

For immediate release

Pension funds plan resolution for next M&S AGM

Local authority pension funds will file a shareholder resolution at Marks & Spencer's annual general meeting in 2009 if the company continues to breach corporate governance best practice.

At its recent business meeting the Local Authority Pension Fund Forum, which represents 48 local government funds with £95bn in assets, authorised a plan to file a resolution calling for the appointment of an independent chair, if the company has not split the chair and chief executive roles by the time of the 2009 AGM.

Ian Greenwood, the Forum's chair, said: "As a representative body of large institutional investors in Marks & Spencer, the Forum believes that the risk of the company continuing downhill from its current shaky position has been increased as a result of the combined roles. All this takes place in an unfavourable retail market environment."

"We believe that concerned shareholders have no alternative but to continue to push for the combined roles to be separated. To this end, the LAPFF will be submitting a shareholder proposal at the 2009 Annual Meeting of the company to separate the combined roles."

M&S executive chair Sir Stuart Rose saw more than one in five (22%) shareholders fail to back his election at the company's recent AGM because of concerns about its new government structure. The company no longer has an independent chair since Sir Stuart combined the roles as executive chair.

The Combined Code states:

- "The roles of chairman and chief executive should not be exercised by the same individual." (A.2.1)
- "A chief executive should not go on to be chairman of the same company." (A.2.2)

About LAPFF:

The Local Authority Pension Fund Forum (LAPFF), which was set up in 1991, is a voluntary association of 48 public sector pension funds based in the UK. It exists 'to

promote the investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate social responsibility and high standards of corporate governance amongst the companies in which they invest.' The Forum's members currently have combined assets of over £95 billion.

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