

## Press Release

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Immediate Release

### **NAPF SUPPORTS GOVERNMENT CONSULTATION ON STRENGTHENING SHAREHOLDERS' RIGHTS**

In its response<sup>1</sup> to The Department for Business Enterprise and Regulatory Reform (BERR) consultation<sup>2</sup> on the implementation of the European Commission's Shareholders' Rights Directive, the National Association of Pension Funds (NAPF) has given its broad support to proposals which will aid institutional investors on issues such as voting and the obligations of proxies.

**David Paterson, NAPF Head of Corporate Governance, said:-**

"There is a need for greater transparency around voting at general meetings and these proposals will add to this process. The Directive and the proposed changes to company law will strengthen the voice of institutional investors and other shareholders."

The NAPF supports changes on:-

- Obliging proxies to act in accordance with instructions given by the members by whom the proxy is appointed;
- The requirement to provide "electronic means accessible to all shareholders" which the NAPF believes should, if properly defined, act as an important spur to the reform of the voting system in the UK;

- The requirement (subject to certain conditions) for the asking and answering of questions at company meetings of traded companies.

**ENDS**

### **Notes to Editors**

1 The NAPF's response can be found here:-

<http://www.napf.co.uk/Policy/Governance.cfm>

2 The BERR consultation can be found here:-

<http://www.berr.gov.uk/files/file48662.pdf>

The aim of the Directive is to improve corporate governance in EU companies traded on regulated markets by enabling shareholders to exercise their voting rights and rights to information across borders. In the course of this implementation the Government proposes to amend the Companies Act 2006 to correct some anomalies in the existing law on shareholders' rights which have been brought to the Government's attention by stakeholders, including the NAPF.

### **About The National Association of Pension Funds**

The NAPF is the leading voice of workplace pensions in the UK. We speak for 1,200 pension schemes with some 15 million members and assets of around £800 billion. NAPF members also include over 400 businesses providing essential services to the pensions sector.

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