

30 April 2024 – Capital Markets Industry Taskforce (CMIT) Meeting – Key Points Discussed

Introduction / Procedures

- Members approved the minutes of the 18 March meeting.

CMIT conference – 5 July 2024

- Members received an update on the preparations for the second iteration of the CMIT conference, to be held on 5 July 2024. Invitations have been sent to guests. CMIT's secretariat are securing the relevant speakers and finalising the agenda.
- The first half of the event will be streamed and open to the media. The second half will consist of discussions held under the Chatham House rule.

Workstream: UK ISA

Chair: Katharine Braddick

Focus: exploring the creation of a UK ISA

- Members discussed CMIT's response to the UK ISA consultation. Members agreed that the priority should be to develop a simple product, with the ultimate consumer outcome in mind – i.e. to facilitate greater investment by retail investors and savers, allowing them to invest in companies admitted to trading on UK venues.
- The UK ISA should also act as a catalyst for a wider discussion on how retail investors participate in UK capital markets. It should be one but not the only tool to promote financial education and encourage individuals to diversify away from cash and into productive assets.
- The CMIT conference will also provide another opportunity to take stock of all the reforms that have been conducted to promote retail inclusion, including the secondary capital raising review, and the on-going review of the prospectus regime.

Workstream: Unlocking additional sources of capital.

Chairs: Peter Harrison, Andy Briggs

Leads: Jon Symonds, Klaus Hommels, Joe Cassidy

Focus: Making it easier for capital to flow in the direction which generates greatest benefit, supporting UK companies and providing pension and policy holders and savers with strong long-term returns.

- Members are continuing discussions with the government ahead of the July 2024 Mansion House speech. This provides another opportunity for the government to continue working towards unlocking additional sources of capital for UK companies.
- Members agreed that accelerating some of the existing proposals would also be beneficial, including strengthening the Mansion House Compact commitments, addressing remaining issues within Solvency UK requirements, and bringing forward the disclosure deadline for UK pension funds' investment allocations into UK equities.

Workstream: Governance workstream

Chair: Jon Symonds

Leads: Mark Austin, Peter Harrison, Andy Briggs, Joe Cassidy

Focus: Improving the relationship between companies and investors in a way that provides quality governance and clear accountabilities, enabling UK companies to compete and grow effectively to the benefit of all their stakeholders.

- Members of the workstream are keen to use the CMIT conference to facilitate a broad dialogue between issuers and investors, while the stewardship review is ongoing.
- The changes announced to the Corporate Governance Code in January 2024 were very positive and reflected the extensive engagement carried out by the FRC and Government. Members expected the same level of ambition to drive the Stewardship review and will support the FRC in that effort.