

FairPensions' Climate Change Questionnaire 2009

Name of Firm: **CCLA Investment Management Ltd.**

Assets Under Management: £4.5bn

Section A: Assessment of climate change as an investment issue

1. In your business, how important is climate change as a factor in investment research, decision making and engagement activities with companies?

- a) Very unimportant
- b) Unimportant
- c) Important
- d) Very important

2. With regard to question 1, and compared to 2007, has climate change become:

- a) Less important
- b) Unchanged from 2007
- c) More important Due to 2008 client survey

3. As a fund manager, which of these factors do you see as a barrier to incorporation of climate change risks/opportunities into investment analysis and decision making?

(please mark any that apply in priority order with 1 as the most significant barrier)

| | |
|---|--|
| a) lack of demand from clients | |
| b) low current carbon price / difficulties in determining material financial impact | X and global public policy more generally |
| c) lack of regulatory requirements for investee companies | |
| d) poor quality data on GHG emissions disclosed by firms | |
| e) lack of regulatory requirements for investors | |
| f) other - please specify | clients' need for income over the short term |

Please comment on barriers to integrating climate change into investment analysis and decision making:

As a result of our client survey we will be excluding Global 500 companies in high impact sectors that do not disclose their reduction targets by 2012

4. As a business, would you welcome regulatory requirements on investee companies to report GHG emissions?

- a) Yes
- b) No

5. As a business, would you welcome regulatory requirements on investee companies to reduce GHG emissions?

- a) Yes GHG intensity
b) No

6. Do you (directly or through any collaborative initiatives) engage with government regarding regulation for companies and investors concerning GHG emission measurement, reporting and reduction responsibilities?

- a) Yes

Please specify if via membership of any collaborative initiatives:

active member of IIGCC public policy group

- b) No

Please comment on your firm's stance on the regulatory framework for companies:

Global (or G20) agreements are key.

7. As a business, would you welcome stock exchange listing rules which require companies to disclose on a comparable basis climate change related risks?

- a) Yes - especially if done across major markets at the same time
b) No

Please comment on the relevance of listing requirements to achieving useful disclosure?

Section B: Use of climate change data

1. Does your firm request climate change related information (including data on emissions) from investee companies?

- a) In no sectors
b) In a minority of sectors you invest in
c) In a majority of sectors you invest in
d) In all sectors

Please comment on which sectors and why:

We also help the Church Investors Group do this (e.g. we are hosting a FTSE350 non-disclosers lunch with CDP for CIG in July).

2. As a business, do you factor climate change related risks and opportunities into analysis and investment decisions?

- a) In no sectors
b) In a minority of sectors you invest in
c) In a majority of sectors you invest in
d) In all sectors

Please comment on which sectors and why:

We look at ESG risk management in all sectors.

3. Are you currently making use of climate change related data provided by companies (including data on emissions) in investment decision making?

- a) In no companies
- b) In a minority of companies where data is available
- c) In a majority of companies where data is available
- d) In all companies where data is available

Please comment on your use of climate change information from investee companies:

As above.

4. In the last 2 years, have climate change related factors affected investment allocations at your firm (n.b. excluding specialist SRI / Environmentally focused funds)?

- a) In no sectors
- b) In a minority of sectors you invest in
- c) In a majority of sectors you invest in
- d) In all sectors

Please comment on why climate change does or does not affect investment allocations:

At the asset allocation level too, e.g. timber and clean tech private equity

Section C: Engagement on climate change issues

1. As a business, do you engage (via written or face-to-face communication) with investee companies to ensure that they address climate change related risks and opportunities effectively?

- a) with no companies
- b) with a minority of companies you invest in
- c) with a majority of companies you invest in
- d) with all companies you invest in

Please comment on why you engage or do not engage with companies to address climate change related risks/opportunities, and if relevant how you undertake engagement:

Yes through CDP and follow-up with FTSE350 and Global500 companies

2. Where engagement occurs, which of the following do you seek to have in place at investee companies?

i) Named board member / senior executive responsible for addressing climate change risks/opportunities

- a) Yes
- b) No

ii) Company measures its GHG emissions and discloses to shareholders

- a) Yes
- b) No

iii) Company has an action plan with targets to reduce GHG emissions over a specified timetable

- a) Yes
- b) No

iv) Other - Please specify

Lobbying

Please comment on the purpose of climate change related engagement with companies:

Engagement can lead to divestment (from 2012)

Section D: Reporting

1. As a business, do you report on action taken (including engagement with companies) to reduce portfolio risks and enhance opportunities arising from climate change?

- a) no reporting
- b) to clients who request it
- c) to all clients
- d) publicly on a website

Please comment on your policy for reporting action to reduce climate change risk and enhance opportunity:

We will be increasing public reporting later this year (once we have Charity Commission approval for our new funds).

Please return the completed questionnaire by Friday 12th June 2009 to:

**The Research Team
FairPensions
Trowbray House
108 Weston Street
London SE1 3QB**