



Report of the Council of The Chartered Governance Institute

This report to the membership of The Chartered Governance Institute (the Institute) covers the period from 1 July 2020 to 30 June 2021.

There were two Council meetings held during the year: one held over 30 September and 1 October 2020, and the other over 22 and 23 April 2021. Both meetings were held via Zoom due to the constraints of the Covid-19 pandemic. I can say with confidence that the Council meetings are nevertheless very effective as, like many others, we have learned to become proficient in conducting meetings such as these using Zoom.

Notwithstanding that attendee time zones ranged from Toronto, Canada to Auckland, New Zealand, almost all Council members and all Chief Executives attended the September/October 2020 meeting and all members of Council and Chief Executives attended the April 2021 meeting. The Council maintained broad agendas for both meetings and also agreed a number of important strategic steps.

The composition of Council for the period was as follows:

Australia	Mr Peter Turnbull AM (elected International President from 1 July 2020)
	Alan Evans
Canada	Mr Jean Jeannot
Hong Kong/China	Ms Edith Shih (Immediate Past-President from 1 July 2020)
	Mr Peter Greenwood
Malaysia	Dr Syed Abdul Hamid Al Junid (elected Vice-President from 1 July 2020)
New Zealand	Dr Denis Mowbray
Singapore	Mr Nathaniel Vanniasingham
Southern Africa	Ms Jill Parratt (re-elected Vice-President from 1 July 2020)
Zimbabwe	Ms Loice Kunyongana
CGIUKI	Mr Frank Curtiss (retired effective 30 June 2021)
	Mr John Heaton (elected Vice-President from 1 July 2020)
	Mr Tom Lancaster-King
Chair: PSC	Mr. Frank Bush AM

On behalf of the Council, I am pleased to report to you on the work undertaken during the year ended 30 June 2021.

Council business

2020 Annual General Meeting

The 2020 Annual General Meeting (AGM) was held virtually on 14 December 2020. There were no changes to the Institute's Charter or byelaws that were put to members this year. Due to Covid-19 restrictions the meeting was held virtually. Members were able to submit questions either before or during the meeting.

I would like to thank all members who took advantage of the live streaming of the AGM and I note a recording of the AGM is available [here](#) on the Institute's website.

2020+ Strategic Plan

At the first Council meeting of the financial year, the Council agreed on a multi-year Strategic Plan that focused on six key elements:

- financial stability (including our Covid-19 response);
- business growth for students and members;
- brand enhancement;
- qualifications;
- thought leadership; and importantly
- governance.

The 2020+ Strategic Plan was formulated in 2020 in the very uncertain, early stages of the Covid-19 environment and was designed to look to the future with a view to taking all possible steps to ensure maximum productivity, communication and co-operation across the nine Divisions that make up the global Institute. This involves promoting the global Institute's brand as well as complementing the nine Divisions' own profile-building to assist with member and student growth within those Divisions and into possible new territories. The Strategic Plan is founded on the twin goals of stretching our thinking into the future and ensuring we are focussed externally on trends, developments and opportunities for the benefit of our members, students and other stakeholders.

At its April 2021 meeting, the Council reviewed the progress being made against the Strategic Plan which I am pleased to report is on track. As we move forward, various priorities will continue to be fine-tuned in response to available resources. I am also pleased to highlight specific progress on a number of important initiatives that stem from the Strategic Plan:

- As the work of the Thought Leadership Committee (TLC) is critical in progressing the Institute's mission, an experienced Policy Adviser has been recruited and commenced with the Institute in June 2021 to support the work of the TLC in a direct and ongoing way. The TLC has achieved a great deal in the few years that it has been in existence but, as with any volunteer organisation, it can only do so much without dedicated support. In the coming months the Council, the TLC and the Policy Adviser will agree a set of policy priorities to pursue that will support the Institute's strategic objectives, visibility and brand.
- The Professional Standards Committee (PSC) has concluded its two projects regarding remote online examinations and its review of how the Institute assesses a person's suitability to qualify as a Chartered Secretary or Chartered Governance Professional. The changes to the eligibility criteria to become a member are substantial and future focussed and will greatly enhance the Divisions' ability to attract new members. I will touch further on these initiatives later in this report.
- The Memorandum of Understanding (MoU) with the Institute of Company Secretaries of India (ICSI) has been reviewed, and enhancements agreed that will support the strategic goals of the Institute. The MoU continues to facilitate increasing numbers of members of the ICSI becoming members of The Chartered Governance Institute. A further enhancement to the arrangement is the ability of ICSI members to study with, and join, any one of six of the Institute's Divisions regardless of where they live.

- Some aspects of our own governance internal structure have also been reviewed and improved including streamlining the reporting by the Divisions to the international Council, preliminary discussions on determining the international Council's composition for the longer-term future, as well as increased communication and co-operation between Divisions. A Council Skills Matrix has been developed which will guide and inform a broader focus on how the Institute can best govern itself in the coming years.

New name

Four Divisions have now made changes to their name and brand 'look and feel' to more closely align themselves with the global Institute. The Division formerly known as the *United Kingdom, Republic of Ireland and Associated Territories* (UKRIAT) changed its name in April 2021 to *The Chartered Governance Institute of the UK & Ireland* (CGIUKI). The China/Hong Kong Division of the global Institute, formerly known as *The Hong Kong Institute of Chartered Secretaries* (HKICS), changed its name in July 2021 to *The Hong Kong Chartered Governance Institute* (HKCGI).

These two recent changes join *The Chartered Governance Institute of Southern Africa* and *The Chartered Governance Institute of Canada* in further aligning the global Institute's overall identity, so that it is more cohesive and recognisable and therefore more powerful. The global Institute's rebranding and name change signalled a move to embrace the wider remit of governance, but it was acknowledged that for a variety of reasons changes by Divisions would be gradual and based on local priorities.

External engagement

The Institute continues to be an active member of the *International Integrated Reporting Council* (IIRC) that has now merged with the *Sustainability Accounting Standards Board* (SASB) to form a new entity called the *Value Reporting Foundation* (VRF).

It is important that the Institute provides leadership for both Chartered Secretaries and Chartered Governance Professionals by continuing to support the work of the VRF as it did with the IIRC.

As noted above, the Institute has also continued its successful association with the ICSI with representatives from both Institutes having participated in various webinars staged by the other Institute, by sharing learning materials and by providing support to their members in various jurisdictions.

Professional Standards Committee (PSC)

As was reported last year, the PSC has implemented a Quality Assurance (QA) framework approach that gives greater guidance on standards to Divisions, with commensurate compliance expectations from each Division. During the financial year, the PSC continued to develop the details of this important aspect of their remit.

In addition to the QA work, the PSC has also been devoting considerable time to two projects that revolve around the assessment aspects of the International Qualifying Scheme (IQS). First, in conjunction with the Divisions, the PSC has developed a set of guidelines for those Divisions that moved to conduct online examinations remotely. The onset of Covid-19 made it near impossible to conduct exams face-to-face and so a number of Divisions moved immediately to remote online examinations. In these circumstances, the guidelines developed by the PSC have served to inform students and to protect the integrity of the examination process.

A second significant project has been an internal review of pathways to membership involving all Divisions, the PSC and the international Council. Among other things, the introduction of the *Chartered Governance Professional* designation has necessitated a review of the greater variety of skills, experience and tertiary qualifications that prospective members have attained in today's world.

The Institute faces the same challenges as other professional Institutes to remain sustainable, to grow membership and to position itself to provide enhanced value to members now and into the future. With some modifications, membership of the Institute can be more attainable while at the same time preserving the very high qualification standards that are associated with becoming a Chartered Secretary and/or Chartered Governance Professional.

Over the coming months the Institute will be announcing more streamlined pathways to Affiliated membership and to Associate and Fellow membership. Greater weight will be given to relevant work experience and there will be a broadening of the tertiary qualifications seen as relevant, as well as greater recognition of other professional memberships that a person may hold.

Thought Leadership Committee (TLC)

The global Institute's TLC continues to develop discussion papers and reports that speak to a broad audience on governance issues. The TLC's membership is drawn from a number of the Institute's Divisions and so has the ability to compare and contrast governance practices globally across a range of diverse jurisdictions.

The TLC again published three discussion papers this year. All TLC papers are available on the Institute's website, [here](#), as well as in the fast growing eCommunity where they form the basis of a discussion thread so that both members and non-members can enter into a dialogue with the author(s) as well as consider the views of others.

In December 2020, the TLC released *Diversity of thought*. This discussion paper explores how diversity of thought can be encouraged in the boardroom, the pivotal role that the Chair plays and how one can measure the extent of diversity of thought in the boardroom. The paper addresses some key questions such as: How does a governance professional prepare their board for making complex decisions? What role does diversity of thought play in decision-making? What is the difference between diversity of thought and diversity of membership?

The TLC released its second paper for the financial year in March 2021 to coincide with International Women's Day. The paper, *Women in the boardroom*, examines in depth the status of women in the boardroom across the nine jurisdictions of the Institute's Divisions. This paper, among other things, clearly highlights the value that the Institute's global nature can bring to this and other important research work.

The final paper released during the financial year in June 2021 was *The third team: linking boards and organisational performance*. The paper asks some important questions such as: Does the board act on its own and the executive team act on its own or can the two come together if the ingredients are there to create a third team? Is the third team always there or does it only emerge when the synergy is there? This discussion paper explores how important it is for the Chair and the Chief Executive to create an environment where the attributes of synergy, trust and confidence emerge to take the organisation to the next level.

The Council is very grateful to Peter Greenwood from the Hong Kong/China Division who chairs the TLC and to all of the members of the TLC. As demonstrated by the work outlined above, the Institute is fortunate to have very experienced members willing to chair as well as participate as members of our important policy and other committees.

Global Institute activity

eCommunity

The eCommunity is a modern online platform through which members and followers of The Chartered Governance Institute can join forum discussions, share ideas and debate issues and topics at the

forefront of the profession. By facilitating accessibility to online resources, the eCommunity encourages a network of professionals to connect, collaborate, develop skill sets and enhance career pathways through conversation.

Launched in December 2019, the eCommunity has since been steadily growing in size and participation. There are now over 3,800 registered users of the platform, who have participated in over 110 discussion threads covering areas such as ESG (environmental, social, governance) reporting, crisis management, Covid-19, AGMs, board appraisals and directors' duties in relation to climate change disclosure.

A particular benefit is the ability to direct people to the platform for discussions following the release of thought leadership papers or webinars, demonstrating the global and cohesive nature of the Institute in an effective modern platform. This is a valuable benefit for our members. You can access the [eCommunity here](#) and if you have not registered, I encourage you to do so.

The Governance Exchange

Last financial year the Institute launched a unique interview series branded as *The governance exchange*. This enables the Institute to highlight its global reach and experience, its highly respected thought leadership and the broad range of topics important to governance professionals around the world.

Series 1 centred on the impact of Covid-19 and launched in April 2020. Series 2 commenced in September 2020 and focused on hot topics such as examining the governance issues in managing the highly complex COVAX initiative as well as shareholder activism through the eyes of an influential investor organisation.

Series 3 revolves around issues in the boardroom and began in June 2021 with the first two interviews extending the discussion on the two recently released thought leadership papers on diversity of thought and the third team (see further detail under 'Thought Leadership Committee (TLC)' above). Two more interviews in this third series will be filmed.

Global webinars

The global Institute is in the enviable position of being able to draw on expert member and non-member commentators and practitioners to conduct global webinars that transcend country boundaries.

This financial year the global Institute conducted two webinars. The first was on 8 October 2020 on *The changing role of the governance professional: post Covid*. Having panellists from the United Kingdom, South Africa, Hong Kong and Australia, all being very experienced Fellows of the Institute, was a strong brand statement for the Institute. The webinar attracted over 2,400 participants from every Division, and from many countries beyond our Divisions including a significant proportion of non-members whom we hope will now better understand the value of the Institute. You can watch this webinar on-demand [here](#).

The second webinar, *Women in the boardroom: an international governance stocktake*, went to air on 11 March 2021. Panellists included: Annika Freyer, Champions of Change Coalition; Dr Rosanne Hawarden, author of the report on which the webinar is based; Edith Shih, CK Hutchison Holdings; Suzyo Ng'andu, Zambia Revenue Authority; and Angus Dawson, McKinsey & Co. The webinar attracted over 2,500 registrations of whom 340 were non-members and many were from countries where there is no Institute Division. You can watch this webinar on-demand [here](#).

eNewsletter

The eNewsletter commenced in September 2020 and has continued to be issued on a monthly basis. As planned, the eNewsletter has completely replaced ad hoc emails sent from the global Institute to members and non-members directly and via the Divisions. The eNewsletter has a reach of over 40,000

people making it a very valuable communication channel to highlight the global Institute's activities, brand and news updates from the nine Divisions.

CEO meetings

Because of the significant changes to membership pathways explored during the year and, as a result of dislocation due to travel restrictions, the Divisional Chief Executives and Director General have held many more meetings during the year. There have been four Chief Executive meetings during the financial year, most notably to progress issues around member eligibility requirements, the review of the curriculum assessment framework, the 2020+ Strategic Plan and settling on a global member-value proposition.

As the Institute is globally spread, and face-to-face meetings have not been possible, these CEO meetings have also been a valuable forum to hear, and to take into account, the views of colleagues.

Financial position

The global Institute will finish the financial year with a surplus before provisions of £42,719 and a cash balance of £127,577.

The international Council is acutely aware of the difficult trading conditions that a number of Divisions have experienced during the last 18 months. Accordingly, the annual capitation fee for the financial year was reduced by 20%. Notwithstanding this, the Zimbabwe Division has experienced severe trading conditions and foreign exchange constraints resulting in an inability to meet its capitation fee commitments. As a prudent measure it has been decided to create a provision for potentially irrecoverable debtors of £25,576. The international Council will continue to monitor the situation in Zimbabwe and to provide support as required.

Notwithstanding the creation of the provision, the global Institute will report a net surplus and maintains appropriate reserves.

Administration

For a number of years, general administrative support has been provided by our external service provider MCI. The range of skills and experience that MCI can bring to the Institute is extensive, including facilitating administrative support for our meetings, hosting the website, assisting with the communication strategy for this year's AGM, management of the eCommunity and more.

We also have had the benefit of two key senior individuals to help guide the Institute's progress, the Director General, Tim Sheehy and the Institute's Secretary, Cynthia Mora-Spencer. Their support has been invaluable and very much appreciated by both the international Council and myself.

Finally, the Executive Committee structure continues to be a critical and very valuable component of our governance structure. The Executive Committee meets by Zoom normally on the first Monday of each month, which has been instrumental in maintaining a momentum for and focus on our key goals between Council meetings and in dealing with operational issues as and when they arise. Since initiatives within the Strategic Plan have been progressing at pace, the need for a decision-making body to meet regularly has been imperative.

Honorary Officers

As I close, I would like to take this opportunity to acknowledge the substantial contributions that have been made to the Institute by my colleagues on the Executive Committee: Edith Shih as Immediate Past-President (Hong Kong/China), Jill Parratt (Southern Africa), John Heaton (CGIUKI), Dr Syed Abdul Hamid Al Junid (Malaysia) and Frank Bush (in his capacity as Chair of the Professional Standards

Committee). In addition, I would like to thank each member of the international Council for their support, commitment and valuable work in furthering the Institute's strategic goals.

Finally, on behalf of all of the Council I would like to thank Frank Curtiss for his substantial contribution to the Institute, noting that he retired from the Council at the end of the financial year. Frank has been a member of the CGIUKI Divisional Committee and the international Council for a number of years. His contribution has been substantial, extremely valuable and very much appreciated.

I was elected as President to serve for the two years from 1 July 2020 and it is an honour for me to work with the very experienced and committed professionals that make up our international Council and the Executive Committee and, in so doing, to advance the strategic goals, brand and interests of the Institute as a whole.

2021 Annual General Meeting

I can advise that the 2021 AGM will be held on Thursday 21 October at 8:00am British Summer Time. Due to the travel restrictions stemming from the Covid-19 pandemic, the meeting will be held virtually. Unfortunately, there can be no face-to-face component.

Members will be notified of the meeting arrangements in due course in the usual way, and we will endeavour to ensure that the meeting is as accessible and interactive as possible.

On behalf of the Council



Peter Turnbull AM FCG
International President
8 September 2021