



Present:	Edward Craft (Chairman)	Wedlake Bell LLP	EC
	Colin Jones (Deputy Chairman)	UHY Hacker Young	CJ
	Edward Beale	Western Selection PLC	EB
	Natalie Bell	EY	NB
	Michael Brown	Henderson Global Investors	MB
	Jonathan Compton	BDO LLP	JC
	Louis Cooper	Crowe Clark Whitehill/NEDA	LC
	Mebis Dossa	McguireWoods	MD
	Peter Fitzwilliam	Mission Marketing	PF
	Tracy Gordon	Deloitte LLP	TG
	Jayne Meacham	Jordans Limited	JM
	Philip Patterson	TMF Corporate Secretarial Services	PP
	Julie Stanbrook	Hogan Lovells International LLP	JS
	Nicholas Stretch	CMS Cameron McKenna LLP	NS
	Eugenia Unanyants-Jackson	F&C Asset Management	EJ
	Amanda Cantwell	Practical Law Company Limited	AC
	Jo Chattle	Norton Rose Fulbright LLP	JC
	Maria Gomes (minutes)	Quoted Companies Alliance	MG

1. APOLOGIES

Apologies were received from James Hodges, Dalia Joseph, Julie Keefe, Peter Swabey, Rob Budett, Anthony Carey, Eric Dodd, David Fuller, Nick Gibbon, Nick Graves, Andrew Hobbs, Alexandra Hockenhull, Nathan Leclercq, Marc Marrero, Kelly Millar, Melanie Wadsworth, Bernard Wall, Paul Watts, Tim Ward and Kate Jalbert.

2. MINUTES OF THE LAST MEETINGS (14 April 2015 and 12 May 2015)

The minutes were approved.

3. CONSULTATIONS

a) BIS - Consultation on the draft regulations for the register of people with significant control

EC explained that BIS is seeking views on the secondary legislation that sets up some detailed aspects of the PSC register. The consultation paper on the Register of People with Significant Control Regulations 2015 explains how the PSC register will work and seeks views on draft regulations. He added that from 1 January 2016, any UK companies including will fall into the regime; this does not apply to overseas companies.

MG mentioned that a working group has drafted the QCA response and that comments are sought from the members of the Corporate Governance Expert Group.

ALL

b) ESMA - Consultation on best practice principles for voting research 2014

EC mentioned that ESMA is seeking to gather information on how stakeholders perceive the most recent proxy seasons to have evolved and to assess the extent to which new trends or changes in proxy advisors' approaches have developed.

He explained that a response is being drafted by a working group and that it would be helpful if the Group could provide comments to the draft response.

ALL

**c) FRC - Improving the Quality of Reporting by Smaller Listed and AIM Quoted Companies
Discussion paper on the FRC's findings and proposals**

CJ explained that the discussion paper sets out a number of measures that the FRC proposes to take to help companies improve the quality of reporting. CJ added that the FRC has softened its critical tone and is now more focused on collaboration between all parties, which is welcome.

EB mentioned some points which would be worth including in our response, such as the importance of effectiveness of communication for the FRC's objective of "high quality". EB added that another important point would be that companies need feedback to improve, which in its best form would be directly from shareholders. The Group agreed that while this would be optimal, it is very difficult for investors to provide each individual company with direct feedback. The Group further agreed that the FRC should encourage better lines of communication between shareholders and companies.

The Group agreed it is important to emphasise in our response that the FRC should not translate the findings of this report and consultation into an increase in the regulatory burden for companies.

d) FCA - LR and DTR: FCA Quarterly Consultation No. 9 (corporate aspects)

MG explained that Chapter 2 of the consultation paper sets out proposals to amend the Listing Rules and Disclosure and Transparency Rules to take account of, among other things, implementation of the revised UK Corporate Governance Code in September 2014.

She asked the Group to consider whether the QCA should submit a response to this consultation and provide comments ahead of the due in date.

ALL

4. CURRENT ISSUES

a) Revision of QCA Remuneration Committee Guide for Small and Mid-Size Quoted Companies

EC explained that the Remuneration Committee Guide revision is progressing: a few chapters are currently being revised and a survey on investors' views on remuneration has just been concluded. He added that the working group will meet in the next few weeks in view of finalising the revised draft Remuneration Guide and analysing the results of the survey.

b) Shareholders' Rights Directive Proposal – progress update

MG mentioned that on 8 July 2015 the European Parliament resolved to adopt amendments to the Commission's proposal to amend the Shareholder Rights Directive. The amendments include the insertion of requirements in the Transparency Directive for issuers to publicly disclose, on a country by country basis, information on a consolidated basis for the financial year.

MG explained that the Parliament, Council and Commission are expected to shortly enter into informal trilogue discussions to try to reach an agreement in view to formally adopting the directive at first reading by both the Parliament and Council.

c) Companies Act 2006 changes brought about by the Small Business, Enterprise and Employment Act 2015

EC explained that changes to the Companies Act 2016 were brought about by the Small Business, Enterprise and Employment Act, such as bearer shares no longer being allowed. Most of its provisions have come into effect in May 2015, with exception of changes to corporate directors and shadow directors.

d) Key Drivers of the Corporate Governance Expert Group (2015/2016)

Following the recent discussions of the Group regarding its work and the QCA Code, PF mentioned that he would be keen to organise and host Corporate Governance Code events in view of getting feedback from companies. Companies would be invited to explain how they are viewing the code and the QCA could use this feedback to revise the Code.

EC thanked PF for his initiative and suggested coordinating this with Kate Jalbert and Samantha Green, EC, CJ and PF.

EC/CJ/PF/ Kate Jalbert/ Samantha Green

EC added that the Group's Terms of Reference are being revised and a stakeholder table put together to be discussed by the Group in September.

MG

5. COMMUNICATIONS AND FUTURE MEETINGS

	Document	Action/comments by CGEG
a)	CBI digital report on corporate governance in mid-sized businesses	This was not discussed; the document was circulated for information only.
b)	IoD Report on Good Governance Index for Listed Companies	This was not discussed; the document was circulated for information only.
c)	Guest invitations to future meetings	This was not discussed; the document was circulated for information only.
d)	Policy Update (June 2015)	This was not discussed; the document was circulated for information only.

6. AOB

This was not discussed.

7. Actions

Action	Person	Timetable
Comment on QCA Response to BIS - Consultation on the draft regulations for the register of people with significant control	ALL	ASAP [this has now been done]
Comment on QCA Response to ESMA - Consultation on best practice principles for voting research 2014	ALL	ASAP [this has now been done]
Consider responding to FCA - LR and DTR: FCA Quarterly Consultation No. 9 (corporate aspects)	ALL	ASAP [this has now been done – no response needed]
Organising Corporate Governance QCA Code events	EC/CJ/PF/ Kate Jalbert/ Samantha Green	ASAP
Table Group's Terms of Reference and stakeholder table	MG	Agenda for the next meeting (Tuesday 15 September 2015)

8. INFORMATION FOR NOTING

Date for next meeting:

Tuesday 15 September 2015 at Wedlake Bell LLP, 52 Bedford Row, London, WC1R 4LR (Host – Edward Craft)