

Present:	Edward Craft (Chairman)	Wedlake Bell LLP	EC
	Colin Jones (Deputy Chairman)	UHY Hacker Young	CJ
	Amanda Cantwell	Practical Law Company Limited	AC
	Jo Chattle	Norton Rose Fulbright LLP	JC
	Susan Fadil	PwC LLP	SF
	Peter Fitzwilliam	Mission Marketing Group PLC	PF
	Nick Gibbon	DAC Beachcroft LLP	NG
	Tracy Gordon	Deloitte LLP	TG
	David Hicks	Charles Russell Speechlys LLP	DH
	Alexandra Hockenhull	Hockenhull Investor Relations	AH
	David Isherwood	BDO LLP	DI
	Jayne Meacham	Jordans Limited	JM
	Peter Swabey	ICSA	PS
	Maria Gomes	Quoted Companies Alliance	MG
	Callum Anderson (minutes)	Quoted Companies Alliance	CA
In attendance:	Mark Jackson	BIS	MJ
	Liz Bradley	ICSA	LB
	Jonathan Compton	BDO LLP	JCo
	Damien Knight	MM & K Limited	DK
	Manisha Popat	Western Selection PLC	MP
	Patricia Silva	Quoted Companies Alliance	PSi

1. WELCOME TO MARK JACKSON, SENIOR POLICY ADVISOR, BUSINESS ENVIRONMENT, BIS, TO DISCUSS THE BIS CONSULTATION ON THE EU NON-FINANCIAL REPORTING DIRECTIVE (EU NFR)

EC welcomed MJ to the meeting. MJ gave an overview of the consultation’s content, particularly drawing out the two implementation options presented for transposing the Directive’s requirements into UK law. He also drew attention to the questions regarding third party verification, the use of electronic reporting, and the general costs and benefits to companies of the Directive. He highlighted that the EU NFR’s aim was to bring comparability and consistency to the reporting of non-financial information by public interest entities (PIEs).

MJ stated that, from the responses received already, there had been a number of remarks made regarding the definition of ‘senior manager’. He accepted the rationale put forward by a couple of members of the group to use the existing definition in the Listing Rules or accounting standards to inform the final decision. He acknowledged that third party verification of non-financial information was unlikely to be required of companies due to the significant financial cost.

MJ stated that BIS was open to any suggestions regarding the potential repealing of reporting requirements, advancing digital reporting and the general digitisation of governance.

MJ emphasised that BIS is very open to all suggestions regarding a reduction in regulation as a matter of general application. He encouraged the Group to submit any suggestions they may have.

2. APOLOGIES

Apologies were received from Edward Beale, Michael Brown, Richie Clark, Louis Cooper, David Firth, Nick Graves, Dalia Joseph, Julie Keefe, Kevin Kissane, Darshan Patel, Anita Skipper, Carmen Stevens, Nicholas Stretch, Bernard Wall, Tim Ward, Paul Watts and Cliff Weight.

3. MINUTES OF THE LAST MEETING (23 February 2016)

The minutes were approved.

4. CURRENT ISSUES

	Document	Action by CGEG
a)	<p>QCA Remuneration Committee Guide – ongoing revision</p> <p>EC explained that the document was in the last drafting stages, with much of the focus now on the appendices. MG stated that the final version of the Guide would be distributed to a range of external stakeholders including FRC, BIS and the London Stock Exchange. She confirmed the target launch date of June 2016.</p>	<p>MG to circulate to both CGEG and stakeholders.</p> <p>ALL to submit any final drafting comments to EC/MG.</p> <p>[This has now been done]</p>

5. CONSULTATIONS

	Document	Action by CGEG
a)	<p>BIS Consultation on the Non-Financial Reporting Directive – A call for views on effective reporting alongside proposals to implement EU requirements</p> <p>MG summarised the main points of the first draft response. She explained that the final draft response would be distributed to Group members shortly. This includes comments made on the first draft, as well as answers to the 'Costs' section of the consultation based on a survey of QCA's corporate members.</p>	<p>CA to distribute second draft response.</p> <p>ALL to comment on the draft response.</p> <p>[This has now been done]</p>
b)	<p>European Commission consultation on Non-binding guidelines for reporting of non-financial information by companies</p> <p>JCo explained that, having analysed this consultation paper with MG, the EC Directive's requirements are not aimed at the QCA constituents and therefore a response is not necessary.</p>	None to note.
c)	<p>Enhancing Confidence in Audit: The Financial Reporting Council's Audit Enforcement Procedure</p> <p>The Group concluded that there was nothing in the consultation which directly affected QCA members.</p>	None to note.

6. COMMUNICATIONS AND FUTURE MEETINGS

	Document	Action by CGEG
a)	<p>PSC register regime came into effect on 6 April 2016</p> <p>It was pointed out that BIS has produced several versions of the guidance for the new regime. PS advised the Group to remain observant, to ensure that they were reading the most up to date version.</p>	None at this stage.
b)	<p>FRC letters to Audit Committee Chairs, Investors and Finance Directors</p> <p>This was not discussed.</p>	None at this stage.
c)	<p>Investment Association's Productivity Action Plan</p> <p>It was suggested that someone from the Investment Association attends one of our next meetings to discuss the IA's Productivity Action Plan.</p>	MG/Patricia Silva to invite guests to future meetings.
d)	<p>EHRC guidance on improving board diversity published</p> <p>This was not discussed.</p>	None at this stage.
e)	<p>PIRC shareholder voting guidelines 2016</p> <p>This was not discussed.</p>	None at this stage.
f)	<p>Guest invitations to future meeting</p> <p>This was discussed in c).</p>	None to note.
g)	<p>Policy Update (February 2016)</p> <p>This was not discussed.</p>	None at this stage.

7. DATE FOR NEXT MEETING

Tuesday 24 May 2016, 9am (venue: Wedlake Bell LLP, 52 Bedford Row, London, EC1R 4LR).