

PRO NED Limited

Promotion of Non-Executive Directors

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Sir David Lees
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Dear David,

Thank you very much for your letter of the 16th and for the thought which you have given to the issues raised in our Annual Review.

I entirely agree with you on this question of the number of non-executive directorships held by one person. You may have seen the article in the latest number of The Director which is headed **Do These Men Deliver?** It has some interesting information on multiple directorships and reflects the concern which you express in your letter.

I am not sure whether we can take this point on my Committee on the Financial Aspects of Corporate Governance. I hope that we will stress the responsibilities of all directors and the need for the outside directors to play the leading role in audit, remuneration and nomination committees. What the regulations cannot get across is the need for quality in governance. Our message has to be the need to raise standards and the point you make in your letter is important in this context.

I am grateful to you for writing.

*Yours ever,
Adrian*