



EQ BOARDROOM

Bulletin

Welcome to our monthly bulletin of what's happening within the financial services industry that will impact our EQ Boardroom clients.

This month we cover...

The London Stock Exchange (LSE) published guidance on the new corporate governance requirements applying to AIM companies

The Financial Reporting Council (FRC) published revised guidance on the content of the strategic report

The Government has published new regulations concerning energy and carbon reporting – The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018

Institutional Shareholder Services (ISS) launch iAnnual Policy Survey

Gender pay gap reporting in the spotlight

SAYE (Sharesave) missed contributions change

Equiniti spearheads shareholder digitisation

Equiniti announces partnership with National Will Register

Employee Services Forum

Share Registration Conference

Remuneration & Governance Reporting Seminars

AGM Discussion Forum

The LSE has published guidance for companies and advisers on the new corporate governance requirements applying to AIM companies that come into effect on 28 September 2018

In its latest edition of 'Inside AIM' the LSE provides guidance on how companies listed on AIM should implement, comply or explain requirements in respect of their governance arrangements against a recognised industry code, such as the UK or the Quoted Companies Alliance Corporate Governance Codes.

The guidance explains how:

- The LSE expects that companies will carry out the required annual review of corporate governance disclosures at the same time as preparation for the annual report and the company's website should include the date when it last reviewed its compliance with its chosen code
- If the company does not currently make a disclosure against a code in its annual report, the corporate governance statement must be disclosed on its website by 28 September 2018, in accordance with AIM Rule 26
- The statement on the website may incorporate information by reference, for example to relevant pages in the annual report
- The LSE has not prescribed a list of codes but does refer to the QCA Corporate Governance Code and UK Corporate Governance Code. For dual listed companies it is also acceptable to report using standards from the home jurisdiction
- It is for investors to decide whether the code chosen and compliance with that code are appropriate for the company considering its size, sector and development

'Inside AIM' is available [here](#)

The FRC has published revised guidance for companies on the content of the strategic report

The FRC's strategic report guidance was first published in 2014 and has now been updated to strengthen the link between the purpose of the strategic report and directors' duties under section 172 of the Companies Act 2006 (duty to promote the success of the company). This is in line with the government's corporate governance reform programme which seeks to encourage companies to consider broader matters that may impact company performance, including the interests of other stakeholders.

The guidance reviews the content of the strategic report as required by the Companies Act 2006, (Strategic Report and Directors' Report) Regulations 2013, the Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016; and The Companies (Miscellaneous Reporting) Regulations 2018.

The FRC states that its guidance aims to be principles based, is mindful of recent developments in narrative reporting best practice and is aligned with the UK Corporate Governance Code. The FRC also says that the objectives of the guidance will:

- Ensure relevant information that meets the needs of shareholders is presented in the strategic report;
- Encourage companies to experiment and be innovative in the drafting of their annual reports while remaining within the regulatory framework; and
- Promote greater reporting cohesiveness by linking the content of the strategic report specifically to information contained within the annual report

The FRC's revised strategic report guidance is available [here](#).



The Government has published new regulations concerning energy and carbon reporting – The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018

These Regulations make changes to the existing reporting requirements in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (the "2008 Regulations"). There are new additional requirements for UK quoted companies to make statements in the directors' report concerning the company's energy use from activities for which the company is responsible and purchases from its own use, and action taken to increase its energy efficiency

Large unquoted companies and LLPs must also make statements in their directors' report concerning the company's greenhouse gas emissions, energy use and action taken to increase energy efficiency within the UK. The disclosures are similar to those required to be made currently by quoted companies.

The regulations come into force from 1 April 2019 and are available [here](#).

Institutional Shareholder Services (ISS) has launched its Annual Policy Survey which it will use to feed into developments to its voting policies for 2019

ISS asks for responses from institutional investors, companies, directors and others. The survey is in two parts:

- A high-level ISS Governance Principles Survey covering a small number of global high-profile governance topics. This includes auditors, audit committees, director accountability, board gender diversity and the one-share, one-vote principle. The survey will close on 24 August 2018
- The ISS Policy Application Survey – which is more detailed and covers questions broken down by region. This part of the survey closes on 21 September 2018

Gender pay gap reporting in the spotlight

The Government has published a statement confirming that, for the first time since the new regulations came into force, 100% of UK employers with over 250 employees have published their gender pay gap data.

The gender pay gap data shows that 78% of these companies pay their male staff more on average than their female staff, more than 50% gave higher bonuses to men on average than women and over 80% have more women in the lowest paid positions than in their highest paid positions.

The Government has also updated its toolkit for employers on actions they can take to close the gender pay gap, which is available [here](#).

The Department for Business, Energy and Industrial Strategy (BEIS) has published a Committee report into data gathered from gender pay gap reporting.

The report notes that the UK has one of the highest gender pay gaps in Europe. Key statistics are:

- Median pay across the economy is 18% in favour of men
- Gender pay gaps of over 40% in some sectors are not uncommon
- 78% of companies report gender pay gaps in favour of men

The report covers; the lessons learned from the introduction of the new reporting requirements on gender pay, what the figures show in detail, how companies can tackle the gender pay gap and a number of recommendations. These include calling on the Government to widen the scope of the reporting requirements by including

those companies with over 50 employees to report their pay gap and recommending that companies should in addition publish an explanation and an action plan for closing the gap, against which they must report progress each year.

The full BEIS Committee report is available [here](#).

SAYE (Sharesave) missed contributions change

In August, the Commissioners for Her Majesty's Revenue and Customs confirmed the withdrawal of the 27 December 2014 SAYE savings Prospectus effective from 1 September 2018. They also issued a new 1 September 2018 SAYE Prospectus with an amendment to section 20 to allow participants to miss up to twelve months of contributions.

The latest HMRC employment related bulletin providing information on this topic was in June 2018 and is available [here](#). This update, plus the issuance of the new Prospectus, means that all participants with a savings contract in place on and after 1 September 2018, can now delay the payment of monthly contributions on a maximum of twelve occasions over the life span of the savings contract. New SAYE contracts do not need to be issued for contracts that started before 1 September 2018.

All references to missing contributions within plan documentation including information packs, letters and FAQs should now be updated.



Equiniti spearheaded shareholder digitisation

Equiniti spearheads shareholder digitisation in response to MiFID II quarterly statement requirements

With regulations now requiring shareholders in Nominee vehicles to receive statements on a quarterly basis, Equiniti has developed its Shareview portals' capabilities to increase accessibility for shareholders and bring environmental and cost-saving benefits for our Corporate Clients.

This development spearheads an increasingly digital shareholders landscape, in anticipation of increased demand for electronic communications and the proposed introduction of dematerialisation

Other benefits to the service include:

- The reduction of financial fraud
- Improved trade settlement
- Increased optionality in how each shareholder manages their assets

Read our news release [here](#).



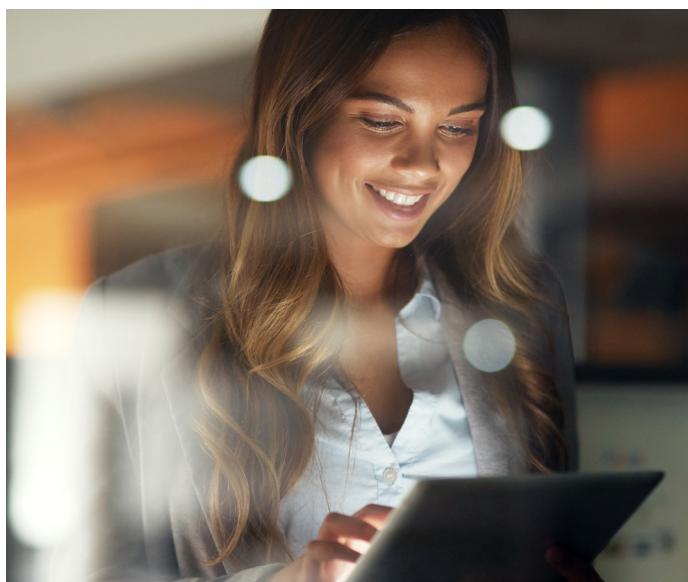
Equiniti announces partnership with The National Will Register

Equiniti is delighted to announce its partnership with Certainty – The National Will Register

Equiniti is now able to offer its customers' access to the Certainty Will Search and Will Register which assists the customer to locate the last known Will of the recently deceased.

'Certainty,' the longest-established register in the UK, can access over seven million registered Wills and can find unregistered Wills by searching solicitors and Will Writers across the country. A notification will also be placed on the Certainty Missing Will Notice Board which is accessed daily by 4,500 Certainty member solicitors which will give Equiniti's customers the best possible chance of recovering Wills.

Read our news release [here](#).





Employee Services Forum

With the Employee Services Forum only a week away, this is your last chance to book your free place.

Tuesday 11 September 2018

Luton Hoo Hotel, Golf & Spa,
Bedfordshire,
LU1 3TQ

[Book your free place](#)

THIS YEAR'S TOPICS INCLUDE:

- Executive remuneration and plan design
- Corporate governance reform, CEO pay ratios and remuneration committees' responsibilities
- Global due diligence
- All-employee share plan face off: US v UK v France
- Compliance - case law and share plan rules
- Gender pay results
- Corporate actions case study
- Technology update
- Where are we with Brexit?

MAKE SURE YOU DON'T MISS THE OPPORTUNITY TO HEAR FROM:

Aon Hewitt
Ernst & Young
Norton Rose
ProShare
The Investment Association

Baker & McKenzie
Herbert Smith
Fulbright
PwC
Clifford Chance

Freehills
Prism Cosec
Shearman & Sterling
Weir Group
Deloitte

Linklaters
Pinsent Masons
Tapestry
White & Case

Share Registration Conference

Tuesday 25 September 2018

The Courthouse Hotel, Shoreditch,
335-337 Old Street, London, EC1V 9LL

[Book your free place](#)

This year's Share Registration Conference promises to be one of the best ever. Once again hosted by journalist and television presenter Steph McGoven, we'll be hearing from the FRC about the reform of the Corporate Governance Code and discussing the pros and cons of extending the Dormant Assets scheme with the Securities Champion from the Dormant Assets Commission.

We'll also be hearing about proxy solicitation from Boudicca and PR Agency Lansons will be offering hard-won insights on building reputational advantage and sharing their top tips for handling a crisis.

Remuneration & Governance Reporting Seminars

LSE, together with Prism Cossec and AON New Bridge Street, will once again be holding its annual series of seminars on Remuneration & Governance reporting.

The events will take place in September & October 2018 in six cities.

LEEDS - Thursday 6 Sept 2018
08:45 Registration for 9.00 Start
Venue: [AON Offices](#)

BIRMINGHAM - Thursday 13 Sept 2018
08:45 - Registration for 9.00 Start
Venue: [AON Offices](#)

BRISTOL - Tuesday 13 Sept 2018
15:00 Registration for 15:30 Start
Venue: [AON Offices](#)

MANCHESTER - Thursday 19 Sept 2018
09:30 Registration for 09:45 Start
Venue: [Radisson Blue Hotel](#)

EDINBURGH - Tuesday 20 Sept 2018

08:45 Registration for 09:00 Start
Venue: Principal Hotel

LONDON – Tuesday 25 Sept 2018
09:30 Registration for 09:45 Start
Venue: [The AON Centre](#)

If you're attending our 25 September event in London, why not join us at the Equiniti Share Registration Conference in the afternoon? More information about the event can be found [here](#).

LONDON – Wednesday 26 Sept 2018
08:15 Registration for 08:30 Start
Venue: [The AON Centre](#)

LONDON – Thursday 4 Oct 2018
08:15 Registration for 08:30 Start
Venue: [The AON Centre](#)

AGM Discussion Forum

WEDNESDAY 12 SEPTEMBER 2018

The Courthouse Hotel, 19-21 Great
Marlborough Street, London, W1F 7HL

The AGM Discussion Forum will be hosted
by Lisa Graham, Registrar, Equiniti and Chris
Stamp, Director, Prism Cossec.

THE AGENDA WILL FOCUS ON:

- Voting trends
- Corporate governance
- Public register
- Proxy vote management

TIMINGS

08:30 - 09:00 Registration and refreshments

09:00 - 10:00 Presentation

10:00 - 10:15 Q&A

[Book your free place](#)

