

There have been many fine words

- *an economy that works for everyone, not just the privileged few*
- *.....support strong businesses that focus on long-term value creation and command public confidence and respect ...*
- *.....it's not always clear that business is playing by the same rules the behaviour of a limited few has damaged the reputation of the many. It is clear that something has to change....*
- *Good corporate governance is about having the right checks and balances to strengthen decision making and accountability Ensuring thatexecutive pay is properly aligned to long term performance giving greater voice to employees and consumers in the boardroom raising the bar for governance standards.*

But

“We’ve seen it with BHS and we saw it with HBOS where despite there being experienced board members there was a failure to stand up to one strong individual”

Oliver Parry, head of corporate governance at the Institute of Directors



The prime minister said that the scrutiny non-executive directors provide *“is just not good enough”*, adding *“we’re going to change that system – and we’re going to have not just consumers represented on company boards, but employees as well”*.



She further observed that executive pay had trebled over the previous 18 years and that *“there is an irrational, unhealthy and growing gap between what leading companies pay their workers and what they pay their bosses”*.

What can we do?

Would a local business or Rotary group foster a discussion group in your area?

What about the Chamber of Commerce or the Round Table or Churches Together?

These can take two forms:

- Private for the benefit of the participants
- Public with an idea of educating a wider audience about the issues



ECCR is a church-based investor coalition and membership organisation working for human rights, economic justice and environmental sustainability

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Who to invite?

- Directors of local companies
- Local trade union leaders
- Providers of infrastructure (local/county councillors & council departmental managers)

There could be more than one such gathering, perhaps with different participants for some of them. We've suggested below some issues that can be discussed. (There are more detailed notes that accompany this leaflet to support those discussions.)

Some questions to consider

- **What is a company for?**
- **What is the nature of its supply chains?**
- **What's the company's impact on the environment?**
- **How are companies 'governed'?**
- **What about its people?**
- **How does it approach human rights?**
- **What can shareholders do?**
- **What is good 'stewardship'?**

For further information please contact:

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We need to talk about
Corporate Governance



There has been much discussion about company behaviour. ECCR has made submissions to the government and to Parliament as part of consultations about corporate governance. We want to stimulate debate and encourage greater understanding about the issues within the faith sector.

This is a leaflet to promote dialogue at church and congregational level. This is for all in our society. What can we (or our church) do to encourage discussion and promote understanding of corporate governance issues?