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**Climate change means business opportunities for asset finance  
says new report**

Asset finance companies can grow business by helping clients to shift their spending from energy costs to leasing new equipment, according to a new report launched today by the UK Social Investment Forum (UKSIF) – the green finance network.

The report, 'Green Opportunity: Accelerating the Financing of the Low Carbon Assets' explores the business case for financing assets which contribute less to climate change.

While there has been little focus to date in the asset finance industry on the opportunities offered by financing lower carbon assets, the report predicts that this will now change.

Based on interviews with experts from leading asset finance companies, it highlights that most industry leaders expect their firms to become more active in this area. They predict that clients will want to reduce their exposure to future increases in energy costs and to cut their carbon emissions. This will result in ever increasing demand.

The report makes recommendations to asset finance companies and their stakeholders on how best to speed up this process. These include raising awareness within the supply chain about the role of leasing and, where appropriate, establishing first mover advantage.

Penny Shepherd MBE, UKSIF Chief Executive, commented:

*'As concern about climate change and future energy costs gain ever greater exposure the opportunities to finance the shift to a low carbon economy will increase. We concluded that this offers a new opportunity for growth that the asset finance industry is well placed to seize.'*

Welcoming the report, Sam Geneen, FLA Chairman, said:

*"The Finance & Leasing Association looks forward to following up the UKSIF report. There is a significant opportunity for our asset finance members to support the use of low carbon capital equipment, benefiting climate change and increasing new business"*

– ENDS –

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Copies of the report can be downloaded at [www.uksif.org/programmes/asset\\_finance](http://www.uksif.org/programmes/asset_finance).  
Alternatively, please contact Adam Ognall.

## **Editors Notes**

### **About UK Social Investment Forum (UKSIF)**

UKSIF is the membership network for sustainable and responsible financial services. UKSIF promotes responsible investment and other forms of finance that support sustainable economic development, enhance quality of life and safeguard the environment. We also seek to ensure that individual and institutional investors can reflect their values in their investments.

UKSIF was launched in 1991 to bring together the different strands of sustainable and responsible financial services nationally and to act as a focus and a voice for the industry. UKSIF's 200+ members and affiliates include banks, retail and institutional fund managers, investment banks, pension funds, financial advisers, research providers and consultants. For information on the UK Social Investment Forum, visit [www.uksif.org](http://www.uksif.org).

UKSIF members active in this area include: Barclays plc, Co-operative Bank, Ecology Building Society, HSBC plc, Lloyds TSB Group plc, Natwest and Triodos Bank.

### **About the Report**

'Green Opportunity: Accelerating the Financing of the Low Carbon Assets' is supported by the Carbon Trust through its Networks Initiative which uses trade and professional bodies, trade unions and other industry organisations to reach businesses working within specific industries and help them achieve demonstrable carbon savings. For information on the Carbon Trust visit [www.carbontrust.co.uk](http://www.carbontrust.co.uk).

The report was written by UKSIF and is an assessment of the feasibility of low carbon asset finance. UKSIF has worked closely with the Finance & Leasing Association and a number of banks and asset finance companies to produce the report. The report has benefited from an industry advisory group consisting of representatives of Barclays Corporate, the Carbon Trust, Co-operative Bank, London Energy Partnership, Lloyds TSB and Triodos Bank.

### **About Finance & Leasing Association (FLA)**

FLA is the principal representative of the asset, consumer and motor finance sectors in the UK. FLA members achieved £93.0 billion of new business in 2006. Of this £27.5 billion was provided to the business sector and UK public services, representing 30% of all fixed capital investment in the UK in 2006 (excluding real property).

The remaining £65.5 billion was provided to the consumer sector, which included 28.8% of all unsecured lending in the UK. Included in this is £18.4 billion of finance provided to the motor sector. FLA members financed at least 50% of all new car registrations in the UK in 2006. For information on FLA visit [www.fla.gov.uk](http://www.fla.gov.uk).