

The ICSA

Corporate Governance
Handbook

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Corporate Governance *Handbook*

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Contents

Preface	<i>viii</i>	3.5	Frequency of board meetings	44
Acknowledgements	<i>ix</i>	3.6	The executive committee (Excom)	44
Abbreviations	<i>x</i>	3.7	General purposes committee	46
1 The scope of corporate governance	1	3.8	The company secretary and corporate governance	46
1.1 Defining corporate governance	1	3.9	Board committees	49
1.2 A corporate governance framework	1	4 Board structures and balance	50	
1.3 Alternative approaches to corporate governance	4	4.1 The composition of the board	50	
1.4 Issues in corporate governance	8	4.2 Board roles	51	
1.5 The development of the corporate governance framework	13	4.3 Non-executive directors (NEDs)	56	
2 Directors in UK law	19	4.4 Independence	58	
2.1 The powers of directors	19	4.5 Senior independent director	60	
2.2 The duties of directors to their company	20	4.6 Criticisms of non-executive directors	62	
2.3 Fair dealing by directors	28	5 Board appointments, professional development and performance evaluation	64	
2.4 Directors' share interests and share dealings	31	5.1 Board appointments	64	
2.5 Disqualification of directors	34	5.2 The nomination committee	64	
2.6 Other statutory obligations on directors	36	5.3 The appointment of NEDs	68	
2.7 Shadow directors and <i>de facto</i> directors	37	5.4 Information and induction	70	
3 The role of the board	39	5.5 Training and professional development	75	
3.1 The Combined Code and the role of the board	39	5.6 Directors' and officers' liability insurance	76	
3.2 The board and decision-making	40	5.7 Re-election of directors	78	
3.3 Good boardroom practice	41	5.8 Succession planning	79	
3.4 Matters reserved for the board	42	5.9 Board performance evaluation	80	
		6 Directors' remuneration	85	
		6.1 Directors' remuneration as a corporate governance issue	85	
		6.2 The remuneration committee	88	

6.3	Remuneration package size and structure	91	8.4	Directors' remuneration report	136
6.4	Share options and restricted stock awards	94	8.5	The Operating and Financial Review (OFR)	137
6.5	Compensation for loss of office: severance payments	96	8.6	Combined Code disclosure requirements	143
6.6	The remuneration of non-executive directors	97	8.7	Sustainability reporting	146
6.7	Remuneration details and policy: disclosure	97	9	Financial reporting and external audit	147
6.8	Directors' service contracts	101	9.1	Financial reporting and corporate governance	147
6.9	Institutional shareholder views on directors' remuneration	102	9.2	Financial reporting: directors' duties and responsibilities	148
7	Shareholders and shareholder relations	108	9.3	UK Listing Rules: disclosure requirements	150
7.1	The relationship between the board and shareholders	108	9.4	External audit	152
7.2	Shareholders' powers and rights	109	9.5	Auditor independence	155
7.3	The Combined Code and shareholder relations	113	9.6	The audit committee	160
7.4	Relations with shareholders: the company's responsibilities	114	9.7	Audit committee responsibilities	164
7.5	The Combined Code and institutional shareholders	116	9.8	The audit committee and the annual audit cycle	169
7.6	Shareholder activism	118	9.9	Guidance for audit committees	170
7.7	Institutional shareholder guidelines on corporate governance	119	9.10	Ethical Standards for auditors	176
7.8	Electronic communications with shareholders	124	9.11	The Sarbanes-Oxley Act (SOX) (s302) and financial reporting	179
7.9	Voting and proxy votes	126	10	Internal control, risk management and internal audit	181
8	Reporting and disclosure	132	10.1	Risk and corporate governance	181
8.1	Governance, reporting and disclosure	132	10.2	Defining an internal control system: the COSO Framework	182
8.2	The annual report and accounts	133	10.3	Internal audit	184
8.3	The UK Listing Rules	133	10.4	Combined Code requirements: internal control and risk management systems, and internal audit	185
			10.5	The Turnbull Committee Report on internal control	185

10.6	Establishing and maintaining a sound system of internal control	186	11.8	Other CSR initiatives and organisations	204
10.7	The annual review of internal audit	189	11.9	Codes of ethics	205
10.8	The role of the board (audit committee) in risk management	190	12 Whistleblowing		207
10.9	The Sarbanes–Oxley Act (Section 404) and the assessment of internal controls	191	12.1	The nature of whistleblowing	207
11 Corporate social responsibility (CSR)		195	12.2	Whistleblowing: best practice	208
11.1	Definitions of CSR	195	12.3	The Combined Code on whistleblowing	209
11.2	The issues in CSR	196	12.4	Combining internal and external procedures	210
11.3	Why does CSR matter?	197	12.5	Legal protection for whistleblowers: Public Interest Disclosure Act 1998	211
11.4	Deciding a CSR policy	199	12.6	ICSA Best Practice Guide on whistleblowing	212
11.5	CSR and shareholders	199	12.7	The Sarbanes–Oxley Act on whistleblowing procedures	213
11.6	CSR, the UK Government and the EU	201	Appendices		215
11.7	CSR reporting and disclosure	202	Directory		382
			Table of Combined Code Provisions		387
			Index		389

Preface

The ICSA Corporate Governance Handbook has been developed as a single-source reference manual for professionals engaged in this increasingly important aspect of corporate life.

The aim is to provide a reliable and accessible tool for readers. Each chapter is a self-contained unit in its own right, covering a particular aspect of the field and divided into numbered, fully cross-referenced sections. The commentary is accompanied by a comprehensive set of appendices, which provide the full text of a wide range of codes of practice and best practice guidelines from the key authorities. A comprehensive index aids navigation, together with a table outlining coverage of all Combined Code Principles and Provisions. A Directory section brings together further reading and other useful sources of information, including a web-site listing.

Corporate governance is a fast-moving field, which is defined and developed by regular new developments, ongoing consultations and emerging best practice. To reflect this, purchasers of the printed *Handbook* also receive free access to ICSA Publishing's *Corporate Governance Briefing* service, a bi-monthly news digest accessed either via the ICSA Publishing web-site or, on request, via e-mail. To access this service, readers should:

- go to www.icsapublishing.co.uk
- select Online Briefings, then Corporate Governance Briefing
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The *Corporate Governance Briefing* homepage also offers access to electronic versions of the appendices included in the book, and any revised or new guidance issued since the publication of the current print edition.

Brian Coyle
January 2005

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Abbreviations

ABI	Association of British Insurers
AGM	annual general meeting
APB	Auditing Practices Board
ASB	Accounting Standards Board
CDDA	Company Directors Disqualification Act 1986
CEO	chief executive officer
COSO	Committee of Sponsoring Organisations
CRE	Corporate Responsibility Exchange
CSR	corporate social responsibility
D&O	directors' and officers'
EBITDA	earnings before interest, taxation, depreciation and amortisation
ES	Ethical Standards
Excom	executive committee
FRC	Financial Reporting Council
FRRP	Financial Reporting Review Panel
FSA	Financial Services Authority
GRI	Global Reporting Initiative
ICAEW	Institute of Chartered Accountants in England and Wales
ICGN	International Corporate Governance Network
IFAC	International Federation of Accountants
IoD	Institute of Directors
IPC	Investor Protection Committee
IPPR	Institute for Public Policy Research
ISC	Institutional Shareholders' Committee
ISS	Institutional Shareholder Services
NAPF	National Association of Pension Funds
NED	non-executive director
OECD	Organisation for Economic Cooperation and Development
OFR	Operating and Financial Review
PBIT	profit before interest and taxation
PIRC	Pensions and Investment Research Consultant Ltd
RREV	Research Recommendations and Electronic Voting
SEC	Securities and Exchange Commission
SEE	social, environmental and ethical
SID	senior independent director
SOX	Sarbanes–Oxley Act 2004
TSR	total shareholder return