



Collective Engagement Framework 2018 Update

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LEGAL & COMPLIANCE TOPICS

A key objective of the Investor Forum is to facilitate an effective model for collective engagement with UK-listed companies.

Our *Collective Engagement Framework* has been developed to ensure that all participants are clear what the boundaries are and feel confident that they are operating in a safe and secure environment.

The Framework is a step-by-step guide which we use in all engagements. It is reviewed regularly to reflect the changing regulatory and legal environment and to enhance best practice.

The full updated Framework is available to members. A summary is publicly available on our [website](#).

We would like once again to thank our Legal Panel for their support: Davis Polk & Wardwell; Hogan Lovells; Macfarlanes; and Skadden, Arps, Slate, Meagher & Flom.

Purpose of the Review

We reviewed the Forum's *Collective Engagement Framework* with our Legal Panel in 2018 and asked these questions:

- Does the Framework achieve its purpose? Have issues with the Framework been raised by the Forum, its members or companies as the result of practical experience?
- Does the Framework still create a safe and secure environment, addressing both perceived and real obstacles?
- Are there emerging regulatory or legal developments which should be considered?

Conclusions and 2018 Update

- **The Collective Engagement Framework remains fit for purpose.** The Panel is confident in the existing Framework, and no major issues have been raised in practice.
- **The Framework creates a safe and secure environment** and works well to overcome legal and regulatory concerns.
- The 2018 Update includes **background on key legal & regulatory considerations**, including additional detail on how the Forum considers its practices in relation to **Competition Law**.

Emerging Topics

As part of the review process, a number of emerging legal and regulatory topics were identified. These issues were not deemed to have direct impact on the Framework, but do have relevance to Members' broader stewardship activities. We will publish on these topics in 2019:

- EU Shareholders Rights Directive
- FCA Asset Management Review
- Fiduciary Duties of Investment Managers
- Senior Managers and Certification Regime
- Revisions to the Corporate Governance Code