



KENNA GOVERNANCE INSIGHT

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Editor's Note



Corporate governance in Nigeria has undergone significant transformation over the past decade. This change is evident in how board leaders approach governance, shifting from compliance-driven frameworks to purpose-led strategies.

This shift reflects a convergence of two main factors: heightened regulatory scrutiny that demands transparency and accountability, and a broader awakening among board leaders to the realisation that a company's vision must reach beyond profit margins to embrace purpose, accountability and sustainable impact which has resulted in a governance rebirth that is reshaping boardrooms across the nation.

The KENNA Governance Insight is designed to highlight key developments reshaping governance frameworks in Nigeria and beyond. From legislative reforms and regulatory enforcement to thought pieces, policy discourse, and boardroom evolution, KENNA Governance Insight is your strategic compass that keeps you informed, engaged, and aligned with global best practices.

We will explore the forces shaping the governance agenda through carefully curated insights and expert commentaries. Whether it is emerging trends or regulatory sanctions, KENNA Governance Insight is your window into the principles, challenges, and progress defining modern corporate stewardship.

Abasiemediong Etuk, MCArb
KENNA, Governance and Compliance

Featured Events

Executive Session on Governance 2025

On May 21, 2025, the KENNA 'Corporate Governance & Regulatory Compliance' Unit hosted an executive session on governance themed “Harmonising Oversight and Execution for Stronger Board-Management Relations”. The session, which was held at Black Diamond Hotel in Lagos, convened high-level stakeholders— including board leaders, company secretaries, executive managers, and regulators.

In his address, special guest, Dr Emomotimi Agama, Director General of the Securities and Exchange Commission, emphasised the importance of open communication, trust, respect, accountability, clear role delineation, and active engagement with management. Dr Agama noted that oversight is not about checking boxes; instead, it should be strategically focused on risk management, compliance, and performance monitoring. To strengthen board-management relations, he recommended the establishment of a clear boundary between guiding and instructing, the development of well-defined escalation protocols, continuous chair-CEO communication, company secretary empowerment, among others.

The event provided practical insights and clarity on regulatory expectations.



Professor Fabian Ajogwu. OFR, SAN *presents Reflections on Corporate Governance*

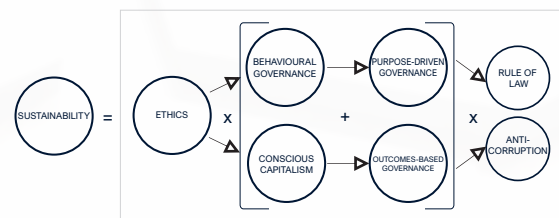
At the public lecture held on March 21, 2025, and themed 'Balancing Power, Profit and Purpose', Prof. Ajogwu, SAN, presented his latest book, 'Reflections on Corporate Governance'. The book review was conducted by the former Vice Chancellor of the Pan-Atlantic University and Professor of Professional Ethics, Juan Elegido, who commended the holistic nature of the Reflections on Corporate Governance by Prof Ajogwu, SAN.

To know more about the book and for purchase enquiries, contact:
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Professor Fabian Ajogwu OFR, SAN, *unveils new Corporate Governance Model*

The foremost Professor of corporate governance unveiled the new AFG corporate governance model on March 21, 2025. This model integrates ethics, behavioural governance, conscious capitalism, and purpose-driven governance for sustainable outcomes.



Core Components of the AFG Model





Governance in Focus

by Abasiemediong Etuk

More than Policies: Doing Right and Leading Right

The determination of what is right or wrong is universal and not subject to cultural and individual relativism, and thus, the test cannot be subjective. It can be argued that what is considered ethical is a product of an individual's moral perspective. However, the growing focus on the need to ensure that the sustainability of an organisation goes beyond its profit margin has highlighted that irrespective of our relative perception of morality and ethics, failure to adopt appropriate business ethics in undertaking economic activities will not serve the interest of all stakeholders.¹

A company is the most significant nucleus of modern economic activity. While the ultimate objective is sustainable growth, reflected in profitability, these entities are responsible for pursuing and achieving this objective ethically. This responsibility demands a moral commitment driven by the board of directors, which is responsible for the ethical and integrity standards that underpin how the company conducts its business.²

Therefore, business ethics includes a company's values, its culture as a business, and what matters to it as an organisational entity. Business ethics is a critical area for companies to prioritise as investors observe how they carry on their business and treat their people. The people component, which is also essential to good corporate governance, involves creating an enabling environment for learning and the development of the skills and capacities of employees alongside considerations of staff empowerment.

The NCCG addresses the role of the board concerning ethics in two parts. On the one hand, it deals with business conduct and ethics. On the other hand, it deals with ethical culture. Under business conduct and ethics, it sets out specific standards and recommends practices on business conduct and ethics, while aligning the role of the board in establishing good professional ethics. In doing this, the Code notes, *"the establishment of*

1 Bisi A., *The Nigerian Code of Corporate Governance : Principle 24 – Business Conduct and Ethics* (2019) <https://businessday.ng/columnist/article/the-nigerian-code-of-corporate-governance-principle-24-business-conduct-and-ethics/>

2 *Ibid*

*professional business and ethical standards underscores the values for the protection and enhancement of the Company's reputation while promoting good conduct and investor confidence."*³

In defining the board's role in ensuring good business conduct and ethics, the NCCG recommends that the board utilise a top-down commitment to professional business and ethical standards by formulating and periodically reviewing the Code of Business Conduct and Ethics (COBEC).⁴ It also vests responsibility on the board in monitoring adherence to the COBEC to ensure that breaches are effectively sanctioned. This may be delegated to the committee responsible for nomination and governance.⁵

Typically, COBEC seeks to promote a culture of ethics and compliance within the organisation and defines how the company conducts its business, in line with its core values. Whereas "engaging in business" speaks to activity, "business conduct" refers to the method by which such business should be conducted, and "ethics" refers to the principles and standards that guide the organisation's business practices. It is worth noting that while providing management with the flexibility to take on various business opportunities, defining good professional business and ethical standards builds and safeguards corporate reputation and instills investor confidence. The COBEC is expected to remind directors that while acting in their official capacity and exercising the powers attached to their office, they owe a fiduciary duty to the company and, as such, must conduct a diligent analysis of all proposals before the board.⁶

The board of directors should be guided on the appropriate use of confidential information and not take advantage of their position for personal gain or competition with the company. In formulating a COBEC:

- a. The board should ensure that the COBEC highlights the importance of reporting unlawful and unethical behaviour and protecting those who report violations in good faith.⁷
- b. The board should also ensure that the COBEC is sufficiently detailed

3 Part D, Principle 24, NCCG 2018

4 *Ibid*

5 *Ibid*

6 *Ibid*

7 *Ibid*

- to provide clarity for its users and must be formally communicated to all internal and external stakeholders.
- c. The board should ensure a framework is put in place for a regular review of the COBEC to incorporate new principles and remove obsolete ones to be practical and relevant.

Under ethical culture, the NCCG recommends that there should be an *"establishment of policies and mechanisms for monitoring insider trading, related party transactions, conflict of interest and other corrupt activities mitigate the adverse effects of these abuses on the company and promote good ethical conduct and investor confidence."*⁸ To this end, the board should establish policies on insider trading, related party transactions, and conflicts of interest.⁹

These policies could contain the following salient points:

- a. Insiders are precluded from buying and selling any security in breach of their fiduciary duty and other relationship of trust and confidence while possessing material, privileged, non-public, and price-sensitive information about the company;¹⁰
- b. Insiders are precluded from engaging in unlawful or improper transfers of assets and profits out of companies for their benefit or for the use of those who control the companies;¹¹ and
- c. A disclosure of all transactions between related parties, whether natural persons or corporate bodies, including whether such trades have been executed at arm's length and on regular market terms. This disclosure should be made before the conclusion of the transaction if it exceeds the disclosure threshold determined by the Board.¹²

An organisation's policy on conflict of interest must be communicated, supported, and monitored by the board to provide reasonable assurance to all stakeholders that all potential conflict of interest situations will be disclosed.¹³ Noting the eventuality of conflict of interest, the NCCG enunciates the board's role in dealing with such circumstances. It states that if any question arises before the board regarding a real or perceived

8 Principle 25, NCCG 2018

9 *Ibid*

10 *Ibid*

11 *Ibid*

12 *Ibid*

13 *Ibid*

conflict, the Board should by a simple majority determine if a conflict exists. The Director or Directors, potentially in a conflict-of-interest situation, should not be present during any discussion and voting.¹⁴ Furthermore, the board should record in the minutes of the meeting any disclosure by a director of a real, potential, or perceived conflict of interest or a decision by the board as to whether or not a conflict of interest exists. Companies are reminded of the importance of doing business right and the need to lead the business right to ensure sustainability.

Conclusion

The importance of good business ethics within an organisation cannot be overemphasised. Boards have a responsibility to prioritise ethical practices alongside financial performance. By aligning business ethics with organisational culture and values, companies can achieve sustainable growth that benefits not only their bottom line but also their employees and the wider community. This commitment to ethical leadership will ultimately promote a more resilient and responsible business environment.

¹⁴ *Ibid*



Regulatory & Compliance Developments in Nigeria

by **Busayo** Nsikak-Inyang

1. ***Issuance of NDPA General Application and Implementation Directive (GAID):*** The Nigeria Data Protection Commission (NDPC) issued the NDPA General Application and Implementation Directive (GAID) in March 2025, which serves as a guide in the implementation of the Nigerian Data Protection Act (NDPA). This replaces the erstwhile Nigerian Data Protection Regulations (NDPR) 2019. Under the GAID, all data controllers/ processors designated as major controllers, regardless of the number of data subjects, are required to file Compliance Audit Returns with the NDPC. The GAID is to take effect in September 2025.
2. ***Diversity, Equity, and Inclusion (DEI) promotion in line with the NCCG, 2018: Oando PLC appointed Ms Ayotola Jagun as its Group Executive Director effective May 20, 2025.*** This makes her one of the three women that currently sit on the board of Oando and an indication that more public companies are promoting Diversity, Equity and Inclusion by appointing more women to their boards.

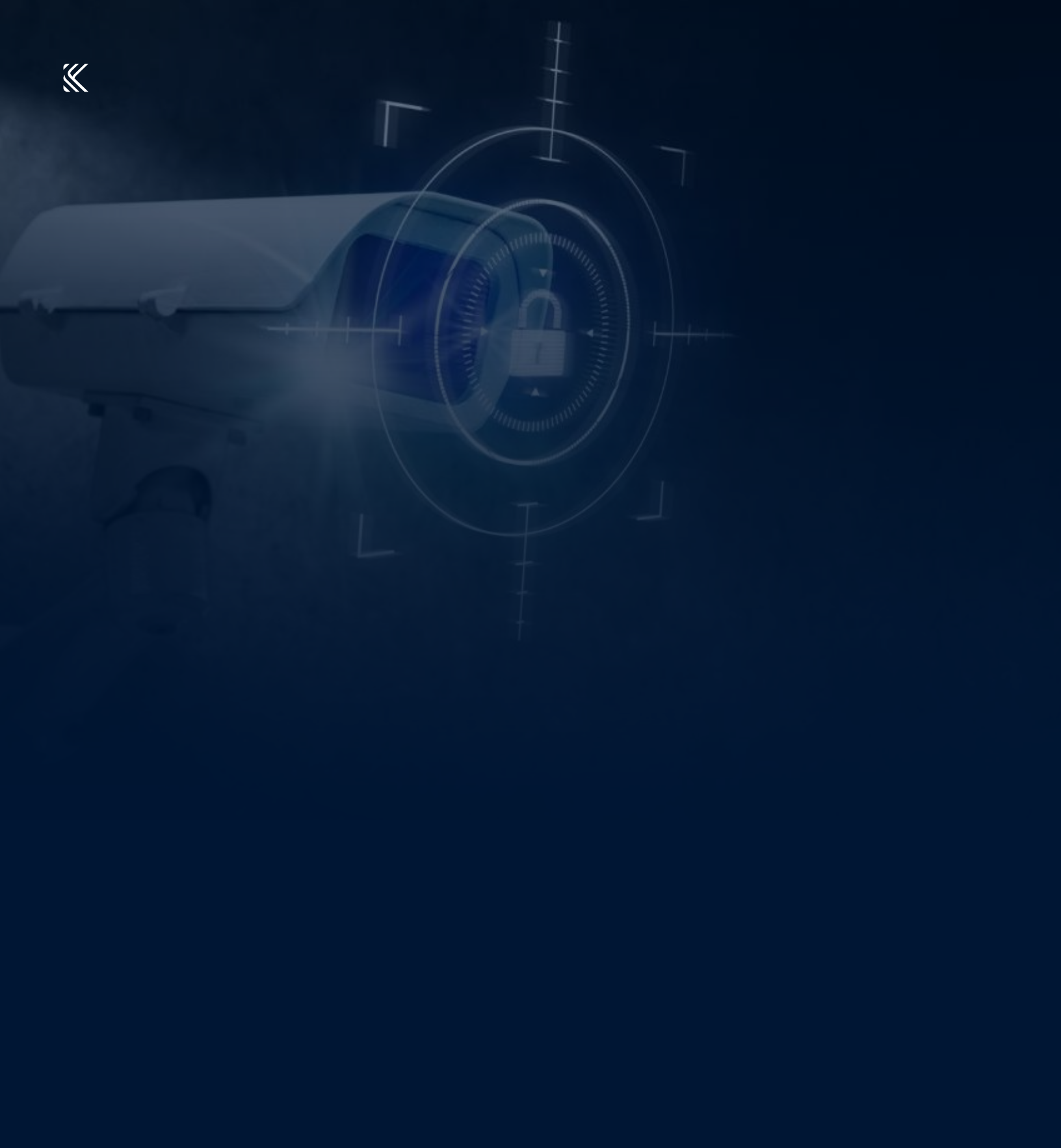
In addition, following the restructuring of the Board of the Nigerian National Petroleum Company (NNPC) Limited, Mrs Lydia Shehu Jafiya (permanent secretary of the Federal Ministry of Finance) has been appointed to represent the Ministry on the Board. Mrs Adesua Dozie has also been appointed General Counsel/ Secretary to the NNPC Board. This is a further step in enhancing gender diversity in government entities, in line with the provisions of the NCCG 2018 and good corporate governance practice, which recommends diversity on boards for effective corporate governance.

3. ***The Roadmap Report for the Adoption of the IFRS Sustainability Disclosure Standards in Nigeria:***¹⁵ The Financial Reporting Council of Nigeria released the 'Roadmap Report for the Adoption of IFRS Sustainability Disclosure Standards in Nigeria'. This report marks a significant step towards promoting sustainability and enhancing corporate reporting practices in the country. The Report outlines the necessary steps and guidelines for adopting the 'International Financial Reporting

15 [https://frcnigeria.gov.ng/2024/04/22/frc-releases-roadmap-report-for-adoption-of-ifrs-sustainability-disclosure-standards-in-nigeria/#:~:text=The%20Financial%20Reporting%20Council%20of,%2C%20Assurance%20Providers%20amongst%20others.&text=The%20Financial%20Reporting%20Council%20\(FRC,of%20Industry%2C%20Trade%20and%20Investment](https://frcnigeria.gov.ng/2024/04/22/frc-releases-roadmap-report-for-adoption-of-ifrs-sustainability-disclosure-standards-in-nigeria/#:~:text=The%20Financial%20Reporting%20Council%20of,%2C%20Assurance%20Providers%20amongst%20others.&text=The%20Financial%20Reporting%20Council%20(FRC,of%20Industry%2C%20Trade%20and%20Investment)

Standards (IFRS) Sustainability Disclosure Standards' in Nigeria. These standards, developed by the International Sustainability Standards Board (ISSB), aim to provide a comprehensive framework for organisations to disclose their sustainability-related information. The Roadmap Report was developed by the Adoption Readiness Working Group (ARWG), comprising Industry regulators, donor agencies, preparers (private organisations), professional accounting organisations (PAOs), assurance providers, amongst others. Voluntary adoption of the IFRS Sustainability Disclosure standards in Nigeria commenced in 2024, with mandatory adoption for public interest entities set to commence in 2028.

4. ***FRCN Engagement with the National Judicial Council on the Draft Nigerian Public Sector Governance Code:*** In May 2025, the FRCN led by the Executive Secretary and Chief Executive Officer formally introduced the 'Draft Nigeria Public Sector Governance Code' during a strategic engagement with the National Judicial Council. Key highlights of the Code were presented to the Council and a call for active collaboration to drive the adoption at both the federal and state levels. The Public Sector Governance Code is said to be unveiled in the fourth quarter of 2025, following further consultations with relevant stakeholders.



Enforcement Watch

by Chiamaka Anakua

1. *FingerTango Inc. Sanctioned for Post-IPO Fund Misuse and Governance Lapses*

Date: 16 January 2025

Regulator: Hong Kong Stock Exchange (HKEX)

Entity: FingerTango Inc. (Stock Code: 6860)

FingerTango and eight former directors were sanctioned by the Stock Exchange of Hong Kong (SEHK) on January 16, 2025. The sanctions were related to misconduct and breach of duty concerning the misuse of listing proceeds after the company went public in 2018. They were sanctioned for significant corporate governance failures, including unauthorised use of HK\$450 million in IPO proceeds and high-risk lending without board oversight, in breach of multiple Hong Kong Listing Rules and Corporate Governance Code provisions.¹⁶

What Went Wrong?

Sanctions Imposed

a. *Misuse of IPO Proceeds*

Within two business days of listing, FingerTango diverted nearly half of its net IPO proceeds (precisely 46%) into unapproved, unlisted investment products, contrary to its stated prospectus commitments, without disclosure or compliance adviser consultation.¹⁷

b. *High-Risk, Unregulated Lending*

Between 2018 and 2021, the company expanded its loan portfolio by over tenfold, issuing RMB426.5 million in unsecured loans, with near-total impairments: no due diligence, no lending framework, and no board approval for most of the transactions.¹⁸

c. *Board Oversight Deficiencies*

The board remained uninformed about key decisions, including the risky loans and defaulting counterparties. There was no formal reporting mechanism, lending policy, monthly management updates, or appropriate risk controls or internal control mechanisms in place.¹⁹

a. Censure of FingerTango Inc.

b. Unsuitability Statements, Censures, and Criticisms against the eight (8) directors (including former CEO Liu Jie and former CFO Liu Zhanxi)

c. Mandatory 18-hour regulatory training for some of the directors

d. Delisting warning issued if certain directors remain in control

e. Rule 3.09C of the HKEX Listing Rules was also triggered. Several directors refused to cooperate with HKEX investigations, prompting stronger sanctions and internal controls

¹⁶ The Stock Exchange of Hong Kong Limited, *Statement of Disciplinary Action: Exchange's Disciplinary Action against FingerTango Inc. (Stock Code: 6860) and Eight Former Directors* (Hong Kong, 16 January 2025) <https://www.hkex.com.hk/-/media/HKEX-Market/Listing/Rules-and-Guidance/Disciplinary-and-Enforcement/Disciplinary-Sanctions/2025/250116_SoDA.pdf> accessed 20 June 2025

¹⁷ Breach of the following – HKEX Rule 11.07 and Rule 2.13(2) (*misleading information and omissions in prospectus and corporate disclosures*); Rule 3A.23(3) (failure to consult the compliance adviser on a material change in the use of proceeds); Appendix 16, Paragraph 11(8) of the Listing Rules (*failure to disclose deviation in use of proceeds in interim/annual reports*); GL86-16 & GL98-18 (of the then-applicable Guidance Letters) (failure to disclose price-sensitive changes in use of funds)

¹⁸ Breach of Rules 14.22, 14.23 & 14.34 (*failure to aggregate and announce disclosable transactions*); Code Provisions C.2.1 and C.2.3 (*failure to establish and review risk management and internal control systems*)

¹⁹ Breach of Rule 3.08(f) (*directors' duty of skill, care, and diligence*); Rule 3.09B(2) (*directors' failure to ensure compliance with Listing Rules*) Rule 3.16 and Rule 13.04 (directors are collectively and individually accountable for compliance); Code Provision C.1.2 (breach of monthly reporting obligations to the board) Rule 3.20 (failure to update contact details during and after directorship)

Lessons Learned

The case showed several governance issues, including failure to use listing proceeds as disclosed, lack of board visibility on material activities, and non-cooperation with regulators, which attracted severe penalties.

There is a need for the following:

- a. Strict adherence to prospectus commitments and deviations require timely announcements and external consultations.
- b. Consistent board-level engagement
- c. Frequent operational updates
- d. Active risk monitoring
- e. Maintain engagement with regulators and seek their advice on protocols for material changes.
- f. Ensuring board visibility, formal policies, and internal controls

2. *Centurion Registrars & Mainland Trust Sanctioned for Persistent Non-Compliance and Governance Failures*

Date: 14 March 2025

Regulator: Securities and Exchange Commission (SEC), Nigeria

Entities: Centurion Registrars Limited and Mainland Trust Limited

The Securities and Exchange Commission (SEC) took firm enforcement actions against two capital market operators for sustained governance breaches and non-compliance with regulatory directives. These measures included cancelling Mainland Trust Limited's registration and suspending Centurion Registrars Limited, along with its directors and sponsored individuals, from all capital market activities.²⁰

The decisions were made under *Section 38(4) & (5) of the Investments and Securities Act (ISA), 2007, and Rule 34(1)(e) of the SEC Consolidated Rules and Regulations, 2013*, citing failure to comply with directives and the non-resolution of investor complaints.

What Went Wrong?

a. *Persistent Non-Compliance with Regulatory Directives*

Both firms were issued directives to address multiple compliance failings and resolve client grievances but failed to take corrective actions despite regulatory engagement. This constituted a clear breach of their obligations as capital market operators.

b. *Unresolved Investor Complaints*

Multiple client complaints against both entities remained unresolved over extended periods, raising red flags around internal controls, transparency, and investor protection.

c. *Failure of Corporate Governance Systems*

There were significant lapses in board oversight, compliance management, and internal control mechanisms.

Sanctions Imposed

a. ***Cancellation of Registration:*** Mainland Trust Limited was permanently removed from the SEC register as a capital market operator.

b. ***Suspension of Operations:*** Centurion Registrars Limited was barred from all capital market activities, alongside its directors and sponsored individuals.

c. ***Industry-Wide Blacklisting:*** The SEC directed the Nigerian Exchange Group (NGX), Institute of Capital Market Registrars (ICMR), Chartered Institute of Stockbrokers (CIS), Central Securities Clearing System (CSCS) Plc, and all capital market trade associations to cease all dealings with the affected firms and their officers.

d. ***Client Transition Protocol:*** Clients of both firms were instructed to transfer their portfolios to compliant entities – Africa Prudential Plc (Centurion) and CSCS Plc (Mainland Trust).

²⁰ The Securities and Exchange Commission, Nigeria, 'Notice of Cancellation of Registration of Mainland Trust Limited' (Public Notice, 14 March 2025) <<https://sec.gov.ng/notice-of-cancellation-of-registration-of-mainland-trust-limited/>> accessed 21 June 2025; The Securities and Exchange Commission, Nigeria, 'Notice of Suspension of Centurion Registrars Limited, Its Directors and Sponsored Individuals from Capital Market Activities' (Public Notice, 14 March 2025) <<https://sec.gov.ng/notice-of-suspension-of-centurion-registrars-limited-its-directors-and-sponsored-individuals-from-capital-market-activities/>> accessed 21 June 2025



Lessons Learned

- a. Investor complaints must be promptly resolved; inaction can trigger license suspension or cancellation.
- b. Operators must implement strong governance mechanisms, including compliance, internal control mechanisms, risk management, and internal redress mechanisms.
- c. Directors remain accountable and may face personal sanctions alongside institutional penalties.
- d. Regulators will exercise full statutory powers, including blacklisting and public sanctions, to protect market integrity.



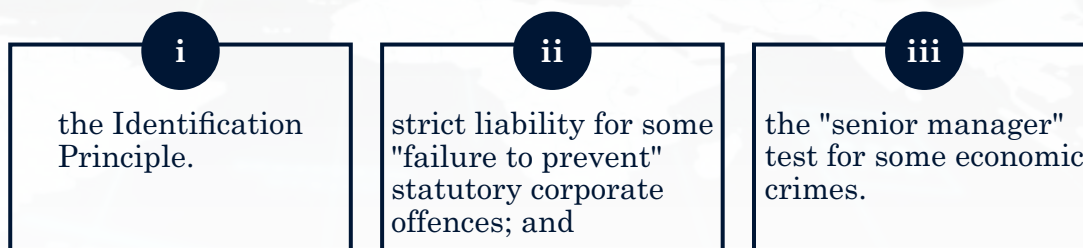
Global Governance Highlights

by **Jessica Obodo-Elue**

1. UK Expands Corporate Criminal Liability:²¹

In 2023, the UK passed the ECCTA, which, in addition to the new failure to prevent fraud offence, extended criminal responsibility for corporate organisations under a new "senior manager regime" (not to be confused with the Senior Manager Regime (SRM) for financial sector regulated businesses). The new 'Crime and Policing Bill', currently at Committee stage in the House of Commons, expands the senior manager regime described above to cover all criminal offences, not just the listed economic offences in the ECCTA.

If passed, this will materially expand corporate criminal liability, making companies effectively vicariously liable for the conduct of their "senior" employees. The "Senior Manager" test in the 'Crime and Policing Bill' is identical to that in ECCTA. Currently, there are three broad doctrines under which corporate persons may be liable for criminal conduct in the UK:



Nigerian companies with UK-linked operations must re-evaluate their compliance program by conducting comprehensive fraud risk assessments, particularly in respect to their UK-facing operations, and update their compliance programs accordingly. This includes reinforcing anti-fraud policies, enhancing employee and third-party training, improving governance oversight, and implementing robust third-party due diligence and monitoring systems. The goal is to ensure that all preventive measures are documented and operational, thereby meeting the UK standard for "reasonable procedures" and protecting the organization from potential criminal liability.

²¹ <https://www.reuters.com/legal/legalindustry/extension-corporate-criminal-liability-united-kingdom-2025-05-28/>

2. Hong Kong Stock Exchange to Enforce Comprehensive Corporate Governance Reforms from July 2025.²²

The Hong Kong Stock Exchange (HKEX) is set to introduce comprehensive reforms to its Corporate Governance Code and Listing Rules effective from July 1, 2025, marking a significant step towards its commitment to align with global governance standards. The proposed changes are designed to enhance board independence, transparency, effectiveness, and diversity across listed companies. Key reforms include the mandatory appointment of a Lead Independent Non-Executive Director (Lead INED) for companies without an independent board chair, a cap on over boarding limiting Independent Non-Executive Directors (INEDs) to six listed directorships, and a nine-year tenure limit for INEDs, followed by a cooling-off period to preserve board objectivity.²³

In support of greater transparency and board accountability, the reforms also introduce biennial board evaluations and require the publication of a board skills matrix. All directors must also participate in ongoing professional development. Gender diversity has been given heightened attention, with companies now required to include at least one woman on their nomination committees and to disclose gender ratios within senior management. These measures aim to strengthen inclusive leadership and ensure boards reflect a broader range of perspectives and skills.²⁴

The revised framework also places a renewed focus on internal controls, risk management, and clarity in dividend policies. To ease the transition, the Hong Kong Stock Exchange noted that it will implement the reforms in phases, including a three-year adjustment period for the directorship cap and a six-year phase-in for the tenure limit of Independent Non-Executive Directors (INEDs).²⁵

Overall, these updates reinforce the Hong Kong Stock Exchange's commitment to modern, transparent, and resilient governance frameworks that support long-term value creation and investor confidence.

22 Thao Leo, "Hong Kong Corporate Governance Enhancements and 2025 Proxy Season Outlook", (Glass Lewis, February 25, 2025) < <https://www.glasslewis.com/hong-kong-corproate-governance-enhancements-and-2025-proxy-season-outlook> > Accessed June 21, 2025.

23 Frank Bi and Li Jang, "Are you Ready? Upcoming changes to the Hong Kong Corporate Governance Code" (Lexology, June 4 2025) < <https://www.lexology.com/library/detail.aspx?g=3cb14239-6e4c-45f4-8e44-0a545afb8c01> > accessed June 21, 2025.

24 Ibid.

25 David Cheng, Vincent Chan, Phillip Cui and Kevin Wu, "Raising the Bar for Corporate Governance: The Implications of HKEX's Proposed Amendments to the Corporate Governance Code" < <https://www.twobirds.com/en/insights/2025/china/raising-the-bar-for-corporate-governance> > (Bird & Bird, January 14, 2025) accessed July 14, 2025.

3. United Arab Emirates (UAE) mandates Boardroom diversity for Private Joint Stock Companies.²⁶

The United Arab Emirates (UAE) Ministry of Economy, through Ministerial Decision No. 137 of 2024, has mandated that all private joint-stock companies appoint at least one woman to their boards of directors following the expiration of their current board's term.²⁷

This mandate took effect on January 1, 2025. This progressive move builds on the 2021 directive that applied to public companies and represents a strategic push to embed gender diversity into corporate leadership across both public and private sectors. By extending this obligation, the United Arab Emirates reinforces its commitment to inclusive governance, recognising that diverse boards contribute to more effective decision-making, improved oversight, and stronger institutional resilience.

4. Europe Launches Major ESG (Environmental, Social, and Governance) Regulatory Reforms in 2025

Earlier this year, the European Union began implementing major reforms to its Environmental, Social, and Governance (ESG) regulatory framework, reinforcing sustainability goals while easing compliance pressures on businesses. A central focus is the revised 'Corporate Sustainability Reporting Directive' (CSRD), which came into effect on January 1, 2025, and targets large companies that meet higher thresholds for revenue and employee count.²⁸

The directive introduces updated European Union sustainability disclosure standards. Reporting deadlines for some firms have been extended to 2028 and 2029, and simplification measures have narrowed the scope of required disclosures and delayed sector-specific obligations.²⁹

26 Government of Dubai Media Office, "UAE Ministry of Economy issues a decision mandating private joint-stock companies to represent women on their boards of directors" (Government of Dubai Media Office, September 18 2024) <[UAE Ministry of Economy issues a decision mandating private joint-stock companies to represent women on their boards of directors](#)> accessed June 21, 2025.

27 Anupam Varma, "UAE: Private joint stock companies to have at least one woman on board of directors from 2025" (Economy Middle East, September 18, 2024) <[UAE: Private joint stock firms to have at least one woman on board of directors](#)> accessed July 14, 2025.

28 Halen Bowdren, Katy MacAskill, Shanie Earl, "EU Omnibus – Changes to the EU CSRD AND CSDDD" (Dentons, April 4, 2025) <[https://www.dentons.com/en/insights/articles/2025/april/4/eu-omnibus-changes-to-eu-csrd-and-csddd](#)> accessed June 21, 2025.

29 Ibid.

The European Union Corporate Sustainability Due Diligence Directive' (CSDDD)³⁰ has also been adjusted, with a transposition deadline of July 26, 2027, and compliance starting in 2028. It now emphasizes due diligence on direct business partners, with assessments required every five years instead of annually. The mandate to terminate relationships with non-compliant suppliers has been softened to a recommendation to suspend them. Together, these reforms enhance board accountability, integrate ESG risk oversight into corporate governance, and promote more practical, transparent, and responsible business practices across Europe.

30 European Confederation of Institutes of Internal Auditing, "Corporate Sustainability Due Diligence Directive – changes proposed by Omnibus" (ECIIA Factsheet, March 2025) < <https://www.eciia.eu/wp-content/uploads/2025/03/CSDDD-Factsheet-FINAL.pdf> > accessed June 21, 2025.



Perspectives on Governance

Managing Transitions Between Non-executive and Executive Roles within Financial Group Structures in Nigeria: A Governance Perspective.

The corporate governance framework for financial institutions has significantly evolved over the past two decades, emphasising well-governed, accountable, and independent boards. Central to the complexity of corporate governance is the transition from executive to non-executive roles within the governance structures of banks and their financial holding companies. Such transitions are critical to ensuring strong governance, driving innovation, and creating sustainable value for shareholders, stakeholders, and the business as whole.

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The Urgent Imperative for Accountability in Sustainability Claims in Nigeria: Lessons from the case of Australian Securities and Investment Commission v Mercer Superannuation (Australia) Limited 2024.

In today's sustainability-conscious corporate world, accountability in sustainability claims has become more critical than ever. The recently decided case of ASIC v Mercer Superannuation amongst others, highlights the dangers of greenwashing, where exaggerated sustainability claims can mislead investors and consumers, illustrating how false sustainability assertions can undermine market confidence.

To read more, contact: lawode@kennapartners.com | +234 815 839 0744

Leveraging Artificial Intelligence (AI) in Board Appointment and Composition

The board of directors is the cornerstone of corporate sustainability, and selecting the right leaders is paramount. AI's data-driven insights can enhance board appointments by identifying suitable candidates more efficiently and objectively. However, challenges such as data security, regulatory compliance, and potential biases demand careful oversight.

To read more, contact: lawode@kennapartners.com | +234 815 839 0744

Mind the Board Series

The 'Mind the Board Series' provides insight into boardroom matters as it relates to composition, effectiveness, roles and responsibilities and the general core competence of the board.

Each edition of the series explores critical issues affecting board performance, ranging from fiduciary duties and board diversity to stakeholder engagement, emerging compliance risks, and the evolving role of boards in sustainability and digital governance.

The series aims to empower directors, company secretaries, and governance professionals with insights that bridge regulatory expectations with practical realities in the boardroom.

To read more, contact: lawode@kennapartners.com | +234 815 839 0744

Corporate Governance in Nigeria Amid Digital Transformation

Technology has become integral to modern business operations, and its influence is only expected to grow. The integration of digital technology into all areas of a business is fundamentally changing how organisations operate and delivers value to stakeholders. This change is also affecting governance processes, as companies look for ways to employ technology in improving their business models, operational efficiency, decision-making processes and more.

For board and senior management teams, the pertinent question is now how to navigate the changes that digital innovations pose to a company's daily operations. Navigating these innovations are necessary not only for the organisation's daily operations but also for how board of directors fulfil their governance roles. It has thus become essential for boards to adopt a flexible, technology-driven approach to address the rapid changes brought about by technological innovation.

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Our Corporate Governance and Regulatory Compliance Practice

KENNA has a distinguished team of corporate governance and regulatory compliance legal professionals, who collectively have over 32 years of experience in the corporate governance field. With deep-rooted expertise in both local and international corporate governance practices, our professionals are well-equipped to navigate the traditional and modern complexities that organizations face. We recognise that corporate governance and regulatory compliance are often intricate and multidimensional, especially for corporate entities operating in dynamic regulatory environments across multiple jurisdictions.

Our approach is centred on simplifying this complexity. We develop practical and streamlined frameworks for governance, compliance, risk detection, and risk management. By doing the legal thinking for our clients and maintaining effective engagement with regulatory authorities, we help ease the burden of compliance, allowing our clients to focus on their core operations.

At Kenna, we understand that good corporate governance is not just a regulatory requirement but also a strategic asset for sustainable organisational growth. Our Corporate Governance Practice is built on the belief that governance is a key driver of accountability, resilience, and long-term business success.

Elevation of Business Performance Through Strong Governance

In today's corporate business environment, effective corporate governance is not optional; rather, it is essential as sound governance frameworks not only ensure legal and regulatory compliance but also serve as the foundation for responsible decision-making and long-term organizational success.

Recognising this, policymakers introduced comprehensive corporate governance codes and now require companies to implement and comply with these codes/standards. In parallel, many organisations have come to understand that strong governance structures are critical to achieving sustainable growth, managing risk, and enhancing stakeholder trust.



Kenna's Role in Advancing Corporate Governance

To support businesses and organisations in achieving long-term success, at Kenna, our Corporate Governance and Compliance team, with many years of experience, delivers integrated advisory services which focus on the design, implementation, and strengthening of governance practices of our clients. We work alongside our clients to embed corporate governance principles that align with both regulatory obligations and strategic objectives.

Our clients range from private enterprises to listed companies and statutory bodies. Regardless of size or industry, we tailor our approach to reflect each client's operational realities and maturity of their governance structures while acting in the best interest of our client.

Our Service Offering:

Our process begins with a comprehensive assessment of your Company's existing governance structure. This evaluation benchmarks current practices against Nigerian corporate governance codes, international best practices, and peer organisations to identify strengths, weaknesses, and areas for improvement.

Based on our findings, we develop a tailored corporate governance framework aligned with your company's size, industry, and strategic objectives to promote board effectiveness, regulatory compliance, and sustainable value creation.

Our Key Services Include:

Board and Committee Evaluation	Conducting gap analysis of board competencies	Board Succession Planning
Board Training and Development	Conducting gap analysis of board competencies	Developing pipelines of qualified candidates for future vacancies.
Environmental, Social and Governance (ESG) Integration	Creating robust succession frameworks to mitigate leadership risks.	Assessing overall board and committee effectiveness to identify strengths, weaknesses, and opportunities for improvement.

Regulatory Compliance Practice

At Kenna, we specialize in delivering comprehensive corporate compliance services, helping businesses navigate complex regulatory landscapes across various industries. We provide tailored solutions designed to safeguard your company's integrity and reputation through proactive compliance management.

Our Compliance Services Include:

- **Compliance Schedule Development:** crafting customised compliance schedules to ensure adherence to all relevant laws and regulations.
- **Policy and Procedure drafting:** developing clear and effective compliance policies and procedures tailored to your organisation.
- **Risk assessment and management:** conducting thorough assessments to identify compliance risks and implement strategies to mitigate these risks.
- **Monitoring and Auditing:** Providing regular compliance monitoring as well as auditing to detect gaps and offering recommendations where necessary.
- **Reporting and Whistleblowing Systems:** Advising on and establishing confidential reporting channels and whistleblowing mechanisms within the organisation.

As we reflect on this first half of 2025, it is clear that the governance landscape is shifting towards greater transparency, accountability, and stakeholder inclusivity. Our unit will continue to provide strategic guidance as we champion compliance not just as a mandate but as a value.

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