360° vision for boards

A global perspective on key issues for Australian directors and questions to help you address them

Evolving issues for boards

Boards in 2022 are surrounded by challenges in every direction.

Externally, there are threats in the form of escalating geopolitical tensions, economic uncertainty, cyber risk and climate change.

Within their own organisations, people and culture matters are demanding attention. A global talent shortage is making it harder to attract and keep people.

At the same time, stakeholder expectations continue to climb, exposing organisations who fall short to potentially catastrophic reputational damage.

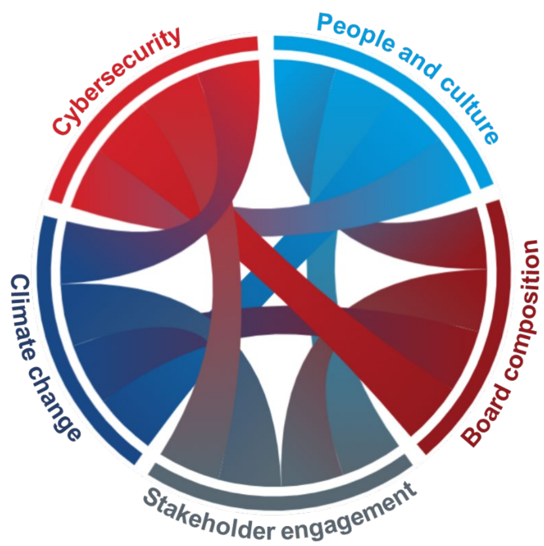
> "The pandemic has turbocharged an evolution in the operating environment for virtually every company.
>
> Larry Fink, Chair and CEO, BlackRock
> 2022 letter to CEOs

Directors need a diverse array of capabilities to navigate this environment, putting board composition under scrutiny.

Adding to the complexity, many of these issues are closely interrelated. How organisations respond to one challenge has ramifications for the others.

This report explores the views of directors in Australia, New Zealand, the US and the UK on some of the key issues facing their boards, drawing on the latest surveys and research.

We share our practical suggestions for the questions your board should ask to help your organisation successfully manage this turbulent time.



Australia

Top three economic challenges facing businesses

1.	Labour shortages	55%
2.	COVID-19	43%
3.	Climate change	38%

New Zealand

Single biggest risk facing organisations

1.	Labour quality and capability	30%
2.	Supply chain disruptions	17%
3.	Border restrictions	14%

United States

Most challenging issues for boards to oversee

1.	Cybersecurity and data privacy	41%
2.	Talent / workforce	38%
3.	Culture	34%

United Kingdom

Top issues directors would improve in their operating environment

1.	Trading relationship with EU	16%
2.	Skills shortages	15%
3.	UK economic conditions	12%

Cybersecurity

Rising cybersecurity risks are a major issue for boards around the world.

For the first time, Australian directors ranked cybercrime and data security as the top concern “keeping them awake at night” in the latest Director Sentiment Index conducted by the Australian Institute of Company Directors.

The Australian Cyber Security Centre (ACSC) and its counterparts in the US and t he UK issued a joint advisory in February 2022 warning of the increased global threat of ransomware based on 2021 trends.

It said attacks are becoming more sophisticated and, while critical infrastructure is a popular target, organisations of all sizes were at risk.

While strong defences are essen ial, they are no longer enough to mitigate the growing risk.

Cybersecurity plans must elaborate on how quickly an organisation can identify a breach, contain its impact, and recover.

The growing threat

Boards know the likelihood of experiencing a cyber incident is becoming inevitable.

A decade ago, only 23% of US directors were highly concerned about a potential breach, according to the What Directors Think survey in 2012.

Now, three-quarters (75%) of US directors rank a cybersecurity or data breach as a greater concern than any other crisis. It’s significantly ahead of supply or value chain disruption (46%) and regulatory action (38%), their second and third concerns.

The COVID-19 pandemic has elevated cyber risk, with remote working often less secure than physical workplaces.

One-third (32%) of UK directors feel their organisations are more vulnerable to cybercrime since the pandemic, polling by the IOD has found.

It’s a view shared by a higher proportion of Australian directors. More than half (53%) believe flexible working arrangements have a negative impact on their organisation’s cybersecurity, according to the AICD.

Russia’s invasion of Ukraine has heightened threat levels even further.

Severe, repeated attacks have been made against Ukrainian systems. Cybersecurity agencies around the world have warned organisations to be prepared for potential international impact.

#1 Issue keeping Australian directors awake at night

56% NZ directors need morecybersecurity reporting

#1 Most challenging issue for US boards to oversee

1/3 UK organisations more vulnerable to cybercrime due to COVID-19

Global Cybersecurity Index

	US	UK	Australia	NZ
Rank	1	=2	12	48
Score	100	99.54	97.47	84.04

Source: The 2020 Global Cybersecurity Index was published by the UN’s International Telecommunication Union in June 2021

Gaps in information an issue for boards

A growing risk profile isn't the only reason why boards are worried about cybersecurity.

The threat is rapidly evolving, impossible to fully mitigate and often strikes without warning.

Organisations are looking for a needle in a haystack, but the needle is moving and constantly changing shape.

US directors say cybersecurity is the most challenging issue for boards to oversee – up from third place just a year ago – in the latest What Directors Think survey.

> Almost half (47%) of Australian directors don't believe their board has enough oversight of cybersecurity threats to their organisation.
>
> AICD Director Sentiment Index, December 2021

One of the key difficulties for boards is getting the information they need for effective oversight.

Only 44% of New Zealand directors say their board receives comprehensive reporting on data breaches, incidents, and the actions taken to address them, the IoD's 2021 Director Sentiment Survey found.

Addressing cyber risk as an organisation-wide risk rather than a specific IT issue is part of the solution. It needs to be addressed by executive teams as a collective responsibility while also ensuring there is clear accountability and risk ownership for individual roles.

Questions for your next board meeting

- Does the board receive regular updates from internal risk, compliance, data security and data privacy teams —those well-versed in cybersecurity and data protection? Do these teams communicate effectively with the board?
- Are the teams at your organisation that oversee cyber risk properly empowered to carry out their duties?
- Does the board set the right tone at the top about the importance of cybersecurity and digital transformation? How does the board hold senior management accountable on these issues?
- How are directors updated on cybersecurity and digital transformation trends? What sources or materials could help them stay current?

People and culture

It's no surprise that COVID-19 created major disruption for people and organisations.

Many lost their jobs as business activity was scaled back due to restrictions. Most others had to quickly adapt to rapid and ongoing changes affecting everything from what the organisation did, to how and where they did it.

As weeks stretched into months, then to years, resilience was tested and leaders were called on to show empathy and practicality. Each bounce back seemed slower as burn-out crept in, with frontline workers hit the hardest.

The evolution to 'living with COVID' presents new challenges. Managing staff shortages due to infection and isolation has put further pressure on already-stretched supply chains, even as restrictions are gradually eased.

Implementing post-pandemic business plans is proving harder than anticipated in the face of widespread labour shortages. It's pushing up demand – and salaries – for staff at a time when people are beginning to enjoy greater freedom.

That means organisational culture has become a crucial asset to attract and retain people, making it a high priority for boards and executives. However, there are also a range of benefits from flexible working arrangements.

Global labour shortages

Labour shortages are the top economic challenge currently facing Australian business, according to AICD's Director Sentiment Index.

More than half (55%) of respondents said it was in their top three issues, ahead of COVID-19 (43%) and climate change (38%).

The number who say labour market issues has affected their organisation is even higher, at 63%. However, it's not among the top three issues directors nominate as keeping them awake, with attracting new talent ranked number five on 28%.

It could be a sign of the sheer number of challenges boards are currently grappling with – or a sign of confidence that management is on top of the issue.

Local and international border closures during COVID-19 slashed travel and immigration, shrinking the pool of potential applicants. Fewer international students mean the pipeline of emerging candidates has also been cut.

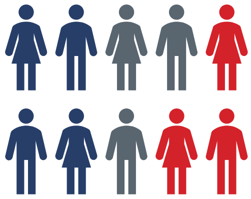
#1 Economic challenge for Australian businesses

#1 Biggest risk for New Zealand organisations

#1 Influence on US organisations' strategy

#2 Issue where change would benefit UK organisations

Impact of flexible working on organisations



32% Positive

43% Negative

26% Neither

As borders re-open, sourcing global talent is a popular plan. However, importing contract workers may not be a long-term solution for succession planning in key roles.

It's not the only way COVID-19 has impacted the workforce. The rapid shift to digital business models has left businesses needing to upskill and recruit people with the new capabilities they need.

Despite Australia's lengthy border closures and geographic isolation, it's a challenge being shared around the world.

US directors said their organisation's ability to attract and retain talent came second only to the economy in influencing their strategy, according to the Diligent Institute's What Directors Think survey. However, things are evolving quickly. Just two months later, talent outranked the economy at the list of top strategic influences in Diligent's Director Confidence Index.

In the UK, directors rate skills shortages as the second priority they would change. It came a single percentage point behind a new trading relationship with the EU in the IoD's report, What do Directors Want in 2022?

Closer to home, directors in New Zealand ranked labour capability and quality as both the biggest impediment to the country's economic performance (57%) and the single biggest risk facing organisations (30%).

Labour shortages elevate talent management to a key area for strategic oversight at board level. It's moved up the agenda for New Zealand boards, with almost nine out of 10 surveyed directors (88%) saying it's a regular topic of board discussion.

Monitoring culture

A sizeable majority (73%) of Australian directors say their boards have sufficient oversight of organisational culture, however, only 20% strongly agree. That means eight out of 10 boards can do more to set and monitor the tone for the organisation.

Across the Pacific, US directors agree overseeing culture is among the most challenging issues for boards. Around one-third (34%) of surveyed directors included it in their top three issues, putting it ahead of leadership succession, diversity and inclusion, and climate risk.

The shift to remote and hybrid working arrangements has had a mixed effect on culture, according to directors. The AICD reported that more than 40% of directors found the impact was negative, compared to around one-third who saw it as positive.

Despite this, the strong view of Australian directors is that flexible working has been positive for their organisations in terms of:

- Retaining existing staff (net 46% positive)
- Attracting new staff (net 41% positive)
- Reducing overheads (net 41% positive)
- Health and wellbeing (net 28% positive)
- Staff productivity (net 21% positive).

The key downside is the impact on cybersecurity (net 39% negative).

A significant majority of UK directors (79%) expect flexible working to remain for the long term at their organisations, polling by the IoD found.

It raises the question of why directors believe culture has suffered due to flexible working. One possibility is that it has exacerbated the challenge for boards to oversee and influence culture, rather than eroding the culture itself.

While site visits and interaction with people beyond the C-suite have been curtailed, there are still effective avenues for directors to keep their pulse on organisational culture.

In the US, employee surveys are the primary tool, with 49% of directors saying it's the most reliable approach according to Diligent's What Directors Think survey. The availability and convenience of brief surveys at regular intervals offers an opportunity to probe key issues and monitor trends in close to real time.

However boards choose to meet, their primary avenue to influence culture remains. While the CEO is the primary custodian of organisational culture, directors' interaction with the CEO and the executive team plays a key message in setting the tone from the top.

Questions for your next board meeting

- Does the board receive the information it needs to oversee talent management, culture and other strategic people issues? This includes leading indicators that can point to emerging trends.
- What strategies has the board explored with management around talent retention and development? What's working, and what's not?
- Has the organisation identified critical roles below C-suite level? Are there succession and development plans for the people in these roles?
- What opportunities does the board have to engage directly with people below C-suite level?
- Does the organisation's approach to flexible working reflect the evidence? What initiatives can be introduced to support innovation and collaboration away from the workplace?
- What options are there to help the board stay connected to culture in a flexible working environment?
- How do directors evaluate their own impact on the organisation's culture? Does this include seeking feedback from executives as part of the board review process?
- What information or training does the board need to address emerging people and culture issues? Are additional skills needed as part of board renewal and succession planning?

Climate change

Climate change is becoming an increasingly critical issue for Australian directors amid mounting evidence of its growing severity.

More than three-quarters (77%) of them are concerned about the impact of climate change risk on their organisations, the AICD's Climate Governance Study found.

Almost four out of 10 directors (38%) say it's one of the main economic challenges facing Australian businesses, according to the AICD's Director Sentiment Index. It's the highest number reported to date, and reflects a marked increase from 25% just six months earlier.

However, other time-critical challenges are weighing more heavily on directors' minds, pushing climate change lower on their agendas.

Among Australian directors, it's at the lower end of the list of issues keeping them up at night (19%).

A scant 10% of New Zealand directors included climate change in their top three impediments to national economic performance in the IoD's 2021 Director Sentiment Survey.

In the US, directors rank climate and environmental risk ranks below people-related issues in their assessment of the most challenging matters to oversee. It made the top three for fewer than one in five directors (18%) in Diligent Institute's 2022 What Directors Think survey.

Concern over climate change is far higher among UK boards. Climate change was ranked as the number one risk (28%) among respondents who believe risk is increasing, according to the FTSE 350 Boardroom Bellwether survey published by the Financial Times and The Chartered Governance Institute UK & Ireland.

UK leads board engagement on climate change

The proportion of New Zealand boards that are engaged and proactive on climate change has almost doubled over the past five years. It grew by 13 percentage points in the last year alone, rising from 35% in 2020 to 48% in 2021, according to the IoD. However, it still means just over half of boards are yet to adequately address the issue.

Similarly, almost half (46%) of Australian directors believe their boards should pay more attention to climate governance, an AICD survey found.

23% Committed to an emissions reduction target[1]

27% Have a well worked out plan to reduce carbon impact[2]

21% Approved or implemented a plan to address risks associated with transition to net zero[3]

1. AICD Climate Governance Study, December 2021
2. Institute of Directors survey, October 2021
3. Diligent / Corporate Board Member Director Confidence Index, January 2022

Meanwhile, in the UK, climate change is on the agenda for almost all listed company boards, with 96% discussing it at least once during the last year, according to the FTSE 350 Boardroom Bellwether.

The level of engagement appears high, with 45% of boards discussing it four times or more in that period, reflecting significant increases from previous surveys.

> "Climate change will be a challenge for generations of directors."
>
> Angus Armour, Managing Director & CEO
> Australian Institute of Company Directors

Planning to succeed

Time is running out to limit global warming in line with the UN's Paris Agreement, but many boards don't yet have plans for how their organisations will reduce emissions.

Half of Australian directors say climate change is a material risk for their organisation, while less than a quarter have a target to reduce their emissions, according to AICD surveys.

Planning for the transition to net zero is at similar levels among directors surveyed in the US and the UK.

In all three countries, these levels are higher among larger listed companies, with survey respondents reflecting a more diverse mix of organisations. There is also a high degree of variability in the rigour that accompanies these plans, with critics highlighting that science-based targets are not applied in all cases.

A major challenge for Australian boards is lack of clear government policy, according to directors. AICD surveys consistently report climate change as directors' number one government priority. Most recently, almost half (48%) rank it as their short-term priority, with even more putting it top for the long-term (59%).

That translates to the most significant barrier to boards doing more to address climate change: 45% of directors say they don't know where to start, according to the AICD's Climate Governance Study. It's a bigger problem for boards than time and resources (38%) or potential profit reduction (25%).

Meanwhile, in the UK, practical challenges (42%) and costs (37%) are more significant concerns than lack of knowledge about how to make progress (25%), according to polling by the IOD.

However, UK directors still believe government needs to play its part. Half (49%) say more guidance and advice would help organisations address climate change, and two-thirds (66%) would like to see financial support or other government incentives, according to an IOD survey after COP 26.

Link to executive pay is slowly growing

Climate change and environmental considerations are not yet given the same focus in executive remuneration schemes as social issues such as safety, diversity and inclusion. Just 11 ASX 100 companies have climate change built into ESG scorecards, according to Guerdon Associates.

The UK is leading the way, with 28% of FTSE 100 companies linking executive reward to decarbonisation and net zero, according to PwC.

US companies have strong goals to strengthen the link between environmental sustainability and executive pay. Diligent Institute's 2022 What Directors Think survey found 39% of directors say their board has decided to tie executive compensation to environmental metrics—up from 26% just a year ago. However, with only 14% of S&P 500 companies currently including environmental metrics in their incentive plans, there's a big gap to close.

Questions for your next board meeting

- How do we embed environmental sustainability into our overall strategy? How do we integrate it fully as part of our culture and operations?
- Does the board give appropriate prominence to climate change and environmental issues?
- Do we consider the potential opportunities associated with climate change for our organisation as well as the risks?
- Are we delaying action until we have greater certainty on policy settings? Have we evaluated the potential cost of this approach as part of scenario analysis?
- Are metrics included in executive remuneration schemes designed to adequately motivate meaningful change and penalise behaviour which has a social or environmental cost?
- Do ESG metrics and weightings reflect the strategic significance and risk profiles of the underlying issues relative to each other and to other financial and non-financial metrics?
- Are we taking appropriate action to avoid potential greenwashing claims, such as by applying a recognised measurement and disclosure framework and having our data audited?
- Do we benchmark our goals and progress against industry peers, index participants, and global best practice?

Board composition

The mix of people around the boardroom table is one of the biggest drivers of the board's effectiveness.

Board composition affects culture, performance and strategy across the organisation. It can create an impact that lasts long after individual directors depart.

High functioning boards are more than the sum of their parts. They collaborate to shape strategy and address change. They hold management accountable while providing a safe environment for CEOs to test their thinking. They contribute insights that join the dots and close the gaps.

Beyond directors' individual skills and experience, they also need:

- **Capability to synthesise** complex information and navigate uncertainty.
- **Self-awareness to identify** their shortfalls and challenge biases.
- **Commitment to ongoing learning** and knowledge sharing.

Dialling up digital capability

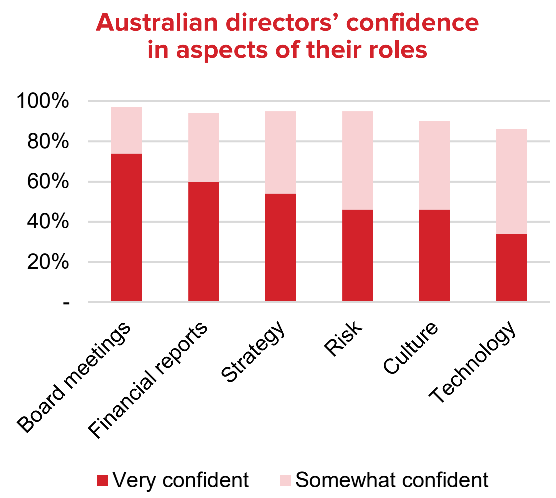
Digital transformation has become central to organisational strategy, with more than 80% of businesses undergoing digital transformations, according to strategy consulting firm BCG. Together with the increase in cyber risks, it creates a growing role for directors with specialist skills and experience.

The majority of Australian directors (59%) say their boards are actively seeking greater digital and technology capability, the AICD Director Sentiment Index reported. It's a greater proportion than in the US, where digital and cyber expertise are a priority for 35% of directors, according to Diligent's 2022 What Directors Think survey.

Wider insight at board level is also important. Just as all directors need to be able to contribute meaningfully on financial discussions (even if they don't have formal accounting qualifications), boards also need an overall level of digital literacy.

The vast majority (86%) of Australian directors are confident they understand the risks and opportunities presented by technology. However, only one-third (34%) are 'very confident' in this, putting it last on the list compared to a range of other issues included in the AICD's Director Sentiment Index (refer chart at right).

New Zealand directors are considerably more bearish. Fewer than four in 10 directors (38%) say their board has the right capability to lead their organisation's digital future, the NZ Institute of Directors found.



Source: AICD Director Sentiment Index, December 2021

Broader representation

Diverse leadership, including at board level, helps boards consider a wider range of perspectives when making decisions.

Those who lag behind risk distancing themselves from employees, customers and communities. They face greater challenges to strengthen organisational culture and connect with changing external expectations.

While significant progress has been made in gender diversity on Australian boards over recent years, there's more work required for boards to reflect the wider population. Only 24% of surveyed directors believe the current level of diversity is satisfactory, according to the AICD Director Sentiment Index.

Despite this, other attributes currently appear to be a higher priority. Three-quarters (74%) of Australian directors say their boards are looking to expand their skills, compared to gender (51%), age (38%), and ethnicity (26%).

It's a similar story in the US, where directors say their boards are closer to their ideal mix of skills (4.3 out of 5) than diversity (3.9 out of 5), according to Diligent's 2022 What Directors Think survey. However, industry expertise (48%) and leadership experience (38%) are the top attributes for their next director appointment. Ethnicity (36%) and gender (22%) are ranked as the third and fifth most important attributes respectively, each slipping back one place compared to the year before. Age (5%) is scarcely a consideration, coming in last place out of 15 attributes.

New Zealand boards show the same trend, with fewer directors saying diversity is a key consideration for board appointments, although support remains high. It fell from 66% in 2020 to 56% in 2021 in the annual IoD Director Sentiment Survey.

Climate confidence

Close to half of Australian directors (46%) aren't confident their boards have the knowledge and experience to adequately address climate governance issues, the AICD's Climate Governance Study found.

However, barely one in five directors (18%) say their boards have held training on climate change, and fewer still (14%) have addressed it as part of their board skills evaluation.

Among US directors it's also a low priority, with only 6% of respondents saying environmental or climate expertise is a priority for their next board appointment.

It reflects climate governance being slower to mature compared to other evolving issues such as cyber risk and data security.

Questions for your next board meeting

- How are the board's skills matrix and renewal plans aligned with the organisation's strategy and the issues that matter most?
- Do we apply consistent, objective measures in evaluating directors' capabilities and determining skills gaps on the board?
- Have directors' experiences through COVID-19 changed our perspective on the attributes the board needs?
- Does the board's engagement of external consultants indicate particular areas where we should strengthen our skills?
- Does the board's size enable us to have the right mix of skills without overloading individual directors?
- What can we learn from industry and global trends in board composition?
- How can we best use the board training program to strengthen capabilities in emerging areas and support ongoing learning and development?

Shareholder engagement

COVID-19 has made sustainability more important to institutional investors around the world, according to a study by Schroders. Investors' primary focus (54%) is on investments that positively impact society and the planet, with the potential for higher returns ranked significantly lower (36%).

BlackRock CEO, Larry Fink's 2022 letter to CEOs highlights increased shareholder interest in corporate governance. He says generating long-term shareholder value requires organisations to also create value for their other stakeholders, particularly employees and customers.

Corporate purpose is at the heart of this approach. Having a well-defined purpose and articulating it clearly is crucial both for value generation and effective stakeholder engagement.

In the UK, the Better Business Act campaign aims to amend the law to require businesses to benefit employees, customers, communities and the environment in addition to their profit motive. Led by the UK's B Corp movement, almost 1000 businesses have signed up to support the campaign so far.

53% Australian shareholder resolutions on climate change in 2021 that were approved or withdrawn[1]

90% New Zealand directors who say stakeholder interests are very important to their organisation[2]

58% US institutional investors who say greenwashing is a challenge for sustainable investment[3]

22% UK directors who believe generating shareholder profit is companies' sole purpose[4]

1. Australasian Centre for Corporate Responsibility data
2. NZ Institute of Directors 2021 Director Sentiment Survey, December 2021
3. Schroders 2021 Institutional Investor Survey
4. UK Institute of Directors polling, June 2021

The rise of shareholder activism

Shareholder activism has become far more sophisticated than protesters with placards at annual general meetings. However, it can still be just as visible.

Rather than divesting shares in companies that don't meet their expectations, institutional investors are engaging more actively on strategic and ESG issues.

The top three topics for shareholder engagement globally according to Schroders are the environment (including climate change), employees (diversity, equity and inclusion, health and safety), and management (executive compensation).

Investors are seeking more information and greater accountability. How organisations respond can have a significant impact on their relationships, their reputation, and ultimately their share price.

When answers aren't forthcoming, or fall short, shareholder resolutions may be used to drive change. Some are resolved before the AGM takes place, with organisations agreeing to address investors' concerns.

While most shareholder resolutions fall short of a majority vote, levels of support are increasing, particularly on climate-related matters.

The Australasian Centre for Corporate Responsibility (ACCR) reports that 29 shareholder resolutions were put forward in 2021, fifteen of which (52%) related to climate change.

Five of the 29 resolutions were approved, while five more were withdrawn before the meetings.

All five of the successful resolutions and three of those withdrawn related to climate change, meaning more than half (53%) of climate-related shareholder resolutions achieved their intended impact.

In the US, the number of shareholder resolutions rose sharply from 2020 to 2021 even before the year was out, according to a review published by Harvard Law School's Forum on Corporate Governance. The proportion that was withdrawn before meetings also increased, jumping from 44% to 61%, and attributed to positive engagement between companies and institutional investors.

Continuing the trend, there was also an increase in the proportion of resolutions approved at meetings. More than one-quarter (27%) of the resolutions that weren't withdrawn received majority support in 2021, compared to only one in 10 the year before.

The past year has seen minority shareholders secure board representation, and others unsuccessfully make unsolicited acquisition proposals. Irrespective of their outcome, they shine a spotlight on the key issues that matter to stakeholders and are a prompt for robust reflection by boards on the changes that should be made.

Boards' wider leadership role

While stakeholders are becoming more vocal, so are boards. Increasing community expectations are prompting directors to participate more actively in public dialogue.

More than half of New Zealand directors (54%) believe boards should speak out on social issues, compared to around one-third who say it's not their role, the IoD Director Sentiment Survey found. It's broadly in line with their views on the CEO's responsibility to do likewise.

Speaking out helps organisations influence the practices of suppliers, customers and business partners, expanding their impact across the supply chain.

Managing growing risks and costs

One in five Australian directors (21%) say the level of directors' personal liability keeps them awake at night, according to the AICD Director Sentiment Index. That puts it alongside major issues such as corporate culture, CEO succession (both 20%) and climate change (19%).

It has a bearing on decision-making for New Zealand directors, with 45% saying increased personal liability has made them more cautious.

There have been significant increases in premiums for directors' and officers' insurance in recent years, with further rises expected in 2022 in many regions. Organisations aren't just paying more – the scope of their coverage is gradually narrowing.

While some of the cause is structural, increasing risks are also driving some of the cost increases. These include ESG disclosures, shareholder class actions and cybersecurity.

Questions for your next board meeting

- How well does the board understand the priorities and concerns of our stakeholders? Do we recognise the diversity of perspectives within each group?
- Does our stakeholder engagement reflect our values? How could we be more constructive or achieve better outcomes?
- Do we proactively engage with stakeholders as part of our ongoing approach before issues arise?
- Do we evaluate our relationships with different stakeholders and identify how we can improve?
- How do we capture the insights from stakeholder engagement? Can we do more to ensure they are shared within the organisation and used to improve our approach to significant issues?
- Do we have the necessary expertise and resources for effective stakeholder engagement?
- Does the board discuss major reputational issues at other organisations and consider their implications for us?
- Does the board monitor trends in stakeholder engagement, such as proxy season voting and global developments?
- Do we have a policy that addresses directors' conduct and responsibilities when engaging with stakeholders to mitigate potential risk to them and the organisation?

Diligent a MODERN GOVERNANCE company

About Diligent

Diligent leads the way in modern governance. We empower leaders to connect and share insights thatenable them to make the best business decisions.

Our integrated cloud-based solutions enable organisations to enhance their governance framework and streamline their processes so that directors, executives and governance professionals can concentrate on the key issues.

With our origins in New Zealand, Diligent has grown to become a global company with clients in more than 90 countries. We've come a long way, but local expertise and award-winning service paired with rigorous security arestill at the heart of our business.

Diligent is here to help you thrive.

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