

The Corporate Governance Expert Group

We are a group drawn from a very broad range within the small and mid-size quoted company community, including executive and non-executive directors of corporates, company secretaries, investors, corporate finance, legal and accountancy advisors, investor relations experts, and remuneration consultants. We believe that it is vital for our group to draw expertise from a very diverse range of views, responsibilities and approaches.

Mission

We see our role to encourage boards, investors, regulators and advisors to promote effective, proportionate and high quality corporate governance within small and mid-size quoted companies.

We believe that the objective of corporate governance to deliver growth in long term shareholder value by maintaining a flexible, efficient and effective management framework within an entrepreneurial environment. Good corporate governance is delivered by an effective board which will maintain quality and open communications with shareholders. Positive investor stewardship also forms an important part of effective corporate governance, which we believe leads to a lower cost of capital to companies and enhances shareholder value.

Objectives

Our objectives are to:

- help small and mid-size quoted companies to put in place improved corporate governance aligned with the strategy and the particular needs of the company and to report this effectively to shareholders; and
- promote the interests of small and mid-size quoted companies, influencing regulators and policy makers to understand the need for appropriate and proportionate governance.

We achieve these objectives through positive engagement and thought leadership within the community of small and mid-size quoted companies and related regulators and policymakers most importantly through the development and delivery of the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies.

Activities

Our activities focus on the maintenance and promotion of our three core publications:

1. Corporate Governance Code for Small and Mid-Size Quoted Companies (last issue: May 2013)
2. Audit Committee Guide for Small and Mid-Size Quoted Companies (last issue: December 2014)
3. Remuneration Group Guide for Smaller Quoted Companies (next issue due: December 2015 - TBC)

Through these publications and our other activities, we work hard to promote the understanding of good governance and its fundamental principles, including board composition, directors' behaviour and shareholder engagement.

We promote our views and our publications through the large number of external meetings we have and in preparing consultations responses (averaging around 20 per annum).

We make the case that corporate governance is a key component in the creation and preservation of shareholder value. Properly delivered, corporate governance builds stability and trust; it should not inhibit the ongoing development of a company.

Expectation of members

We expect members of the Corporate Governance Expert Group to participate actively in the group. This involves preparing for and attending meetings, taking part in debate and discussions during the meetings, volunteering to draft

consultation responses and commenting on various outputs from the expert group. Members may be asked to report on consultations and/or draft consultation responses or other briefing notes, based on their particular individual expertise.

We meet at least eight times a year with meetings scheduled for 1.5 hours. We often have a lot of ground to cover and an external speaker. Our meetings operate most effectively when members attend fully prepared for the meeting, having reviewed the relevant papers and arriving prepared to discuss them.

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