



Meeting of the Corporate Governance Expert Group

To be held on: Tuesday 15 September 2015 at 9.00am
Venue: Wedlake Bell LLP, 52 Bedford Row, London, WC1R 4LR
(Host: Edward Craft)

AGENDA

- 1. Apologies
- 2. Minutes of the last meetings (14 July 2015)
- 3. Consultations

	Document	Action	Lead
a)	Shareholder proxy voting: Discussion paper on potential progress in transparency http://uk.practicallaw.com/9-616-7485 [document also circulated with meeting papers] The Shareholder Voting Working Group is a multi-disciplinary team of individuals from across the UK voting chain. This paper seeks to build on previous work and to describe the key barriers to trust and transparency in this multiparty process.	RD: 30 September 2015 Comments and volunteer to draft response sought	Corporate Governance Expert Group

4. Current Issues

- a) Revision of QCA Remuneration Committee Guide for Small and Mid-Size Quoted Companies
- b) Terms of Reference, Stakeholders and Key Drivers of the Corporate Governance Expert Group (2015/2016)
- c) Small Business, Enterprise and Employment Act 2015 – implementation dates update

5. Communications and Future Meetings

	Document	Action/comments by CGEG
	Update on the implementation of the EU Audit Directive and Regulation https://www.gov.uk/government/publications/eu-audit-directive-and-regulation-implementation-update/update-on-the-implementation-of-the-eu-audit-directive-and-regulation	For information only - BIS has published an update on the implementation of the Audit Directive and Regulation. BIS, FRC and FCA will shortly publish follow-up consultations covering definition of a public interest entity and FRC powers and Professional Bodies’ responsibilities (BIS), proposed changes to the UK Corporate Governance Code and its associated Guidance on Audit Committees (FRC) and Audit Committee requirements applying to entities with securities admitted to trading on a regulated market, as an update to the

		Disclosure Rules and Transparency Rules (FCA), among other issues.
	<p>FRC response (on behalf of the UK) to the European Commission's Recommendation of 9 April 2014 on the quality of corporate governance reporting ('comply or explain')</p> <p>https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-response-to-European-Commission-s-Recommendatio.pdf</p>	For information only - The FRC has commenced a communications exercise to raise standards and promote the flexibility of 'comply or explain'. The FRC announced that further work will be conducted during the rest of this year to monitor reporting by companies on explanations given when they are not compliant with the Code.
	<p>TheCityUK Capital markets for growing companies: a review of the European Listings Regime report</p> <p>http://www.thecityuk.com/research/our-work/reports-list/capital-markets-for-growing-companies-a-review-of-the-european-listings-regime/</p>	For information only – the report sets out its proposals for how Europe's listings regime could be improved to the benefit of investors and issuers across the whole of the EU, with particular focus on growth companies. Its R23 proposes increasing investor confidence in pan-European listings by encouraging minimum corporate governance requirements.
a)	<p>LexisNexis Market Tracker Trend Report</p> <p>http://bit.ly/1DbETMq</p>	For information only - LexisNexis has published a new Market Tracker Trend Report which takes a look at the latest mid-year statistics and gives an update on how FTSE 350 companies are progressing with improving gender diversity on their boards.
b)	<p>ICGN Integrated Business Reporting Guidance</p> <p>https://www.icgn.org/</p>	For information only - ICGN has published its Integrated Business Reporting Guidance which aims to emphasise the importance of companies providing a holistic account of how they create and sustain value by bringing together information that is not normally disclosed in the financial statements.
	<p>European Confederation of Directors Associations (ecoDa) and Korn Ferry consultancy report analysing boardrooms practices across Europe and providing guidelines for more effective nomination procedures.</p> <p>http://ecoda.org/uploads/media/FINAL_REPORT_01.PDF</p>	For information only - The report looks at the corporate governance practices, examines how changes in board nominations have worked and identifies that best practices extend across different jurisdictions.
c)	<p>Guest invitations to future meetings</p>	<p>Group to suggest future guests</p> <p>[Note that we will have Dr. Roger Barker, Director of Corporate Governance at the Institute of Directors, as guest on 1 December 2015.]</p>

d)	Policy Update (August 2015)	For information only – quarterly update on expert group work which is circulated to the QCA Board.
e)	Corporate Governance Expert Group meeting – Dates for 2016	For information only – Dates and venues have been confirmed.

6. AOB

7. Information for noting

Consultation responses:

- BIS Consultation on the draft regulations for the register of people with significant control (R: 17 July 2015)
- Proxy advisers: ESMA consultation on best practice principles for voting research 2014 (R: 27 July 2015)
- FRC Improving the Quality of Reporting by Smaller Listed and AIM Quoted Companies: Discussion paper on the FRC's findings and proposals (with Financial Reporting Expert Group) (R: 31 July 2015)

Date for next meeting:

Tuesday 20 October 2015 at 9am (venue: Hogan Lovells International LLP, 50 Holborn Viaduct, London EC1A 2FG (Host: Julie Stanbrook)).