



INVESTOR FORUM PUBLISHES REVIEW OF 2017 ACTIVITIES

(London, 25th January 2018)

The Investor Forum is today publishing its 2017 Review of Activities, which identifies the companies with whom it engaged last year and provides an update on its stewardship activities.

The Forum's activities and approach are becoming valuable tools for shareholders to escalate concerns and address complex problems with UK-listed companies. The collective engagements that the Forum has undertaken have made a valuable contribution to rebuild trust between shareholders and company boards in a number of situations.

2017 saw a significant pick up in collective engagement activity:

- Members proposed 14 different company situations for collective engagement.
- 10 of those situations resulted in comprehensive engagement with companies.
- Details of 7 completed engagements are disclosed in the 2017 review and they are (in order of initiation): Amerisur plc, BT Group plc, IP Group plc, ECO Animal Health plc, Worldpay plc, Rio Tinto plc and London Stock Exchange plc.

Investors that have been involved in a collective engagement recognise the value of comprehensive and objective feedback, and support the Forum's practical focus on steps to build confidence and enhance value. The engagements have impacted important drivers of long-term value, including:

- succession plans;
- transaction structures;
- operational performance;
- capital allocation;
- company reporting.

The Forum also worked with investors on two important thematic issues in 2017:

- working practices in the apparel sector;
- long-term value creation in the banking sector.

The reports and frameworks published as a result of these projects helps companies understand how investors will evaluate them, and encourages an improvement in both practice and transparency.

The Investor Forum is also pleased to announce that Sir Peter Gershon will join its Board of Directors. Sir Peter is Chairman of National Grid Group plc, and was Chairman of Tate and Lyle plc at the time of the Forum's engagement with that company in 2015. At the conclusion of the Investor Forum's Annual General Meeting on 25th January 2018, David Lis will step down from the Board, having served since the inception of the Forum.

Chairman of the Investor Forum Simon Fraser said:

"We had a busy and successful 2017 and have now firmly established the Investor Forum as an independent organisation, facilitating valuable collective shareholder engagement. We look forward to working with our Members, and the investment industry more broadly, to further embed stewardship at the heart of investment decision-making.

We would like to thank David Lis for his service and valuable insights as the Forum established itself, and look forward to working with Sir Peter, who brings a wealth of corporate experience to our Board."

Andy Griffiths, Executive Director of the Investor Forum said:

"Stewardship and effective engagement are moving to the centre stage for all investors. The environment is changing, and expectation that investors will be active owners is increasing. We have proven that our model can escalate investor concerns and drive effective change, from the largest listed UK groups to AIM-listed companies.

As we look to 2018, building trust in the investment chain is more crucial than ever, and we continue to focus on practical steps that can add value to corporates and enhance investor stewardship activity."



Commenting on the Investor Forum's "Stewardship-360" project on assessing working practices in the apparel sector **Brian McBride, Chairman of ASOS plc said:**

"We welcome investor interest in this aspect of our business conduct. The engagement with the Investor Forum and their Members was useful to us in ratifying the value of our efforts to make our supply chain as resilient and responsible as our customers expect."

Sir Michael Rake, Chairman of Worldpay plc, said:

"The Investor Forum's consolidated feedback helped us confirm our intentions and assisted in broader shareholder communication."

David Styles, Director of Corporate Governance, FRC, said:

"Collective actions play an important role in sustainable stewardship practice and the FRC recognises the value of the work undertaken by the Investor Forum in 2017 in promoting a forum for collective engagement."

James Macpherson, Deputy CIO Fundamental Equities, BlackRock said:

"The Investor Forum provides a new mechanism for engaging with companies on the key long-term drivers of successful and sustainable performance. The Forum's independence ensures an objective and independent viewpoint that carries more weight than any individual opinion."

Robert Swannell, Chairman of UK Government Investments, said:

"By engaging collectively investors can get their message to boards in a clearer and more coherent manner. This helps boards focus on appropriate solutions more quickly. The Investor Forum is steadily building its reputation as the trustworthy fulcrum for well-structured conversations between companies and their owners, focusing on long-term, sustainable creation of value."

Jessica Ground, Global Head of Stewardship, Schroders said:

"This year the Forum has ensured that the shareholder voice is heard clearly in complex and fast developing situations."

Chris Hitchen, Chair of the Border to Coast Pensions Partnership, said:

"Pension scheme members need companies which think strategically and equip themselves for long-term success. The Investor Forum makes sure everyone is on that same page."

NOTES TO EDITORS:

- The full Review document can be accessed [here](https://www.investorforum.org.uk). For more information, go to www.investorforum.org.uk.
- The Investor Forum is an independent, not for profit organisation founded in October 2014. At the end of 2017, 35 organisations had become Members, including asset managers, pension funds, and endowments.
- Members have ~£14.1trn in Global assets under management, and have £680bn invested in UK equities, which represents ~29% of the FTSE All-Share market cap.
- The purpose of the Investor Forum is to position stewardship at the heart of investment decision making by facilitating dialogue, creating long-term solutions and enhancing value. The Investor Forum has been involved in 18 comprehensive collective engagements with Chairs of UK-listed companies since its inception, covering issues from succession and governance to the direction and execution of strategy.
- The executive team comprises senior investment professionals with international experience in board positions, portfolio manager, asset owner, governance and investment banking sales and research roles.



Biography of Sir Peter Gershon

Sir Peter has had a varied career holding a number of senior positions across multiple industries. He is currently Chairman of National Grid Group plc, Chairman of the Aircraft Carrier Alliance Management Board, Chairman of Join Dementia Research and a Trustee of The Sutton Trust. His previous appointments include Chief Executive of the Office of Government Commerce, Managing Director of Marconi Electronic Systems and a member of the UK Defence Academy Advisory Board. Sir Peter also was Chairman of Tate and Lyle plc for seven years until he retired on 31 March 2017.

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INVESTOR FORUM REVIEW OF ACTIVITIES 2017

The **[Investor Forum Review 2017](#)** can be accessed [here](#). The following highlights some of the key information in the Review:

- A **[Snapshot of the Forum](#)** can be found on pages 4-5.
- The **[Chairman's Introduction](#)** is on page 3 and the **[Executive Director's Review](#)** begins on page 6.
- **[Background to the Investor Forum](#)** is presented on page 10.
- **[The Collective Engagement Report for 2017](#)** is on pages 14 - 20. A brief **[description and discussion](#)** of seven of the full engagements undertaken by the Forum during the period begins on page 16.
- More information on the **[Working practices in UK-Listed Apparel Companies](#)** project can be found on page 23. The published Framework report can be found [here](#).
- A summary of the **[BankingFutures](#)** project can be found on page 26.
- A **[Review of Operations](#)** begins on page 34, including a discussion of the **[business structure](#)** and **[funding](#)** of the Forum.
- Details of the **[Forum's Board](#)** can be found on page 34.
- The **[Forum's 35 Members](#)** are presented on page 39.