

**ICGN**

International Corporate Governance Network

Inspiring good governance & stewardship

Global investors caution against proposals to roll back UK corporate governance standards and shareholder protections

Embargoed until 09:00, 9 February 2024 - London, United Kingdom: The International Corporate Governance Network (ICGN) has raised concerns from investors globally on regulatory proposals which could weaken UK corporate governance standards and shareholder protections. ICGN fears this could both undermine the UK's economic growth and attractiveness as a global financial centre, and create risks for investors' beneficiaries, including pensioners and savers.

Led by investors responsible for assets under management of around \$77 trillion, ICGN advances the highest standards of corporate governance and investor stewardship worldwide in pursuit of long-term value creation, contributing to sustainable economies, societies, and the environment.

ICGN's Chief Executive Officer Kerrie Waring said: "With this statement, investors wish to engage in a constructive dialogue with the UK authorities and key stakeholders on measures to promote growth, high quality stewardship, and excellent corporate governance. Robust governance structures, high-quality corporate reporting, and strong investor protections are essential to a competitive market which safeguards corporate resilience, long-term value creation and ensures economic growth." ICGN's statement, shared today with UK regulators and standard setters, has been co-signed by major investors and associations who represent institutional investors around the world (see co-signatories below). Waring continued "Far from being a barrier to growth, maintaining high standards of corporate governance and shareholder protection enables growth."

The UK's advanced corporate governance standards have inspired regulators worldwide in their own governance reforms and investors have used them as a gold standard when commenting on other markets' governance and listing requirements, as well as in their direct engagement with companies. The UK's reputation for high quality listing and governance standards and resultant overseas investor confidence is both a competitive advantage and a positive differentiator for the UK market.

ICGN has cautioned against FCA proposals to replace the current 'standard' and 'premium' segments with a single listing category, to remove shareholder votes prior to significant transactions and related party transactions, and allow dual-class shares with very few investor protection safeguards. ICGN contends that these proposals will expose investors to undue risk, with potentially significant implications for underlying beneficiaries including pensioners, insurance, and retail investors' savings.

ICGN's Global Policy Director, Séverine Neervoort, said: "At a time when regulators around the world are encouraging investors to play a greater, more responsible, stewardship role in promoting the long-term success of companies, weakening their voting rights will have the opposite effect by inhibiting investor influence. ICGN and investors individually have responded to the FCA's consultations, but we fear that our concerns are not being heard."

ICGN's [Statement on High Standards of Corporate Governance and Investor Protections as Pre-requisites for UK Capital Market Competitiveness and Growth](#)

Co-signatories are as follows:

Allianz Global Investors GmbH, Matt Christensen, Global Head Sustainable & Impact Investing

Accident Compensation Corporation, Mark Cross, Chair, Board Investment Committee

AMEC, Fabio Coelho, Chief Executive Officer

APG Asset Management, Claudia Kruse, Managing Director, Responsible Investment Strategy

Assogestioni, Fabio Galli, Director General

Australian Council of Superannuation Investors, Louise Davidson, Chief Executive Officer

AustralianSuper, Andrew Gray, Head of ESG & Stewardship

AXA Investment Managers, Gilles Moëc, Head of Research

Baillie Gifford, Sam Rooke, Manager (ESG - Policy, Projects and Regulation)

Boston Common Asset Management, Lauren Compere, Managing Director

British Columbia Investment Management Corporation (BCI), Daniel Garant, Executive Vice President and Global Head, Public Markets

Brunel Pension Partnership, Faith Ward, Chief Responsible Investment Officer

California Public Employees' Retirement System (CalPERS), Marcie Frost, Chief Executive Officer

California State Teachers Retirement System (CalSTRS), Aisha Mastagni, Senior Portfolio Manager

Canadian Coalition for Good Governance, Catherine McCall, Chief Executive Officer

Church of England Pensions Board, John Ball, Chief Executive Officer

Columbia Threadneedle Investments, Claudia Wearmouth, Head of Responsible Investment

Connor, Clark & Lunn Investment Management Ltd., Martin Gerber, President and Chief Investment Officer

Council of Institutional Investors (CII), Amy Borrus, Executive Director

Downing LLP, Roger Lewis, Head of Sustainability and Responsible Investment

EOS at Federated Hermes Limited, Bruce Duguid, Head of Stewardship

Etica Funds - Responsible Investments, Aldo Bonati, Stewardship and ESG Networks Manager

Eumedion, Riens Abma, Executive Director

Global Alpha Capital Management Ltd., Qing Ji, Portfolio Manager, Board Director

Impax Asset Management, Lisa Beauvilain, Global Head of Sustainability & Stewardship

Interfaith Center on Corporate Responsibility, Josh Zinner, Chief Executive Officer

Investor Alliance for Human Rights, Anita Dorett, Director

Jupiter Asset Management, Kiran Nandra, Head of Equities

London Pensions Fund Authority, Robert Branagh, Chief Executive Officer

Merseyside Pension Fund, Peter Wallach, Director

Mint Asset Management, Rachel Tinkler, Head of Responsible Investment

Nest, Diandra Soobiah, Head of Responsible Investment

New Zealand Super Fund, Paula Steed, Chief Executive Officer (acting)

Newton Investment Management Limited, Therese Niklasson, Global Head of Sustainable Investment

NILGOSC – Local Government Pension Scheme (Northern Ireland), David Murphy, Chief Executive

Norges Bank Investment Management, Carine Smith Ihenacho, Chief Governance and Compliance Officer

Northern LGPS, Councillor Gerald Cooney, Chair

Pensions and Lifetime Savings Association (PLSA), Nigel Peaple, Director of Policy & Advocacy

People's Partnership, Leanne Clements, Head of Responsible Investment

Permodalan Nasional Berhad, Ahmad Zulqarnain Che On, President & Group Chief Executive

PGGM, Gerard Fehrenbach, Responsible Investment

Principles for Responsible Investment (PRI), David Atkin, Chief Executive Officer

Railpen, Michael Marshall, Director of Investment Risk and Sustainable Ownership

Robeco, Carola van Lamoen, Head of Sustainable Investing

Scottish Widows, Vicky Grinnell-Wright, Head ESG and Interim Head of Responsible Investment

TD Global Investment Solutions (TDGIS), Priti Shokeen, Managing Director, Head of ESG Research and Engagement, TD Asset Management

UAW Retiree Medical Benefits Trust, Hershel Harper, Chief Investment Officer

University Pension Plan, Aaron Bennett, Chief Investment Officer

USS, Sandra Carlisle, Head of Responsible Investment

Walter Scott, Jane Henderson, Managing Director

West Yorkshire Pension Fund, Euan Miller, Managing Director

Woodsford, Steven Friel, Chief Executive Officer

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Note to Editors

About ICGN

Led by investors responsible for assets under management of around \$77 trillion, and bringing together companies and stakeholders, ICGN advances the highest standards of corporate governance and investor stewardship worldwide in pursuit of long-term value creation, contributing to healthy and sustainable economies, societies, and environment.

ICGN's comprehensive international work programme is based around three core objectives as follows:

- Influence: public policy and professional practice with global standards of corporate governance and investor stewardship.
- Convene: impactful global events to share knowledge, build networks and collaborate across capital markets.
- Inspire: governance and stewardship professionals with guidance and education for in-house policies, activities, strategies, and reporting.

Enquiries

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