### Sustainability and corporate governance

- risks and opportunities -

# THE GLOBAL GOVERNANCE LANDSCAPE IS COMPLEX

Worldwide there are **580 reporting provisions** on governance-related issues

## STANDARDS ARE RAPIDLY EVOLVING

11 voluntary
corporate governance
codes <u>studied</u> were
updated in the
last 3 years

### COMPANIES HAVE TROUBLE KEEPING UP

Only 55% of companies fully complied with their corporate governance codes in 2017-2018

In order for companies to stay **competitive**, **agile** and **resilient**, boards must acknowledge and respond to pressure from:



Investors



Regulators



**Customers** 

In every jurisdiction, the board has a duty to ensure the longevity and survival of the corporation.



In the past, companies sought to do this by focusing solely on maximizing shareholder value.

#### BUT THE ROLE OF THE BOARD IS CHANGING

It's important for the board to consider all stakeholders



Boards are <u>acknowledging</u> the critical nature of sustainability, but still struggle with the right policies.



of companies recognize sustainability as a management agenda item

#### **BUT ONLY**

22%

of executives believe that their own boards properly oversee sustainability issues

We're helping companies implement better governance systems for improved resilience and a more successful, sustainable future.

To find out more on the current governance landscape and how to integrate sustainability, go check out our Governance & Internal Oversight Project and its new paper.