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On the board agenda 2022

REPUTATION STAKEHOLDERS CULTURE AUDIT REFORM TRANSPARENCY RISK MANAGEMENT DIVERSITY STEWARDSHIP SHAREHOLDERS RISK APPETITE COMPETITIVE POSITION SUSTAINABILITY VIABILITY INDIVIDUAL ACCOUNTABILITY KPIs GENDER PAY GAP REMUNERATION ETHICS MANAGEMENT INFORMATION INTERNAL CONTROL OUTSOURCING COMPANY PURPOSE LICENCE TO OPERATE CYBER RISK GOVERNANCE SUBSIDIARY GROWTH GOVERNANCE CORPORATE CAPABILITY TRUST INTERNAL AUDIT EFFECTIVENESS BOARD STRATEGY EFFECTIVENESS AUDITOR REPORTING ENGAGEMENT BOARD COMMITTEE AUDIT INDEPENDENCE ASSURANCE PLANNING SUCCESSION

On the board agenda – half year 2022

June 2022

MAKING AN IMPACT THAT MATTERS since 1845

Contents

Foreword

Dear Board Member,

At a time when macro topics once again dominate, this half-year edition of "On the Board Agenda" has two objectives – first, to act as a reminder of key matters for the half-year report, and, second, to help you set the agenda for the remainder of the year, contextualised of course as usual.

Invented almost a decade ago, the "VUCA" acronym seems ever more appropriate for our experience today: volatility, uncertainty, complexity and ambiguity will be recognised by any board agenda. The Russian invasion and supply chain challenges have exacerbated inflation. This is causing boards to re-assess risk and resilience, and assumptions underpinning forecasts – constant reappraisal of scenarios will help with decision making. Many companies are grappling with demand forecasting and pricing, supply chain disruption, other input cost pressures and challenges in attracting and retaining talent. The pace of technology change shows no sign of relenting and boards have to work hard to keep pace to understand the threats and opportunities which this presents. Similar to our findings on climate in November last year, the recent Deloitte Global Boardroom survey of the Digital Frontier reveals many boards need to step further into the digital world to help their companies leverage real digital transformation to achieve sustained competitive advantage. Could there be a more interesting time to be a leader in the boardroom?

In this half year "On the Board Agenda" we provide a reminder of the FRC's hot topics for interim reports; now that the Government has issued its response to 'Restoring trust in audit and corporate governance', we provide a high level summary and share what boards could be getting on with now; we provide an update on regulatory calls for greater disclosure on cyber and technology risk; and we provide an overview of the accelerating pace of developments in ESG, climate and diversity reporting.

Now especially, the matters we are discussing are relevant across public and large private companies alike, given that the Government Response to the BEIS White Paper proposes an extension of the concept of the "public interest entity" to large private and large AIM quoted companies. There are a number of areas that boards can be getting on with to get ahead, allowing more time for consideration of choices. Our mission at the Deloitte Academy is to help keep you there.

William Touche
London Senior Partner
June 2022

Areas of focus for your half-year report

This section is a reminder of the requirements for listed companies for the 2022 interims season and some of the key matters to consider when reporting in the current environment. Investors will be expecting clear disclosures around both the impact of events such as Russia/Ukraine and the lockdown in China as well as management activity being undertaken to manage the current economic environment and impacts of supply chain matters, and inflationary pressure from cost inputs and wages.

A reminder of what needs to be included

Interim management report

The interim management report must include **at least**:

- an indication of **important events** that have occurred during the first six months of the financial year, and their impact on the condensed set of financial statements;
- a description of the **principal risks and uncertainities** for the remaining six months of the financial year; and
- for issues of shares, disclosures on any relevant related **party transactions** which took place during the period.

Responsibility statement - the interim management report includes a **fair review** of the information required.

Condensed set of financial statements

The condensed set of financial statements must be prepared in accordance with IAS34 and must contain:

- a condensed balance sheet
- a condensed profit and loss account; and
- explanatory notes on these accounts.

The financial statements must be prepared using consistent policies and principles for presentation as for the annual financial reports except where new policies are to be applied to the next annual financial statements.

Responsibility statement - the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a **true and fair view** of the assets, liabilities, financial position and profit or loss of the company.

The FRC's expectations for a good interim report

The FRC published its Interim Thematic Review in May 2021, which covered the findings of a review of 20 interim review reports for periods ended between June and September 2020. The report set out seven key expectations for interim reports which remain relevant today:

- Ensure that management commentaries detail important events that have occurred during the first six months of the financial year, and their impact on the financial statements.
- Provide a comprehensive update of the principal risks and uncertainties for the remaining six months of the financial year.
- Make sure Alternative Performance Measures are explained, reconciled to IFRS measures and not given undue prominence.
- Give going concern disclosures that explain the basis of any significant judgements, including whether there are any associated material uncertainties, and the matters considered when confirming the preparation of the financial statements on a going concern basis.
- Detail changes to key judgements and estimates with reasons that enable users to understand management's views about the future, and their impact on the interim financial statements.
- Explain in sufficient detail events and transactions that have a material impact on the financial position and performance of the company, such as impairments.
- Focus on providing material disclosures that are clear and concise.

A reminder about the requirements in relation to interim reviews by auditors

Under the Disclosure & Transparency Rules (DTR 4.2.9), if the half-yearly financial report has been audited or reviewed by auditors, the audit report or review report must be reproduced in full. If the half-yearly financial report has not been audited or reviewed by auditors, an issuer must make a statement to this effect in its report. The FRC's Interim Thematic Review issued in May 2021 reminded companies that regardless of the level of assurance gained on the interim management report, this needs to be clearly disclosed – not all companies in their sample did this. The FRC provided the following guidance in relation to the decision on whether to engage auditors to perform an interim review engagement based on feedback from investors:

"It is a matter for a company to decide whether to engage their auditors to perform an interim review engagement – it is not a legal or regulatory requirement. However, feedback we have received from investors indicates that such a review provides valuable assurance, and this may be particularly so in the current environment."

Thinking about the current environment

Russia/Ukraine and China's COVID crisis

There are a number of financial reporting considerations triggered by the ongoing war between Russia and Ukraine and COVID lockdowns in China. These include:

- Interruptions or stoppage of production in affected areas and neighbouring countries
- Damage or loss of inventories and other assets
- Closure of facilities in affected areas
- Supply-chain disruptions
- Volatility in commodity prices and currencies
- Disruption in banking systems and capital markets
- Reductions in sales and earnings of business in affected areas
- Increased costs and expenditures
- Cyberattacks

For the further detail please see 'Need to know: Financial Reporting Considerations Related to the Russia-Ukraine War'.

Inflation

In a time of increasing inflation, there are a number of impacts to be considered, amongst them are external costs inputs, wages and workforce management, pricing expectations, changes in consumer confidence and demand patterns, and interest rates. These impacts will be reflected in key elements of the financial statements:

- Financial risk assessments
- Demand forecasting, production planning
- Financial forecasting, including impairment modelling
- Interest and exchange rates
- Financial instruments
- Pension assumptions

Boards will be continually questioning key assumptions and re-evaluating potential scenarios and level of resilience.

The FRC has issued a timely thematic review on discount rates. The review recognises that discounted cash flows and discount rates are commonly used under IFRS and that determining an appropriate discount rate is a complex area of financial reporting. In turn, this in itself can be an area of significant estimation uncertainty and a source of errors in financial reporting.

The review concludes that there is general scope for improvement in the usefulness of the disclosures provided by many companies, particularly in the current interest rate environment of low nominal interest rates and relatively high inflation, which may impact reporting by many companies. This thematic review aims to help preparers, auditors and investors better appreciate the reporting implications of sustained negative real interest rates.

While on this topic, directors of any organisations impacted by the current levels of inflation in Turkey, where inflation indices are currently exceeding 100 per cent on a three year cumulative basis, may wish to look over the Deloitte publication ‘Need to know – Inflation in Turkey’ which sets out some of the financial reporting issues for periods ending on or after 30 June 2022.

Government Response: Restoring trust in audit and corporate governance

At the end of May, the Department of Business, Energy & Industrial Strategy (BEIS) issued the Government Response to last year's White Paper 'Restoring trust in audit and corporate governance'. The response summarises the feedback that BEIS received on the White Paper and sets out the measures it intends to pursue. It is a long document (almost 200 pages) and covers proposals which impact a number of different market participants - company directors, auditors and professional bodies.

The response does not set out a timetable, but rather outlines the actions to be taken, including what the Government intends to ask of the regulator and other stakeholders. We provided a comprehensive summary of the key areas that are likely to impact you as board directors and audit committee members in our Newsflash. In this article we explain the current context and likely next steps together with some details on the new tiered approach to the definition of public interest entity and a summary of the mechanisms planned to deliver the reform package.


Restoring trust in audit and corporate governance

Government response to the consultation on strengthening the UK's audit, corporate reporting and corporate governance systems

The response makes clear that the timescale for implementation of some measures is expected to stretch over several years, noting that the granting of powers to the newly established Audit, Reporting & Governance Authority (ARGA) will require primary legislation, and that changes to secondary legislation or the Code will necessitate further consultation. The detail will depend not only on Parliament but also on Ministers' assessment of the economic circumstances at the time. The Government has committed to give careful consideration to appropriate lead times, so that market participants can be assured that the pace of change will be measured and manageable.

The Government also announced that it will review wider reporting burdens on both large and small businesses including those from retained EU law.

The FRC has indicated that, ahead of Government legislation, it will set out an extensive work plan to advance reforms which can be developed through existing powers or on a voluntary basis.

Definition of public interest entity

One of the key areas of reform is the definition of public interest entity. Now that we do not have to follow the EU definition, the Government has settled on a threshold for PIE across all companies: Those listed on a regulated stock exchange or those companies with 750 or more employees and at least £750m annual turnover.

Companies traded on AIM or other multilateral trading facilities, Limited Liability Partnerships and third sector entities will also be PIEs if they meet this 750:750 test. The Government also commits to allowing an adequate period between an entity exceeding the new 750:750 threshold and being subject to new PIE requirements.

Further the Government plans to implement a tiered approach as indicated in the diagram below (further details on the individual proposals can be found in our Newsflash):

Tier	Definition	Within scope of...
ALL Public Interest Entities	**Current definition** (entities whose transferable securities are admitted to trading on a regulated market, credit institutions plus insurance undertakings) **PLUS** UK incorporated companies, AIM, LLPs and third sector entities with **750 or more employees** and **at least £750m annual turnover**	The new directors' enforcement regime and the extended Corporate Reporting Review activity
Large Public Interest Entities	**Public Interest Entities** (see above) with **750 or more employees** and **annual turnover of at least £750m**	The new corporate reporting requirements - the Resilience statement, Audit & Assurance Policy (AAP), Fraud statements and disclosure of distributable reserves
Small Public Interest Entities	**Public Interest Entities** (see above) with less than **750 employees** and **with annual turnover below £750m**	Will **NOT** be within scope of the new corporate reporting requirements
Public Interest Entities through size criteria alone	Entities with **750 or more employees** and with **annual turnover of at least £750m** which are **NOT** entities whose transferable securities are admitted to trading on a regulated market, credit institutions plus insurance undertakings	Will not be required to have an Audit Committee, retender audit every 10 years or rotate auditor every 20 years but will be in scope for the new corporate reporting requirements

Summary of scope and mechanism for implementation

The Government is planning to use a variety of different mechanisms to implement the package of reforms, and, responding to calls for regulation which is proportionate and targeted, the scope for each element of the package is focused on different sizes and types of entity. The result is a complex framework which will need careful monitoring for some time with no doubt further consultations on separate elements to follow. We will keep you informed!

Topic*	Scope	Mechanism for implementation
Definition of PIE	--	Primary legislation
New regulatory regime for directors	All PIEs	Primary legislation
Malus & clawback	Premium listed only	Through the Code
Internal controls attestation	Premium listed only	Through the Code
The Resilience Statement	PIEs with 750 employees or more and an annual turnover of at least £750m ("Large PIEs")	Secondary legislation
Capital maintenance	Large PIEs	Secondary legislation
Directors' obligations in relation to fraud	Large PIEs	Secondary legislation
Supervision of corporate reporting	Those in scope of FRC's Corporate Reporting Review	Powers to ARGA
Regulatory framework for audit committees	FTSE 350 companies	Powers to ARGA
Audit & Assurance Policy	Large PIEs	Secondary legislation
Managed shared audit	FTSE 350 companies	Powers to ARGA

* detail on each topic is available in our Newsflash

There are a number of activities which audit committees could be considering now to ensure their organisations are in the best place to meet the new requirements in the future, please see page 28 for further details.

Further information
The full paper is available to download here

Sustainability reporting – signposting recent developments

Despite the positive reaction to last year's launch of the International Sustainability Standards Board, unfortunately the current picture for sustainability reporting for UK corporates remains fragmented. In this article we highlight recent developments to help boards navigate this challenging and increasingly important area of corporate reporting.

This short article provides an overview with links to further resources on the following areas:

01. TCFD – emerging practice from the first mandatory reporting
02. Standard setting –the current status of ISSB, EC and SEC consultations
03. Modern slavery statements and supply chain issues – latest insight from the FRC
04. ESG committees – the rise of ESG committees across the FTSE 350

1. TCFD – emerging practice from the first mandatory reporting

In December 2020, the Financial Conduct Authority (FCA) introduced a new Listing Rule (LR 9.8.6R(8)) to promote higher-quality climate-related financial disclosures. The new rule first applied for periods commencing on or after 1 January 2021 and called for premium listed companies to provide disclosures consistent with the recommended disclosures from the Taskforce for Climate-Related Financial Disclosures (TCFD).

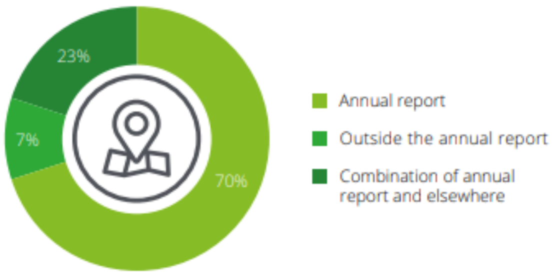
Earlier this year, Deloitte surveyed the annual reports of the first 30 UK premium listed companies. All but five companies reported that they had provided disclosures consistent with the TCFD recommendations.

Unsurprisingly, perhaps, the two areas where the five companies reported inconsistencies with the TCFD disclosures were first in respect of strategy, and second, metrics & targets. Specifically, the presentation of different scenarios of climate impact, and the metrics used to assess climate-related risks and opportunities.

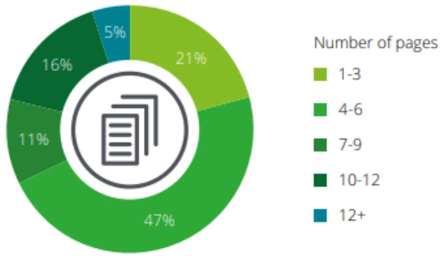
Other interesting data points from the survey:

- Most companies who were able to describe different climate scenarios, chose to present three scenarios.
- 13 of the 30 companies, in other words almost half, referenced that they had obtained independent external assurance over some or all metrics presented. As it is a new area, and a key focus for investors and other stakeholders there is perceived value in assurance.

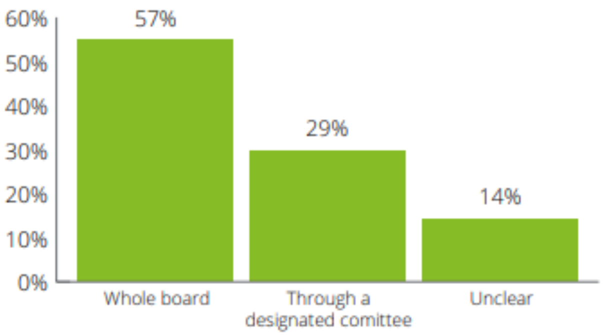
Location of TCFD disclosures



Where TCFD disclosures are presented in a single, self-contained section in the annual report, how long are these disclosures?



For those companies presenting their TCFD disclosures wholly in the annual report, how does the board have oversight of climate-related matters?



For more on how boards are managing ESG matters at the board and committee level, please see section 4 of this article and to read more on the first 30 TCFD reporters please click

2. Standard setting – the current status of ISSB, EC and SEC consultations

Each of the International Sustainability Standards Board, the European Commission and the US Securities Exchange Commission have consultations either open or recently closed on climate and sustainability reporting.

International Sustainability Standards Board – two exposure drafts

The International Sustainability Standards Board (ISSB) was established at COP26 to develop a comprehensive global baseline of sustainability disclosures for the capital markets. It has an Exposure Draft (ED) consultation open until 29th July 2022 on its first two proposed standards:

- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 Climate-related Disclosure

The proposed IFRS S1 sets out overall requirements with the objective of disclosing sustainability-related financial information useful to the primary users of an entity's general purpose financial reporting to assist the users in assessing the entity's enterprise value and deciding whether to provide resources to it.

The proposed IFRS S2 sets out the requirements for identifying, measuring and disclosing climate-related risks and opportunities.

The design intention of the proposed standards is to allow for additions to be made and interoperability with jurisdictional requirements. The proposal is that both standards would be applied prospectively, with no requirement for comparative information in the period of initial application. The EDs do not propose an effective date which will be set when the standards are finalised. The UK government has confirmed it intends to incorporate ISSB standards into the UK corporate reporting framework through an endorsement process which is in development.

For further information on the ISSB exposure drafts, please go to 'Need to know: ISSB proposes global baseline of sustainability disclosure standards for capital markets'.

European Commission: Corporate Sustainability Reporting Directive

In April 2021, the European Commission published its proposed Corporate Sustainability Reporting Directive (CSRD) that includes a provision for mandatory European Sustainability Reporting Standards (ESRS) to be developed by the European Financial Reporting Advisory Group (EFRAG). The final CSRD is expected mid-2022 and in April 2022, the EFRAG published draft ESRSs for comment by 8 August 2022.

The CSRD will apply to entities with securities traded on an EU Regulated market, but the scope may broaden to have some extra-territorial effect and is still under discussion.

For more information on CSRD, please click here.
For more information on the ESRSs, please click here.

In light of this proposed EU legislation and stakeholder demands, Accountancy Europe has issued a paper which aims to provide an overview of the expected role and responsibilities of audit committees. It includes recommendations for audit committees in relation competencies and composition and their responsibilities for ESG reporting and assurance.

To access the Accountancy Europe paper, please click here.

SEC proposed rule: 'The Enhancement and Standardization of Climate-Related Disclosures for Investors'

This March 2022 proposal from the SEC would require "registrants to include certain climate-related disclosures in their registration statements and periodic reports, including information about climate-related risks that are reasonably likely to have a material impact on their business, results of operations, or financial condition, and certain climate-related financial statement metrics in a note to their audited financial statements."

The SEC has acknowledged that the disclosures registrants would be required to provide are similar to those that many companies provide under existing disclosure frameworks and standards, such as the Task Force on Climate-Related Financial Disclosures (TCFD) and the Greenhouse Gas Protocol.

For more information see 'Heads Up — Executive summary of the SEC's proposed rule on climate disclosure requirements'. The consultation period closed on 20 May 2022.

3. Modern slavery statements and supply chain issues – latest insight from the FRC

In collaboration with the UK Independent Anti-Slavery Commissioner, the FRC has issued a report which summarises research undertaken by Lancaster University on behalf of the FRC on how companies listed on the London Stock Exchange's Main Market report on modern slavery. The research examines the reporting practice in modern slavery statements required under s.54 of the Modern Slavery Act 2015 (MSA). The report also considers how reporting on modern slavery is linked by companies in the separate requirement to describe how opportunities and risks to the success of the business have been considered and addressed, looking in particular at Section 172 statements. The evidence is based on the reporting practices of a sample of 100 companies comprising FTSE 100, FTSE 250, and Small Caps.

As a reminder, the MSA requires organisations with a turnover of £36 million or more to provide an annual statement on the steps that they are taking to ensure that modern slavery is not taking place in any parts of their business or supply chains. The accompanying statutory guidance recommends that disclosure covers the following six reporting categories: policies, structures, due diligence, risk assessment, training, and effectiveness.

The research did not present a pretty picture: Around one in ten companies did not provide a modern slavery statement at all, and therefore completely failed to comply with the s.54 reporting requirement. Where companies did comply, only one third of modern slavery statements were considered clear and easy to read. Unfortunately, the majority of statements were found to be fragmented, lacking a clear focus and narrative, or were unduly complicated. Less than half of companies provided a clear and comprehensive discussion of modern slavery considerations in the context of the organisational structure, operating and supply chains. Disclosure therefore often failed to provide information on how policies operated in practice, or how their effectiveness was measured. In addition, the vast majority of modern slavery statements were wholly backward-looking, with only a minority clearly identifying emerging issues or a longer-term strategy.

The overall assessment suggests that many companies appear not to view human rights issues in their workforce and supply chain as a principal source of risk for their business. The report suggests that at some companies this apparent lack of concern may reflect strong and positive relationships with trusted suppliers coupled with relatively short supply chains that are easy to manage. For many others, however, the report suggests that the lack of disclosure might raise questions over whether sufficient attention is being paid to such issues.

Some fixes are easier than others: Only 14% of annual reports provided a direct link in the annual report to the modern slavery statement. The FRC report suggests that this lack of appropriate cross-referencing not only reduces visibility and transparency on modern slavery issues but undermines efforts to address the risks.

The FRC hopes that the report will prompt companies to increase board oversight on supply chains to ensure that effective policies are in place to drive tangible action on this important issue. They are keen to see future reporting include how assessment of the effectiveness of these policies has delivered benefits.

Access the full report here.

In the first of a new series of insights into current market issues, the FRC's Financial Reporting Lab has also issued commentary on supply chain risks and associated reporting.

Supply chains are often a key part of a company's strategy for creating long-term value. Not all companies will be materially impacted by macroeconomic factors or changing consumer behaviours, but for those that are, investors will want to understand how the company has assessed these risks and opportunities. The FRC suggests that providing a connected and clear story, which provides information on governance and processes, the nature and approach, as well as any relevant scenario-planning information will help investors in understanding this impact.

Please click to access 'Supply chain disclosure: FRC Lab insight'.

4. ESG committees – the rise of ESG committees across the FTSE 350

We have undertaken some research to determine emerging practices in the FTSE 350 for board oversight of ESG strategy. We have found that:

- About 50% of the FTSE100 and about 30% of FTSE 250 companies have established an ESG / Sustainability Committee
- Typically, the majority of members are non-executive directors (with input from the CEO and in-house Sustainability / ESG leaders). However, some do include the CEO and executive members within the actual committee membership
- The majority of FTSE 100 committees publish formal Terms of Reference. There are common themes but there is some variation in membership, duties and framework of the committee

A summary of the key themes/points raised in the published Terms of Reference is as follows:

Meetings	2-3 times a year	The majority of companies except ESG/Sustainability committee meetings to take place at least **two or three times** per year.
	Members	Within an ESG committee, there should normally be **at least three members**. Typically non-executive directors, some state that the majority will be non-executive directors (i.e. some executive representation).
Responsibilities	External environment	The committee should hold responsibility for making actions and decisions based on **external sustainability indicators**. In addition, the committee should maintain an understanding of the external environment and monitor significant changes or events.
	Outcomes	Committees are attributed responsibility for **monitoring, reviewing** and/or **investigating** both **negative and positive outcomes** in relation to ESG, with specific mention often given to health and safety and/or risk.
	Targets	Most Terms of Reference include reference to the committee's duty to **create, review and/or monitor targets** relating to ESG; this may be KPIs or remuneration targets. **There is an increasing prevalence of ESG committees signing off on ESG remuneration targets**.
Reporting	Communication with Board	As with the majority of committees, the role of an ESG/Sustainability committees' role is to **report back to the Chair** and inform other members of the Board on key matters. The main points to be raised to the Board include, but are not limited to, outcomes, reviews and discussions held during committee meetings.
	External reporting	Committees hold responsibility for feeding relevant findings or details into the **Sustainability Report** and reviewing the **external auditor's findings regarding the Sustainability Report**.

We have also examined the increasing investor focus on ESG and climate matters:

- Over 30% of FTSE 100 companies have committed to 'say on climate' AGM resolutions and this trend is expected to increase.
- ESG and climate strategy was the highest area of investor engagement in 2021 and is a growing area of proxy focus.

For example:

From 2022 Glass Lewis will "recommend that shareholders vote against the re-election of the governance committee chair (or equivalent) of FTSE 100 companies that fail to provide explicit disclosure concerning the board's role in overseeing material environmental and social issues".

ISS states that "For companies that are significant GHG emitters through their operations or value chain, [ISS will recommend] generally vote against the board chair in cases where ISS determines that the company is not taking the minimum steps needed to understand, assess, and mitigate risks related to climate change to the company and the larger economy."

Responding to these developments – questions for boards to consider:

- How well do our TCFD disclosures benchmark against our peers and are we measuring our performance against commitments made in a robust manner?
- Who is taking the lead in tracking the development and application of new sustainability reporting standards? Will there be a readiness assessment undertaken at the appropriate time?
- Have we undertaken a robust assessment of the risks in our supply chain and, in particular, considerations around situations which could constitute modern slavery? Is the board exercising appropriate oversight over the organisation's Modern Slavery Statement?
- If not already established, has the board considered whether a dedicated ESG or Sustainability Committee of the board would be a more effective governance arrangement to exercise oversight of these issues? And if an ESG or Sustainability Committee has already been established, how well do the terms of reference compare to the themes set out above?

Diversity & inclusion

In this article we set out a summary of new diversity listing rules applicable to UK and overseas issuers with a premium or standard listing on the LSE, the latest recommendations from the FTSE Women Leaders Review (successor to the Davies and Hampton-Alexander Reviews) and key recommendations from the LACA Employer & Employee Guide.

In April 2022, the FCA introduced new Listing Rules (LR 9.8.6R(9) and LR 14.3.33R(1) to require, as an ongoing listing obligation, that issuers in scope include a statement in their annual financial report setting out whether they have met specific board diversity targets on a '*comply or explain*' basis, as at a chosen reference date within their accounting period and, if they have not met the targets, why not. Those in scope are UK and overseas issuers with equity shares, or certificates representing equity shares, admitted to the premium or standard segment of the FCA's Official List.

These new requirements will apply to financial years starting on or after 1 April 2022. However, companies whose financial years began before then (from 1 January 2022 onwards) are encouraged to consider reporting on the targets and making the numerical disclosures in relation to their current accounting period on a voluntary basis.

The targets are as follows:

- at least 40% of the board are women
- at least one of the senior board positions (Chair, Chief Executive Officer (CEO), Senior Independent Director (SID) or Chief Financial Officer (CFO)) is a woman
- at least one member of the board is from a minority ethnic background

Issuers will also have to set out in their statement:

- the reference date used, and where this is different from the reference date used in respect of the previous accounting period, an explanation of why; and
- any changes to the board that have occurred between the reference date and the date on which the annual financial report is approved that have affected the company's ability to meet one or more of the targets.

Alongside the annual narrative comply or explain disclosure, there is also a new requirement (in LR 9.8.6R(10) and LR 14.3.33R(2)) to publish numerical data on the sex or gender identity and ethnic diversity of their board, senior board positions (Chair, CEO, Senior Independent Director and CFO) and executive management in a standardised table format.

The format for the numerical reporting tables is as follow:

Table 1 Gender reporting categories

Gender	Number of Board Members	% of Board	Number of senior positions on the board (CEO/CFO, SID or chair)	Number in executive management	% of executive management
Men (including those self-identifying as men)					
Women lincluding those self-identifying as women)					
Non-binary					
Not specified/prefer not to say					

Table 2 Ethinicity categories

ONS ethnicity category	Number of Board Members	% of Board	Number of senior positions on the board (CEO/CFO, chair or SID)	Number in executive management	% of executive management
White British or White Other					
Mixed/Multiple Ethnic Groups					
Asian/Asian British					
Black/African/Caribbean/ Black British					
Other Ethnic Group					
Not specified/prefer not to say					

The final piece of the new disclosure requirements is for issuers to explain their approach to collecting the data. The expectation is that there is consistency in approach across the individuals being reported on, and for reporting against the targets and numerical disclosures.

In February 2022, the FTSE Women Leaders Review issued an update on the progress made on gender diversity in 2021 and set out new targets and recommendations. The Review indicated that 32.5% (2020: 30.6%) of those currently sitting on FTSE 100 Executive Committees and their Direct Reports are women. For FTSE 250 the representation of women in Leadership, that is the Combined Executive Committee & Direct Reports, has risen to 30.7% (2020: 28.5%), with slightly more progress on the Executive Committee up to 24.4% from 21.7% from last year.

The report notes that one of the key drivers of change is the appointment rate, which continues to be significantly skewed in favour of men. Almost two out of every three roles that become available in Leadership during the year (63% (FTSE 100) and 62% (FTSE 250)) are still going to men so there is "still more work to do" to achieve the targets set in the review.

More encouraging results were reported in relation to Women on Boards with over 70% of FTSE 100 companies now having four or more women around the board table and 48 companies of the FTSE 100 and 92 of the FTSE 250 who have already met, or exceeded the new 40% target.

For the first time the review is extending its scope to large private companies – see page 23 below for more details.

The LACA guide issued in February 2022 has been developed to help leadership teams evolve their employee value proposition and deliver better inclusion, fairness, opportunity and value for every UK employer and employee. It has been developed by the Leaders as Change Agents Board, a Government expert committee, and is being endorsed and supported by many leading companies. Written for the flexible post pandemic world of work the guide sets out eight commitments which CEOs and their leadership teams can use to improve organisational performance by fully embracing fairness and inclusivity at work:

01. Empowerment & choice
02. Diversity, Equity and Inclusion
03. Growth & development
04. Commitment and engagement
05. Participation in decision
06. Work life balance
07. Fairness
08. Recognition and reward

A step-by-step guide is included to help adoption and effective delivery of the plan. The guide should be of great interest to members of the remuneration and ESG committees with oversight of workforce policies and practicies.

Questions for boards to consider:

- Has the board benchmarked their composition against the new diversity targets set by the listing rule? How is board succession planning addressing any gaps identified?
- Will the company have the data available to meet the new diversity disclosure rules?
- Is the human capital team aware of the LACA Guide and supportive of the principles and is the company actively promoting a culture of better inclusivity, fairness and opportunity for all?
- Is the board actively monitoring progress across the business?

Technology: embracing the opportunities; facing up to the risks

Technology has become pervasive in our lives, accelerated by the pandemic. We all depend on the privacy, integrity and accessibility of the data held within information systems and its importance is reinforced by the size of regulatory fines able to be levied.

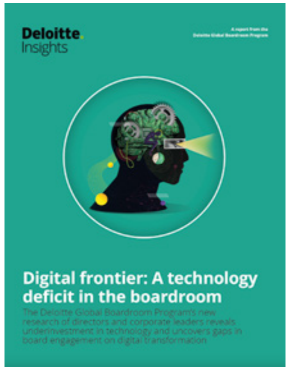
In Digital frontier: a technology deficit in the boardroom, the Deloitte Global Boardroom Program reports the findings of a survey covering more than 500 directors and C-suite executives and conversations with leaders, directors, and subject matter specialists to find out what's being done in boardrooms around the world when it comes to technology. Are boards stepping up to meet the new demands of expanded technology use? What are they doing to ensure that technology investments are driven by strategic objectives?

With oversight of technology systems and capabilities, of tech opportunity and risk being so critical to company success, regulators are also increasingly focused on how companies report governance oversight of cyber risk and breaches in security. The FRC's Financial Reporting Lab is preparing to publish its recommendations for cyber disclosures by UK listed companies over the summer. This follows a March 2022 proposal by the US Securities and Exchange Commission (SEC).

In order to examine the current status of reporting in the UK, we have carried out a survey of cyber opportunity, risk and governance reporting across the FTSE 100 which will be published shortly after the FRC Lab's report – it is clear from our findings that the Lab's guidance will be useful to address the huge variability in current disclosure practice in the UK.

This article covers insights from Digital frontier: a technology deficit in the boardroom along with some headlines from our upcoming publication Cyber risk and governance reporting in the UK: improvement required! Both of these provide critical areas for boards to consider both in terms of function and preparing for better reporting in the next annual report.

Digital frontier: are boards stepping up to the challenge?



Technology is being adopted widely by businesses and consumers alike. Digital transformation that was underway in many organisations has moved forward at a rate few could have predicted before the COVID-19 pandemic: In fact 85% of CEOs accelerated digital initiatives during the pandemic[1].

Advanced technologies, such as cloud and artificial intelligence (AI), are moving ever onward: In 2022, end-user spending on public cloud services is forecast to grow 20.4% in 2022 to total US$494.7 billion, according to Gartner, Inc[2]. Cyber attacks are proliferating around the world.

Digital frontier: a technology deficit in the boardroom finds that **fewer than half** of executives and board members surveyed believe their board is providing enough oversight of technology matters. Meanwhile, **44% of executives** say that their board directors lack the knowledge they need to provide effective stewardship over technology strategy.

The survey reveals a number of challenges to board oversight of digital, cyber, and new technologies including:

- over-reliance on management;
- deficits in tech fluency;
- vague tech governance structures;
- poorly defined management information; and
- unclear links between technology and strategy.

This lack of experience could put investment at risk, and ultimately lead to a competitive disadvantage. Nearly half of respondents (**49%**) say their organisation isn't investing enough in technology to meet the key strategic objectives of outpacing the competition and addressing opportunities and risks. In fact, C-suite respondents were seven percentage points more likely than directors to say their organisation needs to step up investment. However, alongside this, **four in 10** respondents say their biggest challenge is demonstrating cause and effect between technology investments and growth.

1 Janet Foutty, How digital transformation—and a challenging environment—are building agility and resilience, Deloitte Insights, April 29, 2021.
2 Gartner Forecasts Worldwide Public Cloud End-User Spending to Reach Nearly $500 Billion in 2022.

Respondents to the survey offered some clear paths to building capability and embracing opportunity to achieve that success:

- Educating board members on the latest technology trends (66% director/61% C-suite).
- Developing a more holistic plan to address technology and its link to strategy at the board table (60% director/61% C-suite).
- Making technology a standing agenda item at meetings. Collaborating more with the CIO/CTO/CISO and invite them to meetings more frequently (54% C-suite / 45% director).
- Getting more experience on the board by recruiting one or more tech-fluent board members. Here, those in the C-suite were much more likely to say this than board members were, perhaps so they can have good dialogue with a board member.

Questions directors can ask themselves:

1) Are we doing a good job ensuring tech investments and deployment are driven by longer-term strategic priorities? If not, what more could we do?

2) How and when do we talk about technology? If technology discussions mostly happen in committees, how are we ensuring that the full board is engaged?

3) Do we have enough technology experience on the board?

   a. Should we be actively recruiting directors with more technology experience to help fill the gaps?

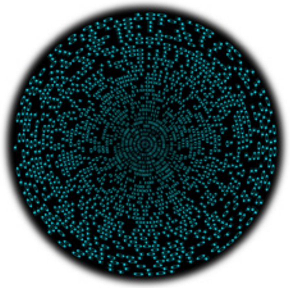
   b. What educational opportunities can we initiate to elevate the knowledge and experience of all board members?

4) How can we collaborate more and better with our organisation's CxOs and technology leaders so we are working together to accomplish shared goals?

The report provides directors with an opportunity to think about how they are engaged with their company's technology strategy.

To access the survey write up please follow the link to Digital frontier: a technology deficit in the boardroom.

Cyber risk and governance reporting in the UK: improvement required!



In the light of these findings, it is unsurprising that regulators and investors are seeking better disclosure on oversight of cyber risk. Our survey of reporting across FTSE 100 annual reports, due to be published later this year, echoes a number of the findings from the digital frontier.

In particular, 74% of the FTSE 100 disclosed digital strategy (longer-term) and 70% disclosed technology investments (short- to medium-term) as an opportunity to embrace (with just over half mentioning both).

Metrics are in short supply in the annual reports – perhaps reflecting the **lack of management information** observed in the digital frontier survey. Just five companies mentioned a cyber-related key performance indicator (KPI), for example the number of digital visits or technology uptime availability (proportion of time technology platforms were available to customers).

In terms of **governance structures**, a quarter indicated that there is a board director with direct specialist expertise. Just under half **(48%)** disclosed that they have a Chief Information Security Officer (CISO) or similar as part of the executive team. However, only **12%** commented on the CISO's role and reporting lines. The better disclosures described the CISO's attendance at board or committee meetings and the process by which the board is informed about cyber risk and mitigations.

The SEC's recent cyber reporting proposal contemplates disclosure of the company's cyber risk assessment programme and inclusion of a description. Currently, less than one in five companies in the FTSE 100 **(only 17%)** describe a formal cyber risk assessment within their annual report.

And, in an area requiring greater attention, only **12%** actually acknowledged cyber security incidents in their organisation – yet investors, regulators and the informed public are aware that companies will regularly be fending off cyber attacks of varying degrees of sophistication and success. In fact, almost half of FTSE 100 companies reported a recent increase in cyber attacks attributed to the pandemic, the move to remote/ hybrid working and geopolitical tensions. It is important to tell the full story.

Thinking ahead to reporting, this year directors should look for disclosures to be company specific, year specific and provide sufficient detail on actions and outcomes to give meaningful information to investors and other stakeholders. Companies should take credit for what they are doing, including describing who has executive responsibility, how they report to the board, board level responsibilities, the policy framework, internal controls, internal and external assurance, and disaster recovery plans.

There is likely to be further useful information to support high quality disclosures in the FRC's Lab report once it is available in the autumn. The proposals put forward by the SEC provide useful information on expectations.

SEC proposal to mandate cybersecurity disclosures by US public companies

Published in March 2022, the SEC proposal closed for comment on 9 May 2022. Key elements include cyber incident reporting to be filed within four business days of the point that the incident was deemed material. Proposed annual report disclosures include:

Cyber incident reporting	• Any material impact of the incident on the registrant's operations and financial condition • Any potential material future impacts on the registrant's operations and financial condition • Whether the registrant has remediated or is currently remediating the incident • Any changes in the registrant's policies and procedures as a result of the cybersecurity incident, and how the incident may have informed such changes
Disclosure of governance regarding cybersecurity risks	• Whether responsibility for oversight sits with the board, specific board members or a committee • How the board is informed about cybersecurity risks, and how frequently this is discussed • Whether and how risks are considered as part of the board's business strategy, risk management, and financial oversight • Management's role assessing and managing risks and implementing policies procedures, strategies • Whether there is a CISO or equivalent, their role and reporting structure • Any director with cybersecurity expertise and their prior work experience and certification or degree
Disclosure of risk management and strategy regarding cybersecurity risks	• Description of risk assessment program • Policies and procedures for third party providers • Activities to prevent, detect and minimise effects of cybersecurity incidents • Business continuity, contingency and recovery plans in the event of a cybersecurity incident • Whether incidents have led to changes in governance, policy, procedures, technology • Whether and how risks and incidents have or are reasonably likely to affect results • Whether and how risks are considered as part of strategy, financial planning and capital allocation

Preparing for your year-end audit

Government and regulators are looking to audit committees to oversee high-quality corporate reporting and for robust oversight and questioning of the auditor; the FRC is working towards issuing minimum standards for audit committees.

In May the FRC published both anonymised key findings and good practices identified in their Audit Quality Review (AQR) team's 2020/2021 inspections. This follows up on their new guidance material published last November, What makes a good audit?

This article, based on the FRC's new material and other sources, provides some key areas for boards and audit committees to consider when evaluating and challenging audit plans presented for this year's audit.

Effectiveness of the external audit process

Where the auditor has already been in place for one or more years, a good place to start is the effectiveness review of the external audit process.

- What areas are addressed particularly well? Are there any areas that give cause for concern based on the outturn of the prior year's audit?
- Was the audit committee's review of the effectiveness of external audit sufficiently robust? Was a structured framework used, tailored to the needs of your business, such as Deloitte's Effectiveness of the external audit process? Does the current year audit plan reflect the findings from the effectiveness review?
- Do you have visibility of issues arising out of the audit process with either management or the audit team at material component locations and whether these have been satisfactorily addressed?

Questions to ask when preparing for the 2022 audit

There are a number of emerging areas where audit committees can act as a catalyst and get ahead of the game.

Questions for management

- Have we completed and documented our financial risk assessment and our fraud risk assessment, reviewed them and provided them to the auditor?
- Have we provided our plan to review material controls – covering financial, operational and compliance controls – to the external auditor?
- Have we sufficiently documented our evaluation of the effects of climate change and other sustainability matters, together with the controls supporting the information that underlies that evaluation? Are we confident in expressing that information within the TCFD framework in our annual report?
- Are there any new or revised assumptions in our financial reporting – for example, significant changes in accounting policy or estimation – and have papers supporting those been shared with the auditor to enable early evaluation?
- Have we considered whether (in addition to the audit) there is sufficient assurance over areas of the front half of the annual report focused on by investors, as envisaged by the proposals to develop and Audit and Assurance Policy?

Questions for the auditor

- How will you use our financial risk assessment and fraud risk assessment to guide your planned work? What do you share with component auditors to inform their work?
- Do you have any concerns around our control processes that could affect the audit? What do you think of our plan to review our material controls?
- Do you perform an independent climate risk assessment, or do you rely on our own assessment? What are your expectations regarding information on climate change and other sustainability information? Will you be involving a specialist in this area?
- Can you bring alive how you plan to oversee subsidiary auditors?
- We want to adhere to our timetable - if you encounter difficulties that might jeopardise our reporting timetable, how do you plan to keep us informed to ensure that we can provide whatever assistance might be needed?

Additional areas for board and audit committee focus

Whilst preparing for the year-end audit, boards and audit committees will also want to be on the front foot preparing for the changes due to come out of the Government Response. Also see "Government Response: Restoring trust in audit and corporate governance".

CONTROLS – continue the focus on your monitoring and review of the effectiveness of internal controls ahead of the required attestation that will be introduced by the UK Corporate Governance Code (NB this is ALL controls not just internal controls over financial reporting)

RESILIENCE – start to incorporate consideration of the material resilience matters into your annual process and build capability in reverse stress testing

FRAUD – assess the quality of your fraud prevention and detection activities and consider how well they will stand up to public scrutiny – consider an audit committee paper if you do not already have one on this topic

ASSURANCE – consider the components of an Audit and Assurance Policy and map out the current assurance landscape on all key aspects of corporate reporting (including what will be reported on the effectiveness of internal controls) and build a clear understanding of the different assurance offerings available – and consider what might be suitable for your company

DIVIDEND DISTRIBUTIONS - ask for a review of distributable reserves across your group so that you can start to build a clear picture of the areas of the group where gaps in knowledge may exist – or dividend blocks and tax costs

PIEs – work out which entities within the group could become a public interest entity under the new definition

FRC consultation on audit quality indicators

On 22 June 2022 the FRC launched a consultation on publicly-reported firm-level audit quality indicators (AQIs). These are intended to support comparison between firms, including the largest and challengers, and to stimulate discussion between audit committees and audit firms.

Certain firm-level AQIs are already published voluntarily in the largest firms' publicly-available Transparency Reports, including the results of the FRC's audit quality reviews.
Along with questions on scope, timing, and accompanying narrative reporting, the FRC proposes a list of 11 preferred AQIs across the following areas:

- Performance monitoring and remediation
- Quality monitoring
- Resource planning and people management
- Information and communication
- Governance and leadership

The consultation closes on **18 August 2022** and the FRC plans to publish a final version of its proposals in late 2022, with publication of the first sets of data targeted for summer 2024. The FRC indicates plans to seek further views from stakeholders, including audit firms, in developing methodology following the conclusion of this consultation.

More corporate reporting for large private entities

As there is greater regulatory focus on large private entities, we set out a reminder of the current requirements, an overview of forthcoming requirements and a brief update on plans for a new definition of public interest entity.

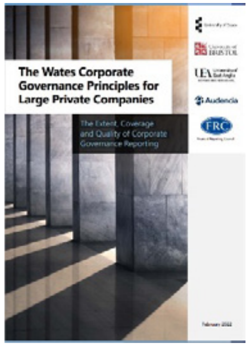
A reminder of the current 'front-half' reporting requirements for large private entities

The complex picture of 'front-half' reporting and the relevant scoping criteria is set out below – it really does need careful attention from the company secretarial team!

Requirement	Scope
Section 172 Statement – *a statement in the strategic report of how directors have complied with their duty to have regard to the matters in 172 (1) (a)-(f)*	UK incorporated companies already required to produce a strategic report except those qualifying as medium-sized (see sections 465-467 Companies Act 2006) in relation to a financial year. The size criteria are that a company meets at least 2 out of 3 of the following: • turnover of more than £36m; • balance sheet total of more than £18m; • more than 250 employees
Statement of corporate governance arrangements – *a statement in the directors' Report about the corporate governance arrangements applied by the company*	UK incorporated companies with either: • more than 2,000 global employees; or • a turnover over £200 million globally and a balance sheet total over £2 billion

Requirement	Scope
Employee engagement – *a statement in the directors' report summarising how directors have engaged with employees and taken account of their interests*	UK incorporated companies with more than 250 UK employees (as for the existing Part 4 Employee Involvement statement). If the company is a parent company it is the number of employees in the group and not just the company itself that is used.
Business relationships – *a statement in the directors' Report summarising how directors have engaged with suppliers, customers and others in a business relationship with the company*	UK incorporated companies already required to produce a strategic report except those qualifying as medium-sized (see sections 465-467 Companies Act 2006) in relation to a financial year. The size criteria are that a company meets at least 2 out of 3 of the following: • turnover of more than £36m; • balance sheet total of more than £18m; • more than 250 employees
Streamlined energy and carbon reporting – *a statement in the directors' report concerning greenhouse gas emissions, energy consumption and action taken to increase its energy efficiency in the UK*	UK incorporated companies that meet at least 2 out of 3 of the following: • turnover of more than £36m; • balance sheet total of more than £18m; • more than 250 employees

The extent, coverage and quality of corporate governance reporting by private companies



In February 2022, the FRC issued a report on the outcome of a research project on the corporate governance statements of large private companies currently in scope, including specifically how many applied the Wates Principles and how many applied an alternative corporate governance code or approach. For companies applying the Wates Principles, the research also sought to assess the quality of reporting and to identify examples of good practice.

The Wates Principles were by far the most widely adopted corporate governance principles and the vast majority of companies provided some form of explanation of how each Principle was applied. Whilst companies have been providing good levels of disclosure in terms of general information about their formal policies, they provided relatively lower levels of disclosure when it came to how these policies are applied in practice. The report includes an informative detailed analysis of the quality of disclosures against each of the six Wates principles. The good practice examples quoted can be used by companies to benchmark and enhance their own disclosures.

FTSE Women Leaders Review - new focus on top 50 private companies

For the first time this year, the FTSE Women Leaders Review is extending the scope of its recommended disclosures beyond FTSE 350 companies to include the largest 50 private companies in the UK by sales.

The rationale provided for this scope extension is that almost one million people are employed in the UK's top 100 private companies.

It is our understanding that the FTSE Women Leaders Review team is developing a list of the private companies to approach for information in the coming months.

In the sections below we describe forthcoming requirements on climate-related disclosures and also a new focus from the FTSE Women Leaders Review on gender diversity at the largest UK private entities.

The Modern Slavery Statement under s.54 of the Modern Slavery Act is required to be published outside the annual report - see Sustainability reporting - signposting recent developments.

New legislation on climate-related financial disclosures for UK incorporated "high turnover" companies

For periods commencing on or after 6 April 2022, UK incorporated companies which have more than 500 employees and a turnover of more than £500m (referred to in the legislation as "high turnover companies") will be required to disclose the climate-related information set out below. Please note that these requirements are similar to those set out in the TCFD recommendations and align broadly with the four pillars of TCFD, but they are not identical. Careful consideration should therefore be given to this whole area.

A. a description of the company's governance arrangements in relation to assessing and managing climate-related risks and opportunities;

B. a description of how the company identifies, assesses, and manages climate-related risks and opportunities;

C. a description of how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management process;

D. a description of

   I. the principal climate-related risks and opportunities arising in connection with the company's operations, and

   II. the time periods by reference to which those risks and opportunities are assessed;

E. a description of the actual and potential impacts of the principal climate-related risks and opportunities on the company's business model and strategy;

F. an analysis of the resilience of the company's business model and strategy, taking into consideration different climate-related scenarios;

G. a description of the targets used by the company to manage climate-related risks and to realise climate-related opportunities and of performance against those targets; and

H. a description of the key performance indicators used to assess progress against targets used to manage climate-related risks and realise climate-related opportunities and of the calculations on which those key performance indicators are based.

For further information please access 'Need to know: UK government finalises legislation on climate-related financial disclosures'.

Large private companies to become public interest entities

See the article "Government Response: Restoring trust in audit and corporate governance" for more information on the changes the Government is planning to make the UK definition of 'public interest entity' to include UK incorporated companies with 750 or more employees and annual turnover of at least £750m.

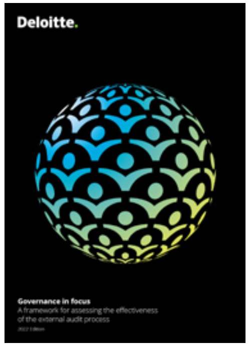
Further resources

This section pulls together some additional resources with a brief introduction to each of them, so they are easier to refer to when required. These publications offer a deeper dive on the governance topics of interest, or where we believe they can add insight to your role as a board member.

As always, do get in touch with your Deloitte partner or with us in the Deloitte governance team if you would like to discuss any areas in more detail. All our recent governance publications are available to read and download from www.deloitte.co.uk/governancelibrary.

Governance frameworks and checklists

Audit Committee effectiveness (2021 edition) is a practical self-assessment guide which covers all aspects of the audit committee's remit for companies outside the financial sector. In this framework we reflect areas where we expect the audit committee to have an increasing role in future and so have incorporated questions on climate change, on audit and assurance policies and on wider stakeholders. We have also included a number of qualitative considerations in the form of 'good practice statements' which help to differentiate an effective audit committee from one which is just ticking the boxes.



A framework for assessing the effectiveness of the external audit process (2022 edition) presents a concise set of just thirty questions for audit committees and ten questions for material component management to consider. This publication may help audit committee make their assessment of audit quality with confidence, as it is a key part of the audit committee's role to scrutinise the quality of the external audit on behalf of investors. This framework has been updated to reflect the matters in the FRC's What makes a good audit?

Governance in focus


Deloitte.

Developing your company's Audit & Assurance Policy

Developing your company's Audit and Assurance Policy (2022 edition) offers a possible structure with considerations and supporting commentary. Leading audit committees will recognise that developing such a policy stimulates thinking in two areas: the directors' approach to obtaining assurance over the range of reporting for which they have responsibility; and the assurance processes around the handling of risk and internal controls.

Also, new webpage on the Audit & Assurance Policy now live.

Is your company ready? The publication of an Audit and Assurance Policy (AAP) is one of the proposals set out in in the government response to the BEIS consultation on 'restoring trust in audit and corporate governance'.

Its purpose? For companies to demonstrate to their key stakeholders - including shareholders, creditors, customers and suppliers – how they are assuring information beyond the financial statements and how they are considering where any additional assurance may be needed in the future.

While each AAP will be unique to the company in question, the Government has proposed certain minimum content which we have outlined in our special Audit and Assurance Policy webpage along with a step-by-step approach to developing your own AAP.

[For more information – click here.]

Governance in brief


Deloitte.

Internal control and the board: What is all the fuss about?

Internal control and the board: What is all the fuss about? is a guide on the internal control framework and responsibilities of the board and audit committee around it. The document includes a summary of the Code requirements and a summary of key steps of control assurance process. This publication also provides a set of questions for the Board to consider within the internal control framework preparation and attestation.


Deloitte.

New 2019 reporting requirements for large private companies – a reminder

New 2019 reporting requirements for large private companies – a reminder explains governance-related reporting requirements for large private companies which are required in annual reports for periods commencing on or after 1 January 2019. This publication is a checklist for large private companies to assess completeness of all required disclosures in light of an increasing focus on private markets.

Foreword

Areas of focus for your half-year report

Government Response: Restoring trust in audit and corporate governance

Sustainability reporting – signposting recent developments

Diversity & inclusion

Technology: embracing the opportunities; facing up to the risks

Preparing for your year-end audit

More corporate reporting for large private entities

Further resources

The Deloitte Centre for Corporate Governance

The Deloitte Academy

Newsflash

Draft audit reform bill included alongside the Queen's Speech newsflash summarises the main elements of the Draft Audit Reform Bill. You can also access the full text of the Queen's Speech and the supporting narrative click here.


News

Newsflash - Draft audit reform bill included alongside the Queen's Speech

May 2022

Save for later

New Listing Rule on diversity & inclusion newsflash describes the main elements of the final policy decision issued by the FCA. This article is aimed at UK and overseas issuers with equity shares, or certificates representing equity shares, admitted to the premium or standard segment of the FCA's Official List, including closed-ended investment funds and sovereign controlled companies.


News

Newsflash: New Listing Rule on diversity & inclusion

April 2022

Save for later

The Deloitte Centre for Corporate Governance

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The Deloitte Academy

The Deloitte Academy provides support and guidance to boards, committees and individual directors, principally of the FTSE 350, through briefings on relevant board topics.

Members receive copies of our regular publications on Corporate Governance and a newsletter highlighting upcoming briefings and recently published insights. Also a dedicated members' website www.deloitteacademy.co.uk is made available so members can register for briefings and access additional relevant resources.

For further details about the Deloitte Academy, including referring colleagues for membership, please email enquiries@deloitteacademy.co.uk.

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