

**“ICDM in 2019” by Michele Kythe Lim
CEO & President, Institute of Corporate Directors Malaysia (ICDM)**

**ICDM Office Launch | “Shaping the Boards of Tomorrow”
Monday, 2 December 2019**

Yang Berbahagia Tan Sri Zarinah Anwar
Chairman of ICDM

Ms. Foo Lee Mei
Chief Regulatory Officer, Securities Commission Malaysia

Distinguished guests, Ladies and gentlemen
A very good morning.

1. It gives me great pleasure to welcome all of you to the launch of ICDM’s new office hosting our very own training rooms, exclusive Members’ Lounge, private meeting rooms and a fully-equipped boardroom. In particular, with reference to the ICDM members who are here today, thank you for making time to be with us this morning.

Ladies & gentlemen:

2. As the year draws to a close, let us take a look back at our journey in 2019, as well as to look forward to see what we have in plan for 2020.
3. As you may know, ICDM was established by the Securities Commission Malaysia to enhance the professional competence of corporate directors in Malaysia. We play a vital role in contributing to the SC’s three-pillar approach to market regulation by focusing on the reinforcement of self-discipline amongst board members. Through continual elevation of skills and knowledge, ICDM aims to improve boards and directors’ effectiveness in maintaining excellence in governance, and thus guiding their organisations towards sustainable growth.
4. ICDM’s strategic objective is to be the one-stop centre for all board and director needs, catering to the complete lifecycle of directorship – from the aspiring to the new, current and veteran directors. To achieve this, we have in place a five-step

holistic development framework.

First, as the business landscape continues to evolve in an exponential pace, our most critical task is to equip directors with the latest and most relevant knowledge through a series of public and bespoke programmes. Second, to improve board and director effectiveness, continual evaluation is key. Both of our guest speakers present here today, Elisa and Stephen, can attest to the critical importance of this subject. Third, to diversify Asian boards, we offer competence-based director sourcing to help ensure a balanced board composition, in terms of skills, perspectives, age, gender and other relevant forms of diversity. Fourth, we aim to establish a credible voice to engage in discussions on behalf of members on a wide variety of matters pertaining to the advancement of directors and boards. Lastly, as corporate governance is a shared responsibility, we also hope to offer platforms, such as this physical space here at ICDM office, for directors from different career stages to get together, network and exchange knowledge.

Ladies & gentlemen:

Please allow me to highlight a few key milestones of ICDM thus far

5. At ICDM, we work collaboratively with an international network of associates to develop programmes that are truly transformative. We design and deliver a set of comprehensive curriculums that incorporate core and fundamental subjects related to corporate governance practices and contemporary trending topics.

In 2019, we are running 13 core public programmes, 4 non-core public programmes, 6 PowerTalks and 11 bespoke programmes to more than 900 participants with an average rating of 3.4 over 4.0, which reflects the acknowledgment on the quality of our programmes. Areas of popular topics include corporate governance & effective board leadership, organisational performance & board leadership, finance, innovation & creativity, human capital, technology, strategy & risk and other trending topics such as governance for startups.

6. In terms of membership, we now have 345 individual members – with 48 fellows, 186 ordinary members, and 111 affiliates. For corporate membership, we have made good progress, having doubled the number of corporate members to 35 from only 11 in 2018.

In terms of building the pipeline of capable directors, we now have a total of 259 board-ready fellows, members and affiliates. A total of 21 board vacancies have been sourced through our Director Registry and 4 have been placed on boards in 2019. It is noteworthy that one of our corporate members came back to us for a second board position after the successful placement of the first position.

7. Following the establishing stage in 2017 and the strategic planning stage in 2018, we entered into the implementation stage in full force in 2019. In the first quarter, we rolled out our online newsletter, ICDM Pulse, ramped up our public and bespoke programmes including Board and Director Effectiveness Evaluation services, our flagship programme on “Introduction to Corporate Directorship” and our first CG Talk at the Ministry of Finance Malaysia.
8. In the next quarter, we launched the Future-Board Ready Research Study with Centre for Creative Leadership, of which I am happy to note that it has come into fruition. Our colleague from CCL, Elisa, will be presenting the research findings in a moment.

In May, there was an initiation of our roadmap targeting aspiring directors and making them board-ready with the first step of screening.

9. We have also initiated efforts to establish strategic partnerships, which saw the launch of the Malaysian Chapter of the Climate Governance Initiative (CGIM) in May, a project originated by the World Economic Forum. Malaysia is the first country in Asia to do so and ICDM will be hosting the Malaysian Chapter of the CGI. We are optimistic that this initiative will bring non-executive directors together with subject matter experts to cover topics and issues and enable them to help steer their companies through an effective climate transition strategy. We have lined up more programmes with CGIM in 2020. So, stay tuned on this.
10. Following that, in the third and the last quarter of 2019, the team focused on our move to the new office here as well as realising our inaugural International Directors Summit, which took place in mid-October. I believe some of you were there. The Summit attracted more than 400 participants, comprising corporate directors from both the public and the private sectors, representatives of the Government, regulators, governance experts and various stakeholders of the corporate governance ecosystem. We also had at our Summit, more than 40 esteemed speakers, some hailing from across the European continent and the United Kingdom. IDS was big success with many congratulatory words from our stakeholders and speakers as well as our delegates, who found the different sessions, not only beneficial and insightful, but practical too.

During IDS, we also supported Black Sun, an international stakeholder communications company to launch the report “The Importance of Culture Reporting: The Guide to Annual Report in Malaysia 2019”.

“The Importance of Culture Reporting” is the latest addition to Black Sun’s annual flagship research on the trends and best practices in corporate reporting amongst the 30 constituents of the FTSE Bursa Malaysia KLCI. Based on similar studies that

Black Sun London has performed on the FTSE 100 companies over the last 14 years, and a similar study performed on Singapore's STI30 companies for three years, this study assesses the annual reports of KLCI30 companies to present a snapshot of the current state of corporate reporting in Malaysia with regards to culture.

ICDM agrees that one of the ways companies can build and cultivate trust is through culture reporting. When companies tell their story in an engaging and authentic way, they stand a better chance of retaining the confidence of investors as well as consumers. With this, we have also now developed a new module under our Fundamental Core Programme on Culture & Diversity in the Boardroom for 2020

Ladies & gentlemen:

11. 2019 has been a productive year for ICDM as we strive to do our best to support the director community here in Malaysia. We are very encouraged by the positive response received from the market so far. When we hit the ground running earlier this year, the team was very focused on delivering results in these four areas, namely programmes, membership, partnership and outreach. Here are some testimonials and visual highlights for the past one year.

Ladies & gentlemen:

12. We are committed to staying on course with our mission and objective – to be the one stop centre for all board and director needs, and building up our advocacy role by being the voice of directors in representing your views and feedback on policies and governance issues crucial in enhancing the corporate governance landscape locally here in Malaysia, as well as the region.

13. In 2020, apart from speeding up the momentum of our core programmes and initiatives, we will also be working on:

- Initiating the ASEAN Network of Directors, a platform for regional networking and director sourcing
- Creating specific Independent Network of Directors, for example the Audit Committee Network and the NRC Network, and organise roundtable dialogues and workshops to discuss issues and best practices relating to the committees in more details
- Rolling out our Aspiring Directors Immersion Programme (ADIP)
- As well as sourcing for more Board Tools, developing case studies and research studies. Soon, in January, we will be launching our new interactive microsite. It will host a wide collection of insightful articles and essential

resources for all boards and directors. And we welcome contributions from our members and subject matter experts.

14. Moving forward, this is our current plan for 2020 programmes. There will be a total of 23 public programmes. Some of the newer topics chosen include training for board chairs; CEO & board relationship; crisis and reputation management and family business essentials, amongst others. Incidentally these involve some of the very qualities of a Gold Medal Board as you will see from the materials we have circulated today in relation to the talk by Russell Reynolds on effective boards. We have also next year included modules for the company secretaries, as we believe that it is very important to keep company secretaries updated with the current landscape in their role as a strategic partner to boards.

15. Lastly, to all our members gathered here today. I would like to record my sincere appreciation to you for joining ICDM on this journey to advance the CG landscape and to be better directors and boards. We look forward to supporting your directorship journey in many years to come. In line with today's theme "Shaping the Board of Tomorrow", I would like to end this session with a quote from Stéphane Garelli, who is the Founder of IMD World Competitiveness Centre, as well as a keynote speaker at the International Director Summit: "It is all about attitude, directors need to have the right futuristic mindset, questioning every decision in line with current trends."

Thank you and do enjoy the rest of today's session.