

# Good Governance For Quality Of Life

Argüden Governance Academy  
Integrated Report 2017



**ARGÜDEN  
GOVERNANCE  
ACADEMY**

Good Governance for  
Quality of Life

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## ABOUT THIS REPORT

This Integrated Report covers the 2017 activities carried out by Argüden Governance Academy, a non-profit organization that operates under the aegis of Boğaziçi University Foundation. The Report is prepared in accordance with the fundamental concepts, and guiding principles of the International Integrated Reporting <IR> Framework of International Integrated Reporting Council (IIRC).

Integrated Reporting helps both internal and external stakeholders gain an insight into the mission, vision, and strategy of the organization, and improves its governance performance. Through Integrated Reporting, the institutions communicate with their stakeholders more **transparently**, demonstrate the **continuity** of their activities, and by providing indicators about their **effectiveness** they provide material evidence of their resource utilization patterns in a **responsible, fair, and consistent** manner. This results in better **deployment** of their strategy and improve their **accountability** towards their stakeholders.

Our Academy has set an example, particularly for our country and other NGOs globally, by publishing the first Integrated Report in Türkiye in 2015 and becoming the first non-profit organization globally to adopt the International Integrated Reporting <IR> Framework from its first full year of operations.

This Report provides comparative data for 2017 against 2016, as well as plans for the upcoming year.

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## ABOUT US

Argüden Governance Academy was founded in İstanbul, Türkiye as a non-profit initiative dedicated to help improving the quality of governance in public, non-profit, private, and international organizations.

We conduct our operations under the aegis of Boğaziçi University Foundation (BÜVAK). Boğaziçi University is a prominent Turkish university that was founded in 1863 (formerly Robert College). The Argüden Governance Academy Fund was established under an agreement (2014) between the Boğaziçi University Foundation and ARGE Consulting, a leading management consulting company based in İstanbul, focusing on improving management quality for enhancing the quality of life.

This Integrated Report shows the mobilization and utilization of our resources to improve awareness, understanding, and implementation of good governance. The Report includes our financial data and Impact Report which were subject to an independent third-party audit by Ernst&Young.

Our Academy is also committed to promote integrated thinking, as the founding member of the Integrated Reporting Network of Türkiye (ERTA). Our founder, ARGE Consulting has served as the B20 Knowledge Partner for Governance & Sustainability and was instrumental in bringing Integrated Reporting Framework to the attention of G20 in 2015.

## FROM THE BOARD CHAIR



Dear Stakeholders,

“Good Governance” is a culture and a climate where trust in institutions is ensured and promoted. It is the culture and climate that enables good governance to be flourished and it ensures its sustainability. We, as the Argüden Governance Academy, have been carrying out a wide variety of activities to promote good governance culture and increase quality of life. We conducted education, research and communication activities to support further progress of governance in public, civil society, and private institutions at national and international levels. In cooperation with our partners, we provided training to a total of 1,034 people at 11 training programs and reached out to 7,392 people through our 9 publications. Our Academy established face-to-face contacts with 9,742 people in 47 events and contacted 1,412,826 people by means of our messages underlining the importance of governance for quality of life.

In 2017, we concentrated on preparations for launching the second module of our “Good Governance in Public Sector” Certificate Program and increased the number of partners for this purpose. We will organize this training program, which will be hosted by public institutions and second round of participants planned to be graduated in 2018, in cooperation with several public specialists’ associations. Our aim is to develop future public-sector leaders’ competencies in embracing good governance principles and practices in policy development process.

Adoption of good governance in local governments has a direct impact on citizens’ quality of life. With this perspective, we have initiated our “Istanbul District Municipalities’ Governance Scorecard from Citizen’s Perspective” Project. We had the invaluable chance to make best use of the knowledge and experience of the members of our Project Advisory Board while developing the Municipality Governance Scorecard Model©. We organized good governance trainings to Mukhtars<sup>1</sup>. Our book “Examples of Governance in Cities”, one section of which discusses an example from Türkiye, and the other is the Turkish translation of the OECD publication “Governing the City”, was published in support of the Governance Scorecard project where we assessed,

<sup>1</sup>Headman, “Muhtar” in Turkish, is the traditional head of the neighbourhood, “mahalle” in Turkish, which is the smallest administrative unit of a province in Türkiye.



Our Impact Report  
pg.40



2017 Sec. Activity Plan  
pg.96

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by means of our special methodology, the good governance approach in 37 İstanbul District Municipalities on the basis of publicly accessible data. We hope that “Municipality Governance Scorecards” will encourage municipalities to adopt good governance principles. We plan to share our publication including Scorecards in Spring, 2018.

General Counsels, who are committed to protect the interests of all stakeholders, play an important role in promoting sustainability and social justice. Bearing this in mind, we organized Sustainability Conference for General Counsels in cooperation with the United Nations Global Compact at TÜSİAD (Association of Turkish Industrialists and Businesspeople) Conference Hall, where we underlined the critical significance of jurists in ensuring the sustainability of all types of institutions and organizations. We also drew attention to Integrated Thinking as a tool for better management of risks. Our publication Sustainability Guidelines for General Counsels supported the arguments discussed in the conference. We plan to organize this very successful event in 2018 as well, at different platforms in similar formats.

This year, like other years, we took care to communicate most efficiently and accurately all our activities by emphasizing the help we got from our supporters and partners. We did our best to perform our each and every activity in line with the Integrated Thinking principle, our mission and vision, our strategy and business model by utilizing minimum resources with maximum efficiency. We set an example for many organizations in Türkiye and elsewhere in the world by publishing our first Integrated Report in 2015 and since then we continue releasing these reports every year in the same spirit. We completed our Integrated Reporting training sessions, developed in partnership with TÜSİAD as a member of Integrated Reporting of Türkiye Network. In 2017, the prime event of our advocacy efforts for Integrated Thinking was a series of Integrated Thinking meetings held at İstanbul Stock Exchange, Boğaziçi University and Ankara Alumni Day respectively, where we were honored to host Richard Howitt, CEO of the International Integrated Reporting Council (IIRC). These meetings proved to be very resourceful, not only because of the performance of top quality presentations, but also because it offered a fruitful environment where we launched our Turkish translation of Prof. Mervyn King and Leigh Roberts’ “Integrated Thinking” book. Our Academy, with its pioneering role in this field, is also providing mentorship to a variety of NGOs on Integrated Reporting Journey.



About Us  
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In 2016, through the surveys and workshops we organized with the participation of nearly 100 NGOs within the framework of our Participatory Democracy Project, we had concluded that one of the vital needs of the Turkish civil society was qualified human resources. In an effort to meet this need, i.e. to equip the civil society workers with the related theoretical, practical and legal knowledge, we launched our “Certificate Program for Good Governance in Civil Society” in İstanbul and Adana, and we had the first round of graduates from our Program, 58 of whom received “Certificate of Expertise” and 92 “Certificate of Participation”. After graduating first trainees in the public sector in 2016, we graduated our first trainees in the civil society in 2017. Our 2018 target is to successfully complete our training program for the private sector and graduate our first round of trainees in this category.

The foundation of our social life and cultural development lays within our family. Our relations with our mothers, fathers or other adults responsible for our care play an important role in shaping our personality. Relations amongst the family members characterized by consistency, responsibility, accountability, fairness, transparency, effectiveness and efficiency contribute to achieving a high quality of life. With this in mind, we organized training sessions for the 4th Grade Primary School students covering topics such as human rights and democracy, gender equality; solidarity and volunteering; financial literacy; safe access to information; and environmental awareness within the framework of our “Good Governance for Kids” Training Program which was named as an example at the 17th Education Symposium organized by the Private Schools Association of Türkiye. We carried out various successful trainings both in public and private activities in association with Corporate Volunteers Association (ÖSGD). We hope this experience will guide our children on their way to be the future’s responsible leaders. Along the same lines, we also completed our “Good Governance for Teachers” training program where we dwelled on the critical role played by the teachers in the adoption and deployment of good governance and drew attention to their contribution to the efforts for raising responsible individuals and realization of good governance principles for generating a participatory classroom environment. We believe in the necessity of practicing good governance principles in all types of institutions for raising our quality of life. Setting up inclusive consultation processes to enable stakeholders’ participation in decision making mechanisms is a major step in building trust in both citizen-public authority, and company-stakeholder relations. In this context, we published the Turkish edition of Cranfield University’s book “Stakeholder Engagement: A road map to meaningful engagement” and hope that it will be of use in helping organizations taking these important steps.

We take every opportunity to underline the need for women to play a greater role in society for social development. Our Gender Equality training program organized for this purpose is ongoing. In 2017, we enriched our advocacy activities within this context on various platforms and TV programs we took

part as speakers.

We, of course, carried out work in Anatolian provinces too. We continued our Good Governance in Anatolia meetings with the aim of emphasizing the fact that promotion of the good governance practices in cities can only be possible if the civil society is supported by the other actors involved, and if public awareness in this respect is raised. In 2017, the two of these meetings hosted by the City Councils of Yalova and Gaziantep respectively, created value by upgrading our outputs through the workshops we organized where we exchanged ideas to promote cooperation amongst the civil society, public institutions, and the private sector, and to trigger preparations for new potential projects.

On the global front, we had the privilege to host leaders of the OECD Korea Policy Center and laid the grounds for several very fruitful future joint efforts by signing a Cooperation Protocol with them. This was followed by our participation as a speaker in the 3rd Asian Public Governance Forum as the guest of OECD Korea Policy Center where we made a presentation about the local governments' structural characteristics and good governance practices in Türkiye. Our active participation in the Forum hosting 136 representatives from more than 10 countries proved to be a good opportunity to raise international awareness about the activities of our Academy.

We aspire to be a “center of excellence” as a reference institution in governance.

We are grateful to TIRSAN, Garanti Bank, Akkök Holding, ARGE Consulting and numerous individual donors for their trust in our Academy's mission and their invaluable support to our efforts.

We will carry on with our work for a future with a higher quality of life.

***Prof. Dr. Metin Çakmakçı***  
**Chairman**



2017 Independent  
Audit Report  
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## AN OUTLOOK ON THE ACADEMY IN 2017



### EDUCATION

276 HOURS OF EDUCATION  
1,034 PEOPLE IN 11 TRAINING PROGRAMS

### RESEARCH

13 PUBLICATIONS, REPORTS, ARTICLES  
SHARED 7,392 TIMES



### COMMUNICATION

47 EVENTS  
FACE-TO-FACE COMMUNICATION WITH  
9,742 PEOPLE



## OUR MISSION AND VISION

Our mission is to improve governance quality in public institutions, NGOs, corporations, and international organizations to create sustainable value for the institutions and society. Our vision is to become a “center of excellence” as a reference institution in governance.

We encourage institutions and society to work together for a more sustainable and inclusive future. We combine our world-class expertise with a holistic view of governance and enter into partnerships to realize our goals, and to improve quality of life for current and future generations.

In accordance with our targets, our programs aim to:

- **Improve awareness** about the role of good governance for sustainable and inclusive development by means of education, research, dissemination of successful examples, and awards;
- **Create a knowledge platform** to enable representatives of government, civil society, and business to be informed about the recent global developments on governance through education programs, seminars, and peer-to-peer learning;
- **Conduct research** in cooperation with international organizations, universities, public agencies, and non-governmental organizations on various governance related areas;
- **Collaborate** with other similar initiatives both locally and globally through joint projects to deepen the understanding of the key role of good governance in improving quality of life and sustainability of the planet.

### THE “CRAFTED” PRINCIPLES OF GOVERNANCE



## OUR BUSINESS MODEL AND OUR STRATEGY

We perform education, training, and communication activities to achieve our mission.

### Why good governance, and for which sector?



#### PUBLIC

- Raise public sector leaders' level of competency in implementing democratic governance principles to develop evidence-based public policies.
- Ensure stakeholders' active participation in government bodies' decision-making processes to increase the level of transparency and accountability in the public sector.



Public  
Governance  
pg.49



#### CIVIL SOCIETY

- Raise the level of civil society organizations' transparency, accountability, fairness, participation, responsibility, consistency, to make them more trustworthy by increasing their governance capacity.
- Improve their competencies in being a better cooperation partner in government bodies' decision-making processes.
- Effectively mobilize resources.
- Develop new cooperation opportunities.



NGO Governance  
pg.59



#### PRIVATE SECTOR

- Increase the level of their trustworthiness to contribute to their sustainability.
- Build an environment of trust through proper guidance and supervision.



Corporate  
Governance  
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#### GLOBAL ACTORS

- Become “the right cooperation partner” for the world's leading organizations to jointly develop solutions to global challenges.
- Ensure that our views and suggestions for adoption of good governance principles gain global acceptance.
- We increase the number of “best examples”, share our knowledge and experience, and raise awareness by spreading our international experience we have built under the guidance of our Advisory Board.



Global  
Governance  
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We create value for all our stakeholders to increase our resources and partnership opportunities by growing our reputation, visibility, and recognition both nationally and internationally.



We plan our training, research and communication activities in line with our strategy. We care for our own sustainability as well as our stakeholders'. We make the best use of the “leverage effect” by mobilizing the resources which are most economical for everyone. Alongside with a core full-time team at the Academy, we also employ several experts on project basis, drawing on their knowledge and experience.

We do our best to benefit more from our Advisory Board and Academic Board’s competencies. We conduct education, research, and communication activities to increase awareness about the importance of governance, train future leaders, and spread and reward best practices.

We believe that good governance is a “climate” and “culture”. To disseminate the good governance culture for both individual and organizational level, we adopt a holistic approach. By promoting good governance principles of active participation in decision making processes, transparency, effectiveness, fairness, consistency, responsibility and accountability, and inspiring new governance practices, we contribute to the efforts for raising the citizens’ quality of life, and generate value in the short, medium and long term.

Financial Highlights  
pg.90

Our Capitals  
pg.18

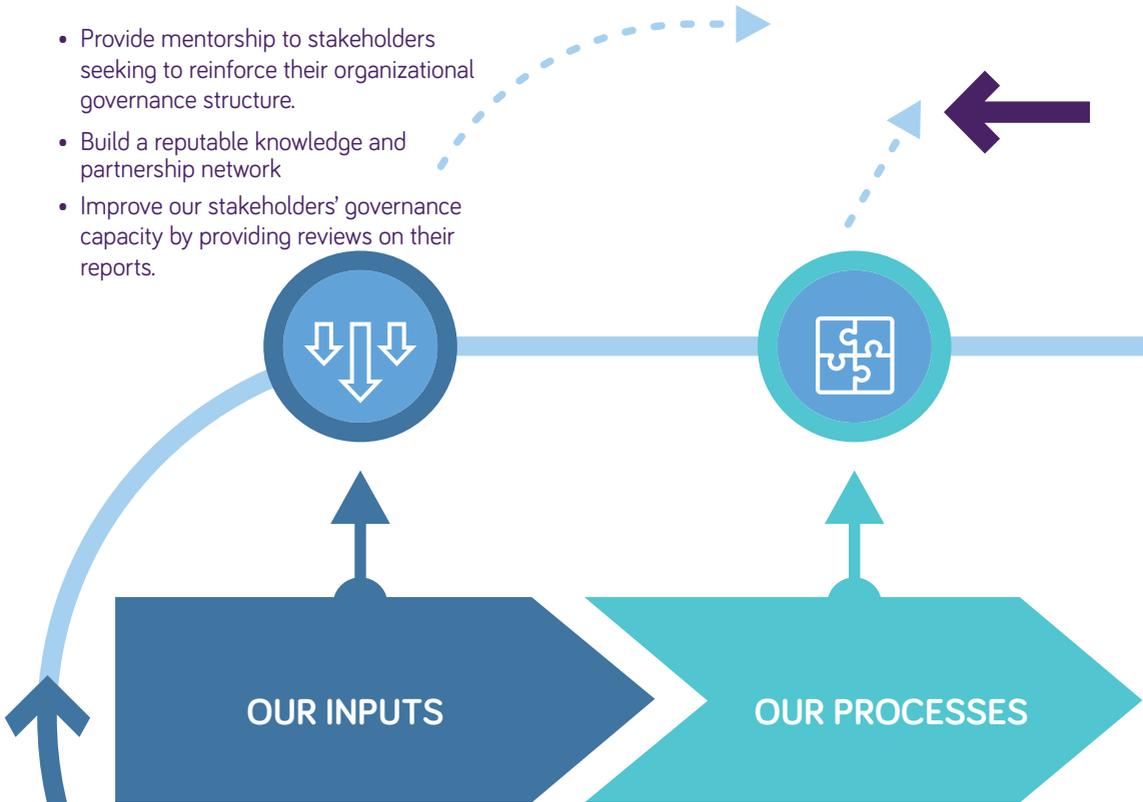
From the Board Chair  
pg.8

## FOR OUR STAKEHOLDERS



- Increase the spread of good governance practices and support individuals carrying out studies in this field to raise the quality of life
- Develop a set of recommendations for the empowerment of the civil society
- Provide mentorship to stakeholders seeking to reinforce their organizational governance structure.
- Build a reputable knowledge and partnership network
- Improve our stakeholders' governance capacity by providing reviews on their reports.

## VALUES



- Syllabus
- Educational materials
- Educators
- Sectoral experts

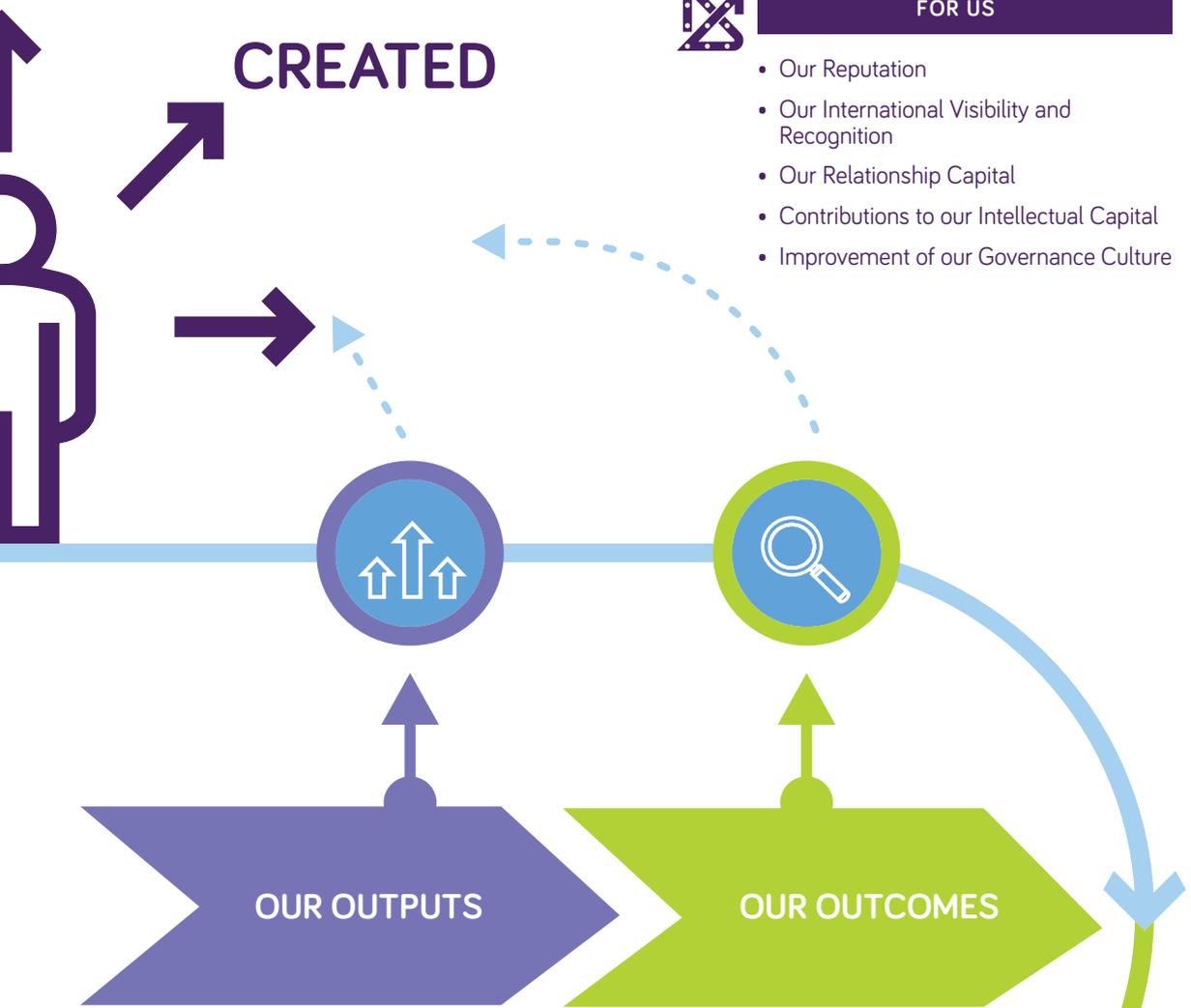


- Literature scanning
- Questionnaire results
- Experts
- Experts' opinions
- Workshops
- Major international sources



- Speakers/Experts
- Presentation materials
- Social media interactions
- Issuing newsletters
- Press Releases
- Sharing Integrated Reports





**FOR US**

- Our Reputation
- Our International Visibility and Recognition
- Our Relationship Capital
- Contributions to our Intellectual Capital
- Improvement of our Governance Culture

**OUR OUTPUTS**

**OUR OUTCOMES**



- Results of Program Evaluations
- Number of Graduates
- Number of Participants Who Get Participation Certificates
- Increased Governance Knowledge of Participants



- Publications
- Articles
- Survey Analysis
- International Sources Translated to Turkish
- Increased Governance Knowledge of People Who Follow our Research
- Number of People whom we shared our Publications as hard copy
- Reviews about the Research of International Institutions (OECD, IFC, etc.)



- Presentations
- Knowledge Partnership Protocols
- Number of People Reached via Social Media
- Number of People Reached via Newsletters
- Number of People Reached via Printed Media
- Increased Governance Knowledge of Participants
- Publications of our Scholars

**Improvement in Our Stakeholders' Awareness**

**Registration of Our Review Reports by Related Institutions (OECD, etc.)**

**Citations**

**Impact Created by our Knowledge Partnerships**

**Network of Governance Experts**

**Our Team Members' Studies on Governance**

**Supporting Students Who are Eager to Do Research on Governance**

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## OUR CAPITALS

Our capitals which we turn into value for corporate and social life in order to conduct our public, civil society, private sector, and global activities are:



### OUR INTELLECTUAL CAPITAL

- The governance principles we adopt
- Diversity of our team and our network
- Our culture of inclusive collaboration
- Our knowledge and experience
- Our publications at national and international level



### OUR FINANCIAL CAPITAL

- Corporate and individual donations
- Resources obtained from grant projects
- Our achievements from “leverage effect”
- Earnings within our economic enterprise



### OUR HUMAN CAPITAL

- Our Advisory Board
- Our Board of Directors
- Our Academic Board
- Our Team
- Our Volunteers
- Our Lecturers



### OUR SOCIAL CAPITAL

- Our partnerships with stakeholders
- Our knowledge partnerships
- Synergy derived from our relationships

We gain more knowledge, resources, and impact through “collaborations” rather than “acting alone”.

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## OUR MATERIALITY

To discuss the material issues of 2017 in comparison with those of 2016, we conducted an internal process with our Board of Directors and our operational team and set up our “Materiality Matrix” based on the issues which carry low, medium, and high materiality for us, as well as the issues which have low, medium and high impact for our stakeholders in relation with themselves and with our Academy. In addition, we have integrated those material issues with different elements of our capital and risks, and defined the ways with which we managed the corresponding risks.

In the process of the evaluation of our “material” issues and related impact level, we took as basis the below aspects:

- Elements of our mission and vision which have the potential to create value;
- Elements of high impact on our different forms of capital that are indicated in International Integrated Reporting Framework; and
- The potential risks stemming from these elements and how we managed these by considering the competencies we need to best perform our tasks.

MATERIALITY MATRIX					
High Impact Level			9 Quality of Internal Process 	3 Diversity of Board of Directors and Advisory Board 	1 Corporate Culture 
			10 Collaboration with Local NGOs 	4 Relations with Stakeholders 	2 Quality 
			11 Collaboration with International Academic Institutions 	5 Reputation 	6 Efficient Use of Resources 
Medium Impact Level		12 Leveraging Other Resources 		7 Capacity Building 	8 Following the Governance Agenda 
			13 Collaborations with Foreign NGOs 		
Low Impact Level					
Lower Material Ranking		Medium Material Ranking		Higher Material Ranking	

CODE	MATERIAL ISSUE	DESCRIPTION	RELATED RISK	RELATED CAPITAL
M1	Corporate Culture	As good governance is a culture, a climate and set of behaviors displayed throughout the organization, we pay special attention to adopt good governance principles and deploy the culture within our Academy.		
M2	Quality	All the activities and research conducted by our Academy should have solid academic and evidence base.		
M3	Diversity of Board of Directors and Advisory Board	The diversity in the organizational structure strengthens the corporate culture. For this reason, we consider having a diverse Board of Directors and an independent Chairman is a significant issue. We also believe in the value of the guidance we receive from our Advisory Board composed of leaders in their respective areas.		
M4	Relations with Stakeholders	Each stakeholder must ensure that cooperation creates value for both sides. We are committed to transparency and fairness in our relations with our stakeholders as an essential prerequisite for a long-term environment of trust.		
M5	Reputation	Trust in our organization on the part of all our stakeholders is vital for us.		
M6	Efficient use of resources	We believe efficient and effective use of resources and accountability in this respect is a must for our Academy to attain its goals and to fulfil its mission and vision.		
M7	Capacity Building	We attach great importance to improving our capacity to produce quality content; closely following the major developments and carrying out work on topical issues; and supporting personal development of staff members for them to acquire higher intellectual capacity for the fulfilment of our goals.		
M8	Following the Governance Agenda	It is a necessity to follow closely the national and international governance agenda; produce content to clarify and comment on the major agenda items; and inform stakeholders accordingly.		
M9	Quality of Internal Processes	It is important to have a sound organizational structure for all our activities and for their performance throughout our internal processes. High quality internal process is vital to sustain trust.		
M10	Collaboration with local NGOs	Collaboration with local NGOs yields greater impact and bigger resources to mobilize.		
M11	Collaboration with national and International academic institutions and think tanks	Working with national and international academic institutions and thought-provoking organizations such as IFC and OECD enables achieving successful results with sound foundations and generate multiplier effect.		
M12	Leveraging Other Resources	Effective use of stakeholders' resources in spreading good governance culture by using their time, their support, their financial resources, their means of communication, their media facilities to reach more people. This will create important resources in kind which will leverage the outcome.		
M13	Cooperation with foreign NGOs	We believe cooperating with foreign NGOs in our activities will generate greater impact and mobilize greater resources		

 Our Board of Directors pg.30

 Financial Highlights pg.90

 Stakeholder Relations pg.36

<b>Our Capitals</b>	<b>Our Risks</b>
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Our Intellectual Capital	Our Financial Capital	Our Human Resources Capital	Our Social Capital	Operational Risks	Political Risks	Reputational Risks	Financial Risks	Compliance Risks	Strategic Risks

## RISK MANAGEMENT

Defining our low, medium and long-term risks and the way to manage them is defined as one of our main responsibilities.

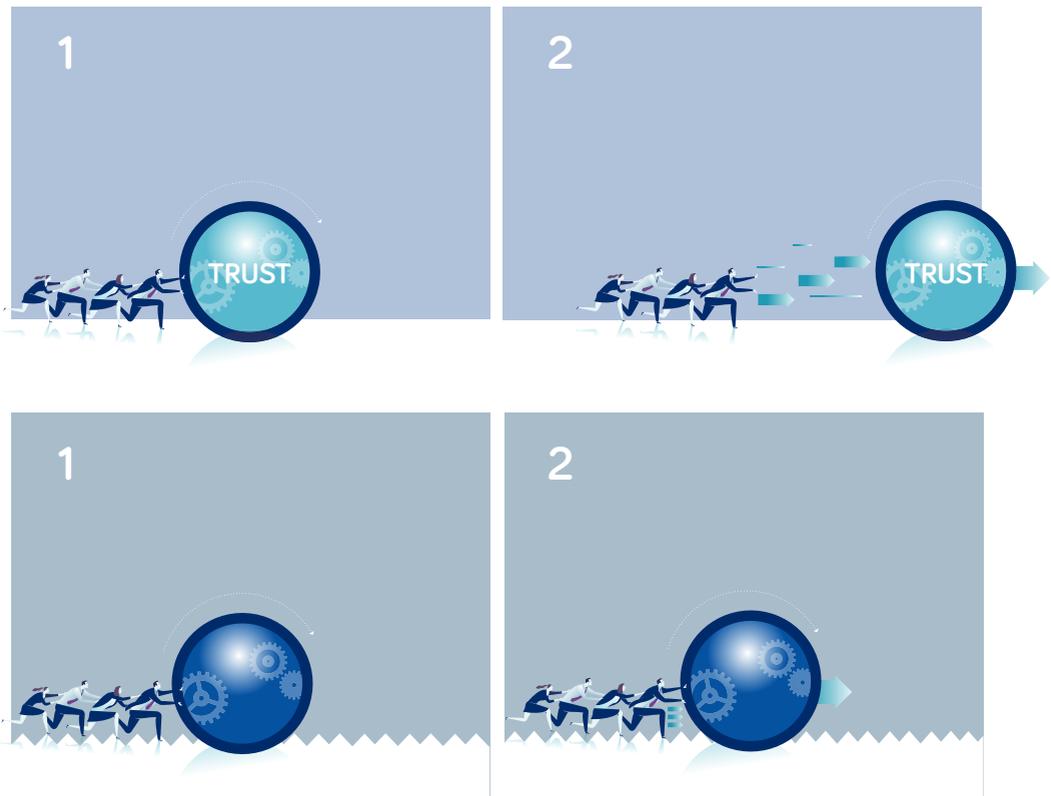
The risks that may cause damage to the Academy were evaluated by our Board of Directors at the end of 2016. The risks that may occur in 2017 are also identified and discussed.

RISKS	DESCRIPTION	TERM	RISK MANAGEMENT
 Reputational Risks	The weakening of trust towards our Academy and loss of reputation.		Pay special attention to have transparent, effective, accountable and participatory decision-making mechanism, build a varied range of areas/stakeholders, control the quality of projects, improve awareness of the team on importance of reputation.
 Strategic Risks	Withdrawal of donors, decline in the intention to support good governance		Search for other donors, always find different and interesting ways to underline the importance of governance and its contributions to the quality of life in the community and implement them.
 Political Risks	Stakeholders (institutions and individuals) may decide not to collaborate due to changes in political climate		Search for substitute collaborators and enrich the list of activities to perform collaboration, convince political actors and foster communication.
 Financial Risks	Volatility in exchange rates, withdrawal of donation commitments, too much over-deviation in estimated budget, fiscal imbalance.	 	Avoid transactions in foreign currencies, search for other donors, prepare alternative budgets, review and update activities and planning.
 Compliance Risks	Compliance to different legislation that non-profit organizations are subject to, damage on reputation and operation due to in-compliance	 	Pay special attention to compliance rules and improve the knowledge of our team on the implementations of compliance, follow updates on legislations.
 Operational Risks	Abdication of lecturers, transportation risks (flight cancelation and delay, etc.), delays in publication process, inconsistencies with project time-plans.		Keep substitute lecturers' lists, arrange make-up courses for postponed lectures, contact with different publishers and designers, finish the reviews in publication process as soon as possible, review and update project time-plans based on new conjuncture.



Alongside with our risks, we focus on the below opportunities to create sustainable value:

- New donors and potential donors
- Emerging new demands on us for implementation of good governance practices which will widen our area of impact
- New incentive & grant programs announced by donors, governments, NGOs, etc.
- New volunteers
- New partners to cooperate.



## OUR KEY PERFORMANCE INDICATORS (KPIs)

We must measure our performance for continuous improvement.

Therefore, we always value the planning process and set challenging goals, taking into consideration our main areas of operation.

We consistently check and update our targets. We compared our KPI performance against that of 2016 and identified the areas that needed improvement. Consequently, in 2017 we,



- Organized 11 training programs in various areas and our **303** participants, received **graduation or attendance certificates** upon completion of 20 training programs;

- Increased the **diversity** of our lecturers and offered our trainees the opportunity to learn from their experience;



- Almost **quadrupled** the participants of our trainings and raised the number to **1,034**;

- Contributed to the local and international knowledge base by producing **9** publications and reports;



- Diversified our experts that contribute to our research and survey;

- Made considerable progress in increasing the number of people we reached with our publications, and raised the number to **7,392** by means of our printed and digital publications;



- Increased the rate of donations in kind for our research to **26%**;

- Increased the number of participants in our communication activities on good governance from **516** to **9,742**;



- Established contacts with **23** new volunteers and included them in our activities;



- Increased our social media activities more than **40** times as compared to 2016 and raised the number of interaction to **611,682**.



Additionally, we published and shared our 2016 Impact and Integrated Reports respectively both in English and Turkish to increase our accountability.

As a team, we give feedback to each other on how to improve our individual and cumulative performance. Moreover, we appreciate very much and take into consideration external feedback on our work as it provides us a chance to develop new ideas, resolve problems, and improve the quality of our work.



2017  
2016

EDUCATION 	RESEARCH 	COMMUNICATION 	MANAGEMENT 
Number of education programs we developed 3 (11)	Number of publications 13 (9)	Number of "Knowledge Partnerships" established 4 (1)	Number of reports published 4 (4)
Number of education programs delivered 8 (20)	Number of research conducted 17 (17)	Number of conferences & discussion panels organized or contributed 27 (47)	Mobilizing resources (donations, grants, in-kind contributions) ✓ (✓)
Number of participants 264 (994)	Number of experts contributed to research/publications 6 (25)	Number of participants to conferences & discussion panels organized 516 (9,742)	Ensuring appropriate use of donations ✓ (✓)
Number of graduates* 23 (40)	Number of surveys conducted 1 (3)	Number of panelists participated to the conferences & discussion panels organized 29 (35)	Stakeholder relations ✓ (✓)
Number of lecturers in education programs 97 (148)	Number of respondents to the surveys 94+ (161+)	Number of communication activities we made contribution 9 (27)	Registering all the traceable data (volunteer hours, in-kind contributions, etc.) ✓ (✓)
Number of participation certificates delivered 97 (303)	Number of institutions collaborated for research 10 (11)	Number of institutions collaborated for communication activities 33 (24)	
Number of institutions collaborated for education 21 (10)	Percentage of in-kind contribution used to realize research %18 (%26)	Number of volunteers 11 (23)	
Percentage of in-kind contribution used to realize education programs %46 (%34)	Number of people reached via research / publications 5,681+ (7,392+)	Percentage of in-kind contribution to realize communication activities %79 (%58)	
Quality of education material developed ✓ (✓)	Quality of research / publication / survey ✓ (✓)	Number of people reached via newsletters 15,001 (14,948)	
Effort for building collaborations with other institutions ✓ (✓)	Quality of translation ✓ (✓)	Number of social media interactions 14,614 (611,682)	
		Percentage of open rate in our newsletters %16 (%16)	

Financial Highlights pg.90

- \* Graduates who are entitled to receive Certificate.
- ✓ is assessed as performed by Board of Directors.
- X is assessed as not performed by Board of Directors.

What gets measured, gets improved.

## OUR ORGANIZATIONAL STRUCTURE

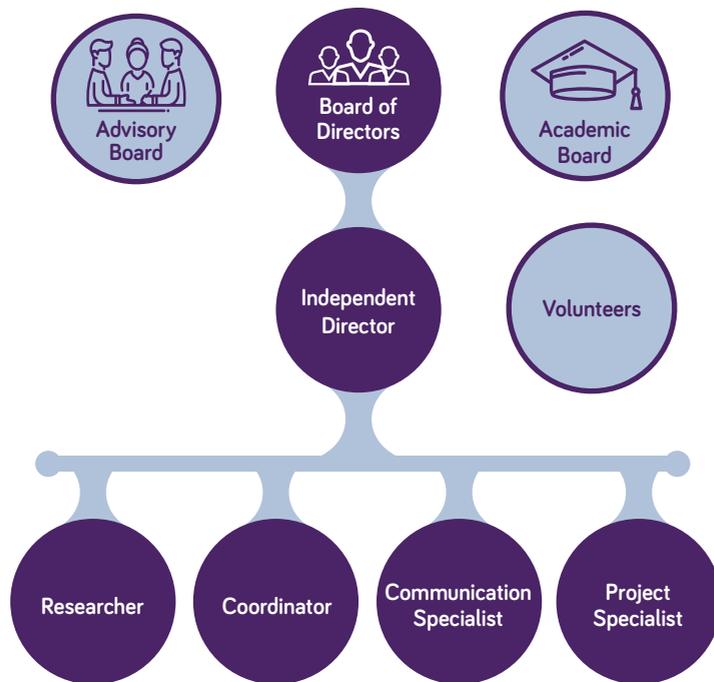


The most important component of our intellectual capital is our human resources. We generate value from the experience and knowledge of our Board of Directors.

In 2017 we received the invaluable support of our Advisory Board and Academic Board, particularly in the measurement of good governance perception in the public sector; performance of our stakeholder satisfaction survey; the analysis of our materiality criteria; and the organization of conferences, trainings, panel discussions and round table meetings about responsible leadership, Integrated Thinking and Reporting, decision making processes in public bodies, and good governance in general. Our Board of Directors, on the other hand, offered us their resourceful support too and actively took part in our work on our 2017 self-assessment.



Our Capitals  
pg.18



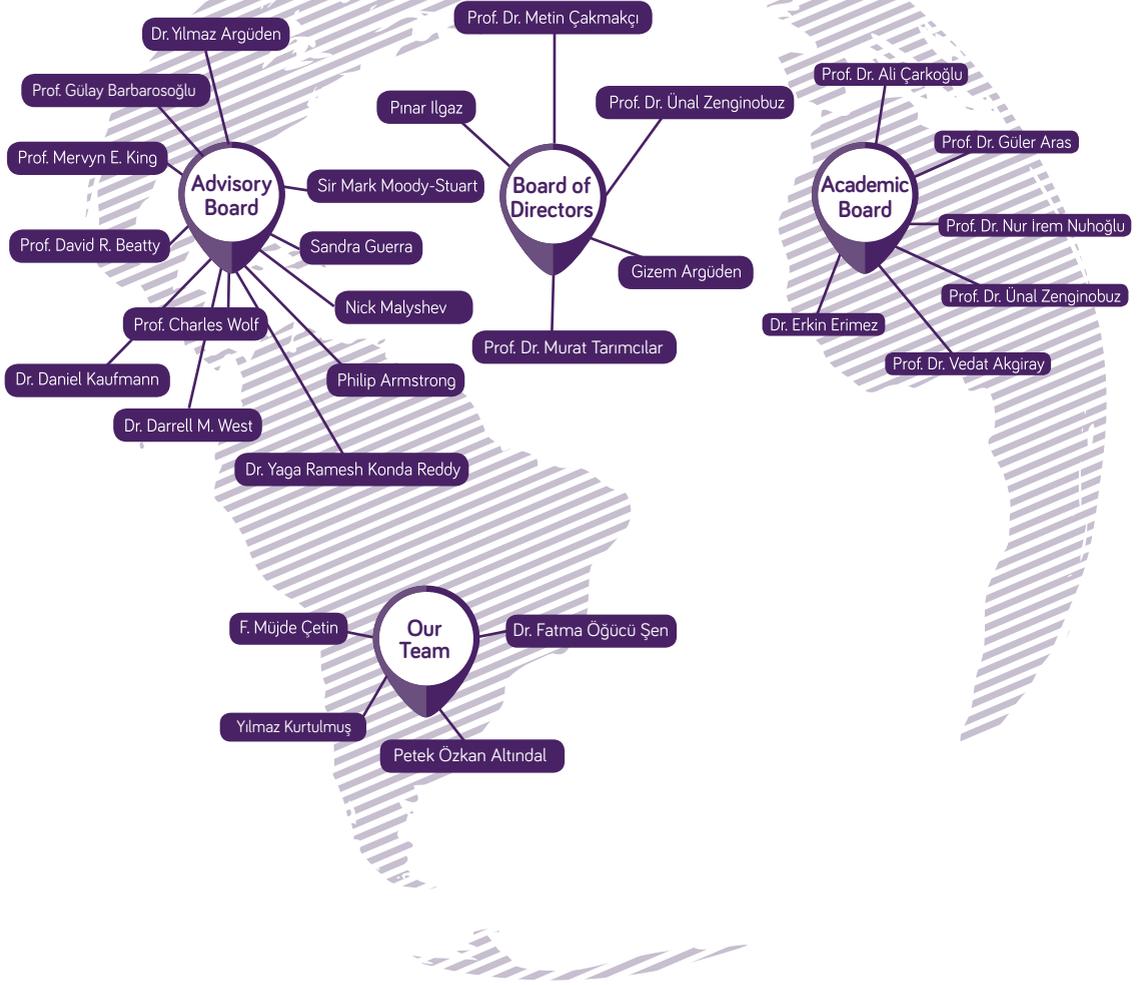
- Provides expert guidance on governance topics.
- Consists of internationally renowned members with varied backgrounds.



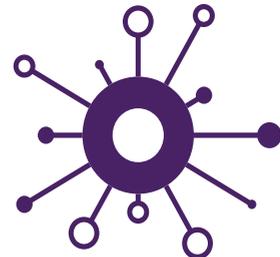
- Responsible for the organization's assets and activities.



- Provides expert guidance on education and research programs.
- Consists of local academic experts.



We prosper with  
differences and diversity.





## OUR ADVISORY BOARD

We believe that following global trends enables us to develop and disseminate our experience more effectively. As an exemplary non-governmental organization operating in the four main areas of good governance, we aim to promote and share on a large scale our Advisory Board's studies, publications, and contributions about governance, especially studies related to Türkiye and neighboring area.

We received the valuable guidance and support of Nick Malyshev, Head of OECD Regulatory Policy Division, in the invitation of Oscar Huerta Melchor, an OECD expert, to the roundtable meeting as a speaker, where we presented our Turkish version of OECD's "Governing the City" book. IIRC Board Chair Mervyn King helped us a lot with his deep knowledge and experience in publishing and promoting the Turkish version of his book "Integrate". Thanks to Prof. Gülay Barbarosoğlu's energetic support we had the opportunity to present our Academy at the prestigious academic institutions in the US and develop new cooperation opportunities in connection with our future project "Governance Awards". Dr. Yılmaz Argüden's vision and experience proved to be vital for our work on all fronts, from strategy development, to budget management, from developing cooperations, to content production, and to methodology development.

We regularly shared knowledge and information with our Advisory Board members and enriched our work with their views and suggestions.

  
Global  
Governance  
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**Dr. Yılmaz ARGÜDEN**  
ARGE Consulting,  
Chairman



**Sir Mark MOODY-STUART**  
Global Compact Foundation,  
Chairman



**Prof. Mervyn E. KING**  
International Integrated  
Reporting Council, Chairman



**Prof. David R. BEATTY**  
Coalition for Good Governance,  
Founder



**Prof. Gülay BARBAROSOĞLU**  
Boğaziçi University  
Former President



**Sandra GUERRA**  
Better Governance - Brazil,  
Founding Partner



**Philip ARMSTRONG**  
Global Corporate Governance  
Forum, Head



**Dr. Darrell M. WEST**  
Governance Studies, Vice  
President and Director



**Dr. Daniel KAUFMANN**  
Natural Resource Governance  
Institute, Founder and President



**Prof. Charles WOLF**  
*We remember with love*  
Pardeu Rand Graduate School,  
Distinguished Chair  
in International Economics



**Nick MALYSHEV**  
OECD Regulatory Policy  
Division



**Dr. Yaga Ramesh Konda REDDY**  
Academy of Corporate Governance,  
Founder and President



## OUR ACADEMIC BOARD

As a non-profit institution, we create overwhelming value by conveying our Academic Council's experience, analysis, and publications through conferences, education programs, seminars or our web site to the relevant groups of audience.

We always highlight the importance of diversity in our Academic Board which is composed of nationally and internationally renowned academics from different disciplines and universities. Throughout 2016 they had provided us guidance in many areas, particularly about new applications and methodology, and organized a meeting where we exchanged ideas and suggestions on our strategy, our social role and our ongoing and planned activities. These discussions were very helpful for our work during 2017, especially in the areas of Integrated Reporting, Board of Directors' Self-Assessment study, and Stakeholder Satisfaction Survey. It was through our joint efforts that we laid the foundations of our comprehensive research projects.



Our Board of  
Directors  
pg.30



**Prof. Ali ÇARKOĞLU**  
Koç University



**Prof. Güler ARAS**  
Yıldız University



**Prof. Nur İrem NUHOĞLU**  
Boğaziçi University



**Prof. Ünal ZENGİNOBUZ**  
Boğaziçi University



**Prof. Vedat AKGİRAY**  
Boğaziçi University



**Dr. Erkin ERİMEZ**  
ARGE Consulting



## OUR BOARD OF DIRECTORS

Our Board of Directors, formed in line with the Good Governance principle of diversity, is composed of an Independent Chairman, representatives of our founding donors, a representative of Boğaziçi University Foundation, and one independent member. Our Board members have experience in at least 2 sectors, which broadens our vision in developing our strategy and building cooperations.

At its four meetings during 2017, our Board of Directors mapped our Academy's future path and identified the methods to be employed in consultation with our team members.

Mr. Barış Dinçer, who was a member of our Board of Directors as the Executive Director of the Academy, handed over his position to Prof. Dr. Murat Tarımcılar. We thank Mr. Dinçer for all the work he has done for our Academy.

In 2017 our Board of Directors conducted a Self-Assessment with the aim of increasing its effectiveness and its contribution to the value generated by the Academy. During this study the Board members evaluated the Board's structure, work processes, operational culture and its two main functions, namely guidance and supervision. The outputs of this study revealed the areas to be improved, and action plans were developed in this respect, followed by their prioritization and implementation.



Our Materiality  
pg.20



### **Prof. Dr. Metin ÇAKMAKÇI**

Board Chair (Independent member)

The Founding Chairman and Board Member of the Quality in Healthcare Association, Prof. Çakmakçı is also a member of the Board of Trustees at Acıbadem University, the Founding Board Chair of the Association for Improving Quality in Health System (SKİD), Founding Chair of the Surgical Infection Association, and the former Term Chairman of the Surgical Infection Society of Europe, all of which played a role in his comprehensive perception of and his deep insight into the functioning of the civil society. Furthermore, his being a Board Member of the Anadolu Medical Center enriched his managerial experience in the private sector.



### **Pınar ILGAZ**

Vice-Chair (Representative of ARGE Consulting, the founding donor)

Managing Partner at ARGE Consulting, our founding donor, Ms. Ilgaz is an expert on HR systems, setting up organizational structure, and Total Quality Management. She has served as the Vice-Chair of the Management Consultants Association, and is one of the founders of Corporate Volunteers Association. In addition to her studies on NGOs and volunteerism, she has participated in Women on Board Program, and works in Women on Board Association's Strategic Alliance Committee. She is the co-author of "ARGE Corporate Governance Model©" and "Management of Volunteer Organizations".



### **Prof. Dr. Ünal ZENGİNOBUZ**

Board Member

Sitting at our Board as the representative of Boğaziçi University, Ünal Zenginobuz is Professor of Economics, the Director of the Center for Economic Design, and the Director of the Institute for Graduate Studies in Social Sciences at Boğaziçi University.

He served as the Secretary General of the Association of Southern European Economics Theorists (ASEET). His academic and policy-oriented research on public economics, industrial economics, tax policy, competition policy, regulation, and independent regulatory agencies have been published in many national and international journals and edited volumes.

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### **Gizem ARGÜDEN**

Board Member

Gizem Argüden, who is the representative of the founding donor family, serves as a management consultant at McKinsey&Company. She is specialized on the strategy,

sustainability, organization and operational structure of non-profit organizations. While at Wharton, she wrote her thesis on “Cross-National Differences in Corporate Governance”. She took a year of leave-of-absence to lead and coordinate the founding efforts of Argüden Governance Academy on voluntary basis, primarily focusing on development of education and research programs, managing partnerships, and establishing the organization.

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### **Prof. Dr. Murat TARIMCILAR**

Board Member and Independent Director of our Academy

Sitting at our Board of Directors as independent member, Prof. Dr. Murat Tarımcılar graduated from the Boğaziçi University, Industrial Engineering and received his Master’s and Doctoral degrees at Louisiana State University. There he worked as

a lecturer and conducted researches on Data Analysis, Statistics, Production Management, and Models of Decision Making. Alongside with his academic career, Tarımcılar also worked as a consultant in the fields of Process Design and Corporate Management for government bodies such as US Secretary of Defence, and Venezuela Health Ministry, and for private companies such as Bose Corporation and BSA International. Currently he is a Professor of Management Sciences at George Washington University, School of Business. He did significant contribution to the inclusion of the Business Ethics and Corporate Social Responsibility as must courses in the academic schedule in GWU during his term at the University as the Dean of MBA programs. In the same period, he started “Ethical MBA” campaign which led to the inclusion of these two courses in the graduate program. Tarımcılar is also a co-founder of Institute of Corporate Sustainability and founding members of Boğaziçi University and Robert College International (BURCIN) Association in Türkiye and Turkish American Scientists and Scholars Association (TASSA) in the US.



## OUR TEAM

Each member of our team is an expert in their field and experienced in all the sectors we operate. We take the opportunity to deliver these operations in the most effective way with our qualified, enthusiastic, and professional colleagues.

We strongly believe that governance is a culture and pay extra attention to embrace good governance principles within our work environment. We plan all our activities together, always brief and keep each other updated, and attach special importance to internal communication and coordination.

We encourage our colleagues to further improve their competencies and take more responsibility and initiative. We create value for our team by supporting them to join training programs to raise their level of knowledge.



### F. Müjde ÇETİN

Coordinator

F. Müjde Çetin is responsible for managerial structure, budgetary activities and finance, donor relations, cooperation building, and operation of training programs. Her international experience and competencies make her highly appropriate for the job. She is an accredited corporate consultant of European Bank for Reconstruction and Development (EBRD), independent reviewer for various donor organizations, an experienced corporate consultant for SMEs, gender equality specialist and trainer. Having worked in both public and private sector, she held top managerial positions at European Union Business Development Center (ABIGEM) and the United Nations Population Fund (UNFPA) in several regions of Türkiye. She holds a B.A. degree in International Relations and M.A. degree in Law of Economics with an honor degree from Galatasaray University, and received “SME Management” and “Good Governance in Public Sector” certificates from Boğaziçi University. Currently Çetin is a lecturer in training programs on Gender Equality, Integrated Thinking and Reporting, Developing Public, NGOs and Private Sector Cooperation Initiatives.



### Dr. Fatma ÖĞÜCÜ ŞEN

Research Program Manager

Responsible for research projects, publications, program development in educational institutions, and overall content quality in Argüden Governance Academy, Fatma Öğücü Şen’s competencies she achieved through her governance-related studies considered as important sources of reference on national and international scale, constitute one of her assets that add further value to her work. Having worked as senior managing editor in international journals, she is well-equipped in her field of expertise and is often invited to international conferences to present her works on corporate governance. She took part in research projects at the University of Greenwich and other projects supported by the Scientific and Technological Research Council of Türkiye. After working as a consultant to Mazars Denge company in the fields of corporate governance and process improvement, she is currently a lecturer

in Stakeholder Participation and Integrated Thinking training programs. She received her PhD in business management with her thesis where she analyzed the relationship between corporate governance and financial reporting, and her Master's degree at the Boğaziçi University in the fields of economy and finance, after her graduation from the Sabancı University, department of Production Systems Engineering with an achievement grant.

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### **Yılmaz KURTULMUŞ**

Project Specialist

Responsible for our Academy's accounts, finance, administrative affairs, grants and educational projects, planning and organization of activities, Yılmaz Kurtulmuş started his career at Boğaziçi University Alumni Association (BÜMED) as Event Manager and continued there as Quality Development Manager. He then worked at Women Entrepreneurs Association of Türkiye (KAGİDER), as Administrative and Financial Manager where he took place in many projects as a specialist and coordinator.

He completed his education at Boğaziçi University in the Business Administration and Electronic Programming. He completed the certificate programs at the Turkish Quality Association on Process Assessment and Improvement, the Turkish Ethical Values Association on Internal Ethic Management, and the Turkish Foundation for Combatting Soil Erosion, Reforestation and Protection of Natural Habitats (TEMA) on Corporate Ecological Literacy.

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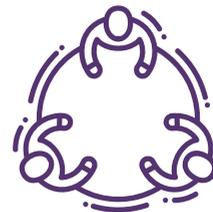


### **Petek ÖZKAN ALTINDAL**

Corporate Communications Specialist

Petek Özkan is responsible for our Academy's corporate communications, social media management, content development, and event management. Following her graduation from Istanbul Technical University department of Food Engineering, she had her post-graduate degree at Sweden's Malardalen University, Department of International Marketing. She holds certificates for Customer Relations Management (CRM) and Database Marketing Program, Sales and Profitability Strategies, and Brand Strategy. Her professional experience fully meets the requirements of her responsibilities and job description at our Academy. She is a lecturer at our Good Governance in Civil Society Certificate Program on the use of corporate communication tools and social media strategy.

**We plan all our activities together and give priority to "internal communication and coordination".**



## OUR VOLUNTEERS

We highly value the individual or corporate contribution of our volunteers from various occupations and fields of expertise. Most of them are senior specialists aiming to contribute to the efforts for promoting and disseminating the principles of consistency, responsibility, accountability, fairness, transparency, and effectiveness. Our commitment is to strengthen the civil society and volunteerism for good governance. To do so we focus on emphasizing the importance of voluntary work and take care to accurately calculate the money equivalent of the added value generated by our volunteers. We always recognize and support their contribution on all occasions; in our reports, publications, conferences and events. We systematically register the volunteers' in-kind-contributions in terms of time and value. We ensure that these data are also audited and verified during the carried out by the independent auditing agencies.

### VOLUNTARY CONTRIBUTIONS



VOLUNTEERS	FIELD OF EXPERTISE	WORK VOLUNTEERED
Erdal Yıldırım	NGO leader	Trainer
Fikret Toksöz	Implementation of good governance in public sector and civil society	Development of training programs and consultation
Pınar Ilgaz	Management consultant	Trainer, a representative of our Academy in activities and meetings, development of training programs
Dr. Erkin Erimez	Corporate governance and sustainability consultant	Academic translations, developing training programs and counselling
Özhan Binici	Internet technologies, programming, website design and software support	Maintaining and updating the website, preparation of newsletters designing social media visuals
⋮	⋮	⋮

We create value for our volunteers by raising their awareness on good governance practices, and by enabling them to join a reputable network. We create platforms where they can raise people's level of knowledge and increase public awareness. We also aim to generate value for our volunteers by supporting them in realization of their social responsibility goals/projects to boost the value created.

**Our aim is to contribute to efforts to firmly establish the concept of volunteerism and to draw attention to the importance of a strong presence of a civil society in Türkiye.**



ORGANIZATION EXTENDING IN-KIND CONTRIBUTION	AREA OF ACTIVITY	IN-KIND CONTRIBUTION
ARGE Consulting	Management and strategic consulting	An office for the Academy, office equipment, travel and accommodation expenses of the Advisory Board members.
Güney Bağımsız Denetim ve SMMM (EY)	Independent auditing and consulting	Validation of Impact Report data and auditing
TÜSİAD*	Business association	Meeting room and treats
Sui Generis	Graphic design and social media management	Designing business cards, posters and infographics
ING Bank	Corporate and Private Banking	Training room and treats
⋮	⋮	⋮

In 2016 we had the opportunity to receive support from volunteers active in different fields, and thereby we had concentrated more on improving our performance for making better use of contributions extended by our volunteers. 

In 2017 we enjoyed voluntary support in various areas such as trainings as lecturers, academic translations, development of training programs, building new cooperations, development of strategy and Integrated Reporting. The time spared by our volunteers for promoting good governance principles increased 12 percent as compared to the previous year. Particularly the Sabancı University students' contribution to our survey under the legislation of the Right to Information Act proved to be very fruitful. The survey results constituted a significant input for our project "İstanbul Districts Municipal Scorecard from Citizen's Perspective". During this voluntary work the students practically experienced being a socially responsible and active citizen, and submitted to the University the output of their work as their term project for their Project 102 course. They thus had the opportunity to gather data and make a general observation of the good governance practices in İstanbul's district municipalities, and afterwards shared their experience with our Academy with a presentation.

“



**Tolga Yalnız**

*Our volunteer  
Business Development and Private Customers Manager  
Travellex Eastern Europe and Türkiye*

I took pride in being a part, on voluntary basis, of the efforts to promote and raise awareness for the concept of governance amongst the citizens, public institutions and private companies. We, at the Argüden Governance Academy, aim to generate an understanding, relationship and interaction which will serve as the building stones of the future society. It's exciting to see the stones we put on one another turn into a building. 

”

\*TÜSİAD, Association of Turkish Businesspeople and Industrialists

## STAKEHOLDER RELATIONS

Governance entails all stakeholders and not only the policy makers. To achieve our mission, we believe in long-term collaborative partnerships and joint initiatives. We create value for our stakeholders by disseminating methodology and experience in this area, putting them in contact with the right audience, raising their awareness on good governance implementations, contributing to their network, improving their visibility and recognition, and enriching their knowledge and resources.

In line with our business model, we mainly build 3 kinds of partnerships:

**Knowledge partnership:** We serve as a source of knowledge for our partners and learn from them mutually. We are knowledge partners with the Turkish Ethics and Reputation Society (TEİD), Corporate Governance Association of Türkiye (TKYD) and Investment Relations Association of Türkiye (TÜYİD) under the protocols signed with them. In 2018 we plan to increase the number of our knowledge partners by signing new knowledge partnership protocols.

**Impact partnership:** We create an added value for and with our partners by disseminating good governance to different segments of the society. We try to announce all our cooperation partners' governance-related activities through our own channels. Moreover, we provide content and speaker support to boost their impact while we draw attention to the benefits of the collaboration culture.

**Resource partnership:** We generate additional resources in cash and in-kind for our activities by providing resources to our partners or making use of theirs.

Many of our cooperations are developed by means of all these three partnership forms, because of which we develop a method whereby knowledge, impact and resources are utilized in a more cost-effective manner by their shared use. It is our principle to give priority to the resources which is less costly, and which is most compatible with our partner's budget utilization strategy.

The services we obtain without allocating a budget (leverage effect) enable us to generate greater value with less financial resources. It is for this reason that we prefer to work together with national and international partners, rather than doing it all by ourselves.



In order to ensure high reputation for and sustainability of our programs we always seek to cooperate with the most appropriate partners.



Good Governance in Public Sector Certificate Program pg.49

While developing collaborations we bring together all stakeholders, i.e. the public sector, civil society, and private sector organizations, to generate synergy and develop exemplary models:

Public Governance pg.49



Our academic partners provide us knowledge which enable exchange of information about the latest developments and act as a bridge in our efforts to promote good governance practices in public sector, civil society and private sector:

Public Governance pg.49



To fulfil our mission, we believe in long-term collaborative partnerships and joint initiatives.



We are always eager to collaborate with International Organizations and NGOs to promote the understanding, implementation and effectiveness of good governance practices within and across public, non-profit, and private institutions. Our joint initiatives include workshops, surveys, awareness-building activities and implementation projects:



We carry out our activities with the help of the donations provided by foundations, independent organizations and individuals who have trust in our goals and who aim to promote good governance principles at all levels of the society. We are thankful to Garanti Bank, Akkök Holding, ARGE Consulting and most of all TIRSAN for their invaluable support.



Our Impact Report  
pg.40

Financial Highlights  
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We cooperate with good governance volunteers for a better future. Throughout 2017, our volunteers invested 840 hours (equivalent to TL 208,108) in our activities. We succeeded in mobilizing donations in kind to cover our various expenditures such as communication bills, training, meeting room rentals, lecturer fees, airline tickets, accommodation fees, service fees, etc. without any budget allocation.

CATEGORY	LEVERAGE TL	VOLUNTARY CONTRIBUTION	
		TL	HOURS
EDUCATION	115,842	23,854	96
RESEARCH	25,308	126,458	507
COMMUNICATION	219,988	37,875	152
MANAGEMENT	201,581	19,921	85
<b>TOTAL</b>	<b>562,719</b>	<b>208,108</b>	<b>840</b>

## OUR IMPACT REPORT

We had shared our Impact Report with our donors and stakeholders at the end of 2016 as we did in 2015. The Report covers our activities performed in 2016, including the funds we used from our own budget, the resources we mobilized, our volunteers' contributions and donations in-kind.

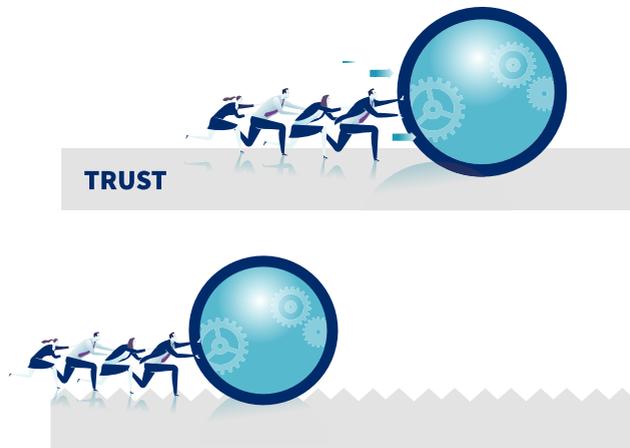
In line with the principle of accountability which we attach great importance, in 2017, we periodically visited our donors as was the case with the previous years, to explain how we utilized their donations and the impact we created. We shared with them our Impact Report which was audited pro-bono by Ernst&Young, one of the four biggest auditing companies, and was assessed as “**reliable**”, and informed them of the key activities we planned for 2018.

Our Impact Report is prepared and shared both in Turkish and English, and helps us to;

- Demonstrate in concrete terms how governance culture and climate progressed,
- Increase our accountability,
- Enhance our capacity to measure outputs we deliver,
- Maintain sustainable improvement and progress,
- Motivate our donors and stakeholders to support deployment of governance culture,
- Encourage future donors to support the activities of the Academy.

The Report showed us that we mobilized voluntary contributions and donations in-kind corresponding to a value **1.7** times greater than our actual budget.

A society's progress will be hindered if there is no trust in its institutions. Deficiency in governance acts like a friction coefficient. When friction is high, much more energy is needed to accomplish the same amount of work which in turn damages competitiveness.



## IMPACT REPORT 2017

Dear Stakeholders,

We have performed various activities to raise awareness and disseminate "Good Governance", with your supports since the foundation of the Academy. We are glad to present our Impact Report including our activities performed in 2017.



### COLLABORATIONS



**840**  
VOLUNTARY HOURS



**48**  
NATIONAL AND INTERNATIONAL COLLABORATIONS



### DONORS

**TIRSAN**

**Garanti**

**AKKÖK  
HOLDING**

**ARGE**  
Helping You Succeed

Argüden Governance Academy is a non-profit's attached, operating under the sign of Argüden University Foundation.

## ACTIVITIES

■ Activities Completed ■ Ongoing Activities ■ Activities Performed E: Education R: Research C: Communication

Category	Activity	Category	Activity
PUBLIC	E 01 Good Governance Training Program for Multistakeholder Governance Scorecard of Istanbul Municipalities	R 08 Right to Information Act   Sakarya University	C 01 Governance Capacity and Service Provision Means of Municipalities Workshop   Ministry of Interior General Directorate of Local Administration
	R 02 Good Governance in State-Owned Enterprises [2nd Publication]	C 02 "Cases on City Governance" Round Table Meeting	C 02 "Town & Citizen's Perspectives Governance Scorecard of Municipalities for Istanbul Districts" Introductory Meeting   SAGU Istanbul Branch
	R 03 Multiple Municipalities Relations Survey	C 03 "Good Governance Meetings in Antalya - Yataca & Gaziantep"	C 04 "Good Governance in Civil Society Certificate Programme - Istanbul"
	R 04 Cases on City Governance	C 04 "Good Governance Meetings in Antalya - Yataca & Gaziantep"	C 05 "Good Governance in Civil Society Certificate Programme - Adana"
CIVIL SOCIETY	R 05 Corporate Capacity and Service Provision Means of Municipalities Report   Ministry of Interior General Directorate of Local Administration	C 05 "Good Governance in Civil Society Certificate Programme - Adana"	C 06 "Good Governance in Civil Society Certificate Programme - Adana"
	R 06 From A Citizen's Perspective, Governance Scorecard of Municipalities for Istanbul Districts Publication	C 06 "Good Governance in Civil Society Certificate Programme - Adana"	C 07 "Good Governance in Civil Society Certificate Programme - Adana"
	E 01 "Good Governance for Kids" Volunteer Training   Corporate Volunteers Association	C 07 "Good Governance in Civil Society Certificate Programme - Adana"	C 08 "Good Governance in Civil Society Certificate Programme - Adana"
	E 02 "Good Governance for Kids" Education Program   Corporate Volunteers Association	C 08 "Good Governance in Civil Society Certificate Programme - Adana"	C 09 "Good Governance in Civil Society Certificate Programme - Adana"
	E 03 "Good Governance for Teachers" Training	C 09 "Good Governance in Civil Society Certificate Programme - Adana"	C 10 "Good Governance in Civil Society Certificate Programme - Adana"
	E 04 "Good Governance for Kids" Training	C 10 "Good Governance in Civil Society Certificate Programme - Adana"	C 11 "Good Governance in Civil Society Certificate Programme - Adana"
	E 05 "Good Governance for Kids" Training	C 11 "Good Governance in Civil Society Certificate Programme - Adana"	C 12 "Good Governance in Civil Society Certificate Programme - Adana"
	E 06 "Good Governance for Kids" Training	C 12 "Good Governance in Civil Society Certificate Programme - Adana"	C 13 "Good Governance in Civil Society Certificate Programme - Adana"
	E 07 "Good Governance for Kids" Training	C 13 "Good Governance in Civil Society Certificate Programme - Adana"	C 14 "Good Governance in Civil Society Certificate Programme - Adana"
	E 08 "Good Governance for Kids" Training	C 14 "Good Governance in Civil Society Certificate Programme - Adana"	C 15 "Good Governance in Civil Society Certificate Programme - Adana"
CORPORATE	E 01 "Good Governance for Teachers Training"   Health and Education Foundation (NEV)	C 01 "Good Governance in Civil Society Certificate Programme - Adana"	C 02 "Good Governance in Civil Society Certificate Programme - Adana"
	E 02 "Good Governance for Kids" Training	C 02 "Good Governance in Civil Society Certificate Programme - Adana"	C 03 "Good Governance in Civil Society Certificate Programme - Adana"
	E 03 "Good Governance for Kids" Training	C 03 "Good Governance in Civil Society Certificate Programme - Adana"	C 04 "Good Governance in Civil Society Certificate Programme - Adana"
	E 04 "Good Governance for Kids" Training	C 04 "Good Governance in Civil Society Certificate Programme - Adana"	C 05 "Good Governance in Civil Society Certificate Programme - Adana"
GLOBAL	R 01 "Good Governance for Kids" Training	C 05 "Good Governance in Civil Society Certificate Programme - Adana"	C 06 "Good Governance in Civil Society Certificate Programme - Adana"
	R 02 "Good Governance for Kids" Training	C 06 "Good Governance in Civil Society Certificate Programme - Adana"	C 07 "Good Governance in Civil Society Certificate Programme - Adana"

We have achieved **1.7** times resource mobilization.

## RESOURCES

TOTAL	CATEGORY	EXPENDITURE TL	VOLUNTARY CONTRIBUTION	
			TL	HOURS
TL 1.940k	EDUCATION	266.285	115.842	96
TL 770k	RESEARCH	421.226	25.308	507
TL 1.169k	COMMUNICATION	188.060	219.988	152
	MANAGEMENT	293.609	201.581	85
	TOTAL	1.169.180	562.719	840



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## OUR ACTIVITIES

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# OUR ACTIVITIES IN 2017

As was the case in 2016 we conducted education, research and communication activities to raise good governance awareness.

In 2017 we focused on building and reinforcing trust in institutions in the public sector, private sector and the civil society. To this end;

- We trained 1,034 people, in 11 education programs.
- We reached 7,392 people through our 9 publications.
- We contacted 9,742 people face-to-face in 29 events.

 Our Impact Report pg.40

## 2017 MONTHLY ACTIVITY PROGRAM

		PUBLIC SECTOR			CIVIL SOCIETY			PRIVATE SECTOR		GLOBAL			
		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
EDUCATION													
RESEARCH													
COMMUNICATION													
GENERAL MANAGEMENT	Activity Newsletter					Activity Newsletter				Activity Newsletter			
	Impact Report	BÚVAK Activity Report											
		BÚVAK Activity Report								Advisory Board Meeting			Academic Board Meetings
			The Luminary Talks								The Luminary Talks		
	Distant Trainin Program CRM system												
	Distant Training Program CRM System												
									2019 Work Plan	2019 Budget Development			2018 Budget Report
		Board Meeting				Board Meeting		Board Meeting			Board Meeting		
	Integrated Report TRENG												

OUR OWN ACTIVITIES

ACTIVITIES WE TOOK PART



PUBLIC SECTOR

EDUCATION	RESEARCH	COMMUNICATION
Good Governance Training for Teachers	Istanbul Districts' Municipality Scorecard from Citizen's Perspective	Integrated Thinking Meeting and Alumni Day - Ankara
Good Governance Training Program for Mukhtars	Right to Information/Sabancı University	Neighborhood Oriented Participation Workshop/KEYEM
Different Participation Models and Actors/ Marmara University	Mukhtar-Municipality Relations Survey	Membership - 11. Development Plan - Specialized Commission on Good Governance and Innovation / Ministry of Development
	Cases on City Governance	Cases on Good Governance Round Table Meeting
	Corporate Capacity and Service Provision Means of Municipalities Report   Ministry of Interior General Directorate of Local Administrations	Corporate Capacity and Service Provision Means of Municipalities Workshop   Ministry of Interior General Directorate of Local Administrations
	Corporate Capacity and Service Provision Means of Municipalities Report   Ministry of Interior General Directorate of Local Administrations	Introductory Meeting for Istanbul Districts' Municipalities Scorecard from Citizen's Perspective /IGLUS-Istanbul Module

CIVIL SOCIETY

Good Governance for Kids: Volunteer Trainings Good Governance for Kids: Training Program	Good Governance for Kids Implementation Booklet 1 - Pilot Good Governance for Kids Activities Booklet 1 - Pilot	Good Governance for Civil Society Training Launch Event
Video Training for Democratic Decision Making in the Family	Consultation: Booklet on Stakeholders' Participation in Decision Making	Civil Society Workshop
Good Governance Training/Annual Youth Summit - Co-Opinion	Good Governance Rating for NGOs - TOG & TEGV & KALDER	Public Administration Ethics Round Table Workshop
Good Governance in Civil Society Certificate Program - ISTANBUL	Good Governance for Kids Activities Booklet 1	ACT Human Summit
Good Governance in Civil Society Certificate Program - ADANA	Good Governance for Kids Implementation Booklet 1	The Luminary Talks
Good Governance for Kids Teachers Training / SEV Good Governance for Kids Training Program / SEV	Good Governance for Kids Activities Booklet 2 Good Governance for Kids Implementation Booklet 2	Good Governance Meetings in Anatolia Yalova
Integrated Reporting Training/Anadolu University Auditing Club		Presentation - Academy Search Conference/ TESEV
Good Governance for Kids: Volunteer Training Good Governance for Kids: Training Program		Orientation Meeting for Good Governance in Civil Society Certificate Program - ADANA
		Stand area - 7th Training and Development Summit/TEGEP
		Good Governance in Cities Panel Discussion/International City and Civil Society Organizations Summit
		NGO Capacity Building Panel Discussion/ International City and NGOs Summit
		Good Governance in Civil Society Certificate Program Graduation Ceremony Adana
		Gong Ceremony - International City and Civil Society Organizations Summit/Istanbul Stock Exchange
		Stand Area/ International City and Civil Society Organization Summit
		Good Governance in Anatolia Meetings - Gaziantep
		Good Governance in Civil Society Certificate Program Graduation Ceremony Istanbul
		Membership - 11th Development Plan - Specialized Commission on Civil Society Organization in the Development Process/ Development Ministry
		Civil Society Workshop/EU Ministry



PRIVATE SECTOR

EDUCATION	RESEARCH	COMMUNICATION
Integrated Reporting – Pilot Training for Sharing Experiences	Guide for General Counsel on Corporate Sustainability	Conference on Corporate Sustainability for General Counsels
Integrated Reporting Pilot Training		ERTA Foundation Gong Ceremony
Good Governance Mentorship Program for Women Entrepreneurs		Membership-WEPs Training and Mentorship Working Group/TUSIAD
Gender Equality Trainings/Eczacıbaşı		Gender Equality Presentation/WEPs Introductory Meeting- BASIFED
Integrated Reporting Training/ERTA		UNSDG Risks Panel Discussion/Leadership in Transformation-26. Quality Congress-KALDER
		Stand Area/Investor Relations Summit - TUYID
		Good Governance Seminar for Gender Equality - BPW

GLOBAL

	Integrated Thinking	Enabling Good Governance Panel Discussion/ Horasis Global Meeting
		Presentation – Good Governance in Financing Local Governments/Asian Public Governance Forum – OECD Korean Policy Center
		BIAC General Assembly
		International Integrated Reporting Council Official Congress 2017
		Integrated Thinking Meeting - Istanbul
		Integrated Thinking Press Meeting
		Membership/Meeting of the Steering Group Measuring Regulatory Performance – OECD

We pay special attention to plan our activities in autumn for the following year to use our resources effectively and create higher impact. Our activity plan for 2017, prepared based on our needs and current developments, was approved by our Board of Directors at the end of 2016.



We share our activities with our stakeholders via our newsletters twice a year both in English and Turkish. Additionally, we communicate our outstanding activities by issuing special newsletters. It is important for us to share our newsletters with our donors and stakeholders in line with our commitment to the principle of accountability. We measure our impact in this communication channel by analyzing opening rates and report the results to our Board of Directors regularly. As a result of our special effort in this respect, our opening rates for newsletters in 2017 were above the average rate in the sector.

In 2018, we plan to be more active in social media as well to share our activities.

## We represented Türkiye in 3rd Asian Public Governance Forum

We represented Türkiye in 3rd Asian Public Governance Forum as invitee of OECD Korea Policy Centre.

→ READ MORE



## Announcements

Municipality Governance Scorecard Workshop - Adana

We organized Municipality Governance Scorecard Workshop in collaboration with the Marmara Municipalities Union.

Municipality Governance Scorecard Workshop-Istanbul

We were invited to the United Nations' Public Service Forum to present our Municipality Governance Scorecard.

## ARGÜDEN GOVERNANCE ACADEMY

SUMMER '17

### Corporate



### Key Role of General Councils for Corporate Sustainability

In collaboration with **Global Compact Türkiye**, we conducted the "Conference for General Councils on Corporate Sustainability" at **TÜSİAD**, Istanbul. In the conference, we emphasized the crucial role of the General Councils for the sustainability of institutions.

Read More



### Our Integrated Reporting Türkiye has Started!

As a founding member **Reporting Türkiye** we developed our first integrated Report. We have developed the program in collaboration with our experience in the integrated Report in T

Read More

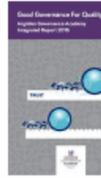
## PUBLICATIONS



### New Guideline to General Councils for Corporate Sustainability

We have incorporated "Guide for General Councils on Corporate Sustainability" into Turkish which is originally published by **UN Global Compact**. We believe that this book will guide companies and lawyers in their sustainability journey.

Read the Book



### Our 2016 Integrated Report is Available!

By publishing the first **Integrated Report Türkiye** last year, we have set a wide role model. We are globally as being among the first to publish an integrated Report in Turkey.

Read the Report

## ARGÜDEN GOVERNANCE ACADEMY

WINTER '18

Our 2017 Journey

## Entegre Düşünce Gelişimi



### Stakeholder Engagement

We value establishing meaningful stakeholder relationships in decision-making processes to create healthy consultation practices. To disseminate this idea, we have published Turkish translation of **Stakeholder Engagement**.

Read the Book



### Integrated Thinking

Integrated Thinking is gaining momentum throughout the business world. Thus, we've translated "Integrate Doing Business in the 21st Century" into Turkish, co-authored by our Advisory Board Member **Prof. Maryn E. King** and **Leigh Roberts**.

Read the Book



### Good Governance for Kids

We have incorporated good governance culture into activities in our book covering various topics including democracy, social inclusion, environmental sustainability, children and human rights, participation in decision-making processes, and gender equality.

Read the Book

### Global

## Asian Public Governance Forum on Local Finance

연말의 혁신 : 재정분권화를 통한 융성시대 개성

### Civil Society

## Good Governance in Civil Society: Our First Graduates





# PUBLIC GOVERNANCE

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## OUR PUBLIC GOVERNANCE JOURNEY

### “Good Governance in Public Sector” Publication

In the panel discussion organized with the participation of OECD Regulatory Policy Division Head Nick Malyshev we discussed Good Governance and Quality of Decisions in Public Sector.



### “Corporate Governance of State-Owned Enterprises” Publication



The Turkish translation of the book “OECD Guidelines on Corporate Governance of State-Owned Enterprises, 2015 Edition” the original version of which is in English and French, contains recommendations on good governance practices in line with the internationally

adopted principles of transparency, fairness, accountability and responsibility by considering the local circumstances of the state-owned enterprises.

### Our First Graduates of our Good Governance in Public Sector Certificate Program



We completed our third and fourth modules of Good Governance in Public Sector Certificate Program with the participation of 47 public representatives from 19 public institutions. Our first graduates of 2016 Program received their diplomas.

2015

### Good Governance in Public Sector Certificate Program

We developed a training program for decision making officials in the public sector with the aim of ensuring adoption of good governance principles in the central governing bodies. We completed the first and second modules of our Good Governance in Public Sector Certificate Program with the participation of 78 public sector leaders from 19 different institutions, simultaneously in two groups.

- Good Governance in Public Sector
- Scientific Methods in Regulatory Reforms and Public Policies

2016

### Good Governance for State-owned Enterprises Conference

We discussed the importance of management of state-owned enterprises in line with good governance principles for the quality of life, sustainable success and national economy in the conference we organized in cooperation with TKYD with the support of the Under secretariat of Treasury, Prime Ministry and Turkish Union of State-owned Enterprises.



### Conference on OECD Assessment Report of Decision Making Processes in Public Sector



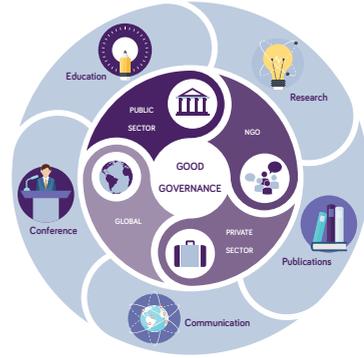
Decision making processes in public sector was discussed at the conference we organized in partnership with TÜSİAD with the participation of Nick Malyshev, Head of OECD Regulatory Policy Division and our Advisory Board Member, Prof. Dr. Ersin Kalaycıoğlu, Prof. Dr. Muhittin Acar, Dr. Emin Dedeoğlu and Eray Akdağ.

Following the programs we carried out for decision making government officials we went deep into the mechanism of public administration and developed a project for the adoption of good governance principles in local governments.

2017

### From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts

Adoption of good governance principles by local governments is directly linked with the citizens' quality of life. It was for this reason that we developed our project From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts and assessed the implementation of good governance principles by the 39 district municipalities of İstanbul by means of the methodology we devised for this purpose.



2018

We will publish “The Guidelines of Integrated Reporting for Municipalities”. We will also repeat our “Good Governance in Public Sector Certificate Program” in Ankara with the aim of improving participatory democracy in the development and implementation of public policies and enhancing the quality of services in state-owned enterprises by means of innovative methods.

We will share our book From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts and organize our conference for this purpose. We hope our “Governance Scorecard” prepared in strict adherence to objective criteria will encourage local governments to adopt good governance principles.

### From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts

We launched our project “From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts” with the aim of contributing to the efforts for enhancing citizens' quality of life by promoting good governance practices in Türkiye. Believing that the adoption of good governance principles by the local governments is directly linked with citizens' quality of life, we developed a methodology to assess the extent to which these principles were embraced by the district municipalities of İstanbul and prepared their scorecard on objective criteria.

  
Our Business  
Model  
and Our Strategy  
pg.14



We are thankful to our Advisory Board, led by our Public Governance Leader Fikret Toksöz, comprising Emeritus Prof. Dr. Korel Göymen, Prof. Dr. Ersin Kalaycıoğlu, Assoc. Prof. Erbay Arıkboğa and retired Governor Enver Salihoğlu for their guidance and academic support in this process.

We hope that our Municipalities' Governance Scorecard prepared for the promotion of good governance practices based on material data and scientific criteria will encourage municipalities to put into practice good governance principles.

In 2018 we will publish the results of this survey and share it with the press, the public and more importantly by public institutions such as the ministries and local governments.

Within the framework of the Project in question we also developed sub-projects dealing with empowerment of mukhtars, good governance in cities and citizens' right to information.

★  
2018

Trust is the essence of good governance and the foundation of sustainable development



## Our Activities in 2017

### Mukhtars<sup>2</sup>:

#### An Essential Medium Through Which Citizens Make Their Voices Heard

We will prepare in 2018 a report to bring to the attention of not only the municipalities, but also the Mukhtars the data we gathered from the trainings organized during our Project and also from the Survey we conducted.

Participatory decision-making processes are essential for enhancing the quality of local governments' decisions. Citizens' participation in the decision-making processes bear critical importance in embracing good governance principles and building trust in institutions. As empowerment of the Mukhtars, who serve as the voice of citizens, directly affects citizens' quality of life, we organized training sessions and conducted surveys to gain insight into the relations between the mukhtars and the municipalities. We expect our project to raise the level of knowledge on good governance and help the citizens to raise their demands, and also encourage Mukhtars to adopt the mission of better informing the citizens they represent and to improve their services to the neighborhood community.



#### Mukhtar – Municipality Relations Survey

We prepared a questionnaire to obtain Mukhtars' opinion about municipalities' willingness to cooperate with them and their support to Mukhtars. This enabled us to evaluate the degree to which the municipalities included Mukhtars (consequently the citizens) in the way they operate.



#### Good Governance Training for Mukhtars

During the training sessions we organized in cooperation with the **Federation of All Istanbul Mukhtars' Associations (TÜMFED)** we discussed Mukhtar-Municipality relations. At the end of the trainings given by our Public Governance Leader Fikret Toksöz 102 Mukhtars received their participation certificates. We also provided access to these trainings through our distance training platform.

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<sup>2</sup> Mukhtar is traditionally the head of a neighbourhood, the smallest administrative unit in Türkiye, officially coming to office by the votes of the inhabitants of that specific neighbourhood.



### “Cases on City Governance” Publication

In the first section of our book *Cases on City Governance* (*Kentlerden Yönetişim Örnekleri*), which we prepared on the basis of OECD’s “Governing the City” publication, we presented the good governance practices in various OECD metropolises in connection with urban planning and transportation policies. Here the main topics we focused on were,

- How the OECD metropolises adopted the good governance principles;
- The methods used by the metropolitan municipalities in applying the good governance principles in their transportation and spatial planning;
- Steps of an effective metropolitan governance.

In the second section, we chose Adana as a case study from the aspect of transportation and spatial planning. Adana was a good example in terms of the successful and harmonious cooperation amongst the central administration, local government, civil society, private sector and academia. We aimed this section, covering the observations and comments of Assoc. Prof. Çiğdem Aksu Çam, to inspire other cities of Türkiye in the application of good governance principles in the operation of local governments.



### “Cases on City Governance” Round Table Meeting

We launched our book “*Kentlerden Yönetişim Örnekleri*” (*Cases on City Governance*) at a round table meeting with the participation of Oscar Huerta Melchor, OECD Public Governance Policy Analyst. Representatives from various public, local, civil and academic institutions such as İstanbul Metropolitan Municipality, İETT (İstanbul Public Transportation Authority), City Councils, İstanbul Provincial Directorate of Environment and Urban Development, EU Ministry, İstanbul Technical University, İstanbul Bilgi University, and Habitat Association took part in the discussions on metropolitan municipalities’ good governance practices in connection with urban planning and transportation policies. Diverse arguments and suggestions enriched the meeting where examples of spatial and urban planning from Türkiye and elsewhere were also dealt with.



### Right to Information Act

Within the scope of our project of experiencing responsible citizenship and Good Governance in partnership with **Sabancı University** a team of volunteering university students directed to municipalities several questions, demanding information on each topic to exercise their right to information.

With this survey we both raised university's awareness of responsible citizenship, and at the same time diversified the outputs of our project From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts.

### Integrated Thinking Meeting and Alumni Day

We got together with the graduates of our Good Governance in Public Sector Certificate Program conducted in 2016 at the Alumni Day where we hosted Richard Howitt, the CEO of the International Integrated Reporting Council. This was a good opportunity to reinforce our communication with our graduates and also to bring them together with one of the world's prominent opinion leaders on good governance.



During the meeting we shared with our guests and participants our book "Entegre Düşünce", the Turkish version of Prof. Mervyn E. King and Leigh Roberts's book "Integrate: Doing Business in the 21st Century" which is gaining increasing popularity every day.

Among the speakers were Mustafa Afyonluoğlu, one of the graduates of our Certificate Program, and Sinem Özönur, Head of Investor Relations and Business Development, Garanti Bank. Our Coordinator F. Müjde Çetin and Dr. Fatma Ögücü Şen, our Manager of Research Programs gave presentations respectively on integrated thinking.

We aim to get together with our graduates to observe the impact of our trainings and activities, to receive feedbacks and improve our work by making use of their valuable inputs.

In 2018 we will repeat our Good Governance in Public Sector Certificate Program in Ankara to improve participatory democracy in developing and implementing public policies, and to raise the quality of public institutions' services.

“



**Hayrullah Keleş**

Finance Ministry  
Participant in our  
Integrated Thinking Meeting

Integrated Thinking Meeting was very fruitful for me. I had the opportunity to ask questions to Sinem Özönur and Richard Howitt about various aspects of Integrated Thinking and Reporting for which there were question marks in my mind. Apparently, leaders, institutions or governments managing social resources in the future with an integrated thinking approach will make a real difference as compared to others. In fact, although we are members of a civilization which had been committed to this approach in the past, we aren't even aware of how far we have drifted apart from it. I truly wish that your efforts in this respect trigger an awakening and integrated thinking prevails at all levels in our country.



”

## Good Governance Training for Teachers

In our Good Governance Training for Teachers we underlined the critical role played by the teachers in creating good governance environment in the classroom. During the 2-day training with 33 participants attention was drawn to teachers' contribution in raising responsible individuals and enhancing students' awareness of good governance in generating a participatory environment during the classes.

**We aspire with greater passion every day to support the dissemination of good governance by reaching out to people through a wide variety of institutions.**

- We were invited to the Special Expertise Committees of the Ministry of Development set up for the establishment of basic policies and strategies for the next five years in line with the 11th Development Plan prepared for realizing Türkiye's vision of development.



Our founder Dr. Yılmaz Argüden and our Coordinator Müjde Çetin took part in the Special Expertise Committee on “Corporate Governance in Public Institutions and New Approaches” on behalf of our Academy. The recommendations submitted by our Academy to the Ministry of Development, the owner of this process, were included in the Committees' Draft Reports.



- Our Local Governance Expert İnan İzci took part in and shared our recommendations for neighborhood level participation at the **Neighborhood Focused Participation Workshop** organized by the Marmara University City's Problems and Local Governments Research Center (KEYEM) with the support of Ümraniye Municipality.



- We made a presentation on our From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts to the representatives from China, France, Canada, Switzerland, Spain, Russia, Brazil, Italy, Australia, Malaysia, Indonesia and Colombia at **IGLUS (Innovative Governance of Large Urban Systems) İstanbul Training Module**.

• At the invitation of the **General Directorate of Local Governments, the Turkish Ministry of Interior** we took part in the workshop organized by the Project for the Establishment and Improvement of Metropolitan Municipalities' corporate Capacity, and submitted our observations and recommendations as a report.

• **Dr. Fatma Öğücü Şen**, our Manager of Research Programs, gave a lecture to the **Marmara University** undergraduate students on the Implementation of Stakeholder Participation for Different Actors and Models.



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# NGO GOVERNANCE

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## OUR NGO GOVERNANCE JOURNEY



### Membership to C20 Governance Working Group

We were invited to join as a member to the C20 (Civil Society 20) working group which is an advocacy and idea development platform where civil society representatives communicate their policy recommendations to the world leaders in areas such as economic growth and development. We organized a panel discussion at the C20 Summit on the importance of the civil society in the efforts to attain UN Sustainable Development Goals. We published an Assessment Report where we compiled our views expressed during the panel discussion.



### Participatory Democracy: Suggestions to Empower NGOs

We prepared a questionnaire for 94 NGOs in 19 cities in Türkiye to collect their suggestions on the current challenges they have been facing in their fields of activity and their suggestions for solution.



We organized our workshops on this topic in Adana, Ankara and İstanbul in partnership with Adana City Council, Sivil Düşün EU Program and Friedrich-Ebert-Stiftung (FES) respectively.



We published our book *Katılımcı Demokrasi: STK'ları Güçlendirme Önerileri* (Participatory Democracy: Suggestions for Empowering NGOs) covering a comprehensive bibliography on civil society and an outlook on the current situation of the civil society in Türkiye. We gathered our suggestions under the below six topics:

- The need to expand the scope of freedom
- Government-civil society cooperation
- Financial resources
- Settlement opportunities
- Supervision
- The need for human resources

2015

### The role of G20 countries in achieving the UN Sustainability Development Goals (UNSDGs)

Our Academic Board members Prof. Dr. Vedat Akgiray and Dr. Erkin Erimez discussed the role of G20 countries in achieving UNSDGs.



2016

We shared the important points expressed in this conference with NGO representatives in our workshops organized in Adana, Ankara and İstanbul, and listened to their views on the relevant aspects. We compiled our suggestions drawn from these discussions and the questionnaire results in our publication about "Participatory Democracy" book.



### Seminars in Anatolian cities

To promote cooperation amongst the public sector, civil society and private sector we organized our "Seminars in Anatolian Cities" where we shared with the participants our suggestions contained in our Participatory Democracy book. We continued to contribute to the achievement of the 17 Sustainable Development Goals through our workshops in Bursa and Adana.



### Strengthening Corporate Governance in Civil Society

We prepared and published the Corporate Governance Compliance Rating Report for NGOs in partnership with Corporate Governance Association of Türkiye (TKYD) NGO Working Group and Kobirate.

2017

We continued to work on our Corporate Governance Compliance Ratings for NGOs and completed our assessment of TOG (Social Volunteers Foundation), KalDer (Quality Association) and TEGV (Education Volunteers of Türkiye Foundation).

### Good Governance Meetings in Anatolian Cities

To contribute to the promotion of cooperation among public sector, civil society and private sector we organized Good Governance Meetings in Yalova and Gaziantep.



### We are a determined supporter of the Civil Society

Our training programs and activities strengthened our advocacy position in support of the civil society. This became even more apparent in the increased number of invitations we received for the various events organized in connection with the empowerment of the civil society. We thus took part in EU Ministry Civil Society Conference and the Preparatory Workshop on Capacity Building Program for NGOs.



We will continue our Good Governance Meetings in Anatolian Cities program with Eskişehir, Samsun and Ardahan. We will follow closely the developments in these cities in this area and prepare reports accordingly.

### Good Governance in Civil Society Certificate Program

We completed our work on the curriculum of our Good Governance in Civil Society Certificate Program, which we carried out in consultation with the Hertie School of Governance and the Baruch College.

### First Civil Society Graduates

Our Good Governance in Civil Society Certificate Program completed in collaboration with Adana City Council in Adana and Friedrich-Ebert-Stiftung in İstanbul covering 22 courses gave its first graduates in 2017.

58 graduates received their “Certificate of Expertise” and 92 participants were presented their “Certificate of Participation”.



2018

We will conduct our Good Governance in Civil Society Certificate Program in various Anatolian cities as well.

## NGO GOVERNANCE

### Good governance in Civil Society: We Gave Our First Graduates

Based on the results of our questionnaire prepared for NGO representatives and the outcome of our workshops, we had concluded from our Participatory Democracy Project in 2016 that, one of the most vital needs of NGOs was qualified human resource.



We therefore decided to launch a training program to meet this important need. Drawing on our consultation with the International Hertie School of Governance and Baruch College, we prepared the curriculum of our Good Governance in Civil Society Certificate Program, targeting actual and prospective NGO leaders, activists, and young graduates planning to make a career in civil society. Our aim was to raise awareness about good governance practices, encourage adoption of a holistic and strategic approach, educate the participants about integrated thinking, improve the capability of building social capital, generate sustainable financial resources and inform them about legal obligations in this field.

Our lecturers were Academicians, NGO leaders, and private sector professionals, using a methodology involving both theoretical and practical information, case studies and legislative aspects, supported by individual and group studies.



Our training program covering 22 courses of 66 hours was implemented in 2017 with the support of Friedrich-Ebert-Stiftung (FES) in İstanbul and in partnership with the Adana City Council.

We launched our education platform on the Internet where our participants were given access to the content of the training (presentations, videos, reading lists, additional sources, etc.) and the opportunity to complete part of their courses and do their examinations. This enabled us to upload the entire training content and share it with the participants in a distance education system, thus ensuring our training's sustainability. Our aim is to make all our training programs accessible and practicable through the Internet in the future.



At the Graduation Ceremony following the completion of our certificate program participated by 150 people, we presented 58 of them “Certificate of Expertise” and 92 their “Certificate of Participation”.

★ 2018 We plan to organize our Certificate Program in different cities of Türkiye to offer more people expertise in the field of good governance.

“



I enjoy the courses very much and find them very useful. At our Board Meeting I shared with my colleagues what I learned in these courses and could give them guidance.



**Zeynep Ürkün**

*Make A Wish Association  
General Manager  
Our Graduate of Good Governance in Civil Society Certificate Program*

”

“



After this training I decided to continue my activities in civil society in a more informed and professional manner. I am currently doing my fourth year in International Relations department at the university and I am very happy that I met you and attended this training program before I start my undergraduate thesis. The title of my thesis will be “Civil Society in the Middle East; Opportunities and Barriers” which I decided after your training program, totally inspired by what we were taught at the training sessions. It will be very easy to complete my thesis successfully thanks to what I learnt at your Good Governance in Civil Society certificate program. In addition to my voluntary civil society activities I want to build a professional career in this field and I believe it will be very fruitful. I thank you and the Argüden Governance Academy for the capacity and expertise you equipped me with.



**Güliz Sarıca**

*University student  
Our Graduate of Good Governance in Civil Society Certificate Program*

”

## GOOD GOVERNANCE IN CIVIL SOCIETY CERTIFICATE PROGRAM

	<p><b>Dr. Yılmaz ARGÜDEN</b> Founder</p> <p>Argüden Governance Academy</p> <p><i>From Government to Governance: NGO Governance</i></p>		<p><b>Dr. Uygur ÖZESMİ</b> Founder</p> <p>Good4Trust.org</p> <p><i>NGOs Increasing Role in the Society</i></p>
	<p><b>Prof. Muhittin ACAR</b> Faculty Member</p> <p>Hacettepe University</p> <p><i>Modern State and the Role of the Civil Society</i></p> <p><i>Transparency in Decision Making Process</i></p>		<p><b>Pınar ILGAZ</b> Vice Chair</p> <p>Argüden Governance Academy</p> <p><i>Human Resources Management in NGOs</i></p>
	<p><b>Burhan TAŞTAN</b> General Manager</p> <p>KOBİRATE</p> <p><i>Measuring Governance Quality: Governance Indicators</i></p>		<p><b>Canan ERCAN ÇELİK</b> Board Chair</p> <p>Borusan Consulting</p> <p><i>Building Trust in Civil Society</i></p>
	<p><b>Dr. Erkin ERİMEZ</b> Academic Board Member</p> <p>Argüden Governance Academy</p> <p><i>Formation of Boards of Directors and Their Responsibilities</i></p>		<p><b>Dr. Fatma ÖĞÜCÜ ŞEN</b> Research Program Manager</p> <p>Argüden Governance Academy</p> <p><i>Development of Citizen-Civil Society Relations and Stakeholders' Participation</i></p> <p><i>Integrated Thinking and Good Governance</i></p>
	<p><b>Erdal YILDIRIM</b> General Manager</p> <p>Vehbi Koç Foundation</p> <p><i>Financial Sustainability – Resource Development and Correct Use of Resources</i></p>		<p><b>Bülent ÖZCAN</b> Project Implementation Director</p> <p>EU Ministry</p> <p><i>Financial Sustainability – Ministry's Grants</i></p>
	<p><b>Fikret TOKSÖZ</b> Governance Expert</p> <p>Argüden Governance Academy</p> <p><i>Development of Citizen-Civil Society Relations and Stakeholders' Participation</i></p>		<p><b>Prof. Nail ÖZTAŞ</b> Faculty Member</p> <p>İstanbul Gelişim University</p> <p><i>Social Capital</i></p>



**Ali Kamil UZUN**  
Founding Chair

**Internal Audit Institute of  
Türkiye**

*Opportunities Provided  
by Internal Audit for NGO  
Stakeholder Assurance*



**Assoc. Prof. Meral DÜLGER  
TAŞKIN**  
Faculty Member

**Marmara University**

*Strategic Planning in Civil  
Society*



**F. Müjde ÇETİN**  
Coordinator

**Argüden Governance Academy**

*Civil Society's Relations with  
Public Sector, Private Sector and  
other NGOs  
Integrated Thinking and Good  
Governance*



**Yakup Levent KORKUT**  
Chair

**Civil Society Development  
Center (STGM)**

*Legal Obligations of Civil  
Society Leaders*



**Prof. Uğur EMEK**  
Faculty Member

**Başkent University**

*Impact Analysis in Civil  
Society*



**Emre GÜR**  
Secretary General

**Türkiye Europe Foundation**

*Civil Society's Relations  
with Public Sector, Private  
Sector and other NGOs*



**Prof. Mine EDER**  
Faculty Member

**Boğaziçi University**

*Future Trends and  
Challenges*



**Tayfun ZAMAN**  
Board Member

**TİDE**

*Executive Committee/Board of  
Directors  
Implementation Exercise  
Ethics and Compliance in Civil  
Society*



**Petek ÖZKAN**  
Communication Specialist

**Argüden Governance  
Academy**

*Corporate Governance  
Tools*

## Our “Good Governance For Kids!” program raises today’s and tomorrow’s responsible leaders



We believe in the importance of trust in institutions for a sustainable and inclusive development, and it is for this reason that we aim to improve and expand good governance practices in every section of society. In our view, starting with children the journey towards raising awareness and disseminating information in this field will make an immense impact in making the change happen. Our “Good Governance For Kids!” program we launched for this purpose contributes to the efforts for shaping our future in the right way and raising the quality of life.

The foundations of good governance are laid in the family in childhood years, while the comprehension of abstract concepts takes places in primary school period. We collaborated with ÖSGD (Private Sector Volunteers Association) in developing and conducting our program, teaching concepts such as thinking responsibly, good self-expression, communicating with people, fairness, empathy, participation, equality, and topics such as democracy and participation, and volunteering and solidarity. We also prepared an “Activity Handbook” for the children, and “Implementation Book” for volunteers/trainers. In the pilot program we worked with 50 children during the 10 weeks between March-June 2017, with the support of 22 private sector volunteers.



In the autumn term we conducted our program in public schools in cooperation with ÖSGD and 3 SEV (Health and Education Foundation) primary schools in three cities in partnership with Health and Education Foundation (SEV), thus enabled more than 450 primary school students to experience the good governance culture through various activities.



Following the completion of the content development for the topics of Financial Literacy, Gender Equality, Environment Consciousness, Safe Use of Technology, and the Monitoring and Evaluation materials, we achieved our aim to make our “Good Governance For Kids!” education program a full education set that can be put into use at schools for a period of 20 weeks and included in the official syllabus.

The content of the program and the holistic approach to all the topics involved provide a key for being a responsible individual.

★  
2018

In the second half of the 2017-2018 school year we will carry on with our cooperation with SEV and ÖSGD and launch the II. phase of our program. Furthermore, it will reach out to children in Eskişehir, where the program will be conducted in cooperation with the Children’s Rights Center of the Eskişehir Metropolitan Municipality, and also in various other cities of Türkiye in partnership with TEGV.

### Our “Good Governance For Kids!” program constitutes an example



Our founder Dr. Argüden, during his speech at the Private Schools Association of Türkiye’s 17th. Education Symposium, underlined evaluation systems’ impact on the quality of the education and the importance of the inclusion of the good governance in the system starting from the primary school years, gave our “Good Governance For Kids!” program as a good example for the applicability of his suggestion. Dr. Argüden’s contribution at this symposium which brings together every year Education Ministry’s top-level officials and education professionals from Türkiye and elsewhere

in the world, gave us an important opportunity to introduce our program book to many educators and to promote our education set which will be instrumental in integrating good governance in the education system in Türkiye.

### Consultation improves social wisdom, participatory democracy and self-confidence

We believe in the significance of establishing meaningful stakeholder relations and a robust consultation process in decision making processes.



We published the Turkish version of “Stakeholder engagement: A road map to meaningful engagement” written by Neil Jeffery, an expert from Cranfield University, Doughty Center, with the Turkish title: “İstişare: Paydaşların Kararlara Katılımı”. The book, explaining the key methods for successful stakeholder engagement, will serve as a guideline particularly for public sector and commercial organizations, indicating the ways to achieve a fruitful stakeholder participation in decision making processes. Since not only methods but also the overall culture of good governance which is the factor shaping the behaviors bear importance in this respect, the book will also be very helpful for all stakeholders and NGOs as well.



### **International City and Civil Society Organizations Summit**

192 NGOs and universities from 60 countries took part in the Summit organized under the auspices of the

President of Türkiye and hosted by the Esenler Municipality. During the 3-day summit 35 sessions took place under 17 topics. We were the organizer of the “Good Governance in Cities” session where we invited speakers from Türkiye and abroad including Oscar Huerta, OECD Public Policies Analyst, as our guest of honor for this meeting of great importance. Our Public Governance Expert Fikret Toksöz, Secretary General of the Çukurova Development Agency Dr. Lütüf Altunsu, and Adana City Council Chair Ömer Güner Sazak were the speakers at the discussion panel moderated by our founder Dr. Yılmaz Argüden.



Furthermore, our Research Program Manager Dr. Fatma Ögücü Şen who took part in the “Building NGO Capacities” panel discussion as one of the speakers, emphasized the importance of content development, communication and building collaborations for upgrading NGO’s capacities for the empowerment of

the civil society and mentioned the “3i Model” in this context. We reached an audience of 75 in this session.

We had the opportunity to promote our Academy face-to-face 270 associations and 3,105 people during the Summit.

## Anatolian Seminars

Embracing the good governance culture in cities can only be possible if the civil society is supported by other actors. We have been organizing Good Governance Meetings in Anatolian Cities since 2016 to raise awareness in this respect, discuss the opportunities of cooperation amongst civil society, public and private sectors, and encourage to initiate new projects. Alongside with public institutions such as Provincial Education Directorates, and Provincial Directorates of Associations, various NGOs such as chambers of commerce and industry took place in our workshops.



In the first session of our meeting a seminar was given by our Public Governance Expert Fikret Toksöz where it was underlined that trust in institutions was the key to good governance and this covered not only the policy makers, but all the stakeholders involved.



In the second session the participants' local experiences, activities, and potential fields of cooperation amongst civil society, public and private sectors were discussed.

With these seminars we aim to contribute to the efforts for raising the quality of life through adoption of good governance and to put into contact the representatives of organizations, with a wide variety of perceptions and views.



## Corporate Governance in Civil Society

Within the framework of our NGOs' Corporate Governance Rating Survey and Report we completed in cooperation with TKYD NGO Working Group and KOBİRATE, our evaluation of the first half of 2017 activities of TOG and KalDer and in the second half that of TEGV. We highly value this study for all NGOs to have a better governance structure and hope that under its guidance NGOs will be able to identify their areas that need improvement and start to work to this end.



## We are an advocate of the civil society!

We reinforced our advocacy mission through our trainings and events we organized throughout 2017. Because of our effective efforts to empower the civil society, we started to receive invitations to meetings, which enabled us to share NGO's needs and expectations with a wide variety of audiences.

— We took part in the Civil Society Sector Workshop organized by the Turkish EU Ministry, where our following suggestions were welcomed and put into action:

- Setting up of a platform where NGOs could share information in digital environment;
- Opening of an activity portal for NGOs; and
- Adoption of the distributed model for the efficient use of grant scheme launched by the EU Ministry.

— We participated in the Preparatory Workshop for NGO Capacity Building Program organized by the EU Ministry, and contributed to the development of the program by submitting our recommendations in connection with its content and planning. This proved to be a fruitful opportunity to share our experience we obtained from our training programs with our stakeholders.

— We were invited by the Ministry of Development to take part in the specialized parliamentary commission set up for the establishment of the fundamental policies and strategies to be followed by Türkiye in line with the 11th Development Plan, which will contribute to the achievement of the country's development vision and to carry Türkiye successfully to the Centenary of the Republic. Our Coordinator F. Müjde Çetin participated in the "NGOs in the Process of Development Specialized Commission"'s meeting where our Academy's suggestions were included in the commission's draft report.

## Our collaboration with civil society

We took part in events, meetings and workshops organized by various NGOs as a speaker or trainer:

- We spoke about our activities and publications at the Human Development Summit, organized by Act Human Initiative;
- We conducted a training session on "Empowerment of Youth: Social-economic Participation of Youth" at the III. Youth Summit organized by Co-opinion to an audience of young representatives of NGOs in Middle East and North Africa about the importance of a holistic approach to good governance.

- Our Coordinator F. Mjde etin took part in the “Ethics in Public Administration” workshop organized by TESEV and drew attention to the importance of good governance principles.

- We had the chance to promote our Academy and its activities at the presentation area we set up during the 7th Education and Development Summit organized by TEGEP.

### **The Luminary Talks**

At The Luminary Talks we organize regularly we invite people who are experts in their respective areas and discuss topics in this context which allow us to closely follow the current matters of interest and improve our understanding of the issues at hand.

At The Luminary Talks in March 2017 we hosted Salih Sekin, digital marketing professional and social media trainer, and the writer of the books Pazarlama İletiřiminde Sosyal Medya (Social Media in Marketing Communications) and Her Őeyin Bařı Blog (Blog Comes First). Our main topics were the social media dynamics and the new trends.

At The Luminary Talks that took place in April 2017, our guest was Erdal Yıldırım, the General Manager of the Vehbi Ko Foundation, where we discussed his most recent book Bana Ynetim Kurulunu Syle Sana Kim Olduđunu Syleyeyim (Tell Me About Your Board of Directors and I Will Tell You Who You Are) and the key role played by the Board of Directors.



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# CORPORATE GOVERNANCE

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## OUR CORPORATE GOVERNANCE JOURNEY



We are committed to the promotion of Gender Equality which is No. 5 of UN Sustainable Development Goals (UNSDGs) involving the empowerment of all girls and women.

We undertook to mobilise resources for UNSDGs in line with the Good Governance principles of “Inclusiveness” and “Fairness”.

### Gender Equality Training Program

The program aims to raise awareness around gender equality within the framework of companies’ commitment to good governance. Our trainings started with Eczacıbaşı Group of Companies in November 2015.



We continued with our Gender Equality Training Program and provided training to 41 private sector employees.

2015

### Women on Boards of Directors Program



Within the framework of this project which we launched in 2015 we contribute to the preparation of training programs for increasing the number of women board members, organize trainings and provide mentorship. In line with our strategy in this context we attach great importance to collaboration with other actors and work in cooperation with Türkiye’s leading institutions such as Praesta, Boğaziçi, Bilgi, Koç and Özyeğin Universities.

**50 women executives graduated from our Women in Boards of Directors in 2016.**

2016

### “Social Responsibilities of Board of Directors” Publication



The book dealing with the responsibilities of Boards of Directors for a sustainable future, supported by current examples, underlines the need for an increased number of women board members and the importance of UNSDGs.

### Women's Empowerment Principles

We were invited as a speaker to BASİFED's Women's Empowerment Principles meeting in İzmir and talked on WEPs and Gender Equality. We joined as a member TÜSİAD's WEPs Training, Mentorship and Monitoring Working Group and started voluntary work for the adoption of these principles.

### Collaboration of the Academy and BPW

We undertook to perform voluntary work for one year for the Good Governance Mentorship Program for Women Entrepreneurs launched jointly by ILO, İŞKUR (Turkish Employment Agency), and BPW. We gave a seminar on Good Governance for Gender Equality at the December 2017 BPW meeting.



We will publish the Diversity in Board of Directors Index in 2018 to spread best examples in this field.

2017

### Women Enrich our Lives

Our founder Dr. Yılmaz Argüden participated in the "10'dan Sonrası" TV program on CNN Türk channel presented by Ahu Özyurt, speaking on and giving statistical data about Women Board Members, and stressing the need for greater women participation for social development.



2018



Our Gender Equality Trainings will continue in 2018 at a larger scale. We will share our knowledge and views at various platforms to ensure greater awareness of gender equality which supports fairness and participation principles of good governance.

### General Counsels play a critical role in corporate sustainability

Our Academy published the Turkish version of the Guide for General Counsel on Corporate Sustainability, prepared jointly by UN Global Compact, Linklakers LLP and an Advisory group of General Counsel in 2017, under the title “Hukuk Müşavirleri için Kurumsal Sürdürülebilirlik Rehberi”

  
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(Corporate Sustainability Guide for Legal Counselors), together with an article by Dr. Argüden on the social responsibilities of companies and the legal advisors’ role in this respect. Our book was launched at the Conference on Corporate Sustainability for General Counsels conference we organized in partnership with UN Global Compact Türkiye.



#### Guide for General Counsel on Corporate Sustainability

In the first section of our book companies’ social responsibilities are discussed, while the second section comprises the Turkish version of the UN Global Compact’s Guide for General Counsel on Corporate Sustainability. The Guide contains critical pieces of information and selected cases that will be helpful to top level executives, and ethics and compliance officers of companies in managing corporate sustainability issues. As it serves as a source of reference for legal counsels in connection with corporate sustainability principles the book attracted much attention, as was the case with the speakers’ presentations at the conference.

#### Conference on Corporate Sustainability for General Counsels

Conference on Corporate Sustainability for General Counsels we organized in partnership with the Global Compact, was hosted by **TÜSİAD**.



Society's expectations from companies are shaped under the impact of economic, political and social circumstances, which in turn define companies' social responsibilities. Legal counselors bear an important role in the fulfilment of these responsibilities. Discussions were held in the Conference on the role to be played by legal counsels in ensuring companies' sustainability and the role they play in this respect.

The opening speeches were made by the UN Global Compact Türkiye Chair Mustafa Seçkin and our Board Chair Prof. Metin Çakmakçı.

At the panel discussion which was moderated by our Academic Board Member Dr. Erkin Erimez, Coca Cola Beverage Chief Legal Counsel Ertuğrul Onur, Managing Partner of ELİG Law Office Gönenç Gürkaynak, and Founding Partner of Boden Law Office Değer Boden talked on various aspects of the topic and shared their experiences in this field.

Our conference with an audience of 70 gained a wide press coverage.



**We will continue to inspire fruitful discussions around our book by organizing activities in cooperation with universities.**

## **Consultation boosts social wisdom, participatory democracy and trust.**

We shared our books *İstişare: Paydaşların Kararlara Katılımı* (Stakeholder Engagement) and *Entegre Düşünce* (Integrate: Doing Business in the 21st Century) with more than 1,000 business leaders at the 26th Quality Congress organized under the theme "Leadership in Transformation". We also talked about our publications at the discussion panel "UN Sustainable Development Goals! Risks!" moderated by our founder Dr. Yılmaz Argüden.



The speakers of the session were Garanti Bank Vice General Manager Ebru Dildar Edin, President of Business World Sustainable Development Association Canan Ercan Çelik, UN Global Compact Türkiye Chair Mustafa Seçkin, and Yaşar Holding Board Member İdil Yiğitbaşı.



Our founder Dr. Yılmaz Argüden, the moderator at the discussion panel, underlined the importance of stakeholders' participation in decision making processes for the implementation of good governance principles. He also drew attention to the fact that, in this context, the effective operation of inclusive consultation processes constituted a major step towards building trust not only in government-citizen, but also in company-stakeholder relations. At the meeting, we introduced our books to 573 private sector representatives, in addition to reaching 2,514 people through our publications distributed during the Congress.

## Gender Equality

This year our Coordinator F. Müjde Çetin continued to deliver trainings to **Eczacıbaşı Group of Companies** to contribute to the promotion of Gender Equality, i.e. the Number 5 of the UN Sustainability Goals, calling for the empowerment of all girls and women.



At the meeting on the **Women's Empowerment Principles (WEPs)** organized by **BASİFED (Federation of Western Anatolian Businessmen and Industrialists Association)** in İzmir, we made speeches on Gender Equality. As a member of TÜSİAD's WEPs Training, Mentorship and Monitoring Working Group, we took purposeful steps for the adoption of WEPs. We also organized a seminar on Good Governance for Gender Equality at the **International Federation of Business and Professional Women (BPW)** meeting in December 2017. In addition, we undertook to work on voluntary basis for one year for the Good Governance for Gender Equality Mentorship Program developed jointly by ILO, İŞKUR and BPW partnership.

Our founder **Dr. Yılmaz Argüden** participated to the “**10'dan Sonrası**” TV program on **CNN Türk** channel presented by Ahu Özyurt, speaking on and giving statistical data about Women Board Members, and stressing the need for greater women participation for social development.



★  
2018

In 2018 we will continue with our Gender Equality training program on a larger scale. We will share our knowledge and views at various platforms to ensure greater awareness of gender equality which supports fairness and participation principles of good governance.

We also plan to publish our “Board of Directors Diversity Index” to promote best practices that would serve as role models in this respect.



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# GLOBAL GOVERNANCE

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## OUR GLOBAL GOVERNANCE JOURNEY

### Building stone of the Academy: Integrated Thinking

Argüden Governance Academy was founded by ARGE Consulting, our first donor in 1991. Since its foundation it has been committed to building up a social capital by doing voluntary work one day a week, and to boosting the intellectual capital by investing energy and time one month a year to develop and disseminate knowledge.



### Our recommendation to G20 Leaders: Integrated Reporting

During the G20 process where ARGE was selected as the Knowledge Partner we, as Argüden Academy, undertook the role of C20 Governance Working Group membership. We made a significant contribution to the recommendation of Integrated Reporting to the G20 leaders.



### Türkiye Network of Integrated Reporting (ERTA)

At the foundation stage of ERTA where we, together with ARGE, joined as two corporate members, two of our Academic Board members became ERTA's individual members. Our Academy and TÜSİAD were designated as the co-chairs of ERTA Education Committee.



### Responsible leaders embracing integrated thinking

**Our founder Dr. Yılmaz Argüden, who was elected as the Chairman of Global Compact Local Networks contributed to the global deployment of Integrated Thinking with his work in boards of directors.**

2014



*"Many thanks for your consistent and determined support to UN Global Compact, National Networks and Integrated Reporting."*

*Sir Mark Moody-Stuart, Chair, UN Global Compact Foundation*

### Mervyn King and Integrated Thinking

We hosted Prof. Mervyn King, our Board of Advisors member, in the first of our The Luminary Talks where we invite opinion leaders who are experts in their respective fields. It was a very inspirational talk on Integrated Thinking.

2015



*"Thank you very much for your visionary guidance for a higher quality reporting, and your support to Integrated Reporting."*

*Paul Druckman  
CEO, 2011-2016, International Integrated Reporting Council.*

### Türkiye's first Integrated Report

We were one of the first 10 NGOs in the world to issue an Integrated Report for our first operational year. Our Integrated Reporting experience was cited on the website of the International Integrated Reporting Council as an example for NGOs.

2016

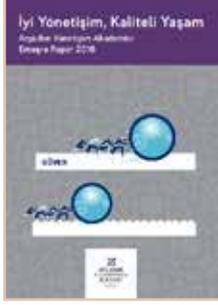


*"You have displayed a holistic approach that motivates decision making authorities to adopt Integrated Thinking – which is just what is needed. I celebrate your Academy for this wonderful learning process and exemplary experience in this respect."*

*Prof. Mervyn King  
President of the International Integrated Reporting Council*

### The Essence of Good Governance: Trust

We released our Integrated Report where we highlighted the importance of the concept of trust and shared our evaluation of our activities in comparison with the previous year.



2017

### Why Integrated Thinking?

We published our book Entegre Düşünce (Integrated Thinking) with the aim of deployment of this concept which we embrace and set an example for. We invited the International Integrated Reporting Council CEO, Richard Howitt, to Türkiye and organized conferences in İstanbul and Ankara.



*Richard Howitt  
International Integrated Reporting Council (IIRC), CEO*

## GLOBAL GOVERNANCE

### 21<sup>st</sup> Century Business Culture: Integrated Thinking

Our Academy published the Turkish edition of Prof. Mervyn E. King and Leigh Roberts's book "Integrate: Doing Business in the 21st Century" where the authors expound the concept of Integrated Thinking which is attracting increased attention in today's international business world. In cooperation with Integrated Reporting Türkiye Network (ERTA) and Internal Auditing Institute of Türkiye (TIDE) we launched our book first at the İstanbul Stock Exchange at a gong ceremony followed by a meeting at the Boğaziçi University with the participation of Richard Howitt, the International Integrated Reporting Council CEO, as our guest.

  
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### Integrated Thinking Press Meeting

We organized a press meeting of Richard Howitt, International Reporting Council CEO, with the daily Yeni Şafak columnist Ali Saydam, Hürriyet Daily News columnist Barçın Yinanç, and the daily Dünya columnist Hakan Güldağ. By making good use of the power of press with this meeting, we contributed to the deployment of the Integrated Thinking culture and raised awareness in this respect through Ali Saydam and Barçın Yinanç's articles published in their respective newspapers.

**We share our insight and knowledge in the field of global governance with our stakeholders.**



## Publicity Activities Around Integrated Thinking: Our Book and a Meeting

Integrated Thinking is a new concept attracting increased attention in Turkish business community as it is the case with the rest of the world. We are one of the first organizations that took steps for the promotion of the Integrated Reporting which was initially introduced by the publicly listed companies. Our Integrated Report published in 2015 was the first in Türkiye. We took part in the launch of Integrated Reporting Türkiye Network (ERTA) in Türkiye during a meeting starting at the İstanbul Stock Exchange in February 2017 with a gong ceremony, with the participation of representatives from the İstanbul Stock Exchange, TÜSİAD, TKYD, UN Global Compact Türkiye, SKD Türkiye, IIRC Türkiye Ambassador, Prof. Güler Aras, Garanti Bank and Çimsa.



From the  
Board Chair  
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The co-writer of the book was Prof. Mervyn E. King, the consultant to the South Africa's legendary former President Nelson Mandela, and Board Chair of Global Reporting Initiative (GRI) and the International Integrated Reporting Council (IIRC). Leigh Roberts, the other co-writer, is an outstanding specialist of the International Integrated Framework.

We organized series of events for the launch of our book, which we believe will make an important contribution to a deeper understanding of the concept and insight into its broader context in the Turkish business community, starting with the gong ceremony at the İstanbul Stock Exchange, and continuing with the meetings at the Boğaziçi University in İstanbul and for our Academy's graduates in Ankara.

We invited government authorities and experts, representatives from international organizations, NGO leaders, private sector leaders and academics to our meeting where we discussed in length the Integrated Thinking culture and generating value by means of a holistic approach. At the meeting where we gathered with more than 100 guests from İstanbul and Ankara, we had the chance to listen to such distinguished speakers as our Vice Chair Pınar Ilgaz, Board Chair of Turkish Internal Auditing Institute Menteş Albayrak, the Assistant Dean of the Faculty of Economic and Administrative Sciences of the Boğaziçi University Prof. Nur İrem Nuhoglu, our Academic Board member (former President of Capital Markets Board), and the Türkiye Ambassador of the International Integrated Reporting Council, Prof. Vedat Akgiray.



The honor guest of our meeting was Richard Howitt, the CEO of the IIRC's made a speech where he emphasized that the four main tools managing companies in the 21st century were "good governance, stakeholder engagement, integrated thinking and integrated reporting".



### **Our Integrated Reporting trainings continue**

We conducted the pilot training program collaboration with ERTA and prepared in cooperation with TÜSİAD ERTA in April 2017. Its second phase took place on November 1st, where we shared our experience in preparing our Integrated Report.

Our Academic Board Member Dr. Erkin Erimez, on the other hand, delivered an Integrated Reporting Training at the Anatolia University Auditing Club.

### **We represented Türkiye at the Asian Public Governance Forum**

We were invited by the OECD Korean Policy Centre, to the Asian Governance Forum, held annually for the last 3 years with the participation of representatives of many countries of the world, and our Research Program Manager Dr. Fatma Ögücü Şen made a presentation on the structure of Türkiye's local governments. At the forum organized with the participation of representatives of more than 10 countries, and an audience of 146 we shared our findings on the good governance practices followed by the local governments in Türkiye. This was an opportunity for us to share our experience and knowledge at an international meeting.

After the conference we held a meeting with OECD Korea to discuss potential areas of cooperation and signed a Memorandum with the OECD Korea representatives.



We plan to take part in the Asian Public Governance Forum in 2018 and aim to make joint progress in various projects under the Memorandum we signed with OECD Korea.

#### We shared our views at international activities



Dr. Argüden took part in OECD Forum 2017 and underlined the fact that the essence of the regulatory policies lied in stakeholder engagement, data-based decision-making mechanisms, and post-implementation impact analyses.

He also participated in the OECD Forum meetings in Paris as the Co-chair of Corporate Governance Committee.



Dr. Argüden was also the moderator of the annual meeting of the Global Vision Community organized under the theme “Building Together” and exchanged views with John Danilovich, the Secretary General of International Chamber of Commerce.

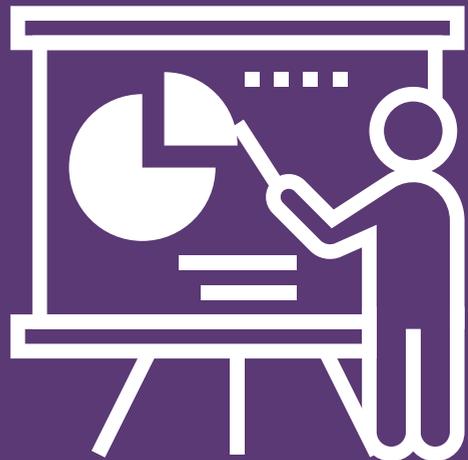


We took part in several workshops and activities the IIRC’s 2017 Official Congress where various aspects of Integrated Thinking and Integrated Reporting Framework Document were discussed. This enabled us to closely follow the current developments in this field and furthered our experience in this area.



# FINANCIAL HIGHLIGHTS

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## FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS			
	2015 (TL)	2016 (TL)	2017 (TL)
<b>REVENUES</b>	<b>1,182,521</b>	<b>1,223,838</b>	<b>818,895</b>
<b>EXPENDITURES</b>	<b>480,227</b>	<b>827,291</b>	<b>1,169,180</b>
EDUCATION	127,760	183,736	266,285
RESEARCH	114,991	270,653	421,226
COMMUNICATION	109,061	89,776	188,060
MANAGEMENT	128,415	283,126	293,609
<b>REMAINING</b>	<b>702,294</b>	<b>396,547</b>	<b>-350,285</b>

2017  
Independent  
Audit Report  
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In 2017, 88% of our revenues originated from the donations given by our corporate and individual donors, and 12% from the service fees earned by our commercial enterprise which increased by 686% as compared with the previous years'.

We added this sum to our increased 2016 revenues and we utilized the sum of TL 1,169,180 in the most effective manner to realize our activities indicated in the above table. The amount of resources we utilize grows in proportion to the increase in the volume of our Academy's activities on yearly basis. Our expenditures increased in 2017 almost by half as compared to 2016. Thanks to the promise of one of our biggest donors for a donation in early 2018 we closed our 2017 balance sheet with TL 350,285. Our cumulative surplus revenues since our foundation year totaled TL 748,556.

Our Capitals  
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We uninterruptedly search for new grants and donations and make efforts for establishing new contacts. Our target is a sustainability model in the coming years where our revenues from our commercial enterprise will rise and our Academy will become self-sufficient in carrying out its activities.



**We make best use of the leverage effect in every service our Academy provides, to derive maximum benefit from the donations extended by our donors!**

EXPENDITURES BY ACTIVITY			
ACTIVITY	2016 (TL)	2017 (TL)	Change (%)
TRAINING	183,736	266,285	45
RESEARCH	270,653	421,226	56
COMMUNICATION	89,776	188,060	109
MANAGEMENT	283,126	293,609	4
TOTAL	827,291	1,169,80	41

Below are some important points about our financial data:

- The hours of training we provided in 2017 rose from 191 to 276, resulting in the increase in our training expenditures.
- The number of our publications/reports we released this year, rose from 9 to 13, giving rise to a growth in our publications budget.
- In 2017 we took part in 47 events against 29 in 2016, and the number of persons we contacted face-to-face climbed to 9,700 from 5,000 in 2016 which increased the visibility of the good governance principles, and in turn increased our budget we allocated for this purpose. The doubling of both the number of events and people we interacted consequently increased the budget we allocated for this purpose.
- Despite the increase of our activities and expenditures, our management expenditures' remaining the same as the previous year is the most important evidence of our commitment to give priority to our activities over management expenses in allocating resources.



Our KPIs  
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RESOURCES FROM GRANT PROJECTS			
ACTIVITY	2016 (TL)	2017 (TL)	Change (%)
EDUCATION	0	44,665	-
RESEARCH	21,645	23,959	11
COMMUNICATION	0	10,305	-
MANAGEMENT	0	0	-
TOTAL	21,645	78,929	265

Resources derived from grant programs constitute an important part of NGOs' budgets. In 2015, our initial year, we hadn't applied for donor organizations granting activity-based donations, whereas in 2016 our "Participatory Democracy: Suggestions for Empowering NGOs" was funded by the Friedrich-Ebert-Stiftung (FES), resulting in a total activity-based donation of TL 21,645.

In 2017, we had the opportunity to utilize TL 78,929, again provided by FES, for our Good Governance in Civil Society Certificate Program, and for the Good Governance Report prepared within the scope of our project Municipality Governance Scorecard from Citizen's Perspective. These marked 265% increase in our utilization of grant projects.



LEVERAGE EFFECT (VOLUNTARY CONTRIBUTION & CONTRIBUTION IN-KIND)			
ACTIVITY	2016 (TL)	2017 (TL)	Change (%)
EDUCATION	157,976	139,696	-12
RESEARCH	37,195	151,766	308
COMMUNICATION	340,790	257,863	-24
MANAGEMENT	125,283	221,502	77
<b>TOTAL</b>	<b>661,244</b>	<b>770,827</b>	<b>17</b>

  
Our  
Volunteers  
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In 2016 we had mobilized resources 1.8 times bigger than our TL 827,291 actual budget and carried out activities equivalent to a total of TL 1,510,180. In 2017 our actual budget was TL 1,169,180 but we mobilized a resource 1.7 times bigger than that amount and generated a total activity budget of TL 1,940,007.

To calculate the money equivalent of the contributions in-kind (transportation, meeting room rentals, consultancy fees, etc.) we obtained three price offers for comparative services and took as basis the lowest one. Our volunteers spared a total 840 hours of their time for our efforts to promote good governance principles and thus contributed equivalent to TL 208,108. We regularly kept record of all free contributions by our volunteers, most of them professionals from the public and private sector, or from NGOs. We made the best use of every opportunity and instance where we can benefit from the knowledge and experience of them to enhance quality of life. This approach of ours set an example to many other NGOs and guided them in measuring the impact of their activities, the grants they received, and the leverage effect therefrom. To share our approach and method we employed in this context, upon invitation, we will take part in the Conference on Intellectual Capital and Public Sector to be organized by EIASM (European Institute for Advanced Studies in Management) in Munich, 20-21-22 September 2018.

CATEGORY	VOLUNTEERS' CONTRIBUTIONS 	
	TL	HOUR
EDUCATION	23,854	96
RESEARCH	126,458	507
COMMUNICATION	37,875	152
MANAGEMENT	19,921	85
<b>TOTAL</b>	<b>208,108</b>	<b>840</b>

We took great care to express our gratitude to the contributions made to our activities both in our publications and during our events, to set an example to our society and indicate the value they generated for us. While utilizing the resources provided by our donors and spending these funds we paid attention to act in the most economic manner possible and to display great sensitivity. We adopted the principle to obtain every service, as far as possible, as a contribution in-kind and thereby make best use of the **leverage effect**. As an indication of our responsible attitude in this respect we regularly gave account to our donors of how we utilized their funds without being asked to.



In 2016 we carried out our research largely with our volunteers' support.

In 2017 our research activities constituted again the category where we made use of the knowledge and experience of our voluntary contributors to the largest extent.

This year the time allocated by our volunteers for the Academy's governance efforts increased by 17% as compared with 2016.

TOTAL COST OF OUR ACTIVITIES			
ACTIVITY	2016 (TL)	2017 (TL)	Change (%)
EDUCATION	341,712	405,981	19
RESEARCH	329,493	572,992	74
COMMUNICATION	430,566	445,923	4
MANAGEMENT	408,409	515,111	26
<b>TOTAL</b>	<b>1,510,180</b>	<b>1,940,007</b>	<b>28</b>

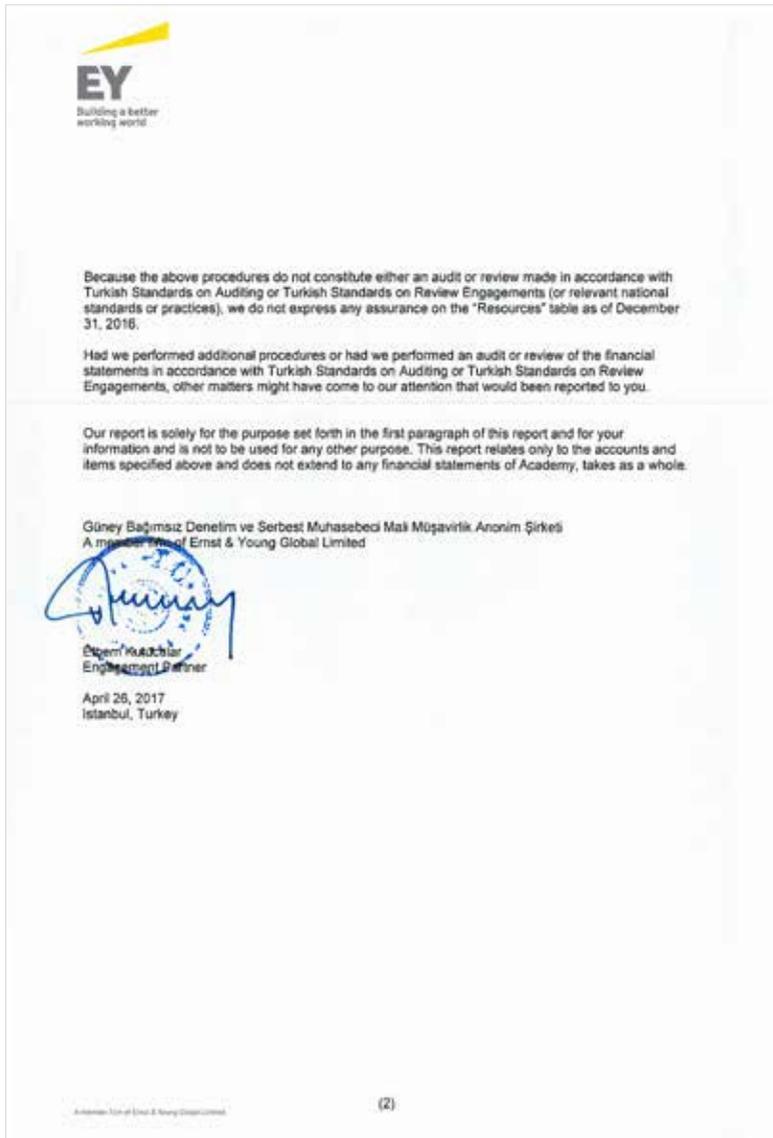
As we make use of volunteers' contributions and also contributions in-kind, in addition to our actual budget, we took care to calculate our **Total Costs** of activities covering these two categories of resources. In 2016 the total economic resources we utilized was 1.8 times and in 2017 1.7 times bigger than our actual budget. We generated twice the value of every 1 Turkish Lira our donors granted to us.

We took care to ensure that the expenses for logistics and treats at events are paid by our cooperation partners and our budget to cover the intellectual services in line with our financial strategy.



Boğaziçi University Foundation where we carry out activities, was audited by the General Directorate of Foundations, just like any other foundation, but in addition to this official audit, the Foundation was itself audited by an independent company. Therefore, our Academy's financial data, processes and documents were inspected by three different parties.

During the independent audit, all our corporate and operational processes were also examined. Our rapid response and taking actions to fulfill Ernst&Young's recommendations played an important part in improving our processes.



# 2017 SECTORAL ACTIVITY PLAN

From the Board Chair  
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 PUBLIC

 CIVIL SOCIETY



EDUCATION



RESEARCH



COMMUNICATION

	PUBLIC	CIVIL SOCIETY	
	Good Governance Training Program for Mukhtars	Good Governance in Civil Society Certificate Program	
	Good Governance in Public Sector Certificate Program	Good Governance for Kids Education Program	
		Integrated Reporting Training Program	
	From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts		
	"Cases on City Governance" Publication	Good Governance for Kids Education Activity Book & Volunteer Guide	
	From a Citizen's Perspective: Governance Scorecard of Municipalities for İstanbul Districts	Good Governance Meetings in Anatolia	

New Activity

Ongoing Activities

 PRIVATE

 GLOBAL

	Good Governance in Private Sector Training Program	
	Integrated Reporting Training Program	
	Gender Equality Training Program	
	Women on Boards Training Program	
	Guide for General Counsel on Corporate Sustainability Publication	“Integrated Thinking” Publication
	“Stakeholder Engagement” Publication	
	“Stakeholder Engagement” Publication	Integrated Thinking Conference
	Conference on Corporate Sustainability for General Counsels	Contribution and Participation to International Conferences
	The Luminary Talks	

# 2017 MONTHLY ACTIVITY PLAN

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	
 EDUCATION							
 RESEARCH							
							
 COMMUNICATION							

 PUBLIC

 CIVIL SOCIETY

 PRIVATE

 GLOBAL

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
						
						
						
						
						
						
						
						
						

## ACRONYMS

<b>&lt;IR&gt;</b>	Integrated Reporting
<b>ABİGEM A.Ş.</b>	European Union Business Development Center
<b>ACFE</b>	Association of Certified Fraud Examiners
<b>ASEET</b>	Association of Southern European Economics Theorists
<b>BÜVAK</b>	Boğaziçi University Foundation
<b>BÜYEM</b>	Boğaziçi University Lifelong Learning Center
<b>C20</b>	Civil Society 20
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ERTA</b>	Integrated Report Türkiye
<b>FES</b>	Friedrich-Ebert-Stiftung
<b>IIRC</b>	International Integrated Reporting Council
<b>KalDer</b>	Turkish Society for Quality
<b>KOBİRATE</b>	International Credit Rating and Corporate Governance Service Inc.
<b>KPIs</b>	Key Performance Indicators
<b>NGO</b>	Non-Governmental Organization
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OPSI</b>	Observatory of Public Sector Innovation
<b>SDGs</b>	Sustainable Development Goals
<b>SKİD</b>	Association for Improving Quality in Health System
<b>TCDD</b>	Turkish State Railways
<b>TEGV</b>	The Educational Volunteers Foundation of Türkiye
<b>TEİD</b>	Turkish Ethics&Reputation Society
<b>TEMA</b>	Turkish Foundation for Combatting Soil Erosion for Reforestation and the Protection of Natural Habitats
<b>TEPAV</b>	The Economic Policy Research Foundation of Türkiye
<b>TESEV</b>	Turkish Economic and Social Studies Foundation
<b>TİDE</b>	The Institute of Internal Auditing - Türkiye
<b>YKKD</b>	Women on Boards
<b>TKYD</b>	Corporate Governance Association of Türkiye
<b>TL</b>	Turkish Lira
<b>TÜSİAD</b>	Turkish Industry and Business Association
<b>TÜYİD</b>	Turkish Investor Relations Society
<b>UN</b>	United Nations
<b>UNGC</b>	United Nations Global Compact

# Good Governance For Quality Of Life

