MSWG

MINORITY SHAREHOLDERS WATCH GROUP

NACGSA

NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS

ASSESSMENT REPORT

2023/2024


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ESG

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PERBANKAN ISLAM

FOREWORD

DATUK MOHD NASIR ALI

Chairman
Minority Shareholders Watch Group

The corporate landscape is profoundly transforming, with environmental, social, and governance (ESG) issues now central to how investors and the public assess businesses. Corporate governance and sustainability have become indispensable pillars for long-term success, as they foster resilience and enable companies to create value while positively contributing to society and the environment. Governance today goes beyond compliance and risk management; it cultivates accountability, transparency, and ethical leadership, driving sustainable practices. As global awareness of challenges like climate change and social inequality grows, companies must integrate sustainability into their governance frameworks to align decision-making with the long-term interests of stakeholders and the planet.

The National Corporate Governance and Sustainability Awards (NACGSA) play a critical role in recognising and celebrating the efforts of publicly listed companies (PLCs) leading the way in governance and sustainability. Through rigorous evaluation, NACGSA sets a benchmark for best practices and encourages companies to raise their standards continually.

I am heartened to see the progress made in corporate governance and sustainability across Malaysia's business community. The results in this report demonstrate that many companies are taking meaningful steps to integrate ESG considerations into their operations. This is evident in the overall scores achieved by PLCs, which reflect a growing commitment to governance excellence and sustainable practices.

Looking ahead, I am confident that the principles of governance and sustainability will continue to shape the future of corporate leadership. Companies prioritising these values will be better positioned to thrive in a world where ESG considerations are paramount. They will attract investment, foster innovation, and build trust with their stakeholders—ultimately ensuring their long-term success.

Congratulations to all the winners of this year's NACGSA. Your achievements are a testament to your leadership and unwavering commitment to upholding the highest corporate governance and sustainability standards, setting a benchmark for others to follow. Success in today's world goes beyond financial performance; it is about fostering a sustainable and equitable future. I also sincerely appreciate the MSWG team, our sponsors and supporters, and all stakeholders who supported this year's awards. Your dedication to advancing governance and sustainability is invaluable, and together, we can continue driving positive change across the corporate landscape.


misc
moving energy
THE MORE WE GROW, THE SMALLER WE BECOME.
In everything we do,
we strive to leave a big impact.
It's why we're making good on our promise
to downsize our carbon footprint.
By transitioning to low-carbon fuel
and zero-carbon emission vessels,
we're making it clear that carbon abatement
is a key component of our growth.
Because we believe that we must leave as little
of ourselves behind at sea.

FOREWORD

DR ISMET YUSOFF

Chief Executive Officer
Minority Shareholders Watch Group

As a leading independent advocate for corporate governance and sustainability, MSWG remains steadfast in its mission to elevate governance and sustainability standards across PLCs. Through fostering deeper discernment and facilitating meaningful dialogue, we aim to strengthen these critical areas and drive impactful change in the corporate landscape.

The intersection of governance and sustainability has never been more vital. In an era marked by unprecedented disruptions and uncertainties, PLCs must not only navigate these challenges with strategic foresight but also uphold the highest standards of ethical integrity and governance. Embedding sustainability within governance frameworks is no longer an option but a strategic necessity for long-term value creation.

This report emphasises the integration of sustainability into corporate governance by focusing on three key elements: robust board oversight, executive remuneration aligned with sustainability goals, and strategic coherence across decision-making. It consolidates three influential governance frameworks—the ASEAN Corporate Governance Scorecard (ACGS), Malaysian Code on Corporate Governance (MCCG), and sustainability scorecard—that enhance investor confidence, attract capital, and promote sustainable business practices. Notably, the 2023 revision of the ACGS, endorsed by the ASEAN Capital Markets Forum (ACMF), incorporates updates from the G20/OECD Principles of Corporate Governance, introducing new criteria on shareholder rights, transparency, board responsibilities, and the growing emphasis on sustainability and resilience.

At its core, this report aims to inspire reflective, forward-thinking governance capable of transforming challenges into opportunities. It underscores the inseparable link between strong governance practices and the long-term success of PLCs. Companies must fully understand their operations' broader ESG impacts in today's rapidly changing world. As stewards of long-term value, board of directors have a crucial role in overseeing the integration of ESG considerations into governance practices. This shift aligns companies with evolving sustainability reporting standards and prepares them to manage the escalating risks posed by climate change.

We trust this report will provide valuable insights into the complex interplay between governance and sustainability. It also offers practical strategies for strengthening corporate governance and sustainability standards, enabling companies to remain competitive and resilient in the dynamic global marketplace. Continuous benchmarking against international best practices and a steadfast commitment to improvement is essential for PLCs to thrive in an increasingly ESG-focused world.

Encouragingly, the overall scores from the ACGS, MCCG, and Sustainability assessments demonstrate significant progress across all market segments. The Top 50 companies scored an impressive 84%, with the Top 100 achieving 77%, the Main Market 65%, and the ACE Market 59%. These results testify to the sustained efforts and commitment of PLCs and their boards, prioritising good governance and sustainable practices as integral to their success.

As with previous years, we look forward to constructive discussions with PLCs regarding their scores and areas for improvement. MSWG remains committed to continuously raising governance standards, with transparency, accountability, and inclusivity at the core of our guiding principles.

We would also like to take this opportunity to express our heartfelt gratitude to the Capital Market Development Fund (CMDF) for its unwavering support of the NACGSA project. Our sincere thanks go to Bursa Malaysia Berhad, our Platinum Sponsor, and our Silver and Bronze sponsors, whose contributions have been invaluable in making this initiative successful. We also extend our appreciation to our ESG supporters for their continued backing.

Furthermore, we wish to acknowledge the invaluable support of the Securities Commission Malaysia. Special thanks to the Corporate Governance Council for entrusting MSWG to lead this critical assessment and awards process. We are grateful to the Adjudication Committee members, the MSWG Board, and our dedicated team members for their tireless efforts and unwavering commitment to this project.

Finally, we offer our warmest congratulations to all the NACGSA winners. Your exceptional dedication to governance excellence, transparency, and sustainable business practices sets a benchmark for others to follow. These accolades reflect your commitment to upholding the highest principles of corporate responsibility and your vital role in fostering a resilient and sustainable future for your organisations, stakeholders, and the broader community.

We hope that you find this report both insightful and inspiring. Together, let us continue striving towards a future where governance and sustainability lie at the heart of every business decision, driving sustainable growth and resilience for generations to come.

ABOUT NACGSA

The National Corporate Governance & Sustainability Awards (NACGSA) is a prestigious accolade that honours exemplary corporate governance and sustainability practices among PLCs in Malaysia.

The award consolidates existing corporate governance and sustainability awards, further enhancing the MSWG-ASEAN CG Awards. Since 2012, MSWG has assessed the corporate governance disclosures of PLCs in Malaysia using the ASEAN Corporate Governance Scorecard (ACGS) methodology.

NACGSA aligns with the Securities Commission Malaysia's Corporate Governance Strategic Priorities, which aim to fortify Malaysia's reputation for strong corporate governance. By integrating governance and sustainability, NACGSA acknowledges the importance of ethical and environmental practices for long-term performance and value creation.

Benchmarking PLCs based on their governance, sustainability practices, and transparency, NACGSA promotes good governance and sustainability. Recognising and rewarding PLCs that excel in these areas creates a compelling incentive for companies to prioritise sound governance and sustainable practices.

MSWG has fully assumed responsibility for the NACGSA, commencing assessments under this comprehensive framework.

Independent Assessment
No entry fees or nominations are required for assessment.

Comprehensive Coverage
Includes all publicly listed companies.

Endorsed Methodology
Assessment methodology endorsed by the Corporate Governance Council.

Globally Recognised Framework
Utilises CG framework recognised globally and endorsed by ASEAN.

Independent Adjudication
Results adjudicated by an independent committee.

MALAYSIA AIRPORTS RECOGNISES THE IMPORTANCE OF ESG

Long-term value creation for stakeholders by embedding ESG in strategy, focus areas & business priorities

OUR KEY ESG EFFORTS

ENVIRONMENT

- Production of solar power at 6 airports
- Water Harvesting KLIA Terminal 2
- New Alternative Water Supply (AWS) at Southern Balancing Pond, KLIA

SOCIAL

- Employee development and safety programmes
- MYAirportCARES & community enrichment programmes

GOVERNANCE

- 40% representation of female Board of Directors
- Integrity in supply chain with robust policies and procedures
- Corporate Sustainability Reporting recognition by SIRIM

OUR PERFORMANCE

- 22.5 MWp solar power generated
- 21.3% YoY reduction of energy consumption intensity (kWh/passenger)
- 15% reduction of Scope 2 carbon emission
- 28% reduction of water consumption intensity (liters / passenger)

- RM2.3 million invested for learning and development programmes
- 51 hours of training per employee
- RM29 million invested for community and humanitarian aid

- Zero breaches to the Procurement Code of Ethics
- 100% operations effectively assessed an managed for corruption risks
- Boosting Cybersecurity capabilities via Cybersecurity Acceleration Programme 2.0

OUR NOTABLE HIGHLIGHTS

FTSE4GOOD
Constituent of FTSE4Good Bursa Malaysia Index

SUSTAINABLE DEVELOPMENT GOALS

ESG efforts closely aligned to all 17 United Nations Sustainable Development Goals (SDGs)

airport carbon accreditation

KLIA is certified at Level 3: Optimisation of the Airport Carbon Accreditation (ACA) programme

ABOUT THE ASSESSMENT

This NACGSA Assessment Report 2023/2024 is the first edition published under the new NACGSA framework.

The NACGSA framework combines three assessments: the ASEAN CG Scorecard (ACGS), the Malaysian Code on Corporate Governance (MCCG) and the Sustainability Scorecard. The Corporate Governance Council, chaired by the Securities Commission Malaysia, endorsed the methodology for NACGSA.

Assessment

A total of 854 PLCs (out of 944) were assessed. Ninety companies were excluded from the assessment due to PN17/GN3 classification, change of financial year-end, new initial public offerings, etc. Real estate investment trusts were also excluded from the evaluation. No entry fees or nominations are required for assessment. The assessments are based on disclosures in the annual report, Corporate Governance Report (CGR) and Sustainability Report for the financial year from 1 January 2022 to 31 December 2022. Other sources of information include information on PLCs' websites, announcements to Bursa Malaysia and any other publicly available information.

Methodology

The total NACGSA score is obtained using the following formula: ACGS Score + Sustainability Score + MCCG Score

40%

ACGS

The ACGS was developed and endorsed by ASEAN using international standards, including the G20/OECD Principles of Corporate Governance, International Corporate Governance Network (ICGN) Principles and other industry-leading practices.

The ACGS is made up of two levels:

Level 1: Comprises 146 items divided into five parts covering Rights of Shareholders, Equitable Treatment of Shareholders, Role of Stakeholders, Disclosure & Transparency, and Responsibilities of the Board.

Level 2: Comprises 13 bonus and 25 penalty items designed to enhance the robustness of the scorecard in assessing the extent to which companies apply the spirit of good governance.

30%

Sustainability

The Sustainability scorecard covers five key aspects: Governance, Scope, Materiality, Management Approach, and International Standards/Practices.

Questions in the scorecard are divided into Compliance and Quality of sustainability disclosures.

- Compliance questions deal with the company's overall disclosure of its sustainability practices in accordance with the Bursa Malaysia's Listing Requirements, regardless of quality and extent.
- Quality question points are awarded based on the extent and degree of disclosure of sustainability practices in accordance with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

30%

MCCG

The assessment reviewed the adoption of the MCCG and the quality of disclosures as required by Paragraph 15.25 of Bursa Malaysia Listing Requirements. It examined how well the 48 practices in MCCG 2021 were adopted and scored each based on their relevance, completeness, and clarity.

The assessment also evaluated the justification for any departures and the alternative practices used to meet the intended outcomes of the best practices. It aimed to ensure that disclosures were clear, and aligned with the intended standards.

Validation

For checks and balances, a targeted peer review process was undertaken. Adverse record checks for award winners were also conducted with regulators.

Adjudication

An independent Adjudication Committee adjudicates award winners and the list of Top 50 PLCs.

NACGSA IN NUMBERS

TOTAL
PLC
ASSESSED

MAIN MARKET	ACE MARKET	**TOTAL**
713	141	854

The assessments are based on disclosures in the annual report, Corporate Governance Report and Sustainability Report for the financial year from 1 January 2022 to 31 December 2022. Other sources of information include information on PLCs' websites, announcements to Bursa Malaysia and any other publicly available information.

NACGSA SCORE

TOP 100 PLCs
77.3%

MALAYSIA TOP 50
83.7%

43

PLCs with a female chairperson

28

PLCs with female CEO

341

PLCs had at least one female INED on Board

248

PLCs had two or more female INEDs on Board

SUSTAINABILITY ASSESSMENT

(Comparison of disclosures of selected criteria -- full findings are presented in the Sustainability Analysis section of the Report)

	Top 100	All PLCs
Sustainability governance oversight are led by Board of Directors or designated Board Committee	100%	96%
Sustainability KPIs linked to remuneration of the Board and/ or top management	82%	36%
Reporting scope include elements from both upstream and downstream	89%	36%
Prioritisation process undertaken for PLC's material sustainability matters	92%	55%
Material assessment undertaken were reviewed and approved/ validated by Board	58%	23%
Quantitative indicators for ALL material matters	37%	10%
Full independent assurance in accordance with recognised assurance standards for Sustainability Statement/Report	5%	1%
Partial independent assurance undertaken for sustainability data/ processes	20%	3%
Internal review by the internal auditors	6%	2%
Adoption of GRI Standards	38%	11%
Commitment to UN Sustainable Development Goals (UNSDGs)	93%	42%
Reporting Disclosures Aligned with TCFD core pillars/Signed Up as TCFD Supporter	31%	8%

Bank For The People

EXECUTIVE SUMMARY

The NACGSA framework incorporates the ACGS, MCCG and sustainability assessments. MSWG has been conducting CG disclosure assessments using the ACGS, culminating in the MSWG-ASEAN CG Awards. Including a sustainability metrics-based scorecard underscores the growing importance of Environmental, Social, and Governance (ESG) considerations that align with global expectations for responsible business conduct. The extensive NACGSA assessment provides valuable insights and allows PLCs to step up their governance and sustainability strategies, processes, and reporting.

KEY FINDINGS

1. **Large capitalised PLCs are leading the way in corporate governance and sustainability practices**

   The Top 100 PLCs by market capitalisation (Top 100 PLCs) are leading the way in corporate governance and sustainability disclosures in Malaysia, with an average NACGSA score of 77.3%, higher than the overall average NACGSA score of 63.8%. Main Market PLCs registered an average score of 64.6%, while ACE Market PLCs registered an average score of 59.4%.

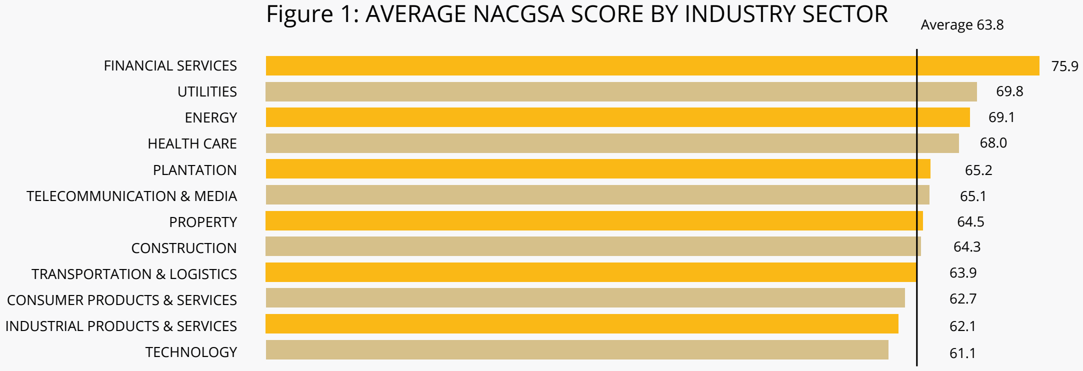
   Notably, the Malaysian Top 50 PLCs by rank (Malaysian Top 50) outperformed all other categories, with an average NACGSA score of 83.7%. All the Malaysian Top 50 PLCs had attained scores of above 80%.

   The assessments revealed that PLCs generally adopted and disclosed the CG principles and best practices benchmarked by the G20/OECD Principles of Corporate Governance under the ACGS and those espoused under the MCCG.

   Companies' scores were generally lower in the sustainability assessment section, as the disclosures lacked details and transparency on the company's sustainability practices. Nonetheless, better sustainability disclosures and reporting can be seen in the Malaysian Top 50 and Top 100 PLCs, as reflected in their higher average scores. These PLCs may have already adopted various international sustainability standards as part of their sustainability journey and are among the early adopters of the enhanced sustainability reporting framework requirements announced by Bursa Malaysia in September 2022.

   Figure 1 shows nine industry sectors recorded average NACGSA scores higher than the overall average score of 63.8%. The Financial Services sector had the highest average NACGSA score, at 75.9%, followed by the Utilities sector (69.8%) and the Energy sector (69.1%). The Consumer Products and Services, Industrial Products and Services, and Technology sectors recorded average NACGSA scores lower than the overall average, at 62.7%, 62.1% and 61.1%, respectively.

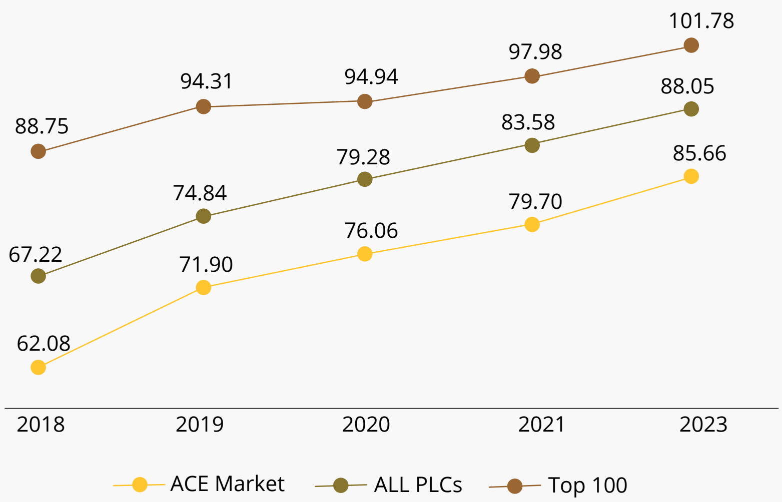
Figure 1: AVERAGE NACGSA SCORE BY INDUSTRY SECTOR



2. Disclosures of CG best practices under ACGS show continuous improvement

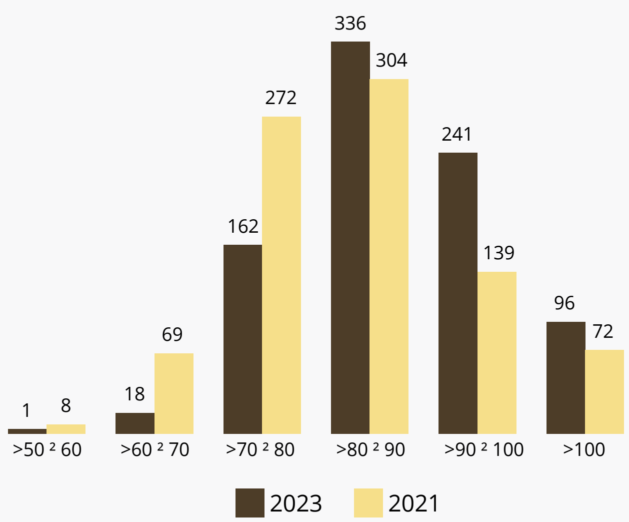
MSWG has conducted CG disclosure assessments for Malaysian PLCs using the ACGS since 2012. In the current ACGS assessment, the average ACGS score increased by 5.3% from 83.58 points in 2021 to 88.05 points in 2023.

Figure 2: FIVE YEAR TREND CG SCORE (2018-2023)



Malaysian PLCs have continuously improved in corporate governance scores since the 2012 assessment, with the average ACGS score for the last five years climbing from 67.22 points in 2018 to 88.05 points in 2023. The upward trend is also observed in the Top 100 and ACE Market PLCs, as reflected in Figure 2.

Figure 3: DISTRIBUTION OF CG SCORE



Distribution by total ACGS scores in Figure 3 shows encouraging results, as more companies are now scoring in the 80 points and above range compared to 2021. Notably, there were fewer PLCs in the 70 points and below range in 2023, with only one in the 50-60 points range.

The Role of Stakeholders recorded the highest improvement in Level 1. More companies also adopted best practices beyond those identified in Level 1, contributing to higher average bonus scores in Level 2. Areas which showed considerable improvement under the ACGS were related to disclosures on:

- Board appointment process on selection criteria for new directors and the process undertaken to identify the quality of directors that are aligned to the company's strategic direction;
- Key risks relating to information technology (IT), including cyber security and disaster recovery integrated into the overall risk management framework, and disclosure of the board's involvement in the IT governance process;
- The entire board and CEO are present at AGMs;
- Policies and practices related to health, safety and welfare for employees as well as staff training and development; and
- Shareholders' questions and responses by companies disclosed in AGM minutes.

The ACGS assessments also identified areas where governance practices and reporting were lacking and could be further improved:

- Disclosure of engagements with shareholders and institutional investors beyond the AGM platform;
- Disclosure of related party transations (RPT) terms, whether conducted in a fair manner and at arm's length basis;
- Adoption of a clear dividend policy and disclosed in the annual report;
- Disclosure of C-Suite shareholdings in the annual report;
- Disclosure of measurable objectives for board diversity, including gender diversity;
- Disclosure of link between remuneration and strategy or performance;
- Disclosure of measurable standards to align the performance-based remuneration for executive directors and key management with the long-term interests of the company, such as clawback provisions and deferred bonuses;
- Disclosure of succession planning for CEO and key management, as well as performance assessment for CEO; and
- Disclosure of media briefings/engagements during the year.

3. Quality of sustainability and ESG reporting to be further improved in terms of breadth and depth of disclosures

The scorecard's questions are divided into Compliance and Quality of sustainability disclosures. Compliance questions deal with the company's overall disclosure of its sustainability practices in accordance with the Bursa Malaysia Listing Requirements, regardless of quality and extent.

The sustainability assessment revealed that the Top 100 PLCs are moving in the right direction regarding sustainability, ESG practices, and reporting, with an average disclosure quality score of 70%. This is much higher than the average disclosure quality score for all PLCs, which is 46%.

Observations made from the sustainability assessment are as follows:

- The sustainability governance structure is well established in PLCs, with 96% having the Board as the highest oversight body to oversee the development of sustainability strategies.

- Poor disclosures on the linkage of sustainability-related key performance indicators (KPIs) to the remuneration of directors and senior management. Practice 4.4 of the MCCG recommends performance evaluations of the board and senior management, including a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities. Nevertheless, most companies do not provide sufficient disclosures of how performance criteria in the remuneration policies relate to the executive directors and senior management's objectives for the ESG agenda, or none at all.

- Clearer disclosures are needed regarding the review and/or endorsement of the outcome of the materiality assessment. Companies should disclose whether the outcome of the materiality assessment has been approved or validated by the Board and/or senior management to enhance the integrity and credibility of the sustainability disclosures.

- PLCs need to improve their disclosures on their internal and external stakeholders' engagement to prioritise material sustainability matters and specify their identities.

- Disclosure of quantitative commitments and performance targets for indicators must be improved to enable greater transparency on the company's sustainability progress to stakeholders.

- A large majority of PLCs still need external assurance or undertake internal review on at least some of their sustainability disclosures in the assessment year.

4. Good disclosures on the adoption of MCCG principles and best practices

The MCCG component forms 30% of the total NACGSA score and measures the quality of practice disclosure as disclosed in the CGR.

The overall average quality score for MCCG was 75%, with one company attaining a perfect score for a comprehensive disclosure of all MCCG principles and best practices. In comparison, the lowest score was 49%.

The CG Monitor Report, published by SC Malaysia, details the quality of disclosures of the MCCG's principles and best practices.

5. Action points

The inaugural NACGSA assessment shows encouraging results, indicating that PLCs are moving in the right direction in adopting CG and sustainability best practices and reporting levels. However, it also reveals much room for improvement in the quality of disclosures, particularly in the ESG and sustainability reporting space.

Action points:

- Boards must set the right tone and strategy for good governance and sustainability practices. It is imperative for boards to be clear in their roles and have access to relevant information to enable proper decision-making on governance and sustainability.

- Companies must move from boilerplate compliance statements to more meaningful and transparent disclosures of CG and sustainability best practices. These disclosures must be clear and supported by adequate and credible data to aid stakeholders' understanding of the company's CG and sustainability policies and practices.

- Boards and key management need to identify and address the gaps in the disclosures and conduct the necessary stakeholder engagements to bridge the reporting gaps. In this regard, boards and key management must have the necessary skill set and be adequately equipped to address and respond to risks and opportunities, particularly ESG risks.

- Independent external assurance of sustainability data and/or sustainability reports, either full or partial, is highly encouraged to provide further confidence to the report's users in the credibility of the information.

MSWG will continue to encourage higher standards of corporate governance and best practices for sustainability through the AGM platform and future NACGSA assessments. Hopefully, these mechanisms will spur PLCs' competitiveness to achieve the highest standards. The NACGSA assessment also creates an opportunity for PLCs to take the appropriate actions, considering their resources and reach, ultimately driving real value for shareholders.

Continuing a legacy together for our future

With five decades of progress, we are delivering our core business, providing more energy with less emissions while expanding our portfolio for sustained growth. Our commitment to lower-carbon solutions and sustainability propels us towards achieving Net Zero Carbon Emissions by 2050.

Passionate about Progress

NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY

AWARD WINNERS

Overall Excellence Awards

1. MALAYAN BANKING BERHAD
2. CIMB GROUP HOLDINGS BERHAD
3. AXIATA GROUP BERHAD
4. DUOPHARMA BIOTECH BERHAD
5. AMMB HOLDINGS BERHAD
6. BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD
7. TOP GLOVE CORPORATION BHD
8. SUNWAY CONSTRUCTION GROUP BERHAD
9. IOI CORPORATION BERHAD
10. SUNWAY BERHAD
11. GAMUDA BERHAD
12. ALLIANCE BANK MALAYSIA BERHAD
13. KENANGA INVESTMENT BANK BERHAD
14. HONG LEONG BANK BERHAD
15. CELCOMDIGI BERHAD
16. PRESS METAL ALUMINIUM HOLDINGS BERHAD
17. TELEKOM MALAYSIA BERHAD
18. EASTERN & ORIENTAL BERHAD
19. MSM MALAYSIA HOLDINGS BERHAD
20. DRB-HICOM BERHAD

Mid Cap Excellence Award – Market Capitalisation Between RM1 Billion – RM2 Billion

ECO WORLD DEVELOPMENT GROUP BERHAD

Niche Cap Excellence Award – Market Capitalisation Below RM1 Billion

KENANGA INVESTMENT BANK BERHAD

Industry Excellence Award

Construction
SUNWAY CONSTRUCTION GROUP BERHAD

Consumer Products & Services
BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD

Energy
MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD

Financial Services
MALAYAN BANKING BERHAD

Healthcare
DUOPHARMA BIOTECH BERHAD

Industrial Products & Services
SUNWAY BERHAD

Plantation
IOI CORPORATION BERHAD

Property
EASTERN & ORIENTAL BERHAD

Technology
GREATECH TECHNOLOGY BERHAD

Telecommunications & Media
AXIATA GROUP BERHAD

Transportation & Logistics
MISC BERHAD

Utilities
TENAGA NASIONAL BERHAD

REITs Excellence Award

SUNWAY REAL ESTATE INVESTMENT TRUST

OVERALL EXCELLENCE AWARD – MALAYSIA TOP 50

1 MALAYAN BANKING BERHAD
2 CIMB GROUP HOLDINGS BERHAD
3 AXIATA GROUP BERHAD
4 DUOPHARMA BIOTECH BERHAD
5 AMMB HOLDINGS BERHAD
6 BRITISH AMERICAN TOBACCO (MALAYSIA) BERHAD
7 TOP GLOVE CORPORATION BHD
8 SUNWAY CONSTRUCTION GROUP BERHAD
9 IOI CORPORATION BERHAD
10 SUNWAY BERHAD
11 GAMUDA BERHAD
12 ALLIANCE BANK MALAYSIA BERHAD
13 KENANGA INVESTMENT BANK BERHAD
14 HONG LEONG BANK BERHAD
15 CELCOMDIGI BERHAD
16 PRESS METAL ALUMINIUM HOLDINGS BERHAD
17 TELEKOM MALAYSIA BERHAD
18 EASTERN & ORIENTAL BERHAD
19 MSM MALAYSIA HOLDINGS BERHAD
20 DRB-HICOM BERHAD
21 IOI PROPERTIES GROUP BERHAD
22 SIME DARBY BERHAD
23 MISC BERHAD
24 S P SETIA BERHAD
25 MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BERHAD
26 ECO WORLD INTERNATIONAL BERHAD
27 SD GUTHRIE BERHAD
28 TENAGA NASIONAL BERHAD
29 IHH HEALTHCARE BERHAD
30 MALAYSIA AIRPORTS HOLDINGS BERHAD
31 PETRONAS CHEMICALS GROUP BERHAD
32 ECO WORLD DEVELOPMENT GROUP BERHAD
33 LOTTE CHEMICAL TITAN HOLDING BERHAD
34 FRASER & NEAVE HOLDINGS BHD
35 AEON CREDIT SERVICE (M) BERHAD
36 NESTLE (MALAYSIA) BERHAD
37 VELESTO ENERGY BERHAD
38 TUNE PROTECT GROUP BERHAD
39 GREATECH TECHNOLOGY BERHAD
40 BANK ISLAM MALAYSIA BERHAD
41 DELEUM BERHAD
42 RHB BANK BERHAD
43 ALLIANZ MALAYSIA BERHAD
44 MALAYSIAN RESOURCES CORPORATION BERHAD
45 PETRONAS DAGANGAN BERHAD
46 AFFIN BANK BERHAD
47 GADANG HOLDINGS BERHAD
48 MR D.I.Y. GROUP (M) BERHAD
49 GENTING PLANTATIONS BERHAD
50 PUBLIC BANK BERHAD

Note:
Bursa Malaysia Berhad, being the frontline regulator, has voluntarily recused itself from participation in MSWG CG Awards since year 2019.

STATEMENT BY CHAIRMAN OF THE ADJUDICATION COMMITTEE

Salleh Hassan
Chairman

Director/Head
Professional Standards and Qualifications
Securities Industry Development Corporation

Suhana Dewi Selamat
Member

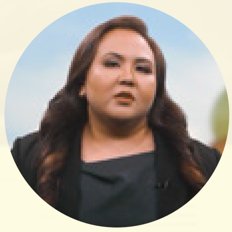
Executive Director/ Head
Governance, Risk & Compliance
Khazanah Nasional Berhad

Emilia Tee Yoke Hoong
Member

Former Director
Group Sustainability
Bursa Malaysia

Norhisham Abd Bahrin
Member

Partner
Azmi & Associates



Nadia S Hassan
Member

Senior Journalist
The Edge Malaysia

NACGSA aims to elevate the standards of governance and sustainability across the corporate landscape. In today's increasingly complex and dynamic business environment, the principles of good governance and sustainability are no longer optional; they are essential. Companies that integrate these principles into their core strategies not only create long-term value for their shareholders but also contribute to the broader society and environment in which they operate. NACGSA stands as a testament to this belief, encouraging all companies to aspire towards excellence in these vital areas.

The role of the Adjudication Committee in this process cannot be understated. We have been entrusted with reviewing and assessing the shortlisted PLCs for the NACGSA. Our committee is composed of individuals from diverse backgrounds, each bringing unique perspectives and expertise. Our members include representatives from organisations that advocate for corporate governance and sustainability, professionals from various disciplines, institutional investors, and distinguished individuals with vast experience in the capital market. This diversity ensures that our assessment process is thorough, balanced, and unbiased.

Our primary responsibility is to review the performance of the shortlisted PLCs against the criteria set for the NACGSA. This involves a comprehensive examination of their corporate governance practices, sustainability initiatives, and overall impact on the market and society. The review process is meticulous as we delve into various aspects of each company's operations, from board structure and risk management to environmental stewardship and social responsibility based on the annual reports, disclosures and other publicly available information. The aim is to ensure that the companies selected as winners truly exemplify the highest standards of governance and sustainability.

During our review, we also highlight any concerns that may arise regarding the shortlisted companies. This is a critical aspect of our role, as it ensures that the integrity of the awards is maintained. If any issues are identified, they are discussed in depth within the committee, and a consensus is reached on the appropriate course of action. Transparency and fairness are at the core of our adjudication process.

One of the key outcomes of our work is the selection of the top PLCs, which are not only recognised as leaders in governance and sustainability but also serve as benchmarks for others in the industry. The publication of the Top 50 PLCs by rank in this report is a significant step, providing valuable insights into the practices of leading companies and serving as a guide for others seeking to enhance their governance and sustainability standards.

On behalf of my colleagues, I would like to take this opportunity to express our heartfelt gratitude to MSWG for entrusting us with this role. I also extend my appreciation to my fellow committee members for their dedication, diligence, and insightful contributions throughout the adjudication process. Their collective wisdom and experience have been invaluable in ensuring the integrity and credibility of the awards.

NACGSA is more than just a recognition of corporate achievements; it is a catalyst for change. By shining a spotlight on the leaders in governance and sustainability, we are encouraging all companies to strive for higher standards. The practices that we recognise today will shape the future of our corporate landscape, influencing how companies operate and contribute to the economy, society, and environment.

Salleh Hassan
Chairman
NACGSA Adjudication Committee

ACGS ANALYSIS

Part A: Rights of Shareholders

Part A has 21 items which contributed to 10% of the Level 1 Score of the ACGS.

	2023	2021
Average Score	8.46	8.17
Min Score	5.77	6.15
Max Score	10.00	10.00

PLCs generally performed well for disclosures on shareholders' rights as reflected by 3.5% increase in average score to 8.46 points in 2023.

Better disclosures in the AGM minutes on the questions raised by shareholders and response provided by the companies as well as the entire board and CEO's attendance at the AGM contributed to the higher scores.

- + Shareholders' questions and response by companies disclosed in AGM minutes.
- + The entire board and CEO's attendance at AGM clearly disclosed in the AGM minutes.

- − Explanation for each agenda item in the notice of AGM to be enhanced.
- − Lack of disclosures on shareholder engagements beyond AGMs.

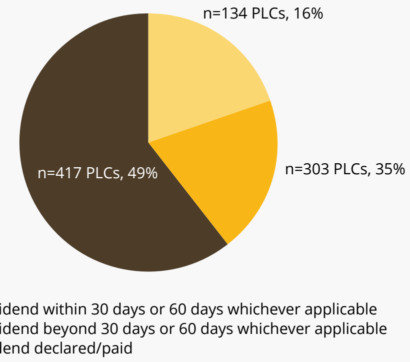
Quick Fix

- Timely dividend payment within 30 days of the announcement date.
- Enhanced explanation for each agenda item, particularly the details on directors' remuneration.
- Engagements with shareholders and institutional investors beyond the AGM platform to be disclosed in the annual report.

Basic shareholder rights via equitable and timely dividend payments

Figure 4 reveals that 49% (n=417) did not pay any dividend during the period under review. 437 companies paid dividend during 2022 and only 16% (n=134) had made the payment within 30 days for cash dividends and 60 days for dividend reinvestment schemes.

Figure 4: EQUITABLE PAYMENT OF DIVIDENDS



Right to participate and vote in general shareholders meetings

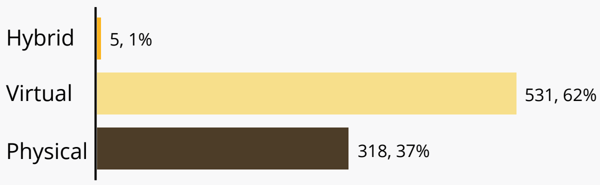
830 companies (97%) had a notice period with detailed agendas and explanatory circulars of at least 28 days or more which is very encouraging.

704 companies (82%) provided the rationale and explanation for each resolution that required shareholders' approval in their notice of AGM and/or the accompanying statements. With respect to resolution on directors' fees and benefits-in-kind, companies are encouraged to disclose the amount separately and the nature of the benefits-in kind explained.

A total of 726 companies (85%) disclosed their voting procedures or administrative guide before the start of general meeting.

As shown in Figure 5, 531 PLCs (62%) conducted virtual AGMs and five PLCs conducted a hybrid approach in the year under review.

Figure 5: Type of AGM



PLCs should publish the AGM minutes in a timely manner. The assessment found that 850 companies uploaded the AGM minutes on their corporate website. Of these, 703 companies disclosed that the shareholders were granted the opportunity to ask questions or raise issues, and had these recorded together with the PLCs' responses.

Out of the companies that published AGM minutes, only 645 companies (76%) disclosed the names of board members who attended the AGM. In terms of attendance of all directors and the CEO (where the CEO is not a board member), only 501 companies (59%) disclosed their full attendance. This was nevertheless an improvement from 40% in 2021.

Exercise of ownership rights by shareholders

More companies should disclose their practices to encourage shareholders and institutional investors to engage with them beyond the AGM. Only 126 companies (15%) disclosed such practices.

Part B: Equitable Treatment of Shareholders

Part B has 15 items which contributed to 10% of the Level 1 Score of the ACGS.

	2023	2021
Average Score	9.20	9.22
Min Score	7.89	7.89
Max Score	10.00	10.00

The average score for equitable treatment of shareholders slightly decreased compared to 2021. The was mainly attributed to the lack of clarity on RPT disclosures, as to whether RPTs were conducted in a fair manner and at arm's length basis.

- + Voting rights attached to each class of shares clearly disclosed.
- + No bundling of items in one resolution.

- − Weak disclosures on terms of RPTs, as to whether RPTs were conducted in a fair manner and at arm's length basis.
- − Completeness of profile of directors seeking election or re-election as well as audit firm seeking appointment to be enhanced.

Quick Fix

- Clear disclosure of RPT terms in the financial statements section on Related Parties.
- Directors profile to include age, academic qualification, date of first appointment, experience, and directorships in other listed companies.
- Name of audit firm seeking appointment or re-appointment be disclosed clearly in the AGM resolution.

Shares and voting rights

Out of the 854 companies evaluated, 799 companies (94%) had only one class of shares. All the remaining companies that had more than one class of shares disclosed the voting rights attached to each class of shares.

Notice of AGM

All companies did not practise bundling of AGM resolutions and made proxy form easily available with the notice of AGM.

The evaluation found that:

- For directors seeking election or re-election, 806 companies (94%) disclosed the age, academic qualification, date of first appointment, experience, and directorships in other listed companies clearly; and
- Almost all companies disclosed the name of the audit firm seeking appointment or re-appointment in the AGM resolution.

Protecting minority shareholders' interests from abusive actions

Only 229 companies (27%) disclosed that their RPTs were conducted in a fair and at an arm's length basis. Terms such as RPTs being disclosed on a negotiated basis or mutually agreed terms lacks clarity and transparency, and not deemed as fair and arm's length in the assessment.

Part C: Role of Stakeholders

Part C has 15 items which contributed to 15% of the Level 1 Score of the ACGS.

	2023	2021
Average Score	12.30	11.51
Min Score	1.00	0.94
Max Score	15.00	15.00

Part C was the most improved section in Level 1, where the average score showed a commendable 6.9% increase to 12.30 points from 11.51 points in 2021. The improvement was mainly attributed to improved disclosures on policies and practices related to ESG and sustainability matters.

+ Clear disclosures of policies and practices related to:
  - Customers' welfare
  - Efforts promoting sustainable development in the value chain
  - Interaction with communities
  - Anti-corruption programmes and procedures
  - Safeguarding creditors' rights
  - Health, safety and welfare policies for employees
  - Staff training and development
+ Whistle-blowing policy and procedures well established.

− Lack of disclosures on compensation policy that accounts for the performance of the PLC beyond short-term financial measures.
− Disclosures on supplier/contractor selection criteria to be further improved.

Quick Fix

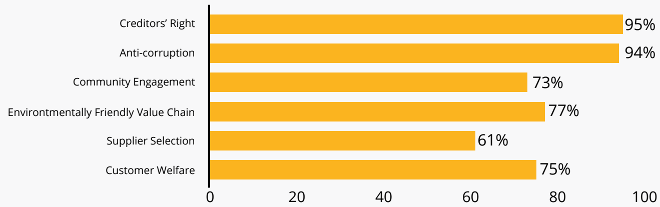
▶ Establishment of a reward or compensation mechanism for employees that are linked to long-term corporate performance.
▶ Supplier/contractor selection criteria to be established and disclosed in annual report or company website.

Stakeholder rights - Policies and practice

Figure 6 shows that 639 companies (75%) disclosed policies and practices to address their customers' welfare in the areas of product quality & safety, data protection/ data security, etc. 61% of the companies (n=523) disclosed their supplier selection procedures.

656 companies (77%) described their policies and practices in dealing with environmental-friendly or promotion of sustainable development practices. 621 companies (73%) had some form of community engagement policies and practices. Nearly all companies, 94% (n=807) disclosed anti-corruption procedures and programmes.

Figure 6: SHAREHOLDER RIGHTS - POLICIES AND PRACTICES



814 companies (95%) had disclosed policies and practices to safeguard creditors' rights. PLCs should enhance disclosures on capital management policies and processes, and also include quantitative data such as gearing ratio, where appropriate.

Facilitation of stakeholders' rights

PLCs should provide contact details which stakeholders can use to voice their concerns on possible violation of their rights. The contact details can also be located in the whistle-blowing policy, and made accessible to all stakeholders. 734 companies (86%) had provided dedicated contact details in their websites and/or annual reports.

Enhancement mechanisms

The assessment found that:

- 85% of the companies (n=725) explicitly disclosed the health, safety and welfare policies and practices by publishing the relevant information; and
- 77% of the companies (n=661) had training and development programmes for their employees and published the relevant data and statistics on such training activities.

PLCs should have a compensation policy that accounts for the performance of the PLC beyond short-term financial measures. This criterion refers to schemes in place for employees other than directors and CEO. Examples of measures beyond short-term financial measures include Balanced Scorecard, Employee Share Option Scheme and restricted performance share grant.

The KPIs in the Balanced Scorecard should have long term elements and for share option plans, the vesting periods need to be disclosed. Only 249 companies (29%) had in place a reward or compensation policy that accounts for the performance of the companies beyond short-term financial measures.

Whistle-blowing mechanism

770 companies (90%) had whistleblowing policies and procedures in place for its employees and other stakeholders. Out of these, 761 companies had policies or procedures to protect an employee/person who revealed illegal and/or unethical behaviour from retaliation.

Part D: Disclosure & Transparency

Part D has 32 items which contributed to 25% of the Level 1 Score of the ACGS.

	2023	2021
Average Score	17.59	17.18
Min Score	12.50	10.81
Max Score	25.00	25.00

The average score increased by 2.4% to 17.59 points out of a maximum of 25 points. This was mainly attributed to more companies uploading AGM minutes on their website, and disclosures of non-financial performance indicators such as ESG-related indicators.

- \+ AGM minutes uploaded on website in timely manner.
- \+ Disclosure of non-financial performance indicators.
- \+ Policies on review and approval of material RPTs well disclosed.

- − Senior management shareholdings not disclosed.
- − Dividend policy not disclosed.
- − Company's constitution not disclosed.

Quick Fix

- ▶ Disclosure of senior management's shareholdings in the annual report.
- ▶ Adoption of a clear dividend policy and disclosed in the annual report.
- ▶ Company's constitution to be uploaded on company's website.
- ▶ IR contact details clearly disclosed either in the annual report or company website.

Transparent ownership structure

Almost all companies furnished information on shareholdings which revealed the identity of beneficial owners who hold 5% shareholding or more as well as information on the direct and indirect (deemed) shareholdings of substantial shareholders.

Only 84 companies (10%) disclosed the direct and indirect (deemed) shareholding of senior management or the C-suite level officers. If senior management do not hold any shareholdings, there must be inclusion of a negative statement in the annual report to that effect.

Almost all PLCs disclosed details including shareholding of the parent/holding company, subsidiaries, associates, joint ventures, and special purpose vehicles.

Quality of annual report

337 companies (39%) disclosed their corporate objectives with sufficient clarity. Nearly all companies (n=830,97%) had disclosed in their annual reports the attendance details of the board members at board meetings held during the year.

For biographical details of directors (i.e. age, qualifications, date of first appointment, relevant experience, other directorships of listed companies), 785 companies (92%) made full disclosure. Every company assessed disclosed at least one financial performance indicator, such as return on equity, return on investment, earnings per share, etc.

711 companies (83%) disclosed some form of non-financial performance indicators in their annual reports. Companies are expected to disclose a quantifiable dividend policy, for example a target dividend pay-out ratio/ dividend per share. Only 19% of the companies assessed disclosed their dividend policy in their annual reports (n=161).

Almost all companies (98%) disclosed directors' remuneration on a named basis. Nevertheless, there were 19 companies which disclosed their directors' remuneration in lump-sum or in bands. Reasons cited by some PLCs for failing to disclose the remuneration of their boards of directors on individual named basis includes that the information is "commercially sensitive" or it "operates in a highly competitive environment".

Corporate governance confirmation statement

This criteria requires a statement from PLCs confirming the PLCs' full compliance with the code of corporate governance and where there are non-compliances, identify and explain reasons.

All PLCs met this criteria when they announced their CGR which contain disclosures on the MCCG made pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Disclosure of RPTs

836 companies (98%) disclosed the policy covering the review and approval of material or significant RPTs. Disclosure on RPT details covering the name, relationship, nature and value of the RPTs need to be further improved, as only 377 companies (44%) were found to have met these requirements.

Dealing in shares by insiders

In relation to the disclosure of trading in the company's shares by insiders, only 41 companies (5%) disclosed such information. The expectation here is the disclosure of shareholdings should be presented in tabular form showing the levels of holding at the beginning and at the end of the year.

Where there is no trading by insiders, companies should make a negative statement to that effect. Insiders refer to board of directors and C-suite level such as the Chief Executive Officer, Managing Director, Chief Financial Officer and Chief Operating Officer.

External auditors and audit fees

37 companies (4%) had non-audit fees exceeding their statutory audit fees. Save for statutory audit fees, all other audit related and other fees are regarded as non-audit fees for the purposes of the assessment.

Medium of communication

All companies posted their quarterly reports on their websites or linked them to their quarterly announcements on Bursa Malaysia's website. Nearly all companies 849 companies (99%) have corporate websites. However, the websites of five PLCs could not be accessed at the time of our assessment.

108 companies (13%) used analysts' briefings as an additional mode of communication. Companies are encouraged to disclose the number of analyst briefings held during the year, as well as uploading the analyst briefing materials on the company website.

Only 31 companies (4%), disclosed that media briefings or press conferences were held during the year.

59% of the companies (n= 504) disclosed dedicated contact details (e.g. telephone number and e-mail address) of the officer responsible for investor relations.

Timeliness of annual audited accounts and annual reports

Almost all PLCs announced their annual audited accounts and annual reports in a timely manner, within 120 days or four months after the financial year end.

Company website

The current assessments found the following:

- Almost all PLCs made available the following documents on the company website: Annual report (n=850; 99.5%); latest quarterly financial statements (n=842; 99%); and Notice of AGM and/or EGM (n=845; 99%);
- About one-tenth of companies (n=93; 11%) disclosed materials provided to analysts and media during briefings; and
- 83% of companies (n=709) disclosed minutes of AGM and/or EGM while 147 companies (17%) posted their constitution on their websites.

Part E: Responsibilities of the Board

Part E has 65 items which contributed to 40% of the Level 1 Score of the ACGS.

	2023	2021
Average Score	29.42	28.32
Min Score	18.38	14.40
Max Score	40.00	39.46

Average score for this section increased by 3.9% to 29.42 points in 2023. The area which showed the greatest improvement was the disclosures on the processes followed in appointing new directors, followed by disclosures on the key risks to which the company was materially exposed to.

- + Matters relating to board appointments such as the selection criteria and processes well disclosed.
- + Improved disclosures on key risks to which the company was materially exposed to.

- − Poor disclosure of remuneration policies/ practices which include both short-term and long-term incentives and performance measures for its executive directors and CEO.
- − Weak disclosure of the annual performance assessment of the CEO.
- − Weak disclosure of succession planning for CEO and key senior management.

Quick Fix

- ▶ Disclosure of the processes undertaken for annual performance assessment of the CEO.
- ▶ Disclosure of short-term and long-term incentives and performance measures for its executive directors and CEO in the remuneration policies/practices.

BOARD DUTIES AND RESPONSIBILITIES

Clearly defined board responsibilities and CG policy

The disclosures revealed the following:

- Disclosed the board charter (n=844; 99%);
- Disclosed the roles and responsibilities of the board of directors (n=844; 99%); and
- Disclosed the types of decisions requiring approval by the board of directors (n=725; 85%).

Corporate vision and mission

506 companies (59%) had an updated vision and mission statement. Disclosure of Core Values are not considered as vision and mission statements.

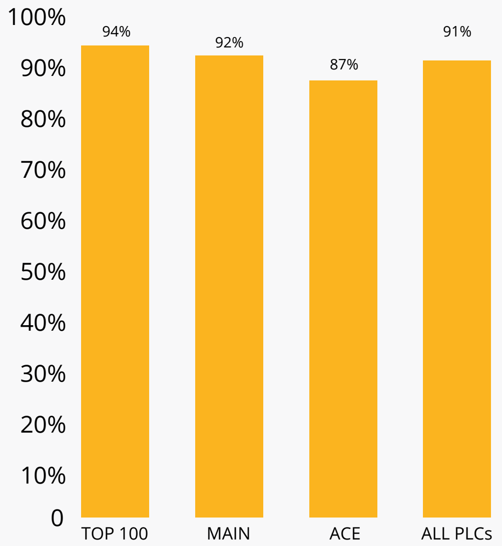
807 companies (94%) revealed that their boards had played a leading role in the process of developing and reviewing the company's strategy at least annually. 669 companies (78%) disclosed that their boards had a process to review, monitor and oversee the implementation of their corporate strategies.

The MCCG recommends for the board to establish a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

A total of 777 companies (91%) had disclosed the details of the Code of Conduct and Ethics as shown in Figure 7.

634 companies (74%) had clearly disclosed that all directors, senior management, and employees to required comply with their Code. 568 companies (67%) revealed how they implemented and monitored compliance with their Code of Ethics.

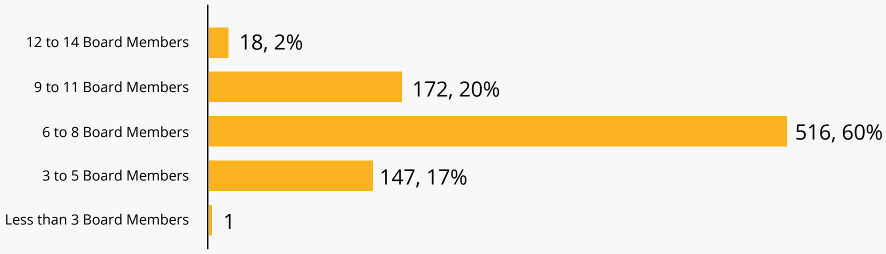
Figure 7: CODE OF ETHICS/ CONDUCT



Board structure and composition

Figure 8 shows that 60% (n=516) of companies had board size of between six and eight directors.

Figure 8: BOARD SIZE



The assessment revealed the following:

- 616 companies (72%) had the independent directors making up at least 50% of the board;
- 167 companies (20%) had adopted a strict tenure limit of nine years for their independent directors;
- 18 companies had at least one of their executive directors serving on more than two boards of listed companies outside of the group; and
- All companies complied to the limit of five board seats that an independent director may hold simultaneously.

Nominating and Remuneration Committee

The MMLR stipulates that listed issuers must establish a Nomination Committee which comprises exclusively of non-executive directors, a majority of whom must be independent. A large number of companies combined the functions of Nomination Committee and Remuneration Committee into a single Nomination and Remuneration Committee (NRC). This explains why the proportion of Remuneration Committee mirrored closely with the Nomination Committee.

In 2022, 853 had established a Nomination Committee while 97% (n=830) of companies had a Remuneration Committee.

Figure 9: ADOPTION OF BEST PRACTICES FOR NOMINATION COMMITTEE

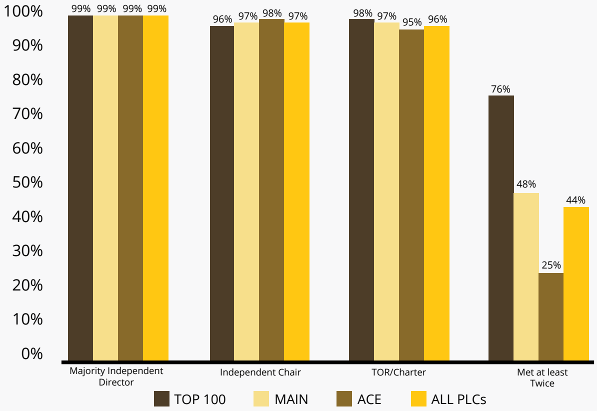
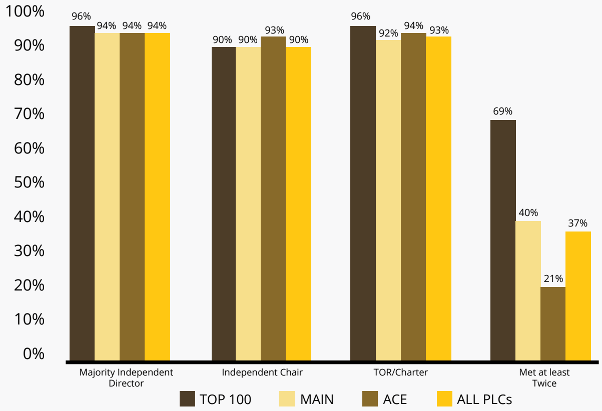


Figure 10: ADOPTION OF BEST PRACTICES FOR REMUNERATION COMMITTEE



Audit Committees of 833 companies (98%) met at least four times during the year with 829 companies (97%) having at least one independent director with accounting qualifications and expertise on their Audit Committee, while Audit Committees of 680 companies (80%) clearly disclosed that they had primary responsibility for recommending the appointment and removal of the external auditors.

BOARD PROCESSES

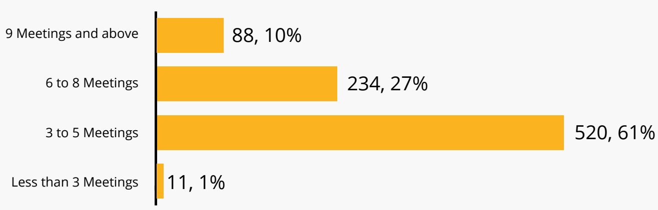
Board meetings and attendance

The assessment revealed that 382 companies (45%) scheduled their board of directors' meetings before the start of financial year end.

771 companies (90%) had directors who attended at least 75% of all board meetings held during the year; three companies (0.35%) required a quorum of at least two-thirds for board decisions; and only 29 companies (3%) disclosed that their non-executive directors met separately at least once during the year without the presence of any executives.

Figure 11 shows the number of board meetings held in 2022. 520 companies (61%) held between 3 to 5 board meetings. The highest number of board meetings held was 30 board meetings.

Figure 11: NUMBER OF BOARD MEETINGS



Access to information

556 companies (65%) made available board papers for meetings to their board members at least five business days in advance of the board meeting. Almost all companies (n=848, 99%) adequately disclosed that the company secretaries played a significant role in supporting the boards in discharging their responsibilities.

Board Appointments

835 companies (98%) were found to have disclosed the criteria used in selecting new directors. The high adoption rate could also be attributed to the requirement pursuant to 15.01A of the MMLR for listed issuers to publish a Directors' Fit and Proper Policy for the appointment and re-election of directors on or after July 1 2022. Nevertheless, only 668 companies (78%) clearly disclosed the process of appointing new directors.

Remuneration matters

The assessment on remuneration matters found the following:

- 168 companies (20%) disclosed remuneration policies/practices which include both short-term and long-term incentives and performance measures for its executive directors and CEO;
- 170 companies (20%) disclosed the fee structure for non-executive directors;
- 814 companies (95%) had the board of directors or shareholders approve the remuneration of executive directors and/or senior management; and
- Only 25 companies (3%) have measurable standards to align the performance-based remuneration of their executive directors and senior executives with long-term interests of the company. This includes deferral of performance-based remuneration and the reduction, cancellation or claw back of performance-based remuneration in the event of serious misconduct or a material misstatement in the PLC's financial statements.

INTERNAL AUDIT

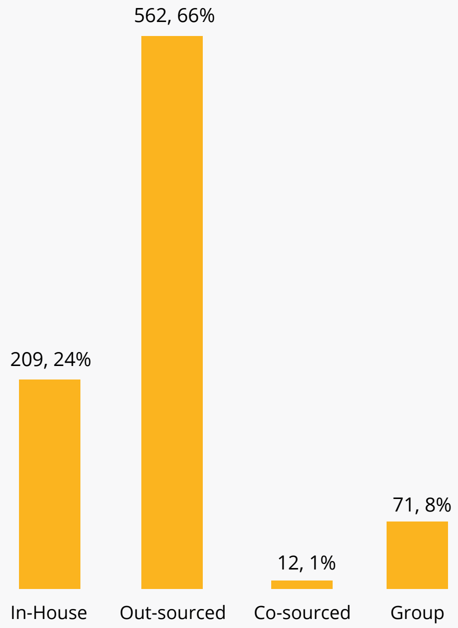
All companies had a separate Internal Audit Function (IAF) with 562 companies (66%) outsourcing their internal audit function as shown in Figure 12. A total of 776 companies (91%) disclosed the identity of the head of IAF or the name of the external firm engaged in the outsourcing of the IAF.

Internal Audit Function (IAF)

In terms of the cost incurred for IAF, the average cost of in-house and outsourced IAF was RM2,016,263 and RM53,175 respectively. It was also found that 378 companies reported that their IAF cost was less than RM50,000. Of these, 13 companies reported their IAF cost was less than RM10,000 per year. The lowest IAF cost was RM4,600 per year.

524 companies (61%) disclosed that the appointment and removal of their internal auditors required approval of their audit committees.

Figure 12: TYPE OF IAF SET-UP



RISK OVERSIGHT

All companies disclosed the internal control procedures or risk management systems that were in place and almost all companies disclosed that their boards of directors had conducted a review of the companies' operational, financial and compliance controls as well as risk management system (n=811; 95%).

723 companies (85%) had in their annual reports a statement by their board of directors or audit committees commenting on the adequacy of the company's internal controls and risk management system.

637 companies (75%) had disclosed key risks which they were materially exposed to (i.e. financial, operational including IT, environmental, social or economic risks).

BOARD MEMBERS

Board chairman

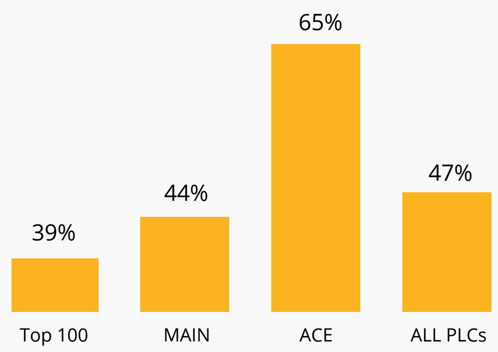
598 companies (70%) had different individuals assuming the roles of chairman and CEO. 404 companies (47%) had a chairman who is an independent director while most companies (n=834; 98%) disclosed the roles and responsibilities of the chairman.

Senior independent director

Out of the PLCs with no independent chairman only 169 companies (20%) had appointed a senior independent director and clearly defined his/her role.

Figure 13 shows that more ACE Market companies had an Independent Chairman.

Figure 13: INDEPENDENT CHAIR



BOARD PERFORMANCE

Directors' development

The current assessment found:

- 386 companies (45%) disclosed that they have orientation programmes for new directors appointed during the year and the details disclosed; and
- 657 companies (77%) had a policy that encouraged directors to attend on-going or continuous professional education programmes and provided evidence that all directors had attended trainings.

CEO/Executive Management Appointments and Performance

The current assessment found:

- 122 companies (14%) disclosed how the board of directors planned for the succession of the CEO and key management; and
- 126 PLCs (15%) disclosed that they had conducted an annual performance assessment of the CEO.

Board, Directors and Committees Appraisal

In terms of appraising the performance of the board, individual directors and board committees which had both criteria and process disclosed, our assessment found that 631 companies (74%) made adequate disclosure for the board of directors, 609 companies (71%) for individual directors, and 508 companies (59%) for board committees.

BONUS

The Level 2 section of the ACGS comprises bonus and penalty questions.

	2023	2021
Average Score	13.03	11.71
Min Score	2.00	10.00
Max Score	40.00	30.00

The average score for Bonus section has improved by 11.3% in 2023, mainly due to more PLCs adopting CG best practices which were beyond the standard set in Level 1.

- + Better disclosures on the NC undertaking the process of identifying quality of directors that were aligned with the strategic direction of the company.
- + Notice of AGM of at least 28 days prior to the date of the AGM.

- − The practice of utilising professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors not commonly adopted.
- − Governance process around IT issues not well disclosed.

Quick Fix

- Use professional recruitment agencies or directors' databases when sourcing for board candidates.
- Ensure IT key risks are identified, managed and reported to the board.

Rights of shareholders

To facilitate greater shareholder participation, companies are encouraged to utilise information technology in voting, including secure electronic voting in absentia. 544 (64%) companies practised electronic voting in absentia mechanism.

Equitable treatment of shareholders

Most companies (n=830; 97%) released their notice of AGM with detailed agenda and explanatory circulars at least 28 days prior to the date of the AGM.

Roles of Stakeholders

Under roles of stakeholders, it was found that 208 companies (24%) adopted an internationally recognised reporting framework such as Integrated Reporting, GRI Standards or the SASB Conceptual Framework.

Disclosure and Transparency

Only ten companies, namely Bursa Malaysia Berhad, Foundpac Group Berhad, IHH Healthcare Berhad, KLCC Property Holdings Berhad, LPI Capital Bhd, Petronas Chemicals Group Berhad, Petronas Dagangan Berhad, Petronas Gas Berhad, RGT Berhad and United Plantations Berhad released their audited financial statements within 60 days from their financial year end.

With regard to disclosure of CEO's remuneration, it was found that 658 companies (77%) disclosed details pertaining to the CEO's remuneration.

RESPONSIBILITIES OF THE BOARD

Board Competencies and Diversity

The assessment found that 341 companies (40%) had at least one female independent director on their board of directors while 248 companies (29%) had two or more female independent directors. 276 companies (32%) had established clear diversity policies. There were 102 companies (12%) which disclosed policies as well as measurable objectives such as gender diversity targets. Another 226 companies (26%) had policies, measurable objectives and reported its progress in their annual reports.

Board Structure

558 companies (65%) had Nomination Committees that comprised entirely of independent directors.

Only 406 companies (48%) disclosed that their Nomination Committees undertook the process of identifying the quality of directors aligned with the company's strategic direction.

Board Appointments and Re-Election

433 companies (51%) disclosed their policy of utilising professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the board of directors. However, our assessment revealed that only 52 companies (6%) had actually utilised such external sources in the year under review when sourcing for board candidates.

Board Structure & Composition

267 companies (31%) had independent directors making up more than 50% of the board of directors with an independent chairman.

Risk oversight

To qualify for the bonus the board must describe its governance process around IT issues including disruption, cyber security, disaster recovery and to ensure that all key risks are identified, managed and reported to the board. Only 127 companies (15%) described their IT governance process.

Board Performance

Only 271 companies (32%) had established a separate board level Risk committee in the year under review.

PENALTY

There are in total 25 penalty items with maximum penalty points of 67 points.

	2023	2021
Average Score	-1.94	-2.53
Min Penalty	0.00	0.00
Max Penalty	-9.00	-9.00

The average score for Penalty has decreased as more companies have adopted the strict tenure for independent directors at 9 years.

+ Attendance of Chairman of the board, Chairman of the audit committee and the CEO at the AGM.
+ Negligible cases of non-compliance with the laws, rules and regulations pertaining to material RPTs.

− Companies still have not adopted the step up practice of not retaining their INEDs beyond 9 years.
− There are companies still adopting the contentious practice of granting share options to non-executive directors.

Quick Fix

- Adoption of strict tenure limit of 9 years for INEDs.
- Granting share options to non-executive directors should be discouraged.

Rights of shareholders

None of the 854 companies demonstrated the following poor governance practices:

- Failed or neglected to offer equal treatment for share repurchases to all shareholders;
- Inclusion of any additional and unannounced agenda item into the notice of AGM/EGM;
- Evidence of barriers that prevented shareholders from communicating or consulting with other shareholders; and
- Failure to disclose existence of shareholders agreement or voting cap or multiple voting rights.

It is crucial that the chairman of the board, chairman of the audit committee and the CEO attend the AGM. 545 companies (64%) were penalised for non-disclosure of the attendance of these key persons at the AGM based on 709 companies which published their AGM minutes.

Equitable treatment of shareholders

During the period under review:

- No companies had a conviction for insider trading involving directors, management and employees in the past three years;
- There was one case of non-compliance with the laws, rules and regulations pertaining to material RPTs; and
- There were three companies which had RPTs that could be classified as financial assistance (i.e. not conducted at arm's length) to companies other than wholly owned subsidiary companies.

Role of stakeholders

No companies were found to have violated laws pertaining to labour, employment, consumer, insolvency, commercial, competition and/or environmental issues. No companies were reported to have faced sanctions by regulators for failure to make announcements within the requisite time for material events.

Disclosure and transparency

The following were found in the current assessment:

- Five companies received a qualified audit opinion;
- None of the 854 companies received an adverse audit opinion or a disclaimer audit opinion.

Responsibilities of the board

The current evaluation found the following:

- Three companies appeared to have not complied with certain provisions of the MMLR (other than disclosure requirements over the past year);
- No company had the situation where non-executive directors had resigned and raised any issues of governance;
- 133 companies (16%) had on their boards, one independent director who had served for more than nine years in the same capacity while 168 companies (20%) had two or more independent directors who had served more than nine years;
- One company was found to have members of the board of directors or senior management who were former employees or partners of the current external audit firm in the past two years; and
- 91 companies (11%) adopted the contentious practice of granting share options to non-executive directors during the year under review.

SUSTAINABILITY ANALYSIS

The sustainability scorecard covers five key aspects: Governance, Scope, Materiality, Management Approach, and International Standards/ Practices. The assessment on quality of disclosures is guided by an evaluation matrix, that considers among others, the information disclosed and depth of explanation of the sustainability practices. Each criteria is assigned a range of scores to reflect the quality of disclosures.

Part 1: Governance

The Governance section assesses the sustainability governance structure which covers oversight, strategic implementation and day-to-day implementation of strategies relating to sustainability. The section has 4 items which contributed to 20% of the total Sustainability score.

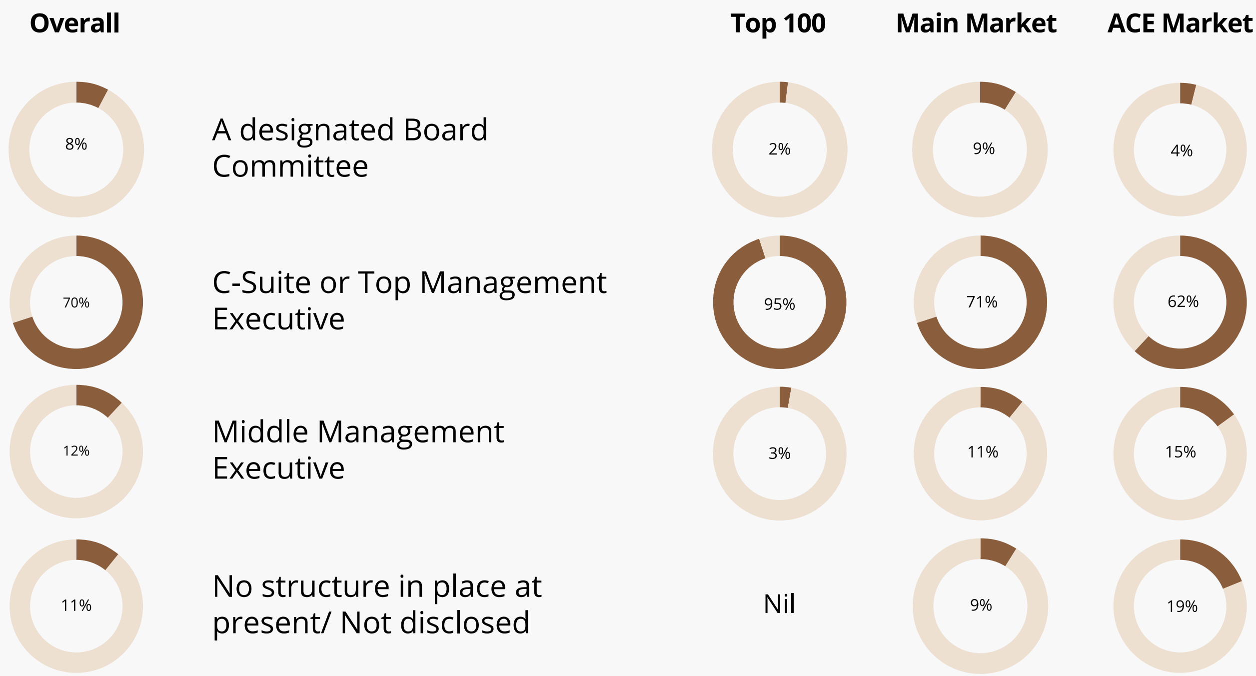
Oversight

All Top 100 PLCs identified the Board of Directors or a designated Board Committee as having the ultimate responsibility to oversee the development and implementation of sustainability strategies, business plans and key initiatives to ensure the desired sustainability outcomes in the company. The pattern is also similar across all the other companies, with 96% adopting such practices.

Overall		Top 100	Main Market	ACE Market
96%	The Board of Directors or a designated Board Committee	100%	97%	91%
1%	C-Suite or Top Management Executive	Nil	1%	1%
0%	Middle Management Executive	Nil	Nil	1%
3%	No structure in place at present/ Not disclosed	Nil	2%	8%

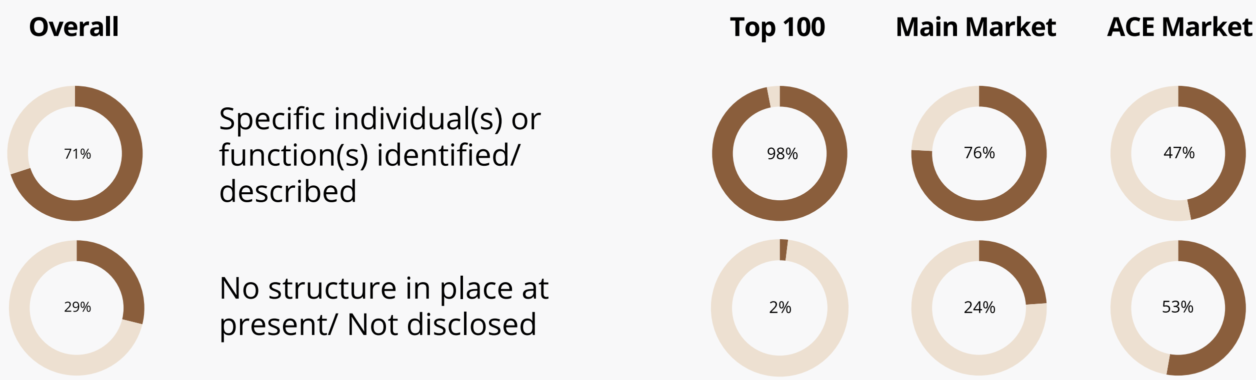
Strategic Management

Strategic management is defined as managing a company's resources by planning, setting and evaluating relevant sustainability strategies to ensure its sustainability goals and targets are met and that risks and opportunities' impacts are managed. The findings below show that the C-Suite or top management primarily undertakes these responsibilities.



Day-to-day management/ implementation of tasks

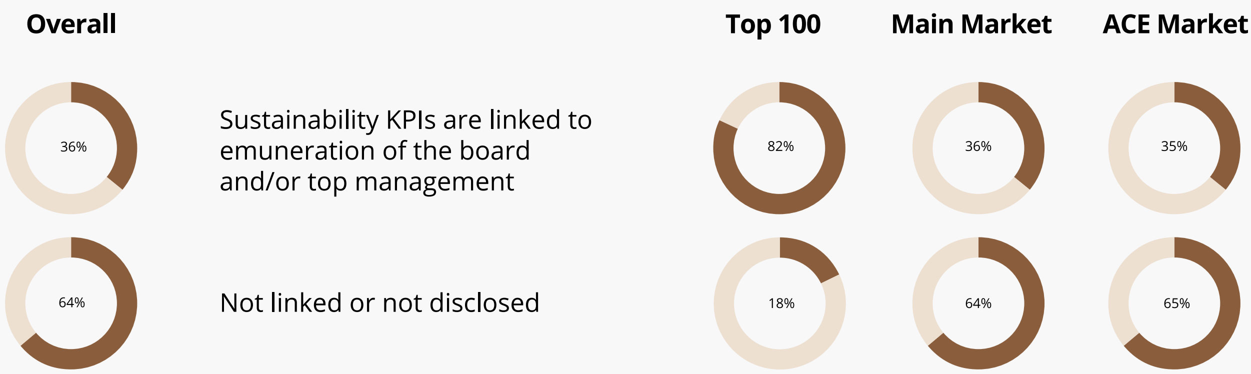
Apart from the oversight and strategic management functions, the assessment also looks into whether the company disclosed the functions or parties tasked with the day-to-day implementation of the sustainability plans and initiatives. Almost all of the Top 100 PLCs clearly disclosed this aspect in their sustainability governance structure. It was also noted that 29% have yet to disclose or establish such a function.



The linkage between remuneration to Sustainability-related KPIs

The MCCG recommends that boards consider the company's performance in managing material sustainability risks and opportunities when determining the level of remuneration for directors and senior management, such as sustainability-related KPIs. This will enhance accountability in the company's sustainability performance.

The assessment examined whether the company disclosed the linkage between the remuneration of the board and/or top management and sustainability-related KPIs. The evaluation found that such disclosures were more commonly found among the Top 100 PLCs (82%). It is to be noted, however, that the disclosures tend to be broad, indicating linkage is present or established in the company but without disclosing the quantitative information or linkage mechanism, for example, the percentage of KPIs linked to specific ESG metrics, etc.



Part 2: Scope

Scope refers to the boundaries or extent of coverage of data contained in the company's Sustainability Statement. Scope coverage can be described via several dimensions, such as the geographical locations of operations, entities controlled by the company and business segments. The section has four items contributing to 11% of the total sustainability score.

Scope coverage

It is expected that a company's scope of sustainability reporting covers, or eventually covers, all of its operations. The assessment found that scope coverage is well disclosed by the Top 100 PLCs (82%), but not among the ACE Market PLCs.

Overall		Top 100	Main Market	ACE Market
61%	Scope covers ALL of PLCs' own operations	82%	64%	50%
14%	Scope covers 50% or more but not all of its operations	17%	16%	3%
1%	Scope covers less than 50% of its operations	Nil	1%	1%
23%	Not disclosed	1%	19%	46%

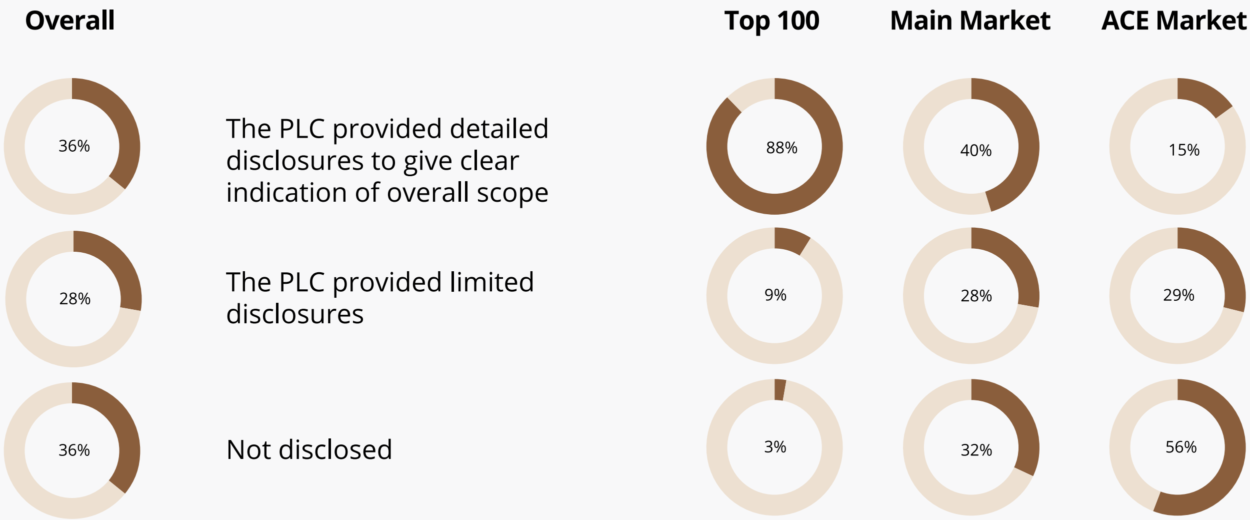
Basis of scope

Unless the Sustainability Statement already covers all of the company's operations, a clear basis and reason for selecting the chosen boundaries should be disclosed. The scope basis is generally well disclosed by the Top 100 PLCs and Main Market PLCs, at 95% and 74%, respectively.

Overall		Top 100	Main Market	ACE Market
70%	Underlying basis or reason was given for inclusion(s) into/exclusion(s) from scope	95%	74%	51%
30%	Not disclosed	5%	26%	49%

Detailed disclosure on scope

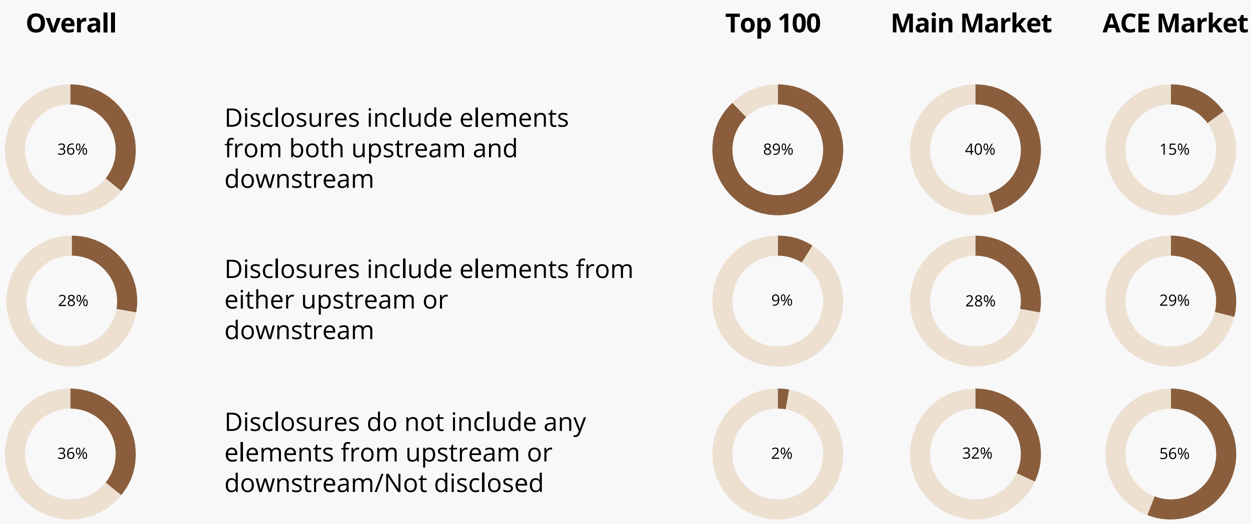
The assessment looks into the extent of details provided on the scope covered. If a company's reporting scope does not cover all operations, it should elaborate on the information excluded from the reporting scope. The assessment shows that almost all the Top 100 PLCs provided clear details on the scope of the sustainability statement.



The extent of coverage of the broader value chain includes both upstream and downstream

Establishing a scope that includes part of the company's wider value chain demonstrates to the stakeholders the impacts of the company's activities. The assessment looks into the upstream and downstream aspects of the value chain. Upstream refers to operations that involve suppliers and the procurement of resources, while downstream refers to the sales, distribution, and disposal of the company's goods.

The Top 100 PLC's reporting scope appears to cover the value chain's broader aspects, with 97% of the companies covering either upstream, downstream or both aspects.

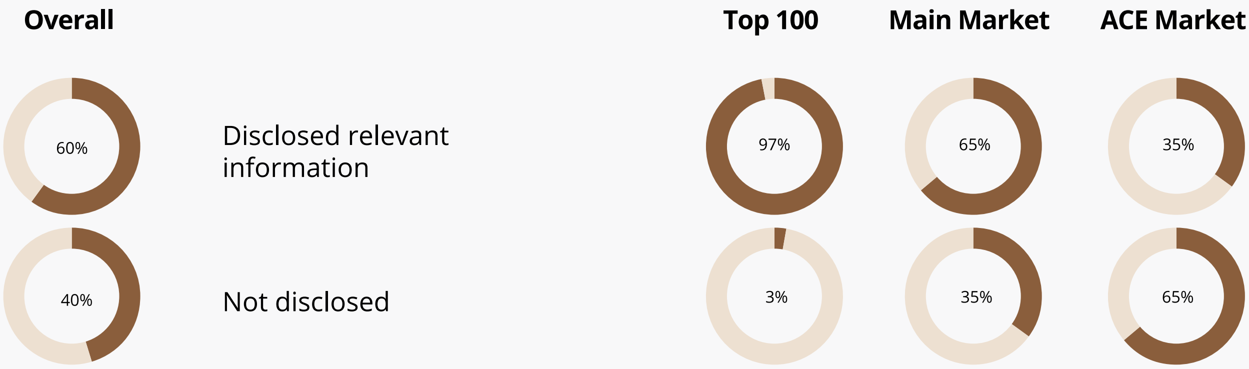


Part 3: Materiality

This section assesses how the PLC has undertaken a systematic identification and prioritisation of sustainability matters that are most material to the company and its stakeholders. Eight items in this section contributed 20% of the total Sustainability score.

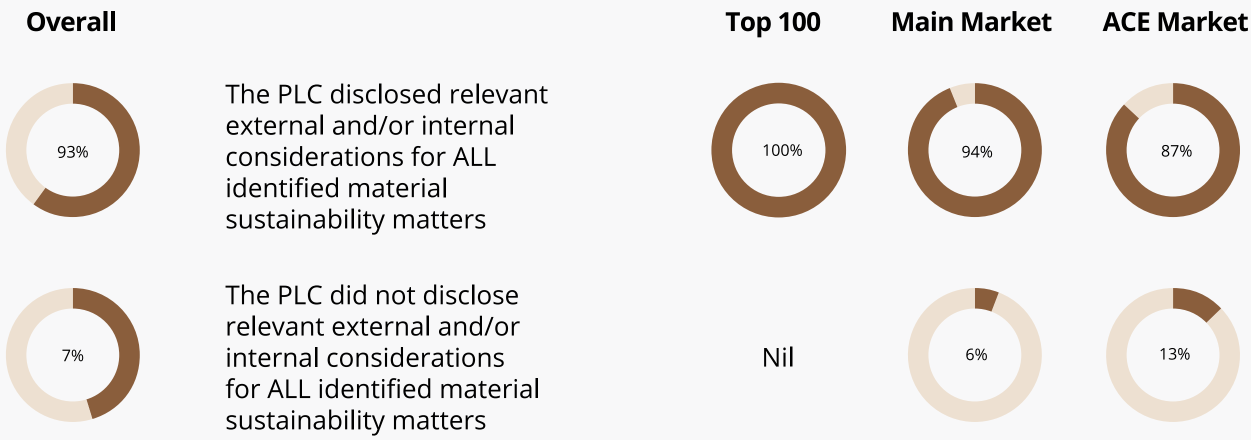
Disclosure of strategy/plan/schedule for undertaking materiality assessment exercise

Companies should have a strategy or plan for the frequency of undertaking a materiality assessment. PLCs should endeavour to undertake such a process review at least annually. Most of the Top 100 PLCs had such a strategy in place.



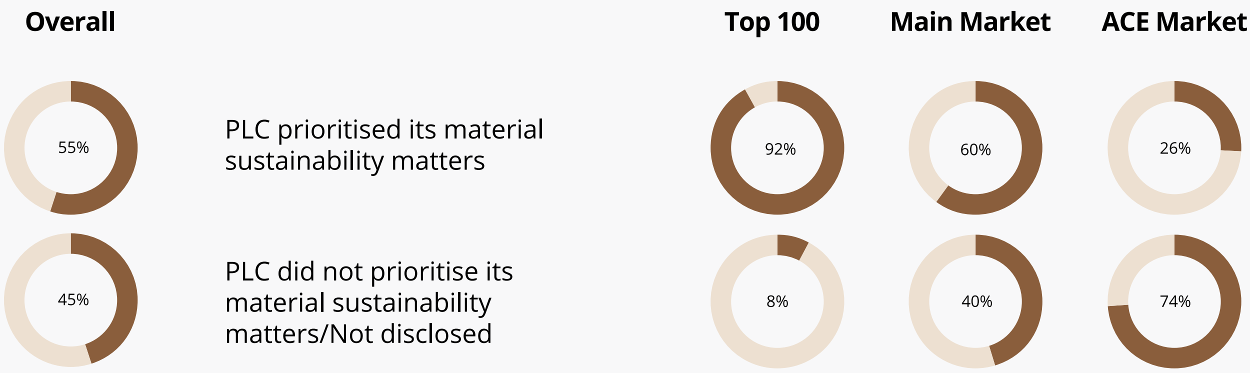
Disclosure of internal & external considerations for identification of material matters

A company should develop an understanding of its operating context to gain knowledge of relevant sustainability matters/issues (both internal and external) that could affect its ability to achieve intended business outcomes. As part of the process, the company is expected to engage with relevant internal and external stakeholders to identify sustainability risks and opportunities better. Most companies had scored well in this identification process.



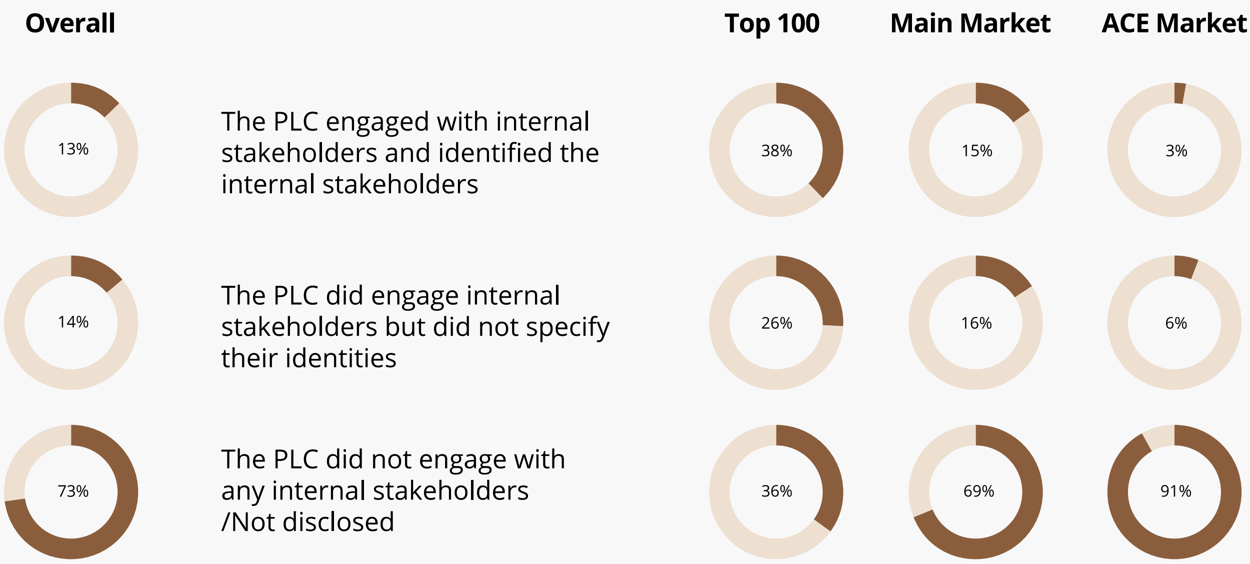
Prioritisation of material matters

The company should determine the relative importance or materiality of its sustainability matters. Major considerations for determining importance include (i) the significance/magnitude of their respective impacts and (ii) their respective influence on the assessments and decisions of stakeholders. Most of the Top 100 PLCs prioritised their material matters, which were presented in the form of a materiality matrix.



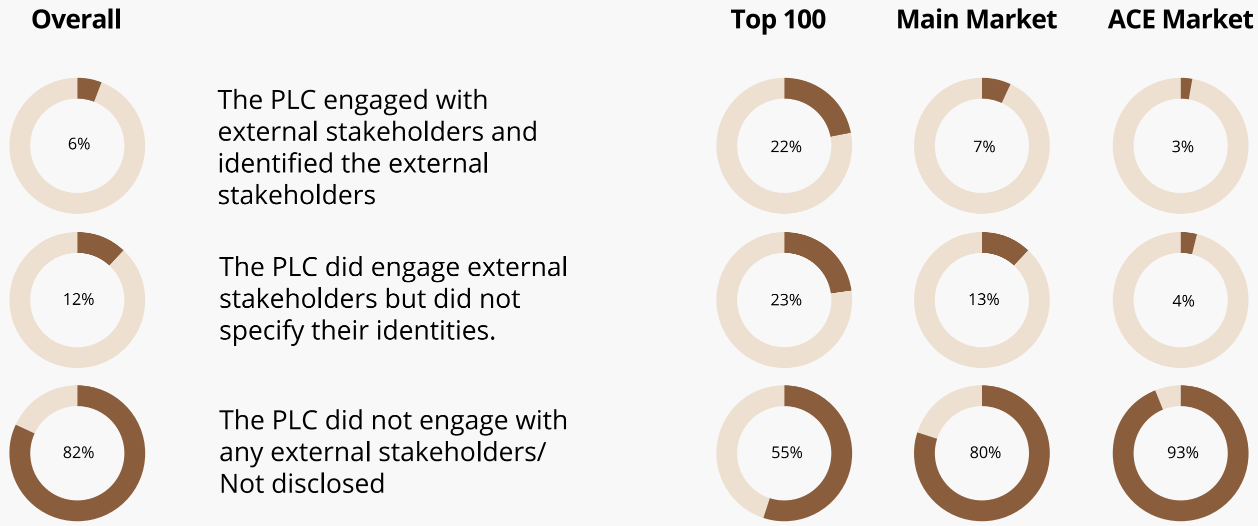
Engagement with internal stakeholders for prioritisation of material matters

Companies should undertake a series of engagements with internal stakeholders to prioritise material sustainability matters. These engagements exceed the general stakeholders' engagements undertaken throughout the year. The assessment revealed that 73% of PLCs either did not engage with their internal stakeholders on prioritisation of material matters or, if they conducted such engagements, were not disclosed in the annual report/sustainability report.



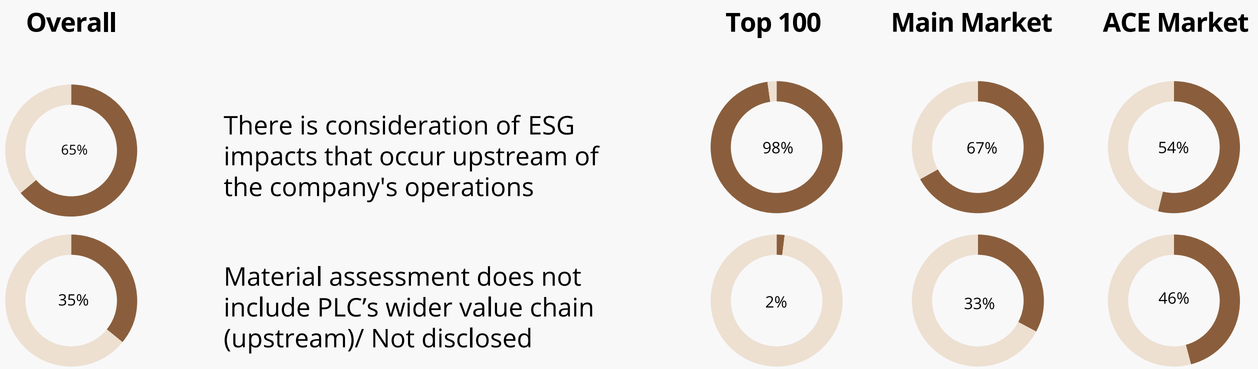
Engagement with external stakeholders for prioritisation of material matters

Similarly, companies should undertake a series of engagements with external stakeholders to prioritise material sustainability matters. These engagements enable external stakeholders, such as investors, to better understand the operating context of the company and why certain sustainability matters are prioritised. The assessment revealed that 82% of PLCs either did not engage with their external stakeholders on prioritisation of material matters or, if they conducted such engagements, these needed to be disclosed in the annual report/ sustainability report.



Disclosure of ESG impacts that occur upstream

Companies must consider ESG impacts that occur upstream of their operations. Upstream refers to operations which involve suppliers and procurement of resources. Almost all Top 100 PLCs had such considerations in place.



Disclosure of ESG impacts that occur downstream

Similarly, companies must consider ESG impacts that occur downstream of their operations. Downstream refers to the sales, distribution and disposal of the company's goods. Most of the Top 100 PLCs have such considerations in place.

Overall		Top 100	Main Market	ACE Market
46%	There is consideration of ESG impacts that occur downstream of the company's operations	91%	51%	23%
54%	Material assessment does not include PLC's wider value chain (downstream)/ Not disclosed	9%	49%	77%

Board of Directors approved the materiality assessment

The company should ensure that the outcome of the materiality assessment undertaken is reviewed and approved or validated by both the Board and senior management. This practice enhances the integrity and credibility of the sustainability disclosures made. The assessment revealed that this is more commonly disclosed in the Top 100 PLCs, with slightly more than half of the Top 100 PLCs disclosing this practice.

Overall		Top 100	Main Market	ACE Market
23%	Board of Directors approved the materiality assessment	58%	25%	10%
3%	C-suite/top management approved the materiality assessment	3%	4%	2%
2%	Middle management approved the materiality assessment	3%	2%	1%
Nil	Materiality assessment not endorsed but PLC has made commitment to do so with a timeline given (e.g. the following year)	Nil	Nil	Nil
72%	Materiality assessment not endorsed or not disclosed	36%	69%	87%

Part 4: Management Approach

This section refers to how companies manage each material sustainability matter that they have prioritised via their materiality assessment process. Nine items in this section contribute 36% of the Sustainability score.

Sustainability strategy or measures were linked to PLC's material matters

The assessment looked at the PLC's overall strategic approach to addressing its material sustainability matters. It determined whether PLC's sustainability has been integrated into its business strategy or whether the sustainability measures were linked to the PLC's material matters. More than three-quarters of the Top 100 PLCs were assessed as having integrated sustainability into their core business strategy. The assessment also revealed that most PLCs had established a sustainability strategy and that the sustainability measures were linked to the PLC's material matters.

Overall		Top 100	Main Market	ACE Market
18%	Sustainability was integrated into PLC's core business strategy	77%	20%	3%
54%	A sustainability strategy or most of the sustainability measures were linked to the PLC's material matters	23%	54%	56%
21%	PLC exhibits tendency to undertake stand-alone sustainability initiatives rather than a coherent sustainability strategy	Nil	19%	33%
7%	The PLC seems to equate sustainability matters with corporate social responsibilities (CSR)	Nil	7%	7%
Nil	Not disclosed	Nil	Nil	1%

All material matters have policies/practices/processes

83% of the Top 100 PLCs disclosed the policies, practices or processes for all of their material matters compared to 57% of all PLCs.

Overall		Top 100	Main Market	ACE Market
57%	All of material matters have policies/practices/processes	83%	58%	53%
29%	More than 50% of material sustainability matters/ hemes/topics have policies/ practices/processes	16%	29%	26%
12%	50% or less of material sustainability matters/ themes/topics have policies/ practices/processes	1%	11%	15%
2%	Not disclosed	Nil	2%	6%

All of the material matters have initiatives/projects/programmes

PLCs are expected to disclose whether all of their material matters have relevant initiatives/projects/programmes in place. 86% of the Top 100 PLCs disclosed the initiatives/ programmes for all material matters, compared to 41% of all PLCs.

Overall		Top 100	Main Market	ACE Market
42%	All of material sustainability matters/ themes/ topics have initiatives/ projects/ programmes	86%	42%	38%
31%	More than 50% of material sustainability matters/ themes/ topics have initiatives/ projects/ programmes	13%	32%	24%
23%	50% or less of material sustainability matters/ themes/ topics have initiatives/ projects/ programmes	1%	23%	28%
4%	Not disclosed	Nil	3%	10%

Disclosure of quantitative indicators for ALL material matters

PLCs are expected to disclose quantitative indicators relevant to their sustainability matters that demonstrate how they have managed them. About half of the Top 100 PLCs disclosed quantitative indicators for most of their material matters, and 37% of the Top 100 disclosed quantitative indicators for all material matters. The remaining PLCs do not adopt this practice well.

Overall		Top 100	Main Market	ACE Market
10%	Disclosure of quantitative indicators for ALL material matters	37%	12%	2%
34%	Disclosure of quantitative indicators for most material matters	53%	37%	18%
41%	Disclosure of quantitative indicators for some material matters	10%	39%	50%
15%	Did not disclose any quantitative indicators for material matters	Nil	12%	30%

Comparable data provided with regards to chosen indicators (number of data points provided)

Data for the last three financial years is expected to be disclosed for quantitative indicators. Over one-third of all PLCs disclosed 2 to 3 years' worth of data for most indicators.

Overall		Top 100	Main Market	ACE Market
6%	Disclosure of more than 3 years' worth of data for a majority of chosen indicators	12%	7%	2%
37%	Disclosure of 2 to 3 years' worth of data for a majority of chosen indicators	67%	41%	14%
40%	Disclosure of 1 years' worth of data for a majority of chosen indicators	21%	38%	53%
17%	Not disclosed	Nil	14%	30%

The extent to which qualitative and/or quantitative commitments are adopted

Setting and communicating performance targets gives stakeholders a view of progress regarding the management of their material sustainability matters. Clearly defined targets also drive the desired behavioural changes within a company to achieve them. Nearly three-quarters of the Top 100 PLCs disclosed some quantitative commitments/targets for their chosen indicators.

Overall		Top 100	Main Market	ACE Market
1%	Disclosure of quantitative commitments/targets for ALL chosen indicators	1%	1%	Nil
7%	Disclosure of quantitative commitments/targets for most chosen indicators	17%	8%	1%
33%	Disclosure of some quantitative commitments/targets	72%	36%	13%
23%	Disclosure of some qualitative commitments/targets only	9%	22%	24%
37%	Did not disclose any qualitative and quantitative commitments/ targets	1%	31%	62%

Disclosure of negative aspect(s)/issue(s)

Companies must report information unbiasedly and fairly represent the company's positive and negative impacts. PLCs must not omit relevant information concerning their negative impacts; about one-quarter of the Top 100 PLCs reported at least one negative aspect during the reporting year.

Overall		Top 100	Main Market	ACE Market
4%	Includes disclosure of two (2) or more negative aspects that occurred during the reporting year	19%	5%	Nil
12%	Includes disclosure of one (1) negative aspect that occurred during the reporting year	23%	14%	4%
83%	Did not disclose any negative aspects for the reporting year	58%	81%	96%

Disclosure of remedial actions to address the negative issue(s)

Disclosures on the negative issue(s) should also include actions taken or plans to resolve the issue(s). Over one-third of the Top 100 PLCs disclosed the corresponding remedial actions to address the negative issue(s).

Overall		Top 100	Main Market	ACE Market
14%	Disclosure of corresponding remedial actions taken to address the issue(s)	36%	16%	3%
86%	Non-disclosure of corresponding remedial actions taken	64%	84%	97%

External Assurance/ independent review undertaken for sustainability statement/ sustainability report

There are increasing expectations placed on PLCs to provide credible sustainability disclosures and subject their sustainability statement/ sustainability report to an assurance process. In particular, independent assurance significantly strengthens the credibility of reported data, fortifying it against potential issues such as greenwashing. Five of the Top 100 PLCs had commissioned a full independent assurance of their sustainability statements, while 20% undertook a partial independent assurance process.

Overall		Top 100	Main Market	ACE Market
1%	Full independent assurance in accordance with recognised assurance standards for sustainability statement/report	5%	1%	Nil
3%	Partial independent assurance e.g. for materiality assessment process only or data/data collection process only	20%	4%	Nil
2%	Internal review by the Internal auditors	6%	3%	1%
94%	No independent assurance/ internal review	69%	93%	99%

Part 5: Adoption of International Standards/Best Practices

The final section of the sustainability scorecard looks at the adoption levels of various international sustainability standards, practices, guidelines and/ or recommendations by PLCs in Malaysia as of the end of 2022.

Overall		Top 100	Main Market	ACE Market
11%	Adoption of GRI Standards	38%	13%	3%
42%	Commitment to UN Sustainable Development Goals (UNSDGs)	93%	46%	19%
70%	Conformance to at least one industry specific guidelines or standards Examples: IPIECA, UN PRI, UB GC, UN PRB, Equator Principles, Roundtable on Sustainable Palm Oil (RSPO)/Malaysian Sustainable Palm Oil (MSPO), Green Building Index (GBI), Leadership in Energy and Environmental Design (LEED) etc.	98%	73%	55%
1%	Established Science Based Targets SBTs that are in line with the level of decarbonisation required to keep global temperature increase below 2C compared to preindustrial temperatures, as recommended by the Intergovernmental Panel on Climate Change (IPCC)	9%	2%	Nil
8%	Reporting Disclosures Aligned with TCFD core pillars/Signed Up as TCFD Supporter	31%	9%	2%
11%	Constituent of FTSE4GOOD Bursa Malaysia Index (2022)	57%	14%	Nil

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GLOSSARY

ACGS	ASEAN Corporate Governance Scorecard
AGM	Annual General Meeting
ASEAN	Association of Southeast Asian Nations
Bursa	Bursa Malaysia Securities
CEO	Chief Executive Officer
CG	Corporate Governance
CGR	Corporate Governance Report
EGM	Extraordinary General Meeting
ESG	Environmental, Social and Governance
FYE	Financial Year End
GRI	Global Reporting Initiative
IAF	Internal Audit Function
ICGN	International Corporate Governance Network
INED	Independent Non-Executive Director
IR	Integrated Reporting
IT	Information Technology
KPI	Key Performance Indicators
MCCG	Malaysian Code on Corporate Governance
MMLR	Main Market Listing Requirements
NRC	Nomination and Remuneration Committee
OECD	Organisation for Economic Co-operation and Development
PLCs	Public Listed Companies
REITs	Listed Real Estate Investment Trusts
RPT	Related Party Transactions
SASB	Sustainability Accounting Standards Board
UN	United Nations Sustainable Development Goals
TCFD	Task Force on Climate-related Financial Disclosure
SBT	Science Based Targets

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