

INTERVIEW



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1. You have an inspiring journey working closely with Boards. As a crusader of good Corporate Governance, what is your message for Boards?

A. Directors should be prepared to engage robustly around the strategy and the future of the company they're representing, as well as the areas important to alignment with management.

2. What are the emerging trends and the future of Corporate Governance? What are some of the biggest challenges and key opportunities before Boards today, as we transition into the “new normal”?

A. We've observed several emerging governance trends among Indian corporations, focusing specifically on

areas of board structure and composition. The most significant trend impacts the largest 500 public companies in India by market capitalization, who are having to work toward complying with the Securities and Exchange Board of India's mandate to separate the role of the chairman and chief executive officer. The deadline for compliance was due last April but has been extended by SEBI to April 2022. Many companies are already starting to adopt this shift in their company's management structure as they are seeing the value in having an independent chair serve an important liaison between management and the board.

In addition, many corporate boards are starting to embrace and prioritize board diversity, not only the increased

recruitment of women, but also focusing on diversity of thought, which adds an elevated level of engagement to the boardroom.

3. Nasdaq follows a “Seven Critical Elements of a Board Refreshment Plan”. What is the significance of this initiative?

A. This initiative helps boards understand the need for both a difference of opinion and a difference of approach in the boardroom. Historically, directors were focused with fiduciary-based responsibilities in support of the company's shareholders. As the role of the board has evolved to include keeping the company on a competitive trajectory, differences of opinion and approach are meaningful qualities among directors that help establish a

long-term view for the company.

4. From your vast experience of advising and evaluating Boards over the years, which areas consistently come to the fore as gaps in boardroom functioning?

A. The gaps in boardroom functioning can be attributed to a lack of knowledge of the company, its value proposition, its peer companies, and how the company maintains competitive advantage in today's rapidly shifting business landscape. This is why board diversity and board composition are often priorities for nominating committees. Having different perspectives and areas of experience in the boardroom – be it knowledge of technology, marketing and branding, talent attraction and other nuanced skillsets – is complementary to management.

5. How does a robust board evaluation process enable strategy and decision-making in a visionary boardroom?

A. The overarching goal of conducting a board evaluation should be to provide the company's nominating and governance committee with an annual benchmark of where the board stands in terms of understanding the company's progress. The metrics that measure the execution of the board's strategy are very important, particularly as it relates to budgets and so on. An effective board evaluation must strengthen or deepen the key areas of board oversight: CEO selection and support, strategy, compliance, financial controls, investor relations, etc.

6. The 'Center for Board Excellence' founded by you was acquired by Nasdaq in 2019. How has this acquisition further enhanced Nasdaq's mission of working with Boards?

A. It has been a tremendous opportunity to align with Nasdaq's mission and

track record in the corporate governance space. Resilient boards yield resilient companies, which in turn leads to resilient markets. It's a very powerful combination, and the work we are doing has a significant long-term impact on helping to set the pace for governance best practices. For 50 years, Nasdaq has had a very unique position at the intersection of the corporate experience, regulation, and capital markets. That perspective combined with our united commitment to corporate governance and board excellence provides our clients an unrivaled perspective to help solve their governance needs.

7. The economic gravity is shifting towards Asia. What is your focus and strategy for this region, and particularly in India?

A. The Asian economy is growing rapidly, and there's no doubt that India will continue to be a leading factor for growth across the region. This is due not just to the economic prospects within the country, but also as a result of India's exponential commitment to education. Corporate governance focus and investor attention began intensifying around 2015 resulting from legislation in many countries as we emerged from the Financial Crisis. An example is the increased scrutiny and push for separation of CEO and Chair roles on the SEBI schedule for 2022. The global investment community will likely reward companies that adopt global corporate governance best practice. From Nasdaq's perspective, we are spending significant time to better understand the nuances of the Indian corporate governance model along with global best practices. We are also expanding our governance solutions workforce in India to provide deeper engagement and support to our clients. We are most excited that so many companies in India are prioritizing governance excellence and find working with them very rewarding. ■