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OPEN ENROLLMENT PROGRAM

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BEYOND BOX-TICKING: ESSENTIALS FOR EFFECTIVE REMUNERATION COMMITTEES

Faculty
Prof. Mak Yuen Teen



15 August 2024
9:00am – 5:00pm



RM2,500 per pax (before SST)
USD550 before SST (foreign participants)

*This is an in-person program.
ONLINE option is available only to
overseas participants and Malaysians
who are traveling on the event date.*



Program Overview

Remuneration of non-executive directors, senior management and other key officers often come under considerable scrutiny from shareholders, regulators and the media. Over the last decade, many developed countries around the world have introduced “say on pay” legislation which provides shareholders with binding or advisory votes on remuneration policies and packages of CEOs and other top executives. Remuneration policies are closely linked to corporate culture and poorly-designed remuneration policies are often major contributors to fraud and misconduct in companies. The Remuneration Committee is therefore often under the spotlight and has to deal with important matters relating to remuneration policies and design, and setting of remuneration levels and mix for directors and key management.

In this 1-day program, participants will be exposed to leading practices relating to the responsibilities of remuneration committees. The program will be highly interactive, with extensive use of real-life case studies and realistic scenarios. The cases and scenarios explored in the program will span a range of companies, government-linked, family-controlled and widely-held companies, and both financial and non-financial services companies.

Learning Outcomes

At the end of the program, participants will be able to:

- Decide on the composition of the remuneration committee and scope of its responsibilities;
- Understand current controversies and trends relating to remuneration;
- Understand key issues relating to director and key management personnel remuneration;
- Formulate appropriate remuneration policies that motivate performance and the right behaviors;
- Understand the pros and cons of cash versus share-based remuneration; and features and pros and cons of different types of share-based remuneration;
- Set remuneration packages of non-executive directors, executive directors, key management and other key employees;
- Understand key issues such as bonus formulas; bonus pools; deferrals; malus and clawbacks; benchmarking; selection of peer companies, performance measures and targets; vesting of share-based remuneration; use of share-based remuneration for non-executive directors;
- Understand the common pitfalls and risks relating to poorly-designed remuneration policies;
- Learn how to link remuneration to ESG.

Who Should Attend

- Chairman of Boards
- Board Remuneration Committee Members
- Board of Directors
- Anyone who might find this program helpful.

Program Outline

Session 1

- Composition and scope of responsibilities of the remuneration committee;
- Current issues and trends relating to remuneration;
- Key issues relating to director and key management personnel remuneration.

Session 2

- Formulating appropriate remuneration policies that motivate performance and the right behaviors;
- Pros and cons of cash versus share-based remuneration;
- Features and pros and cons of different types of share-based remuneration.

Session 3

- Setting remuneration packages of non-executive directors, executive directors, key management and other key employees;
- Key issues relating to bonus formulas, bonus pools, deferrals, malus and clawbacks, benchmarking, selection of peer companies, performance measures and targets, vesting of share-based remuneration; use of share-based remuneration for non-executive directors.

Session 4

- Common pitfalls and risks relating to poorly designed remuneration policies;
- Linking remuneration to ESG;
- Emerging issues for Remuneration Committees.

Faculty



Professor Mak Yuen Teen teaches at the NUS Business School, National University of Singapore, where he founded Singapore's first corporate governance center in 2003. He served on three of the four corporate governance committees set up by the Singapore authorities to develop and revise the code of corporate governance, including the first committee in 2000 and the most recent committee under the Monetary Authority of Singapore (MAS) which released the 2018 Singapore Code. He currently serves on the Corporate Governance Advisory Committee under MAS aimed at continually raising corporate governance standards for listed companies in Singapore. Professor Mak has produced a

guide for Nominating Committees with KPMG, and served on the advisory panel of the Singapore Institute of Directors which produced the Nominating Committee Guidebook. Between 2000 to 2005, he served on the Governing Council of the Singapore Institute of Directors. He is a member of the Advisory Council of the Vietnam Independent Directors Association and a member of the International Advisory Board of the Hawkamah Institute for Corporate Governance in Dubai.

Professor Mak has been chair, deputy chair and board member of several not-for-profit organizations in Singapore, and currently chairs the nominating committee of a large healthcare charity. He served consecutive six-year terms on two audit advisory committees of UN funds based in New York between 2007 and 2018.

He edited 11 volumes of Asia-Pacific and global case studies published by CPA Australia and a special financial services edition, and in all, he has written or edited nearly 250 case studies related to corporate governance. He will edit a new annual series of case studies on governance and ethics to be published under the newly established Centre for Investor Protection founded by him at the NUS Business School.

Professor Mak has also produced numerous reports on corporate governance, often commissioned by the authorities or consulting firms. He developed the first corporate governance rating for Singapore companies called the Governance and Transparency Index and the first Singapore governance rating for REITs and business trusts. He was also the Singapore expert involved in the development of the ASEAN CG Scorecard.

He has extensive experience conducting training for directors, regulators and other professionals, including in the Mandatory Accreditation Program (MAP) and Financial Institutions Directors' Education (FIDE) program, and programs relating to nomination and remuneration matters, governance in company groups, and the board's roles in compliance, value creation and sustainability.

Professor Mak is also a regular commentator on corporate governance issues in the Singapore and international media, and regularly posts articles and commentaries on his website Governance for Stakeholders.



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