

## **MEDIA RELEASE**

Kuala Lumpur  
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### **MALAYSIA-ASEAN CORPORATE GOVERNANCE TRANSPARENCY INDEX, FINDINGS AND RECOGNITION 2016**

On 15 December 2016, the Minority Shareholder Watchdog Group (MSWG) announced the results of the MALAYSIA-ASEAN CORPORATE GOVERNANCE TRANSPARENCY INDEX, FINDINGS AND RECOGNITION 2016 where the Chairman of MSWG, YBhg Tan Sri Dato' Seri Dr. Sulaiman Mahbob delivered the Special Address and presented the recognition awards.

MSWG recognised and incentivised corporates which advocated transparency in their companies and have shown sustainable performance as well as individuals who championed good corporate governance. The MALAYSIA-ASEAN Corporate Governance Transparency Index, Findings and Recognition 2016 identified the Top 100 Malaysian PLCs based on disclosures from the 868 companies that were assessed this year using the ASEAN CG Scorecard. The OECD Principles of Corporate Governance are used as the main benchmark for the Scorecard given their global acceptance by policy makers, investors and other stakeholders. In addition, the Top 100 PLCs were further subjected to the elimination criteria of Return on Equity (ROE) of not less than 3% for the last three years.

Over the years since 2009, through the yearly CG assessment, MSWG has collated eight (8) years of data for research on pertinent policy issues. In this regard, MSWG welcomes interested parties to collaborate with MSWG on governance-related research.

PLCs cannot be complacent on the issue of corporate governance but to continuously strive to better themselves and even go further to ensure best practices and principles to be embedded into their DNA for long-term sustainability. In conjunction with the results and findings of this year's assessment, we at MSWG are proud to recognise and showcase the top PLCs with outstanding corporate governance practices based on the ASEAN CG Scorecard methodology. The awards given are a testament to the significant roles that the listed companies themselves had played in terms of governance and overall performance.

The research findings based on MSWG's assessment of Top 100 PLCs showed that the Average CG Score has consistently trended upward from 68.20 points in 2012 to 80.41

points in 2015 and has further risen to **84.99 points** in **2016**. This trend shows that companies had indeed made consistent effort to improve their disclosures.

#### Comments on Key Areas for Top 100 PLCs:

##### **Environmental, Social and Governance**

94% of the Top 100 PLCs had adequate ESG disclosures in their annual reports and websites, albeit at varying degrees. The bigger companies produced detailed and separate Sustainability Reports which reflected their strong commitment towards the ESG agenda. Given the importance of this agenda, the Board and management should seriously consider initiating sustainable and responsible business growth and practices, including adequate budget allocation for such activities.

##### **Women on Board**

The findings for the Top 100 PLCs found that the number of women on boards have improved to 14.6% in 2016 compared to 13.4% in 2015. But despite the growth, the figures still fall well short of the 30% female representation on corporate Boards targeted by the Government. These top 100 companies should make additional effort to populate their board composition with qualified women as this is really about risk management, the hallmark of corporate governance.

##### **Publishing of AGM Minutes**

One of the best practices which MSWG advocated over the years is the publication of AGM minutes on the listed issuer's website in a timely manner. This year, nearly half (48%) of the Top 100 PLCs provided such disclosures compared to 37% in 2015 and a mere seven companies in 2013. Moving forward, we hope all PLCs will take the initiative to publish a meaningful summary of key matters arising at the AGM which among others, should include pertinent questions raised at the AGM and the Board's responses as well as the full attendance list of the directors at the AGM.

##### **Whistle-Blowing Policy**

The findings showed that 86% of the Top PLCs have a Whistle-Blowing Policy compared to only 70% in 2015. Out of this, 91% have proper procedures for lodging complaints by employees and 84% have proper policy and procedures to protect an employee or person who reveals illegal or unethical behaviour from retaliation. We hope to see all PLCs put in place these elements into a formal Whistle-Blowing Policy and Procedures as part of a healthy corporate culture.

The report on the full findings of the Malaysia-ASEAN CG Transparency Index & Findings 2016 will be released in the first quarter of 2017.

The Top 100 Companies with Good Disclosures and Top 100 Companies for Overall CG & Performance according to ranking are shown in **Appendix 1A and 1B respectively**. The salient findings over five (5) years are shown in **Appendix II**.

The recognition awards together with the winners are shown in **Appendix III**.

**-ENDS-**

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## List of Top 100 Companies with Good Disclosures (by rank)

NO.	NAME OF COMPANY	NO.	NAME OF COMPANY
1	BURSA.MALAYSIA BHD	51	MISC BHD
2	TELEKOM MALAYSIA BHD	52	QL RESOURCES BHD
3	AXIATA GROUP BHD	53	HEINEKEN MALAYSIA BHD
4	MALAYAN BANKING BHD	54	CCM DUOPHARMA BIOTECH BHD
5	SIME DARBY BHD	55	POS MALAYSIA BHD
6	RHB CAPITAL BHD	56	BIMB HOLDINGS BHD
7	CIMB GROUP HOLDINGS BHD	57	IOI PROPERTIES GROUP BHD
8	ALLIANZ MALAYSIA BHD	58	WESTPORTS HOLDINGS BHD
9	PETRONAS DAGANGAN BHD	59	KUMPULAN PERANGSANG SELANGOR BHD
10	TENAGA NASIONAL BHD	60	TA GLOBAL BHD
11	LPI CAPITAL BHD	61	MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BHD
12	MALAYSIA AIRPORTS HOLDINGS BHD	62	TUNE PROTECT GROUP BHD
13	FELDA GLOBAL VENTURES HOLDINGS BHD	63	BARAKAH OFFSHORE PETROLEUM BHD
14	UEM SUNRISE BHD	64	DAGANG NEXCHANGE BHD
15	ASTRO MALAYSIA HOLDINGS BHD	65	FRASER & NEAVE HOLDINGS BHD
16	PUBLIC BANK BHD	66	WEIDA (M) BHD
17	PETRONAS GAS BHD	67	MMC CORPORATION BHD
18	TOP GLOVE CORPORATION BHD	68	MNRB HOLDINGS BHD
19	PETRONAS CHEMICALS GROUP BHD	69	ALAM MARITIM RESOURCES BHD
20	UMW HOLDINGS BHD	70	BINTULU PORT HOLDINGS BHD
21	IJM CORPORATION BHD	71	DATASONIC GROUP BHD
22	IJM PLANTATIONS BHD	72	ORIENTAL HOLDINGS BHD
23	SUNWAY BHD	73	SMIS CORPORATION BHD
24	IHH HEALTHCARE BHD	74	AIRASIA BHD
25	BUMI ARMADA BHD	75	TRIPLC BHD
26	BRITISH AMERICAN TOBACCO (M) BHD	76	7-ELEVEN MALAYSIA HOLDINGS BHD
27	UMW OIL & GAS CORPORATION BHD	77	SYARIKAT TAKAFUL MALAYSIA BHD
28	NESTLE (M) BHD	78	TIEN WAH PRESS HOLDINGS BHD
29	AFFIN HOLDINGS BHD	79	WCT HOLDINGS BHD
30	KPJ HEALTHCARE BHD	80	UNITED PLANTATIONS BHD
31	DIGI.COM BHD	81	SBC CORPORATION BHD
32	UEM EDGENTA BHD	82	MALAKOFF CORPORATION BHD
33	MEDIA PRIMA BHD	83	GAS MALAYSIA BHD
34	CAHYA MATA SARAWAK BHD	84	HONG LEONG BANK BHD
35	MSM MALAYSIA HOLDINGS BHD	85	GOOMI ENERGY SERVICES BHD
36	DELEUM BHD	86	MBM RESOURCES BHD
37	PARAMOUNT CORPORATION BHD	87	MANULIFE HOLDINGS BHD
38	MALAYSIAN RESOURCES CORPORATION BHD	88	KUALA LUMPUR KEPONG BHD
39	SUNWAY CONSTRUCTION GROUP BHD	89	MKH BHD
40	ALLIANCE FINANCIAL GROUP BHD	90	GENTING BHD
41	MATRIX CONCEPTS HOLDINGS BHD	91	UNISEM (M) BHD
42	PRESTARIANG BHD	92	ELK-DESA RESOURCES BHD
43	OSK HOLDINGS BHD	93	STAR MEDIA GROUP BHD
44	TALIWORKS CORPORATION BHD	94	TA ENTERPRISE BHD
45	KLCC PROPERTY HOLDINGS BHD	95	AMWAY (M) HOLDINGS BHD
46	AMMB HOLDINGS BHD	96	TSH RESOURCES BHD
47	SP SETIA BHD	97	MPHB CAPITAL BHD
48	MALAYSIA BUILDING SOCIETY BHD	98	OLD TOWN BHD
49	DAIBOCHI PLASTIC & PACKAGING INDUSTRY BHD	99	MESB BHD
50	MAXIS BHD	100	HANDAL RESOURCES BHD

## List of Top 100 Companies for Overall CG & Performance (by rank)

NO.	NAME OF COMPANY	NO.	NAME OF COMPANY
1	BURSA MALAYSIA BHD	51	UCHI TECHNOLOGIES BHD
2	TELEKOM MALAYSIA BHD	52	MISC BHD
3	AXIATA GROUP BHD	53	LINGKARAN TRANS KOTA HOLDINGS BHD
4	LPI CAPITAL BHD	54	TUNE PROTECT GROUP BHD
5	MALAYAN BANKING BHD	55	BARAKAH OFFSHORE PETROLEUM BHD
6	TENAGA NASIONAL BHD	56	BERJAYA AUTO BHD
7	TOP GLOVE CORPORATION BHD	57	AFFIN HOLDINGS BHD
8	ASTRO MALAYSIA HOLDINGS BHD	58	ALLIANCE FINANCIAL GROUP BHD
9	PUBLIC BANK BHD	59	MY E.G. SERVICES BHD
10	RHB CAPITAL BHD	60	GADANG HOLDINGS BHD
11	CIMB GROUP HOLDINGS BHD	61	TRIPLC BHD
12	PETRONAS GAS BHD	62	DUTCH LADY MILK INDUSTRIES BHD
13	ALLIANZ MALAYSIA BHD	63	SIGNATURE INTERNATIONAL BHD
14	SIME DARBY BHD	64	7-ELEVEN MALAYSIA HOLDINGS BHD
15	NESTLE (M) BHD	65	MEDIA PRIMA BHD
16	PETRONAS DAGANGAN BHD	66	CARLSBERG BREWERY MALAYSIA BHD
17	SUNWAY CONSTRUCTION GROUP BHD	67	AMMB HOLDINGS BHD
18	DIGI.COM BHD	68	PARAMOUNT CORPORATION BHD
19	MATRIX CONCEPTS HOLDINGS BHD	69	YINSON HOLDINGS BHD
20	PRESTARIANG BHD	70	BUMI ARMADA BHD
21	UEM EDGENTA BHD	71	SCIENTEX BHD
22	PETRONAS CHEMICALS GROUP BHD	72	LBS BINA GROUP BHD
23	BRITISH AMERICAN TOBACCO (M) BHD	73	KLCC PROPERTY HOLDINGS BHD
24	MALAYSIA AIRPORTS HOLDINGS BHD	74	RGB INTERNATIONAL BHD
25	SUNWAY BHD	75	UMW OIL & GAS CORPORATION BHD
26	LIM CORPORATION BHD	76	LII HEN INDUSTRIES BHD
27	FELDA GLOBAL VENTURES HOLDINGS BHD	77	MALAYSIAN RESOURCES CORPORATION BHD
28	WESTPORTS HOLDINGS BHD	78	POWER ROOT BHD
29	TALIWORKS CORPORATION BHD	79	PANASONIC MANUFACTURING (M) BHD
30	UEM SUNRISE BHD	80	SP SETIA BHD
31	CAHYA MATA SARAWAK BHD	81	MKH BHD
32	DAIBOCHI PLASTIC & PACKAGING INDUSTRY BHD	82	AMWAY (M) HOLDINGS BHD
33	DELEUM BHD	83	KERJAYA PROSPEK GROUP BHD
34	DATASONIC GROUP BHD	84	POS MALAYSIA BHD
35	HEINEKEN MALAYSIA BHD	85	ECS ICT BHD
36	SYARIKAT TAKAFUL MALAYSIA BHD	86	MEDIA CHINESE INTERNATIONAL LTD
37	UMW HOLDINGS BHD	87	KUMPULAN PERANGSANG SELANGOR BHD
38	IHH HEALTHCARE BHD	88	UNITED PLANTATIONS BHD
39	CCM DUOPHARMA BIOTECH BHD	89	CB INDUSTRIAL PRODUCT HOLDING BHD
40	MSM MALAYSIA HOLDINGS BHD	90	SELANGOR PROPERTIES BHD
41	MALAYSIA BUILDING SOCIETY BHD	91	KUALA LUMPUR KEPONG BHD
42	KPJ HEALTHCARE BHD	92	KIM LOONG RESOURCES BHD
43	QL RESOURCES BHD	93	FIMA CORPORATION BHD
44	LIM PLANTATIONS BHD	94	AEON CREDIT SERVICE (M) BHD
45	MAXIS BHD	95	STAR MEDIA GROUP BHD
46	FRASER & NEAVE HOLDINGS BHD	96	BINTULU PORT HOLDINGS BHD
47	RADINI HOLDINGS BHD	97	HONG LEONG BANK BHD
48	GD EXPRESS CARRIER BHD	98	SMIS CORPORATION BHD
49	BIMB HOLDINGS BHD	99	LEE SWEE KIAT GROUP BHD
50	OSK HOLDINGS BHD	100	ASIA FILE CORPORATION BHD

**KEY CORPORATE GOVERNANCE STATISTICS  
OF PUBLIC LISTED COMPANIES IN MALAYSIA**

Assessment by Minority Shareholder Watchdog Group  
(2012 - 2016)

**1. MACRO STATISTICS**

<b>PUBLIC LISTED COMPANIES</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Total No. of Listed Companies	920	927	906	930	927
No. of Companies Covered <sup>1</sup>	868	870	873	862	500
Companies Covered in Index (%)	94%	94%	96%	93%	54%

<b>MARKET CAPITALISATION</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
All Public Listed Companies (RM billion)	1,654	1,718	1,683	1,484	1,420
Top 100 in Corporate Governance Score (RM billion)	1,116	1,161	1,304	1,041	766
Top 100 in Corporate Governance Score (%)	67%	68%	77%	70%	54%

**2. CORPORATE GOVERNANCE STATISTICS**

<b>CORPORATE GOVERNANCE BASE SCORE<sup>2</sup></b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<i>No. of Companies Covered</i>	<i>868</i>	<i>870</i>	<i>873</i>	<i>862</i>	<i>500</i>
Average Base Score for all Companies	66.52	62.98	60.23	61.59	56.70
Average Base Score for Top 100	84.99	80.41	76.82	75.99	68.20

**3. SUMMARY OF FINDINGS FOR THE TOP 100 COMPANIES**

<b>KEY BOARD STATISTICS</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Average board size (intentionally did not round up)	8.4	8.1	8.6	8.5	8
Average no. of board meetings	7.6	7.9	7.6	7.2	6.7
Separation of Chairman & CEO	89%	96%	95%	95%	94%
Independent Chairman	41%	45%	45%	43%	40%
Board Balance: ≥50% INEDs	61%	66%	51%	35%	33%
Board assessments carried out	97%	95%	81%	77%	76%
Tenureship of INEDs > 9 years	37%	44%	46%	38%	34%
Average INED tenureship (Year)	5	6	6	6	7
Existence of NC <sup>3</sup>	100%	100%	100%	100%	98%
NC comprised majority of INEDs	100%	96%	99%	94%	94%
Existence of RC <sup>4</sup>	99%	99%	98%	94%	99%
RC comprised majority of INEDs	90%	86%	86%	81%	87%

<b>Women on Boards</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
No. of Women on Boards					
Female EDs on boards	14	12	15	13	39

<b>Female NINEDs on boards</b>	<b>28</b>	25	26	28	
<b>Female INEDs on boards</b>	<b>81</b>	71	60	41	34
<b>Total No. of Women on boards</b>	<b>123</b>	108	101	82	73
<b>Women on Boards (%)</b>					
<b>Female EDs on boards</b>	<b>1.7%</b>	1.5%	1.7%	1.50%	4.8%*
<b>Female NINEDs on boards</b>	<b>3.3%</b>	3.1%	3.0%	3.30%	
<b>Female INEDs on boards</b>	<b>9.6%</b>	8.8%	7.0%	4.90%	4.20%
<b>Total No. of Women on boards</b>	<b>14.6%</b>	13.4%	11.7%	9.7%	9%

\*Total No. of Female EDs and NINEDs

<b>OTHER DISCLOSURES</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Companies having Board Charter</b>	<b>94%</b>	97%	80%	70%	38%
<b>Companies having Code of Ethics</b>	<b>90%</b>	77%	68%	57%	58%
<b>Companies that published AGM Minutes</b>	<b>48%</b>	37%	26%	7%	1%
<b>Companies that published M&amp;A</b>	<b>41%</b>	28%	22%	11%	8%
<b>Companies disclosing individual director remuneration</b>	<b>43%</b>	33%	35%	39%	34%
<b>Companies with Dividend Policy</b>	<b>41%</b>	38%	35%	38%	34%
<b>Companies with Whistle Blowing Policy</b>	<b>86%</b>	70%	51%	48%	42%
<b>Companies with Corporate Responsibility Policy</b>	<b>94%</b>	93%	97%	94%	90%
<b>Companies disclosing training attended by each Director</b>	<b>80%</b>	65%	59%	65%	56%
<b>Annual Financial Report released within 4 months</b>	<b>99%</b>	99%	82%	81%	81%

<b>Risk Management</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Board review of material control &amp; risk mgt systems</b>	<b>100%</b>	86%	63%	78%	38%
<b>Disclosure of how key risks are managed</b>	<b>44%</b>	43%	62%	60%	58%
<b>Establishment of board-level RMC</b>	<b>36%</b>	47%	35%	N/A	N/A

**\*Notes:**

1 For 2013,2014, 2015 and 2016 all companies were covered, whilst in 2012, Top 500 companies based on market capitalisation as at 30 June 2012 were covered. REITs, PN17, GN3, privatised and newly listed companies were excluded.

2 The methodology for 2012-2016 was by way of ASEAN Scorecard which did not include performance measures.

3 Abbreviation of Nomination Committee

4 Abbreviation of Remuneration Committee

5 Abbreviation of Internal Audit Function

\*\*Data would be updated from time to time. The last update was on 14 December 2016.

**Malaysia-ASEAN Corporate Governance 2016 Award Winners**

**EXCELLENCE AWARD FOR TOP CG AND PERFORMANCE (OVERALL CATEGORY) – BY RANK**

Bursa Malaysia Bhd  
Telekom Malaysia Bhd  
Axiata Group Bhd  
LPI Capital Bhd  
Malayan Banking Bhd

**CEO OF THE YEAR**

YBhg Dato' Rohana Rozhan  
(Astro Malaysia Holdings Bhd)

**CG WRITER OF THE YEAR**

Mr Cheah Chor Sooi  
(Focus Malaysia)

**EXCELLENCE AWARD FOR TOP CG & PERFORMANCE (SPECIAL CATEGORY) — BY RANK**

**Market Cap between RM300 million and RM1 billion**

Daibochoi Plastic and Packaging Industry Bhd  
Deleum Bhd  
CCM Duopharma Biotech Bhd  
Uchi Technologies Bhd

**Market Cap between RM100 million and RM300 million**

Signature International Bhd  
RGB International Bhd

**Market Cap below RM100 million**

TRIpIc Bhd  
SMIS Corporation Bhd

**EXCELLENCE AWARD FOR LONG-TERM VALUE CREATION (IN ALPHABETICAL ORDER)**

Axiata Group Bhd  
Bursa Malaysia Bhd  
Telekom Malaysia Bhd

**EXCELLENCE AWARD FOR ESG PRACTICES (IN ALPHABETICAL ORDER)**

Axiata Group Bhd  
CIMB Group Holdings Bhd  
Sime Darby Bhd

**MERIT AWARD FOR CG DISCLOSURES (BY RANK)**



Bursa Malaysia Bhd  
Telekom Malaysia Bhd  
Axiata Group Bhd  
Malayan Banking Bhd  
Sime Darby Bhd  
RHB Capital Bhd  
Allianz Malaysia Bhd  
Petronas Dagangan Bhd  
Tenaga Nasional Bhd  
LPI Capital Bhd

## **INDUSTRY EXCELLENCE**

### **Plantation**

Sime Darby Bhd

### **Financial**

LPI Capital Bhd

### **Property & Construction**

Sunway Construction Group Bhd

### **Oil & Gas**

Petronas Gas Bhd

### **Food & Beverage**

Nestle (Malaysia) Bhd

### **Manufacturing**

Top Glove Corporation Bhd

### **Consumer Goods**

British American Tobacco (Malaysia) Bhd

### **Consumer Services**

Tenaga Nasional Bhd

### **Healthcare**

IHH Healthcare Bhd

### **Telecommunications & Media**

Telekom Malaysia Bhd

## **MERIT AWARD FOR MOST IMPROVED**

Top Glove Corporation Bhd

Affin Holdings Bhd

**MERIT AWARD FOR BOARD DIVERSITY**

Telekom Malaysia Bhd

**MERIT AWARD FOR BEST AGM (OVERALL CATEGORY) (IN ALPHABETICAL ORDER)**

Bursa Malaysia Bhd

Public Bank Bhd

Telekom Malaysia Bhd

**MERIT AWARD FOR BEST AGM (MARKET CAP BELOW RM300 MILLION)  
(IN ALPHABETICAL ORDER)**

CCM Duopharma Biotech Bhd

Paramount Corporation Bhd