

## PRESS RELEASE

Embargoed until 09.00 Singapore (02.00 GMT), 27<sup>th</sup> June 2007

### Railpen develops Singapore Corporate Governance Policy

Railpen Investments (Railpen) today published its “Singapore Corporate Governance Policy” to be distributed to the boards of the companies in Singapore in which it invests and to coincide with the OECD Asian Corporate Governance Roundtable meeting in Singapore on 27 - 28 June . This policy highlights the corporate governance practices of particular importance to Railpen as a British institutional investor with a long-term interest in Singaporean companies. The policy will be used as the basis for discussions with companies on corporate governance matters and should help explain Railpen’s approach to voting at general meetings of shareholders in Singapore.

The development of this policy is in line with Railpen’s longstanding interest in fostering best practice in corporate governance at the companies in which it invests worldwide. Railpen has already issued corporate governance policies for the UK, USA and Japan and is the first UK pension fund to publish a self standing policy for Singapore.

The “Singapore Corporate Governance Policy” has been developed in conjunction with Singapore-based HIM Governance Pte Ltd and London-based Governance for Owners LLP.

Governance for Owners LLP (GO) is an independent partnership between financial institutions and experienced professionals dedicated to adding long-term shareholder value for clients by exercising owners’ rights. GO provides stewardship services to clients that take an active approach to their share ownership responsibilities.

HIM Governance is a boutique corporate governance advisory firm operating in South East Asia, and is also the South-East Asian regional adviser and representative of Governance for Owners LLP providing advice on the delivery of stewardship services.

Railpen retains GO’s Stewardship Services to provide voting engagement overlay on 1,200 of its largest European and North American equity investments, and together with HIM Governance has undertaken a pilot on voting and engagement at the companies in the South East Asia region in which it invests.

Commenting on the development of the policy, **Frank Curtiss**, Railpen Head of Corporate Governance, stated: “We believe that Singapore is moving in a positive direction on corporate governance and with our local partner we think that setting out our view of best practice will underpin successful engagement with Singaporean companies and we welcome the genuine commitment to strengthening the dialogue with investors. We also welcome the positive governance developments in neighbouring countries in South East Asia and look forward to extending the pilot beyond Singapore over the coming year. We are the first UK pension fund to issue a Singaporean governance policy and anticipate that other institutional investors will follow us by extending engagement with investee companies in the region.”

**Peter Butler**, Chief Executive of GO, said: “We have been encouraged by the positive impact HIM Governance has been having with Singaporean companies on behalf of Railpen. Corporate governance practice evolves best when investors and companies understand one another and we are backing HIM Governance in their efforts to enhance shareholder value through improvements in corporate governance.”

**Tan Lye Huat**, HIM Governance Chief Executive said: “We are delighted to be piloting the delivery of a stewardship service for Railpen in South-East Asia, in cooperation with Governance for Owners. These developments serve to highlight the commitment of all parties to sustained dialogue and communication with boards on issues of corporate governance in this region, and we look forward to continuing our positive conversations with boards in Singapore and South-East Asia”.

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For Further Information:

For more information go to [www.railpen.co.uk](http://www.railpen.co.uk) or contact Nigel McNeil, Press Officer, Railpen and Pensions Management on [Nigel.mcneil@pensionsmanagement.co.uk](mailto:Nigel.mcneil@pensionsmanagement.co.uk)

Notes to Editors:

1. **Railpen Investments (Railpen)** runs the **Railways Pension Scheme** and other railway pension schemes in the UK including the British Railways Superannuation Fund and British Transport Police Force Superannuation Fund on behalf of the Trustee, Railways Pension Trustee Company Limited. Railpen is an operating subsidiary of the Railways Pension Trustee Company Limited (Trustee Company).

Railpen oversees the investment of assets worth approximately £20 billion or S\$60 billion, which are placed with some 40 external fund managers and also manages investment, legal, and actuarial arrangements. This includes total equity exposure to Singapore of around £113 m or S\$340 m with over 40 companies in the portfolio.

The Trustee Company has voted actively in the UK since 1992 when it published the first version of its UK Corporate Governance Policy. This has been regularly revised and the current version in 2006 draws heavily on the best practice UK Combined Code on Corporate Governance issued by the Financial Reporting Council.

Active voting was extended to the USA and Continental Europe in 2005 and to Japan in 2006. A self-standing US Corporate Governance policy to deal with specific US governance issues was issued in March 2006 and a self standing Japanese policy was issued in May 2006.

The Trustee Company won the “Professional Pensions” Pension Scheme of the Year award for corporate governance in 2002 and for the best use of shareholder activism in 2004.

For more information go to [www.railpen.co.uk](http://www.railpen.co.uk) or contact Nigel McNeil, Press Officer, Railpen and Pensions Management on [Nigel.mcneil@pensionsmanagement.co.uk](mailto:Nigel.mcneil@pensionsmanagement.co.uk)

2. **Governance for Owners (GO)** is an independent partnership between major financial institutions, shareowners and executives dedicated to adding long-term value for clients by exercising owners’ rights. There are two main product offerings. The **GO European Focus Fund**, which invests in European public companies where value can be added through making use of ownership rights. The **GO Stewardship Services** offers voting and underlying engagement service covering 700 European and 500 US quoted equities combined with a more intensive programme of enhanced-value engagement. More information can be found at [www.g4owners.com](http://www.g4owners.com).
3. **HIM Governance** is a boutique corporate governance advisory firm that aims to enhance the governance environment of clients through delivering clarity in corporate governance. Operating regionally, HIM Governance provides governance solutions and services to both corporate and not-for-profit organisations, and institutional investors. More information can be found at [www.himgovernance.com.sg](http://www.himgovernance.com.sg)