

## **Calls to oust KBC director amid row over pay**

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Council pension funds with £75 billion of investment firepower are being urged to oust a director of KBC bank this week as part of a wider campaign to shame companies seen to operate poor boardroom standards.

KBC, the large Belgian bank that owns Peel Hunt, the broker, has refused to divulge many pay details of its executives and declines to put a ceiling on bonuses or reveal performance hurdles.

The Local Authority Pension Fund Forum, which represents 49 public sector funds in the UK, is urging its members to vote against the re-election of Philippe Naert, a member of the remuneration committee, at the annual meeting in Brussels.

Last month, the forum alerted members to shortcomings on top pay arrangements at T Rowe Price, the US financial services group.

The forum has a hit list of 15 companies, including some British groups, which it says have poor standards on boardroom pay and other governance shortcomings. These could ultimately hit their ability to produce long-term sustainable returns, it says.

Shareholders had the right to see where their money was going and how much the directors were earning, Ian Greenwood, the forum's chairman, said in a letter to KBC.

He added: "The forum values dialogue higher than public confrontation. However, KBC has not taken the opportunity to explain to us in more detail how their remuneration policy is meant to align management interest adequately with shareholder interest."