

Responsible Property Investment Policy:



The Universities Superannuation Scheme is a committed long term and responsible investor. The fund believes a responsible approach to property investment will protect and enhance the value of its investments, thereby enhancing long term returns for USS members and beneficiaries. It is therefore the objective of the fund to both ensure the financial returns needed to fulfil its commitments and reduce any potentially adverse environmental and social impacts generated by the fund's investment and management activities. In addition, USS endeavours to exert a positive influence on its existing portfolio, and the market, actively encouraging improvements in environmental and social performance through a structured programme of activity:

Responsible property ownership

- Reducing landlord controlled consumption of energy and water, minimising the production of waste and increasing recycling rates;
- Placing an emphasis on the consistent measurement and monitoring of our most significant environmental and social impacts, against agreed key performance indicators (KPIs);
- Investigating the risk of environmental and social impacts when considering direct acquisitions and aiming to mitigate them following purchase;
- Integrating RPI considerations into the design and specification of major refurbishments and new developments, and into the selection of advisers, agents, consultants, developers and contractors;
- Ensure managers take environmental and social risks into account regarding investments in indirect funds.

Responsible property engagement

- Addressing those impacts of our portfolio, traditionally beyond landlord control, including conducting ongoing occupier engagement over RPI issues;
- Integrating environmental and social considerations into the selection of managing agents, consultants and suppliers, and working with them to promote the successful implementation of our RPI policy;
- Fostering relationships, based on regular dialogue, with affected local communities and other key stakeholders during the development process.

Responsible governance and management procedures

- Monitoring progress towards meeting RPI commitments and targets, continually driving improvement in our performance;
- Maintaining established internal governance procedures, including an RPI committee led by the Environmental Manager, which reviews the implementation and ongoing appropriateness of RPI policy and objectives, and monitors progress towards meeting the commitments therein;
- Communicating with our key stakeholders about our policy and objectives, and maintaining an appropriate level of employee awareness of RPI issues.

Signed on behalf of the RPI Committee

 1/4/2011