NSE DIGITAL ACADEMY
MASTERCLASS OFFERING
Welcome to NSE
Masterclass Offering

Our Masterclass refers to standout, customized, broadly practical capacity development programs, facilitated by senior corporate leaders who are considered highly experienced in their areas of expertise and therefore participation in this sessions provides a unique opportunity to enhance ones skills that should have far-reaching impact on self and the sponsoring institution.

The masterclass offering comes in two offerings; general offering and customized company/institution specific offering, where general offering, presents a general industry view of the concepts while company specific is a customized offering structured after an in-depth review and analysis of individual company standard and process of respective concepts.
The overall objective of any investor is to optimize on return while minimizing the risk exposure of this capital. In a country where we have multiple investable asset classes, NSE appreciates the value preposition of this concept. The IMC equips the participants with skills and knowledge that enable return on investments and reduce the risk exposure of their client using best practices and minimizing cost of investments.
Session 1
Introduction to Investment

- An introduction to financial markets
- Role of financial markets in an economy
- Key investor clients within financial markets
  - Pension funds
  - Insurance Companies
  - High Net Worth Individuals (HNWI)
  - Retail Investors/Individual
  - Other Institutional investors
  - Sovereign Wealth Fund

Session 2
The major players in the financial markets

- The regulators
- The Custodians
- The fund managers
- The administrators
- Trading participants
- Registrars
- Issues of Securities

Session 3
Main investment instruments in the Kenyan market

- Equities
- Bonds
- Exchange Traded Funds
- Real Estate Investment Trusts
- Derivatives
- Real estate
- Money markets
- Private equities/ Non Quoted Securities

Session 4
The portfolio construction and management process

- Return on investment concepts
- Risk on investment concepts
- Risk return relationship/ Tradeoff
- The risk premium concept
- The diversification concept
- Calculating return of different instruments

Session 5
Understanding portfolio construction and asset allocation

- Planning
  - Identification of client objectives and constraints
  - Capital markets expectations
  - Investment policy statement
  - Execution
  - Asset Allocation – strategic and tactical
  - Security analysis
  - Portfolio Construction
  - Feedback
  - Portfolio monitoring and rebalancing
  - Portfolio performance measurement and reporting—Sample reports.
  - Emerging trends
  - Scheme members participation in property markets
  - Low cost housing
  - Future of mortgage market
In modern times board leadership and governance has become a fundamental component in driving the corporate agenda of business entities, having robust Directors in the board room is becoming a necessity in running more viable and sustainable business.

NSE in a collaboration with key stakeholders structured a purpose driven leadership and Governance Masterclass that enhance knowledge and skills that drive business towards enhancing shareholders value while being sensitive to business operating environment and social impact.

Attending this masterclass equips board members and potential board members with modern skills and knowledge that enables them to meet the overall expectation of modern boards.

Board Governance & Leadership Masterclass
Creating more robust Directors in the board room

Cost: Kshs. 74,200 exclusive of VAT
Session 1
Introduction to Corporate Governance and Leadership
1. Introduction to Governance
2. Board as an organ of leadership—Leadership best practices
3. Leadership style and effective boards
4. Roles and responsibilities of a 21st Century Board
5. Corporate Governance Principles
6. Corporate Governance Frameworks
7. Trends International Corporate Governance and leadership Practices
8. Navigating at board level
9. Transforming Culture in the board
10. Agile Leadership at the board
11. Navigating the leadership Terrain in VUCA World

Session 2
Directors and their role in Governance—CMA
1. Introduction to CMA Governance structure
2. Regulatory provisions affecting Directors in Kenya
3. Enforcing CMA code of conduct
4. Global understanding of the roles Directors
5. Rights, obligations and duties of the Director
6. Corporate governance tenets relating to the Director

Session 3
Effective Board and Committee meetings
1. Board Leadership Processes & Procedures
2. Composition and structure
3. Board Information Management (Board Packs)

Session 4
Effective Board Meetings
1. Constitution, function, roles and liabilities of Committees
2. Effective Board and Committee meetings
3. Managing Diversity, Dynamics and Personality conflicts

Session 5
Governance, Managing and Directing Strategic Leadership
1. Strategy Development and Execution
2. Monitoring and Evaluation
3. Communicating with influence
4. Managing Reputation
5. Managing Board dynamics
6. Differences/Similarities between Governance, Managing and Directing
7. Relationship between the Board, Board Committees and Management

Session 6
Performance Evaluation of the Board and Board Committees
1. Relationship between the Board, Board Committees and Management
2. Performance Evaluation of Board Members and Benchmarking Board Performance
3. Case Study on what brings success in the career of a Non-Executive Director

Session 7
Stakeholder Management
1. Stakeholder Mapping
2. Stakeholder Engagement Strategies
Environmental, Social, and Governance (ESG) has gained increasing attention over the past few years, with many institutional and high net worth investors investing only in those companies that provide ESG performance reporting. The NSE, in collaboration with industry players, has structured an ESG reporting guidance manual that seeks to support companies to comply with this new expectation. Further, NSE has structured an ESG Masterclass that seeks to equip companies’ executives with skilled workforce to enable them to comply with this new expectation.

The course provides an in-depth overview of the international ESG framework and how it supports a company’s overall risk and business continuity management, while positioning it as an ideal investable company and showcasing how the coverage impacts a company and its stakeholders.

Attending this masterclass equips participants with skills that enable them to position their company as an ideal ESG compliant and investable company of the future.
Session 1
• Defining Corporate Purpose and ESG
• Sustainability Development agenda
• Overview of GRI Sustainability Reporting Standards
• Overview of NSE ESG Disclosure Guidance manual
• Business Case for sustainability integration
• Sector specific ESG topical issues–NSE specific

Session 2
• Megatrends–stakeholder capitalism, circular economy and “net positive” business.

Session 3
• Structuring Board Oversight of ESG.
• Management contribution to ESG integration

Session 4
• Stakeholder Engagement – Communication with stakeholders on ESG

Session 5
• Materiality Analysis – Identifying, Assessing, and Mitigating ESG Risks

Session 6
• Using ESG as a strategic goal – The link between the SDGs, ESG, purpose, and a business’ licence to operate and grow

Session 7
ESG issues and resilience in the supply chain

Session 8
Disclosing ESG Risks and Opportunities

Session 9
Global developments in ESG reporting

Session 10
Accountability, Auditing and reporting obligation
EAST AFRICAN DEBT CAPITAL MARKETS MASTERCLASS

Overview

This training is highly specialized and customized as it is intense, informative, holistic, deep, thought-provoking, impactful and practical. It provides understanding of the debt capital markets evolution and the vast opportunities to develop for you and your organization to benefit. The learning can quickly be applied in the workplace.

Cost: Kshs. 71,000 exclusive of VAT
Session 1

- Capital Markets Development
- Global Free-Float Stock Market Capitalization by Country
- Debt Capital Markets
- MSCI Global Markets Classification Framework
- MSCI Bond Indexes
- FTSE Russell Frontier Emerging Government Bond Markets Index
- Aberdeen Standard SICAV I-Frontier Markets Bond Fund
- USA Corporate Bond Yields
- AFDB African Bond Index & ASEA
- FTSE NSE Kenyan Shilling Government Bond Index & Kenyan Bonds

Session 2

- Bond issue considerations
- Bond types
- Bond features
- Credit ratings
- Reference yield curves
- Investment grade vs Non-Investment grade
- Risks
- Forensic Audit
- Debt service cover ratio Policy

Session 3

- Bonds Framework: GOK, County, CMA, NSE Group, CDSC; CBK; EA; FISMS - NSE Group
- Unquoted Securities Platform (USP) - NSE Group East African

Session 4

- Sharing insights and Experiences
- Bonds case studies (Successes and failures)

Session 5

- Bond Investment Policy Development Strategy

Session 6

- Business opportunities and new products
- On Balance sheet bonds vs Off-Balance sheet bonds
- Special Purpose Vehicles using LLPs
- Ring Fence
- Partial Credit Guarantee
- Mini Bonds by Mini-corporates
- Zero Coupon Bond
- Securitization
- Fixed and Floating Rate
- Underwriting
- Trading Framework

Session 7

- NSE Debt Products
- Debt Products on the NSE – Corporate and green Bonds
- Debt/Equity ratios and when to raise debt
- Value proposition for debt for Kenyan SMEs
Executive ESG Masterclass

Introduction

Sustainable business practices and transparent ESG reporting are increasingly taking center stage. A growing number of successful companies are recognizing that the use of best practices can be an important differentiator. In addition, more and more lenders and investors are imposing sustainability-related requirements on companies seeking financing. This course provides an overview of the Executive’s role in promoting sustainability management, compliance, and strategies within a company. The potential impact and implications of environmental, social and governance (ESG) developments, climate related risks and opportunities for companies, and how companies can drive value creation through ESG will be explored and discussed during the course.

Course Objectives:

- Understand the role and responsibilities of the board and directors in sustainability governance and the overview of TCFD recommendations.
- Understand the potential impact and implications of regulatory ESG developments on business.
- Explain what ESG is and its relevance to making financial decisions.
- Being ready to implement ESG strategy

Cost: Kshs. 74,200 exclusive of VAT
ORIGIN OF ESG, EVOLVING LANDSCAPE AND ROLE OF THE EXECUTIVE

Session 1
Background in ESG:
- What ESG is?
- Key sustainability trends and concepts
- ESG principles and policies
- Comparing ESG to CSR
- Positioning ESG in corporate Kenya
- Major milestones in the history of corporate sustainability

Session 2
The rise of ESG:
- The recent growth of ESG
- Why ESG has taken off
  a. Expanding regulation
  b. Climate change and sustainability
  c. Anti-bribery and corruption
  d. Anti-money laundering and counterterrorism financing
  e. Nature and biodiversity
  f. Human rights
  g. Litigation and shareholder activism on the rise
  h. Shifting expectation
  i. Attracting human and financial capital
  j. Climate change and biodiversity loss as irreversible trends
- Implications for organizations
  a. ESG stakeholders
  b. Stakeholder approaches
  c. Where is ESG?
  d. ESG and your organization
  e. ESG maturity across geographies
  f. Managing ESG across multiple geographies

Session 3
The Role of the Board and Management:
- The role of Board and management in relation to ESG and their role in sustainability compliance
  - Setting the strategy
  - Understanding the risk
  - ESG management review
  - Establishing governance and oversight
  - Ensuring continuous improvement

Session 4
Effective Board Meetings
1. Constitution, function, roles and liabilities of Committees
2. Effective Board and Committee meetings
3. Managing Diversity, Dynamics and Personality conflicts
ESG OPPORTUNITY AND RISK MANAGEMENT, FUTURE TRENDS

Session 1
ESG Opportunities:

- Opportunities in ESG
- Why consider ESG opportunities and its long-term view
- Stakeholder influence on ESG opportunities
- Measuring ESG opportunities

Session 2
Understanding ESG risk:

- Introduction of ESG risks (types)
  a. Litigation risks
  b. Regulatory Risks
  c. Disclosure risks
  d. Human Capital Risks
  e. Climate-related Physical Risks
  f. Climate-Related transitional risks
  g. Reputational Risks
  h. Data privacy/Data Security risks
  i. Risks associated with lost opportunity.
- Risk oversight and management
- Identifying ESG risks
- Assessing ESG risk
- Prioritizing ESG risks
- Implementing risk response
- Reviewing ESG risks
- Communicating ESG risks

Session 3
Future Trends - a practical approach

- Sustainable products
- Towards net-zero emissions
- Convergence of governance and standards
- Renewable energy
INTEGRATING ESG INTO BUSINESS STRATEGY, ESG REPORTING AND LEADING ESG TRANSFORMATION

Session 1
Strategic approaches to sustain-ability:
- An introduction to ESG strategy
- Developing an ESG strategy
- Setting an ESG strategy:
- Materiality and ESG strategy
- ESG: An opportunity or risk?
- Methodology of materiality
- Steps from materiality to strategy
- Setting targets and credible ambitions to an ESG strategy

Session 2
Understanding ESG risk:
- Implementing ESG strategy
- Approaching ESG strategy implementation process
- Design and enablers of the strategy
- People and communications
- Organizational design and communication
- Assigning roles and responsibilities
- Internal communications

Session 3
ESG Reporting in Context:
- ESG reporting trends
- The main audience of an ESG report
- Good ESG reporting

**ESG reporting Frameworks:**
- Introduction to the key frameworks
- Taskforce for Climate-Related Financial disclosures
- Global Reporting Initiative
- Sustainable Development Goals
- Navigating reporting frameworks
This program is developed to give trustees, both new and experience with the opportunity to review their fiduciary role as trustees from the perspective of investments. It recognizes that trustees come from diverse backgrounds including manufacturing, academia, NGO, HR, and also accountants.

**Cost : Kshs. 65,000 exclusive of VAT**
Session 1
Introduction to Investment and Investment Process
- Definition of investments
- Investment structure
- Pooled vs segregated funds
- Asset allocation vs security selection
- Listed vs. unlisted securities
- Case study: pros and cons of investment structures

Session 2
Introduction to Legal structure for pension assets
- Role of the RBA
- Role of the CMA
- Role of the NSE

Session 3
Introduction to the role of the trustee
- Trustee as a Fiduciary
- Trustee role in investments decision making
- Limitations of a trustee in investments

Session 4
Case study sample reports (fund manager and custodian)
- Discuss on key sections in report: asset allocation, security selection, compliance and performance
- Understanding investment performance and benchmarks
- Compliance

Session 5
Legal Review: RBA Act and Regulations
- RBA Act and Regulations review
- RBA Code of Good governance: Focus on investments

Session 6
Legal review: Capital Markets Authority (CMA)
- CMA mandate on listed instruments
- CMA oversight on listed firms
- Legal review: Nairobi Securities Exchange (NSE)
- NSE mandate on listed instruments
- NSE oversight on listed firms
Session 7

- RBA Good governance guidelines
- International practice
- Recent cases and rulings
- Case study: governance and role differentiation

Session 8

- Cash and cash equivalents
- Government/Treasury securities
- Corporate securities (listed vs unlisted)
- Equity securities (listed vs. unlisted)
- Real estate (direct vs. REIT structures)
- Others: alternatives, derivatives etc.
- Cash and cash equivalents
- Risk and return considerations
- Computing of interest rates annualized vs. period returns

Session 9

- Risk and return consideration
- Listed vs. unlisted (case study)
- Exit considerations: maturity vs. secondary sale
- Government/Treasury securities
- Risk and return considerations
- Valuation: marking to market vs. amortized
- Exit considerations: maturity vs. secondary sale

Session 10

- Risk and return consideration
- Listed vs. unlisted (case study)
- Exit considerations: maturity vs. secondary sale

Session 11

- Risk and return consideration
- Exit considerations
In our effort to enable companies director deliver on their mandate and appreciate the enormous responsibility bestow on them, The Nairobi Securities Exchange Plc has structured a three days Director induction Masterclass. The training is targeted at (new and old) directors of listed companies. The training is customized to enhance directors’ contribution toward upscaling leadership and governance in listed companies. The facilitators are seasoned Capital Markets compliance and supervision officers with a touch of practical skills acquired while supporting and enforcing compliance in our market.

**Cost:** Kshs. 74,200 exclusive of VAT
Session 1
Introduction to Capital Market
- Structure of capital markets
- Institution and responsibilities of each
- Capital Markets product and investments
- Roles and responsibilities of Capital Markets
- Rules and Regulation applicable to Capital Markets

Session 2
Introduction to the generic concepts, pillars and principles of good corporate governance
- The structure of effective boards
- Stepping into the boardroom - the new board and the new director
- Corporate Governance Practices for Listed Companies

Session 3
The constitutional, policy, statutory, and moral framework for Board operations

Session 4
Role, functions, responsibilities and powers of the Board
- Board as an organ of leadership–Leadership best practices

Session 5
Statutory Duties of Directors:
- Duty to act in within powers Duty to exercise reasonable care, skill and diligence
- Duty to promote the success of the company
- Duty to exercise independent judgment
- Duty to avoid/declare conflict of interest.
- Liability to directors for breach of duty:
  - Personal liability
  - Derivative actions
  - Criminal sanctions
  - Bar from directorships in public listed companies

Session 6
Liability to directors for breach of duty:
- Personal liability
- Derivative actions
- Criminal sanctions
- Bar from directorships in public listed companies

Session 7
- Practices to make boards the most effective organs
- How boards learn about the company, and build resilience
- Board conflicts
- Board as a source of conflicts
- ESG, sustainability and diversity – The role of the board
- Board self-evaluation
For more information on training and awareness activities, contact:

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