

# PRESS RELEASE

## ERAFP commissions the first carbon audit of its investments in listed equities.

*Paris, 4 March 2014 – Reflecting its policy of responsible investment for the long term, and especially its commitment as a member of IIGCC<sup>[1]</sup>, ERAFP has commissioned Trucost to measure the carbon footprint of its equity portfolio of large listed companies.*

Using the list of ERAFP's holdings in listed OECD large caps as at 30 September 2013, the study consolidates the greenhouse gas (GHG) emissions data of each company so as to calculate the portfolio's carbon intensity and compare it with that of a relevant market index. Trucost used the data disclosed by the companies on direct GHG emissions (level 1) and indirect GHG emissions (level 2 and main suppliers).

The analysis showed that:

- ERAFP's consolidated equity portfolio had a carbon intensity of 329 metric tons of CO<sub>2</sub> equivalent per million euros of sales;
- The carbon intensity of ERAFP's portfolio is 19% lower than that of the MSCI All World Index;
- The portfolio's relatively better performance against the index partly reflects ERAFP's best-in-class strategy, consisting of investing only in the best companies in each sector in terms of environmental social and governance criteria.

ERAFP's decision to limit the analysis to its portfolio of large listed companies was prompted by its reasonable confidence in the completeness and reliability of the data currently disclosed by this type of issuer.

In this respect, ERAFP applauds the recent agreement reached by the European Council and the European Parliament to amend European accounting standards so as to require large companies of public interest (including large listed companies and financial institutions) to disclose information on policies, risks and results as regards environmental matters, respect for human rights, anti-corruption and bribery issues, and diversity on boards of directors<sup>[2]</sup>.

Similarly, through its IIGCC membership ERAFP publicly affirms its position in favour of a minimum 40% reduction in GHG emissions in Europe by 2030 and its support for an in-depth reform of the EU emission trading scheme<sup>[3]</sup>.

<sup>[1]</sup> Institutional Investors Group on Climate Change, <http://www.iigcc.org/>

<sup>[2]</sup> [http://europa.eu/rapid/press-release\\_STATEMENT-14-29\\_en.htm?locale=FR](http://europa.eu/rapid/press-release_STATEMENT-14-29_en.htm?locale=FR)

<sup>[3]</sup> [http://www.iigcc.org/files/publication-files/IIGCC\\_Investment-grade\\_climate\\_policy\\_the\\_next\\_phase\\_for\\_Europe.pdf](http://www.iigcc.org/files/publication-files/IIGCC_Investment-grade_climate_policy_the_next_phase_for_Europe.pdf)

*ERAFP: the leading French public pensions fund and 100% SRI institutional investor*

*With more than €15 billion invested in accordance with a wholly socially responsible investment approach, ERAFP is Europe's leading SRI institutional investor. As from the pension fund's creation in 2005, its Board of Directors opted to optimize the performance of its portfolio of financial assets in accordance with SRI principles. A signatory of the UN Principles for Responsible Investment, in 2006 ERAFP adopted an SRI Charter based on the following five fundamental values: respect of the right of law and human rights; social progress, social democracy, the environment; and proper governance and transparency.*

*ERAFP is also one of the largest public pension funds in the world in terms of members with nearly 4.5 million beneficiaries, 45,000 employers and close to €1.75 billion in contributions each year. A mandatory, points-based pension scheme, since 1 January 2005 ERAFP has managed the supplementary pension benefits for civil servants, local authorities and the public hospitals sector.*

**For further information about ERAFP** → [www.rafp.fr](http://www.rafp.fr)

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