



Press Release: 9 February 2009
For Immediate Release

USS welcomes US private equity guidelines on responsible investment

The [Universities Superannuation Scheme](#) (USS), the UK's second largest pension fund, today welcomed the publication by the US Private Equity Council of their Guidelines for Responsible Investment.

The new Guidelines call for consideration of environmental, health, safety, labour and governance issues; openness with stakeholders; and respect for human rights in the investment processes used by private equity firms.

The PEC, whose membership include some of the worlds' largest and best know private equity firms, worked with other large institutional investors including pension funds from around the globe, under the auspices of the Principles for Responsible Investment.

USS Chief Investment Officer, Peter Moon, said: *"As a long term and responsible investor trying to implement RI policies across all asset classes, we are pleased to see some of the highest profile US based PE managers signing up to a detailed set of guidelines in this area"*.

Michael Powell, USS Head of Alternative Assets added: *"USS is pleased to welcome the development of these Guidelines by the PEC as a demonstration that the leaders in this sector recognise the importance of environmental, social and governance issues in the selection and management of their assets."*

David Russell, Co Head of Responsible Investment said: *"Working together, pension funds and private equity firms have a responsibility to address environmental, social and governance issues in our investments. USS will continue to work with PEC, its members, and other private equity firms to ensure that the risks and opportunities that these issues present are addressed"*.

The guidelines call for PEC member firms to:

- Consider environmental, public health, safety and social issues when considering whether to invest in specific companies.
- Seek ways to be accessible to relevant stakeholders, either directly or through portfolio companies.
- Work with portfolio companies to improve their performance on environmental, public health, safety and social issues.
- Employ governance structures that provide for appropriate levels of financial oversight.
- Retain the commitment to comply with national, state and local labor laws.
- Maintain strict policies prohibiting bribery of public officials, both foreign and domestic.
- Respect the human rights of those affected by their investments.

- Provide timely information to their limited partners on issues associated with the responsible investment guidelines.
- Encourage portfolio companies to pursue these guidelines in a manner consistent with their fiduciary responsibilities.

###

About the Private Equity Council

The Private Equity Council, based in Washington, DC, is an advocacy, communications and research organisation and resource centre established to develop, analyse and distribute information about the private equity industry and its contributions to the national and global economy. PEC members are: Apax Partners; Apollo Global Management LLC; Bain Capital Partners; the Blackstone Group; the Carlyle Group; Hellman and Friedman LLC; Kohlberg Kravis Roberts & Co.; Madison Dearborn Partners; Permira; Providence Equity Partners; Silver Lake, THL Partners; and TPG Capital (formerly Texas Pacific Group).

The Principles for Responsible Investment (PRI)

The Principles for Responsible Investment, convened by UNEP FI and the UN Global Compact, was established as a framework to help investors achieve better long-term investment returns and sustainable markets through better analysis of environmental, social and governance issues in investment process and the exercise of responsible ownership practices. The Principles themselves, a full list of signatories and more information can be found at www.unpri.org.

About The Universities Superannuation Scheme (“USS”)

USS is the second largest pension fund in the United Kingdom and the principal pension scheme for UK universities, acting for 378 universities and academic institutions. It has more than £30 billion in assets, and approximately 250,000 members. USS currently has approximately 5% of its assets allocated to alternative investments, with a target to grow this allocation to 20% over the medium term. Within alternative investments, USS has made sizable commitments to private equity fund managers and is also making investments directly into private equity transactions.

For further information please contact:

Andy Fleming/Lisa Haines/Clare Murphy-McGreevey
Penrose Financial
44 (0) 207 786 4888
uss@penrose.co.uk