



Chartered
Governance
Institute of
Southern Africa

2022

INTEGRATED REPORT

for the year ended 31 December 2022

Corporate Information



Country of incorporation and domicile:

South Africa

Registered office and business address:
Riviera Park (Block C), 6 – 10 Riviera Road Killarney,
Johannesburg, 2193

Postal address:
P O Box 3146, Houghton, 2041
Telephone: 011 551 4000
Fax: 011 551 4028
E-mail: info@chartgov.co.za
Website: www.chartgov.co.za

Bankers:

The Standard Bank of South Africa Limited and Nedbank Group Limited

Registered auditors:

Mazars, 54 Glenhove Road, Melrose Estate, Johannesburg, 2196

Nature of business and principal activities:

Non-profit company acting as a professional body

Registration Number:

1972/000007/08

Directors: A Mattiuzzo, C Lewis, D da Silva, F Maskell, L Mngomezulu, O Akosah-Bempah, S Akala, S Clarke, S Giuricich, S Mbhamali, S Sadie (CEO).

Company Secretary: Sandra Saunders

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Company Profile



The Chartered Governance Institute of Southern Africa (CGISA) which was formerly Chartered Secretaries Southern Africa (CSSA) is the formal professional Institute for company secretaries and governance professionals. The term 'governance professional' encompasses in-house counsel, risk managers, compliance officers, financial managers and others. CGISA is an expert commentator and thought leader in Southern Africa on company secretarial and corporate governance matters. CGISA offers an international qualification recognised in more than 80 countries.

The career-long programme of study comprises attainment of professional qualifications and requires continuing professional development (CPD), which ensures that members remain on the cutting edge of developments. CGISA covers Botswana, Eswatini, Lesotho, Namibia and South Africa.

Vision

Our vision is to be the leader in the practice of governance in Southern Africa.

Mission

Our mission is to become the shining beacon in governance. We will be the best explainers, the best advocates, the best educators and the most active

organisation in the promotion of good governance in Southern Africa.

Skills

Chartered secretaries and chartered governance professionals are high-ranking professionals with a broad base of skills unique among the professions. Trained in governance, law, accounting, and strategy, chartered secretaries and chartered governance professionals provide a focal point for independent advice and guidance on the conduct of business, governance and compliance. They are key players with the skills, vision and values to take their organisations and clients forward.

Leaders in Governance

Chartered secretaries and chartered governance professionals understand that good governance is fundamental to good business decision-making and organisational performance. Through our influence with Government and regulators, and the work of our Members, CGISA leads in shaping the governance agenda and promoting the best practice essential for organisational performance.

Candidates who have completed the CGISA International Qualifying Board Examination, gained the necessary work experience and who present the requisite character traits will be qualified to apply to

VALUES



Stand up:
Challenging.
Proud to take a position. Never afraid to do so.



Stay balanced:
A source of ethical conscience. Never shaken.
Standing firm.



Inspired:
Leading the way so others will follow.

be admitted as a Member of CGISA and become a chartered secretary or a chartered governance professional. Continuing Professional Development endeavours to ensure that all of our members are able to remain at the forefront of the governance talent pool.

There is currently a shortage of qualified and experienced chartered secretaries and chartered governance professionals, with demand on the increase in light of the Companies Act (71/2008) and King IV™. This means that chartered secretaries and chartered governance professionals can command competitive remuneration packages.

Different Levels of Membership

Membership of CGISA evidences not only academic qualifications but also practical experience, character, integrity and responsibility. Only on fulfilment of all these criteria may a graduate apply to be admitted as a member of the Institute and become a chartered secretary or a chartered governance professional.

There are two levels of membership - Associates (ACG) and Fellows (FCG). On successful completion

of the CGISA Board Qualifying Examination, graduates become GradCG. Once they have gained the necessary practical experience and are deemed to be of appropriate ethical character, they are admitted as members at Associate-level and become an ACG. On admission as a Fellow, the senior grade of membership granted on more extensive experience, the member may include the prestigious 'FCG' designation after his/her name.

Membership therefore offers employers 'watchdog' accountability with recourse to the Institute's disciplinary and disbarment proceedings in the case of misconduct and/or breach by a member of the Institute's Code of Professional Ethics and Conduct.

Membership of the Institute ensures remaining at the forefront of global developments and best practice in governance. Membership, and therefore qualification as a chartered secretary or a chartered governance professional, involves a career-long relationship with the Institute - from professional qualification through to board certification and beyond via CPD and ongoing technical support packages and tools.

International

CGISA is an integral part of the global Chartered Governance Institute (CGI) (formerly The Institute of Chartered Secretaries and Administrators), which was founded in London in 1891. Southern Africa is the oldest division, which was established in 1909. There are eight other divisions: Australia, Canada, China, Malaysia, New Zealand, Singapore, UK/Ireland and Zimbabwe, with a total membership of 29 000.

CGISA is also a member of Corporate Secretaries International Association (CSIA), which is a global federation of corporate secretaries and governance professionals. Member organisations include six of the divisions above and the United States, India, Brazil, Kenya, Bangladesh, Canada and Nigeria. All share a common interest in the promotion of good governance. CSIA represents approximately 100,000 corporate secretaries and governance professionals.

What career choices are there?

Popular career paths that are pursued by chartered secretaries and chartered governance professionals include the following:

- company secretary
- governance professional
- in-house counsel
- compliance officer
- risk manager
- financial manager

VALUES



“Our vision is to be the leader in the practice of governance in Southern Africa”

Executive Committee



Sonia Giuricich
President



Sandile Mbhamali
Senior Vice
President



“Our vision is
to be the leader
in the
practice of
governance in
Southern
Africa”



Sharon Clarke
Vice
President



Stephen Sadie
CEO

CGISA Organogram

The Chartered Governance Institute of Southern Africa NPC – Organogram



Chief Executive Officer's Report 2022



INTRODUCTION

The Institute's journey in 2022 can be compared to a road trip from Johannesburg to Cape Town. There were challenges along the way such as too many trucks (collapse of the rail network), potholes (collapse of municipalities), and rain but the trip was enjoyable. We got stopped by the cops for speeding and they wanted some "cold drink" (corruption and state capture) but we refused. Numerous robots were not working which created unnecessary delays (loadshedding). However, the scenery through the Karoo was majestic (conference) and the people we met along the way were friendly (graduation ceremony). We took a few detours off the N1 to see some interesting little towns (global CGI support). We even had to travel on some sand roads. Waze was helpful in ensuring we didn't get lost (strategic plan). We had an overnight stop in the Karoo (online exams)



Stephen Sadie
CEO

and met some friendly local people (integrated reporting awards). The Karoo lamb chops were outstanding (publications). The golden oldies music in the car was soothing (CGISA 115 years

old). We drove past a couple of accidents on the road (small companies going under) but we were fortunate and only had a puncture just outside Beaufort West. The costs of the trip were expensive (information management system). We had to pay for toll roads (rent). The increase in the price of petrol hit our pockets hard (diesel for generator). But once we arrived in beautiful Cape Town to take in the sights of Table Mountain and the wonderful beaches, the journey was well worth it. We had reached our destination safely and still had some money to spend on the holiday (R2.58 million surplus).

Although this is a light-hearted comparison, a road trip captures aspects of a journey with a destination and many obstacles and detours along the way, which captures what the Institute experienced in 2022.

This was the second year of the 2021/2022 Strategic Plan, which will be elaborated upon in greater detail below. I am pleased to report that we have achieved most of our targets that we had set for ourselves in the strategic plan. In 2022 our country was not in a good shape. Corporate governance was under attack from sustained corruption and fraud primarily in the public sector but also in the private sector. The government was collapsing, and service delivery was at an all-time low. The economy was not growing. Loadshedding brought untold hardship to ordinary citizens and businesses alike. The cost of living rose dramatically, and many suffered severe financial hardship. Criminal syndicates emerged in many sectors. Although the Zondo Commission published its findings in the first half of the year, there seemed to be little movement on implementing its recommendations. Emigration levels were once again on the increase with the concomitant loss in much needed skills. The July riots created feelings of despair and disbelief as companies were looted. There were some signs of hope in that citizens and corporates alike pivoted towards a common goal of renewal and repair. A number of NGOs stepped up to the plate and took on responsibilities that should have been covered by government. This was the context for our members and students

SUMMARY OF SUCCESSES FOR 2022

There were numerous successes in 2022 which are worth highlighting. These can be summarised as follows and will be discussed in greater depth throughout the report:

- We ended the financial year with a major surplus of R2,58 million
- High quality publications produced in 2022 on relevant and topical themes continued to guide the Institute's trajectory as a thought leader in corporate governance.
- We continued to successfully implement online examinations in May and October 2022
- After a hiatus of two years, we held the premier corporate governance conference with the theme: Governance in a time of corruption: Cleaning up our act. Not only did we have an excellent line-up of speakers, but we made a surplus of R430 000.
- Similarly we held a graduation ceremony at the Wits School of Education where a successful graduation was held.
- We ended the year off with a glittering integrated reporting awards ceremony at the Wanderers Club.
- Jill Parratt was elected global CGI president with effect from 1 July 2022 and we hosted a successful global CGI council meeting in October in Cape Town.
- We provided our members with the latest trends in governance on a weekly basis strengthening their positions in their companies as thought leaders.
- We successfully reregistered with SAQA as a professional body for a further 5-year term from August 2022 – July 2027.
- We commenced a major upgrade of the Information Management System to better serve the needs of our students and members.

OUTLOOK FOR 2023 IN GENERAL

Our key focus is to ensure that the Institute remains both financially stable and relevant to the needs of our members and students. We wish to continue on the positive trajectory of 2022. We expect that the challenges our members and

students face will continue in light of a deteriorating economic situation and the Institute will strive to provide support. While we will continue with our topical and relevant webinar offerings, we will reintroduce face-to-face seminars. We will also increase the provision of in-house training and the building of trust relationships with external clients, which seek to place the Institute as a preferred supplier of governance-related training. The world has rebounded to physical meeting formats after the pandemic, and this will continue to be the preferred means of contact for the Institute for 2023. Along with universities, examinations will pivot to physical venues in order to retain the academic veracity of the assessment. This is also in response to the challenges specific to students in our local context such as load shedding and infrastructural challenges.

STRATEGIC PLAN

This report deals with the second year of the 2021/2022 strategic plan. The board adopted four key strategies on 25 February 2021 which are shown alongside.

These four key strategies will be elaborated upon in the rest of the report.

This CEO's report is structured around the six capitals of the international integrated reporting framework. Material issues are identified to enable all stakeholders to understand the challenges faced by the Institute, as well as its successes. The table below presents the outline of the CEO's report.

1

To expand our
professional
development
programme

2

To develop
world class
thought
leadership

3

To deliver
enhanced value
to members
and students

4

To improve
the online
exam
experience
and increase
the pass rate

SIX CAPITALS	
Intellectual capital	We express our intellectual capital in the following ways: <ul style="list-style-type: none"> Premier corporate governance conference Integrated reporting awards Thought leadership Training Technical support
Human capital	We express our human capital in the following ways: <ul style="list-style-type: none"> Members Students Staff
Social and Relationship Capital	We express our social and relationship capital in the following ways <ul style="list-style-type: none"> Marketing Representing members CGI CSIA
Financial capital	We express our financial capital in the following ways: <ul style="list-style-type: none"> Information management system Financial sustainability
Natural Capital	We express our natural capital in the following ways <ul style="list-style-type: none"> Environmental awareness
Manufacturing Capital	We do not have any machinery or manufacturing capital to report on.

INTELLECTUAL CAPITAL

PREMIER CORPORATE GOVERNANCE CONFERENCE

Two hundred delegates attended the premier corporate governance conference in September 2022 at the Wanderers, under the compelling theme “Governance in a time of corruption: Cleaning up our act”. Given the release of the final Zondo Commission Report earlier in the year, it rightfully attracted speakers and

delegates from private, public companies and SOE's alike. The speakers represented dynamic change-makers in their fields from a cross-section of industry, government, practice and academia and all presented current, topical, insightful, practical illustrations of governance challenges and issues facing Southern Africa. The use of Lumi's tools for the conference allowed live interactive question and answer segments, which enhanced the audience engagement and contributed to a more authentic experience. There were two lively

panel discussions from established company secretaries which garnered much interest from the audience as well as an international panel comprised of delegates from Australia, New Zealand, Malaysia, UK and India who were also treated to lively engagement from the audience.

There was an excellent line-up of speakers such as Paul Pretorius, Bonang Mohale, Michael Katz, Rudi Dicks, Thuli Khumalo, Colin Coleman, Stephen van Colter, Rabbi Gideon Pogrand and Sibongile Lubambo. To top it all, the conference made a surplus of R433 000.



PROF MICHAEL KATZ
Chairman - ENSafrica



TAILORED TRIO
Veteran journalist and emcee David O'Sullivan, with Paul Pretorius and Stephen Sadie



JILL PARRATT
Global President - The Chartered Governance Institute



SIBONGILE LUBAMBO
Head of Portfolio, Regularity Audit - AGSA



GOING GLOBAL
Panellists (from left) CGI director general Tim Sheehy, CGI VP John Heaton from the UK, Governance New Zealand past president Dr Denis Mowbray (centre), CGI VP Professor Dr Syed AlJunid from Malaysia and ICSI president CS Devendra Deshpande gave their perspectives on governance



RABBI GIDEON POGRUND
Founding Director, The Centre for Business Ethics – GIBS



PAUL PRETORIUS
Head of legal team; Commission of Inquiry into State Capture



RUDI DICKS
Head, Project Management Office - Presidency



BONANG MOHALE
President - BUSA



STEPHEN VAN COLLER
Group CEO - EOH



AT YOUR SERVICE
CGISA staff Bhelekazi Majela, Bongiwe Sibanda, Jackie Burds, Ramona Bloem and Betty Tsotetsi



SLEEPLESS IN SOUTH AFRICA
From left are panellists Lindelwa Mngomezulu, Jill Parratt, Lerato Matlosa and Karen Goldstone-Hoffman



DR THULI KHUMALO
Chief Operations Officer - Presidential Climate Commission



AYANDA CEBE
Group Company Secretary - Telkom



COLIN COLEMAN
Consultant, Former CEO - Goldman Sachs, Sub Saharan Africa



CGISA CEO Stephen Sadie with CGISA director Lindelwa Mngomezulu

INTEGRATED REPORTING AWARDS

The Integrated Reporting Awards were held in person again after a two -year hiatus. It was well received, and it was apparent that guests and participants enjoyed the opportunity to dine in their formal attire at the Wanderers Banquet Hall, which was the glitzy venue for the 67th year of hosting these awards for the

Institute. The Johannesburg Stock Exchange once again co-hosted the awards as they have done for over 20 years.

There was a combination of both comic relief and weighty discussions. The light comedy was interspersed between the 'corporate-speak' by the keynote speakers who provided valuable practical insight into the twin focus areas of governance and reporting frameworks. It proved to be an entertaining evening enjoyed by all attendees.

“Business should be emboldened to make dedicated efforts to impact on the lives of the poor and the marginalised in South Africa”
– CAS COOVADIA



SMALL CAP WINNER
Northam Platinum company secretary Trish Beale (right) hands over the Small Cap winner award to Brenda Botha from Attacq



WHAT A WIN!
Global CGI president Jill Parratt (centre) presents the overall winner award to Alfred Visagie and Bandile Manyama from Nedbank Group



SONIA GIURICICH
Welcoming guests to the gala dinner

Sonia Giuricich, CGISA President welcomed everybody to the gala evening. She requested companies to take heed of the findings of the Zondo Commission so that the country would never again return to that dark place.

Renitha Dwarika, partner at PwC, engaged the audience on the state of flux on the various reporting standards that were applicable to companies and how these global and local trends depicted a move towards both increased corporate social responsibility as well as corporate accountability.

The keynote speech by BUSA CEO Cas Coovadia impressed on the audience



CAS COOVADIA
Giving keynote speech



PUBLIC SECTOR WINNER
Libracom MD Paul Kirsten (right), handing over the Public Sector winner award to Tsvetana Mateva and Samnkeliwe Mtunzini from the Auditor-General South Africa



TOP 40
Violet Letsoalo and Lungile Mogari from Vodacom with Renitha Dwarika from PwC



SCHALK BEZUIDENHOUT
Entertaining the crowd

changes that we would like to see in income inequality, service delivery and growth in the economy are affected. He advised that it was incumbent on business to get involved, because whilst “people say that business should stay out of politics, in reality, politics is coming into business.”

All JSE top 40 companies were automatically entered into the awards. Other entrants were voluntary in the JSE categories included Mid Cap, Small Cap and Fledgling/AltX as well as State Owned, Public Sector, Unlisted, NGOs and Regional categories.



SOC WINNER
Integrated Reporting Committee of South Africa CEO Leigh Roberts (second from left) presents the State-owned Company winner award to Development Bank of Southern Africa



REGIONAL WINNER
CGISA VP Sharon Clarke (second from right) handing out the Regional award to National Social Security Fund Uganda



FLEDGLING-ALT X WINNER
GIBS CFO Kabi Mahlatse (right) presents the Fledgling-AltX winner award to (from left) Gift Dlamini, Nelmarie LaCock and Bongiwe Nuebe of Afrocentric Investment Corporation



MID CAP WINNER
Feroza Naidoo (centre) from the JSE handing out the Mid Cap winner award to Anda Matwa and Tracy Wolf of Redefine Properties



UNLISTED COMPANY WINNER
CGISA president Sonia Giuricich (right) presenting the Unlisted Company winner award to Mashood Dawood from Fidelity Service Group

TRAINING

Training and continuing professional development remain the Institutes key tools in navigating the road to good governance. In 2022 the Institute held 21 webinars that were attended by 463 participants. The topics were relevant and well attended. Webinars covered a host of topics of practical significance to company secretaries and governance professionals in the areas of governance, law, accounting and tax. Webinars are kept practical and insightful in order to upskill our members so that they remain agile and relevant in all the areas in which they utilise their professional skills. The Institute continues to source speakers who are experts in their field to maintain a high professional standard in order to add value to the members and students. In this way, members and

Training Presenters



Colette Ashton
Training Manager



Rehana Cassim



Gary Marques



Christina Pretorius



Thandiwe Nhlapho



Robert Likhanga

students are able to navigate their workplaces in a knowledgeable and professional manner. Given that these were short, topical webinars, this once again positioned us thought leaders in the governance landscape. Company Secretarial Toolkit Training continued in 2022, with Modules 9 to 13 being offered between May and September 2022. The training, 15 sessions in total, was hosted by Sibani Mngomezulu who has extensive experience in the governance space.

A number of inhouse training sessions were held for various entities. The Institute continued to submit quotations for in-house training to both private and state-owned companies, and successfully provided such training to a variety of SOEs, and private companies. This training was either provided by approaching skilled persons to present the training on a profit-share basis or by utilising the Institute's in-house resources.



Tim Fearnhead



Yaniv Kleitman



Nico Theron

THOUGHT LEADERSHIP

The Institute continues in its mission to be a thought leader in corporate governance. We published four excellent issues of boardroom magazine on the Zondo Report, ESG, human capital, and conference proceedings and integrated reporting awards. Ezine, our other quarterly publication, also went out to our wide database of 11,000. Articles were submitted for publication in each issue of the CSIA's Global Governance Voice, illustrating the depth of Southern Africa's thought leadership. The Institute shared the CGI global paper on Values of Belonging, Dignity and Justice and the Covid paper to all its members. Finally, weekly information mailers were sent to members on relevant topics in governance, legal, accounting and tax.



TECHNICAL SUPPORT

The technical advisor has endeavoured to create a platform that engenders accessibility so that members can feel supported on their journey to governance best practice. This has been done by being available for members queries on various questions on technical issues experienced by them and responding timeously to the questions raised. The responses are preceded by research before members are advised on the best way forward.

The technical advisor was also responsible for producing technical newsletters on a monthly basis. Eight technical newsletters went out to members and technical support subscribers in 2022. The technical newsletters continue to highlight the latest insights in the governance, legal and tax and accounting fields.

The technical advisor represented the Institute on several forums including the SARS RCB forum as well as the CIPC liaison committee.

These engagements allow for the members to be kept abreast of the latest policy and regulatory developments that impact their working environments. The technical adviser devolves all these briefings in summarised notes to the members. The technical committee is an advisory committee to the JSE when proposed amendments to the listings and debt requirements are made.



Luthfia Kalla
Technical Adviser

HUMAN CAPITAL

MEMBERS



Imaan Khan
Membership Coordinator

The membership committee met every quarter to review and approve membership applications. Converting graduates to members remains a key priority. Emailer campaigns were directed towards converting students to GradCGs, GradCGs to ACGs, and ACGs to FCGs. Unfortunately we continue to lose some students who have passed all their subjects but don't progress to membership. The Institute remains committed to attracting new students who will progress to becoming members.

The Professional Practice Group (PPG) committee invested a lot of time updating the PPG manual. The complete manual was finalised in 2022 and provides a useful guide for our professionals in practice. The PPG chairperson, vice chairperson and technical adviser continued to represent the Institute at the SARS meetings to ensure that PPG members were kept up to date with tax related information and new developments.

The Institute continued to ensure that members were of the necessary character, integrity and accountability as chartered secretaries and chartered governance professionals. Reports were submitted to Saqa to ensure that the Institute remains registered as a recognised controlling body.

There were no member investigations in 2022. Chartered Governance Placements continued in 2022, with Debbie Yach as the service provider. As at the end of 2022, 6 placements had been made. Debbie Yach emigrated in December 2022 however the Company recognises the valuable role that Placements provides. The Institute will seek to continue to offer this service, especially in light of the present economic climate and given that it serves to boost employment opportunities for the key stakeholders, members and students.

STUDENTS

Online examinations



Sandy Van Niekerk
Student and Examinations Manager



Jacqui Baumgardt
Assessment Manager

2022 online exams continued as an offering for both the May and October sittings. The exams progressed well as lessons learnt from previous sittings allowed for the implementation of risk and operational processes to cater for a more seamless examination outcome. This, despite the added challenges of load shedding, facilitated a smoother, better equipped online exam experience for both students and staff. We continued to send out online examination FAQs periodically to ensure that students understood how to operate the Moodle system with the online provision of dummy papers so that students could practise on the system. We appointed several new examiners and moderators who were fully trained on the policies, processes and procedures of the CGISA. A new quality assurance system was implemented and there has been a marked improvement in quality control.

New examiners and moderators were given training on Moodle in 2022 to enhance their marking and evaluating expertise on the system for the interests of the student. Students were given many avenues of assessment from examinations and assignments to portfolios of evidence for workplace experience all of which present opportunities for improving the pass rate for students. This has also allowed for a more consistent work ethic from the student which has had a positive impact on their results.

We continued to submit examinations through Turnitin, which is a plagiarism detection system. Our goal is to ensure the integrity and quality of our examinations and the system worked well to achieve this end.

Pre-exam webinars

The Institute assists students in a number of ways to prepare for assessment, such as webinars for various subjects, how to tackle examinations, how to use the technical systems such as the student portal and the Moodle online assessment platform. Ten pre-exam webinars on various modules were presented for the October sitting. The aim of these webinars was to assist students with preparing for the examinations.

Assignments and Assessments

Assignments continued to be compulsory for six of the eight board subjects. The aim of the assignments was to assist students in preparing for the examinations. Assignments were also submitted through Turnitin, which enabled the Institute to detect plagiarism and deduct marks accordingly.

Students are now assessed in a variety of ways: by examination, assignments and portfolios of evidence of work experience as required by the QCTO. This is advantageous to students as they need to work consistently throughout the year. Students are able to ask for feedback on their results, although we do not have large numbers doing so. This is a fair indication of confidence in the fairness, accuracy and reliability of the assessment system.

Work experience modules

It is a requirement of the QCTO, the regulatory body that oversees the issuing of occupational qualifications that work experience modules (WEMs) be completed. After extensive research into best practice assessment methods, workplace experience modules were implemented for the October 2022 students.

“Ten pre-exam webinars on various modules were presented for the October sitting.”

Curriculum registration and development

FASSET is the assessment quality partner (AQP) for professional body qualifications and will devolve assessment to the relevant professional bodies. This retains the status quo and allows the CGISA to continue to be in control of standards in the assessment of the qualifications.

All the qualifications are registered on the National Qualifications Framework and on the the Quality Council on Trades and Occupations (QCTO) database. A curriculum development task team comprising academics, expert practitioners and staff was established to review the curriculum which would assist us in the reregistration of the curriculum.

The curriculum content has been under review with this dedicated task team who have been updating and improving the content for the curriculum review. This process of accreditation enhances the academic rigour of the qualification and adds value to the weight and recognition of the qualification for existing students and members as well as prospective students and members.

In October 2022, the Council announced its intention to develop a competency framework for members. This was motivated by the institution of the quality assurance framework and a widening of the assessment approach to include assessment tools other than examinations. Competency standards are commonly developed as a structure that sets out and defines the knowledge and skills people need to perform effectively in their roles. The purpose is to provide guidance on the learning that a person needs to acquire as they progress through their career.

Policy Change

In line with our path to continued best practice, the admissions policy, student code of ethics and student code of conduct during the examinations were reviewed. This was regarded as necessary to obviate situations where students who do not meet the ethical standards will be prevented from registering. A screening process was implemented.

Student survey

In September a comprehensive student survey was conducted to ventilate how the Institute was perceived by a vital segment of its stakeholders, the students. The survey was conducted anonymously to allow for honest, holistic and critical feedback and valuable data was extricated from the responses. The data was collated, reported on and used to inform and improve stakeholder relations. The results were reported to the Board and the staff were comprehensively debriefed on the results.

STAFF

Human capital remains a core focus for the Company, particularly the safety and wellness of all staff. Employees were encouraged to attend webinars free of charge and to further their studies with the Company's qualification at no cost to employees. Two staff members graduated along with all other graduates at the graduation ceremony.

We continued to make use of consultants to provide us with support in various areas, such as IT, information management systems, boardroom, placements and company secretary. Staff meetings were held on a weekly basis to monitor work streams of each department and ensure cohesion amongst the various departments.

We recognised that the effects of COVID can be lingering and have implemented a wellness program that staff have access to. Staff are regularly updated with regard to participation and access to relevant, topical programs that cater for their emotional and physical well-being in the workplace.

SOCIAL AND RELATIONSHIP CAPITAL

MARKETING

Our visibility in the marketplace is continuously growing with an intensified marketing strategy to support the business functions and overall

business objectives of the Institute. New campaigns were rolled out for the webinars, students, conference and the integrated reporting awards to attract an audience and promote our services using our resources as best we can to ensure that a strong message was portrayed throughout 2022.

We conducted marketing via various platforms. We created effective and impactful campaigns for our various platforms which included emails, Facebook and LinkedIn. There has been a positive growth in our followers on these platforms. With the revised social media approach, we look forward to even more growth and engagement on our platforms. To support our guest speakers and upcoming webinars, we have sent out webinar mailers, with reminders to our database as well as posted the advertisements of the webinars on our social media platforms for even greater reach. We secured sponsorship for regular webinars and the students' pre-exam webinars.

To create awareness regarding the Institute's international recognition, we sent out CGI and CSIA free global webinars to our members.

REPRESENTING MEMBERS

Our members are represented by us on a variety of bodies such as the King Committee, CIPC, and SARS amongst others.

THE CHARTERED GOVERNANCE INSTITUTE (CGI)

Members in Southern Africa were well represented by Jill Parratt, who was elected president with effect from 1 July 2022. The CGI thought leadership committee was active and released a paper in March. The paper – Values of Belonging, Dignity and Justice studied the relationship between the diverse approaches that inform these values and how they can serve to bind us together in a common purpose of best practices in the workplace. It illustrated the need to recognise difference in a positive manner. A second paper on Covid was released in June.

The eCommunity has proved to be a valuable service to members as well as a tangible and



Jill Parratt
CGI President.

practical demonstration of the global nature of the Institute. It has contributors from every continent and every division. The exchange of ideas or queries being posted are what would be expected from a professional global community such as ours. Monthly CGI global newsletters were produced showing members what was happening in other parts of the world.

THE CORPORATE SECRETARIES INTERNATIONAL ASSOCIATION (CSIA)

Members in Southern Africa were well represented by Karyn Southgate. Karyn served as treasurer of CSIA. The CSIA brand is slowly becoming a more recognised label given a renewed focus on marketing. A new website was created which provided a good reflection of CSIA and its 100 000 members



Karen Southgate
CSIA Representative

The Global Governance Voice was published quarterly and we ensured that there were always substantial articles from Southern Africa.

The CSIA is important in that we have engaged on a structural level with national company secretary associations that are outside of the CGI stable in important jurisdictions such as India, USA, Kenya, Nigeria, Brazil and Bangladesh. CGISA was one of the founding members of CSIA in 2010. Once again CGISA has played a vital role in helping to strengthen the company secretary profession around the globe.

NATURAL CAPITAL

CLIMATE CHANGE

In 2022, the Institute continued to promote environmental awareness, and particularly the importance of keeping environmental, social and governance (ESG) metrics front of mind, not only in reporting but in practice.

FINANCIAL CAPITAL

INFORMATION MANAGEMENT SYSTEM

2022 saw a major technological project undertaken to upgrade the Information Management system redesign by Archton (Pty) Ltd, the external service provider. This was necessary in order to update the technology, keep the data secure and safeguard the integrity



Jennifer Maybery
Finance Manager

of the applications for members and students. The DMS system that manages student/member administration, examinations, financials, reporting and the online member/student web portal is being re-worked so that it is more efficient and effective whilst offering enhanced services to the users. This is necessary in light of the constant need to keep systems updated and relevant but also because of the regulatory demands expected of members which the Institute is encumbered with reporting on.

The IMS is a necessary infrastructural re-design to update and streamline existing infrastructure in order to mitigate risk of old technology and maintain effective service and technological best practice for the Institute. Archton (Pty) Ltd is managed with regular and bi-weekly feedback meetings along with the implementation and tracking of testing environments managed by the appropriate departments. Staff are updated on the developments and are provided with training on new systems.

FINANCIAL SUSTAINABILITY

We have great pleasure in reporting on the finances of the Institute. The Institute made a surplus of R2.58 million.

The two major events of the calendar being the premier corporate governance conference and the integrated reporting awards were both back and in person for 2022. The conference did exceedingly well with a surplus of R433 000.

Some of the budgeted items for 2022 were not utilised and will impact the 2023 financial year, as such we have budgeted a breakeven result for 2023.

The finance department has remained consistent with regards to the team and the utilisation of the information management system and Evolution, whilst constantly making improvements to the systems.

The finance and risk committee met quarterly and discussed the state of the Institute's finances and the major risks facing the Institute.

Mazars were re-appointed as external auditors for the 2022 financial year. The annual financial statements have been prepared in accordance with the International Financial Reporting Standards for Small and Medium Enterprises.

CONCLUSION

2022 proved to be the year in which the road to governance best practice had to be approached with a keen focus on the destination (Cape Town) whilst staying alive to the challenges that the journey presented. Despite these challenges, we remained steadfast in our goals and trusted that dedication and focus would meet our targets. This was made possible due to the combined effort of our small, committed team which was able to guide us through the detours and obstacles on the journey. The skills learnt in navigating the pitfalls and pleasures of the journey makes the destination that much more rewarding, and it is this pleasure that is

shared by all who made the achievements of the Institute possible in 2022.

These achievements would not have been possible without the dedication of our hardworking president, Sonia Giuricich, who went above and beyond the call of duty in guiding the Institute. Thanks must also go to the board, the executive committee and all of our staff who met each and every challenge of the journey. The level of commitment from our staff has been truly remarkable and I thank them personally for all their hard work in helping the Institute to arrive safely at the destination.

Stephen Sadie
(MBA, M. Ed)
Chief Executive Officer
10 May 2023

Corporate Governance Report 2022



CGI COUNCIL IN SESSION

INTRODUCTION

The Company remains fully committed to applying sound corporate governance principles, policies, and processes. Post pandemic 2022 presented challenges of a different nature for the Institute. This prompted a re-prioritisation of certain value offerings to members. In addition, the Institute undertook to implement a major overhaul of its technological infrastructure to meet the changing needs of its stakeholders and to update its applicability and maintain its relevance, integrity and efficiency going forward. Nevertheless, despite these reprioritisations the Institute achieved its strategic objectives set out in its plan for 2022 and reported a surplus. This was largely due to the commitment and dedication of its team of staff members. The Institute remains committed to ensuring that it continues on its long-term vision of remaining relevant as a leader in governance. Corporate governance provides a vital link that ensures accountability, compliance, and meaningful engagement with stakeholders. In line with the 'apply and explain' approach set out in King IV™, the directors will endeavour to state the extent to which the Company has applied King IV™, having regard to the perceived impact of its operations on its main stakeholders. The structure of the corporate governance report follows the structure of the 16 principles of King IV™.

The Company operates under a delegation agreement with the global Chartered Governance Institute (CGI) and the Committee for Southern Africa. In terms of this delegation agreement, certain rights and obligations are transferred to the Committee for Southern Africa. In turn, certain of these rights and obligations are transferred to the Company.

The Institute

The Company is the professional qualifying body for chartered secretaries and chartered governance professionals offering an international qualification recognised in more than 80 countries. The career-long programme comprises attainment of the professional qualification and continuing professional development (CPD), which ensures that members remain on the cutting edge of developments. The new curriculum continued to

be implemented in 2022, with both the May and October examination sittings conducted online. As a professional body, compliance with Regulators such as SAQA and QCTO is of paramount importance. The Institute is also quality assured by CGI, in particular by the Professional Standards Committee (PSC). FASSET is the assessment quality partner (AQP) for the professional body qualifications and will devolve assessment to the relevant professional bodies. This retains the status quo and allows the CGISA to continue to be in control of standards in the assessment of the qualifications.

KING IV™

The outcomes of King IV™ being the attainment of an ethical culture; adequate and effective control; performance and value creation; and trust, good reputation, and legitimacy, are the core focus of the Company. The Company continues to be a responsible corporate citizen and ensures the appointment of competent executive management and the effective governing of risk and opportunity to achieve its strategic objectives. The Company understands that good governance is fundamental to good business decision-making and organisational performance. Through our influence with government and regulators, and the work of our members, the Company plays a leading role in shaping the governance agenda and promoting best practice essential for organisational performance.

The Company strives to apply the recommended practices as contained in the NPO sector supplement in the King IV™ report. The board is the governing body of the Company.

VALUE

The Company is committed to creating value through its operations. The Company adds value to various stakeholders in the following ways:

(a) Members

The Company continued to provide value to its members through the granting of various benefits linked to the admission as a member. These benefits include access to the Company's technical adviser for assistance with queries; access to the boardroom publication as well as the ezine, the technical newsletter and best practice guides, which

count towards non-verifiable CPD hours. Members receive a discounted rate on all seminars, webinars, workshops, and conferences. The Company also aims to continuously educate its members through weekly informative and relevant mailers and articles. Members can show their designations to their employers and the public and certificates bearing the designations provides added value to the professional recognition of the designation.

(b) Students

Since the commencement of the new curriculum, which provides a choice of two routes – chartered secretary or chartered governance professional, student numbers have increased. Students with a LLB degree continue to be the majority of the students enrolling for the qualification. Pre-examination webinars were held to provide much needed assistance to students, and these were well-received.

The Company has introduced a fast-track process for those who have been company secretaries or assistant company secretaries of listed companies for at least five years. The fast-track process allows these students to only write two board exams. The Company strives to ensure all students receive support as they proceed through the different levels of the qualification. Assignments, counting 30%, continued to assist students with preparations for the exams.

(c) Employees

Human capital remains a core focus for the Company, and besides keeping the safety and wellness of all staff as key considerations, furthering and continuing education of its staff forms an essential part of the Institute's focus. The staff at the Institute is a small, dedicated team who work closely to provide service across its departments. The Institute was proud to graduate two employees at its Graduation ceremony last year and encourages all employees to further their studies with the Company's qualification at no cost to them. Webinars are free of charge to employees and employees are encouraged to attend these. Certificates of attendance are issued which form a valuable tool in continuous development and upskilling their career choices.

(d) Public at large

The Company aims to create value to the public by providing information on critical corporate governance topics. It does so by providing a platform for relevant and topical governance issues facing governance professionals in the form of conferences, hosted as the annual premier corporate governance conference in person in 2022.

The Company continued to host webinars on topical issues to attract interest in and to the Institute. The public may also subscribe to the *boardroom* publication of the Company at a minimal fee. The Company's integrated reporting awards, also hosted in person in 2022 to great success strive to create value by encouraging all companies, regardless of their size, to enter and submit an integrated report thereby showing their commitment to good corporate governance standards.

LEADERSHIP

1 The board should lead ethically and effectively

The board strives to always act in the best interests of the Company. Risk to the Institute is managed by ensuring that conflicts of interest are diligently and responsibly declared by board members. Where a conflict exists, the board is responsible for managing the conflict. Directors recuse themselves from discussions and decisions on matters in which they have a material pecuniary interest. Notice and information of board meetings are sent to members timeously so that adequate preparation time is afforded in the interests of effective and accountable participation. Directors have the necessary competence to discharge their responsibilities and to provide strategic direction

and control of the Company. Directors are expected to act with due care, skill, and diligence. Many directors are company secretaries or in leadership positions in their own companies and are familiar with the requirement to lead ethically and effectively.

ETHICAL CULTURE

2 The board should govern the ethics of the Company in a way that supports the establishment of an ethical culture

The code of ethics of the Company aims to facilitate the enforcement of ethical standards through established, clear and consistent disciplinary procedures. Adherence to the code is a mandatory condition of membership. The employees of the Company must adhere to the internal policies and procedures of the Company. The code of ethics is published on the website of the Company.

The very nature of the Company's operating model requires surveillance of members' compliance with professional ethics. As company secretaries and governance professionals, it is critical to maintain a high ethical standard and to report any irregularities. Adherence to the code is a condition of membership. Overall, the Company requires its members to perform their duties and responsibilities with objectivity, transparency, honesty, integrity, diligence and with courtesy towards others. The code requires members not to act in conflict with the legitimate interest of their employer or client or to act in any way which may detract from the reputation of the Company. The code outlines the commitment to sound and ethical business practices and stipulates the operational standards to which all members are required to subscribe. It further supports good corporate governance and responsibility.

According to the code, members are obliged to maintain current knowledge through Continuous

Professional Development (CPD) initiatives. Annually, members are required to undertake 20 CPD hours of which seven may be non-verifiable. Practising members are required to retain professional independence, ensure confidentiality when dealing with sensitive information, and deliver professional work.

Procedures exist whereby allegedly errant members not following the provisions of the code may be investigated by the investigations committee, which would in turn forward its findings to the disciplinary tribunal. This is a necessary measure to ensure the upholding of the ethical values underpinning the culture of the Institute. In addition, any member using a title or designation without authorisation is advised to desist so as to protect the reputation of the Institute.

Students must also adhere to a code of ethics and conduct which is published on the website. The admissions policy and student code of ethics and conduct underwent a review in 2022 to maintain consistency with the ethical standard of the Institute. This was regarded as necessary to obviate a situation where students who do not meet the ethical standards are prevented from registering. A screening process was implemented for all prospective students registering with the Institute. This is necessary to maintain the ethical culture that the Institute upholds.

RESPONSIBLE CORPORATE CITIZEN

3 The board should ensure that the Company is, and is seen to be, a responsible corporate citizen

The Company's practices and processes are in line with legislative and regulatory requirements. The Company is not in breach of any of its statutory

duties and all directors have complied with their fiduciary duties as provided for in legislation. The board is responsible for ensuring that the values and strategy of the Company are representative of being a responsible corporate citizen. A strategy session is held once every two years to review the Company's strategic plan and to ensure that management are aware of their respective duties delegated to them by the board. The Company strives to be seen to be actively promoting responsible behaviour through its hosting of the integrated reporting awards and numerous seminars and webinars. The Premier Corporate Governance Conference was held under the theme of 'Governance in a time of corruption. Cleaning up our act'.

VALUE CREATION PROCESS

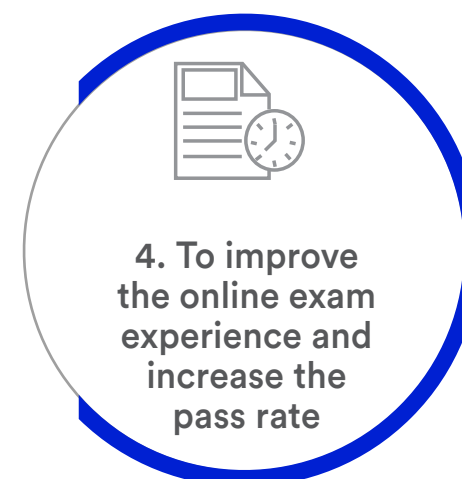
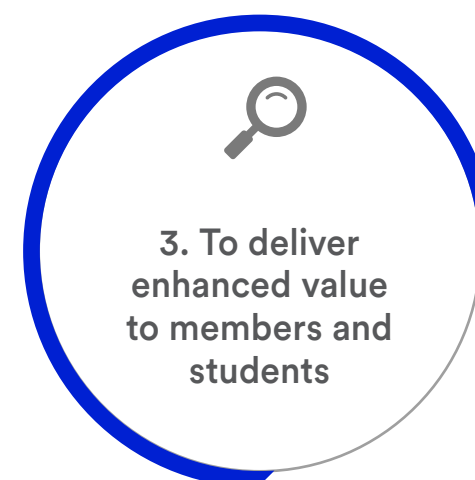


The Company has adopted a strategic plan and risk register which specify all short, medium, and long-term initiatives of the Company. The strategic objectives of the Company are monitored via the Company's strategic plan, as is the performance of these objectives. The board oversees and monitors, with the support of its committees, the implementation and execution by management of the policies and priorities and ensures that the Company accounts for its performance by, amongst others, reporting and disclosure. The Covid pandemic continued to necessitate the re-evaluation of risk within the Company. A board strategic planning session was held on 25 February 2021 which devised a comprehensive 2021/2022 strategic plan. The company

strives to be a thought leader in the corporate governance landscape. The purpose of the Company is to build leaders in corporate governance.

The Company remains focused on the maximisation of its student and member numbers and the retention of existing members, its two main stakeholder groups. Many members faced economic hardship and were unable to pay their membership fees. The Company conducts robust advocacy amongst the relevant regulatory and professional bodies to endeavour to enhance the reputation and employment credentials of its members.

The four key strategies in the strategic plan for 2021-2022 are:



The Company's qualification plays a unique role in the upliftment of the educationally disadvantaged. The qualification provides a valuable alternative to those who are not accepted into university.

The future vision of the Company remains that of being a world class professional Institute which, via its influence with government and regulators, as well as the work of its members and students, continues to endeavour to shape the corporate governance and company secretarial practice agenda to enable the implementation of best practice, in alignment with responsible corporate citizenship, in its field of operations. The Company strives to be the thought leader in the corporate governance landscape.

The financial results of the focused range of activities undertaken by the Company in meeting

its objectives manifest themselves in the annual financial statements and corporate governance report.

SUMMARY OF PROGRESS ON KEY STRATEGIES AS AT 31 DECEMBER 2022



Webinar offerings took place in the first six months of 2022. 21 webinars were held with 463 participants. The Institute held six sessions of online Company Secretarial Toolkit Training. The Institute continued to submit quotations for in-house training to both private and state-owned companies, and successfully provided such training to a variety of SOE's, and private companies. Various in-house training was conducted at these entities. This training was either provided by approaching skilled persons to present the training on a profit-share basis or by utilising the Institute's in-house resources.



The Institute published four issues of boardroom for 2022. Eight technical newsletters were circulated to members in 2022. An average of two/three information mailers per week on topical issues on governance, company and tax were circulated to members in 2022. Mailers were particularly focused on ESG and cybersecurity developments since these remained topical and dynamic throughout 2022. The technical queries continued to be managed with appropriate feedback. In addition, members were kept abreast of regulatory developments from both the CIPC's and SARS's quarterly engagements with the Institute so that they could remain current and relevant to policy and practical changes affecting their profession.

3 To deliver enhanced value to members and students

We focused on increasing student to member conversion. There was ongoing communication with graduates that have not yet taken membership. This was intensified before every membership committee meeting. 59% of graduates in 2021 have taken up membership. We also focused on improving our social media strategy to attract new students. To this end we made use of LinkedIn, Facebook and Instagram. Upcoming webinars were also posted on our LinkedIn and Facebook pages. New social media banners were designed and we used them to promote upcoming webinars and student registrations. We initiated the necessary process of our website overhaul in 2022. This was in keeping with the objective to enhance value for students and members, and to retain relevance and user experience in the digital environment. This will be a key item for completion in 2023.

We also focused on emphasising international recognition and opportunities. To this end, there were two CGI webinars for the two published reports in March and September, namely; the Values of Belonging, Dignity and Justice and the Covid paper, both of which were made accessible to our members. Three CSIA webinars on Gender Diversity, Unlocking ESG Boards and Building future fit Boards along with monthly CGI Global Newsletters and the Global Governance Voice were sent to members and students.

We also worked hard to motivate members to educate their employees around the value of the CGISA qualification. To this end, a new email campaign was sent to employers and student advertisements were sent out.

The Institute was able to host three in person events for members, students and the public at large in 2022. The Premier Corporate Governance Conference in September was a success with more than 200 delegates attending. Notably, delegates from

international divisions, such as UKI, Australia, Malaysia, New Zealand and India also attended. The two lively panel discussions held with interactive audience participation contributed to the practical and effective dissemination of insight into governance. Speakers on the billing attracted audience participation and provided cutting edge illustrations of challenges facing governance in SA.

The Integrated Reporting Awards was held in person at a formal dinner event and proved to be an evening of lively entertainment as well as thoughtful insights from the keynote speakers.

Due to the pandemic, the Institute was unable to hold a graduation ceremony, so the graduation ceremony held at Linder Auditorium in September for the 2019-2022 cohort of graduates was well-attended. Four hundred graduates and guests were hosted which contributed to a meaningful and well-deserved rite of passage for students at the Institute. CGI President Jill Parratt welcomed the guests.

Chartered Governance Placements continued in 2022, with Debbie Yach as the service provider. As at the end of 2022, five placements had been made. The Institute recognizes the valuable role that the Placements service provides to its graduates. The Institute will seek to continue to offer this service, especially in light of the present economic climate and given that it serves to boost employment opportunities for the key stakeholders, members and students.

4 To improve the online exam experience and increase the pass rate

2022 online exams continued as an offering for both the May and October sittings. The exams progressed well as lessons learnt from previous sittings allowed for the implementation of risk and operational processes to cater for

a more seamless examination outcome. This, despite the added challenges of load shedding, facilitated a smoother, better equipped online exam experience for both students and staff. We continued to send out online examination FAQs periodically to ensure that students understood how to operate the Moodle system with the online provision of dummy papers so that students could effectively practise on the system to enhance their proficiency and provide more opportunity to become familiar with it. A new quality assurance system was implemented and there has been a marked improvement in quality control.

Ten webinars on various modules were presented for the October sitting. Students are given many avenues of assessment from examinations and assignments to portfolios of evidence for workplace experience all of which present opportunities for improving the pass rate for students. This has also allowed for a more consistent work ethic from the student which has had a positive impact on their results.

5 The board should ensure that the reports issued by the Company enable stakeholders to make informed assessments of the Company's performance and its short, medium, and long-term prospects

The Company is committed to transparent reporting and disclosure practices. The Company ensures the integrity of its annual financial statements and its integrated report. The finance and risk committee oversees the integrated reporting process and reviews the audited financial statements. The integrated report and annual financial statements of the Company are contained on the Company's website. The publications of the Institute such as boardroom and the ezine provide regular reports on the Company's progress. The integrated report is comprehensive and complete and there are no supplementary reports.

Annual general meetings

In line with the MOI of the Company, the 2022 annual general meeting was held online with the use of a sponsored service from Lumi. The Institute ensured that the hosting allowed for compliance with the prescribed statutory requirements. The annual general meeting is held for the purposes of:

- receiving and considering the audited financial statements for the past year, the report of the board of directors on the business of the Company, the report of the finance and risk committee, and the report of the auditors;
- the appointment of the auditors;
- the election of directors; and
- the consideration of any other matter of which due notice has been given.

The results of all decisions taken at the annual general meeting are communicated promptly to members.

Board meetings

All board meetings were successfully held via online channels. The board meets four times per year and every effort is made by directors of the Company to attend all board meetings as these meetings are vital to discussing and resolving pertinent issues relating to the Company's performance and sustainability. The attendance of directors at board meetings, for the 2022 financial year, are reflected in the table below.

PERTINENT ROLE OF THE BOARD

6 The board should serve as a focal point and custodian of corporate governance in the Company

Board members are aware of their responsibilities and duties owed to the Company in terms of the Company's internal policies and statutory legislation. Board members are aware of the importance of

investing their time in the affairs of the Company to ensure its long-term success. The board as well as any committee may obtain independent, external professional advice at the Company's expense concerning matters within the scope of their duties. Most board members are company secretaries of large companies, which means that they are already conversant with corporate governance best practice. Board packs are comprehensive and include an overview of major activities of the Company. Each board pack contains a strategic plan and risk report as well as up-to-date financial performance.

Board of directors	
Akala S	4/4
Akosah-Bempah O	4/4
Bagwande L (until 10 November 2022)	2/4
Clarke S	3/4
Da Silva D	4/4
Giuricich S	4/4
Lewis C (from 8 June 2022)	1/2
Maskell A	2/4
Mattiuzzo A (from 8 June 2022)	2/2
Mbhamali S	4/4
Mngomezulu L	2/4
Robinson K (until 8 June 2022)	2/2
Sadie S	4/4

The Committee for Southern Africa has the same members as the board of directors and is the divisional committee of CGI.

Committee for Southern Africa	
Akala S	4/4
Akosah-Bempah O	4/4
Bagwande L (until 10 November 2022)	2/4
Clarke S	3/4
Da Silva D	3/4
Giuricich S	3/4
Lewis C (from 8 June 2022)	1/2
Maskell A	2/4
Mattiuzzo A (from 8 June 2022)	2/2
Mbhamali S	4/4
Mngomezulu L	0/4
Robinson K (until 8 June 2022)	2/2
Sadie S	4/4

The membership committee and the three disciplinary committees report directly to the Committee for Southern Africa.

BOARD COMPOSITION



The Company has clear and formal processes for monitoring, electing and appointing members of the board in line with the Company's MOI. There is a clear distinction drawn between the roles of the CEO and the chairman and these positions are occupied by separate individuals. The nominations committee assists in the appointment process of directors to the board in line with diversity policies, skill and expertise required.

All directors, save for the chief executive officer (CEO), are non-executive and are elected in terms of the Company's Memorandum of Incorporation ("MOI"). The MOI codifies the board's composition, appointment, authorities, responsibilities, and processes. The MOI of the Company provides in clause 6.2(1) that the Company will have a minimum of ten and a maximum of 15 directors elected by the members and each director must also be a member. At least one third of the directors (excluding the office bearers, the directors elected by the branches and the chief executive officer) must retire at the Company's annual general meetings or other general meetings on an annual basis. These retiring members of the board may be re-elected, provided they are eligible. The board retains effective management over the affairs of the Company and monitors the performance of management.

The president of the Company acts as chairman of the board. The roles of president and chief

executive officer (CEO) are separate in accordance with the recommendations of King IV™ to endeavour to ensure that no single person can exercise unfettered powers of decision-making.

The board is made up of members who have the necessary skill, knowledge, and experience to govern the Company effectively. In accordance with King IV™, the board focuses on the following aspects to ensure its effectiveness:

- A clearly defined vision, purpose, and values
- Ensured commitment to accountability and transparency
- Monitoring membership and student statistics to ensure that sustainability and risk are monitored
- Constructive collaboration
- Maintaining a board structure
- Upholding procedural governance

The board deliberates over a range of key issues to ensure proper direction for and management of the Company. The president provides the board with leadership and guidance and encourages proper deliberation of all matters requiring the board's attention and solicits relevant input from the other directors. Within defined levels of authority, the CEO has the responsibility to implement all decisions of the board. Further, he is accountable to the board for the effective functioning of the Company within board-determined policy guidelines.

Key focus areas during the year under review included:

- Reviewing and approving the 2021 annual financial statements and integrated report
- Reviewing and approving the external auditor's report
- Reviewing the strategy and reports from board committees and various departments within the Company
- Approving and monitoring compliance with the annual budget

Directors are comprehensively briefed well in advance of board meetings to facilitate meaningful deliberation and contribution. Where possible the board aims to unanimously approve board decisions. All directors have unhindered access to all Company records, information, documents, and property.

“Once again this demonstrates why CGISA has always been a thought leader for the past 110 years.”

Nominations and appointments

The board is responsible for appointing new directors in a formal and transparent process, with the board as a whole being responsible for approval. Nomination for the office of director requires nomination by two members of the Company and the consent of the nominated member. The CEO is responsible for the informal but comprehensive induction programme, which provides new directors with a strategy and operational briefing.

As part of the induction programme, new directors are furnished with copies of the Company's most recent financial results and integrated report, the charter and byelaws, the Company's MOI, board minutes and the Company's strategic plan. Board members may not serve for longer than nine years. This allows for fresh ideas, diversity of thought and perspectives to be introduced onto the board whilst simultaneously allowing, because of the time period of service, for Institutional memory and culture to be cultivated, preserved and enhanced where necessary.

All directors are obliged to disclose any conflict or potential conflicts of interest at each board and committee meeting.

The following board members left the board in 2022:

- L Bagwande - 10 November 2022
- K Robinson – 08 June 2022

The following persons were appointed to the board in 2022:

- AD Mattiuzzo – 8 June 2022
- CI Lewis – 8 June 2022

All directors are required to execute their duties independently and in the best interests of the Company. All directors of the Company are highly skilled and equipped to effectively discharge their duties.

The Company's board as of 31 December 2022 consists of the following directors:

“The Company remains fully committed to applying sound corporate governance principles, policies, and processes”



Ophelia Akosah-Bempah
FCG, LLB, BA, MDP

Ophelia serves on CGISA's membership committee and social and ethics committee. Ophelia is an experienced corporate governance and company secretarial professional with almost 20 years' experience in a multi-listed and multi-national corporate environment, mostly in the mining and banking industries as well as extensive knowledge and experience in management practice, corporate administration, and interpersonal relationships. Ophelia was previously the head of governance and group secretariat of ABSA Group Limited. Her fields of expertise include board composition, succession, remuneration, company law and corporate governance.

Sharon Clarke
FCG, MBA, B. Soc. Science (Hons)

Sharon is vice president of CGISA. She is chair of the CGISA education and examinations committee and the assessment and review committee. Sharon is managing executive: office of the dean of the University of Pretoria's Gordon Institute of Business Science (GIBS). She was also company secretary of GIBS. Prior to joining GIBS, Sharon fulfilled various director and senior management roles in the South African health care sector. Sharon has extensive experience in leadership and strategy as well as operational performance functions. She also has experience in corporate governance, risk and compliance management and has experience in providing company secretarial services.



Adrienne Mattiuzzo
ACG, B Com, HDip in Labour Law

Adrienne is a company secretarial consultant. She was previously assistant company secretary at Capital Propfund (Pty) Ltd, a subsidiary of Fortress REIT Limited. Prior to this, she served in similar roles for Hollard Holdings Ltd and SABMiller plc and has over 13 years company secretarial experience.



Diolinda da Silva
FCG

Diolinda serves on the CGISA finance and risk committee. She is currently general manager of Holiday Travel. Prior to this she had worked her way up in Comair since 2012 from Finance Manager: Travel Business to Travel Finance and Operations Manager. At Comair Ltd, she has boosted her passion for people development in her mentorship role, sharing good, sound business knowledge and seeing the fruits of her labour flourish. Prior to Comair Ltd, she spent 21 years at Holiday Holdings International. In 1998 she was appointed finance manager. In 2000 she was invited to join the board until her resignation in 2011. Diolinda comes with years of experience in the aviation and travel industry. She has completed the Harvard Business School Online Leadership Development Programme and the Gibbs Leadership Development Programme.

Sonia Giuricich
FCG (Acc)

Sonia is president of CGISA and serves as chair of the finance and risk committee. She is also a PPG member. For the last 19 years, Sonia has run an accounting, tax and company secretarial practice, which has some large clients. Prior to this, she worked at Anglo American for 6 years and at Total SA for 3 years in accounting and internal auditing.



Simon Akala
FCG, MBA

Simon serves on the CGISA Professional Practice Group (PPG) committee. Simon is a value driven professional in finance, risk management, governance, and financial controls. Simon is currently a director at Miteyo Investment Consulting and Projects since 2019. Prior to this his career spanned over 35 years in Sub-Saharan Africa out of which he spent 31 years at the International Finance Corporation (IFC) with responsibilities in Sub-Saharan Africa. Simon has a strong record in implementation of consistent and robust financial management and administrative processes enabling effective and efficient delivery of programs and projects activities in Sub-Saharan Africa. He also has deep knowledge of implementation and management of trust funds and grants including compliance with donor administrative agreements and institutional policies and procedures.



Cathie Lewis

FCG, M. Studies in Sustainability Leadership, LLM, LLB,
B Proc, BA

Cathie serves on the CGISA technical committee. Cathie is Founder of Earth Energy (Pty) Ltd, an ESG, climate change and water governance consultancy. She has over 26 years' experience in governance, legal and sustainability, of which 11 have been as a group company secretary in the listed environment. She started her career lecturing in law and communication, and thereafter practised as an attorney and conveyancer for own account and advised as inhouse legal counsel. Her fields of experience include general legal and commercial work, governance, legal compliance, company secretariat, integrated reporting, ethics, risk and opportunity governance, ESG, sustainability strategy, climate change and water governance.



Lindelwa Mngomezulu

FCG, LLM, LLB

Lindelwa serves on the CGISA technical committee. Lindelwa is the group company secretary of Rand Mutual Assurance. Prior to this, she served in similar roles for ATNS SOC Ltd, Woolworths (Pty) Ltd and Sasol South Africa. Lindelwa has spent over 14 years in the legal environment as a Director, Attorney and Legal Manager. She has worked for multinational companies and state entities and has significant legal experience acquired while she practised as an Attorney, servicing clients in the public sector and private sector such as banks, regulators, state entities, multinational companies and companies listed on the JSE. Her exposure includes providing legal and governance advice on corporate transactions, drafting commercial agreements, construction agreements, participating in arbitration proceedings, litigation in the High Courts and the Supreme Courts.



Fiona Maskell

FCG, BSc (Hons)

Fiona serves on the CGISA social and ethics committee. She is the company secretary for Munich Reinsurance Company of Africa, a wholly owned subsidiary of the German-based global reinsurance company Munich Re. She has held this position since 2007. Her duties are principally of catering to the needs of the Board of Directors and its Committees, the shareholder in Germany, and the statutory requirements of the company. Prior to this, she was involved with the administration of shareholdings, value-based management reporting, balanced scorecard planning, and risk management. Fiona has always had a keen interest in the environment. She has served as chairman of the Johannesburg Anglican Environment Initiative from 2012 to 2021. She has also served as the secretary of the Johannesburg branch of Earthlife Africa from 2011 to 2014.



Stephen Sadie

MBA, M. Ed, BA (Hons), HDip in Education PG

Stephen is CEO of CGISA. Stephen serves on the King Committee, the global council of CGI and the global council of CSIA. He played an instrumental role in helping to reform the governance of CGI and also served on the CGI steering committee, which developed a new curriculum. Prior to joining CGISA, Stephen held a number of senior positions in the education sector. He was Director: Strategic Support at the South African Qualifications Authority. He was also Director: Research and School Improvement at the Matthew Goniwe School of Leadership and Governance, which was responsible for training 2000 school governing bodies in Gauteng. Prior to that, Stephen was Chief Education Specialist: Curriculum Delivery and Support of the Johannesburg East District of the GDE, which was responsible for 120 schools. Stephen regularly presents at various corporate governance conferences and also writes prolifically on corporate governance matters.



Sandile Mbhamali

FCG, RA(SD) (Eswatini)

Sandile is senior vice president of CGISA and chair of the social and ethics committee. Sandile is currently Chief Financial Officer at Likhwane Beneficiary Fund. Sandile was the company secretary and management accountant at Robinson Bertram Attorneys, where he advised on tax and finance issues, performed all company secretarial functions, and supervised the accounts department. Sandile founded the first beneficiary fund in eSwatini, Likhwane Beneficiary fund. He previously occupied positions at Swaziland Electricity Company as senior credit controller. Sandile's professional skills include lecturing in corporate governance, risk management experience and an in-depth knowledge of King IV™.



“Our vision is to be the leader in the practice of governance in Southern Africa.”

COMPANY SECRETARY

The company secretary is Sandra Saunders. The board has evaluated the qualifications of the company secretary and is satisfied that the requirement in the Companies Act has been satisfied in that the company secretary is suitably qualified to effectively discharge her duties. The company secretary is independent of the board and is not a director of the Company. All directors have access to the company secretary. The company secretary provides valued guidance and advice to the board and the board is satisfied that an arm's length relationship is present between the company secretary and the board.

COMMITTEES OF THE BOARD



All committee meetings were held successfully via online channels. The Company has various committees each with its own terms of reference which must be adhered to. Committees have been established to assist the board in discharging its responsibilities.

The president is an ex-officio member of all committees. Certain committees have the right to co-opt such persons as they may think fit as members of the relevant committee to assist in their deliberations. The majority of members of such committee shall be members of the Company. Co-opted members do not have a right to vote. Senior members of staff attend committee meetings to provide relevant input but are not members of the committees.

The directors recognise that they are ultimately accountable and responsible for the performance

and the affairs of the Company and that the delegation of any powers to a committee in no way absolves the board of the obligation to carry out its duties and responsibilities. The auditors are given unrestricted access to the president and other members of the board and attend all meetings of the finance and risk committee by invitation. The board is of the opinion that its interests, and those of the Company, are suitably served by inviting the auditors to attend these meetings.

Members of committees may not serve for more than 12 years in total and this contributes to maintaining independence and promoting diversity on all committees, which is of paramount importance to the Institute. This is necessary to remain relevant and agile in the dynamic landscape of governance and law which are the key focus areas of the Institute. Where committee members serve for too long a period, the risk of a lack of independence is heightened and diversity of thought is diminished.

Executive committee

The executive committee comprises the president, two vice-presidents, the immediate past president and the CEO. The executive committee holds a minimum of four meetings per annum. The executive committee attends to the operational management of the Company between board meetings. The executive committee considers matters referred to it by the board and matters which have not yet been referred to the board. The executive committee serves to further its commitment to achieving best practice standards of corporate governance based on locally and internationally acceptable standards, which includes compliance with King IV™. To fulfil its mandate, the committee may call upon any of the directors of the Company or any employee of the Company to provide it with information.

The succession plan of the executive committee allows an honorary officer two years of preparation before becoming president. The president remains on the executive committee for a further year as immediate past president. This structure has provided stable leadership to the Company.

Attendance and composition of the executive committee was as follows:

Executive Committee	
Bagwande L (Chair) (until 8 June 2022)	2/4
Giuricich S (Chair) (from 8 June 2022)	4/4
Clarke S (from 8 June 2022)	0/2
Mbhamali S	4/4
Robinson K (until 8 June 2022)	1/2
Sadie S	4/4

Finance and risk committee

This committee considers matters pertaining to good corporate governance arising from the Company's business, covering areas such as internal controls, integrated and statutory reporting, compliance with laws and regulatory and supervisory codes, external audit, risk management and appropriate and timely disclosure to the board. The chief executive officer, the finance manager and external auditor shall be in attendance. The committee has adopted terms of reference that deal with the committee's role and responsibilities.

Attendance and composition of the finance and risk committee was as follows:

Finance and Risk Committee	
Giuricich S (Chair)	4/4
Da Silva D	4/4
Rufetu B	3/4

Nominations committee

The chairman of this committee shall be the immediate past president. The nominations committee has the responsibility of considering nominations received from members, considering the skills, experience, age, gender, and diversity criteria required for a high-performance board, and providing a short list of candidates for election at the AGM. The nominations committee also

recommends candidates to chair the various committees, and to assume the roles of international representatives and honorary officers.

The Company echoes the principles of race and gender diversity at board level and is of the firm view that diversity is the driving force behind effective and meaningful decision-making by the board.

Attendance and composition of the nominations committee was as follows:

Nominations Committee	
Robinson K (chair)	2/2
Bagwande L	1/2
Giuricich S	2/2
Sadie S	2/2

Professional Practice Group ("PPG")

This committee considers matters pertaining to PPG activities and communicates with and assists members by providing webinars and technical information. The majority of PPG members are accountants and tax practitioners. The PPG ensures practising members of the Company conduct themselves in a professional manner to create public awareness of, and demand for, the professional service available from practising members. The committee is tasked with ensuring the interests of its members. The committee holds an annual general meeting where the committee members are elected.



Attendance and composition of the PPG committee was as follows:

Professional Practice Group Committee	
Benson N (Chair)	3/4
Akala S	4/4
Govender A	4/4
Maburuse O	4/4
Mina P	3/4
Mpye T	4/4
Pretorius E	3/4
Reid B	3/4
Sheppard H (until August 2022)	2/3
Zurlinden L	3/4

Technical committee

This committee considers how changes or proposed changes in legislation and regulation may impact corporate governance and company secretarial practice. It also considers the interpretation of legislation and regulation, including the listings requirements of the JSE Ltd, and related matters that may affect members of the Company. The committee focuses on enhancing the legislative and governance knowledge of its members in relation to complex areas pertinent to the company secretarial function.

The committee has adopted terms of reference that deal with the committee's role and responsibilities. Members of the committee have provided articles for various technical publications and conducted continuing professional development webinars, focusing on challenging areas of company secretarial practice. The committee has been appointed by the JSE Ltd as an advisory committee to the JSE Ltd on the amendments to the listings requirements.

Attendance and composition of the technical committee was as follows: Technical committee

Technical Committee	
Kirsten E (Chair)	2/3
Defillo E	1/3
Lewis C	1/3
Mathew A	1/3
Mngomezulu L	1/3
Mofokeng B	2/3
Nana M	0/3
Nethavhani K	2/3
Pinto M	1/3
Sadie S	2/3
Somerville W	2/3
Wilson C	1/3

Education and examinations committee

All educational and examination matters fall under the brief of this committee. The issues dealt with by the committee include the standard of the examination question papers, the examination marking process, skills development providers to assist the Company's students, and any policy matters relating to students. The committee also deals with reports from the global professional standards committee and develops remedial action plans where appropriate. The committee has focused on the implementation of the online examinations as well as on the implementation of work experience modules.

Attendance and composition of the education and examinations committee was as follows:

Education and Examinations Committee	
Clarke S (Chair)	2/2
Baumgardt J	2/2
Mattiuzzo A	1/1
Rissik M	0/2
Saunders S	2/2
Sadie S	2/2

Assessment and review committee

This committee, as a sub-committee of the education and examinations committee, manages the Company's overall assessment process and ensures compliance by all role players with the Company's requirements. Further, it reviews all examination results to endeavour to ensure that both international and local standards are maintained. Law, financial, governance and general review groups have been established and subject moderators serve on these review groups. The moderators review all question papers and memoranda for purposes of quality assurance.

Attendance and composition of the assessment and review committee was as follows:

Assessment and Review Committee	
Clarke S (Chair)	1/2
Baumgardt J	2/2
Mattiuzzo A	1/2
Rissik M	2/2
Saunders S	2/2
Sadie S	2/2

Membership committee

This committee decides on applications for admission as associate or fellow members of the Institute. It is accountable to the Committee for Southern Africa but must adhere to international standards and practices. The membership committee is tasked with dealing with all matters involving members such as assessing the conversion rate of students to members.

Membership Committee	
Bagwande L (Chair – until March 2022)	1/1
Arnison R (Chair – from March 2022)	4/4
Akosah-Bempah O	4/4
Carpenter C	3/4
Manduna A	2/4
Molebatsi P	3/4
Sadie S	4/4

Social and ethics committee

This committee was established in 2020. The committee is constituted as a statutory committee of the Company in respect of those statutory duties assigned to it in terms of section 72(4) of the Companies Act of 2008, as amended, (read in conjunction with Regulation 43 of the Companies Regulations, 2011), and as a committee of the board in respect of all other duties assigned to it by the board. The committee has an independent role with accountability to the board. The committee does not assume the functions of management, which remain the responsibility of the executive director and other members of senior management. The committee holds at least two meetings per annum.

The committee focuses on the functions outlined below:





4. Consumer relations



5. Labour and employment



6. Ethics

The committee reports, through the chairman of the committee, to the shareholders at the Company's annual general meeting, on any part of the business of the meeting that concerns the committee's functions. The report of the committee can be found later in this report.

Attendance and composition of the social and ethics committee was as follows:

Social and ethics Committee	
Mbhamali S (Chair)	2/3
Akosah-Bempah O	3/3
Maskell F	2/3
Sadie S	3/3

Disciplinary committees

There are three disciplinary committees.

1. Investigation Committee

This body is required to investigate all matters relating to alleged misdemeanours of members. Any member of the public can lodge a written complaint against any member of the Company. There were no cases investigated in the year under review.

2. Disciplinary Tribunal

This body has the responsibility of reviewing the findings of the investigation group. As part of its function, this committee considers disciplinary and other matters and dismissals, and implements appropriate penalties. This committee will evaluate the evidence provided and, if necessary, decide upon an appropriate sanction.

3. Appeals Tribunal

This body deals with any appeals lodged against the findings of the disciplinary tribunal. There were no appeals lodged in the year under review.

Given the increased focus on the need for good corporate governance in South Africa, there has been an increased awareness of the issue of discipline of professional body members. The Company has joined other professional bodies as part of the Anti-intimidation and Ethical Practices Forum. The Institute, through the media from time to time, is cognisant of developments surrounding its members in order to manage and mitigate any resultant reputational risk to it.

BOARD EVALUATION



There is open discussion at board level on its effectiveness. The committees submit reports to all board meetings where their performance is discussed. A number of board members are practising company secretaries and are cognisant of the proper functioning of the board and bring their expertise to bear on the performance of the board. The board conducts evaluations from time to time.

MANAGEMENT



The CEO's performance is evaluated annually against agreed performance measures and targets. Key functional areas of the Company are headed by competent managers, whose performance is measured annually by the CEO. Staff meetings were held every week to discuss critical issues. The CEO had regular individual meetings with managers to discuss their work. Management submit a report to the board and to EXCO on the tasks accomplished and those which still need to be tackled as per the strategic plan of the Company. Management submit an updated risk register to the board to monitor progress made in mitigation of identified risks and whether the controls in place are adequate and effective.

RISK GOVERNANCE



The Company has a documented risk register, which is reviewed by the finance and risk committee as well as the board. Management is formally required to address any intolerable residual risks. Management's risk responses are monitored by the finance and risk committee. Risks are identified, assessed, and managed as part of the day-to-day operations at various levels of management, who are empowered to deal with risks in an efficient manner.

The finance and risk committee is responsible for overseeing the management of all operational, reputational, and financial risks. The committee is satisfied that all key business risks are being addressed.

The CEO presents a risk report to every exco, board and finance and risk committee meeting. Risks faced by the Company are updated by management on a continuous basis.

The major risks facing the Company as at 31 December 2022 were as follows, together with the relevant risk mitigation processes:



Key risks	Risk analysis	Mitigating controls
Financial sustainability	The Institute recovered well financially in 2022 despite the challenges posed by the pandemic and the economic downturn. Whilst student numbers remained consistent, the non-payment of fees remain concerning. Membership revenue increased. Nonetheless continued sustainability remains a key risk given the economic downturn, member emigration and the related skills shortage affecting new admissions.	The Company reported a surplus at the end of 2022. The Conference did very well and with the attendance of 200 delegates reported a surplus of R433 000 The Institute plans to continue increasing its revenue streams by: - Increase training offerings via webinars and in-house training - Increase marketing strategies - Digitisation / Social media
Reputational risk	The Institute's reputation in the public as a professional body of governance specialists must be seen to remain as one of an ethical leader in governance. Values of its members and students must be seen to be synergous with the outward values of honesty, transparency, integrity and accountability of the Institute. Professional standards for members and students must be maintained and managed.	There is continuous monitoring of reputational risks by members and students in the media and the interrogation of matters involving interaction with the public on issues of governance and credibility. This is conducted through reviewing the admissions policy and the code of conduct and ethics to ensure applicability and relevance.
Online Exams	The integrity of the exam and the effect of load shedding.	The proctoring monitoring system so that students could be observed whilst writing the exam continues to provide valuable oversight over integrity. Dummy exams in the form of practice sessions are offered before exam sessions to enhance user experience and familiarity with the online environment.
Competitor training in similar areas of interest	Several other training companies provide training on company secretarial and governance related topics of interest. This impacts on the revenue that the Institute is able to generate from similar offerings.	The Institute continues to source quality speakers who are industry leaders. It also seeks to continuously update its topics of webinars and seminars to keep them relevant and bespoke to the current needs. It encourages members to engage with guides and webinars from the global division as this international link sets it apart from its competitors.
Compliance with regulatory frameworks	The Institute, as a recognised and registered body bears the risk of non-compliance by members on regulatory requirements from certain bodies such as SARS, CIPC, SAQA, QCTO and Fasset. The dynamic nature of the regulatory environment given the increasing tightening of controls leads to the need for higher levels of compliance.	Continuous engagement with both members and the regulatory bodies to ensure compliance that meets the expectations of these needs. This entails educating the members on the changing landscape of regulations as well as monitoring and evaluating the adherence to same with the regulatory bodies.

Key risks	Risk analysis	Mitigating controls
High failure rate	The high failure rate leads to many students ending their studies prematurely. Students' lack of access to affordable and excellent tuition opportunities may lead to an exacerbation of the low pass rate. Many of our students have come through the public education system which has not prepared them well for tertiary studies	The student manager arranged pre-examination webinars throughout the year. Students are also supported in the following ways: providing access to past papers on website, skills development providers, international quality assurance, ascertaining the level of students, ensuring compliance with regulations, and facilitating measures to increase the pass rate. Assignments are aimed at assisting in increasing the pass rate. Assignments count 30% of the final mark and have been well received by students. We have also focused on increasing our training of examiners and moderators. We produced a manual which sets out their duties and responsibilities in detail and this was well received.

INFORMATION TECHNOLOGY GOVERNANCE



The board is ultimately accountable for the governance of information and technology management. The Company considers technology and the management of information when approving strategy and policy.

The Institute has begun the implementation of its Information Management System (IMS) by Archton (Pty) Ltd. The IMS overhaul, initiated in September 2022, has had substantial progress and development in Phase one of the two phases envisaged for completion of the entire project. It represents a necessary infrastructural re-design to update and streamline existing infrastructure in order to mitigate risk of old technology and maintain effective service and technological best practice for the Institute. It is aimed at creating an enhanced, more secure user experience whilst simultaneously updating and providing more efficient platforms for billing and administrative operations. This will enhance service delivery and provide an increased range of functionality and service uses across the

platforms. Archton (Pty) Ltd is managed with regular and bi-weekly feedback meetings along with the implementation and tracking of testing environments managed by the appropriate departments. The roll-out of Phase 1 by Archton (Pty) Ltd has been ongoing in the midst of continuous upgrades and operational 'fixes' that it has been tasked with as a necessary adjunct to the overhaul of the existing IMS. Staff are regularly updated on the developments and are provided with training on new systems as and when applicable.

The overseeing of information technology governance continues to vest in the board which:

- considers the efficiency of IT controls, policies, and processes to the extent that these may pose a risk to the financial reporting process, and the effectiveness of financial controls
- monitors the efforts of management to ensure that IT risks are contained and regulated to prevent damage to the Company

COMPLIANCE



The Company has complied with all legislative and regulatory requirements, which is overseen by the board. Policies and procedures are in place to monitor compliance and to mitigate risks. During the year under review, there were no material violations of any laws or regulations, nor were any material penalties or fines imposed on the Company or its directors for contraventions of any laws or regulations.

The CEO, under the guidance of the Company's executive committee is responsible for ensuring compliance with relevant legislation and regulations. The CEO and the technical adviser are responsible for continually updating the board on legislative and/or regulatory developments pertinent to the Company's activities. Because most directors are also employed in the corporate governance/company secretarial/accounting and tax consulting fields, they are regarded as being aware of relevant regulatory imperatives and requirements and, as such, regularly provide guidance to the Company. The company secretary also provides advice to the board.

REMUNERATION

14 The board should ensure that the Company remunerates fairly, responsibly, and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium, and long-term

The Company remunerates fairly and transparently. Non-executive directors of the Company are not remunerated for their services. The Company has not prepared a remuneration report due to the small size of the Company. Staff members all receive a CPI linked increase plus a zero, one or two percentage increase based on performance. A 13th cheque was paid in the year under review.

ASSURANCE

15 The board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the Company's external reports

The Company ensures adherence to its policies and procedures using sources of assurance such as management and external auditors. The board, supported by the finance and risk committee, ensures an effective control environment. The finance and risk committee assessed the adequacy and the effectiveness of controls as adequate through the confirmation of management and reports from the external auditors.

Internal control

The Company maintains systems of internal control over its operations and functions such as membership records, examination papers, examination results and the award of certificates, financial reporting, as well as the safeguarding of assets against unauthorised use or disposition. These systems are designed to provide reasonable assurance to the Company's management and the board regarding internal control, the preparation of reliable financial statements and the safeguarding of the Company's assets, including personal information.

Any identified deficiencies in the system of internal controls are corrected immediately to improve these systems. An effective internal control system can provide only reasonable, but not absolute, assurance with respect to financial statement preparation and the safeguarding of assets. Therefore, there are inherent limitations to the effectiveness of any system of internal control, including the possibility of human error and the circumvention or overriding of controls. Furthermore, effectiveness of an internal control system changes with circumstances. The finance and risk committee regularly receives reports on and reviews the effectiveness of internal controls and the exercise of delegated

authority. As part of the finance and risk committee's responsibilities an assessment of various internal control functions across the Company was carried out during the year under review and changes were implemented.

A detailed risk report outlining action taken under listed and identified risks from each department is reviewed and completed by each department. This report is presented on a quarterly basis to the Board as part of the management and overseeing of internal control over risk identification and mitigation.

External audit

It is the responsibility of the external auditor, currently Mazars, to report on whether the annual financial statements are presented in compliance with International Financial Reporting Standards (IFRS) for SMEs. The external auditor performs an assessment of internal controls as part of the audit, but the preparation of the annual financial statements remains the responsibility of the directors.

Where the external auditor is appointed for non-audit purposes, such as tax compliance services, the finance and risk committee must pre-approve these services in line with guidelines designed to ensure that the external auditor remains independent.

The finance and risk committee has the responsibility of monitoring risk, the accuracy of information within the Company, compliance with standard operating procedures, regulatory compliance by the Company and its employees, and the economic and efficient use of resources.

SOCIAL AND RELATIONSHIP CAPITAL

16 The board should adopt a stakeholder-inclusive approach that balances the needs, interests, and expectations of material stakeholders in the best interests of the Company over time

The Company has identified key stakeholders and ensures that the interests of stakeholders are considered when implementing policies and processes and when developing strategies. The board is the ultimate custodian of stakeholder relationships and has delegated to management to proactively deal with stakeholder relationships and to provide feedback where necessary.

Effective, regular, and transparent communication was maintained with all stakeholders. Communication via online platforms was strengthened.

In September a comprehensive student survey was conducted to ventilate how the Institute was perceived by a vital segment of its stakeholders, the students. This survey was conducted anonymously to allow for honest, holistic and critical feedback and valuable data was extricated from the responses. It proved valuable since it allowed for a transparent, self-effacing dive into the Institutes' operational procedures whilst allowing for collaboration from stakeholders into its projected long-term prospects. The data was collated, reported on and used to inform and improve stakeholder relations. The results were reported to the Board. The staff were comprehensively debriefed on the results. The Company is committed to timely, consistent, open, and transparent communication with all relevant stakeholders. The table below indicates the various stakeholders, engagement with them and the outcome.



STAKEHOLDER	HOW WE ENGAGE	OUTCOME
Members	Emails, electronic boardroom magazine, ezine, best practice guides, continuing professional development webinars, support from technical adviser, technical committee, Professional practice group, annual general meeting, maintenance of professional body accreditation with SAQA, annual integrated reporting awards, CGI e-community.	<ul style="list-style-type: none"> Continuous improvement in the standard of company secretarial and corporate governance practice Cultivation of a loyal membership base Reliable, accessible, and relevant information and advice available from the Company throughout the year Increased communication with members between the various international divisions through the CGI e-community, leading to increased awareness of international best practices in corporate governance
Students	Examinations, assignments, course material, pre-examination webinars, syllabuses, skills development providers, comprehensive information on website.	<ul style="list-style-type: none"> May and October online examinations were successful, and students received constant updates and assistance Maintenance of international standards of education Graduates are equipped to enter the employment market and have a sound knowledge base across different facets of the corporate governance and company secretarial fields Pre-examination webinars used as a tool to provide revision and assistance to students in preparation for the exams Comprehensive survey to gauge and pivot off student feedback to improve service and provide better value.
Business and industry	Representation on various forums such as the King committee, CIPC, SARS, RCB Forum, JSE and CGI Thought Leadership Committee.	<ul style="list-style-type: none"> Collaboration on matters that benefit business and industry Contributing to thought leadership
Board	Quarterly board meetings	<ul style="list-style-type: none"> Satisfactory disclosure to the board to enable it to fulfil its fiduciary duties
Employees	Staff meetings were held weekly. Communication is encouraged in all departments and take the form of both informal and formal interactions, and one-on-one discussions with management on matters affecting individual departments.	<ul style="list-style-type: none"> Staff are kept informed of the Company's activities Cultivation of a committed team Enhanced communication Through the consistent engagements, shared values of commitment, dedication and adherence to professional standards is encouraged
Examiners and moderators	Monitor quality of examination material Evaluation of examination papers Review of examination results Evaluation and assessing of assignments Review groups are set up prior to the examinations to assess all examination papers thoroughly Continuous training of examiners and moderators	<ul style="list-style-type: none"> Maintenance and enhancement of international standards in relation to the Company's qualification Compliance with SA regulatory requirements Improved pass rate

STAKEHOLDER	HOW WE ENGAGE	OUTCOME
Skills development providers	Ongoing interaction with the provision of support materials to ensure that the quality of tuition meets satisfactory standards. Evaluation of skills development providers	<ul style="list-style-type: none"> Students obtain the best tuition and support materials to achieve their qualifications
Government	Engage with various arms of government on legislative matters as and when necessary, from time to time.	<ul style="list-style-type: none"> The Company influences legislation and policy making which is in the best interests of its membership The Company provides input into proposed amendments considering the views of members
External consultants	Frequent meetings are held with the Company's external consultants. These consultants include IT, boardroom publisher, placements, event manager and design agency	<ul style="list-style-type: none"> Well-functioning IT system with consistent feedback on matters to be resolved, as raised by relevant management A high-quality boardroom publication published digitally four times per annum. Each issue focuses on relevant and prominent issues affecting all company secretaries and governance professionals 5 placements were secured High quality visual media is produced
Media	Advertising and editorial in numerous magazines, social media – Facebook, LinkedIn. Articles written in various publications	<ul style="list-style-type: none"> The Company's high profile is maintained A credible and visible brand is built New marketing campaigns keep the public interest The Company to be the thought leader in the corporate governance landscape
Professional bodies	Representation on various forums such as the Anti Intimidation and Ethical Practices Forum and the RCB Forum. Close cooperation with like-minded professional bodies.	<ul style="list-style-type: none"> Collaboration where our interests are aligned
Regulators and policy makers	Representation on various bodies. Cultivate relationships with key decision makers such as CIPC and SARS, Fasset, QCTO and SAQA, wherein the Institute representatives ensure the protection of the interests of its members at these meetings.	<ul style="list-style-type: none"> The Institute remains abreast of legislative and governance developments and trends The Company influences legislation and policy making in the best interests of members The Institute collaborates on group submissions to SARS and CIPC so that the best interests of the members are maintained.

HUMAN CAPITAL

Human capital refers to our staff, an intangible asset, their talent, and skills that play a vital role in creating value for all our stakeholders. The Company recognises the critical impact of human capital in key business areas such as driving stakeholder satisfaction, service innovation, growth, and overall profitability. Appointment of staff members is conducted by following a thorough recruitment process, including screening of all candidates and in-depth interviews and assessments. The Company is committed to employment equity and will continue to ensure diversity at all levels.

The Company prioritises ongoing training to facilitate continual development of staff by requiring them to attend relevant webinars at no cost. Staff are also encouraged to pursue the Institute's qualification. There is no charge for staff. Staff receive numerous benefits including, medical aid membership, and a provident fund. Due to the surplus at the end of 2022, staff were paid 13th cheques and performance increases were awarded. This was encouraging despite the prevailing financial climate and is testament to the hard work and dedication of the team.

The Institute ensured that staff well-being remained a priority and opportunities for well-being have continued in 2022 through various initiatives. The Company is committed to a safe and healthy working environment and ensures strict compliance with relevant legislation. All safety protocols as regulated by government in response to the pandemic have been enforced. Matters of employee health and safety are addressed as part of the responsibilities of management and management remains committed to the needs of the staff and strives to cater for them within the constraints of its capabilities.



Social and Ethics Committee Report 2022

The Social and Ethics Committee (the "Committee" or "SEC") was established in 2020, in accordance with Section 74(4) and Regulation 43 of the South African Companies Act 71 of 2008 (as amended). The Committee is constituted as a statutory committee of the company in respect of those statutory duties assigned to it in terms of section 72(4) of the Companies Act of 2008, as amended, (read in conjunction with Regulation 43 of the Companies Regulations, 2011), and as a committee of the Board in respect of all other duties assigned to it by the Board.

The SEC has a reporting and monitoring role. In terms of its statutory mandate, it focuses on the following areas:

Activities undertaken in 2022:

The SEC had three meetings in 2022. The Committee's primary focus areas were Good Corporate Citizenship and Consumer Relations.

Good Corporate Citizenship

The Committee believed it was important to examine any implications of the reports of the Zondo commission for company secretaries, in light of the responsibility of the Institute to support and guide its members. The Committee advised that members may face difficult circumstances at work, such as pressure to conform or resistance to advice on good corporate governance, which

could hamper their effectiveness in upholding best practice principles of corporate governance. In such circumstances, company secretaries were an important line of defence against corruption in the private and public sectors.

The Institute should continue to provide guidance to members in the form of the Best Practice Guide as well as separate mailers, and it should motivate students and members to stick to its guidelines. The Institute should also remain mindful of its responsibility to discipline any members who were implicated in the Zondo Commission reports. The Committee advised that, given the widespread scope of corruption in Southern Africa, the Institute should amplify its voice as a thought leader in the governance space, which item was actioned in the Conference held later in 2022, as well as in the continued provision of information and technical advice to members.

In addition, the Committee recommended changes to the Terms of Reference which were approved by the Board.

Consumer Relations

The Committee believed it was necessary to conduct empirical research to ascertain whether the Institute was adequately meeting the needs of students. The Committee recommended that a student survey should be conducted to ascertain whether students were receiving substantial benefit from the Institute, and whether the Institute was adequately meeting their needs.

The purpose of the survey was to inquire whether the Institute sufficiently engaged the students; provided information that was useful to them; and whether there was demonstrable commitment to student development. It also gathered data on whether information about study materials, examination preparation and examinations was being distributed in a user-friendly manner. It enquired whether students believed there was

sufficient support available to them and whether the Institute's marketing was effective.

The survey was partly necessitated by changes resulting from the pandemic, such as the online examination process, the use of cameras during examinations and submitting assignments online. Another driver was loadshedding, as the Institute needed to gather data on how students were experiencing connectivity problems.

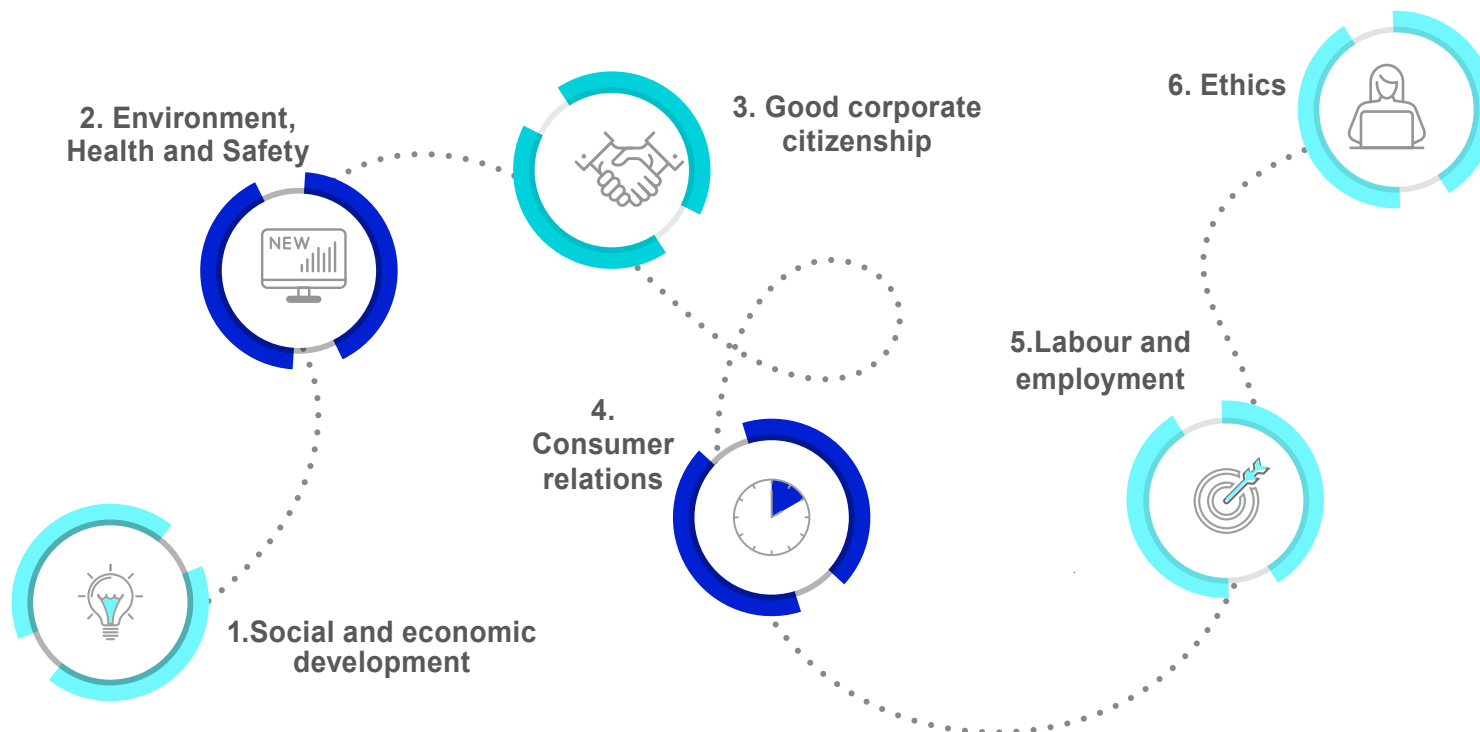
The Committee exercised oversight by reviewing the draft survey. The survey was anonymous and qualitative in nature, containing detailed questions on inter alia the following topics: biographical; communication; registration; content; marketing; online exams; skills development providers and textbooks.

The survey was conducted in September 2022. It provided valuable objective data on the Institute's operational procedures whilst allowing for collaboration from stakeholders into its projected long-term prospects. The data was collated, reported on and used to inform and improve stakeholder relations. The results were reported to the Board and staff were comprehensively debriefed on the results.

Future actions to be undertaken:

The Committee will continue to focus on the responsibilities under its mandate and maintain their monitoring and reporting role in the Institute. Given the current emphasis on ESG, especially on the environment, the Committee's focus in 2023 will be on the environment.


Sandile Mkhama
Chairperson



Summary Financial Information

Statement of Comprehensive Income

for the year ended 31 December 2022

	2022 R	2021 R
Revenue	19 107 107	18 176 189
Other income	112 497	791 976
Administrative expenses	(1 692 081)	(1 235 962)
Other expenses	(15 512 704)	(13 779 407)
Other gains and (losses)	929	10 107
Surplus / (deficit) from operating activities	2 015 748	3 962 903
Finance income	607 188	353 222
Finance costs	(44 763)	(58 492)
Total comprehensive surplus / (deficit) for the year	2 578 173	4 257 633

The annual financial statements are available on the Company's website <http://www.chartgov.co.za/> and have been prepared by Jennifer Maybery, ACG (Acc), Financial Manager.

Statement of Financial Position - Assets

for the year ended 31 December 2022

	2022 R	2021 R
ASSETS		
Non-current assets		
Property, plant and equipment	58 538	77 805
Intangible assets	295 580	41 112
Total non-current assets	<u>354 118</u>	<u>118 917</u>
Current assets		
Inventories	21 782	45 561
Trade and other receivables	1 301	98 526
Loans receivable	4 436	11 975
Cash and cash equivalents	11 818 474	8 484 692
Total current assets	<u>11 845 993</u>	<u>8 640 754</u>
Total Assets	<u>12 200 111</u>	<u>8 759 671</u>

Statement of Financial Position - Equity and Liabilities

for the year ended 31 December 2022

EQUITY AND LIABILITIES		
Equity		
Retained surplus	8 679 773	6 101 600
Total equity	<u>8 679 773</u>	<u>6 101 600</u>
Liabilities		
Current liabilities		
Trade and other payables	3 482 693	2 594 376
Operating lease liability	37 645	63 695
Total current liabilities	<u>3 520 338</u>	<u>2 658 071</u>
Total Liabilities	<u>3 520 338</u>	<u>2 658 071</u>
Total Equity and Liabilities	<u>12 200 111</u>	<u>8 759 671</u>

Statement of Changes in Equity

for the year ended 31 December 2022

	Post- retirement medical aid reserve R	Retained Surplus R	Total R
Balance at 01 January 2021	302 000	1 541 967	1 843 967
Changes in equity			
Surplus for the year	-	4 257 633	4 257 633
Total comprehensive surplus / (deficit) for the year	-	4 257 633	4 257 633
Transfer to Retained Surplus	(302 000)	302 000	-
Balance at 31 December 2021	-	6 101 600	6 101 600
Balance at 01 January 2022	-	6 101 600	6 101 600
Changes in equity			
Total comprehensive surplus / (deficit) for the year	-	2 578 173	2 578 173
Balance at 31 December 2022	-	8 679 773	8 679 773

Statement of Cash Flows

for the year ended 31 December 2022

	2022 R	2021 R
Net cash flows from operations	3 100 294	2 555 376
Finance income	(44 763)	(58 492)
Finance costs	607 188	353 222
Net cash flows from operating activities	3 662 719	2 850 106
Cash flows used in investing activities		
Purchase of property, plant and equipment	(35 706)	(4 729)
Purchase of Intangible assets	(300 770)	-
Cash flows used in investing activities	(336 476)	(4 729)
Cash flows from financing activities		
Loans (repaid) / raised	7 539	20 729
Cash flows from financing activities	7 539	20 729
Net increase/(decrease) in cash and cash equivalents	3 333 782	2 866 106
Cash and cash equivalents at beginning of the year	8 484 692	5 618 586
Cash and cash equivalents at end of the year	11 818 474	8 484 692



2022

110  **YEARS**

Chartered Governance Institute
of Southern Africa

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