



## **LAPFF DEMANDS SUSTAINABLE RESPONSE TO GLOBAL PANDEMIC**

*Responsible investment and constructive shareholder engagement are critical during Covid-19 crisis*

The Local Authority Pension Fund Forum (LAPFF), whose members collectively own £300bn of assets, will demand the highest standards of corporate governance from company boards as they tackle the fallout from Covid-19.

The virus has claimed many thousands of lives and the social impact has been devastating globally. Major companies are turning to the markets to raise capital, furloughing staff, and suspending dividend payments. Some will make significant losses; others will be fighting for their survival. Each company has its own unique set of risks and ensuring long-term value is only possible if a company survives in the short-term, but we must not negate our obligations as responsible investors.

It is critical companies have the best leaders and governance structures to take the right decisions. When the workforce is being asked to make sacrifices at greater risks, never have high health and safety standards and strong relationships between management and employees been so important. These issues have taken on a new urgency in the crisis and all lie at the centre of the Forum's engagement work.

### **Cllr Doug McMurdo, Chair of Local Authority Pension Fund Forum, said:**

“Responsible investors always need to be sensitive to the varied and variable operating markets that companies inhabit. However, this does not mean giving companies a free pass in hard times, which would be self-defeating. It is time now to double down to protect sustainable business practices and long-term shareholder returns in the downturn and lay the foundations for their growth in the recovery.”

**ENDS**

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### **For further information:**

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**About the Local Authority Pension Fund Forum:** The Local Authority Pension Fund Forum (LAPFF) is a voluntary association of 82 public sector pension funds and six pools based in the UK with combined assets of approximately £300 billion. It exists to 'promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' [www.lapfforum.org](http://www.lapfforum.org). PIRC is the Research and Engagement partner to the Forum.