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## Investor Relations and Markets Committee

**Submitted at [www.esma.europa.eu](http://www.esma.europa.eu)**

27 July 2015

Dear Sir/ Madam

### **Call for Evidence: Impact of the Best Practice Principles for Providers of Shareholder Voting Research and Analysis**

I am writing in my capacity as Chairman of The 100 Group Investor Relations and Markets Committee to share with you our views on the above-named Call for Evidence.

#### **Who we are**

The 100 Group represents the views of the finance directors of FTSE 100 and several large UK private companies. Our member companies represent around 90% of the market capitalisation of the FTSE 100, collectively employing over 7% of the UK workforce and in 2014, paid, or generated, taxes equivalent to over 14% of total UK Government receipts. Our overall aim is to promote the competitiveness of the UK for UK businesses, particularly in the areas of tax, reporting, pensions, regulation, capital markets and corporate governance.

#### **Our views**

We welcome the activities of ESMA in reviewing the practices of proxy advisory industry in the current review and in its 2013 previous review on the role of that industry.

The use of proxy advisory services by institutional investors, and the concerns that have been raised by listed companies in the past, mean that the development of this industry is a matter of considerable interest for listed companies.

We support the response of the Investor Relations Society to the Call for Evidence. That response incorporates our views on the questions raised in that document. In particular, we echo the concerns that that group have previously raised regarding the governance research industry, and note that there are not yet indications of significant changes in the proxy advisory industry following the issuance of the Best Practice Principles. We also acknowledge that it may be too early to assess the impact of the Principles since their inception in 2014.

We would be very happy to discuss issues raised in your review of this industry, as they relate to listed companies, if you have any further questions. In the meantime, we commend the Investor Relations Society response for your consideration.

Yours faithfully

**Matthew Lester**

*Chairman, The 100 Group: Investor Relations and Markets Committee*