

2021 Policy wins and advocacy highlights

The Policy Team maintained its response to the policy implications of the COVID-19 pandemic through its work on AGMs, electronic execution of documents and communication with shareholders and changing governance practices. At the same time, we continued our core work, drafting 25 submissions to regulators, government and industry, creating useful guidance for practitioners, partnering with national and international stakeholders, and attending and presenting at key events. Our four policy committees and their working groups continue to underpin this work.

Objective 1: Australia's governance environment enables sustainable, purposeful organisations that are both profitable and internationally competitive

Equipping governance and risk management professionals to respond to the COVID-19 pandemic

- In a second COVID year the Policy Team worked with members, ASIC, Treasury and other stakeholders to assist companies to hold AGMs, lodge and execute documents and communicate with their members as requirements changed over the course of the year.
- At our February 2021 Chatham House industry roundtable key stakeholders, including members in the listed, unlisted and NFP sectors, and stakeholders who had raised issues with virtual meetings discussed ways of working with industry to achieve a consensus that aligns with members' views.
- As a priority, we lobbied strongly for companies to have the ability to hold AGMs using technology and to communicate with shareholders and execute documents electronically permanently. While disappointed these reforms did not pass on the final sitting day of 2021, we welcomed the passage of the legislation in early 2022.
- We provided member updates and updated our joint guidance notes for members with Australasian Investor Relations Association, the Australian Institute of Company Directors (AICD) and the Business Law Section of the Law Council of Australia in April and September 2021 to assist companies to respond to the changing requirements.

Advocating for fit for purpose business infrastructure

- Our participation in the Modernising Business Registers Advisory Group continued into its third year. To assist with the roll out of Director IDs from 1 November 2021 we collaborated with the ATO on member communications.

Reducing complexity and red tape

- Our CEO continued her membership of the Modernising Business Communications Expert Panel and we made three submissions to Treasury and the Deregulation Task Force in the Department of Prime Minister and Cabinet on improving the technology neutrality of Treasury Portfolio laws and finding common pathways for digital execution of statutory declarations and deeds.

#fixFundraising

- As a member of the #FixFundraising coalition we advocated for reform of the laws applying to charitable and NFP fundraising activities, even more pressing given the heightened strain on the sector in a second pandemic year. In December 2021 it was announced that federal, state and territory governments had agreed to establish a cross-border recognition model to harmonise charitable fundraising laws.

Trusted public institutions

- Our submission on the Commonwealth Integrity Commission draft legislation welcomed the first direct steps to establish a national anti-corruption body to promote transparency, accountability and integrity in the public sector, but noted flaws that risk reducing the Commission's effectiveness in combatting corruption. We urged Government to ensure it has sufficient scope, jurisdiction, powers and resources to fulfil its purpose.
- We made a submission to the Australian Human Rights Commission's Inquiry into Commonwealth Parliamentary workplaces prompted by allegations of sexual harassment and assault and other related issues. We also made a joint submission with AICD on the Sex Discrimination and Fair Work (Respect at Work) Bill 2021.

Board diversity

- We contributed the Australian chapter to Corporate Governance International's [Women in the boardroom: International Governance Stocktake](#).

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Objective 2: Australia's regulatory framework is clear, certain, coherent and fit-for-purpose

Climate change risk disclosure

- Building on our 2021 climate change risk disclosure guidance and following member consultation, Governance Institute's board approved participation in the ANZ Chapter of the [Professional Bodies Climate Action Charter](#) in December 2021. The Board also approved Governance Institute's policy position on climate change and net zero.

CHES Replacement

- We maintained our positive engagement with ASX on the roll out of the CHES Replacement Project. ASX announced the implementation of one our long-standing 'asks', electronic CHES statements in December 2021. Electronic statements will reduce costs and increase efficiency.

ACNC Governance Standard 3

- Our submission on the Government's proposal to expand the scope of ACNC Governance Standard 3 noted members' continuing reservations about the proposals. The Senate Standing Committee for the Scrutiny of Delegated Legislation had formally recommended disallowance of the instrument due to concerns with the conferral of broad discretionary powers under the Regulations and the potential impacts on implied freedom of political communication. The Senate agreed to disallow the regulation in November 2021.

Cyber security

- We engaged in an important Department of Home Affairs consultation with potentially wide-reaching implications for Australian companies' cyber security practices. The Department proposed a number of security initiatives in response to rising threat levels, including a voluntary or mandatory cyber security governance standard. While, in principle supportive, of a voluntary, not mandatory, governance standard for large businesses if well-designed and well-targeted and fit for purpose, we noted many entities are already heavily regulated in this area.

Objective 3: To ensure the competence and professionalism of Australian governance and risk professionals

Empowering governance and risk professionals with skills and knowledge

- Our program of Thought Leadership continued in 2021 on a range of topics — governance during the pandemic and virtual AGMs. These initiatives were promoted in a variety of ways including newsletter articles, social media posts, webcasts, roundtables and podcasts.
- We issued substantially enhanced Guidance on board papers accompanied by a sample board paper.
- We released four new technology related Good Governance Guides in collaboration with our Risk and Technology policy committee and its working groups.
- The policy team continues to provide assistance with members' technical queries.
- Addition of several documents to the [Donated Member Documents](#) service.