



# Board of Directors Certification Program

IFC Corporate Governance Advisory Services  
*Helping Companies to Operate More Profitably and Grow*

## Program Synopsis



# Board of Directors Certification Program

## Why is corporate governance important?

Corporate governance is the system by which companies and banks are directed and controlled. Well-governed companies are associated with **lower risk** and **higher returns** for shareholders. Well-governed companies are also thought to operate more **effectively** and **efficiently**. Corporate governance is known to build **trust** among the company's many stakeholders.

Countries that have good corporate governance frameworks tend to have better risk/return profiles. Equity markets that have good governance characteristics enjoy greater respect and confidence from investors. They also tend to be less vulnerable to financial shocks.

## Why is corporate governance significant for companies?

Companies benefit from corporate governance as the risks associated with the corporation decrease. Since good corporate governance minimizes 'rent-seeking' by managers or controlling shareholders, investors invest with a greater sense of security and confidence. The result for the company is greater access to capital. The cost of capital is effectively reduced and the value of the corporation increases. The reduction in risk is complemented by improved operations, which come from better information flows and more rigorous strategic decision-making, and which ultimately contribute to better performance.

In general, corporate governance is known to:

- improve operational efficiency;
- enable access to capital markets;
- lower the **cost of capital**; and
- create **better reputation** and **trust** among stakeholders.

## Program objective

The **Board of Directors Certification Program** is offered by IFC along with a selection of institutes of directors across the MENA region. The first of its kind, the program is designed to provide participants with tools to tackle improvement of corporate governance practices, which impact the long-term planning and procedures of the board. Covering a wide range of corporate governance issues, participants will acquire the tools for strategic supervision and administrative control, learn about the board's role in disclosure and transparency, and understand how to protect shareholder rights. Participants will be able to become Board Certified Directors after obtaining a minimum of eight out of twelve credit hours, and scoring at least 80 per cent on the program tests.

## Targeted participants

The **Board of Directors Certification Program** is designed for board members, board chairs, corporate directors, senior executive officers, and top management of companies who want to ensure the sustainability of their business and take their enterprises to new frontiers of business growth, all the while dealing professionally with the challenges associated with improving performance, business expansions, succession and access to capital by learning and applying the Corporate Governance framework and best practices developed by IFC.

## Who should attend?

The **Board of Directors Certification Program** is designed for board chairs, board members, directors, senior executive officers, and top management of companies and banks in MENA.

## Program structure

The **Board of Directors Certification Program** consists of four related parts, with a total of 22 modules and case studies delivered over a period of 8 non-consecutive days (2days / month). The program is available in both Arabic and English.

The program is based upon IFC's Corporate Governance Methodology, with the purpose is to equip participants with the tools and training to implement sound corporate governance processes and structures in the companies they are involved with. The highly interactive program will touch upon the following corporate governance dimensions:

- **Commitment to Good Corporate Governance:** The demonstration of a clear focus on effective structures and processes for achieving the benefits of good corporate governance.
- **Board Structure & Functioning:** The existence of a competent, legitimate, well-structured and effective board, including recommendations related to the composition, structure, and work procedures of the board.
- **Management Control:** The presence of an environment facilitating the achievement of sound internal control; management of risk; and the integrity of financial information.
- **Disclosure & Transparency:** The easy availability of timely, accurate, relevant, complete, and actionable information equally to shareholders and, as appropriate, to other stakeholders, including regulators.
- **Shareholder Practices:** The equal treatment of all shareholders, including protection from abuse from company insiders.
- **Family Governance:** The existence of appropriate mechanisms to help govern the involvement of the family in the business and address other family matters.

*The Corporate Governance Certification Program has been an enlightening experience. The possibility to learn proper direction and governance of companies at the hands of professionals with hands on experience while networking and exchanging experiences and ideas with the directors of the future. This course has helped me make my company a better company. I highly recommend it to anyone looking for a better future for himself and his company.*

Hussam Leheta  
Chairman  
EgyTrans

## Training methodology

The instructors are all experts on the bank governance issues, who will deliver the course in an interactive manner to allow and encourage peer discussions among participants. Course materials will comprise of presentations, background materials (e.g. articles and papers), and best practice documents.

## Program speakers (Part I – IV):

## Yehia El Hussein



Yehia El Hussein is the Corporate Governance Project Manager for Egypt and Levant markets, Middle East and North Africa, at the International Finance Corporation (IFC) – World Bank Group. Yehia has 20 years of vast experience in management, education, and training. Yehia is leading IFC Advisory Services' Corporate Governance projects and training activities in MENA to improve firm performance and enhance access to finance by promoting better corporate governance practices among listed companies, financial institutions, and small/medium enterprises. Yehia is advising private and public sector clients and is working closely with regulators, intermediaries, and companies in many regions to enhance their understanding of the business case for corporate governance; enable investors to improve governance practices of their investee companies; assisting regulators to develop effective corporate governance frameworks; and building capacities of institutes of directors, private equity firms, and governance centers to provide advice and support to their clients in their corporate governance journey.

Yehia has contributed substantially to the creation and business/financial sustainability of more than eight local corporate governance service providers in MENA. Yehia has presented globally at various seminars, conferences, and workshops aimed at raising the awareness of corporate governance for companies, banks, and investors. Yehia wrote several articles, papers, and publications, a recent one is 'Family businesses: sons, daughters and outsiders' in the Financial Times (<http://on.ft.com/1EJFkQQ>).

Yehia pursued his PhD at Georgia University, he is currently enrolled in a doctoral degree on corporate governance at Netherlands Maastricht School of Management (MSM) from which he received earlier his Master Degree in Business Administration (MBA) with honors. Yehia has a BA Business Administration from the Faculty of English Commerce Cairo University, he used to teach economics at MSA University, and he is now a part-time instructor at the American University in Cairo. Yehia has a Cambridge Int'l Diploma for Teachers and Trainers (CIDTT), certified in corporate governance from the World Bank's International Finance Corporation, trained by Harvard School of Business, a Certified Compliance Professional (CCP) from the IABFM, and he has numerous certifications from various recognized and accredited international organizations in the fields of training, education, corporate governance, compliance, risk management, business leadership, and management information systems.

## Maali Khader



Maali Khader, Executive Director and Founder of JIoD. Taking a hands-on approach to the business and playing an active role in the development of strategic solutions for clients. Maali is a lawyer by profession, and her extensive experience with regional and international legal frameworks is a tremendous asset in advising on, developing and implementing Corporate Governance and Corporate Social Responsibility principles and frameworks.

Maali works with clients to establish their CG structures and codes in adherence to legal requirements, assess CG frameworks including the nomination and remuneration of directors and their performance evaluation, and structure proactive communication channels between the board of directors, management and relevant stakeholders. She has also drafted and implemented internal policies and bylaws of various sized corporations around the world and assisted in corporate restructuring and privatization.



## Oraib Qubbaj



Oraib Qubbaj is the Chief Operations Officer of JIoD, she is an Independent Consultant, certified International Professional Trainer and Certified Board Director with more than 19 years of experience in different development fields and did Business Studies.

She has experience in training Board members and senior management members in private sector's corporate, family owned businesses, small & medium enterprises and public sector institutions, as well as in assessing corporate governance for companies in Jordan and advising and recommending CG implementation plans.

Ms. Qubbaj has long experience in the development field in Jordan and in the MENA region and she served in senior managerial positions at International non-profit organizations in Jordan and the near east region for more than nine years.

She has managed a varied portfolio during her extensive career with specific focus on Corporate Governance, Family business and Corporate Governance for SMEs, Corporate Governance assessment, Corporate Social Responsibility, Local Development Strategies & Policies Assessment, Gender studies, Anti-corruption and Integrity, Rule of Law, Policy Reform and Disability Rights.

## Aliaa Soliman



Aliaa Soliman is a Partner – SME Development & Finance at AIT Consulting, she started her professional career as a banker in Misr International Bank, MIBank, the second joint venture bank established in Egypt. She then joined AIT Consulting as a partner in 2001 where her responsibilities cover the training and capacity building activities of the company as well as her involvement with development agency funded projects specializing in SME Development and Finance.

Over the past years she has worked with local and international organizations such as the World Bank, the African Development Bank, KfW, GIZ, EIB, EU, USAID, CIDA and the Dutch Government as well as several Egyptian ministries carrying out assignments and projects in the MENA region which involved SME Finance, Entrepreneurship, Capacity building and Corporate Governance assessment and implementation. She obtained her BA in Political Science and Economics and her Masters degree in Public Administration from the American University in Cairo and her Doctoral Degree on the subject of efficiency of SME finance through the Egyptian Banking sector from Maastricht University, The Netherland.

## Khaled Dahawy



Khaled Chair of the Accounting Department and the director of the MBA programs at the School of Business (The American University in Cairo). Khaled's responsibilities include the development and upgrade of the MBA program and creation of a new Executive MBA program. He is also a Professor in the Department of Accounting at AUC. Previously, he served as the Unit Head of the Accounting Unit in the Department of Management (2001-2007) at AUC. He received his PhD from the University of North Texas, MBA from Pennsylvania State University (Penn State), and Bachelor of Business Administration from AUC. He is a Certified Public Accountant (CPA) in Illinois, member of the Egyptian Society of Accountants and Auditors, Egyptian Accounting Syndicate, and the Egyptian Accounting and Auditing Board. He is also certified by the Capital Market Authority (CMA) and the Egyptian Central Bank. He is a member of Beta Gamma Sigma (Honor Society for AACSB Business Programs) and he has extensive practical experience as an accountant and financial consultant. He is a certified public accountant (CPA) in the State of Illinois, USA, certified from the Egyptian Society for Accountants and Auditors, and is certified by the Egyptian Accounting Syndicate. He has acted as an expert in the CMA, and has prepared several revaluation reports to indicate the current value of companies that needed to change their legal format or merge with other companies to be submitted to the CMA and the Investment Authority.

## Osama Mourad



Mourad is the Chairman and CEO, MPower Investments. Chairman & CEO, MPower Group for Advertising, Promotion & Transport. Chairman, Rawaj Car Finance. Board Member, former CEO for "Post For Investment Co.", one of Egypt's largest private equity firms, with the focus on non-bank financial services and value investments, besides that Mr. Mourad advises AgroGate's Dongola Argreen Highway Co, a private sector toll road connecting Sudan with Egypt and is a regional trainer and consultant on Corporate Governance, finance and investments. His diversified management experience as a lifetime investment and commercial banker in corporate banking, corporate finance, private equity, portfolio, fund management and brokerage was gained in respectable institutions like Citibank, Fleming CIIC, Arab Banking Corporation, Barclays Bank and Arab Finance Brokerage. Mourad has served as a Board Member for several establishments and he is an active member in several civil societies' boards and steering committees. He obtained his MBA from New York's Pace University, as an academic scholar at the beginning of his career and his B.Sc. from the Sadat Academy for Management Sciences. He also became a "Certified Director" by the Egyptian Institute of Directors, the Egyptian Capital Market Authority and the IFC.

## Bashar A. Zarour



Bashar AbuZarour is a Director at PCMA, he has more than 14 years of professional experience in the public and private sectors; including the last 9 years in leadership roles. Currently, he acts as the general director for the Research and Development at the Palestine Capital Market Authority (PCMA) where he assumes an active role in providing policy advice and recommendations to the capital market regulator as well as leading the development maneuvers of the authority. Prior to joining PCMA, Dr. AbuZarour has served as a senior auditor in a number of prestigious organizations before working as an assistant professor in the finance department of Al-Najah National University. He is a licensed investment advisor and holds a PhD in finance from the University of Patras in Greece, concentrating on capital markets and portfolio theories, and an MBA from Al-Najah National University in Palestine.

Dr. AbuZarour is a cofounder and a board member of the Palestinian Governance Institute, the leader of the National Corporate Governance technical team, member of the national Private Pension Committee, and a leader of the nonbanking technical team for National Financial Inclusion Strategy. Besides, Dr. AbuZarour is an active member in technical and professional societies and he has produced many publications; a selection of which have been published in international finance and economics Journals.

## Ashraf G. Shenouda



Ashraf G. Shenouda is the managing Director of AGS & Associates – Management and Training Consultants. Mr. Shenouda, an Egyptian - Canadian professional with an international exposure and holds an exclusive mix of management, coaching and training experience with hands on best practices. His diversified experience as a Management Consultant and as a Master Trainer, together with his high involvement in people development, gave him a unique edge in providing cost-effective integrated solutions for challenging business issues through designing, implementing and managing a wide range of projects in a variety of business fields towards a measurable impact and a remarkable ROI for the different stakeholders. In business for 20 years providing training and Consultancy for the SMEs, sitting on the advisory board of several SMEs, Board member for 6 years and managing his own company, which is also an SME, gave him a distinctive edge in understanding the SMEs needs and hence better addressing their challenges. Ashraf has been a member of a board of trustees for more than 5 years.

# Board of Directors Certification Program

|  |               |                                     |
|--|---------------|-------------------------------------|
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| Part (II) Board Specifics – Practical Tools              | 2018 November | 28 <sup>th</sup> – 29 <sup>th</sup> |
| Part (III) Board Specifics – Disclosure and Transparency | 2018 December | 17 <sup>th</sup> – 18 <sup>th</sup> |
| Part (IV) Board Specifics – Shareholder Rights           | 2019 January  | 9 <sup>th</sup> – 10 <sup>th</sup>  |

## Part (I): Wednesday 7<sup>th</sup> – Thursday 8<sup>th</sup> of November, 2018 ♦ Amman, Jordan

“Corporate Governance has been rendered one of the most momentous topics being mooted in the aftermaths of the global financial crisis. The importance apparently amplified after the monetary shocks that had convulsed the developed economies, following strings of business scandals, which highlight serious governance weaknesses in corporations. There has been prodigious lack of transparency and disclosure, even down to the manipulation of financial data and statements. These issues were never up to recent years expectedly to occur even in some of the budding economies.” Yehia El Hussein, 2015 Gauging Corporate Governance Compliance. Lebanon Shareholder Rights Initiative.

The goal of the Corporate Directors Certification Program is to equip the Board of Directors and Senior Managers with leading-edge tools and techniques to instill sound corporate governance practices. Good corporate governance help companies improve performance, increase access to finance, and foster sustained growth. The program will focus on the unique corporate governance challenges that businesses face and present structures and practices that can mitigate these challenges and ensure the viability of the business. It goes beyond basic theories and provides concise and practical tools of essential business governance dimensions that can be implemented. Each module will be delivered in an interactive manner to allow for peer discussions and dynamic interactions with participants.

The first part of the program, out of four parts, is delivered over two days and aims to provide Board members and senior management with the principles of and best practices in corporate governance along with the applicable tools on how to instill good governance. The first part serves as the foundation of the whole program and it presents an introduction to the role of the board of directors and the importance of good corporate governance.

## Agenda

### 09.00AM-10.45AM

#### (1) Rationale for good corporate governance & best practices

Explains the concept of corporate governance and builds the business case for instilling good governance practices.

##### you will learn:

- Definition, concept, and principles of corporate governance
- The corporate governance framework
- The key dimensions of corporate governance
- Benefits of good governance and investor perspective
- Success stories from MENA

##### you will be able to:

- Understand what corporate governance is about
- Recognize specific challenges businesses may be facing
- Understand the benefits that good governance practices can bring to your business
- Get to know what your peers have experienced in their governance journey

(10.45-11.00AM Coffee Breaks)

### 11.00AM-01.00PM

#### (2) The effective board: role and authorities, duties and liabilities

Provides participants with an overview of the Board's purpose, role, and authority.

##### you will learn:

- Best in class Boards
- The different types of Boards
- The role and authority of the Board
- Directors' duties and responsibilities vis-à-vis management

##### you will be able to:

- Realize the segregation of duties between the Board and senior management
- Understand the roles of the executive vs non-executive directors
- Identify the pros and cons of executive vs non-executive chairmen

(1.00-1.15PM Coffee Breaks)

### 01.15-03.30PM

#### (3) The board composition, structure, and need for independent directors

Explains how to properly structure the Board to increase its performance and efficiency.

##### you will learn:

- Overall Board structure
- Structuring Board committees
- Structuring the functions of the CEO / Chairman
- Finding the right number of directors
- Determining the right mix-of-skills
- Role of Non-Executive and Independent Directors – Higgs Report

##### you will be able to:

- Recognize the role of directors based on the type of Boards they serve
- Identify the right committees for the Board
- Realize the roles segregation of the Chairman and the CEO
- Determine the right number of directors, mix-of-skills, and mix of executive, non-executive and independent members

### 03.30PM Lunch & End of Day 1

DAY 1: November 7<sup>th</sup>, 2018



**09.00AM-10.45AM****(4) Executive and non-executive evaluation and remuneration – how to attract, retain and motivate directors and chief officers**

Provides participants with an overview of international best practice with respect to Board remuneration.

**you will learn:**

- How to assess and evaluate the performance of the Board
- Executive remuneration and linking remuneration to performance
- How to set Board remuneration

**you will be able to:**

- Realize the importance of the Board's performance evaluation
- Understand the director remuneration models and adequately structure executive remuneration package in your company

**(10.45-11.00AM Coffee Breaks)****11.00AM-01.15PM****(5) Working procedures of the board and its committees, and the role of the corporate secretary**

Provides participants with an overview of the most important working procedures for the company's Board and with practical information on the role of the corporate secretary in a company, in particular, how the corporate secretary may assist in improving the Board of Directors efficiency.

**you will learn:**

- Preparing for Board meetings
- Quorum requirements
- Working procedures
- Voting
- Role of a corporate secretary
- Qualification requirements

**you will be able to:**

- Realize the benefits when the Board follows a set of working procedures
- Recognize that the Board's agenda is perhaps the key in controlling the workings of the Board
- Comprehend the decision-making process at the Board level and the link to the quality of information flows

**(1.15-1.30PM Coffee Breaks)****01.30-03.30PM****(6) Case Study: The Board of Cloud 9**

Participants will be divided into groups, each group will sit together to discuss and reflect on the questions provided at the end of the case. Each group will nominate a speaker to present the findings.

**you will learn:**

- How to apply the studied corporate governance concepts to a real case
- Brainstorm within groups to identify the governance issues and how to solve them

**you will be able to:**

- Apply the studied corporate governance concepts to your company
- Motivate your fellow colleagues to integrate principles of corporate governance into your existing business framework

**03.30PM Lunch & End of Day 2**

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## Part (II): Wednesday 28<sup>th</sup> – Thursday 29<sup>th</sup> of November, 2018 ♦ Amman, Jordan

*“Governance and leadership are the yin and the yang of successful organizations. If you have leadership without governance you risk tyranny, fraud and personal fiefdoms. If you have governance without leadership you risk atrophy, bureaucracy and indifference.” Mark Goyder (Director of Tomorrow's Company).*

The goal of the Corporate Directors Certification Program is to equip the Board of Directors and Senior Managers with leading-edge tools and techniques to instill sound corporate governance practices. Good corporate governance help companies improve performance, increase access to finance, and foster sustained growth. The program will focus on the unique corporate governance challenges that businesses face and present structures and practices that can mitigate these challenges and ensure the viability of the business. It goes beyond basic theories and provides concise and practical tools of essential business governance dimensions that can be implemented. Each module will be delivered in an interactive manner to allow for peer discussions and dynamic interactions with participants.

An effective, professional, and independent Board of Directors is essential for good corporate governance. The Board acts in the best interests of the Company and its Shareholders. It approves the strategy of the Company, oversees management and the Company's financial operations, and protects Shareholder rights. While the Board cannot substitute for talented professional managers, or change the economic environment in which a Company operates, it can influence the performance of the company through its strategic oversight and control over management. Board activities may go entirely unnoticed when everything appears to be going well. However, in a downturn, the Board becomes the center of attention and its importance becomes clear.

Part (II) of this program, is delivered over two days and aims to train Board members and senior management on the role of the Board in the strategic management of the company, the CEO hiring process and evaluation of his/her performance, succession planning process and procedures for key positions, and equip directors with tools to help them exercise reasonable and informed oversight over the financial performance of the company.

## Agenda

**08.45AM-12.45PM**

### (1) What every director needs to know about accounting and finance

Equip directors with tools to help them exercise reasonable and informed oversight over the financial performance of the company.

#### you will learn:

- Accounting concepts and how they affect the understanding of accounting information
- Summarizing the financial position and performance of the company
- Disclosures under IFRS
- Financial analysis and the important accounting shenanigans

#### you will be able to:

- Understand the types of financial statements
- Grasp insights about key financial areas that need attention
- Be able to ask the right financial questions
- Exercise reasonable and informed oversight over financial performance

**(12.45-01.00PM Coffee Breaks)**

**01.00-02.30PM**

### (2) How to interact with the external auditor

Helps determine the importance of external audit for the company and provides directors with practical advice on how to interact with the external auditor.

#### you will learn:

- Why conduct an external audit
- External auditor's independence
- Non-audit services
- Interaction between the AC and the external auditor
- Questions the AC can ask the external auditor
- Questions may be asked about the external auditor in AGM

#### you will be able to:

- Understand the role of the external audit for the company
- Interact with the external auditor in such a way as to ensure the effectiveness of the external audit

**(02.30-03.15 PM Lunch)**

**03.15PM-04.45PM**

### (3) Case study: reading and analyzing financial information

Participants will be divided into groups, each group will sit together to discuss and reflect on the questions provided in the case. Each group will nominate a speaker to present the findings.

#### you will learn:

- Impact of strategic objectives on financials
- Balance sheet, income statement, cash flows statements
- Excerpts from notes to the financial statements
- Accounting policies and estimates

#### you will be able to:

- Review and analyze balance sheets, income statements and cash-flow statements.
- Determine how to calculate financial ratios
- How to examine the notes of the financial statements

**End of Day 1**

**08.45AM-11.15AM****(4) The role of the board in setting the company's strategy**

Defines and clarifies the role of the Board in the strategic management of the company.

**you will learn:**

- Definition of strategy and strategic management
- The Different types of strategy
- The Board's role in strategic management
- Corporate Strategy: Tasks and Roles
- Board/Management Dynamics
- The strategic decision-making process
- Strategic planning and corporate governance

**you will be able to:**

- Contribute to the development of your company's strategy
- Evaluate the contribution of your Board to the development of your company's strategy
- Understand best practices in setting the strategy in emerging markets
- Acknowledge the Board/Management Dynamics: Impediments to Effective Strategy Development

**(11.15 -11.30AM Coffee Breaks)****11.30AM-01.15PM****(5) Choosing and evaluating the CEO**

Inform directors on the CEO hiring process and evaluation of his/her performance.

**you will learn:**

- Preparations for CEO Hiring
- Defining Board vs. CEO Roles
- Board's expectations vs. the CEO
- The CEO's terms of reference
- CEO Hiring Process
- CEO Performance Evaluation

**you will be able to:**

- Spend time to be specific about mutual expectations increases the chances of selecting the best candidate
- Hire the person who has the appropriate abilities and skills, you will be able to meet the organization's emerging needs
- Acknowledge the Board is responsible for managing the performance of the executive director through an ongoing performance appraisal process

**(01.15-01.30 PM Coffee Breaks)****01.30PM-03.30PM****(6) Case study****03.30PM Lunch and End of Day 2**

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## Part (III): Monday 17<sup>th</sup> – Tuesday 18<sup>th</sup> of December, 2018 ♦ Amman, Jordan

*“If a country does not have a reputation for strong corporate governance practices, capital will flow elsewhere. If investors are not confident with the level of disclosure, capital will flow elsewhere. If a country opts for lax accounting and reporting standards, capital will flow elsewhere.” - Arthur Levitt (Former Chairperson: US Securities Exchange Commission)*

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To become a corporate governance leader, a company must ensure that systems for evaluating and managing risks are in place. It must ensure it has in place a good quality system of internal controls and internal auditing that regularly interfaces with the external auditors and is responsible to the Board and an independent Audit Committee. In addition, management must be powerful enough to do the job, but accountable enough to make sure it is done correctly. The challenge is to make sure that there is a balance between the two so that, overall, decisions made by management are in the long-term interests of the Shareholders, rather than in the interests of a particular senior manager.

Part (III) of this program is delivered over two days and aims to provide Board members and senior management with the principles of corporate governance and train them on the board’s role in information disclosure and transparency, the concept of Enterprise Risk Management (ERM), the role and importance of internal/external audit, and how to establish the proper control procedures.



## Agenda

**09.00AM-11.00AM**

### (1) A guide to succession planning

Provides directors with practical information on the need and the procedures of succession planning for key positions.

**you will learn:**

- Concept and need for succession planning
- How is key positions succession planning organized
- Role of the Board in succession planning
- A framework for succession planning
- Defining parties that should have access in the succession planning
- Succession planning pitfalls

**you will be able to:**

- Understand the importance of a proper succession planning policy
- Develop the succession planning policy for your company
- Make use of best practices as they can be found at other companies

**(11.00 -11.15AM Coffee Breaks)**

**11.15AM-01.15PM**

### (2) The board's role in information disclosure and transparency

Provides directors with practical information on specific disclosure matters.

**you will learn:**

- Introduction to disclosure and transparency
- Why, what, and how to disclose information?
- What is the role of the board versus the role of management in disclosure?
- Means of disclosure
- Best practices in disclosure

**you will be able to:**

- Understand what information, where, when, and in which form shall be disclosed
- Define information that your company is willing to disclose in addition to the one legally required in accordance with best practices

**(01.15 -01.30PM Coffee Breaks)**

**01.30-03.30PM**

### (3) Case study: developing a model annual report

Participants will be divided into groups, each group will sit together to discuss and reflect on the questions provided at the end of the case. Each group will nominate a speaker to present the findings.

**you will learn:**

- Why issue an annual report?
- What goes into the annual report?
- Who is responsible for preparing the annual report and where to disclose it?

**you will be able to:**

- Understand why it is so important to issue the annual report
- Identify what to disclose in the annual report
- Recognize how to guide management in preparing the annual report
- Realize where to disclose the annual reports

**03.30PM Lunch & End of Day 1**

**09.00AM-11.00AM****(4) Establishing internal audit and control procedures**

Demonstrates the role and importance of internal audit in corporate governance.

**you will learn:**

- Introduction to the internal audit function
- The internal audit cycle
- Introduction to the compliance function
- Responsibilities of the compliance function

**(11.00 -11.15AM Coffee Breaks)**

**11.15AM-01.15PM****(5) The board and risk management**

Introduces the audience to the concept of Enterprise Risk Management (ERM), determines its major elements and explores the role of the board and management in its application.

**you will learn:**

- Introduction to risk management framework
- Role of the board in risk management
- Risk governance and the 3 lines of defense framework
- Embedding risk management in the organization
- Role of the chief risk officer
- Risk and control self-assessment

**(01.15 -01.30PM Coffee Breaks)**

**01.30-03.30PM****(6) The board's audit committee**

Informs directors of the role of, and the need for, an audit committee and provides practical advice on the functions and procedures of the audit committee.

**you will learn:**

- Introduction to the audit committee & its composition
- Roles and responsibilities of the audit committee
- Implementation: building an effective audit committee
- Establishing audit committee interactions

**you will be able to:**

- Understand how internal audit and control procedures contribute to corporate governance
- Recognize the importance of robust internal audit
- Identify its focus and approach
- Appreciate the importance of resolving audit issues

**you will be able to:**

- Understand the benefits of good ERM system
- Be able to build the ERM system in your company
- Introduce the ERM system or any of its elements in your company

**you will be able to:**

- Understand the benefits of audit committees
- Introduce and properly staff the audit committee of your company
- Assign to the audit committee relevant functions to avoid duplication with other control bodies

**03.30PM Lunch & End of Day 2**

# Board of Directors Certification Program

|  |               |                                     |
|--|---------------|-------------------------------------|
| Part (I) Board Basics – An Introduction                  | 2018 November | 7 <sup>th</sup> – 8 <sup>th</sup>   |
| Part (II) Board Specifics – Practical Tools              | 2018 November | 28 <sup>th</sup> – 29 <sup>th</sup> |
| Part (III) Board Specifics – Disclosure and Transparency | 2018 December | 17 <sup>th</sup> – 18 <sup>th</sup> |
| Part (IV) Board Specifics – Shareholder Rights           | 2019 January  | 9 <sup>th</sup> – 10 <sup>th</sup>  |

## Part (IV): Wednesday 9<sup>th</sup> – Thursday 10<sup>th</sup> of January, 2019 ♦ Amman, Jordan

*The quality of shareholder protection will affect the depth of capital markets, ownership patterns, and the efficiency of allocating resources. Where laws and corporate action are protective of shareholders and well enforced, shareholders tend to be willing to invest their capital and financial markets tend to be broader and more valuable. Also, essential for protection of shareholder rights is the company's behavior towards its shareholders.*

The goal of the Corporate Directors Certification Program is to equip the Board of Directors and Senior Managers with leading-edge tools and techniques to instill sound corporate governance practices. Good corporate governance help companies improve performance, increase access to finance, and foster sustained growth. The program will focus on the unique corporate governance challenges that businesses face and present structures and practices that can mitigate these challenges and ensure the viability of the business. It goes beyond basic theories and provides concise and practical tools of essential business governance dimensions that can be implemented. Each module will be delivered in an interactive manner to allow for peer discussions and dynamic interactions with participants.

To become a corporate governance leader, a company must ensure that systems for evaluating and managing risks are in place. It must ensure it has in place a good quality system of internal controls and internal auditing that regularly interfaces with the external auditors and is responsible to the Board and an independent Audit Committee. In addition, management must be powerful enough to do the job, but accountable enough to make sure it is done correctly. The challenge is to make sure that there is a balance between the two so that, overall, decisions made by management are in the long-term interests of the Shareholders, rather than in the interests of a particular senior manager.

Part (VI) of this program is delivered over two days and aims to provide Board members and senior management with the principles of corporate governance and train them on the board's role in protecting the rights of shareholders, how to detect and approve related party transactions to protect shareholder rights and minimize the risk of having such transactions appealed, and to provide directors with practical advice on how to set a model dividend policy, prepare for and conduct the annual shareholders meeting, and resolving corporate conflicts.

# Agenda

**09.00AM-11.00AM**

## **(1) Related party transactions and insider trading**

Demonstrates how to detect and approve related party transactions to protect shareholder rights and minimize the risk of having such transactions appealed.

### **you will learn:**

- What are related party transactions?
- In which forms take related party transactions place and why are they harmful?
- What are the concerns to corporate governance?
- What should be disclosed about RPTs in the financial statements?
- Insider trading

### **you will be able to:**

- Understand the implications that related party transactions may have on the company and shareholder rights
- Detect and properly approve such transactions in your company
- Recognize what is insider trading and putting the necessary policy in place

**(11.00 -11.15AM Coffee Breaks)**

**11.15AM-01.15PM**

## **(2) Preparing for and conducting the annual general meetings**

Provide directors with the best practices on how to prepare for and conduct the annual general / shareholders meeting with a view to ensure legality of its decisions.

### **you will learn:**

- General provisions on the AGM
- Preparation for the AGM
- Conducting the AGM
- Cumulative voting

### **you will be able to:**

- Ensure that the AGM is prepared in accordance with requirements of best practices and local laws to enable all shareholders to participate in the meeting
- Minimize that the AGM approved decisions are appealed

**(01.15 -01.30PM Coffee Breaks)**

**01.30PM-03.00PM**

## **(3) The board's role in setting the company's dividend policy**

Helps determining and setting a model dividend policy.

### **you will learn:**

- Defining the dividend policy
- Dividend formation and types
- Pros and cons of dividends policy
- Provisions on dividends and dividend policy
- Practice of dividend payment

### **you will be able to:**

- Understand main principles and components of the company's dividend policy according to best practices
- Ensure that the dividend policy of your company is in the best interest of the company and its shareholders

**03.30PM Lunch & End of Day 1**

**DAY 1: January 9<sup>th</sup>, 2019**

**09.00AM-10.45AM****(4) The board's role in protecting shareholder rights**

Introduces the audience to the basic information on shareholder rights and practical recommendations on ways of protecting these rights by the Board of Directors.

**you will learn:**

- Types of shareholder rights
- Shareholder rights under the OECD Principles of Corporate Governance
- Specific shareholder rights
- Pre-emptive rights
- Tag-along rights

**you will be able to:**

- Understand why protection of shareholder rights is important
- Ensure that your company practices do not violate shareholder rights

(10.45 -11.00AM Coffee Breaks)

**11.00AM-01.15PM****(5) Managing corporate conflicts**

Informs directors about the internal and external resolution of corporate conflicts in the company.

**you will learn:**

- Corporate conflicts: concepts and key procedures
- Arbitration
- Mediation

**you will be able to:**

- Understand advantages and disadvantages of possible internal and external mechanisms of corporate conflict resolution
- Ensure that internal mechanisms of conflict resolution in your company function properly to minimize the risk of external intervention

**1.15PM****(6) Open discussion, Evaluation and Q&A session**

In preparation for the exam; Participants will have the chance to ask questions and choose a specific topic for discussion from what they've learned thorough the program.

**02.00PM Lunch & End of Program****Program Cost**

**Original cost:** JOD 2,400\* per participant

10% discount available for

- Early Bird Registration (before **October 14<sup>th</sup>, 2018**).
- Groups of 3 or more participants.
- **16% sales tax will be added to the values above.** يضاف ١٦% ضريبة مبيعات على المبالغ المذكورة أعلاه

❖ **Payment must be made in one installment and in advance "prior to the training dates".**

✓ **Important Note:** If notified of absence or inability to participate of any training day three working days or more before the training day, re-take of the training day with future courses is free of charge. If no notification is provided within the necessary time period, re-takes are charged at 200JD per training day.



# Registration

**Deadline for registration: October 25<sup>th</sup>, 2018**

Please complete and return the attached form.

## Registration Form

### Personal Details:

First Name \_\_\_\_\_  
Last Name \_\_\_\_\_  
Job Title \_\_\_\_\_  
Organization Name \_\_\_\_\_  
Telephone No. + \_\_\_\_\_  
Mobile Number + \_\_\_\_\_  
Email Address \_\_\_\_\_  
Social Media  
    LinkedIn: \_\_\_\_\_  
    Twitter: \_\_\_\_\_

How did you hear about this program?  
\_\_\_\_\_

### Method of payment:

\_\_\_ Cash  
\_\_\_ Cheque

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**\* Please return this registration form upon completion either:**

- By email to Oraib@JIoD.org, Ruba@JIoD.org, or
- By fax on +962 6 5856448

## WHY WORK WITH IFC CORPORATE GOVERNANCE ADVISORY SERVICES

Working globally, IFC has a successful track record of delivering targeted corporate governance support to companies. With advisors worldwide, IFC has a well-established reputation of being the leader in corporate governance and board training in developing markets. Moreover, IFC has assisted over 15,000 companies in more than 30 countries to implement better corporate governance practices, leading these clients to obtaining over US\$5 billion in new financing.

IFC helps identify the problem and assists companies implement solutions from start to finish. Our team of experts works to promote company-wide and board-level changes that create better business results. They will work closely with your company to assess its corporate governance practices and provide specific and actionable advice on how to make improvements. Additionally, IFC's local experts understand how to implement these practices in individual countries and markets.

IFC is the largest global development institution focused exclusively on the private sector. We help developing countries achieve sustainable growth by financing investment, mobilizing capital in international financial markets and providing advisory services to businesses and governments.

More information on the IFC's Corporate Governance services is available online at [www.ifc.org/corporategovernance](http://www.ifc.org/corporategovernance).

## ABOUT IFC

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. Working with 2,000 businesses worldwide, we use our six decades of experience to create opportunity where it's needed most. In FY16, our long-term investments in developing countries rose to nearly \$19 billion, leveraging our capital, expertise and influence to help the private sector end extreme poverty and boost shared prosperity. For more information, visit [www.ifc.org](http://www.ifc.org).

## ABOUT JIoD

Jordan Institute of Directors (JIoD) is a registered trademark owned by Jordanian House for Corporate Governance Training, a nonprofit limited liability company registered in Jordan. JIoD's vision is to witness improved corporate governance practices in Jordan and the Middle East region, and its mission is to raise awareness of and contribute to such improvement. JIoD's aim in increasing awareness about corporate governance is to enhance the understanding of the principles, to strengthen the integration of corporate governance best practices, and to build the capacity of boards of directors in Jordan to improve board performance and effectiveness. The Institute is eager to cooperate with all related organizations to achieve these goals.

To spread the culture of corporate governance and its best practices, JIoD conducts various events, such as awareness programs, training, and development courses, and sponsors research and studies related to corporate governance in Jordan. JIoD is confident that these activities will improve the competitive environment; attract foreign investments; emphasize the importance of transparency, accountability, sustainability, and succession planning; and ensure the effectiveness of companies' operations.

JIoD's target audiences are mainly board members, directors, senior executives, board secretaries, and shareholders of all types of companies – public shareholding companies, family-owned enterprises, and small and medium enterprises (SMEs) – as well as other stakeholders. The Institute also serves all individuals and groups interested in corporate governance from the public and private sectors. IFC is JIoD's main partner and provides it with the necessary technical expertise.

More information on the JIoD is available online at [jiod.org](http://jiod.org)