

PRESS RELEASE

ERAFP summary report on voting at Annual General Meetings (AGMs) in 2013

Paris, 18 July 2013 – As the majority of the largest French companies have held their Annual General Meetings (AGM), the French Public Service Additional Pension Scheme (ERAFP) can now report on the results of voting by its representatives at the AGMs of the 40 companies that it has placed under close review.

In March 2013, ERAFP, as a long-term investor and signatory of the Principles for Responsible Investment, enhanced its guidelines on shareholder engagement and its voting policy. During the 2013 season, asset management companies acting on behalf of ERAFP voted in line with this policy and these guidelines in respect of every share in its portfolio.

Shareholder voting at the 40¹ AGMs was marked by the low proportion of challenged resolutions, which reached 4% of the total number of votes, less than in 2012 (6%), although shareholders objected more significantly to resolutions relating to certain topics:

- transactions on capital that would dilute the shareholder base,
- related-party agreements, in particular those relating to post-employment benefits for senior executives,
- the appointment or re-appointment of directors,
- authorisations to grant stock options or allot free shares.

The asset management companies used the votes attached to shares held by ERAFP in order to:

- vote "against" almost all related party agreements providing for post-employment benefits for senior executives and all stock option plans;
- object to a large number of resolutions because of the excessive number of mandates held by certain candidates, the lack of independence of certain boards or an insufficient number of women on the board;
- vote "against" resolutions to approve the financial statements of banks when the financial reporting package did not include itemised country-by-country data;
- object to a considerable number of resolutions relating to the appropriation of income, because they felt the dividend was too high.

Lastly, they voted in favour of six non-financial resolutions submitted by shareholders at two separate AGMs.

A detailed report on voting by ERAFP's representatives at AGMs in 2013 can be downloaded from the Socially Responsible Investment section of the RAFP website, www.rafp.fr.

¹ 37 French companies and three foreign companies

ERAFP: the leading French public pensions fund and 100% SRI institutional investor

With more than €14 billion invested in accordance with a wholly socially responsible investment approach, ERAFP is Europe's leading SRI institutional investor. As from the pension fund's creation in 2005, its Board of Directors opted to optimize the performance of its portfolio of financial assets in accordance with SRI principles. A signatory of the UN Principles for Responsible Investment, in 2006 ERAFP adopted an SRI Charter based on the following five fundamental values: respect of the right of law and human rights; social progress, social democracy, the environment; and proper governance and transparency.

ERAFP is also one of the largest public pension funds in the world in terms of members with nearly 4.5 million beneficiaries, 45,000 employers and close to €1.75 billion in contributions each year. A mandatory, points-based pension scheme, since 1 January 2005 ERAFP has managed the supplementary pension benefits for civil servants, local authorities and the public hospitals sector.

For further information about ERAFP [↑ www.rafp.fr](http://www.rafp.fr)

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