



## The Environment Agency's Award Winning Pension Fund

2007

### **November 2007 – IPE/Brooklyn Bridge/TBLI Environmental Social Governance (ESG) Leaders Award 2007**

This prestigious award was open to institutional capital holders, including pension funds, foundations, insurance companies and charities, across the world so we are delighted to be named this year's winner. The judges said "The Environment Agency has long stood out, not just in the UK, but worldwide, as running a pension scheme that puts its money where its mouth is and adheres to a strict but highly successful investment strategy. Once considered a sideline to 'regular' investment styles and criteria, environmentally and socially responsible investments are become increasingly significant, as governments and international conferences seek to control climate change and the impact of carbon emissions and pollution from industrial manufacturing and means of transport. With its solid success record, this enhances The Environment Agency's claim to be a leader as it strives to research ESG for the benefit of pension schemes and their asset managers worldwide, not just its own."

### **November 2007 – LGC Finance Awards 2007 Corporate Governance Award - Winner**

This award is open to Government pension funds in the UK and this is the second time our groundbreaking work has been recognised – we won the same award in 2005. This time the judges said " This fund has embraced Ethical Investing to a level seldom seen in the whole UK pensions industry and placed it central to the whole investment process. Through an ethical overlay strategy each manager is measured not only on investment performance but against a variety of ethical benchmarks and active engagement is not just strongly encouraged, it is mandatory. This policy is pursued at no detriment to the overall investment return achieved. We were particularly impressed at the quality of this Fund's research and their willingness to share with other interested schemes."

### **October 2007 – Pensions Management Awards 2007 Most Innovative Investment Strategy – Winner**

The awards were open to all UK pension funds and the judges felt that a number of entries included good ideas but many were let down by poor performance. In making the award to our Fund, the judges cited our clear statement on sustainable investment, which requires investment managers to invest in clean technologies and environmentally friendly businesses because it makes financial sense as well as being aligned with the Environment Agency's business.

### **July 2007 – Engaged Investor Trustee Awards 2007 Best Scheme Governance (Public Sector) - Winner**

The judges cited our "impressive stand-alone governance policy with clearly laid out lines of communication, decision making authority and delegation lines" They also commented on our "unique focus on risk, not only looking at investment risk but also environmental risk".

### **April 2007 – United Nations Environment Programme Report**

The EAPF was the only UK pension fund case study in the United Nations Environment Programme Finance Initiative report on good practice in responsible investment by public pension funds from around the world. A summary of the report can be found on our web site [www.environment-agency.gov.uk/pensions](http://www.environment-agency.gov.uk/pensions) and the full report on the UNEPFI site.

### **February 2007– Sustainable City Awards by City of London Corporation and UK Social Investment Forum**

The EAPF was runner up the Socially Responsible Investment Award for the second time with Trucost winning the award. We were highly commended by the judges because of the commitment to financial and environmental performance required from all our fund managers across all asset classes and the consequent indirect influence on other mandates.

## 2006

### **November 2006 - Investments and Pensions Europe - Fund Awards 2006**

#### **Best UK Pension Fund 2006 – Joint Winner**

Leading EU pension funds entered the awards. The EAPF shared the Best UK Pension Fund Award with Saul (the University of London pension scheme). Our revamped investment strategy with its commitment to sustainable environmentally responsible investment (SERI) which incorporates our innovative environmental overlay strategy was cited as a major achievement. Saul were cited for the innovative approach they have adopted for dealing with their deficit. Only one other UK pension fund won an award – Strathclyde Pension Fund (an LGPS fund) shared the Specialist Investment Award with Inarcassa – Italy's architects and engineers pension fund.

### **October 2006 – Professional Pensions - Pension Scheme of the year 2006**

#### **Best Use of Socially Responsible Investment (SRI) Award – Winner**

These awards are open to all pension funds in both public and private sectors and 2006 saw a record number of entries in many categories. The EAPF won the award for Best Use of SRI from a short-list that included the BT pension fund and two other LGPS Funds (Shropshire and Strathclyde).

### **February 2006 – Sustainable City Awards by City of London Corporation and UK Social Investment Forum**

The EAPF was runner up for the Socially Responsible Investment Award to the international Carbon Disclosure Project. We were highly commended by the judges because of the commitment to financial and environmental performance required from all our fund managers across all asset classes and the consequent indirect influence on other mandates.

### **January 2006 - Global Money Management Awards 2006**

#### **Public Pension Fund of the Year - Winner**

Open to all public sector pension funds throughout the world the EAPF won this award from a short-list that included the London Pensions Fund Authority and the Local Super South Australia- Northern Territory pension fund. The award citation was "in balancing good investment performance and its role as an environmental watchdog, the Environment Agency has a tough task; some practices of top performing companies are bound to be environmentally unfriendly. The Environment Agency Pension Fund addresses that by ensuring that investment manager's investment processes comply with its environmental overlay strategy. This strategy is used on all asset classes, including equity, private equity, bonds and property."

## 2005

### **December 2005 – Investments and Pensions Europe Fund Awards 2005**

#### **Corporate Governance and SRI Award – Winner**

Leading pension funds from over 25 EU countries entered the awards. The Environment Agency Pension Fund won the corporate governance and socially responsible investment (SRI) award and was cited for environmentally friendly investment whilst maintaining the best risk/reward ratio. Other contenders for the award included the British Telecom Pension Scheme. Only 2 British Funds, Barclays (Best UK & European Corporate Pension Fund on the back of a flexible benefits package which resulted in a greater take up of pension fund membership by Barclays staff) and the EAPF won awards.

### **November 2005 - UK Local Government Chronicle Pension Fund Awards 2005**

#### **Corporate Governance Award – Winner**

Over 50 LGPS funds entered these awards. The leading contenders for Corporate Governance Award were the Environment Agency, Nottinghamshire, and Strathclyde Pension Fund. The judge said the EAPF stood out because it has embraced responsible investing to a level seldom seen in the UK pension industry and placed it central to the whole investment process. The Fund has been completely re-structured and new managers assessed on their environmental and corporate governance capacities. Each manager is measured not only on financial performance but also against a variety of shadow corporate governance and SRI benchmarks and active engagement is mandatory. This policy is pursued at no detriment to the overall investment return achieved. Strathclyde, winner of the best LGPS fund, also has a well-developed SRI policy.