



SOCIETY FOR CORPORATE
GOVERNANCE NIGERIA

Leadership and Integrity

DIGITAL, DIVERSITY, AND INCLUSION: EVOLVING TRENDS IN GOVERNANCE AND BOARD CULTURE

**2022 ANNUAL CORPORATE GOVERNANCE
CONFERENCE REPORT**

The Annual Corporate Governance Conference is one of the many ways in which the Society contributes to the promotion of corporate governance in Nigeria and in different sectors across the globe.

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Introduction



The Annual Corporate Governance Conference is one of the many ways in which the Society contributes to the promotion of corporate governance in Nigeria and in different sectors across the globe.

The objective of this conference is to create a platform to ignite discussions on evolving global trends and how they impart governance in both the private and the public sectors.

The theme of the Conference is targeted at exploring growing trends like board diversity, inclusion, ESG, sustainability, digitalization and growing trends of cyber security.

More than ever, boards need to evolve and embrace new thinking, and practices to ensure effectiveness as well as business resilience. It must be a deliberate effort from all of us to encourage diversity and inclusive membership.

As the society, we will continue to encourage members and liaise with other stakeholders to ensure that we have the strata and eco-system that promotes not only diversity and inclusiveness but also a strong and better corporate governance structure.

Mrs Chioma Mordi

CEO

Society For Corporate Governance Nigeria

Chapter One

Overview of 2022 Annual Corporate Governance Conference Report

Welcome Address

Mr Muhammad Ahmad *OON, President SCGN*

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Mr Muhammad Ahmad *OON, President SCGN*

Another issue I thought I should also raise is on diversity. We wish to have diversity on various aspects and most especially, youth and gender.

We should be in a position to continue to re-emphasize on the need to have diversity and to fight pipeline problems.

Pipeline problem tries to see reasons why certain categories of people are not qualified enough to assume positions in the board. Example of such people are; women and young men. And it must be a deliberate effort from all of us to ensure that at least we reflect the diversity and have an inclusive membership.

I hope at the end of today's conversation, we will have steps and be in a position to recognise steps that will reflect diversity in our boards and at the same time be able promote good corporate governance. On our own side as the society, we will continue to encourage our members and liaise with other stakeholders to ensure that we have that strata and ecosystem that promotes not only diversity and inclusiveness, but also having a very strong corporate governance structure.

Mr Godwin Emefiele *CON, Governor Central Bank of Nigeria*

Corporate governance practice should be at the heart of every organization's growth and sustainable development because it drives corporate practices and culture and enables organizations to thrive and indeed the economy as a whole.

The global governance spectrum has moved towards embracing digitalization, as various technological advancement has been made to incorporate ICT tools in the day-to-day operations of organizations which in turn facilitates effective governance.

Two other trends that are fast becoming integral to the success of a modern-day organization are diversity and inclusion which are complementary ideas that achieve the same objective. While we view diversity as a presence of variety in the structure of an organization; particularly in human resources which seeks to celebrate the differences in all of us as unique and valuable. Inclusion is the ability of an organization to bring these differences together and harness them in a mutually beneficial way. Therefore, it takes a very intentional organization to successfully apply these two ideas, which require a constant state of awareness and thoughtfulness to ensure that they are woven into the fabric of the culture of their organization. As the highest decision-making body in any organization, it is the responsibility of the board to ensure that these trends, alongside other beneficial trends, are imbibed into the board culture to ensure that it is integrated and implemented across the organizations.



Mr Femi Lijadu *Chairman, Securities and Exchange Commission (SEC)*

The deep determinants of growth are technology, financial, markets, labour, TFP (efficiency). In other to grow you need capital and to attract capital, you need corporate governance. What do you do to ensure you have an environment in which there is corporate governance which is one of the key plants on which you will be able to attract investors to the country and also ensure efficiency and inclusion in the markets? Inclusion and diversity are amongst the current trends in corporate governance.



When we look back, we assume that when we talk about investments, we think its people investing in a corporate entity. And this cooperates entity usually has limited liability. But we must remember the time when there was no such thing as companies limited by liability. If you engage in any company and it goes down, you and other stakeholders involved are solely responsible for any loss it incurred.

The first fear about limited liability companies which is what we refer to as corporations was that they will be vehicles of fraud. Legislations in court was then about conflict of interest amongst the board. So, to prevent fraud, you will be able to lift the veil. There was then a whole wave of declaration. The limited view about corporations then was to make money. That was a limited view and its very different from what we have now. As we advance, the definition of what a corporate is entitled to, who are their shareholders and stakeholders? what are their values supposed to reflect? and these values come from inside and outside, like a global cohesion around a certain set of values that any operation must respect.

Part of the widening of the scope of corporate governance is how people can now have lengthy meeting on different issues like blacks' life matters. It is no longer strange for large audiences to be virtual than to be live. Before Covid, this was not the case. This is how technology has made things more accessible and also a substantive player in the whole field of corporate governance. Corporate governance has different complexions depending on the culture of the environment the company operates, but there are global standards and increasingly we are seeing a convergence. For example, the OECD has come up with its own rules and they are gaining more acceptance and they have been used for others as a template for a universal consensus.

We need to ensure that all the resources that are grouped together in corporate entities are efficiently managed because the role of corporate governance is to ensure that there is an efficient management of natural resources in line with the goals of the company, the society and community and in accordance with the company goals and rules. Corporate governance is about values; it is what we believe in. What we will leave for our children. We need to take steps to bring in the new world (digital world and all the technical advantages that it has), to restore the balance of the old but we also need to be very clear and consistent by the value that we have.



Dr Emma Fitzgerald *Former Chief Executive Officer, Puma Energy International*

Good Corporate Governance is a very clear certain standard to run a system by. Good corporate governance is when those standards are clear, simple, and transparent to everybody. It is also important that it is not onerous to prevent people from being disinterested. In addition to the framework of standards, you must have a board and management that share certain collective behaviours that allow that business to flourish. This means the right mindset, shared values, and also diversity of opinions.

Diversity of opinions to me, means you have a group of people with the right skills and experiences to support the management. Good Corporate governance is embracing people who think differently. It could be gender or age, or people who come from different backgrounds and experiences which can also influence the way they think. All these can be channelled into effective decision-making to move the business forward.

Another important aspect is the business and not the individual. This group can come together to create a business that would have longevity and will be able to grow and be sustainable, and that leads to the outcome of good corporate governance in my view. If you achieve this, employees will want to work for you or with you and put the maximum possible effort into delivering the value and purpose of the vision of the company. Equally, stakeholders and investors will support you and enable your growth.

Corporate governance must be something that works across all different sectors and not just in regulated industries. It is about any industry whether they are small or just starting up or a fast-moving consuming industry or an enormous multinational. It is important that people can see the value in applying corporate governance.



Principles of red lines:

1. The board needs to be purpose-led. It needs to have a very clear vision of what it is trying to achieve.
2. There needs to be the right chemistry with the board members. You need people you have shared values with. You also will be able to enjoy working and learning from them. That is my perspective.
3. The board needs to have the right culture. And for me, that means being open, collaborative, transparent, and building and enabling trusting relationships to always have really difficult conversations.
4. Being independent and saying things that are important to you. You have to prepare to do that. To be effective as a board member.

I believe that corporate governance affects multiple different contexts.



Where corporate Governance is headed:

1. For companies in general, a clear vision and a clear investment pace for what you do and the services you provide are going to be more important to survive in a world that is emerging, post-covid or any type of supply shock we see at the moment.
2. For boards, the right skills, experiences, and personalities on the board are even more important now than ever. And a big part of that is the shared values. And it is about doing the right thing for the company and not for the individual.

3. Independence continues to be critical. You have to be independent beyond mind and blend fast with other board colleagues.

Final comment is that digitization is going to accelerate that the volatility that we see in the global economy and that will put a huge pressure on both management and board to be more agile and knowledgeable. That will make them brush up their skills and continue learning on how to execute good corporate governance.

Good corporate governance should enable and not hinder and I think that is a very important message to try to put across the next generation but also the difference part of the economy because the right condition of success created by good corporate governance should allow everyone to flourish.



Chapter Two

Panel Discussions

Panelists

Ms Sola David-Borha *Board Chairperson, Stanbic IBTC bank*

Mrs Dupe Olusola *MD/CEO, Transcorp Hotels Plc*

Mr Escher Luanda *Immediate Past President, Namibia Institute of Corporate Governance*

Prof. Yinka David-West *Associate Dean Lagos Business School (LBS)*

Moderator

Mr Sam Cookey *Founder/CEO, Corporate Governance & QMS*



Point of Discussion 1:

What does the topic; Digital, Diversity, and Inclusion offer us?

Mrs Dupe Olusola: The discussion is one which shapes effective corporate governance today. At Transcorp, we are a leading organization, as Inclusion and diversity are entrenched and very key to us in our organization. We have 36 women on the boards across the Group.

These concepts underpin corporate governance. Trust, independence and sustainability of organizations must be built on the pillars of equity, inclusion and diversity. These brings robustness to the Board and results in effective performance.



Ms Sola David-Borha: The topic is critical. A common trend is value-based governance. Sharing values and having codes on which board members imbibe is the bedrock of building a sustainably successful company. Diversity is a core value at Standard Bank. We have also embraced digitization.

The value-based governance approach allows you have constructive debates which results in good and quality decision-making. This is what boards are set up to do; set up to perform.

Mr Escher Luander: Digitized, inclusive and diverse organizations outperform their peers. With diversity, you get multiplicity and diversity of thought. An inclusive organization incorporates different thinking.

In my institution, we have digitized our governance and ethics. We can do our declaration of interest online and we have 1/3 of women on our board and committees.

Professor Olayinka David-West: In 2016, I authored an article on the SCGN journal on IT governance. We run in the opposite direction when we hear of IT. But technology is the future as demonstrated by Covid-19 and we are alert as to what technology can do. It has been lurking in the background. It took us over 22 years to begin to have digital conversations.

From a governance perspective, it means that technology was one of the biggest sources of capital theft. We were buying products and services that are very high in value, but we do not own them or have a right to use them. During the bank consolidation, companies had issues in their books with IT systems. We need to know that a lot of governance is involved in the technology space. It is about how we enable the technology to drive business and societal change. The socio-technical nature of our systems from the board perspective. The discussion is about how to strategically guard alignment, resource management, performance measurement, value delivery and risk management with technology.



Moderator: Boards think that IT governance is an enabling function and we now talk of digitizing corporate governance structures. We will come back to that.

Point of Discussion 2:

Is there a risk in the way we are defining diversity and inclusion. Is there a risk in the way we define diversity that we may not be strengthening the board's ability to take diverse ideas and producing bottleneck to board performance?



Ms Sola David-Borha: There is a risk because diversity is difficult to be done properly; bringing in people with diverse views and background to discuss issues. It can be a bottleneck to board performance if not properly managed. We are not only talking about gender diversity. It is as regards age, ethnicity, geographical trend and functional (skill set e.g. in Scandinavia where employees have representatives on the board). It can be based on social background and personality. There is a whole range to view diversity.

It is more difficult to communicate and build trust when we are diverse. If not managed, it can hinder governance and performance. The chairman must take a lead in embracing and role remodelling diversity. The chairman must make the board a space to talk and define the objectives to achieve and put in place a systematic way to attain diversity. A skill map must be put in place to define the needed capabilities needed. This way, diversity can become a competitive strength and not a bottleneck.

Point of Discussion 3:

We have to broaden our expectations in terms of how we define diversity and inclusion. Do you think that Nigerian boards are doing sufficiently enough to include the skill bases and other dimensions of diversity like age etc? Are boards doing so and, if not, what should boards be doing?



Mrs Dupe Olusola: More than just managing diversity, we must ensure that we can harness diversity to achieve the organization's objectives. Diversity is beyond gender and age, but more about capacity-based skill set brought to the table. In our board we do not just vote to make decisions, but a thorough discussion to arrive at a consensus. With the different mindset, you have a more holistic board with better decisions.

Companies across the globe are paying more attention to diversity, not only because it is the right thing to do but because certain backgrounds have more competitive edges over their peers. In Nigeria there is an improvement in ensuring diversity and it leads to innovation and creativity. It has to be encouraged. Minority interest must be represented on the board alongside independent board members. Diversity is key to achieving robustness and helps with the longevity of the organization. It brings about transparency and trust-building. It is evident, that these critical success factors lead to a better organisation which lasts and is built beyond the culture of the place of operation, but as the culture and objectives clearly communicated to all.

Point of Discussion 4:

How can digitalization assist in the relationship between regulators encourage alignment and partnering with boards?



Mr Esher Luander: At Air Namibia, there was an organisation in a sense of deep trouble. The government had become fed up because they thought it was hopeless. We engaged partners to come on board, but it was too late and we got liquidated.

As regards digital assets, In Namibia, our stock exchange has not been a key player. But the Bank of Namibia is trying to work on a legal framework to deal with digital assets. The future is digital and we are starting to follow through with this narrative. In no time, there will be more appreciation of digital assets.

Point of Discussion 5:

How can digital opportunities be integrated into board function?

Professor Olayinka David-West: I will begin with representation as Mr Lijadu mentioned. The first is that the Nigeria median age is largely not represented and this is the community we will be serving tomorrow. It is a question we all have to ask. One of the biggest challenges digital natives have, is in the area of dress and appearance. If we look at the dressing in the corporate Nigerian setting, they do not fit in. How do we start to think about the systematic ways in which we can include people? We have to be a bit more deliberate about it.



You find out that companies that have succeeded in the digital transformation exercises have had to seed up a new wing with a new branch, a new culture, a different dress code etc. The way digital people think, work and operate is different from the traditional and conventional way. When we are talking of this topic (digital, diversity, and inclusion), outside a board perspective, how are we represented in these discussions and allowed to speak and interact even in traditional businesses.

Point of Discussion 6:

The role of the CEO in a digital company as opposed to just digitized activities tends to involve higher risk profile appetite, what should we be doing so that they are not limiting the CEOs and CIOs who are digital native?

That is a strategic planning question. We must ensure we have the right complement of both board members and executive management to fulfil the companies' goals and objectives. Everyone needs to have an understanding of digital components, not because of the technologies; but what we are trying to achieve and how we are going to use digital technologies to achieve them. It has to be in plain and in clear English.

The CEO and CIO have to be able to communicate, and communication is important because the board member needs not know the specific knots and bolts of the technology, but know what we are trying to achieve and how we measure success. What does success look like and how do we measure it? We have this productivity myth that IT is the magic bullet for everything. It could be, but is also a two-edged sword. You can buy the right tech. It is not what you buy, but how you use what you buy to achieve success.

How do we ensure usage of the right technology to meet the business goals? It is always about the business, especially when you are not a technology company. You are using tech to drive your business value for all stakeholders concerned.



Point of Discussion 7:

Data management, cyber security, and these buzz words have become centrally related, how can they help better board performance?

Mrs Dupe Olusola: The digital evolution has positively impacted corporate governance practices for Nigerian companies. Board oversight responsiveness and efficiency and grown with the evidence of virtual meetings and technology. Of concern are things like cyber security that one must not ignore. The access to data is so critical to success as well. The organization must remain a forward-thinking one and learning must be critical for all board members and the organization as a whole. The fact that real-time data has been made available by technology increases management accountability and boards globally must begin to look at processes like data management and cyber security and see that operations begin to place more focus on research and data privacy, and on security tools as well.



Like Prof said, it is not about believing that you are a tech company, but investing to ensure that it is the best practice to increase digital equity and inclusion. Whilst there is a need to be careful and achieve the right relation around data and democratizing data, access is key to ensure that we can bolster data inclusion and equity. We must work towards achieving a high level of data organization and sharing that achieves inclusion and does not compromise privacy. Data is central to having access and the vulnerability and all those issues are major concerns. But they should not be deterring factors to having access for all. Because it helps at the end of the day to ensure that the board's functions are better and excellence can be delivered.

This culture shift is important and it is necessary that we embrace data and what it can help us do while understanding the risks that comes with it, but ensuring that risk assessment and the risk tools are put in place to ensure that we do not fall prey to cyber security and other issues. To ensure we use it to the best of our abilities; that the boards are effective and that the best decisions are made for the bottom line.

Moderator: The present mindset needs to change to embrace technology.

Point of Discussion 8:

While we collate questions from the audience can we hear something about data analytics?



Professor Olayinka David-West: In addition to what Mrs. Olushola said, we need to be mindful of the legislative environment in which we work. Nigeria currently has a National Data Protection Regulation for which all companies are bound to report and have good data management practices. For boards, it is also to be aware of the new responsibilities that we have to comply with.

For organizations doing global business, they must be mindful of the European Union GDPR because that covers all European citizens operating anywhere in the world and there are some punitive fines fastened to it. So, as board members, we begin to expand the scope of assets and the use of technology. We also need to be mindful of the risk and the legal framework that we require to comply with in this new era.

Point of Discussion 9:

Is there an existing partnership, framework, or collaborative channel for regulators in Nigeria? because some of these digital businesses transcend the original digital business pockets. Is there an activity in that direction to integrate the regulatory frameworks?



Mr Femi Lijadu (Chairman, SEC): There is a cross-institutional collaboration that has not been active for a while but they have started meeting again which brings together the CBN, SEC, NDIC, and hopefully the new data protection organization. But I am not sure. I think you raised a good point. We are quite anxious to make sure that we harness the opportunities that digitization and technology can bring. We also want to make sure that we perform our duties which is protecting the investing public, because it also extends the reach of people who may have nefarious intentions. But that will not stop us from basically taking advantage of the benefits that it brings.

Also, we see that assets now have digital forms. And the point where digitization provides a new channel is where the issues exist. For example: At SEC, we can see a certain instrument as something that people can buy and we regard that project or acquisition as an investment and it becomes regulated security, but the financial authority might see it being used differently as a currency and say; only we (the financial authority) have the right to issue or regulate currencies which has the potential to cause frictions.

I think that it is also an international problem as much as it is a Nigeria problem. But I also think that for us (Nigeria) as a developing country with a young growing population, it offers incredible opportunities which we must allow the young people to unleash but to use wisely and it will need to be regulated, probably both at the institutional level in terms of the company that does it and also at the product level.

Questions/Contributions from The Audience



Contribution 1:

I think that we are having a very robust discussion and that is the essence of this conference. What comes to my mind now is the words of Mr. Muhammad Ahmad, OON, President SCGN who emphasized the words; Pipeline-Problem which entails the diminishing of women and young men as underqualified for positions on the board. That is my immediate takeaway from this discussion. It shows the kind of company and board you have. What does the nomination of the governance committee look out for when they are recruiting members of the board? It is the job of that committee to look out for qualified persons that can add value to the company and its

I think that if we are conscious of this pipeline problem as a company or a board, we should see that the nomination committee recruits board members based on their skills, competencies, and diversity and not use age and gender as a metric so that this pipeline problem can be solved.

Moderator: I think this is a good point to look at in the first poll which is whether your board has established specific KPIs for boards and companies' diversity. Can we see the result of that?

Contribution 2:

I think it is important that you highlighted this in a contextual framework because this is exactly the challenge and I think it will become further important. I do not want to dominate it with regulation but the question that arises will be; To what extent should regulation be leading or responding and lagging in this new era? I put that to you but will not want you to answer it now.

In 1994, there was a conference organized by one of the units of the United Nations and the topic was; how to develop Nigeria. During the question-and-answer time, I was to comment. Whatever our discussion here entails, and we do not talk about how to deal with corruption, we can never develop Nigeria. However, now in 2022, we are not even talking about corruption. We have not accused anybody of corruption. Our concern in the country should be that corruption is rampant and it is killing us and everybody discusses it.

I am surprised that in the last 2 hours nothing has been mentioned about corruption. We must have to talk about corruption. We have agreed in the country that the public sector is very corrupt. What about the private sector? What are we doing to isolate the private sector from corruption? If I may say, the common problem in Nigeria is corruption, but we meet like this and we do not talk about it.



Moderator: I think this is an important point but I would like to disagree also that it has not been mentioned. It was not used as the word 'corruption' but the thread of every speaker has been about shared values and the commitment to behavior. We had a talk about red lines and difficult conversations. Although the word was not used per se. I think everybody has recognized and spoken about the importance of behavior and shared value as the driver of board processes and decisions.

So, thank you for raising it, but also forgive them for not using the specific word because, in the governance context, we are looking at how the board is using these values and the underpinning principles, to drive board behavior. I do not know if any of the speakers would want to say something about this.

Mr Femi Lijadu (Chairman, SEC): I think it will be horrific if we are running away from anything, but we are not. The ways corruption manifests in this context of corporate governance are some of the things we mentioned. Not speaking up when something is wrong or unethical. For example; Outrightly fraudulent or conflict of interest, that is corruption. I mentioned it because that happens all the time. Conflict of interest, we have to identify it. But I think that your point is that corruption does not come from the outside and inhabits us.

So, it must be rooted out in terms of our efforts, internal cycle, ethical motivation, the way we conduct ourselves, the things we encourage and discourage, applaud and condemn and all of these manifests themselves in boards where decisions are made. When an injustice is being done to someone on the board and you keep quiet. That is not straight forward and anything that is not straightforward is potentially corrupt. I also want to mention that culture has an impact on us. Because we have internalized to not contradict someone in the hierarchy but when it does matter, we must do it and do it politely.

After spending a few years on the board when I was in financial services sector, I realized that I never agreed with something I disagreed with. But I did not know how important that was at the time. Because if you look back, you will live with that for the rest of your life. However difficult it may seem; always make sure to say your mind. Frame it however you want, but still, say your mind. The values that we reflect should not be what society approves.

Poll:

Has your board established specific KPIs for board and company wide diversity

- 1 In the last one year
- 2 Over one year ago

Feedback:

- 24% of participants have established specific KPIs for the board and company-wide diversity. Over one year ago, 22% also established, while 60% have not yet established specific KPIs for board diversity in board selection and company-wide operations

Moderator's Comment: This shows that our conversations are not being reflected in our board rooms.

Key Takeaways and Summary from Panelists

Ms Sola David-Borha: It is just to rate this whole point about being value-based. Culture is built on your values and your behaviors reinforce your values. It is critical because as a board, you are a role model for that behavior. You set the tone for the organizational culture. It is also very important to have a clear understanding of the key risks that your organization faces. We have talked about digitization and all the risks associated with it including reputational risks, and financial market risks with the emergence of digital currencies.

Knowing our main risks and how is the management team putting in place mitigants against these risks, and having the board view which will be broader than the management. I think it is critical to ensure that you can debate around those risks constructively and arrive at a decision that best moves the organization forward



Mrs Dupe Olusola: For me, good corporate governance is essential for life. It is key to note that inclusion and diversity, when pursued effectively and transparently, would ultimately help to stem corruption and entrench a culture of professionalism and business sustainability. Eventually, we want good values, legacies, and organizations that are built to last and that can only be delivered by ensuring that we have organizations that include and are effective in ensuring that diversity is obtained.



Dr. Emma Fitzgerald: I would make comments on things that struck me based on the conversations I heard from the panel. I think it was a valid challenge that we did not use the word corruption explicitly but I would also agree with my colleagues that we did mention it implicitly a lot. It is crucial to speak up as has already been mentioned. And I have also learned that it is important to be explicit when an incident of corruption arises on the board. Whether it is a first, second, or third-party conflict, you have to be explicit with the organization and potentially, shareholders and other stakeholders about what happened. I believe that just dealing with it and yet not explaining your actions is not enough. You have to be able to consciously demonstrate that you are dealing with it, to prevent others from being tempted to do what also is not right.

On the aspect of what can be done to bring more diverse opinions to the board and specifically, gender-related questions. I think it is important for us to raise the visibility of qualified individuals who can come onto the board and make a contribution. For me, that is about challenging stereotypes or perceptions of where these people might come from. And that could be female talents who need to be championed, but it could also be a younger generation that can share values and knowledge on the board without necessarily having decades of experience that other board members might have.

In terms of diverse opinions, the most valuable thing I have done when I was working with Chevron is that I invited a group of 60 to come and help me visualize a retail petrol station of the future and their view was completely different from my view and that of my management at the time. So, having the courage to appoint people and to help them develop into that board role is another way of being able to bring different people on board.



Mr Escher Luander: Reflecting on corruption, I have been in an organization that has a policy that is called "Corruption, Theft, and Anti-Fraud" and that is our guiding principle in dealing with corruption and related matters. We have a practical ethics management program through which we have established a system that has championed at the board level because we always have to ensure that our tone is set right to the top and through that, we have ensured the board's commitment to making sure that we have a strong culture of ethics that we live by. All the decisions that we take are guided by our ethical values which are one of integrity. And we have ethics championed in all of the organizations, departments, and these are the people that operate more like a foot soldiers.

We do ethics profiling to make sure that our culture is aligned towards a stronger ethical compass. We make sure of a board culture that is highly inclusive, and ensures diversity of opinions. We strongly discourage domineering cultures by a single board member. We make sure that everybody is participative in our board activities. I confidently say that we need to encourage within the context of the theme of this conference, cultures that can provide a sense of intolerance towards unethical behaviors, more bluntly; things that boarder on corruption, culture of positive outlook towards a sense of connectedness and cohesion, over what we do. Having such a healthy culture can contribute to our competitive advantage.

Moderator: Again, it comes through; the importance of behaviour which is culture and norms, and although digital is a real opportunity, we must focus on embedding culture in our board governance.



Professor Olayinka David-West: My biggest takeaway is that there is no vertical today that is not undergoing any form of distribution. Boards now have to think about how we can future-proof our businesses and how we can ensure that we continue to exist and be resilient in the environment in which we are operating. And that means several things. When we talk about board compositions, it is about having a metrics of different competencies that we need to bring on board, and they do not have to be permanent on board, they could be in advisory, capacity, or any other body. It is just about bringing in that new knowledge and new thinking about how the future would look like.

The second is the education of the board which is continuously upscaling, understanding what the new guidelines and rules entail, and how technology is changing different things both within and outside your vertical because we can infer and learn from different verticals.

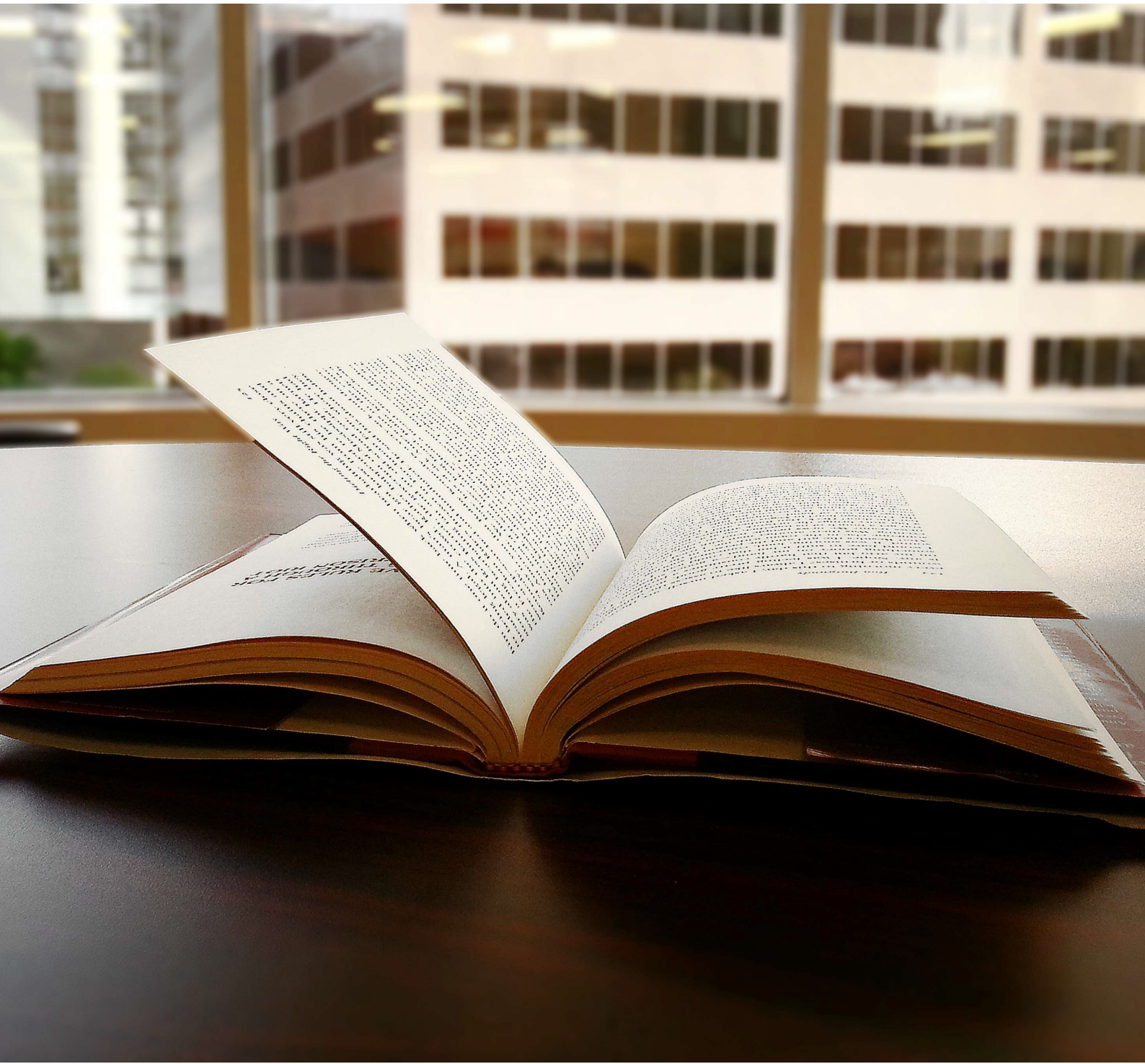
The third is understanding and focusing on the application of the business and not the technology itself. And I think that in this digital era, boards are only as effective as the digital organization they build internally. The fundamental crucial questions are: how systematic are those organizations? How competent are the people who are running those organizations? And finally, what are the practices the IT organizations within those environments are emulating and building? If you do not have good strategic management practices, resource management practices, and procurement practices, then the board will be very inefficient in that area of digital. We have to understand what it means to engage. Training and conversations are important, but for me, it is about changing our mindsets and frame of reference and not being afraid of technology but now starting to be uncomfortable in this uncomfortable environment.

Moderator: Fully agreed. Focus on the value creation and the digital opportunities of business as opposed to the technology itself.

Chapter Three

The Formal Unveiling and Presentation of The SCGN Books

Prof. Fabian Ajogwu *SAN, OFR, Director SCGN*





Board Committees: Directors' Guide to Effectiveness:

"This book is very essential for maintenance of proper board governance within companies. The functions are targeted towards encouraging delineated specialization and delegation by the board, to a smaller group that will discuss in greater details, the subject far more than the larger board would be able to do, given the time limitation of convening a board meeting. This book is very necessary at the time when everyone is talking about board efficiency. The forward is written by the Board Chairman of One financial services, Egbert Imomoh, KSM, KSG, CON."



Corporate Governance and Sustainability Reporting in Nigeria:

"This book is a review of the top 30 most capitalized companies on the Nigerian Exchange. The foreword to this edition is written by the Executive Secretary and Chief Executive Officer of the Financial Reporting Council of Nigeria (FRCN), Ambassador, Shuaibu Adamu Ahmed."

Note of Appreciation

We say a big thank you to

Everyone who attended the conference both in person and virtually.

- Our sponsors
- SCGN Board of Directors.
- Keynote Speakers
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- All Panelists and moderator,
- Staff of the SCGN.
- All SCGN members.
- Technical team.



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