

1st September 2023

David Styles, Esq.
Director, Corporate Governance and Stewardship
Financial Reporting Council
8th Floor, 125 London Wall
London EC2Y 5AS

Dear David

CORPORATE GOVERNANCE CODE CONSULTATION

BRL is pleased to respond to the consultation paper relating to the Corporate Governance Code. Overall we support the proposals with the following comments:

- Q2 RISK : the Code emphasizes the importance of climate ambition and transition planning but does not mention significant risks such as technology, cyber or ransomware. The need for preparation and planning in this area has changed exponentially over the last few years and should be referenced in the Code.
- Q3 CULTURE : although it is the Board's responsibility to assess and monitor culture, it is impractical to expect non-executives to report on how effectively the desired culture has been embedded throughout the company. It is important that non-Executives maintain an appropriate distance in order to protect their independence and objectivity.
- Q4 SIGNIFICANT APPOINTMENTS : the Code does not define "significant" appointments and therefore reporting will be subject to selective interpretation.
- Q7 DIVERSITY AND INCLUSION : it is important for Boards, through the NomCo, to ensure appropriate diversity of view, background and experience. However, the responsibility to nurture a culture of "inclusion" within the Board lies with the Chair, not with the NomCo.
- Q9 BOARD PERFORMANCE REVIEWS : we support both the term "Board performance review" and the Chair's responsibility to commission the review. The performance of the Board is the responsibility of the Chair; however, over recent years there has been a trend to delegate the commission to an external, mechanical third-party procurement process.
- Q9 THE CGI : a copy of our response to BEIS outlining the issues within the CGI proposal (then ICSA) can be accessed on Boardroom Review's website (<https://boardroomreview.com/resources>).
- Q9 CONTRIBUTION : although internal and external reviews assess the contribution of individual directors, including their time commitment, this should not diminish the Chair's role in assessing individual contribution each year and giving guidance when necessary.

We would be very happy to discuss our comments in more detail.

Kind regards,

