

Q1

Yes indeed.

Q2

I find that the importance assigned and the obligations assumed by the Board in relation to the Environment, in general, and Climate, in particular, are disproportionate and I would go as far as saying, excessive. With matters such as Global Warming now becoming the flavour of the month, we are witnessing an unbelievable focus on this whilst other more important issues are downgraded. I do not wish to appear dismissive about the significance of the Environment — and Climate - but we are far from finding the right balance.

Q3

In Provision 5, in the 2<sup>nd</sup> and 3<sup>rd</sup> bullet points you include the word 'or' twice.

Q4

I have two comments:

- a. I definitely agree with the change. The Board itself, in general, and the director in question, in particular, are the most suitable to identify a problem (if one exists). Failure to do so should shed doubt on their own judgement and independence of mind
- b. In Principle K why are the words 'to achieve objectives' deleted? Working together is not an abstract/vague term. It is relevant within the context of achieving objectives.

Q5

I have two separate comments:

- a. Provision 15 refers to *director appointments* whereas Principle K refers to *director commitments*. The two expressions are not identical. One may consider inserting the words '*and other significant outside commitments*' after the fourth word of Provision 15.
- b. Although the proposed change is, in principle, correct one should be careful in its implementation as it should strike the right balance between transparency and not disclosing confidential /sensitive information about other appointments/commitments.

Q7

In Principle I, I see no reason why the concept of '*protected characteristics and non-protected characteristics*' is introduced (NB there is no further reference of them in the Provisions). This makes the job of the Nomination Committee next to impossible. If one assumes that a typical Board may have, say, five NEDs, any attempt to reflect a combination of all such characteristics in the composition of such a small team of people is unrealistic. I would therefore try and avoid the abovementioned reference in Principle I. No change in the Provisions is necessary.

011

The beauty of the Code is that it is all inclusive, comprehensive and concise. Deleting whole sections and 'replacing' them with a reference to the Minimum Standard, is counter-intuitive and a diversion with which I disagree. It should be possible to summarise the key elements of the Minimum Standard and include them in the Code.

012

Given the growing importance of ESG matters some companies have either created a special ESG Committee or have expanded the Terms of Reference of other Committees (not the Audit) to include ESG matters. This also allows the Board (through such Committee) to take a forward looking stance and anticipate industry changes - something which the Audit Committee, in its nature, would find more difficult to do. I am not suggesting that the Audit Committee will not have an ex post 'audit/control' role, but the bulk of the issues would be covered by another committee.

Q14

By having *continuous* monitoring, we are running the risk of assigning executive/management responsibilities to the Board. The monitoring should be *regular*) and be based on the date of the balance sheet.

015

Change from *financial* to *reporting* is appropriate. However, more clarity is needed in its implementation.

016

Giving examples — and emphasizing the fact that they are *just examples* — is extremely useful as it would help clarify what is expected of the Board.

Q18

I have two comments

- a. In correspondence which I had with the FRC in November 2020, it transpired that the FRC was favourably disposed towards companies setting up a separate Risk Committee (NB for Financial Institutions this is a sine qua non). Such 'encouragement' is not found in the revised Code. Could we expect to see something in the revised FRC Guidance?
- b. As already touched upon in O14, the distinction between Executive and Non Executive roles and responsibilities gets blurred with Non Executives being expected to have increasingly more ongoing involvement in the company's affairs. This may lead to compromises in the independence of NEDs.

Qs19 & 20

Most certainly

Q22

I have two comments:

- a. In new Principle P. I see no reason to specifically mention ESG objectives. Values, Strategy, and Performance include a very long list of items and I cannot understand why ESG needs to be separately identified.
- b. In Provision 34 I find the last three words superfluous; this is pretty much stating the obvious.

Q26

I have three comments

- a. Artificial Intelligence can rapidly evolve into a hugely important topic. Therefore, it must, somehow, be covered in the Code, even at a high level and briefly.
- b. With regard to Provision 13, what happens in the case of a Board where the Chairman is himself an Executive Director. Should he still chair the meeting with the NEDs in which management and executive directors are appraised? Or should this process be led by the Senior Independent Director?
- c. Provision 26, eighth bullet point starting with 'developing and implementing...'. It is stated that '*...ensuring there is prior approval of non audit services...*'. It is not clear whether such approval needs to be granted by the Audit Committee or whether this can be undertaken by management — within the policy developed and implemented by the Audit Committee.

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