STRATEGY FOR STRENGTH

Medium Term Strategy (2021 – 2023)

October 2020

MIOD MYANMAR INSTITUTE OF DIRECTORS

WE ARE MIoD

OUR VISION

> To strengthen Myanmar by advancing the highest level of ethical values, corporate governance, and the professional development of directors.

OUR MISSION

- To promote excellence in corporate governance standards and their application by companies and organisations
- To develop effective leaders who govern businesses and institutions with highest world class ethical standards
- To improve the efficiency, effectiveness and professionalism of boards and board directors
- To enhance investor confidence in Myanmar's private sector and capital markets

STRATEGIC OUTCOMES

> Stronger Governance
> Stronger Institutions
> Stronger Myanmar

STRATEGIC CONTEXT

The Myanmar Institute of Directors (MIoD) was started in 2018 with strong elements for success - endorsement and support from key stakeholders, buy-in from pertinent institutions within the Myanmar government and top leaders in the business community. The initial stage served as proof of concept of the need for an institution such as the MIoD, which was embraced by the wider business and government population. To date, the Institute has been successful in introducing the concept of good corporate governance in Myanmar – virtually unknow until a few years ago - and organising well attended trainings for companies and regulators.

The initial stage also informed the needs that are yet to be served and the focus and choices that the MIoD must make in order to be a relevant and impactful institution for Myanmar. The MIoD has a unique opportunity in that understanding of governance values and principles is at an embryonic stage in Myanmar. This nearly blank slate gives us the opportunity to educate generations of leaders steeped in the values of good governance. We can instil in these leaders the concept that good governance is not about ticking boxes but about truly helping their businesses and organisations run better, build trust with their stakeholders, increase access to capital and ultimately leading to more sustainability and success for their organisations and for Myanmar as a whole.

In July 2020, the interim board of the MIoD was further supplemented by new elected members to form a permanent board along with appointment of a new CEO. A strategy exercise was initiated by this leadership team. The resulting medium strategy presented here covers the periods of 2021 to 2023 and serves as a guide to formulate and execute a vision that will strengthen the foundations of MIoD and continue to build it for lasting success.

STRENGTHEN FOUNDATIONS AND BUILD FOR LASTING SUCCESS

A series of interviews and workshops were conducted over the course of August and September 2020 to gain insights and input from the board of directors, members, facilitators, contributors, donors and other key stakeholders to reflect on the MIoD and inform the strategic needs. Three fundamental questions anchored the discussions at these strategy workshops: 1) Who are we? 2) What do we do? 3) How do we do it?

Topics Discussed
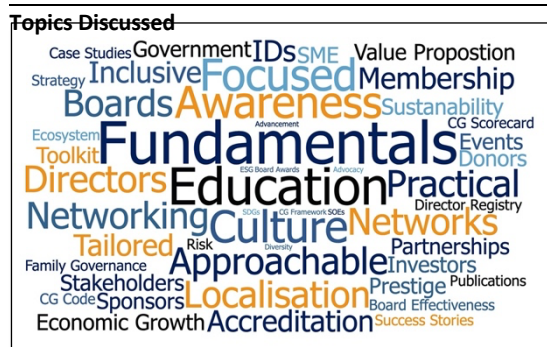
Who are we?

This question aims to review the MIoD's reason for existence and its identity.   It informs the core of what the MIoD is.

The MIoD has an overarching objective to raise corporate governance levels in Myanmar. As an institute of directors, this is accomplished by raising professional standards and knowledge of board directors and the functioning of boardrooms. At the same time, as a members-based organisation, we have an obligation to serve our members and their needs. In certain jurisdictions, the focus on member needs extend beyond standards and education to advocacy efforts including input into policy and lobbying on issues that impact boards and board directors. We considered weighing of our focus between these objectives.

Being an education and knowledge institute came out as a clear identity for MIoD that we should continue to enhance and build on. There is a clear call from businesses to help transform into professionally run companies with increased productivity that are ready for external stakeholders such as lenders and investors. Education is a key activity that enables the MIoD to meet the missions to promote excellence in corporate governance standards and their application by companies and organisations, and to improve the efficiency, effectiveness and professionalism of boards and board directors.

At the same time, there was a clear message that to merely focus on board education and building corporate governance at directors' level alone will not be enough at this nascent stage in the development of corporate governance understanding in Myanmar. The MIoD can help speed up corporate governance adoption by expanding the outreach of corporate governance awareness.

Therefore, the MIoD's other task is to help create a good corporate governance within the wider ecosystem by raising the standard of understanding of the fundamental concepts within companies and also with key stakeholders in the government and the general public. Therefore, the strategy aims to provide fundamentals education and awareness to a wider range of communities beyond the boardroom, with deep expertise-based training for board directors.

To encourage boardroom changes, the MIoD will create a network of qualified directors where knowledge, experiences, best practices and progress can be shared and compared. The MIoD will be a platform for boards and board directors to connect and form a peer-to-peer network to enable belonging to a group of leaders on a learning and excellence journey.

Private sector development is aided by corporate governance as well as good policies and institutional reforms that contribute to the sustainability and health of companies. Overtime, the MIoD will ensure that views of directors and companies are heard by the right bodies and provide inputs in relevant areas of policy. This will be through the supporting institutions such as the SECM, DICA and YSX as well as other relevant government departments and international technical advisors supported by multilateral institutions.

What do we do?

These are activities undertaken by the MIoD in order to realise our vision and mission.

The MIoD will focus on six key activities:

Education: MIoD will continue to build on the core set of courses that are currently offered including the flagship Director Certification Programme. In addition, we will introduce a fundamentals curriculum that provides awareness of corporate governance at the introductory level, as well as a professional development roadmap for directors, starting with aspiring directors to current board directors.

In order to make training effective for Myanmar board directors, MIoD will conduct continual review of our curriculum to ensure that the content is relevant and fit for purpose. We will localise content and provide relatable examples and case studies to

provide practical implementation roadmaps. Increased Myanmar language content on the MIoD website and course materials also form a core part of this strategy as does continual investment in establishing and supporting a cadre of qualified trainers with relevant background experience and skills.

Specific curriculums such as non-profit governance and SME governance will be introduced dependent on resources and dedicated funding.

Membership: The MIoD will focus on widening the membership base with an aim to support individual directors as well as organisations in their corporate governance journeys. In addition to current individual member categories of certified and regular members, the MIoD will explore adding affiliate memberships to welcome SMEs, academics, researchers and students. We will also add a corporate member category in order to support organisational governance improvement.

The MIoD will be a platform for board chairs and board directors to have candid and guided dialogues with peers to benefit from one another's experience, hear from experts, gain insights from best practices and learnings from within Myanmar as well as from other markets. MIoD will facilitate this with structures such as seminars, workshops, talks and peer-to-peer exchange forums.

Publications and Resources: In this strategy period, MIoD will focus on providing accessible fundamental tools such as self-assessment tools, checklists and implementation toolkits. We will share and amplify third-party research and publications related to corporate governance and provide a platform for vetted guest contributors to contribute on corporate governance issues.

MIoD is the natural vehicle to transmit and encourage adoption of best practices in corporate governance and board management. A number of good studies and research exist, e.g. G20/OECD Principles of

Corporate Governance, the ASEAN Corporate Governance Scorecard (ACGS) and the Myanmar Corporate Governance Scorecard 2018: A Report on the Assessment of Myanmar Companies. There is a crucial step to adapt, localise, disseminate and therefore instil these corporate governance standards into the Myanmar business context and environment. MIoD will play a key role in this.

Events: In order to build engagement and relevance to the wider stakeholder community, MIoD will continue to deliver a calendar of events including breakfast and luncheon talks, workshops, seminars and webinars. For our members community, we will provide networking events and peer-to-peer exchange forums. Once COVID-19 restrictions are lifted, we will aim to hold an annual conference on corporate governance.

Advocacy: The MIoD aims to focus first at strengthening boards with elements of internal improvements such as increasing board diversity and board effectiveness. Overtime, we aim to be the corporate governance knowledge hub for Myanmar.

Through our supporters and partners, the DICA, SECM and IFC, we will contribute to national initiatives such as the corporate governance scorecard and input into other policy initiatives that aim to strengthen corporate governance in Myanmar and enhance investor confidence in Myanmar's private sector and capital markets. Further proprietary policy development and research is out of scope for this strategy period.

Advisory: In order to assist the identification of qualified board directors for Myanmar companies, the MIoD will maintain a registry of board directors, starting with MIoD members who have successfully completed the DCP certification and members who have equivalent qualifications from a pre-approved list of other international institutes of directors. Overtime, the registry will be improved to be refined for directors to be able to declare specific experiences and skills.

Boards are strengthened by having good processes and structure in addition to competent board directors. Dependent on specific funding and resources, MIoD will aim to provide board assessment consultancy to guide essential aspects such as composition of boards, appropriateness of directors, board committees, board calendars, board secretary functions. Consultations can be provided to members of MIoD to become more effective board members and navigate advocacy of corporate governance matters within the boards that they serve in.

How do we do it?

This informs the operations, team, governance and funding structure of the MIoD in order to deliver our objectives.
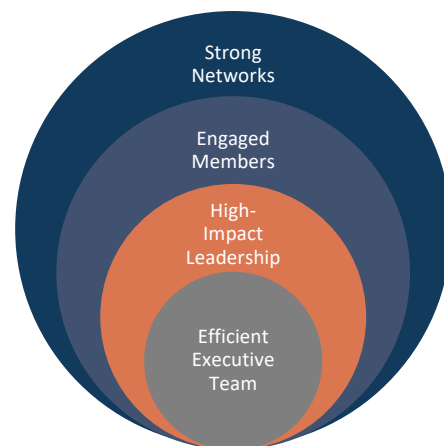
The MIoD's key strengths are government recognition through DICA and SECM, high-impact leadership including board members from the most prominent private and public sector institutions, strong networks across private and public sectors, and strong donor and potential sponsor support.
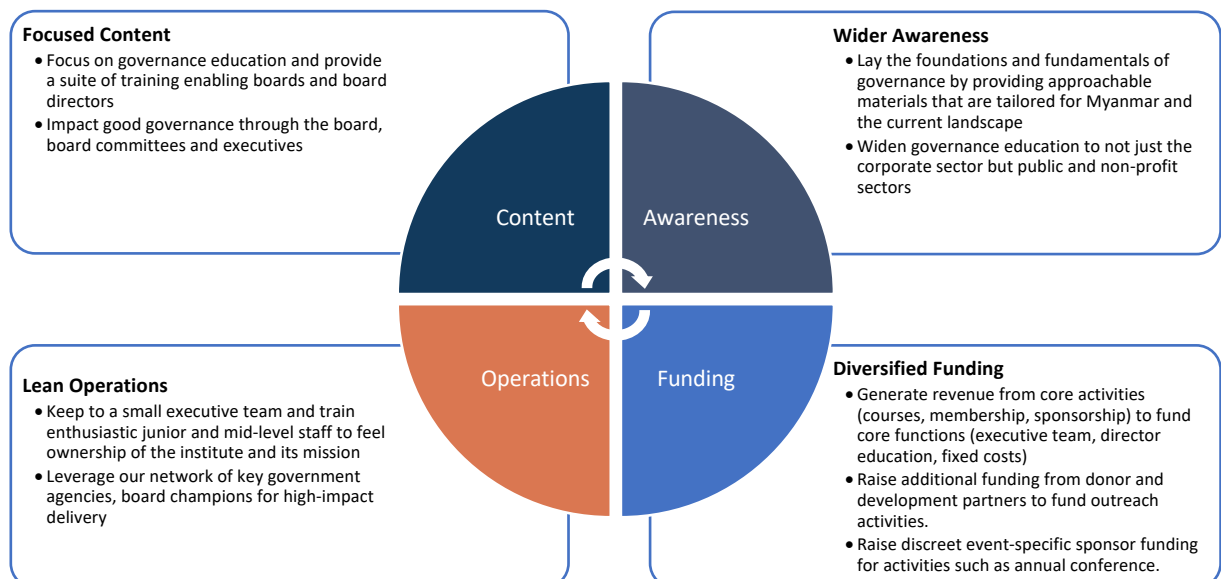
Key challenges remain. Being at the beginning of the corporate governance journey with a small and nascent public companies sector and listed companies, there is undetermined demand for MIoD's paid activities such as courses and membership. Challenges are deepened by COVID-19 economic impacts which has seen donor funding reduced and

also potentially impacting course demand and sponsorship appetites.

The delivery model is based in providing a focus on governance and governance education, in particular through boards and board directors while creating wider awareness of corporate governance by introducing foundational and approachable materials. The enablers are a lean and efficient operation base which also leverages networks within the private and public sectors and diversified funding sources.

The journey of other institutes of directors around the region strongly indicates that the MIoD may not reach a funding model that is solely driven from its own revenues for a number of years, perhaps not even in a decade. Assisted funding, in particular multilateral and bilateral donor funding will remain a key component. Our funding strategy aims to raise diversified funding with self-generate revenue from core activities (courses, membership, sponsorship) to fund core functions (executive team, director education, fixed costs) and to raise additional sponsorship and donorship funding to meet wider objectives.

DELIVERY MODEL

Focused Content
- Focus on governance education and provide a suite of training enabling boards and board directors
- Impact good governance through the board, board committees and executives

Wider Awareness
- Lay the foundations and fundamentals of governance by providing approachable materials that are tailored for Myanmar and the current landscape
- Widen governance education to not just the corporate sector but public and non-profit sectors

Lean Operations
- Keep to a small executive team and train enthusiastic junior and mid-level staff to feel ownership of the institute and its mission
- Leverage our network of key government agencies, board champions for high-impact delivery

Diversified Funding
- Generate revenue from core activities (courses, membership, sponsorship) to fund core functions (executive team, director education, fixed costs)
- Raise additional funding from donor and development partners to fund outreach activities.
- Raise discreet event-specific sponsor funding for activities such as annual conference.

DELIVERY PHASING

	MIoD Activities		Out of Scope
	2021-2023	2024 and beyond	
Education	DCP flagship course* Core governance courses* Fundamentals curriculum Bilingual website content Bilingual course materials Professional development pathway	Non-profit curriculum^ SME curriculum^ Myanmar-specific case studies	Non-board related professional training
Membership	Regular member* Certified member* Corporate member Reciprocal association member	Student membership Regional chapters	
Certification	Own certification	Recognition of certification by government bodies	Accredited certification
Resources	Self-Assessment tools Implementation toolkits – checklists^	Reference guidebooks^ Implementation toolkits – comprehensive^	
Publications	Quarterly newsletter Sharing third-party research* Guest contributor blog posts on governance	Own research reports Thought-leadership pieces^	
Events	Breakfast and luncheon talks* Webinars* Networking social events Peer-to-peer exchange forums Annual conference	Board awards	
Awareness	Newspaper column on governance Facebook and LinkedIn content Media engagement Awareness delivery through networks SME education^ Beyond Yangon awareness raising^	Board scorecard	
Network	Build ecosystem for governance by maintaining formal and informal collaborations with a network of organisations and regulatory bodies	Enable sector-specific governance networks	
Advocacy	Board diversity Board effectiveness and structure Collaboration on CG scorecard Input to regulatory efforts by DICA and SECM	Policy development research and input Policy outcome research input Contribution to CG Code development	Lobbying on commercial activities of companies
Advisory	Director registry	Board consultation services	Director placement services

*Currently performing this activity
^To deliver with specific programmatic support

EDUCATION STRATEGY: DEPTH OF PROGRAMS, BREADTH OF REACH

Boards	Owners & Executives	Regulators	Government	Professional Firms (Legal, Audit, Accounting)	Academics	Non-Profits, SMEs, etc.	General Public	💵

Awareness of what corporate governance means and why it is good for society		Free
Introductory education programs on governance and its application	To develop	$
Foundational programs for board directorship	e.g. Boardroom and director fundamentals	$$
DCP certification		$$$
Board focus	e.g. Internal audit master plan, Reporting to the board	$$$
Functional focus	e.g. Finance for non-finance directors	$$
Continual education		$$

MEMBERSHIP STRATEGY: PRESTIGE, BENEFIT, IMPACT
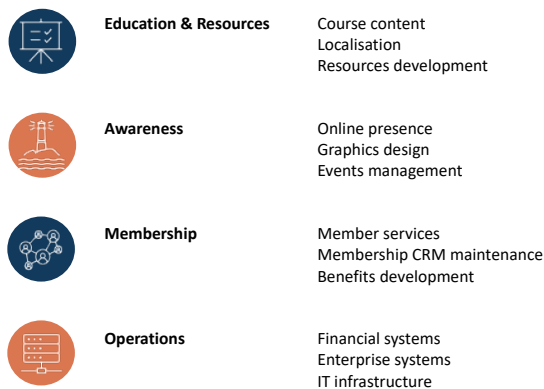
Why Join?

- Support individual directorship journey
- Improve effectiveness as a director

- Support organisational governance journey
- Improve organisation governance

- Knowledge and skills development
- Members-only events and resources
- Peer-to-peer network
- Director registry

- Demonstrate commitment to excellence
- Demonstrate commitment to governance

- Relatively high membership fee for all categories to signify prestige and dissuade badge-buying
- Promote sense of belonging to a group of leaders on a learning and excellence journey
- Promote volunteerism and ownership of mission through working committees
- Introduce corporate memberships to impact governance improvements at the organisational level
- Ensure certified members receive differentiated experience and engagement

HR STRATEGY: BUILD TEAM FOR LONG-TERM OWNERSHIP

- General strategy to keep to a small executive team and train enthusiastic junior and mid-level staff to feel ownership of the institute and its mission
- Build operational excellence and efficiency with strong SOPs and systems
- Should the funding environment change, the MIoD will invest further in human capital needs to build a strong, sustainable team.

Key functions to strengthen:

🖥️	**Education & Resources**	Course content Localisation Resources development
🗼	**Awareness**	Online presence Graphics design Events management
🔗	**Membership**	Member services Membership CRM maintenance Benefits development
🗄️	**Operations**	Financial systems Enterprise systems IT infrastructure

NETWORK STRATEGY: COLLABORATE & LEVERAGE

Network diagram centered on MIoD with surrounding nodes: Government, Regulatory and Semi-Government; National Business Chambers; International Chambers; Industry, Professional and Mission-Focused; Knowledge Partners; Learning and Content Partners; Media Partners; IoD International Network; SEC / Stock Exchange International Network; Donors and Supporters.

BOARD STRATEGY: ACTIVE AND ENGAGED BOARD

Active Engagement

Board meetings
Board committees

Sponsorship campaign

Leverage networks to obtain high-quality sponsors

Networks

Help connect and forge key relationships

Champion

Promote MIoD membership and mission
Ensure board is walking the walk of MIoD