

Press Release

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Immediate Release

NAPF UPDATES RESPONSIBLE INVESTMENT GUIDANCE

As part of its work in the field of Corporate Governance, the National Association of Pension Funds (NAPF) has today issued new guidance on Responsible Investment¹.

The aim of the guidance, launched at the NAPF Investment Conference in Edinburgh, is to update the NAPF Corporate Social Responsibility guidance², published in 2005, and to assist investors, principally pension funds, in developing their policies in this area.

Launching the new guidance, David Paterson, NAPF Head of Corporate Governance, said:

“Responsible investing is rightly becoming more fundamental to the investment decisions pension funds are making. Trustees, their managers and the companies in which they invest need to work more closely together to ensure that there is an appropriate focus on longer-term, sustainable returns to shareholders. In this way they can best serve the interests of members.

The guidance is aimed at helping trustees and other investors in developing their policies further in this key area.”

The assistance to investors includes scheme specific guidance such as:

- Where a scheme has not yet developed specific Responsible Investment (RI) policies the UN Principles for Responsible Investing³ provide a framework upon which to base such a policy;
- Where a policy has been established, trustees should incorporate an assessment of RI policy into their manager selection process;
- The managers to whom schemes delegate investment responsibility should be encouraged to sign up to the UN Principles of Responsible Investing and to report to trustees on their application of the Principles, as part of their reporting on non-financial issues;
- Ultimate responsibility for the formulation and execution of corporate responsibility policy rests with companies and their boards.

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1 The NAPF Responsible Investment Guide can be found here: -

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

2 The NAPF Corporate Social Responsibility paper (2005) can be found here:-

http://www.napf.co.uk/DocumentArchive/Policy/Corporate%20Governance/20050101_CSR%20Policy%20Statement%202005%20-%202005.pdf

3 The UN Principles for Responsible Investments can be found here:-

<http://www.unpri.org/principles/>

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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