

## **FRC announces review of Combined Code at ICSA Corporate Governance Conference**

18 March 2009: Sir Christopher Hogg, Chairman of the Financial Reporting Council has today announced a review of the Combined Code on Corporate Governance. Speaking at the Institute of Chartered Secretaries and Administrators' (ICSA) inaugural Corporate Governance Conference, he described company secretaries as 'unique professionals' and said:

'While there is no assumption that the Code is fundamentally flawed or that a different regulatory framework for corporate governance could have alleviated the financial crisis, we are clear that the time is now ripe for testing the Code's content and application against the fresh thinking that the financial crisis must provoke.'

The FRC is inviting views on any aspect of the Code, but in particular on the composition and effectiveness of the board as a whole, the respective roles of the chairman, the executive leadership of the company and non-executive directors, the board's role in relation to risk management, the role of the remuneration committee, the quality of support and information available to the board and its committees and the content and effectiveness of Section 2 of the Code, which is addressed to institutional shareholders.

The FRC is also seeking views on how the operation of the 'comply or explain' regime could be improved. Views are sought from listed companies, directors, investors and other interested parties by 29 May 2009.

The FRC will publish its findings before the end of 2009 and if any changes are proposed to the Code or the way in which it operates, this will be subject to further consultation.

David Wilson, ICSA's Director of Policy and Strategy commented:

'I am delighted that Sir Christopher Hogg should have chosen ICSA's Corporate Governance Conference as the forum in which to announce the decision to undertake a review of the Combined Code. Given Sir David Walker's review of governance arrangements in the banking sector, this is an appropriate time for a review of the operation of the Code, which has application to listed companies across all sectors, not just banks. All companies and their governance advisers will be encouraged by the open mind the FRC is adopting to the continued validity of the Code, and the free-ranging nature of the review they have launched.'

For further information please contact Rosie Hamilton [pressoffice@icsa.co.uk](mailto:pressoffice@icsa.co.uk) or 020 7612 7062/07890 649143 or Chris Hodge at the FRC on [chodge@frc.org.uk](mailto:chodge@frc.org.uk) or 020 7492 2381

To view the FRC press release click here

<http://www.icsa.org.uk/assets/files/pdfs/Press/FRCrelease.pdf>

The consultation document and text of Sir Christopher's speech is available [here](#).

Comments on the consultation should be returned to the FRC by 29 May.

Press coverage

Financial Times <http://www.ft.com/cms/s/0/d16fe0bc-113a-11de-87b1-0000779fd2ac.html>

Evening Standard <http://www.thisislondon.co.uk/standard-business/article-23663645-details/Code+can%27t+really+be+our+best+shot/article.do>