

COMMUNIQUE

FROM THE 2024 ANNUAL CORPORATE GOVERNANCE CONFERENCE OF



SOCIETY FOR CORPORATE
GOVERNANCE NIGERIA
Leadership and Integrity

ON THE THEME: "CORPORATE SURVIVAL AND SUSTAINABILITY: THE NEW FACE OF GOVERNANCE"

HELD ON THURSDAY, OCTOBER 10, 2024,
AT THE ORIENTAL HOTEL, VICTORIA ISLAND,
LAGOS STATE

&

VIA ZOOM TELECONFERENCE



THE 2024 ANNUAL CORPORATE GOVERNANCE CONFERENCE

The Society for Corporate Governance Nigeria (SCGN) held its 2024 Annual Conference on the theme "Corporate Survival and Sustainability: The New Face of Governance" on Thursday, October 10, 2024, at the Oriental Hotel Lagos and via Zoom Teleconference. The Conference commenced with a welcome remark by Mrs. Chioma Mordi, the Chief Executive Officer of the Society.

In his opening remarks, the Chairman of the Society, Mr. Muhammad K. Ahmad, OON, expressed his profound appreciation to the sponsors and the partners of the Society and the Annual Conference. He noted that this year's event marked the 15th Anniversary of the Society's Annual Conference. Mr. Ahmad emphasized the importance of practical corporate governance principles for ensuring corporate survival in today's landscape and encouraged participants to engage actively in the discussions ahead.

The Conference comprised four important sessions: the guest speakers' address, the keynote address, the plenary discussion, and the launch of new publications for the Society. Mr. Muhammed Sani, representing Ms. Omolola Oluworaran, the Acting Director General of the National Pension Commission (PenCom), Mr Alwin Magimay, the Head of AI, PA Consulting, and Dr Aminu Mida, the Executive Vice Chairman/ CEO of the Nigerian Communication Commission (NCC) each delivered their guest speaker's address. Dr. Armstrong Takang, the Managing Director of the Ministry of Finance Incorporated (MoFi), and Professor Chris Ogbechie, the Dean of the Lagos Business School, Pan-Atlantic University, served as Plenary Speakers at the Conference.

Mrs Bola Adesola, Chairperson of the Board of EcoBank Plc, delivered the Keynote speech on "Corporate Survival and Sustainability: The New Face of Governance."

The distinguished panelists for the first Panel discussion on "Strengthening Financial Oversight for Business Community" were Mr Uyi Akpata, Former Senior Partner and Regional Senior Partner, PwC Nigeria & PwC West Africa, and Mr Ganni Moor, Faculty, Swiss Board School, Switzerland. Mr. Adeleke Alex-Adedipe, the Managing Partner, Duale, Ovia, and Alex-Adedipe moderated the session.

The distinguished panelists for the second panel discussion on the topic: "Enhancing Corporate Governance through Sustainability Reporting" were Dr. Ona Newton, Founder, Tobams Group, and Mrs. Tomi Adepoju, Partner, Enterprise Risk and ESG, KPMG Advisory Services. Mrs Yewande Giwa, Head, Governance & Sustainability, Honeywell Group, moderated the plenary session.

KEYNOTE SPEECH



RECOMMENDATIONS DURING THE KEYNOTE SPEECH DELIVERED BY MRS BOLA ADESOLA ON CORPORATE SURVIVAL AND SUSTAINABILITY: THE NEW FACE OF GOVERNANCE

- Sustainability as a Necessity: Sustainability is no longer a choice but a fundamental requirement for long-term survival in today's business environment. Companies must adopt sustainable practices to ensure their continued success.
- Beyond Corporate Social Responsibility (CSR): Responsible business practices are at the heart of true sustainability. Companies must recognize that sustainability now extends beyond traditional CSR efforts. Focusing on long-term strategies that ensure present success without compromising future potential is essential.
- Enhancing Brand Viability through Sustainability: A strong commitment to sustainability can significantly boost brand value. Consumers increasingly prefer to align with companies that prioritise sustainable practices, enhancing corporate reputation and loyalty.
- The Role of Corporate Governance: Effective corporate governance is crucial in navigating competitive markets and ensuring strong financial performance. By adhering to sound governance principles, companies can better position themselves for growth and resilience in a rapidly changing business landscape.

RECOMMENDATIONS DURING MR ALVIN MAGIMAY'S PRESENTATION ON "HARNESSING DISRUPTIVE TECHNOLOGY FOR CORPORATE SURVIVAL AND SUSTAINABILITY"



- **Embrace Artificial Intelligence (AI) Gradually:** Companies must evolve with the drastic technological shift since 1995 by gradually adopting AI. This approach allows for assessing its impact while mitigating risks along the way.
- **Leverage AI for Productivity and Governance:** While AI offers vast opportunities to enhance productivity and oversight, it also presents challenges. Strong governance frameworks are essential to ensure transparency, accountability, and ethical use.
- **Adopt a Fair, Transparent, Robust, and Accurate AI Manifesto:** Board members should adopt an AI manifesto emphasising fairness, transparency, robustness, and accuracy to support long-term organisational growth.
- **Foster High-Performing, AI-Augmented Teams:** Boards should create high-performing, AI-augmented teams within their organisations to boost efficiency and ensure teams are diverse and inclusive.
- **Integrate AI into Organisational Transformation:** Board members should adopt an "AI everywhere" approach, embedding AI into every aspect of organisational change and transformation.
- **Continuous Evaluation and Alignment:** Regularly evaluate AI initiatives to ensure they align with the organisation's values, goals, and purpose. Continuous adjustments should be made as necessary.



RECOMMENDATIONS DURING THE PLENARY SESSION OF DR ARMSTRONG TAKANG AND PROFESSOR CHRIS OGBECHIE

- **Prioritise Long-Term Sustainability Over Short-Term Gains:** Businesses and governments should focus on creating sustainable strategies that go beyond short-term financial gains. This includes planning for crises, such as Black Swan events, and ensuring long-term economic and environmental resilience.
- **Investment in Energy and Infrastructure:** There is an urgent need for investment in the power sector and infrastructure, especially to address transmission and generation bottlenecks. Sustainable energy sources must be prioritised to support economic growth and ensure reliability for both businesses and households.
- **Innovative Financial Instruments:** Governments and businesses should explore creative platforms and investment vehicles to leverage capital, such as alternative energy investments and digital finance tools. This would enable more sustainable growth, especially in sectors like agriculture, where innovation can drive productivity.
- **Encourage Public-Private Partnerships (PPP):** To drive industrialisation and infrastructure development, there should be an increased emphasis on public-private partnerships. By leveraging private and public capital, the economy can benefit from enhanced macroeconomic stability and long-term development.
- **Corporate Governance and Accountability:** Boards and management must uphold strong governance principles, ensuring transparency, accountability, and alignment with sustainable goals. It is critical to involve accountability partners, such as stakeholders and investors, who can help ensure compliance and ethical decision-making.
- **Close Monitoring and Strategic Oversight of Capital Expenditure:** Effective oversight of capital expenditure is necessary to ensure that investments lead to productive outcomes. Misallocation of resources, particularly in sectors like oil and energy, must be addressed to avoid depreciation of national assets and wasteful spending.
- **Promote Stakeholder Capitalism:** Organisations should adopt stakeholder capitalism, focusing on creating value for all stakeholders, including employees, communities, and the environment. This helps build trust and long-term sustainability by aligning corporate goals with societal and environmental objectives.
- **Fostering Innovation and Technological Integration:** Governments and businesses should encourage technology integration in all sectors to drive sustainability, from AI and big data to renewable energy technologies. This will enhance productivity and ensure industries remain competitive in the global economy.



RECOMMENDATIONS DURING THE PANEL DISCUSSIONS

- **Set Clear and Measurable Sustainability Goals:** Organisations should establish tangible, measurable goals for sustainable value creation. These objectives should be regularly monitored to assess the effectiveness of sustainability initiatives. By quantifying targets, boards can ensure accountability and foster a culture of continuous improvement.
- **Leverage Existing Resources for Sustainability:** Board members must maximise the potential of existing sustainability initiatives by identifying and utilising available resources, technologies, and processes. This optimisation creates significant value and demonstrates a commitment to responsible governance.
- **Foster Open Dialogue with Stakeholders:** Organisations should prioritise open and ongoing dialogue with stakeholders to align internal sustainability efforts with external expectations. Engaging stakeholders promotes transparency, builds trust, and encourages collaboration in achieving sustainability goals.
- **Cultivate a Culture of Sustainability:** Organisations must foster a culture that prioritises and integrates sustainable practices at all levels. This includes encouraging critical thinking and questioning, particularly in recruitment, to ensure that staff align with sustainability objectives and contribute to long-term value creation.
- **Balance Short-Term Pressures with Long-Term Resilience:** Board members should focus on long-term financial protection by integrating sustainability into their decision-making processes. Balancing immediate pressures with long-term resilience ensures the organisation remains adaptable to emerging risks, such as climate change and power disruptions, while prioritising ESG factors.
- **Promote Risk Management and Ongoing Learning:** Board members should promote ongoing discussions around risk management and sustainability, refining strategies and sharing best practices. Ensuring employees receive adequate training and resources is critical to embedding sustainability across the organisation.
- **Close the Generational Gap and Enhance Mentoring:** Boards should work closely with management to ensure generational diversity, which enriches governance through mentorship and fresh perspectives. Closing this gap is vital for improving decision-making and strategic direction related to sustainability.
- **Board Accountability for Sustainable Governance:** The responsibilities of corporate boards in ensuring sustainable governance were emphasised. Boards are ultimately accountable for the company's performance and strategic direction, and they must integrate sustainability into their decision-making processes to meet the growing demands for responsible business practices.



PUBLICATION PRESENTATION

A Fellow of the Society, Dr. Ernest Ndukwe, OFR unveiled two of the Society's recent publications. These publications are:

"Understanding Financial Reporting, Governance, and the Role of Directors (Second Edition)"

This book is comprised of nine chapters which provide in-depth discussion in key areas such as governance and regulatory framework in financial reporting, core concepts and structure of financial statements and sustainability matters that are increasingly relevant to boards of directors and their decision-making processes. It covers a range of topics including, Directors as a company's stakeholder group, Understanding and analysing financial statements, Governance: Internal Controls over Financial Reporting, Legal and regulatory framework for Corporate Governance in Nigeria, Sustainability Reporting and ESG Framework.

"Corporate Governance and Sustainability Reporting in Nigeria: A Review of the 30 Most Capitalized Companies on the Nigerian Exchange 2024"

This book examines the governance structures and sustainability initiatives of the top thirty most capitalized companies on the Nigerian Exchange, offering invaluable insights into corporate practices and responsibilities.

The book is divided into four parts (Parts A-D).

Part A features contributions from notable organizations

Part B assesses the corporate governance and sustainability reporting structure of the top thirty most capitalized companies on the Nigerian Exchange.

Part C explores the sectoral distribution of the companies, the female representation on the board of the thirty companies, and a pictorial analysis of the thirty capitalized companies based on sectors.



Part D concludes with an analysis of sustainability reporting of the featured companies and concludes with observations and recommendations to improve corporate governance and sustainability reporting in these companies.

Equally presented was the "**27th Edition of the Journal of Corporate Governance**"

The journal serves as an essential resource for corporate leaders, governance professionals, policymakers, legal practitioners, company secretaries, compliance professionals, researchers, and academics, offering in-depth analysis and fresh perspectives on governance opportunities and discussions. This publication features contributions from distinguished researchers and thought leaders whose work reflects the evolving needs of corporate governance.

These books represent the Society's commitment to research-based advocacy, aimed at advancing corporate governance standards, fostering dialogue and research that not only raises awareness but also inspires action.



) CONCLUSION

The 2024 Annual Conference of the SCGN provided a platform for critical discussions on the intersection of corporate governance, sustainability, and the survival of businesses in the 21st century. Participants were urged to continue engaging in these conversations and to implement the recommendations discussed at the event to foster resilient and sustainable corporate entities.

The Society for Corporate Governance Nigeria remains committed to promoting best practices in corporate governance and will continue to play a vital role in shaping the future of governance and sustainability in Nigeria.

