability, organisational development and corporate responsibility. Our vision is to create a future for business which makes equal sense to staff, shareholders and society.

About the London Summit

On 2 April 2009, world leaders gather in London to address the global financial and economic crisis. For details, visit the London Summit website at www.londonsummit.gov.uk.