

DIRECTORS ACADEMY

Corporate governance for new board members

OCTOBER 23, 2018

- 12:00 – 1:00PM** Registration & Lunch
- 1:00 – 1:30PM** Welcome and Introductions
- 1:30 – 4:30PM** Session I
- 4:30 – 5:00PM** Wrap Up & Key Take-Aways

OCTOBER 24, 2018

- 8:30 – 9:00AM** Registration & Breakfast
- 9:00 – 9:30AM** Welcome & Overview of Day II
- 9:30 – 12:30PM** Session II
- 12:30 – 1:30PM** Networking Lunch
- 1:30 – 4:30PM** Session III
- 4:30 – 4:45PM** Wrap Up & Key Take-Aways
- 4:45 – 6:00PM** Certificate Presentation & Networking Reception

SESSION I: Board's Role in Optimizing Shareholder Value

It is often said that a board of directors' greatest responsibility is to thoughtfully optimize shareholder value, but how is shareholder value defined? It is up to the board and management to reach a consensus on how to measure that value, based on the long-term strategy of the company. Increasing long-term shareholder value may not always drive short-term shareholder happiness, so it is important for boards to consider, "What am I solving for and over what period of time?" then ask, "How will we communicate our value measure to shareholders and secure investor buy-in?"

SESSION II: The Evolving Role of the Board in Risk Oversight

Financial risk oversight is a well-established responsibility of the board. But as recent crises faced by companies such as Facebook and Equifax show, boards today are being held accountable for a more diverse range of risks that can include safety, environmental, technological, regulatory and reputational risks, among others. Given this setting, it's a challenge for boards to feel comfortable that a risk is addressed appropriately; but, it's a critical responsibility. Boards frequently delegate elements of risk oversight to the audit committee; but ultimately, the responsibility for risk oversight resides with the full board, and each director should understand the key risks facing the company.

SESSION III: Cybersecurity Tabletop Exercise – What Directors Need to Know

Cyber warfare is an attack, and boards must treat it as such. Boards cannot rely solely on the CTO or CISO for guidance on these issues, but should instead be reviewing their work and asking them to enforce board-directed strategies. It is the role of the board to ask the tough questions, and to do that, directors must educate themselves on the risks of cyber-attacks and strategies to mitigate those risks. During this session, participants will engage in an abbreviated table top exercise to learn how to properly respond to a cyber event as a member of a board of directors.

Subject Matter Experts Confirmed to Date:

- *David Becher*, David Cohen Research Scholar in Finance and Associate Professor in Finance, Drexel University; Fellow, Wharton Financial Institutions Center, University of Pennsylvania
- *Jack Tomarchio*, Principal, Agoge Group LLC



DREXEL UNIVERSITY
LeBow College of Business

Raj & Kamla Gupta
Governance Institute
Center for Corporate Governance