

THE EUROPEAN VOICE OF DIRECTORS



#EUAAlert | Week 34

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EU INSTITUTIONS DEVELOPMENTS

EC: Call for tenders on the effectiveness and efficiency of the EU corporate governance framework

The European Commission has published [a call for tender](#) for a study on the effectiveness and efficiency of the EU framework on corporate governance underpinning the quality of corporate reporting. The objective of the study is to gather findings on corporate governance to feed any future impact assessment on the topic. The specific objectives are to:

- gather evidence and findings on the architecture of corporate governance, the system of internal controls for the processes related to corporate reporting, and the systems of oversight and sanctions for corporate governance;
- make an analysis of that evidence with a view to identify commonly found features of corporate governance, best practices or gaps, as well as potential problems;
- identify and assess possible EU policy options to address the identified problems.

INTERNATIONAL DEVELOPMENTS

US & Australia: Crack down on greenwashing (Minerva Analytics)

The Australian Securities and Investment Commission (ASIC) and the US Securities and Exchange Commission (SEC) have both commenced proceedings against companies relating to their ESG investment marketing. SEC lawyers have sent document requests, including subpoenas, to several asset managers. It is investigating a range of areas, including conventional funds that have been retooled as ESG funds. Similarly, the ASIC has commenced civil penalty proceedings against Active Super, a superannuation fund with approximately AUD \$13.5bn in superannuation assets, for misrepresenting its funds.

US: SEC adopts new cyber rule

The SEC adopted new rules requiring publicly traded companies to disclose hacking incidents within four days after determining it is serious enough to be material to investors. Companies will also have to describe periodically what efforts they are making to identify and manage threats in cyberspace.

EUROPEAN DEVELOPMENTS

EFRAG: Second workshop for a draft voluntary sustainability standard for non-listed SMEs

EFRAG announced that the second workshop with the EFRAG non-listed SMEs community will take place on 7 September 2023 from 13.30 to 16.30 CET in a private workshop. Members will discuss the proposal of the draft voluntary standard for non-listed SMEs. External participants can join the public session of the meeting from 16:40 to 17:30 CET.

Simultaneously, EFRAG is working on developing guidance on value chain implementation and materiality assessment. The EFRAG Sustainability Reporting Board meeting this week highlighted the need for both editorial edits and further discussions on points of substance in order to move forward with the double materiality implementation guidance. Board members also questioned who the guidance was for, arguing that for some it might even be more of a hindrance than a help.

NATIONAL DEVELOPMENTS

UK: Considers new shareholder ID system (IR magazine)

The UK is considering a new system for shareholder ID that would provide a quicker and cheaper way for companies to gain information on their end investors. The taskforce is also investigating how to ensure that shareholders can exercise their rights. The report says that intermediaries offering shareholder services should be fully transparent about whether and the extent to which clients can access their rights as shareholders, as well as any charges imposed for that service. Feedback is requested by September 25.

PUBLICATION/ARTICLE

Using ChatGPT to make better decisions (Harvard Business Review)

A successful decision-making process has three steps: Framing the decision, generating alternatives, and deciding between them. Large language models can help at each stage of the process. But while it may be tempting to merely ask ChatGPT for answers, the real power of large language models (LLMs) is how they can assist at each stage. Ask for help thinking of considerations you might be missing, or alternatives you might not have considered. LLMs can be a de-biasing tool, helping you frame and make the decision yourself.

ecoDa News

- **28th of August:** ecoDa's Working Group on State-Owned Enterprises meeting;
- **30th of August:** ecoDa's Remuneration Committee meeting;
- **1st of September:** ecoDa will welcome its new Policy Adviser, Sabrina Steinkamp.