

News story: Government welcomes proposals outlined by the Takeover Panel

Business Secretary Greg Clark has welcomed proposals outlined today by the Takeover Panel, the independent body responsible for issuing and administering the Takeover Code. A consultation is seeking views on important reforms to the way takeovers operate in the UK.

Secretary of State for Business, Energy and Industrial Strategy, Greg Clark, said:

One of Britain's biggest assets in competing in the global economy is our deserved reputation for being a dependable and confident place in which to do business.

The Takeover Panel is a respected and important part of this regime and the Government welcomes the valuable changes it is proposing. They will require bidders to make earlier and fuller disclosure of their plans for the target company, including its research and development, location of HQ, and the composition and skills of its workforce; and give companies subject to a bid more time to prepare their response.

This autumn the Business Secretary will be publishing proposals that address the national security concerns that can arise from foreign investment. These will set out further measures to safeguard national security, while ensuring the UK remains a global champion of free trade and investment.

Notes to editor:

- Takeovers of publicly listed companies in the UK must abide by the Takeover Code, which sets out an orderly framework for how takeovers must be conducted.
- The Takeover Panel is an independent body which issues and administers the Takeover Code, and supervises and regulates takeovers. Its principal objective is to ensure fair treatment for all shareholders in takeover bids.
- The Takeover Panel's [consultation](#) will run for 6 weeks
- The Code Committee is proposing changes to the Code which would require:
 1. bidders to be more specific in their plans for a target company. This would include making statements of intention regarding: the company's research and development, the balance of skills and functions of the company's employees, and the location of the company's headquarters;
 2. statements of intention to be made at the time of a bidder's

- announcement of its firm intention to make an offer;
3. bidders to not publish an offer document for 14 days from the announcement of their intention to make an offer without the consent of the board of the target company; and
 4. companies to publish reports on their compliance with the plans they announced during the course of an offer.