

# CMDP: MODULE 3

## RISK OVERSIGHT AND COMPLIANCE - ACTION PLAN FOR BOARD OF DIRECTORS

10  
CPE POINTS



7 NOVEMBER 2024 | 9.00AM-12.30PM



**Fees:**  
MYR 1,800  
(fee is not inclusive of SST)



**CPE Points Earned:**  
10 CPE Points



**Mode:**  
Webinar



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### PROGRAMME OVERVIEW

Licensed intermediary institutions play an important systemic role in the capital market ecosystem. The growth or decline of the capital market is influenced by, among others, the success and failure of these institutions. Hence, the quality of leadership at these institutions is paramount. Kiel et al., 2012 suggest four levels of competence required of a board. They are as follows:

**Industry:** Experience in and knowledge of the industry in which the organisation operates

**Technical:** Technical/professional skills and specialist knowledge to assist with ongoing aspects of the board's role

**Governance:** The essential governance knowledge and understanding all directors should possess or develop if they are to be effective board members

**Behavioural:** The attributes and competencies enabling individual board members to use their knowledge and skills to function well as team members and to interact with key stakeholders

### PROGRAMME OBJECTIVE

The **Capital Market Director Programme** is an exclusive platform for directors and other strategic personalities of licensed intermediary institutions to equip themselves with new and relevant knowledge, skills and abilities (basic to intermediate level). The programme is also designed to allow them to explore and deliberate on pertinent issues affecting the industry from multi-stakeholders' perspectives.

The specific objectives of the programme are as follows:

- 1) Equip members of the board with knowledge and skills to provide leadership and oversight of the running of the licensed intermediary institutions;
- 2) Assist directors of licensed intermediary institutions to be an effective member of the board through latest developments in regulations and challenges, business and governance, in the capital market; and
- 3) Promote a thorough understanding of the role of the Securities Commission in regulating a dynamic and competitive capital market.

This programme aims to strengthen intermediation standards and capabilities as espoused by the Capital Market Masterplan 2 (CMP2).

### ICF COMPETENCY LEVEL



- Core - Corporate Governance, Ethic & Integrity, Risk Management (Proficiency Level 4)
- Foundational (Regulatory) - Capital Market Institutions, Capital Market Intermediaries, Capital Market Products Regulations (Proficiency Level 4)
- Foundational (Product) - Capital Market Environment (Proficiency Level 4)
- Behavioural (Organisation Leadership) - Strategic Thinking (Proficiency Level 4)

### TARGET AUDIENCE

#### Individuals

Newly appointed directors and directors of CMSL holders

### WHAT WILL YOU LEARN?

#### MODULE 3: RISK OVERSIGHT AND COMPLIANCE – ACTION PLAN FOR BOARD OF DIRECTORS

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

- Review a framework that identifies, assesses and manages key strategic and operational risks associated with the conduct of licensed intermediaries;
- Explain the importance of risk oversight, ethical and compliance programmes and the consequences of failures in such programmes; and
- Exercise judgement appropriately in dealing with issues of risk oversight and compliance brought to the attention of the board.

### PROGRAMME OUTLINE

- 09.00 am
- Role of the board of directors in building and sustaining an effective ethics and compliance framework that aims to meet the directors' fiduciary duties
    - o Identifying and understanding the requirements of the relevant regime;
    - o Identifying and understanding the current state of systems and processes in the organisation; and
    - o Undertaking detailed impact assessment and gap analysis so as to determine what needs to be done to comply with the requirements of the relevant regime.
  - The board's role in managing conflicts of interest situations, including:
    - o Connected/related party transaction;
    - o Insider information;
    - o Liquidity and risk management; and
    - o Customer complaints and dispute resolution.
  - What happens when there is compliance failure? How to prevent compliance failure?
    - o Best practices in compliance for capital market intermediaries; including monitoring compliance as an important part of directors' oversight responsibilities;
    - o Board's rights and obligations to demand the right information;
    - o Relationship between compliance and internal audit function and the impact on board's functions; and
    - o Case studies of compliance functions and activities.
- 12.30 pm End of Programme

### SPEAKER



#### NIZAM ISMAIL

Nizam is CEO and Founder of Ethikom Consultancy, a compliance-focused consultancy based in Singapore.

Nizam draws upon his previous regulatory experience as Head of the Market Conduct Policy Division at the Monetary Authority of Singapore, his compliance background as Head of Compliance for Southeast Asia at Lehman Brothers and Morgan Stanley, and his legal background as Deputy Public Prosecutor/State Counsel at the Commercial Affairs Department and Senior Legal Counsel at Citigroup, to assist global financial institutions, FinTech firms and corporate clients with licence applications and various regulatory compliance issues.

Nizam is the founding Chairman of the Regulatory and Compliance Sub-Committee of the Blockchain Association of Singapore. He is also a Fellow at the Singapore University of Social Studies.

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**Securities Industry Development Corporation** (765264K)  
3, Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur, Malaysia  
Email: [sidc@sidc.com.my](mailto:sidc@sidc.com.my) Website: [www.sidc.com.my](http://www.sidc.com.my)



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Get in touch and speak to our friendly team:

**Farith Jamal** | +6014 653 2578 | [Farith.Jamal@sidc.com.my](mailto:Farith.Jamal@sidc.com.my)

**Wan Mohd Farid** | +6012 641 7589 | [FaridK@sidc.com.my](mailto:FaridK@sidc.com.my)

**Abdul Qaiyum** | +6017 871 3242 | [Qaiyum.Ghazali@sidc.com.my](mailto:Qaiyum.Ghazali@sidc.com.my)

**Nur Hanis Hidayah** | +6010 543 7702 | [HanisM@sidc.com.my](mailto:HanisM@sidc.com.my)