

Corporate Governance & Sustainability - 2022

The **Future Boards** in a VUCA World: New trends in Corporate Governance & Sustainability



Felicitations of **Golden Peacock Award Winners**
for Corporate Governance & Sustainability
(both Global & National) for the year 2021



March 23, 2022

The Institute of Directors (IOD), India organised a Special Golden Peacock Awards Felicitations Ceremony on March 23, 2022, to celebrate achievements of some of the outstanding organisations - Winners of the coveted Golden Peacock Awards for 'Excellence in Corporate Governance' and 'Sustainability' (both Global and National categories) for the year 2021.

The event witnessed participation by nearly **1300 participants** # joining LIVE, both from India and overseas. It was addressed by senior officials from the Indian government, board directors of global companies and domain experts. Other participants included business leaders, corporate executives, CEOs, industry & Sustainability experts, decision makers, innovators, environmentalists, NGOs and related domain specialists. The event had participation from over **twenty-three countries**, including Australia, Austria, Bangladesh, Denmark, Hong Kong, Japan, Malaysia, Namibia, Nepal, Netherlands, Philippines, Portugal, Qatar, Singapore, South Africa, Spain, Sri Lanka, Switzerland, Tunisia, Turkey, United Arab Emirates, United Kingdom, and United States of America, besides India.

On behalf of the Institute of Directors, **Mr. Pradeep Chaturvedi**, Vice President delivered the '**Opening Remarks**'. He welcomed all distinguished guests, speakers and partners to the Global Virtual Session. He stated that, the world is passing through uncertainties of unprecedented magnitude. The normal operations have become overstrained. Uncertainty has to be measured in terms of magnitude and duration. Organisations have been responding to emerging trends by innovative, flexible and resilient models, to maintain productivity at desired levels to rise to the new challenges.

Dr. Graham Wilson, Professor, Leadership & Organization Development, University of Oxford, UK in his '**Introductory Address**' outlined the theme of the event and shared that today, the role of the Boards is gradually shifting towards being '**purpose-driven**' and '**sustainability-oriented**'. Boards are focusing on forging a new culture while simultaneously safeguarding the business and the whole economy. Today, 'Sustainability' and good 'Corporate Governance' is a key agenda for boards and it is crucial in pandemic situation, digital disruption, socio-economic volatility and uncertainty.

 Mr. Pradeep Chaturvedi	 Dr. Graham Wilson	 Dr. Vivek K. Agnihotri, IAS (Retd.)	 Lt. Gen. J. S. Ahluwalia, PVSM (Retd.)
 CA. (Dr.) Debashis Mitra	 Prof. (Judge) Mervyn E. King SC		

Opening Keynote Session

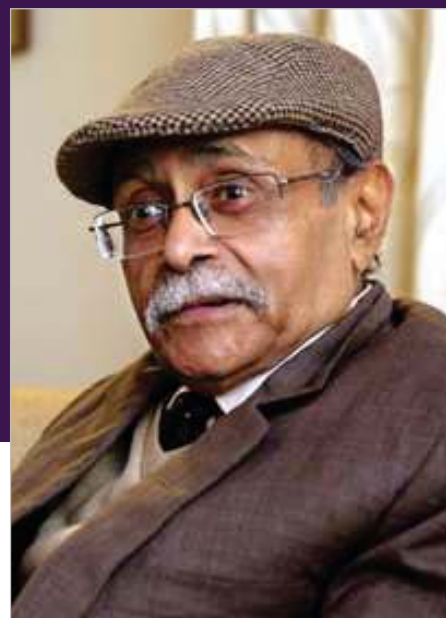
Distinguished Speakers live during the event: (From L to R): **Mr. Pradeep Chaturvedi, Dr. Graham Wilson, Dr. Vivek K. Agnihotri, IAS (Retd.), Lt. Gen. J. S. Ahluwalia, PVSM (Retd.), CA. (Dr.) Debashis Mitra and Prof. (Judge) Mervyn E. King SC**



Mr. Pradeep Chaturvedi
Vice President
Institute of Directors, India



Dr. Graham Wilson
Leadership & Organization Development
University of Oxford
UK



Dr. Vivek K. Agnihotri, IAS (Retd.)
Director General
Golden Peacock Awards Secretariat
Former Secretary - General
Rajya Sabha (Parliament of India)

Dr. Vivek K. Agnihotri, IAS (Retd.), Director General, Golden Peacock Awards Secretariat; former Secretary-General, Rajya Sabha (Parliament of India) in his **'Welcome Address'** shared that, he was happy to share with the audience, the tireless efforts and hard work invested by the winners to be part of the economy, during the pandemic period, to continue to make their business sustainable. Even during the pandemic, the Golden Peacock Awards Secretariat received altogether **199** applications for the four categories of the Annual Awards. Out of these, **94** applications were shortlisted, and **26** have been finally selected as Winners for the year 2021, which are being felicitated virtually in today's event. He conveyed special gratitude to **Hon'ble Justice M. N. Venkatachaliah**, former Chief Justice of India and former Chairman, National Human Rights Commission of India, for Chairing the Golden Peacock Awards Grand Jury. He also thanked all the other esteemed Jury Members for their notable individual contribution.

Lt. Gen. J. S. Ahluwalia, PVSM (Retd.), President, Institute of Directors, India in his **'President Address'** shared that the Golden Peacock Awards Ceremony honours the winners of **Global & National Award Winners** of 2 major corporate functional categories - **'Corporate Governance'** & **'Sustainability'** for the year **2021**. These Awards recognize the best in class and raise the industrial benchmarks and quality, as models for the rest to emulate.

It is also important to recognize the power that these Corporates have come to wield today. Of the top 100 economic entities in the world, 70% are corporations, whilst only 30% are nations.

The world is encountering today, immense political, social, cultural, organisational, technological and transformational changes – a test of men's ingenuity. Global business is operating in a VUCA world – volatile, uncertain, complex and ambiguous.

On **Corporate Governance**, he posed the question, can CG future-proof the boards? Can mentoring and principles, replace Codes and Rules to unleash creativity? What we need today is a simple model of globally accepted universal CG Code.

He concluded his Address by sharing some key insights into the **'Changing Trends of Effective Boards in the Future'** which are mentioned below:

- Shareholder-oriented ownership mind-set
- A digital, creative, problem-solving board for 'Crises Management'
- Diverse, inclusive, ethical and agile board to switch gears, based on market situation
- 'ESG' compliant organisation i.e. business decisions to pass 'Sustainability screening'
- Closer engagement with stakeholders – especially concerns and priorities around ESG

- Identify new areas of growth – both organic and inorganic
- Have an open 'whistle-blower policy', known to all operational staff
- A dynamic and resilient strategy to navigate through uncharted waters
- Diverse board composition, with a suitable mix of directors with industry knowledge, technical skills & experience
- Annual 3rd party 'Performance Evaluation of the Board & its Directors'
- Focus on human capital governance

This was followed by the '**Keynote Address**' by:

CA. (Dr.) Debashis Mitra

President

The Institute of Chartered Accountants of India (ICAI)

CA (Dr.) Mitra shared that, ICAI is the second largest accounting body in the world, and is focussed on the **3Ps**. They have always talked about one '**P**', i.e. **Profit**, but now, the regulations have pushed us to talk about the **3Ps** – **People**, **Profit** and **Planet**. A step in this direction is implementation of 'Business Responsibility and Sustainability Reporting' (BRSR) by Securities and Exchange Board of India (SEBI). He emphasised that, factors like 'Climate Changes' and 'Sustainability' should be duly kept in mind by the Chartered Accountants during audits.

His broad message for the Boardroom community was – 'Boards must keep watch on the technological changes happening around them, to keep themselves updated. They should specially look at technological changes like Artificial Intelligence, Machine Learning and Blockchain.'

Moving next to Corporate Social Responsibility (CSR), he shared that CSR has always been stressed in the Indian regulatory framework, to make organisations more socially responsible, a clear case of driving social issues in India, in comparison to rest of the world, where CSR is not mandatory for the organisations.

Today, with the inclusion of 'digital' in boardrooms and accounting practices, the professional Chartered Accountants are not limited just to present their "True and Fair view". Rather, it should become a "True and Correct view". In future, accountants will be required to do full audit and do away with 'sampling audit'. Giving the example of crypto currencies, he said, one must understand that the 'crypto currency' is a blockchain concept. Therefore, for its proper accounting and taxation, it is imperative to understand the technological issues around digital currencies. ICAI is working on a Paper on 'Crypto' which will encompass the aspects of crypto - accounting, audit and taxation.

He concluded with his insight: 'A lot has changed in the concept of Corporate Governance, and it cannot be compared with what it was just 5 years ago.'



Lt. Gen. J. S. Ahluwalia, PVSM (Retd.)
President
Institute of Directors, India



CA. (Dr.) Debashis Mitra
President
The Institute of Chartered Accountants of India
(ICAI)



Prof. (Judge) Mervyn E. King SC
Chairman
King Committee on Corporate Governance;
Patron, Good Governance Academy,
Chair Emeritus, IIRC & GRI and
former Judge, Supreme Court of South Africa

This was followed by the **'Guest of Honour Special Talk'** delivered by:

Prof. (Judge) Mervyn E. King SC

Chairman, King Committee on Corporate Governance;
Patron, Good Governance Academy, Chair Emeritus, IIRC & GRI and
former Judge, Supreme Court of South Africa

Prof. King spoke on the **'Key Trends in Corporate Governance & Sustainability'**. He commenced his address by stating, 'We are seeing a world which is constrained - constrained of natural resources'. He raised a pertinent question, **'Are we accountable in our Reporting?'**, and responded with, **'We are not reporting value. How are we creating value for our society?'** Companies should not solely focus on 'profit' but also on 'creating values for the society and Sustainability'.

He shared the **"Evolution of Thinking in the world of promoting Corporate Governance"** - Starting from 1989-90, when the **Cadbury Report** came out; to the introduction of the concept of 3Ps in 1997; to again questioning the corporate reporting mechanism - whether it is just a tick-box exercise - **the changes were drastic**. With the introduction of 17 Sustainable Development Goals (SDGs) by the United Nations (UN) in 2015, the discussion has shifted to, if 'Reporting' is to be outcome-based, then 'Governance' should also be outcome-based.

Referring to 'Corporate Governance in organisations', he emphasized the concept of **'Looking from the Outside-In and also, Inside-Out'**. He shared that, the IOD's London Conference (2019), supported the social outreach and helped in promoting the CG practices all across the world.

A practice, Boards can usefully adopt - If a board member shares his assent on an Agenda, ask him, if he understands the impact of 'YES' on the 3 basic things, i.e. People, Profit and

Planet. This will reorient the boardroom discussion and approach towards operations.

This was followed by a **'Special Keynote Session'** with the following distinguished guests:

i. Mr. Suhel Seth

Author-Speaker-Actor-Marketing Maven;
Founder & Managing Partner, Counselage India
Founder, Equus

ii. Prof. (Dr.) Philip Kotler

The Father of Modern Marketing
S. C. Johnson Distinguished Professor of International Marketing
J. L. Kellogg School of Management
Northwestern University, USA

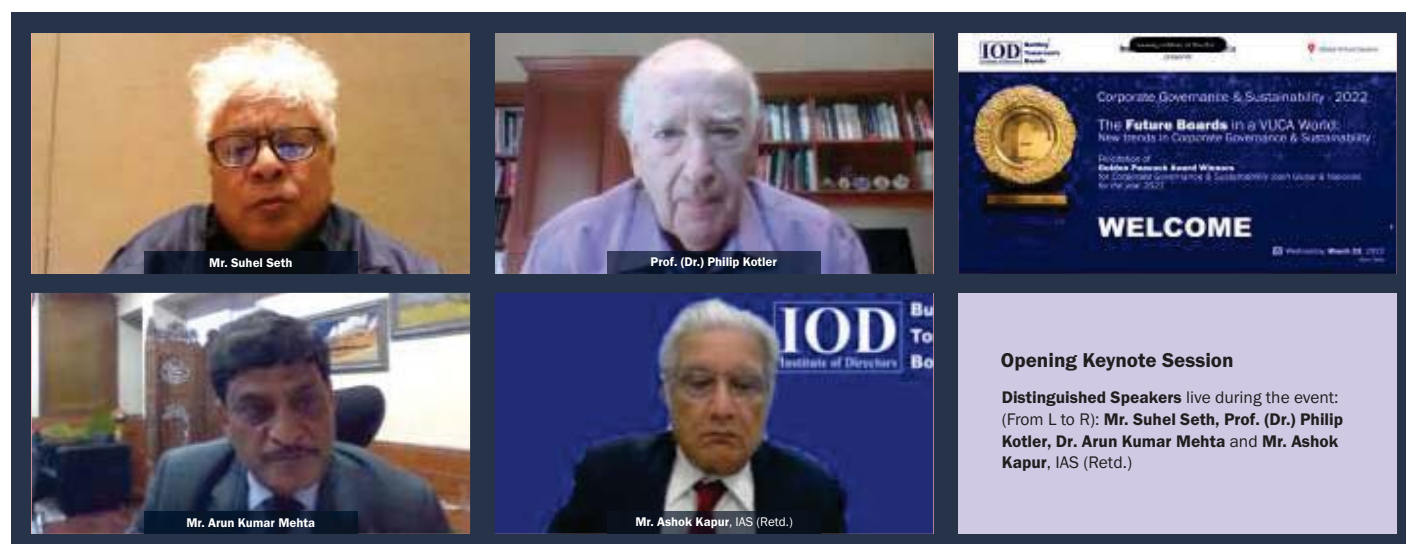
iii. Dr. Arun Kumar Mehta, IAS

Chief Secretary
Government of Jammu & Kashmir

Mr. Seth delivered the **'Opening Keynote Address'**. He said that Boards across the world must understand what is a 'Company' and what is a 'Community'. Boards need to be responsible and ensure ethics, equitable justice, empathy and trust. We can, no longer see the world in Black & White, but in its multi-splendour hues.

He gave out a message for the Boardroom community and, especially the Independent Directors - He said, **'There is nothing wrong in disagreeing, unless you are disagreeable'**. Company should work in the most ethical manner and set benchmark of 'Trust' and 'Transparency'. A message for Boards - it is often important to challenge the status quo.

We need to fully understand what kind of Boards we need today?
Activist Boards or Responsible Boards?



Opening Keynote Session

Distinguished Speakers live during the event:
(From L to R): **Mr. Suhel Seth, Prof. (Dr.) Philip Kotler, Dr. Arun Kumar Mehta and Mr. Ashok Kapur, IAS (Retd.)**



Mr. Suhel Seth

Author-Speaker-Actor-Marketing Maven;
Founder & Managing Partner, Counselage India
Founder, Equus



Prof. (Dr.) Philip Kotler

The Father of Modern Marketing
S. C. Johnson Distinguished Professor of
International Marketing,
J. L. Kellogg School of Management,
Northwestern University, USA



Dr. Arun Kumar Mehta, IAS

Chief Secretary
Govt. of Jammu & Kashmir

Boards need to recognise the value of stakeholders – **to do good, be good and earn well**. We exist in sacrosanct community, and must realise how we can mirror our value-systems. A Board's purpose is not only to satisfy S.E.C. or other Regulators, but also protect its shareholders and all the stakeholders of the company. Corporates should satisfy the needs of a community that they serve. He quoted eminent industrialist and a pioneer of Good Governance in India, **Mr. Jamsetji Tata** - The purpose of our (Tata) company is to make our community prosper. He added, Directors must continuously embrace latest knowledge and revisit their purpose on the Boards that they are serving.

He shared an excerpt from a McKinsey Report, a consulting organisation, **'We have moved from a Borderless World to re-erecting Borders'**, and concluded his Address by sharing 3 fundamental concepts, the world has recognised during the pandemic:

- i) Uncertainty of existence (not in parlance to death)
- ii) Uncertainty of futility of planning
- iii) We are **'One World'**

Prof. (Dr.) Kotler in his **'Guest of Honour Special Talk'** spoke on **'Challenges in Corporate Governance: The Future Boards in a VUCA World'**. He said that every board should focus on how the customers, branches and competitors feel about their brand. Corporations are re-examining their overall purpose, goals and

responsibilities. Companies have had to respond to the covid pandemic, climate change, social economic headwinds and new wars.

Mentioning the issue of Climate Change, he said, the Planet Earth is warming up because of increasing greenhouse gases. There is an urgent need to replace 'fossil fuel energy' with 'renewable energy'. Companies should focus on 'net zero greenhouse gas emissions'. **'Sustainability may come with a high-cost in short run, but it will be low-cost in long run.'**

In the on-going transformation of business, digital tools like Artificial Intelligence, Machine Learning, Big Data, IoT, Blockchain and Marketing automation have and will in the future have a huge impact on their market acceptability and success.

Dr. Mehta in his **'Guest of Honour Address'** shared that, in his state of Jammu & Kashmir, there is transparent Governance System. Basic infrastructure is sound in J&K like transportation, availability of water etc. They have started working in electronic mode instead of manual mode. The Union Territory of J&K has adopted the framework of 'Ease of Doing Business' and is an attractive place for investment purposes by potential investors and business houses.

On behalf of Institute of Directors, India, their Director General, **Mr. Ashok Kapur**, IAS (Retd.) proposed the **'Vote of Thanks'**. He shared his gratitude to the august audience of nearly 1300

participants from 23 countries across the globe for the Golden Peacock Awards (Virtual) Ceremony for 'Excellence in Corporate Governance & Sustainability for 2021'.

He mentioned that today, the Golden Peacock Award has become a benchmark of Corporate Excellence, not only in India but also, increasingly, abroad in around 25 countries. IOD's India Golden Peacock Awards' logo was also featured on NASDAQ's billboard on New York's Times Square.

He expressed IOD's profound gratitude to **Prof. (Dr.) Philip Kotler, Prof. (Judge) Mervyn E. King SC, Dr. Arun Kumar Mehta, IAS, Mr. Suhel Seth and CA (Dr.) Debashis Mitra.**

Special thanks were conveyed to the Chairman of the Golden Peacock Awards Jury, **Hon'ble Justice M. N. Venkatachaliah** and all other eminent members of the high-powered Awards Jury who worked even during the pandemic to select the winners.

He also thanked **Dr. Graham Wilson**, Leadership & Organization Development, University of Oxford, UK who as before, moderated the Awards Session.

IOD's gratitude was conveyed to the event's '**Supporting Partners**':

- The Institute of Corporate Directors, Malaysia
- The Institute of Corporate Directors, Philippines

The Event was hosted online via IOD's licensed Cisco Webex account, and also streamed live on IOD's account on Facebook, YouTube and LinkedIn.

Compiled by:

Mr. Ashok Kapur,
IAS (Retd.)
Director General
Institute of Directors

and

Ms. Sana Rehman
Executive Editor
Director Today



Mr. Ashok Kapur, IAS (Retd.)
Director General
Institute of Directors, India

SPECIAL THANKS TO OUR PARTNERS

Supporting Partners



THE FUTURE OF THE ENVIRONMENT

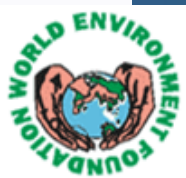
Arsenic-laced drinking water, lead-contaminated soils and choking air pollution are sadly just the start in some of the world's dirtiest places. Continued emissions of greenhouse gases will lead to further climate changes.



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ENVIRONMENT
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WINNERS OF 2021

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Corporate Governance & Sustainability

A Brief Overview and Accomplishments

GOLDEN PEACOCK GLOBAL AWARD FOR EXCELLENCE IN CORPORATE GOVERNANCE (GPGAECG) - 2021



Dr. Anish Shah
Managing Director & Chief Executive Officer
receiving the Award

Mahindra and Mahindra Limited, India

Sector – Automobile

Mahindra and Mahindra Limited, India offers solutions ranging from SUVs to electric vehicles, pick-ups, commercial vehicles, tractors, two-wheelers and construction equipment. Company has a rich legacy of ethical governance practices and is committed to transparency in all its dealings and places with emphasis on business ethics. The code of conduct, applicable to directors as well as all employees, covers issues like ethics and bribery. Its online board portal provides web based solutions that act as a document repositioning and can be accessed by the members of the board. Audit committee of board has 4 members and all are Independent Directors. The group sustainability framework governs sustainability initiatives and provides board, areas of action, under Economic, Social and Environment (ESG). During the year the company undertook CSR activities, covering education support to underprivileged girls and increased water availability in 48 villages.

Mahindra
Rise.



Mr. Jim Carroll
Senior Vice President - Global Government Relations
receiving the Award

Honeywell International Inc., USA

Sector – Engineering

Honeywell International Inc., USA is an American publicly traded, multinational conglomerate corporation headquartered in Charlotte, North Carolina. It primarily operates in four areas of business: aerospace, building technologies, performance materials and technologies (PMT), and safety and productivity solutions (SPS). Corporate Governance is driven by the active involvement of every stakeholder – from the board of directors to employees across businesses and functions. Company has strong set of foundational principles: integrity and ethics, inclusion and diversity, and workplace respect. Zero-tolerance policy is enforced against any form of harassment or discrimination, and zero-tolerance policy prohibits racism by name. A robust ESG framework enables company's long-term success. Its sustainable opportunity policy is based on the principle that by integrating health, safety and environmental consideration into all aspects of business company protects its people, communities and the environment, achieves sustainable growth and accelerated productivity drives compliance with all applicable regulations; and develops technologies that expand the sustainable capacity of the world.

Honeywell

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IOD Promoting
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Foundation



MISSION:

We define our mission towards the underprivileged sections of the society, for the overall growth of our country and guide them towards a newer, better, stronger and skilled nation.

“We need your help to support our cause. Any contribution will be gratefully acknowledged and is exempted from Income Tax under section 80G of the Indian Income Tax Act.”

ABOUT US:

IOD Foundation strives to serve and address pressing issues prevailing in the society. Since our inception, we started organizing multiple social activities, even during COVID-19. These include the campaigns for COVID Testing; Blankets, food and Ration Kit distribution drives; Education support drives; Medical Camps, Blood Donation Camp, Medical Equipment Distribution camps; COVID-19 Vaccination drive, etc.

Working Towards Sustainable Development Goals



Health



Education



Sustainability



Poverty



Self
Employment



Environment &
Climate Change



Food Distribution



Education



Medical Support



Health Support



Vaccination

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Ms. Sonia Rawat
Compliance Head receiving the Award

Evalueserve Holdings AG, Switzerland

Sector – Research and Analytics

Evalueserve Holdings AG, Switzerland is a leading analytics partner that helps clients achieve maximum impact by integrating data analytics and research-driven insights, contextual innovation and automation consulting. Company's corporate governance principles and norms are laid out in its Code of Business Conduct & Ethics (COBE) Policy to achieve company's core objectives. Company has adopted Enterprise Risk Management Policy to preserve this value through implementation of a structured process with risk appetite and values. Company undertakes CSR as a commitment to its stakeholders to conduct business in an Economically, Socially and Environmentally (ESG) sustainable manner that is transparent and ethical. Company has constituted an Audit Committee comprising of board members who have knowledge and understanding of all regulatory compliances for effective business operation.



Institute of Directors, India



BRINGING A SILENT REVOLUTION THROUGH BOARDROOM

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leading to 'Certified Corporate Director'

Board Research & Advisory



Golden Peacock Awards



Golden Peacock Awards®
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Organization for Non-Executive Independent Directors



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- Login to <https://iodglobal.com/certifiedcorporatedirectors/>
- Click on Sign up, Select Independent Director / Employer, create your User ID.
- Enter all the requisite details.
- Post verification, password shall be sent via registered mail.

OBJECTIVES

To implement its mission, ONEID has prescribed the following set of objectives for servicing its members:

- To prescribe the criteria, norms and standards for qualified Independent Directors, in conformity with legal requirements.
- To maintain a panel of qualified, eligible and willing - to - be independent directors, who meet the criteria, laid down by the Institute Of Directors, in addition to those specifically prescribed by the Ministry of Corporate Affairs.
- To obtain the requirements of companies and other organizations, and match them with the aspirants available in the qualified panel of ONEID's database of independent directors.
- To provide professional and non-partisan advice to the companies as well as to the independent directors.
- To provide all other services, including networking of independent directors, and keep them acquainted with changes in the law, the concerned rules and the best boardroom practices.



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