Arendt Governance Alert

Board members, do you have all the information you need to properly perform your mandate?

What do I need to know?

Directors have the broadest powers to realise their company's corporate object and to represent it to third parties – and these powers go hand in hand with substantial liability risks. Board members' ability to manage a company's business and the company itself comes down to accurate and comprehensive information, which should always be present in the board packs they receive. Board packs are thus a key component of risk protection.

Why is this important for me?

Board members must ensure that their decisions are based on sufficient information. In this sense, it is essential that the board packs provided to them contain an appropriate level of detail. Only then will they be able to establish a clear vision, to make appropriate judgments, and to propose relevant decisions.

What should I do?

When preparing for a board meeting, board members need to critically evaluate the contents of their board pack.
Arendt has created Governance Radar_ to put board members in a better position to perform this important exercise. Governance Radar is a web tool, in the form of a questionnaire that allows board members to assess the sufficiency of the information they receive before and during board meetings, in light of the complexity of the fund (AIF or UCITS) or investment fund manager (IFM) they serve. Governance Radar furnishes three different questionnaires (for a UCITS, AIF or IFM) that board members are asked to complete. It covers four main themes: (i) products and strategy, (ii) governance and control environment, (iii) asset management, administration and operations, and (iv) distribution and investor relations.
Governance Radar can be used to make an individual assessment or a collective assessment, whether by one board member, several members, or even the entire board.

Arendt Corporate Governance Centre - How can we help you ?

A sound corporate governance framework is a key element for efficient management and control and the long-term success of companies. Optimise your activity with a comprehensive set of solutions to deal with every aspect facing a board, be it legal, tax, regulatory or compliance.

Contact us: corpgov@arendt.com