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## Preface

This is the third edition of this publication and the volume of changes which I have been required to make, even though the second edition was completed less than two years ago, has once again driven home to me the sheer pace of change in the corporate governance arena. There have been legislative changes covering narrative reporting and remuneration policy, numerous developments in shareholder stewardship, including many which reflect increasing recognition of the importance of taking a longer-term approach to investment, and alterations to the external audit landscape, to name but a few. This is true across the EC and further afield as well, but in the UK activity has been so swift as to seem almost feverish at times.

Each of these developments has potentially far-reaching consequences for those involved in corporate governance. This is particularly so as rarely it seems does one change impact just a single aspect of governance, but frequently requires modifications in practice to be made across multiple areas. Corporate governance best practice has always been something of a moving target, but never more so than in recent months.

Whilst this dynamic environment poses real and significant challenges for those involved in governance, it is also capable of stimulating the sort of deep, thorough and continual thought which the preface to the UK Corporate Governance Code urges boards to engage in. It is refreshing to see long-trenched views and practices being looked at anew in the light of recent experiences and to witness innovative approaches to old problems emerging. Certain aspects of corporate governance, which are in reality based on judgement, have been in place for so long they have almost assumed the status of fact and, if for nothing else, the voicing of different and sometimes controversial opinions is useful (at least in my view) in reminding us that long-held assumptions are not always right.

One development which I have long been an advocate for and which is now gathering real momentum is the sharing and adapting of best practice in different sectors. For too long, those tasked with governing organisations outside the private listed sector had no option but to look to the UK Corporate Governance Code in order to glean snippets of best practice that they might apply to their own organisation's particular sector or legal form. Those days