

## POLICY ON THE NOMINATION AND ELECTION OF DIRECTORS

Effective Date:	Jan 3 <sup>rd</sup> , 2020
Revised Date:	April 30, 2020
Last Board Review Date:	May 22, 2020

### Purpose

To ensure that the members of the Myanmar Institute of Directors are able to transparently elect a Board of Directors (“The Board”) from its membership which allows for balanced and effective representation of the membership of the Association and supports continuity of Board membership.

### Elections Committee

The election shall be overseen by an Election Committee (also referred to as the “EC”) appointed by the Board of Directors. The EC shall have the duty to:

- Evaluate nominations for Director positions received from members against the Chapter 10, Clauses 18, 30 and 55 of the Constitution;
- Present a slate of candidates to the members for voting<sup>1</sup>
- Conduct and supervise the validation and counting of the ballots; and
- Certify the results of the election.

### Selection of the Election Committee

In accordance with the MIOD Constitution and By-laws, the Chairman, with approval from the Board of Directors, shall establish an Election Committee (EC) three months prior to the Annual General Meeting (“AGM”) to be overseen by the Secretariat and Board Secretary. The EC shall consist of the following members:

- A minimum of one and not more than two elected members of the Board of Directors
- At least one representative from appointed seats (CBM, DICA, SECM, UMFCCI)
- The CEO
- The Board Secretary

The Chairman appoints the Chair of the Election Committee. EC members may run for election if nominated and seconded by another party. Any members of the EC standing for election may not participate in candidate evaluation or in the counting of ballots.

<sup>1</sup> The slate of candidates put up for election at the AGM cannot exceed the number of vacant board seats. If there are more nominees than available board seats, a pre-AGM online and/or postal vote will be held to reduce the number of candidates to equal the available seats. Actual voting on the appointment of directors will be undertaken at the AGM by the members present and entitled to vote.

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### Nominations procedure

The EC will send a notice to the Members calling for nominations for directorships (in a specified form, by a specified deadline), noting how many seats will be vacant at the AGM and which of the current directors will be up for re-appointment. This notice can also state that if the Board receives more nominations than there are vacant seats (adding up current directors who have nominated for re-appointment and new nominations), then the candidates who are put up for appointment at the AGM will be determined by a pre-AGM voting process.

- The period for receiving nominations must be at least 21 days.
- Nominations for Directors must be made in writing and signed by the person nominated, his/her proposer and the seconder, all of whom shall be the voting members of the MIOD.
- Incumbents nominating for re-appointment for a second term are not required to fill in a new form if they have demonstrated to the Board that they can meet the time commitments and fulfil their duties as a Director.

### Board Composition

The Board of Directors shall consist of 15 members: ten (10) elected Members, four (4) appointed members and the CEO. The appointed board seats, as per Section 58(b) of the Constitution, are reserved for nominees from the Central Bank of Myanmar (CBM,) Directorate of Investment and Company Administration (DICA), Securities and Exchange Commission of Myanmar (SECM) and the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI) and are not part of the election process.

Any vacancy on the Board occurring by expiration of a Director's terms of office shall be filled with new candidates slated by the Election Committee and proposed to the membership in the pre-AGM Voting Process. A slate of the candidates who received the most votes, sufficient to fill all vacancies on the Board, shall be proposed to the AGM and adopted by Ordinary Resolution.

### Candidate Eligibility

**As per Section 55 of the Constitution:** A Director of the Institute must be a natural person of at least 21 years of age and must be a Member in good standing in accordance with the MIOD Constitution, Clause 18<sup>2</sup>. In addition, for a Director to be and remain eligible any

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<sup>2</sup> 18. Applicants for membership of the Institute must meet each of the following criteria in order to be eligible for acceptance as a Member and existing Members must continue to meet each of the following criteria in order to remain eligible to continue as Members.

- a) Be a natural person (not a legal entity) of any nationality, at least 21 years of age.
- b) Meet the criteria and standards of eligibility to act as a company director under the Law and any other applicable law.
- c) Have never been disqualified from acting as a director, officer or secretary under the Law or any other applicable law.
- d) Have never been adjudged of unsound mind.
- e) Not be an undischarged bankrupt.
- f) Have never been convicted of any offence under the Law.
- g) Have never been convicted, whether in the Union or any other jurisdiction, of fraud, corruption, collusion or money laundering or for a criminal act involving dishonesty, drug trafficking, physical violence or harm to human life, nor be the subject of credible and/or persistent allegations related to, or be under investigation for, such criminal activities.
- h) Not currently be, nor have been at any time during the 12-month period immediately preceding

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organization that employs the Director in a senior role (senior executive or Board director) must also meet the criteria for eligibility to be a sponsor of the Institute under clause 30<sup>3</sup>.

Each Director must also:

- (a) be capable of dedicating sufficient time to the discharge of his or her duties as a Director; and
- (b) be able to attend a minimum of 75% of scheduled Board meetings (virtually or in person).

### Candidate Nomination Process

Candidates will be required to complete a nomination form, which they will be informed will be made public. This should include:

- bio-data and MIOD membership details
- a recent photograph
- relevant educational qualifications including any Director certification
- previous participation in MIOD activities
- information about their company(ies)/organisation
- a list of all Directorships currently held, as well as Directorships previously held in the last 5 years
- a short 'manifesto' explaining their interest in standing for the Board of MIOD, and any relevant skills and interests for Board Committees and commitment to the furthering of corporate governance in the country.

Candidates should also provide details of their citizenship/status in Myanmar, address in Myanmar and contact details. However, this will not be made public.

This information should be sent to the MIOD Secretariat (via a dedicated email address). The Secretariat should acknowledge receipt.

The MIOD Secretariat will cross-check this information against the membership database and against MyCo and OpenCorporates.com, and obtain all information necessary to permit consideration under Article 30(f) of the Constitution, and inform the EC accordingly.

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their application for membership, included as a debarred person pursuant to the public sanctions list of any multilateral development bank that is party to the Agreement on Mutual Enforcement of Debarment Decision ([www.crossdebarment.org](http://www.crossdebarment.org)) or any sanctions list of the US, Europe, or Australia.

<sup>3</sup> 30. To be eligible to become a sponsor of the Institute, an entity:

- a) may be any form of legal entity (e.g., public, private, non-profit, association, or other legal form);
- b) may be registered either nationally or internationally;
- c) must be an entity in good standing and sound reputation in the Myanmar community;
- d) must not currently be, nor have been at any time during the 12-month period immediately preceding the grant of sponsorship, included as a debarred entity pursuant to the public sanctions list of any multilateral development bank that is party to the Agreement on Mutual Enforcement of Debarment Decision ([www.crossdebarment.org](http://www.crossdebarment.org)) or any sanctions list of the US, Europe, or Australia;
- e) must not have any current directors or senior executives that fail to meet the individual membership criteria set out in clause 18; and
- f) must not otherwise be deemed (by resolution of the Board) to be an entity an association with which would, or would be reasonably likely to, cause harm to the reputation, independence, or functions of the Institute.

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### **Consideration of the Slate of Candidates by Election Committee**

The EC shall consider the list of candidates (“the slate”) and information provided by the Secretariat. If the Elections Committee believes that any nominated candidate may not be eligible, in line with the above-mentioned criteria, they shall provide the Board with a Recommendation. The Board shall make a decision based on a majority vote. The Chair, or a delegated representative, shall inform any candidates considered ineligible.

In the event that insufficient candidates are proposed to fill all available vacancies, the Election Committee shall determine an appropriate process to bring new candidates forward for election and propose this to the Board.

However, if there still are not enough suitable candidates, there is no requirement to fill all ten elected Board seats, providing the Institute has the minimum of five elected Directors. The Board may therefore choose to leave seats vacant at its discretion.

### **Pre-AGM Voting Process**

This process will only apply if, after the call for nominations period has expired, there are more candidates than elected seats on the Board to be filled.

Upon final approval by the Board, the slate of candidates, including the biodata and manifestos, will be published on the MIOD website for a period of three weeks.

Members of the Institute will receive a candidate information sheet with the names and manifesto of each of the candidates. Members will be able to select candidates for the total of seats that are being vacated.

Numbered ballots containing all the candidate information will be sent per voting member to the member’s email or office address as per their member consent. The MIOD Elections Committee also reserves the right to run the voting process by electronic means using a secure online voting platform for these purposes. However, all members retain the right to send a vote into the office by email or registered post, provided it contains the numbered ballot (original, or photo of original) and the member’s signature.

The MIOD secretariat will record the incoming forms received from each of the member names (whether through the online voting system or received directly) to ensure that there are no duplicate ballots, and that the election is in order.

The CEO, Board Secretary and one independent third party not running for election, shall calculate the total votes per each candidate and sign an affidavit pertaining to the resulting numbers. The secretariat will provide all Candidates, and the outgoing Board with a certified record of the votes, which shall be kept in the MIOD office for at least six months, together with the ballot papers.

In event of an even number of votes cast for candidates contesting the last Board position to be filled, the decision of who is first offered the right to stand at the AGM will be by majority decision of the currently serving Board of Directors. The candidates who will be put to members for appointment at the AGM will be stated in the Notice of Meeting.

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**Approval of the new members of the Board by the MIOD Annual General Meeting**

Regardless of the manner of voting, only a number of candidates equal to (or less than, if there are not enough nominations) the number of vacant seats will be put forward for appointment by the Members by Ordinary Resolution at the AGM in accordance with Clauses 42 and 43 of the Constitution.

The names of the candidates shall be circulated 21 days in advance of the AGM in the Notice of Meeting, as well as being available online in advance of the AGM. Resolutions on appointments of directors at the AGM are “yes or no” votes on each separate candidate. The Chair of the AGM has a right to call a poll on any resolution.

AGM voting will be by show of hands, with a poll only called if there is conjecture over the results on show of hands.

The newly elected Board shall take up its responsibilities immediately after the AGM and decide whether to dissolve and/or reconstitute the Election Committee.

**Proposed Timeline:**

Period	Minimum number of days before AGM, if Pre-AGM voting necessary	
21 Days	85	Posting of vacancies and call for Nominations on MIOD website, Facebook and email to eligible members.
14-21 Days	64	Review of eligibility of candidates and due diligence by MIOD Secretariat and Elections Committee Board decisions on EC Recommendations about individual candidate eligibility if necessary. Approval of the slate by Board if candidates exceed number of available places
21 Days	43	<i>Publication of candidate information on MIOD website, and pre-AGM postal or electronic voting by Members if more candidates than places; Ballot sheets sent to members</i>
1 Day	23	<i>Polling: collection and counting of all ballots received over the course of the polling week (by online or email or mail)</i>
1 Day	22	<i>Publication of pre-AGM voting results on MIOD website</i>
21 Days	21	List of Candidates (those receiving most votes in pre-AGM voting, if held) circulated with AGM papers in the Resolutions set out in the Notice.
Date of AGM	0	List of Candidates are put forward for Resolution at the AGM (ratified by outgoing Chair of BOD), for approval by Yes/No votes on each separate candidate.