



MALAYSIA-ASEAN

CORPORATE
GOVERNANCE
REPORT
2021



CORPORATE INFORMATION

BOARD OF DIRECTORS

- **Datuk Mohd Nasir Ali**
Chairman
- **Devanesan Evanson**
Chief Executive Officer & Executive Director
- **Dato' Wan Kamaruzaman Wan Ahmad**
Director
- **Datuk Gazali Haji Harun**
Director
- **Dato' Abdul Alim Abdullah**
Director
- **Puan Sharifatu Laila Syed Ali**
Director
- **Puan Nik Amlizan Mohamed**
Director
- **Encik Muhammad Fitri Othman**
Director

COMPANY SECRETARY

Mr Chew Phye Keat (BC/C/282)
SSM Practising Certificate No.: 202008002753
Messrs Raja, Darryl & Loh
Level 26, Menara Hong Leong
No. 6, Jalan Damanlela
Bukit Damansara
50490 Kuala Lumpur

REGISTERED OFFICE

Level 23, Unit 23-2
Menara AIA Sentral
No. 30, Jalan Sultan Ismail
50250 Kuala Lumpur
➤ **Tel:** (603) 2732 0010

AUDITORS

PricewaterhouseCoopers PLT, Malaysia
Level 10, 1 Sentral
Jalan Travers
Kuala Lumpur Sentral
P O Box 10192
50706 Kuala Lumpur
➤ **Tel:** (603) 2173 1188
➤ **Fax:** (603) 2173 1288

BANKER

Malayan Banking Berhad
Jalan Raja Laut Branch
Wisma PKNS
Jalan Raja Laut
50350 Kuala Lumpur
➤ **Tel:** (603) 2698 8867
➤ **Fax:** (603) 2691 7181

CONTACT PERSON

Devanesan Evanson
Chief Executive Officer
devanesan@mswg.org.my

CORPORATE WEBSITE

www.mswg.org.my



NOTICE

The content of this report cannot be used, quoted or disseminated by any party except by MSWG. Any other party intending to use, quote or disseminate this report or any part of its contents must obtain the prior written consent of MSWG.

DISCLAIMER

This Report and its contents thereof and all rights relating thereto including all copyrights are owned by MSWG. While every care has been taken in the preparation of this publication, no claim can be made on the accuracy of the data. MSWG and/or its directors, employees and associates shall not be held liable in any way for anything appearing in this publication or for the use of this publication (including the interpretation of the data and analyses in this publication).

Copyright © 2022 by the Minority Shareholders Watch Group



What does carbon dioxide have to do with better business?

At PETRONAS, we connect the dots
to turn contaminants into companions.

As a progressive energy and solutions partner, we believe innovation drives sustainable value. PETRONAS is developing technologies that allow us to transform CO₂ into methanol. This can produce biofuel for a cleaner future of mobility, which in turn powers progressive business performance.

www.petronaschemicals.com

www.petronas.com/pgb

www.mymesra.com.my



TABLE OF CONTENTS

CHAIRMAN'S STATEMENT	5-6
FROM THE CEO'S DESK	8-9
EXECUTIVE SUMMARY	12
CG DEVELOPMENTS 2021/2022	14-15
ABOUT THE ASSESSMENT	17-18
KEY FINDINGS	19-21
PART A: RIGHTS OF SHAREHOLDERS	22-24
PART B: EQUITABLE TREATMENT OF SHAREHOLDERS	25
PART C: ROLE OF STAKEHOLDERS	26-28
PART D: DISCLOSURE & TRANSPARENCY	29-33
PART E: RESPONSIBILITIES OF THE BOARD	34-45
BONUS	46-49
PENALTY	50-51
CONCLUDING REMARKS	52
REFERENCES	54
GLOSSARY	54
Appendix 1: ASEAN CG Scorecard Template	56-83
Appendix 2: List of Default Items	85-86
Appendix 3: Winners of the MSWG-Asean Corporate Governance Award 2021	88
Appendix 4: List of Top 100 Companies for CG Disclosure 2021 (By Rank)	90

WHAT DOES IT TAKE TO DIGITALISE BUSINESS?



UNIFI BUSINESS CONSULTANTS AND WORLD CLASS DIGITAL SOLUTIONS

Digitalising is necessary to address the rapidly changing market and growing demand. But knowing we need to digitalise is not enough. We need to know exactly how to do it, and we need to know which solutions work best. Fortunately, businesses do not need to do it alone.

unifi Business Consultants

unifi Business Consultants are here to help businesses identify key areas of improvement, recommend world class digital solutions, and guide businesses every step of the way. All consultants are certified in digital literacy by ICDL Asia and are available in every part of the country. All you need to do is get in touch.

World class digital solutions

Bawalz.my founder, Norsalsabila saw a 30% sales growth after creating a personalised web store and marketing through social media with unifi Digital Marketing Solutions. Online retail businesses use unifi eCommerce Hub to save time on menial tasks like inventory management and platform-specific product updates, thus creating more time to focus on growth. unifi Cloud Storage lets businesses centrally manage file and document storage without any paper use.

Exclusively for unifi Business customers

unifi Business Club is a platform to learn, share, and access exclusive product packages, promotions, training, and financing from industry-leading partners. Just sign up for any unifi Business product or solution to join.

Malaysia's preferred MSME digital partner

More than 32% of Malaysian MSMEs trust unifi Business to digitalise and grow. More unifi Business Solutions are in the pipeline to help businesses thrive in changing markets.

"Opportunities exist in new technology. We need to take advantage of this digital shift to increase productivity and better control costs."

Adnan Lee, Managing Director of MBG Fruit and unifi Business customer



Let's unifi Business and get up to 50% savings on unifi Business Solutions with the SME Digitalisation Grant. Visit unifi.com.my/smegrant or your nearest TMpoint today.

An initiative by the Government



Supported by



Partner



Terms and conditions apply.

CHAIRMAN'S STATEMENT

WE are pleased to publish our 2021 edition of the Malaysia-ASEAN Corporate Governance Report. This 10th edition of our report highlights findings from our assessment of Malaysian public listed companies (PLCs) using the ASEAN CG Scorecard (ACGS).

A robust corporate governance framework is essential to foster an environment of market confidence and business integrity that supports capital market development. The COVID-19 global pandemic resulted in boards now facing a complex new reality, demanding boards to play a more active role in monitoring companies' relationships with their core stakeholders, and building a closer connection between business, society and the environment.

There will be heightened expectations regarding governance structure, environmental oversight, reporting, and performance as restrictions adopted in response to the COVID-19 global pandemic ease around the world. If anything, the pandemic has shown us that having strong and effective corporate governance is now more important than ever, and will continue to be crucial towards recovery and building resilience of companies in these challenging times.

MSWG has continued to be resolute and contributory in enabling our PLCs to improve their corporate governance standards through this annual ACGS assessment. As Malaysia's domestic ranking body, MSWG conducts CG assessments of all PLCs and engages with corporate subscribers on areas for improvements. Indeed, the ACGS – with its robust methodology, and benchmarked against global and regional best practices – has been an important tool towards improved CG practices and disclosures in PLCs as reflected in the consistent upward trajectory of the CG scores over the years.

It is certainly motivating to note the increase in the overall CG Score of 83.58 points (out of total possible score of 130 points) for all companies in 2021 compared to 79.28 points in 2020, while that of the Top 100 companies rose to 104.60 points from 101.73 points in 2020. Similarly, the CG Score of ACE Market companies has also risen to 79.70 points from 76.06 points in 2020.

The positive improvement in scores from this latest assessment confirms that corporate governance practices among our PLCs are continuing to advance despite the testing circumstances imposed by the COVID-19 pandemic, which include accommodating virtual shareholders and analyst meetings/briefings, remote electronic voting and seamless remote board and committee meetings.

Good governance also entails PLCs stepping up efforts on their sustainability commitments. In this regard, MSWG had in 2021 continued its collaboration with Bursa Malaysia on the sustainability disclosure review exercise of all PLCs. We believe PLCs that embrace the tenets of good governance and sustainability will be able to transcend the changing and challenging stakeholders' expectations, build risk resilience and be able to seize the strategic opportunities of the ESG agenda.

I am pleased that we are making good progress in our CG and sustainability trajectory. Going forward, we have embarked on resetting our CG and sustainability journey. We envisage the implementation of a common assessment blueprint for CG, sustainability and the adoption of the best practices espoused by the Malaysian Code of Corporate Governance in collaboration with regulators and industry organisations. This proposed change to the assessment framework would be a pivotal game changer in recognising PLCs with good CG and sustainability practices in the capital market.

In conclusion, the improvements as reflected in the CG scores are testament to MSWG's deep commitment to our role as a frontline advocate of good CG among Malaysian PLCs, and the continuous efforts and commitment of our PLCs and their boards to make good governance their priority. The regulators, both SC and Bursa Malaysia, have also contributed substantially towards improving corporate governance and sustainability best practices.

I look forward to us collectively making the most of this important publication which includes practical key insights and would like to thank all our stakeholders, partners and collaborators for their ongoing support. Finally, I would like to especially thank the Capital Market Development Fund (CMDf) for their valuable guidance and financial support of the assessment exercises.

A handwritten signature in black ink, appearing to read 'M. Nasir Ali', with a horizontal line drawn underneath.

DATUK MOHD NASIR ALI
Chairman

Axiata Group Berhad is a diversified telecommunications and digital conglomerate operating Digital Telcos, Digital Businesses and Infrastructure businesses across a footprint spanning ASEAN and South Asia.

The Group has controlling stakes in market-leading mobile and fixed operators in the region including 'Celcom' in Malaysia, 'XL' and 'Link Net' in Indonesia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia and 'Ncell' in Nepal. Axiata's regional digital business verticals comprise "Boost" a fintech play, and 'ADA', a digital analytics and AI company. 'edotco' is among the top 10 independent TowerCos globally, operating in nine countries to deliver telecommunications infrastructure services.

As a committed and long-term investor, the Group actively supports and drives young talent development; community outreach; as well as climate change initiatives. Axiata's broader goal of Advancing Asia aims to piece together the best in the region in terms of innovation, connectivity and talent to drive digital inclusion and sustainable progress across our markets.

Find out more at www.axiata.com.



Learn more about our sustainability initiatives here - sustainability.axiata.com and scan the **QR code** to watch our story.

Axiata Group Subsidiaries and Associates:



www.axiata.com



Axiata Group Berhad (242180-10)

GOOD corporate governance plays an essential role in rebuilding our economies in the wake of the COVID-19 pandemic. MSWG as a key player in the CG ecosystem has continued to stay the course despite the most challenging economic and environmental circumstances. We are constantly navigating actionable opportunities for MSWG to carry out its objectives more efficiently and effectively, to be future-relevant and achieve sound CG outcomes.

This 2021 edition of the Malaysia-ASEAN Corporate Governance report presents the findings of the corporate governance assessment using the ASEAN Corporate Governance Scorecard (ACGS), with a total of 864 companies listed on Bursa Malaysia being assessed in 2021. This annual scorecard-based assessment considers the clarity and quality of disclosures of CG principles and best practices adopted by the company, including the transparency and integrity of board decision-making, and how the company demonstrates accountability to investors and wider stakeholders.

We are very much encouraged by the 2021 assessment results, which showed an improvement in the overall CG Score compared to 2020 – no small feat considering the tumultuous times faced by PLCs amid COVID-19 pandemic.

The consistent improvement in the average CG Scores over the last five years suggested that more and more companies are aligning their CG best practices with international and regional best practices, beyond the requirements of national legislation as measured by the scorecard. Further analysis of the individual components of the scorecard also demonstrated improvements across all parts, with the role of stakeholders' parameter improving significantly since 2017.

While we applaud our PLCs for these achievements, companies cannot rest on their laurels. We urge companies to focus on the areas for further improvements and actionable takeaways in the report, to further strengthen their governance foundation and mechanisms. Companies need to be agile as they consider how their own policies live up to evolving regulations and investor expectations. For example, connections between CG and ESG strategies will need to be addressed, given the increased attention globally on the ESG agenda.

MSWG will continue to take a pragmatic approach to drive and be a catalyst for the awareness and promotion of robust governance through shareholder activism, company engagements, strategic collaborations, participation at shareholder forums, webinars and roundtables on emerging CG issues, providing constructive feedback to regulatory consultations and being a thought leader in the areas of CG and sustainability.

We look forward to sharing our views as a panellist in the upcoming 2022 OECD-Asia Roundtable on Corporate Governance, where the theme this year is focused on recent CG developments in the Asia region and key issues related to the review of the G20/OECD Principles, including sustainability in the corporate sector, digitalisation, company groups and bondholder rights.

We hope the ACGS will continue to serve as a powerful reference tool for boards, investors and other key stakeholders. The ACGS scores enable benchmarking of governance attributes against PLCs' peers, across sectors and even countries within the ASEAN region. We believe our policy makers and regulators will find the outcomes from the ACGS assessment to be sufficiently useful to support future CG framework reforms and initiatives, where it matters.

Finally, we would like to take this opportunity to extend our deepest appreciation to the Capital Market Development Fund (CMDf) for their valuable comments and suggestions and the funding accorded to this ACGS project. We look forward to continuing our purpose, and working together with our stakeholders, to promote higher standards of corporate governance in the capital market.



DEVANESAN EVANSON
Chief Executive Officer

Edgenta of the FUTURE

PEOPLE **TECHNOLOGY** **SOLUTIONS**

We are the leading Asset Management & Infrastructure Solutions company with the belief of Optimising Assets to Improve Lives. We promise the Edgenta Way of delivering quality services to our clients by going beyond standards and offering technology-based solutions as a promise of efficiency to optimise the performance of their assets, workplaces and communities.

Today, we have embarked on a vision towards Edgenta of the Future, where we are determined to become a Technology-Enabled Solutions Company by 2025 and continue our expansion into international markets.



A member of UEM Group



Staying At The Forefront With Sustainability

Taking Malaysia's goal of being a carbon-neutral nation in its stride, S P Setia charges ahead and continues to lead the way in sustainability.

In recent years, the market has seen a shift as now a pool of socially-conscious investors starts to grow. Companies have started to prioritise their environmental, social and governance agenda (ESG), finding ways to integrate ESG practices into their overall strategies.

This practice of sustainability has found its way into the property development industry. Green facilities, more energy-efficient buildings, upcycling leftover construction material are just a few ways some property developers are turning their developments into ones with a positive impact on the environment.

In the local market, S P Setia is no stranger to the ESG space. Their ESG efforts have bagged them notable achievements in the environmental and social categories. As the global interest starts to grow, they are taking their experience and turning it into an expertise.

“ Sustainability is our collective responsibility. For S P Setia, it is embedded into our culture and expressed through our developments. – Datuk Choong Kai Wai. ”

As part of its commitment towards Malaysia's goal of becoming a carbon-neutral nation by 2050, S P Setia recently partnered with utility giant Tenaga Nasional Bhd to equip their developments with solar battery and electric vehicle infrastructure, giving Malaysians an option to transition into environmentally conscious living.

Creating a positive impact

To reduce the negative impacts it has on the environment, S P Setia has made it a norm to adopt best practices in environmental standards for all their properties, including exploring renewable energy, using sustainable materials and implementing holistic green concepts within their townships. With these collective efforts, the group successfully reduced their energy consumption by 20%, recording 31.7mil kW/h in 2020 compared to 39.6 million kW/h in 2019.

In September of 2020, the group made an impact by launching D'Network the world's first solar-powered hybrid and food beverage hub. Set in Setia Eco Park, D'Network has its lighting, ventilation, air conditions and irrigation systems powered by solar - a first of its kind.

Their ESG practices have also seen its way into Setia EcoHill 2's Adventure park



Setia SPICE Convention Centre, the world's first hybrid solar-powered convention center.

where the design preserved more than 90% of the natural topography and landscape. Rainwater harvesting systems have also been incorporated into many of its projects to reduce rain water for outdoor purposes, such as watering plants.

The heart of the matter: people

S P Setia's ambition of doing good goes beyond just the planet. On the social front, S P Setia continues to create social initiatives to benefit the community.

In 2020, the group spent RM740 million to develop 5,943 units of affordable housing for Malaysians.

When the Covid-19 pandemic took a devastating toll on the nation, S P Setia spent RM2.7 million on Covid-19 assistance including provision of Covid-19 test kits, health supplies and even provided six venues to be used as vaccination centres.

With togetherness as the company's main value, S P Setia emphasises the well-being of its employees and vendors. Monthly health and safety audits are conducted at its project sites to ensure care for its employees and construction workers.

Setting the standard in sustainability

With ESG-focused funds and ESG-strong companies globally, the trend in the market has shown that the ESG agenda is here to stay.

Recognising this, S P Setia is pushing new and innovative ways to lead the space of ESG in Malaysia. Moving forward, sustainability will be part of the new norm for S P Setia. Taking an end-to-end approach, the company is focusing on creating a holistic ecosystem with sustainability at its core.



Essex Gardens in Setia Eco Templer, Rawang. Surrounded and inspired by the Kanching Rainforest reserves.



Adventure park in Setia EcoHill 2, Semenyih holds Malaysia's first residential mountain biking park.

It is part of their philosophy of building not just dream homes for people, but also helping to create a world that is better for the people and the planet.

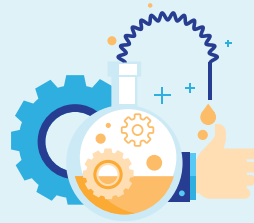
“In short, ESG and sustainability will be a strategic advantage for us, no longer a nice-to-have or a tick-the-box exercise,” Datuk Choong Kai Wai said.



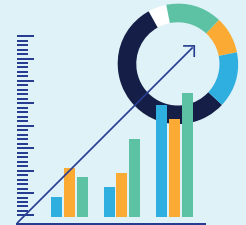
Solid Track Record



Stakeholder Engagement



Best Practices



Productivity

Success is not measured merely by results, but also by how one achieves it

At IJM, we hold ourselves to the highest standards of business ethics and conduct in all we do across our four business divisions of Construction, Property, Industry and Infrastructure. From being early adopters of ISO quality and safety standards, taking a professional approach to business and organisational set-up, boardroom governance, risk management, our community investment programmes, to adopting strong environmental protection measures. We believe that good corporate governance is a cornerstone of long-term value creation for all our stakeholders and for realising sustainable growth.



Strong Foundation



Strong Internal Controls



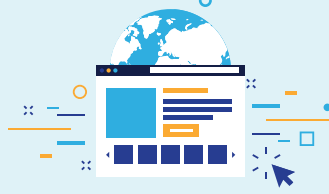
People and Culture



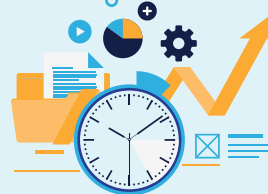
Full Disclosure



Robust Risk Management



Information Transparency



Sustainability



Market Leadership

IJM Corporation Berhad 198301008880 (104131-A)

Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

Tel: 603 7985 8288 Fax: 603 7952 9388 E-mail: ijm@ijm.com www.ijm.com



EXECUTIVE SUMMARY

As we emerge from the pandemic, company leaders will need to be vigilant to deliver changes that leverage on the good governance practices that this report showcases. Governance must continue to ascend on boards and leadership agendas while CG practices must be continuously evaluated.

MSWG is aware that there is no one-size-fits-all approach to a company's governance implementation. The ACGS scorecard uses a weighted scoring system to account for the different levels of "importance" attached to the various CG requirements.

The assessment generates quantifiable and comparable information on the quality of PLCs' governance practices. It further reveals whether companies disregard CG principles as well as provide information on the impact of emerging regulatory requirements.

This is the 10th year that MSWG has undertaken the ACGS assessment to benchmark PLCs' CG disclosures and practices. Based on the assessment of 864 companies using the ACGS, the overall Corporate Governance Score (CG Score) as well as the CG Score of the Top 100 companies (based on CG ranking), and that of the ACE Market-listed companies have all increased in 2021.

Commendable improvements in 2021 include:

- A rise in the number of PLCs which disclosed voting procedures before the start of annual general meeting (AGM) to 769 companies in 2021 from 551 companies in 2020;
- A big increase in the implementation of electronic voting in absentia mechanism to 775 companies from 274 companies during 2020;
- More companies have disclosed that related party transactions (RPTs) were conducted in such a way to ensure that they were fair and at arms' length (from 111 companies in 2020 to 235 companies in 2021);
- An increase in the number of companies which disclosed anti-corruption procedures and programmes to 806 companies from 676 companies in 2020;
- A rise in the number of PLCs which adopted a term limit of nine years for its independent directors to 148 companies in 2021 from 80 companies in 2020;
- An increase in the number of PLCs which disclosed that their Nomination Committee undertook the process of identifying the quality of directors aligned with the companies' strategic directions to 171 companies in 2021 from 47 companies in 2020; and
- A rise in the number of PLCs which set up a separate board level risk committee to 427 companies in 2021 from 262 companies in 2020.

BREWING FOR A BETTER TODAY & TOMORROW

Carlsberg Malaysia believes that sustainability is central to our purpose of Brewing for a Better Today & Tomorrow. Driven by our purpose, our ambition is to create meaningful impacts on our environment, social and governance to deliver on our sustainability ambition of

**TOGETHER
TOWARDS
ZERO &
BEYOND**



ZERO
Carbon
Footprint



ZERO
Water
Waste



ZERO
Irresponsible
Drinking



ZERO
Packaging
Waste



ZERO
Accidents
Culture



ZERO
Farming
Footprint

Carlsberg Malaysia remains a counter in the FTSE Russell's FTSE4GOOD Bursa Malaysia (F4GBM) Index and achieved a Morgan Stanley Capital International (MSCI) ESG rating of "AA". We also support the UN Sustainable Development Goals and WFA's Planet Pledge and is a participant of the UN Global Compact Network Malaysia & Brunei and a corporate friend of Climate Governance Malaysia.



MALAYSIA

28 April 2021

The SC issued the updated Malaysian Code on Corporate Governance (MCCG), the fifth update since it was first introduced in 2000. The 2021 update focused on, among others, board policies and practices on the selection and nomination processes/criteria for directors as well as further guidance for practices with low levels of adoption as reported in the SC's annual Corporate Governance Monitor reports. The MCCG 2021 also focuses on the role of the board and senior management in addressing sustainability risks and opportunities of the company.¹

24 November 2021

The SC issued its Corporate Governance Strategic Priorities 2021-2023 to promote among others ESG fitness and leadership of boards. The SC outlined 11 targeted initiatives such as onboarding programmes for directors on sustainability, investor education series on corporate governance and sustainability, and expansion of collaboration with universities to deepen conversations with youth on the current corporate governance and sustainability issues.²

15 December 2021

Bursa Malaysia announced the issuance of an updated Corporate Governance Guide (4th edition) with the objective of ensuring that PLCs are provided with comprehensive and practical guidance to the various recommended practices under the Malaysian Code on Corporate Governance issued by the SC on 28 April 2021.³

19 January 2022

Bursa Malaysia announced enhanced requirements in the Main Market and ACE Market Listing Requirements (LR) aimed at further strengthening board independence, quality and diversity.

The LR now limits the tenure of an independent director to not more than a cumulative tenure of 12 years in a PLC and its group of corporations. All long serving independent directors impacted by this enhancement must resign or be re-designated as non-independent directors by 1 June 2023.

Another key enhancement is for PLCs with a market cap of RM2 billion as at 31 December 2021, to appoint at least one woman director on their boards by 1 September 2022. For the remaining PLCs, the requirement must be complied with by 1 June 2023.

Additionally, the Exchange introduced a new rule which requires PLCs to have in place a fit and proper policy that addresses board quality and integrity for the appointment and re-election of directors across the PLC group – which must be published on the PLCs' websites – starting from 1 July 2022. PLCs are also required to disclose the application of the PLCs' fit and proper policy in the nomination and election of their directors in their annual reports.⁴

¹ <https://www.sc.com.my/resources/media/media-release/sc-updates-the-malaysian-code-on-corporate-governance-to-promote-board-leadership-and-oversight-of-sustainability>

² <https://www.sc.com.my/resources/media/media-release/sc-issues-corporate-governance-strategic-priorities-2021-2023>

³ https://www.bursamalaysia.com/sites/5bb54be15f36ca0af339077a/content_entry5c11a9db758f8d31544574c6/61b9c29f39fba25ff74bbcf4/files/Dec15_2021_Bursa_Malaysia_Issues_Updated_Corporate_Governance_Guide_4th_Edition_.pdf?1639565362

⁴ https://www.bursamalaysia.com/about_bursa/media_centre/bursa-malaysia-strengthens-board-effectiveness-through-enhancements-to-the-main-and-ace-market-listing-requirements

OTHER KEY MARKETS

11 June 2021

The Tokyo Stock Exchange has partially revised its Securities Listing Regulations pertaining to the revision of Japan's Corporate Governance Code. The revisions, among others, deal with enhancing board independence, promoting diversity, attention to sustainability and ESG.⁵

10 December 2021

The Stock Exchange of Hong Kong amended the CG Code and Listing Rules dealing with company's culture, board independence and refreshment, diversity, communications with shareholders and ESG.

The amended Listing Rules and CG Code will come into effect on 1 January 2022 with the requirements under the new CG Code to apply to CG reports for financial year commencing on or after 1 January 2022.⁶

A new set of guidance entitled the "Corporate Governance Guide for Boards and Directors" was also published to assist listed companies' compliance with the new requirements.

9 March 2022

The US Securities and Exchange Commission (SEC) proposed amendments to its rules to enhance and standardise disclosures regarding cybersecurity risk management, strategy, governance and incident reporting by public companies.

The proposed amendments would require, among other things, current reporting about material cybersecurity incidents and periodic reporting to provide updates about previously reported cybersecurity incidents.

It would also require periodic reporting about a registrant's policies and procedures to identify and manage cybersecurity risks; the registrant's board of directors' oversight of cybersecurity risk; and the management's role and expertise in assessing and managing cybersecurity risk and implementing cybersecurity policies and procedures.

Additionally, the proposal would further require annual reporting or certain proxy disclosure about the board of directors' cybersecurity expertise, if any.⁷

⁵ <https://www.jpx.co.jp/english/news/1020/20210611-01.html>

⁶ https://www.hkex.com.hk/News/Regulatory-Announcements/2021/211210news?sc_lang=en

⁷ <https://www.sec.gov/news/press-release/2022-39>



MS 2424 : 2012
1 064-03/2015



MAL20000455XZ

Citrex Vitamin C Harian Anda!

OLEH
pharmaniaga[®]

SEKALI SEHARI

MUDAH KUNYAH

BEBAS GULA

Tambahan khasiat pemakanan harian Vitamin C
Hubungi: 1800-88-8380

Pristine Pharma Sdn. Bhd.
No. Syarikat: 198301016096 (111488-X)

Citrex citrexofficial

KKLIU 0239/2022

Ini adalah iklan produk suplemen kesihatan

Tarikh luput iklan: 31/12/2024

ABOUT THE ASSESSMENT

THE ASEAN CG scorecard (ACGS) which was first launched in 2011 is the outcome of a successful partnership between the ASEAN Capital Markets Forum (ACMF) and the Asian Development Bank (ADB). The scorecard was developed based on a systematic methodology developed to assess the CG disclosures and practices of PLCs in six participating ASEAN member countries, namely, Malaysia, Indonesia, Philippines, Singapore, Thailand and Vietnam.

The ACGS was developed and continuously improved based on international benchmarks such as the OECD Principles of Corporate Governance (2004), OECD G20/OECD Principles of Corporate Governance (2015), International Corporate Governance Network (ICGN) Corporate Governance Principles and other industry-leading regional and global practices. A holistic and comprehensive review of the scorecard was undertaken in 2016 with the subsequent revised scorecard being used for 2017 assessment onwards.

The 2021 assessment is based on disclosures in the latest annual report, CG report and sustainability report for financial year ended 30 April 2020 to 31 March 2021. Other sources of information include materials on PLCs' websites, announcements to Bursa Malaysia and any other publicly available information, including media and analysts' reports.

All qualifying Malaysian listed companies are assessed under the ACGS. Out of 935 companies listed on Bursa Malaysia (excluding the LEAP Market) as at 31 May 2021, 864 companies were included in the 2021 assessment. A total of 71 companies were excluded mainly due to change of financial year end and PN17/GN3 classification.

MSWG also undertakes targeted peer reviews and moderation exercise as part of the final scores' validation process.

ACGS Assessment Methodology

The ACGS is made up of two levels – **Level 1** consists of the main Scorecard items while **Level 2** contains the bonus and penalty items.

LEVEL 1

Level 1 comprises 146 items that are in essence, indicative of (i) the laws, rules, regulations and requirements of each ASEAN member country; and (ii) basic expectations of the G20/OECD principles. Level 1 is divided into five parts with each part carrying a different weight in relation to the **Level 1** total score of 100 points based on the relative importance of the area. The composition and structure of **Level 1** are provided in **Table 1**.

TABLE 1: COMPOSITION AND STRUCTURE OF LEVEL 1

	Number of Questions	Weight (% of total Level 1 score)	Maximum Attainable Score
Part A: Rights of Shareholders	21	10	10 points
Part B: Equitable Treatment of Shareholders	15	10	10 points
Part C: Role of Stakeholders	13	15	15 points
Part D: Disclosure and Transparency	32	25	25 points
Part E: Responsibilities of the Board	65	40	40 points

FIGURE 1: LEVEL 1 ASSESSMENT CRITERIA CORRESPONDS TO THE FOLLOWING G20/OECD PRINCIPLES

SECTION	AREA	OECD PRINCIPLES OF CORPORATE GOVERNANCE
PART A	Rights of Shareholders	<i>Principle II – The rights of shareholders and key ownership functions</i> The corporate governance framework should protect and facilitate the exercise of shareholder's rights.
PART B	Equitable Treatment of Shareholders	<i>Principle III – The equitable treatment of shareholders</i> The corporate governance framework should ensure the equitable treatment of shareholders including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective redress for violation of their rights.
PART C	Role of Stakeholders	<i>Principle IV – The role of stakeholders in corporate governance</i> The corporate governance framework should recognise that rights of stakeholders established by law or through mutual agreements and encourage active co-operation between corporations and stakeholders in creating wealth, jobs and the sustainability of financially sound enterprises.
PART D	Disclosure and Transparency	<i>Principle V – Disclosure and transparency</i> The corporate governance framework should ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership and governance of the company.
PART E	Responsibilities of the Board	<i>Principle VI – The responsibilities of the board</i> The corporate governance framework should ensure the strategic guidance of the company, the effective monitoring of management by the board, and the board's accountability to the company and the shareholders.

LEVEL 2

Level 2 consists of bonus and penalty items meant to enhance the robustness of the ACGS in assessing the extent to which companies apply the spirit of good governance. The purpose of the bonus items is to recognise companies that go beyond the items in **Level 1** by adopting emerging exemplary corporate governance practices. The penalty items are designed to decrease scores of companies with poor corporate governance practices that are not reflected in their scores for **Level 1**.

Level 2 contains 13 bonus and 26 penalty items, each with a different number of points. The maximum attainable bonus points are 30 while the maximum deductible penalty is 67 (**Table 2**).

TABLE 2: COMPOSITION AND STRUCTURE OF LEVEL 2

Level 2	Number of Questions	Maximum Score (points)
Bonus	13	30
Penalty	25	(67)

The total score is derived as follows:

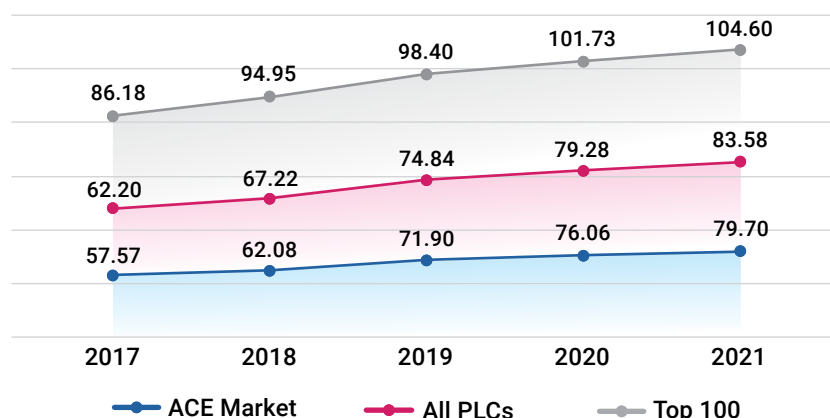
$$\text{Total score} = \text{Level 1 score} + \text{Level 2 score}$$

The maximum attainable score is 130 points.

KEY FINDINGS

BASED on the assessment using the ASEAN Corporate Governance Scorecard of 864 companies in 2021, the overall CG Score was 83.58 points out of a maximum attainable score of 130 points. This is a commendable 5.4% increase from 79.28 points in 2020 especially when considering that PLCs encountered numerous business challenges presented by the COVID-19 pandemic.

FIGURE 2: FIVE YEAR TREND CG SCORE (2017-2021)



As mentioned earlier, the revised scorecard was used for assessments in 2017 onwards. Over the past five years, our PLCs have shown consistent and steady improvements in the CG Score from 62.20 points in 2017 to 83.58 points in 2021 as reflected in **Figure 2**. The upward trend is also observed in the Top 100 PLCs and ACE Market PLCs. This steady improvement is indeed encouraging, and is a testament that the ACGS is an effective tool for corporate governance reform.

Despite facing an adverse economic environment, the overall CG Scores for all companies, including that of Top 100 and ACE Market, have all risen in 2021 from 2020. (Note: References to the Top 100 in this report are by CG scores ranking and not by market capitalisation.)

It is encouraging to observe that the average CG Score for the Top 100 PLCs has consistently trended upward from 86.18 points in 2017 to 101.73 points in 2020, and has further risen to 104.60 points in 2021. For all companies, the average CG Score has moved upward to 83.58 points in 2021 from 79.28 points in 2020. For ACE Market, the CG Score has improved from 76.06 points in 2020 to 79.70 in 2021.

FIGURE 3: COMPONENTS OF THE ASEAN CORPORATE GOVERNANCE SCORECARD

Year	Part A	Part B	Part C	Part D	Part E	Bonus	Penalty	CG Score
2021	8.17	9.22	11.51	17.18	28.32	11.71	-2.53	83.58
2020	7.86	8.82	11.14	16.17	28.99	9.27	-2.96	79.28
2019	7.76	8.83	9.30	16.00	27.98	8.10	-3.13	74.84
2018	8.01	8.82	7.08	14.66	26.06	6.06	-3.47	67.22
2017	7.42	8.82	6.10	14.53	24.52	4.48	-3.67	62.20

An analysis of the average score with regard to each component of the scorecard for all PLCs as shown in **Figure 3** reflects an upward trend from 2017 to 2021 with Part C on Role of Stakeholders showing the most significant improvement. It is also heartening to note that average score for the bonus section has increased since 2017 and that the average score for the penalty section is showing a downward trend.

FIGURE 4: DISTRIBUTION OF CG SCORE

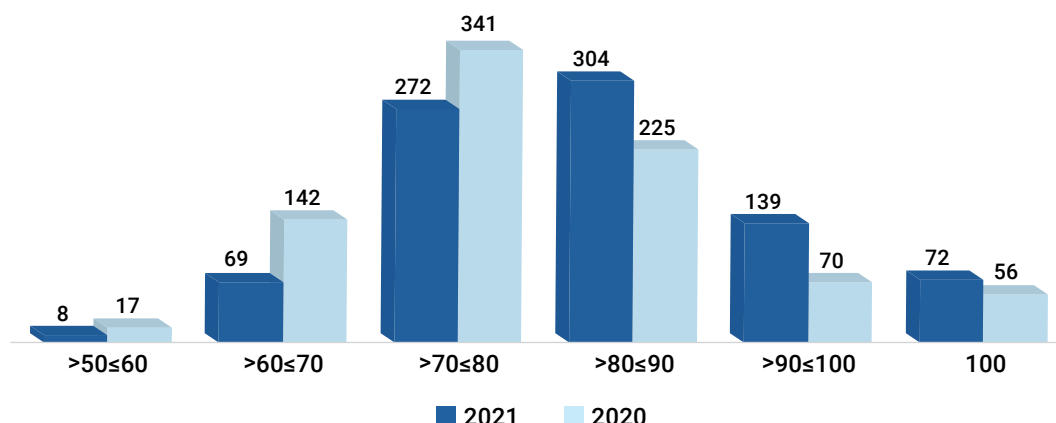


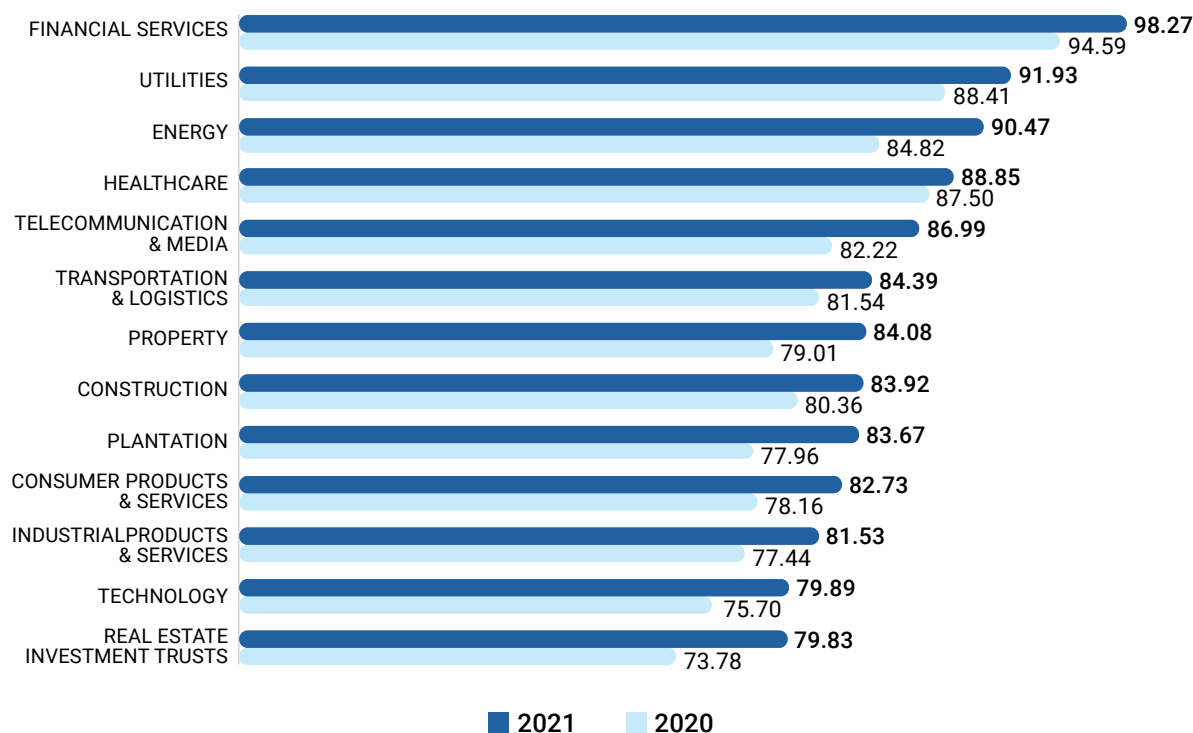
Figure 4 shows that there has been an overall increase in the number of companies with scores above 80 points in 2021 which is very encouraging. There is also a significant reduction in the number of companies with scores below 70 points.

Additionally, the following 72 companies achieved CG Score exceeding 100 points which was an encouraging result compared to 56 companies in 2020:

AEON CREDIT SERVICE (M) BHD	HONG LEONG BANK BHD	PETRONAS CHEMICALS GROUP BHD
AFFIN BANK BHD	IHH HEALTHCARE BHD	PETRONAS DAGANGAN BHD
ALLIANCE BANK MALAYSIA BHD	IJM CORPORATION BHD	PETRONAS GAS BHD
ALLIANZ MALAYSIA BHD	IJM PLANTATIONS BHD	POS MALAYSIA BHD
AMMB HOLDINGS BHD	IOI CORPORATION BHD	PRESS METAL ALUMINIUM HOLDINGS BHD
AMWAY (M) HOLDINGS BHD	IOI PROPERTIES GROUP BHD	PUBLIC BANK BHD
ASTRO MALAYSIA HOLDINGS BHD	KUMPULAN PERANGSANG SELANGOR BHD	QL RESOURCES BHD
AWANBIRU TECHNOLOGY BHD	LOTTE CHEMICAL TITAN HOLDING BHD	RHB BANK BHD
AXIATA GROUP BHD	LPI CAPITAL BHD	SIME DARBY BHD
BRITISH AMERICAN TOBACCO (MALAYSIA) BHD	MALAKOFF CORPORATION BHD	SIME DARBY PLANTATION BHD
BUMI ARMADA BHD	MALAYAN BANKING BHD	SIME DARBY PROPERTY BHD
BURSA MALAYSIA BHD	MALAYSIA AIRPORTS HOLDINGS BHD	SP SETIA BHD
CAHYA MATA SARAWAK BHD	MALAYSIA BUILDING SOCIETY BHD	SUNWAY BHD
CARLSBERG BREWERY MALAYSIA BHD	MALAYSIAN MARINE AND HEAVY ENGINEERING HOLDINGS BHD	SUNWAY CONSTRUCTION GROUP BHD
CIMB GROUP HOLDINGS BHD	MALAYSIAN RESOURCES CORPORATION BHD	SUNWAY REAL ESTATE INVESTMENT TRUST
DELEUM BHD	MATRIX CONCEPTS HOLDINGS BHD	SURIA CAPITAL HOLDINGS BHD
DIGI.COM BHD	MAXIS BHD	TELEKOM MALAYSIA BHD
DRB-HICOM BHD	MEDIA PRIMA BHD	TENAGA NASIONAL BHD
DUOPHARMA BIOTECH BHD	MISC BHD	TOP GLOVE CORPORATION BHD
ECO WORLD DEVELOPMENT GROUP BHD	MNRB HOLDINGS BHD	TUNE PROTECT GROUP BHD
ECO WORLD INTERNATIONAL BHD	MR D.I.Y. GROUP (M) BHD	UEM EDGENTA BHD
FGV HOLDINGS BHD	OSK HOLDINGS BHD	UEM SUNRISE BHD
FRASER & NEAVE HOLDINGS BHD	PARAMOUNT CORPORATION BHD	UMW HOLDINGS BHD
GREATECH TECHNOLOGY BHD		VELESTO ENERGY BHD
		YINSON HOLDINGS BHD

As can be seen in **Figure 4** – similar to 2020 – no company scored less than 50 points in their CG Score. Only one company scored less than 50 points in their CG Score in 2019. It is also heartening to note that 787 companies (91%) achieved CG score of above 71 points, compared to 692 companies (81%) in 2020. This indicates that PLCs are indeed striving to improve their CG best practices and reporting in their annual report.

FIGURE 5: AVERAGE CG SCORE BY SECTOR ON BURSA



As shown in **Figure 5**, the high performing sectors which recorded higher score than the overall average CG Score of 83.58 points in 2021 were the Financial Services, Utilities, Energy, Healthcare, Telecommunication & Media, Transportation & Logistics, Property, Construction and Plantation sectors. Meanwhile, the laggards were from the Consumer Products & Services, Industrial Products & Services, Technology and the REITs sectors.

Real Estate Investment Trusts (REITs)

This is the third year that MSWG has included REITs in its assessment. In a nutshell, REITs comply with the requirements of the Guidelines on Listed Real Estate Investment Trusts by the Capital Markets and Services Act 2007 for listing on Bursa Malaysia.

The 17 listed REITs scored an average CG score of 79.83 points which marks an improvement from 73.78 points in 2020. The highest score was 116.01 points while the lowest score was 61.92 points.

The increase in the overall CG Score for REITs are mainly attributable to more REITs releasing their notices of AGM (with detailed agendas and explanatory circulars) at least 28 days before the date of the AGM as well as a greater number of REITs disclosing clearly their corporate objectives.

PART A: RIGHTS OF SHAREHOLDERS

THE first section of the CG Scorecard has 21 items that contributed to 10% of the **Level 1** score. Out of the 21 items, 12 items were 'default items' which simply means that the PLCs are required to comply with these 12 items by law, regulations or listing requirements.

Based on the evaluation of 864 companies, the average, minimum and maximum scores for this section were as follows:

	2021	2020
Average Score	8.17	7.86
Min Score	6.15	6.15
Max Score	10.00	10.00

Basic shareholder rights via equitable and timely dividend payments

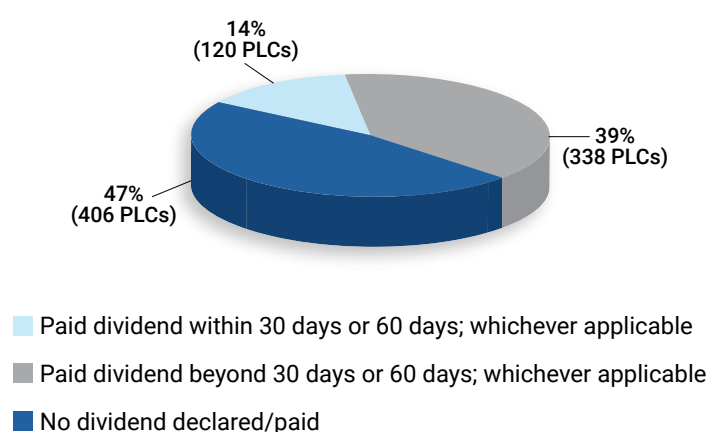
Dividends are normally viewed by shareholders as a sign of a PLC's sustainability and the board has positive expectations around its future earnings potential.

With respect to basic shareholders rights, dividends must be paid in an equitable and timely manner for the benefit of shareholders. In the case of cash dividends, the distribution should be paid within 30 days after being (i) declared (for interim dividends), and (ii) approved by shareholders at general meetings (for final dividends).

In the past year, the pandemic has caused companies to adopt cost cutting measures whereby several PLCs have opted to replace their cash dividend payouts with elective dividends such as scrip dividends and dividend reinvestment plans. As best practice, these elective dividends should be paid within 60 days after being declared.

Figure 6 reveals that out of 864 companies assessed, 47% (n=406) did not pay any dividend during the period under review. Out of the remaining companies that paid dividends during financial year 2021 (n=458), about 14% (n=120) had made the payment within 30 days or 60 days for cash dividends and dividend reinvestment schemes respectively. However, 338 companies (39%) took longer than the expected period to make their dividend payment.

FIGURE 6: EQUITABLE PAYMENT OF DIVIDENDS



Right to participate effectively in and vote in general shareholder meetings

The COVID-19 pandemic has impacted the AGMs of some PLCs held in 2021. Arrangements for meeting had to be changed at short notice with extra communications sent to shareholders to keep them updated with regard to new arrangements.

In terms of the notice period for annual general meeting (AGM), Para. 7.15 of the Main Market Listing Requirements (MMLR) requires a notice period of at least 21 days. **Figure 7** shows that 87% of companies had a notice period with detailed agendas and explanatory circulars of at least 28 days or more which is very encouraging.

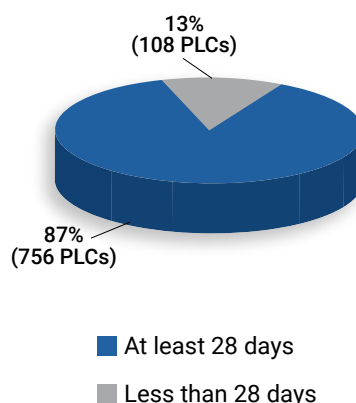
The notice of meeting should also provide shareholders with enough information to enable them to make an informed decision about the resolution being put to the meeting. Explanatory notes on each resolution should be provided to shareholders.

Resolutions should also be drafted to be clear, concise and accurate. When drafting the notice of shareholders' meeting, companies must ensure that all relevant information, including venue, date and time of meeting, general nature of business of meeting, explanatory notes to the agenda of the meeting to the registration and voting procedures are furnished to shareholders.

An analysis of the notices of AGM revealed that 803 companies (93%) provided the rationale and explanation for each resolution that required shareholders' approval in their notice of AGM and/or the accompanying statements. PLCs are also expected to provide the rationale and explanation for the resolution on director remuneration (fees, allowances, benefits-in-kind and other emoluments). Benefits-in-kind, if any, should be disclosed separately from the cash remuneration.

Shareholders should be provided with the rules including voting procedures that govern a general meeting. A total of 769 companies (89%) disclosed their voting procedures before the start of the AGM.

FIGURE 7: AGM NOTICE PERIOD

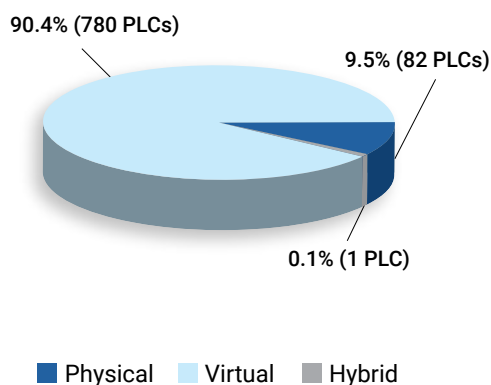


Right to participate and vote in general shareholders meetings

Arising from the pandemic, most shareholders have by now adjusted to virtual AGMs. The current evaluation revealed that 780 companies (90%) had conducted virtual AGMs with one PLC conducted a hybrid approach.

Shareholders are starting to see virtual AGMs as the new norm and may even prefer a virtual meeting so that they can attend and vote from anywhere given that PLCs are able to facilitate voting in absentia. However, PLCs must also ensure that virtual meetings do not fall short in any aspect compared to in-person AGMs in terms of content, transparency and engagement.

FIGURE 8: TYPE OF AGM

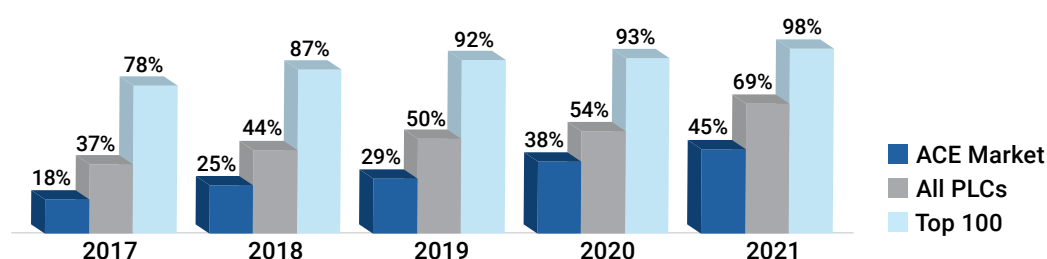


BOX 1: AGM Minutes

As shown in **Figure 9** below, the incidence of companies publishing the AGM minutes has increased over the last five years. The increase in published minutes of AGM in PLCs' websites reflects PLCs compliance with Para. 9.21(2) of the MMLR which requires PLCs to publish a summary of key matters discussed at AGMs as soon as practicable.

Companies should ensure that their minutes clearly reflects the matters discussed, including all questions and the board's responses as well as attendance of their board members. AGM minutes make a useful review document when it comes to measure progress of the PLCs strategies and can even act as an accountability tool for the Board and CEO.

FIGURE 9: PUBLICATION OF AGM MINUTES



Of the 593 companies (69%) which published AGM minutes and key matters discussed, it was noted that all the 593 companies granted shareholders the opportunity to ask questions or raise issues and had these documented together with the PLCs' responses. This record of proceedings would be beneficial to shareholders who were unable to attend the AGM since the AGM minutes are published on the PLCs' corporate websites. Practice 13.6 of the MCCG states that minutes of the general meeting should be circulated to shareholders no later than 30 business days after the meeting.

In Indonesia the announcement of summary minutes of the general meeting of shareholders (GMS) must be announced to the public no later than two (2) working days after the GMS is held.⁸

Given the significance of AGMs, it is crucial that all board members be present at AGMs. Out of the 593 companies which published AGM minutes, it was found that 421 companies (71%) disclosed the names of board members who attended the AGM. Only 348 companies (59%) disclosed full attendance of the board members (including CEO) in the AGM minutes.

All PLCs assessed announced through Bursa Malaysia their voting results comprising approving and dissenting votes for each resolution.

Exercise of ownership rights by shareholders

Shareholder engagement is meant to be a dialogue and creates a two-way communication that complements disclosures. PLCs should develop a strategy for structured interfacing and engagements with shareholders – both retail and institutional – beyond the AGM and be responsive to their evolving and sometimes divergent concerns. Examples of such practices include responding to shareholders requests for meetings or investor roadshows which also include existing shareholders, among others.

However, only 111 companies (13%) were found to have disclosed their practices to encourage shareholders to engage with them beyond the AGM.

⁸ <https://agpr.co.id/electronic-general-meeting-of-shareholders/>

PART B: EQUITABLE TREATMENT OF SHAREHOLDERS

THIS is the second section of the CG Scorecard which has 15 items contributing 10% to the **Level 1** score. Based on the evaluation of 864 companies, the average, minimum and maximum scores for this section were as follows:

	2021	2020
Average Score	9.22	8.82
Min Score	7.89	7.78
Max Score	10.00	10.00

Shares and voting rights

Out of the 864 companies evaluated, 811 companies (94%) had only one class of shares. All the remaining companies that have more than one class of shares (6% or n=53) disclosed the voting rights attached to each class of shares.

Notice of AGM

Based on the assessment of the notice of AGM and the accompanying documents, it was found that none of the companies practised bundling of resolutions in their AGMs while 863 companies (nearly 100%) had the proxy form made easily available by appending it to their notice of AGM.

In relation to the quality of the information in the AGM notice, the evaluation found that:

- With respect to profile of directors seeking election or re-election, 826 companies (96%) disclosed the age, academic qualification, date of first appointment, experience and directorships in other listed companies clearly; and
- With respect to external auditors, 844 companies (98%) disclosed the name of the audit firm seeking appointment or re-appointment.

Protecting minority shareholders' interests from abusive actions

Related party transactions (RPTs) can present a conflict of interest and may be detrimental to the interest of minority shareholders. It may lead to situations in which a business opportunity is lost or funds are tunnelled out of a PLC.

This criteria requires PLCs to disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length. The term fair and at arms' length refers to transactions in an open and unrestricted market and between a willing buyer and a willing seller who are knowledgeable, informed and acting independently of each other.

Based on the review of 864 companies, only 235 companies (27%) disclosed that their RPTs were conducted in a fair and/or at an arms' length basis in the Notes to the Financial Statements. Another 596 companies (69%) either did not reveal their RPTs terms clearly or disclosed other terms such as RPTs being conducted on negotiated basis or mutually agreed terms. The remaining 33 companies (4%) had no RPTs for the current assessment year.

PART C: ROLE OF STAKEHOLDERS

THE third section of the CG Scorecard has 13 items that contribute to 15% to the **Level 1** score. Based on the evaluation of 864 companies, the average, minimum and maximum scores for this section were as follows:

	2021	2020
Average Score	11.51	11.14
Min Score	0.94	2.81
Max Score	15.00	15.00

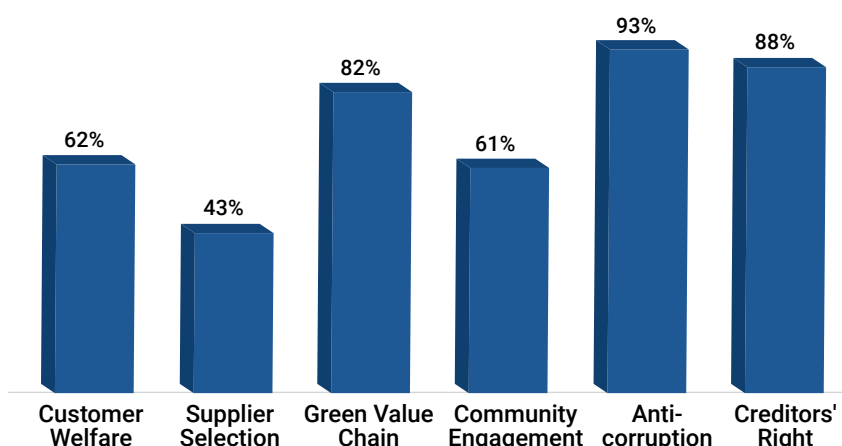
Stakeholders are customers, shareholders, employees, and communities with a vested interest in a company's strategies and development plans. Comprehensive ESG reporting allows stakeholders to ascertain a PLC's strategic goals and how current and potential ESG factors are handled. Robust sustainability and ESG policies and practices increases business resilience and improves overall company performance.

It is encouraging to note that 848 companies (98%) either had a sustainability statement in the annual report or a stand-alone Sustainability Report which conveys disclosures on how the PLCs' operations impact the environment, society and economy. Equally inspiring to note is that in 2021, 61 companies had their annual reports prepared based on the integrated reporting framework.

The 61 companies are as follows:

AEON CREDIT SERVICE (M) BHD	KPJ HEALTHCARE BHD	POS MALAYSIA BHD
ALLIANCE BANK MALAYSIA BHD	LOTTE CHEMICAL TITAN HOLDING BHD	QL RESOURCES BHD
AMMB HOLDINGS BHD	LPI CAPITAL BHD	RHB BANK BHD
ASTRO MALAYSIA HOLDINGS BHD	MAH SING GROUP BHD	SALCON BHD
AXIATA GROUP BHD	MALAYAN BANKING BHD	SCIENTEX BHD
AXIS REITS	MALAYSIA BUILDING SOCIETY BHD	SIME DARBY BHD
BINTULU PORT HOLDINGS BHD	MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BHD	SIME DARBY PLANTATION BHD
BURSA MALAYSIA BHD	MALAYSIAN PACIFIC INDUSTRIES	SIME DARBY PROPERTY BHD
CAHYA MATA SARAWAK BHD	MALAYSIAN RESOURCES CORPORATION BHD	SP SETIA BHD
CIMB GROUP HOLDINGS BHD	MATRIX CONCEPTS HOLDINGS BHD	SUNWAY BHD
DIALOG GROUP BHD	MAXIS BHD	SUNWAY CONSTRUCTION GROUP BHD
DIGI.COM BHD	MISC BHD	SUNWAY REAL ESTATE INVESTMENT TRUST
E.A. TECHNIQUE (M) BHD	MMC CORPORATION BHD	SURIA CAPITAL HOLDINGS BHD
FGV HOLDINGS BHD	MSM MALAYSIA HOLDINGS BHD	TELEKOM MALAYSIA BHD
GAMUDA BHD	MTD ACPI ENGINEERING BHD	TENAGA NASIONAL BHD
HEINEKEN MALAYSIA BHD	MY E.G. SERVICES BHD	TOP GLOVE CORPORATION BHD
HEITECH PADU BHD	NESTLE (MALAYSIA) BHD	UEM EDGENTA BHD
IHH HEALTHCARE BHD	PETRONAS CHEMICALS GROUP BHD	UMW HOLDINGS BHD
IOI CORPORATION BHD	PETRONAS DAGANGAN BHD	VELESTO ENERGY BHD
IOI PROPERTIES GROUP BHD	PETRONAS GAS BHD	WESTPORTS HOLDINGS BHD
KLCC PROP&REITS-STAPLED SEC		

FIGURE 10: STAKEHOLDER RIGHTS - POLICIES AND PRACTICES



As can be seen from **Figure 10**, 535 companies (62%) disclosed policies and practices to address their customers' welfare in the areas of product quality & safety, handling of customer complaints, improving customer experience, assisting customers with decision making, data protection/data security, customer satisfaction surveys, etc.

As companies transition to a net-zero economy, they will push for net-zero supply chains. That means suppliers will need to evaluate and report their greenhouse gas emissions or risk losing its business. Disclosure of supplier/contractor selection practices may reveal if a company's considerations include economic and non-economic factors such as environment, social or human rights. In this regard, 374 companies (43%) (n=374) disclosed their supplier selection procedures.

A total of 706 companies (82%) described their policies and practices in dealing with environmental-friendly practices or green value chain. Environmental factors include greenhouse gas emissions, waste management, renewable energy and clean technology. There must be disclosures that a company not only complies with existing environmental regulations but employs value chain processes that reduce waste, pollution and damage to the environment.

Elsewhere, 527 companies (61%) had some form of community engagement policies and practices. There must be clear goals and the community programme should focus on building human capital, outreach activities or strengthening economic value.

806 companies (93%) disclosed their anti-corruption procedures and programmes. This is expected with Bursa Malaysia's amended LR with effect from 1 June 2020 requiring PLCs and their boards to ensure that the policies and procedures on anti-corruption and whistle-blowing are established and published on its website.

Additionally, 764 companies (88%) had disclosed practices and policies to safeguard creditors' rights. Policies on safeguarding creditors' rights include, among others, (i) policy on collaterals of the company's assets, guarantees and sub-ordinated debt; (ii) policy on debt covenants; (iii) protection in the case of default/distress; and (iv) disclosing information that enables external parties to evaluate the entity's objectives, policies and processes for managing capital.

Facilitation of stakeholders' rights

Stakeholders should have the opportunity to obtain effective redress for violation of their rights and there should be no impediments to the process. PLCs should provide contact details in their website or annual report which stakeholders can use to voice their concerns on possible violation of their rights.

It is acceptable if companies provide contact details in their published whistleblowing policy provided the whistleblowing policy avenues include all stakeholders and not just employees. The complaints must cover all matters of concern and should not be restricted, e.g. complaints on corruption issues only.

The current evaluation found that 710 companies (82%) had provided dedicated contact details in their websites or annual reports which stakeholders namely customers, suppliers, general public, etc can use to voice their concerns and/or complaints for possible violation of their rights.

Employees' health, safety, welfare, training and employees' performance enhancement mechanisms

This includes monitoring and improving work conditions, providing health and safety resources and infrastructure, accident prevention and various other measures to ensure that employees are healthy and safe.

Training and development programmes for employees provides an opportunity to improve skills and knowledge, boost their performance at work as well as improve their productivity and time management. The assessment found that:

- 81% of the companies (n=697) explicitly disclosed their health, safety, and welfare policies and practices by publishing the relevant information; and
- 63% of the companies (n=541) had training and development programmes for their employees and published the relevant data and statistics on such training activities.

With respect to performance enhancing mechanisms, it is recommended that PLCs have a compensation policy that accounts for the performance of the PLC beyond short-term financial measures. This criteria 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 (ESOS) and/or restricted performance share grant.

The key performance indicators (KPIs) in the balanced scorecard must have long-term elements while the ESOS and share grants must have vesting periods disclosed. The assessment found that only 198 companies (23%) had in place a reward or compensation policy that accounts for the performance of the companies beyond short-term financial measures.

Whistleblowing

Whistleblowing is a vital channel for all stakeholders to raise concerns on any wrongdoing without fear of retaliation. Whistle-blowers play an important role in identifying and calling out misconduct and harm which not only violates the rights of the company and its stakeholders but detrimental to the company's reputation and possible financial liabilities.

The assessment found that 760 companies (88%) had whistleblowing policies and procedures in place for its employees and other stakeholders. Likewise, an encouraging 768 companies (89%) had disclosed policies or procedures to protect an employee/person who revealed illegal and/or unethical behaviour from retaliation. The whistleblowing policies are available on the corporate websites.

PART D: DISCLOSURE & TRANSPARENCY

THE fourth section of the CG Scorecard has 32 items that contribute to 25% of the **Level 1** score. This section of the Scorecard assesses a company's practices in relation to disclosure and transparency.

Based on the evaluation of 864 companies, the average, minimum and maximum scores for this section were as follows:

	2021	2020
Average Score	17.18	16.17
Min Score	10.81	10.00
Max Score	25.00	25.00

Transparent ownership structure

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 major and/or substantial shareholders.

However, only 43 companies (5%) 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.

Companies are expected to disclose details of their parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/vehicles (SPEs)/(SPVs). Apart from identifying the subsidiaries, associates, joint ventures and SPE/SPVs, the shareholding interest must also be disclosed. All PLCs disclosed the relevant information.

Quality of annual report

Annual reports are designed to provide stakeholders with information about a company's performance in the preceding year and contain information such as performance highlights, CEO statement, strategies, financial statements and corporate objectives and goals for future years.

Corporate objectives are specific, measurable, and timeline driven targets to achieve the corporate goals. A company's strategy is a detailed medium and long-term plan to meet these corporate objectives. PLCs are expected to disclose either short-term or long-term goals aligned to their corporate objectives. The assessment revealed that 282 companies (33%) disclosed their corporate objectives with sufficient clarity.

Our evaluation further revealed that 863 companies (99%) had disclosed in their annual reports the attendance of their board members at board meetings held during the year. With regard to biographical details of directors (i.e. age, qualifications, date of first appointment, relevant experience and other directorships of listed companies), 831 companies (96%) made full disclosure.

Every company assessed disclosed at least one financial performance indicator. Examples include return on equity (ROE), return on investment (ROI), earnings per share (EPS), etc.

It is essential that companies also disclose at least one quantifiable non-financial performance indicators which should relate to core business activities or ESG agenda of the company. Examples include customer satisfaction index, market share, plant utilisation rate, investment properties occupancy rate and staff turnover figure.

A total of 603 companies (70%) disclosed some form of non-financial performance indicators in their annual reports which is an improvement from 2020 (n=397; 47%).

A dividend policy gives shareholders some certainty concerning the amount and timing of the dividend payments. Companies must disclose a quantifiable dividend policy, for example, a target dividend payout ratio/dividend per share. Only 145 companies (17%) in our assessment disclosed their dividend policy in their annual reports.

Despite the MMLR (Para 11, Part A of Appendix 9C) requiring listed issuers to disclose the remuneration of directors on a named basis, there were still 74 companies which disclosed their directors' remuneration in lump-sum basis or in bands.

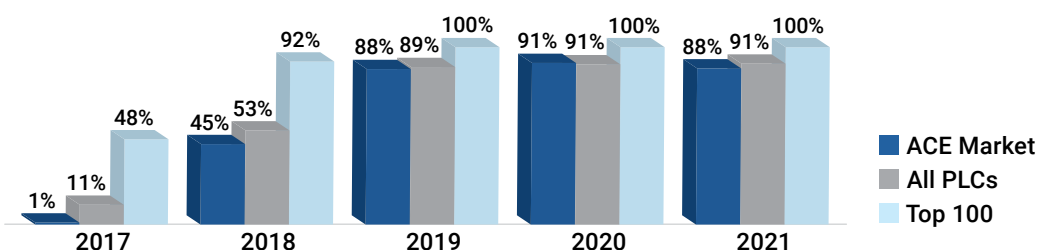
Reasons cited by some PLCs for failing to disclose the remuneration of their boards of directors on an individual named basis includes concern that such information is "commercially sensitive" or that the company "operates in a highly competitive environment".

However, detailed disclosure allows shareholders to make an informed decision when voting on the approval of directors' remuneration and to consider the appropriate remuneration package by considering the responsibilities of the directors.⁹

BOX 2: DISCLOSURE OF DIRECTORS' REMUNERATION

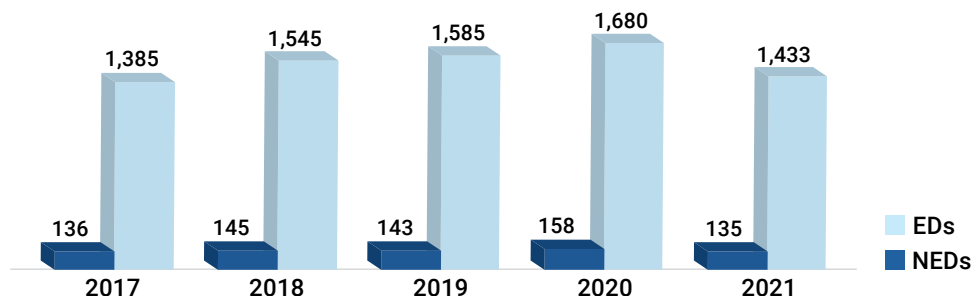
Figure 11 reveals that disclosure of individual director's remuneration appeared relatively constant from 2019 to 2021 for the Top 100 and all PLCs although there was a slight drop in ACE Market disclosures from 2020 to 2021.

FIGURE 11: DISCLOSURE OF INDIVIDUAL DIRECTOR'S REMUNERATION



BOX 3: DIRECTORS' REMUNERATION (GROUP)

FIGURE 12: DIRECTORS' AVERAGE REMUNERATION (RM'000)



⁹ <https://www.sc.com.my/api/documentms/download.ashx?id=239e5ea1-a258-4db8-a9e2-41c215bdb776>

AVERAGE ANNUAL REMUNERATION OF EXECUTIVE DIRECTORS AND NON-EXECUTIVE DIRECTORS BY SECTOR IN 2021

	AVERAGE ANNUAL REMUNERATION OF EXECUTIVE DIRECTORS (RM)	AVERAGE ANNUAL REMUNERATION OF NON-EXECUTIVE DIRECTORS (RM)
CONSTRUCTION	1,423,000	105,000
CONSUMER PRODUCTS & SERVICES	1,732,000	101,000
ENERGY	2,125,000	175,000
FINANCIAL SERVICES	5,522,000	400,000
HEALTHCARE	2,888,000	149,000
INDUSTRIAL PRODUCTS & SERVICES	1,128,000	85,000
PLANTATION	1,979,000	205,000
PROPERTY	1,797,000	107,000
REAL ESTATE INVESTMENT TRUSTS	951,000	117,000
TECHNOLOGY	907,000	73,000
TELECOMMUNICATIONS & MEDIA	2,254,000	122,000
TRANSPORTATION & LOGISTICS	1,216,000	115,000
UTILITIES	2,681,000	225,000

Corporate governance confirmation statement

This criteria requires a statement from PLCs confirming their full compliance with the code of corporate governance and where there are non-compliances, identify and explain the reasons. The LR require PLCs to disclose how they had applied the principles of the MCCG.

The MCCG adopts the 'apply or explain an alternative' approach, and where the board finds that it is unable to implement any of the MCCG practices, it should apply a suitable alternative practice to meet the intended outcome.¹⁰

Towards this end, the assessment found that 858 companies (99%) furnished their respective corporate governance reports explaining the application of the MCCG, or in the case where the recommendation was not observed, an explanation was provided on the alternative approach.

Disclosure of RPTs

Para 15.12 (1)(h) of the MMLR states, among others, that the audit committee is obliged to review and report to the board any RPT and conflict of interests situation that may arise within the listed issuer or group, including any transaction, procedure or course of conduct that raises questions of management integrity.

Therefore, the onus is on the audit committee to ensure that such transactions are carried out in the best interest of the PLC and not detrimental to the minority shareholders. The current assessment found that 822 companies (95%) disclosed the policy covering the review and approval of material or significant RPTs.

Meanwhile, 390 companies (45%) disclosed the name, relationship, nature and value of the RPT and nature of relationship for each of the material or significant RPT.

¹⁰ <https://www.sc.com.my/api/documentms/download.ashx?id=239e5ea1-a258-4db8-a9e2-41c215bdb776>

Dealing in shares by insiders

In relation to the disclosure of trading in the shares of a company by directors and senior management, only nine PLCs (1%) disclosed such information.

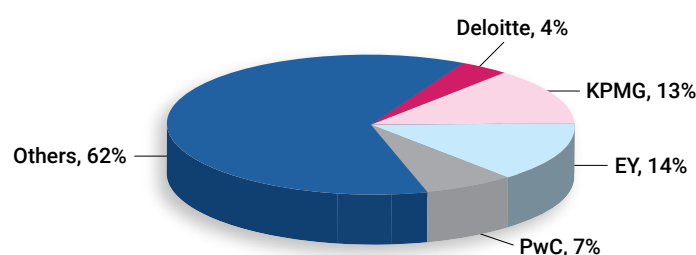
External auditors and audit fees

The current assessment found that 38 companies (4%) had non-audit fees exceeding their statutory audit fees. All other audit-related fees are regarded as non-audit fees for the purposes of our assessment.

BOX 4: EXTERNAL AUDIT FIRMS

For the 2021 assessment year, the Big-Four had a 38% market share of external audit services engagement as shown in **Figure 13**. However, in terms of audit fees, the Big-Four's market share was 74%, of which PwC's market share of audit fees stood at 32%.

FIGURE 13: MARKET SHARE OF EXTERNAL AUDIT FIRMS



Medium of communication

A well-designed, user-friendly, convenient navigation, responsive corporate website with informative and quality content establishes credibility between the company and its stakeholders. On this front, 860 companies (99.5%) have corporate websites. However, the websites of four PLCs could not be accessed at the time of our assessment.

All companies posted their quarterly reports on their websites or linked them to their quarterly announcements on Bursa Malaysia's website.

Investors may rely on various investment professionals, principally financial analysts, to assist them in their decision-making process. Nevertheless, companies should disclose material and relevant information concerning themselves on a timely basis. Investors expect analysts to draw conclusions about the valuation and prospects of a company and to make recommendations.

In this regard, out of the 864 companies assessed, 104 companies (12%) had disclosed details on their websites or annual reports that they had used analysts' briefings as an additional mode of communication. Even lesser number of companies (n=26; 3%) – mostly the Top 100 PLCs – took steps to hold media briefings or media conferences.

Investor relations officers can build strong relationships with investors, shareholders and analysts. The current assessment found that 65% of the companies (n= 562) disclosed contact details (e.g., telephone/fax numbers and e-mail addresses) of the officer responsible for investor relations.

BOX 5: TIMELINESS OF ANNUAL REPORT

Due to the unprecedented business disruptions caused by COVID-19 in 2020/2021, Bursa Malaysia had granted various time extensions for the issuance of annual reports and annual audited financial statements.

A total of 452 (52%) companies managed to release their annual reports within 120 days or four months after their financial year end (FYE) while another 412 (48%) PLCs took longer than 120 days to release their annual reports in view of the time extension granted by Bursa Malaysia.

Company website

Below are details of updated information disclosed by PLCs in the current assessment:

- Downloadable annual report (n=858; 99%); latest quarterly financial statements (n=845; 98%); and Notice of AGM and/or EGM (n=853; 99%);
- About one-tenth of companies (n=99; 11%) disclosed materials provided to analysts and media during briefings; and
- 69% of companies (n=593) furnished minutes of AGM and/or EGM while 146 companies (17%) posted their constitution on their websites.

PART E: RESPONSIBILITIES OF THE BOARD

THE fifth and final section of the **Level 1** CG Scorecard has 65 items that contributed to 40% to the **Level 1** score. Out of these 65 items, nine items were default items.

Based on the evaluation of 864 companies, the average, minimum and maximum scores for this section were as follows:

	2021	2020
Average Score	28.32	28.99
Min Score	14.40	14.79
Max Score	39.46	39.46

Board Duties and Responsibilities

Clearly defined board responsibilities and CG policy

The disclosures for board charters were commendable and revealed the following:

- 823 companies (95%) disclosed the board charter. A board charter normally sets out the objectives, responsibilities, and framework for operation of the board as established under its constitution. In this vein, a board charter serves as a reference source and primary induction literature for current and new board members in the performance of their fiduciary duties as directors. A board charter should be periodically reviewed and updated with regulatory and other relevant developments.
- 850 companies (98%) disclosed the roles and responsibilities of the board of directors. PLCs should clearly list out the duties of their board such as overseeing the business affairs of the company, overseeing the processes for evaluating the adequacy of internal controls and risk management systems, approving broad policies, strategies, objectives of the company, etc.
- 709 companies (82%) disclosed the types of decisions requiring approval by the board of directors. This refers to the issues for which board approval is specifically required such as acquisitions and disposals, share issuances, financial restructuring, etc.

Corporate vision and mission

A vision statement generally relates to a desired future state if long-term goals are accomplished and is the driving force of how a company defines success.

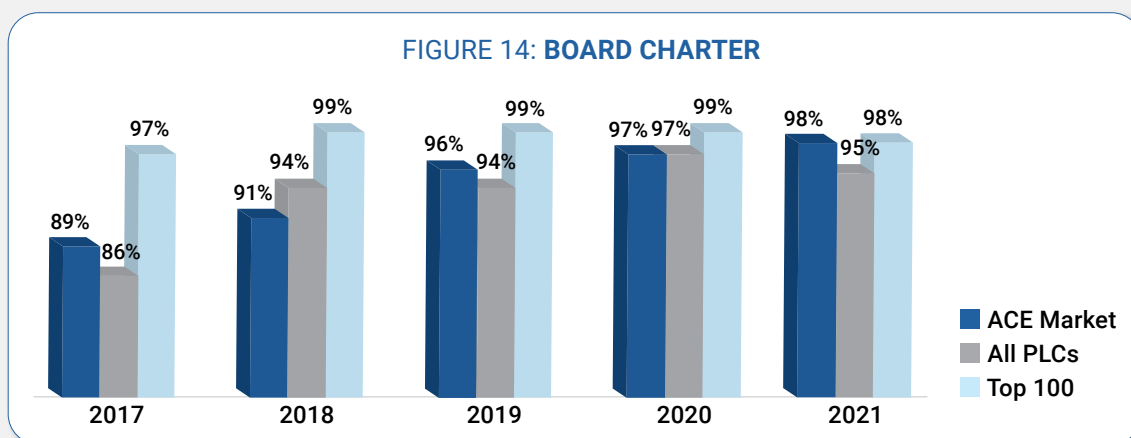
A mission statement which supports the vision normally communicates a company's purpose, core function and goal to all stakeholders.

As per our assessment, 478 companies (55%) had an updated vision and mission statement while a significant 715 companies (83%) revealed that their boards had played a leading role in the process of developing and reviewing their strategy at least annually.

PLCs should state how their boards guide their management in developing and reviewing their strategy annually. The assessment found that 603 companies (70%) disclosed that their boards had a process to review, monitor and oversee the implementation of their corporate strategies.

BOX 6: BOARD CHARTER

Figure 14 reveals the trend of more companies disclosing their board charter. All Top 100 PLCs except two had a board charter in place in 2021.



Board Structure

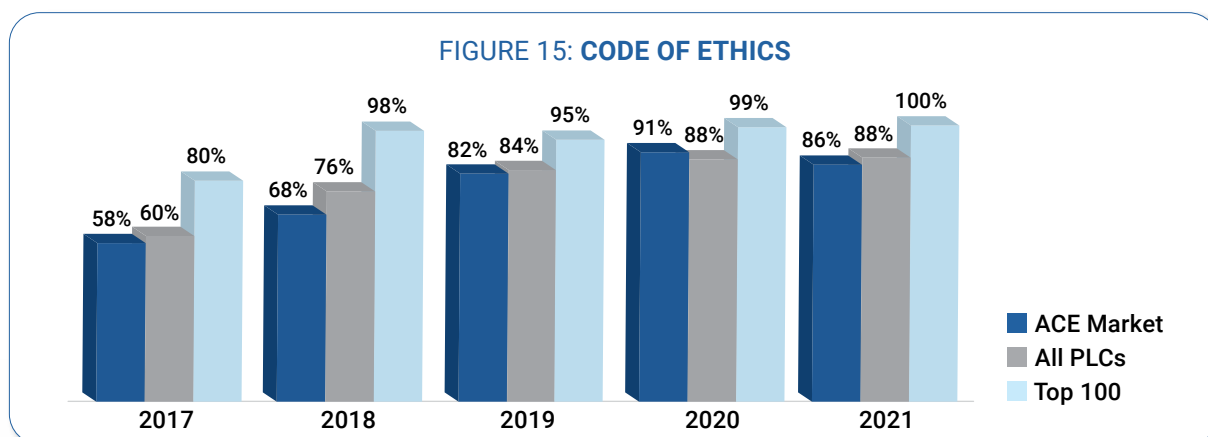
Code of ethics or conduct

The MCGG recommends that PLC boards establish a Code of Conduct and Ethics and together with their management, implement the relevant policies and procedures which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The code should among others, provide details of who it applies to, the desired conduct/behaviour expected by the organisation and handling of breaches. A total of 762 companies (88%) had adequate disclosures in their code of ethics, often found in the corporate website. A further 587 companies (68%) specifically identified directors, senior management and employees to comply with the code of ethics.

A total of 475 companies (55%) revealed how they implemented and monitored compliance with their code of ethics. Practices which aid the implementation and monitoring may involve the following:

- Communicating the code to all existing and new employees and directors;
- Making the code available on the company's intranet for ease of access; and
- Disclosing that the company requires an annual declaration on compliance with the code of ethics/code of conduct.



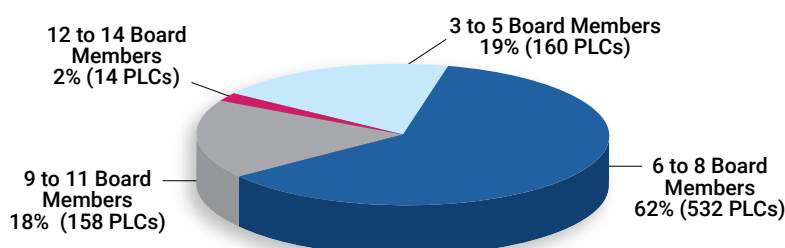
Board structure and composition

It is very important that the board's structure and composition is carefully considered to ensure its optimum effectiveness. A strong board is a critical component of a strong company.

BOX 7: BOARD COMPOSITION

A typical board comprised six directors. In fact, our 2021 analysis found that 62% of companies (n=532) had six to eight board members. One company had three directors while one company had 14 directors and four PLCs had 13 board members each.

FIGURE 16: BOARD SIZE

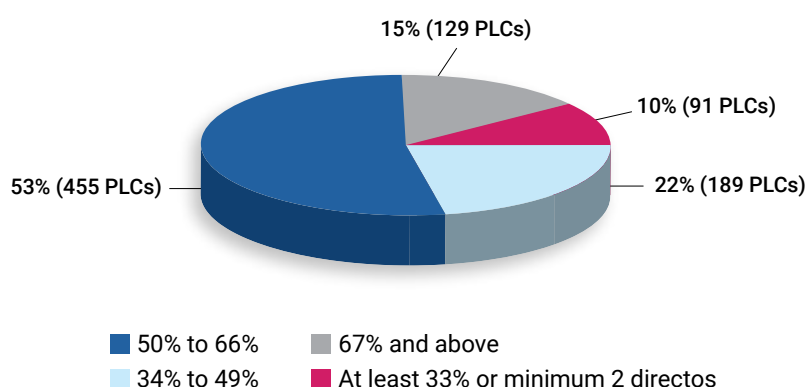


BOX 8: INDEPENDENT DIRECTORS

The MMLR requires the board of a PLC to have at least two independent directors (INEDs) or for INEDs to comprise one-third of the board of directors, whichever is higher. Para 15.02(3) of the MMLR states that in the event of any vacancy in the board of directors, a listed issuer must fill the vacancy within three months.

If the number of directors of the listed issuer is not three or a multiple of three, the MMLR allows for the number nearest to one-third to be used. Two companies had boards made up entirely of INEDs. A typical company had INEDs comprising about 50% of the board members.

FIGURE 17: PROPORTION OF INDEPENDENT DIRECTORS

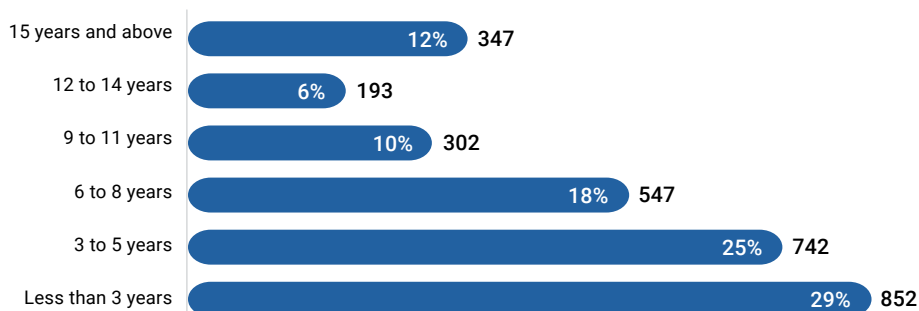


BOX 9: INDEPENDENT DIRECTOR'S LENGTH OF SERVICE (YEARS)

Overall, there were 6,086 director positions during the period under review, out of which 49% are INEDs.

In terms of length of service of INEDs, the shortest was less than one year while the longest length of service was 42 years. A typical INED's length of service was seven years. **Figure 18** shows that 28% of INED positions were occupied by individuals who had served more than nine years.

FIGURE 18: INED LENGTH OF SERVICE (YEARS)



Issues relating to re-appointment of long-serving independent directors has always been a concern among shareholders. We all know that the passage of time is inversely proportional to a directors' independence – time erodes independence.¹¹

Practice 5.3 of MCCG states that the tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process. The LR now limits the tenure of an independent director to not more than a cumulative tenure of 12 years in a PLC.

A total of 148 companies (17%) had adopted a strict tenure limit of nine years for their independent directors.

The two-tier voting is a process whereby the large shareholders will cast their votes under tier-1 while other shareholders will cast their votes under tier 2. A majority vote at both tiers is required for an independent director to be re-elected. A total of 186 companies (22%) carried out two-tier voting to retain their independent directors beyond the 12th year.

The assessment found that there were 10 companies (2020: 4) that had at least one of their executive directors (EDs) serving on more than two boards of listed companies outside of the group. As the role of EDs has become more challenging with unprecedented demands posed by the COVID-19 pandemic, they should be focused on their own organisations.

In terms of background of directors, those with financial acumen seem to take the lead, followed by science, technology, and related disciplines. The 'Other Backgrounds' category refers to qualifications other than those listed in **Figure 19**.

¹¹ <https://focusmalaysia.my/new-blood-mswg-welcomes-12-year-tenure-for-independent-directors/>

FIGURE 19: BACKGROUND OF DIRECTORS

QUALIFICATIONS	NO OF DIRECTORS
Financial Acumen (Accounting, Finance, Economics, Taxation, Financial Planning)	2,279
Science, Technology, Engineering, Actuarial Science & Mathematics	1,015
Business Management and Administration	787
Law, Secretarial, Corporate Governance, Public Policy & Regulatory	641
Government & Public Administration	84
Marketing, Sales & Services	80
Information Technology	75
Architecture, Quantity Surveyor & Construction	75
Medical, Pharmaceutical & Health Science	60
Agriculture, Food & Natural Resources	40
Property & Real Estate Management, Valuer	21
Human Capital Management	14
Other Backgrounds	865

In terms of skills and competencies, the 2021 assessment found that 546 companies (63%) had at least one non-executive director who possessed prior working experience in the major sector that the PLCs are operating in.

Nomination and Remuneration Committee

The role of the Nomination Committee is to assist and advise the board on matters relating to the composition, structure and operation of the board. The bulk of the committee's responsibilities relate to board effectiveness, including succession planning, director appointments, director education and the evaluation of director performance.

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.

On the other hand, the main purpose of a Remuneration Committee is to develop policies and practices for the remuneration of directors, the CEO and senior executives.

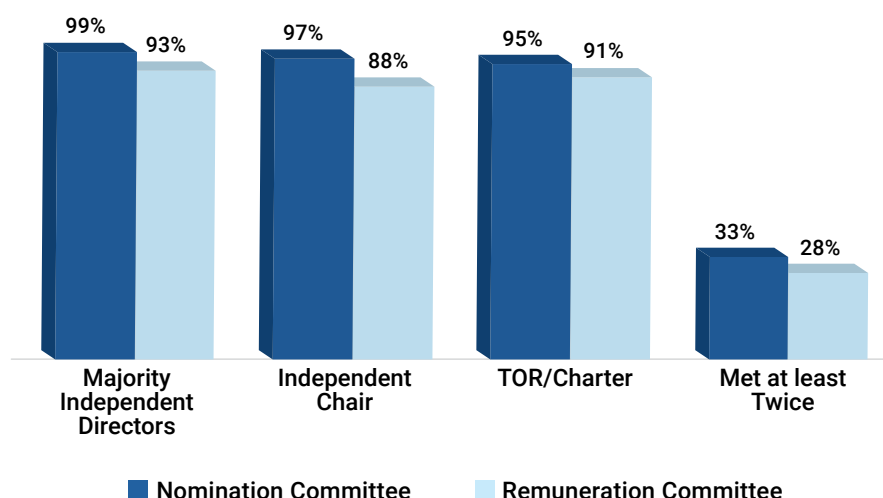
The assessment revealed that several companies combined the functions of Nomination Committee and Remuneration Committee into a single Nomination and Remuneration Committee (NRC). This explains why the proportion of Remuneration Committee mirrored closely with the Nomination Committee.

If the Nomination Committee and Remuneration Committee are combined, the combined Committee must ensure that there is sufficient and dedicated attention to discuss matters relating to both nomination matters and remuneration of directors and senior management and this is clearly disclosed when articulating the activities of the NRC in the CG statement.

In 2021, all except seven REITs had established a Nomination Committee while 838 companies (97%) established a Remuneration Committee.

A review of **Figure 20** reveals that in all instances, the proportion of companies adopting best practices in the CG scorecard for Nomination Committees was higher than that of Remuneration Committees. It is noted that only about 33% of Nomination Committee (n=284) and 28% (n=245) of Remuneration Committee met at least twice during the year and disclosed meeting attendance details.

FIGURE 20: ADOPTION OF BEST PRACTICES FOR NOMINATION COMMITTEE AND REMUNERATION COMMITTEE (2021)



Audit Committee

The role of the Audit Committee includes among others oversight of financial reporting and related internal controls, oversight of risk, ethics and compliance and oversight of independent auditors and internal auditors.

Audit Committees of 834 companies (97%) met at least four times during the year with 845 companies (98%) having at least one independent director with accounting expertise on their committees, while Audit Committees of 688 PLCs (80%) had stated that they had the primary responsibility of recommending the appointment and removal of external auditors.

Board Processes

Board meetings and attendance

Board meetings should be held sufficiently regularly to facilitate the oversight duty of directors on significant matters including strategy and risk, ESG, human capital, shareholder engagement and crisis management.

It is recommended that PLCs create an annual board meeting schedule for their boards to meet for a set number of times a year (i.e. quarterly or every two months) and ensure that the schedule is circulated to every board member prior to the preceding financial year-end.

Our 2021 analysis revealed that 359 companies (42%) scheduled their board of directors' meeting before the start of financial year and 303 companies (35%) convened at least six meetings during the financial year.

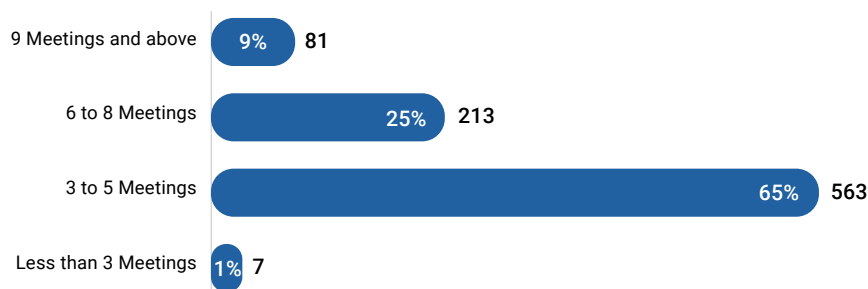
A total of 752 companies (87%) had directors who attended at least 75% of all board meetings held during the year; 28 companies (3%) required a quorum of at least two-thirds for board decisions; and only 19 companies (2%) disclosed that their non-executive directors met separately at least once during the year without the presence of any executives.

BOX 10: BOARD MEETINGS

In terms of frequency of board meetings, 213 PLCs (25%) disclosed that they had convened at least six to eight board meetings during the year of assessment.

The highest number of board meetings was 26 meetings in one PLC while the lowest number of board meetings was one meeting in two PLCs.

FIGURE 21: BOARD MEETINGS



Access to information

Comprehensive board papers ensure board members have well-written, relevant, and accurate information to support their decision-making. Directors need sufficient time to read and grasp information in board papers in order to be effective in their role and to meet their fiduciary duties.

In this regard, our 2021 assessment found that 555 companies (64%) made available board papers for meetings to their board members at least five business days or seven calendar days in advance of the board meeting.

Company secretaries provide invaluable support to boards through governance advice, effective administration of board processes, facilitation of board reviews and director inductions, to name a few services. It was found that 861 companies (99%) had their company secretaries playing a significant role to support their boards in discharging their responsibilities.

Board appointments and re-elections

Integrity, competence, insight, dedication and effectiveness are vital personal qualities for effective operation of boards. Each appointment and recruitment process of board members should be tailored specifically to the requirements of a particular board.

It is encouraging to note that 773 companies (89%) disclosed the criteria used in selecting new directors. However, only 499 companies (58%) disclosed the process for appointing new directors.

Remuneration matters

Practice 7.1 of the MCGG states that boards of PLCs must have in place policies and procedures to determine the remuneration of directors and senior management that take into account the demands, complexities and performance of the company as well as skills and experience required, and these are periodically reviewed.

The disclosures recommended by this criteria is the policies/practices of the remuneration being paid to executive directors and CEO. The remuneration disclosures should encompass (i) short term incentives (e.g. fees and bonuses); (ii) long term incentives (e.g. share options and warrants); and (iii) performance measures (e.g. KPIs and balanced scorecard).

Disclosure of fee structure for non-executive directors allows shareholders to assess if non-executive directors are remunerated in an appropriate manner. This refers to the amount being paid to non-executive directors for being a committee chairman, committee member and attendance at board meetings, among others.

The current assessment found the following:

- 183 companies (21%) disclosed remuneration policies/practices which include both short-term and long-term incentives and performance measures for their executive directors and CEO; and
- 154 companies (18%) disclosed the fee structure for non-executive directors.

It was also found that 837 companies (97%) had their board of directors or shareholders approve the remuneration of executive directors and/or senior management.

However, only 22 companies (3%) in the 2021 assessment 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 entity's financial statements.

The companies below had disclosed clawback or deferral provisions:

AFFIN BANK BHD	HONG LEONG FINANCIAL GROUP BHD
ALLIANCE BANK MALAYSIA BHD	KEN HOLDINGS BHD
ALLIANZ MALAYSIA BHD	LPI CAPITAL BHD
AMMB HOLDINGS BHD	MALAYAN BANKING BHD
ASTRO MALAYSIA HOLDINGS BHD	MALAYSIA BUILDING SOCIETY BHD
AWANBIRU TECHNOLOGY BHD	MALAYSIAN RESOURCES CORPORATION BHD
AYS VENTURES BHD	PUBLIC BANK BHD
BURSA MALAYSIA BHD	RHB BANK BHD
CIMB GROUP HOLDINGS BHD	STAR MEDIA GROUP BHD
GENETEC TECHNOLOGY BHD	THRIVEN GLOBAL BHD
HONG LEONG BANK BHD	TUNE PROTECT GROUP BHD

Other PLCs should consider incorporating clawbacks clauses so as to make executive directors and senior executives more accountable for PLCs financials and at the same time increases shareholders' trust in them.

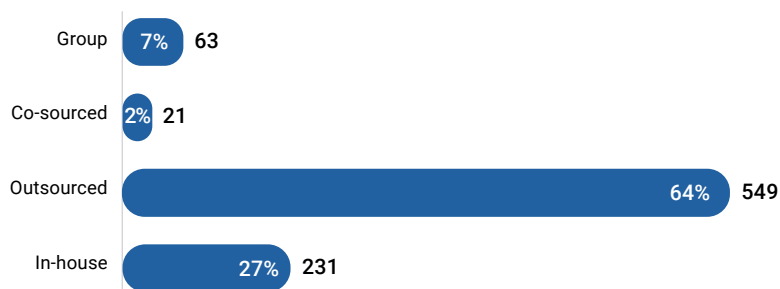
Internal audit

All companies had a separate internal audit function (IAF) with 548 companies (64%) outsourcing their internal audit functions as depicted in **Figure 22**. A total of 770 companies (89%) disclosed the identity of the head of IAF or the name of the external firm engaged in the outsourcing of the internal audit function.

BOX 11: INTERNAL AUDIT FUNCTION

In terms of the cost incurred for internal audit function (IAF), the average cost of in-house and outsourced IAF was RM1,361,000 and RM50,000 respectively. It was also found that 372 companies reported that their IAF cost was less than RM50,000 per year. Of these, 23 companies reported their IAF cost was less than RM10,000 per year. The quality of the internal audit service may be impaired with such low internal audit fees. The lowest IAF cost was RM2,500 per year.

FIGURE 22: TYPE OF IAF SET-UP



While 582 companies (67%) maintained that the appointment and removal of their internal auditors required approval of their audit committees, it was unclear who had the responsibility to appoint and remove the internal auditors for the remaining 282 companies.

Risk oversight

All companies disclosed the internal control procedures or risk management systems that were in place while 855 companies (99%) revealed that their boards of directors had conducted a review of the companies' operational, financial and compliance controls as well as risk management system.

However, only 710 companies (82%) had in their annual reports a statement by their board of directors or audit committees commenting on the adequacy of their internal controls and risk management system.

Some PLCs had disclosed that their CEO had provided the relevant assurance on the adequacy of the companies' internal controls and risk management system but this is insufficient as the assurance should come from the board or audit committee.

BOX 12: OPERATIONAL RISKS

It is insightful to note that Baker McKenzie has partnered with Risk.net in its annual ranking of the top operational risks for 2022. The top 10 risks identified for 2022 are:¹²

1. IT disruption

2. Theft and fraud

3. Talent risk

4. Geopolitical risk

5. Information security

6. Resilience risk

7. Third-party risk

8. Conduct risk

9. Climate risk

10. Regulatory risk

As part of the management discussion and analysis of a PLC's business, Appendix 9C Part A (7)(d) of the MMLR requires PLCs to discuss and disclose the plans or strategies to mitigate any anticipated or known risks which may have a material effect on the group's operations, performance, financial condition and liquidity.

Our 2021 assessment found that only 503 companies (58%) had disclosed key risks which they were materially exposed to whether financial, operational (including information technology), environmental, social or economic.

People on the Board

Board chairman

The chairman's primary role is to ensure that the board is effective in setting and implementing the company's direction and strategy in addition to setting high governance standards.

It is recommended that the roles of chairman and CEO are separated to provide a structural advantage for matters relating to board independence and to limit excessive concentration of power in a sole individual, hence further enhancing the ability of the board to monitor management-related performance. Our 2021 analysis found that 613 companies (71%) had different individuals assuming the roles of chairman and CEO. A total of 454 companies (53%) had a chairman who is an independent director while 830 companies (96%) disclosed the roles and responsibilities of the chairman.

Senior independent director

At different times and from different perspectives, the senior independent director is sometimes an ambassador, kingmaker, conciliator, counsellor, senior prefect, and occasionally, the self-appointed heir. The role of the senior independent director as a highly versatile intermediary is indispensable on a well-run board.¹³

Companies which do not have an independent chairman are expected to appoint a senior independent director and to define his/her role. In this regard, our 2021 assessment found that out of the 410 PLCs with no independent chairman, only 41% (170 companies) had appointed a senior independent director and clearly defined his/her role.

¹² <https://www.bakermckenzie.com/en/insight/publications/guides/top-10-op-risks-2022>

¹³ <https://www.russellreynolds.com/en/insights/articles/the-role-of-the-senior-independent-director>

BOX 13: ANALYSIS OF BOARD STRUCTURES

An analysis of board structures on CEO/MD and key management succession planning, board diversity and board performance assessment revealed the following:

	Disclosure of the process on how the board plans for the succession of the CEO/MD and key management	Disclosed policy and measurable objectives for implementing board diversity and reporting of progress in achieving its objectives	Conducted an annual performance assessment of the board of directors and disclosed the criteria and process followed for the assessment
Independent Chairman	4.51%	7.29%	36.11%
Executive Chairman	7.75%	3.47%	15.97%
Independent directors make up at least 50% of the board of directors	2.31%	11.57%	47.11%

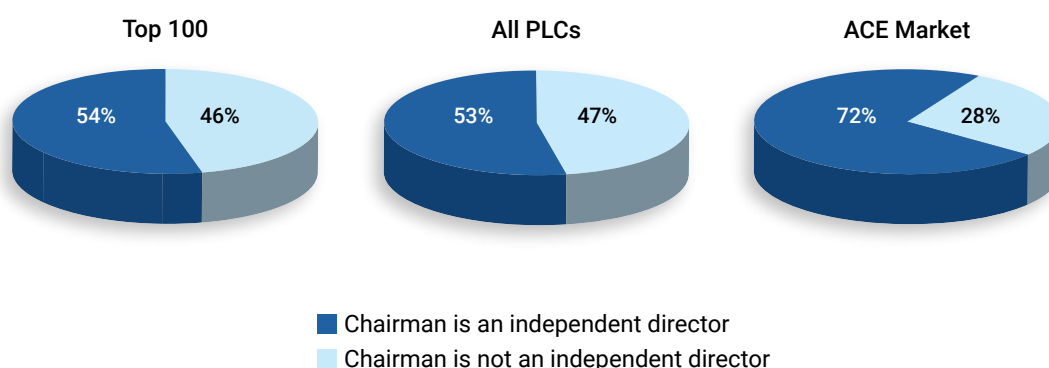
Interestingly, boards with an executive chairman had a highest incidence of disclosure of CEO/ key management succession planning process.

Meanwhile, PLCs which had at least 50% independent boards had the highest score for full disclosure of board diversity policies, including measurable objectives and reporting of progress in achieving these diversity objectives.

Also, the highest rating was achieved by boards with at least 50% independent directors which made disclosure of their board performance assessment together with the process and criteria.

Figure 23 shows that the practice of having an independent chairman was nearly similar for Top 100 PLCs and all listed companies. More ACE Market companies had an independent chairman.

FIGURE 23: INDEPENDENT CHAIR



Board Performance

Directors' development

Onboarding is a focused plan for directors to familiarise themselves with their role which at the end of the day, can have a significant impact on the effectiveness of board meetings.

Regarding directors' development, the current assessment found that:

- ▼⇒ 326 companies (38%) disclosed that they have orientation programmes for new directors appointed during the year; and
- ▼⇒ 628 companies (73%) had a policy that encouraged directors to attend on-going or continuous professional education programmes and provided evidence that the directors had attended trainings.

CEO/executive management appointments and performance

One of the most significant roles that a board must fulfil is the process of succession planning for the company's leadership and to integrate that goal into a long-term business strategy. A strong talent pipeline must be developed.

A CEO evaluation normally involves determining performance expectations, managing performance, and appraising performance. Such evaluation is intended to provide a CEO with an overview of his/her strengths and weaknesses as well as to measure his/her contribution to the PLC's progress towards its strategic goals. In the evaluation, boards should factor in both internal and external targets as well as to establish balanced scorecards and specific KPIs.

In relation to the above, our 2021 assessment found that:

- ▼⇒ 85 companies (10%) disclosed how the board of directors planned for the succession of the CEO and key management; and
- ▼⇒ 140 PLCs (18%) disclosed the annual performance assessment of the CEO.

Board, directors and committees' appraisal

An effective board assessment process can provide key insights on board dynamics. It also contributes to strong oversight and for continuous improvement in the functioning of the board. These assessments should not be regarded as "check the box."

Board evaluations contributes to board renewal in a targeted manner with outcome of evaluations can be used to determine board refreshment and directors' training needs. Board refreshment through director evaluation also ensures that emerging needs of the board are met and to bring in fresh perspectives, skills and diversity.

In terms of appraising board performance as well as that of individual directors and board committees, the assessment found that 580 companies (67%) made clear disclosures of the criteria and processes undertaken for board assessment. Similarly, 560 companies (65%) and 501 companies (58%) also clearly disclosed the criteria and processes undertaken for individual directors' and board committees' assessments respectively.

THE objective of this section of the scorecard was to acknowledge the exemplary efforts of companies which adopted exceptional governance policies and practices that goes beyond those identified in **Level 1**. There were 13 bonus items with a maximum achievable score of 30 bonus points.

Companies are awarded bonus points for best practices relating to board diversity, AGM notice period, adoption of global reporting frameworks for sustainability reporting, separate board level risk committee and use of independent channels for board appointments, among others.

Rights of shareholders

To facilitate shareholder participation, companies are encouraged to utilise information technology in voting, including secure electronic voting in absentia.

The 2021 assessment found that companies practising the above-mentioned voting mechanism had risen to 775 companies (90%) which is a large increase from 274 companies (32%) during the 2020 assessment due to the prolonged restrictions imposed by COVID-19.

Equitable treatment of shareholders

It is encouraging to note that 756 companies (88%) were able to release their notice of AGM and accompanying statements through announcements made via Bursa Malaysia at least 28 days prior to the date of their AGMs. A longer notice period would encourage shareholders to attend or even to provide them with more time to review the company's performance.

Roles of stakeholders

In the context of companies which adopted an internationally-recognised reporting framework for sustainability, notably the Global Reporting Initiative (GRI), Integrated Reporting (IR) or Sustainability Accounting Standards Board (SASB), it was noted that:

- ▼⇒ 161 companies (19%) adopted Integrated Reporting, the GRI G4 sustainability reporting or the SASB Conceptual Framework; and
- ▼⇒ 19 companies (2%) adopted the GRI G3 framework for sustainability reporting, hence were awarded partial bonus points.

Disclosure and transparency

A total of 18 companies (2%) out of which 11 were REITs had displayed exemplary practices by releasing their audited financial statements within 60 days from their financial year end.

The following are companies other than REITs which have released their audited financial statements within 60 days.

BURSA MALAYSIA BHD

FOUNDPAC GROUP BHD

PETRONAS CHEMICALS GROUP BHD

PETRONAS DAGANGAN BHD

PETRONAS GAS BHD

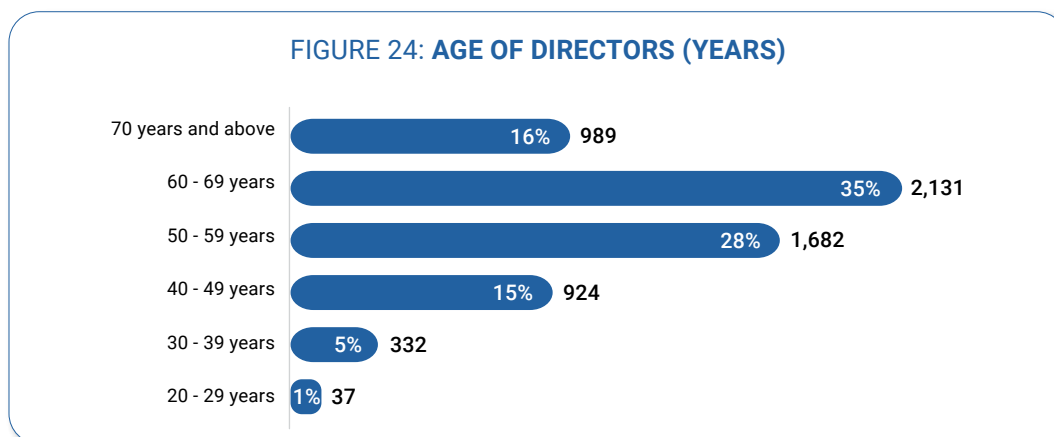
RGT BHD

UNITED PLANTATIONS BHD

The other bonus item under this category relate to the disclosure of details pertaining to the CEO's remuneration. It was found that 611 companies (71%) disclosed such details.

Responsibilities of the board

Diversity in leadership can elevate important perspectives and increase the sense of belonging in the boardroom for all directors. Board's leadership should incorporate a strategy for achieving or increasing board diversity.



Based on **Figure 24** above, the highest number of directors are in the 60-69 years old age group.

Women on board

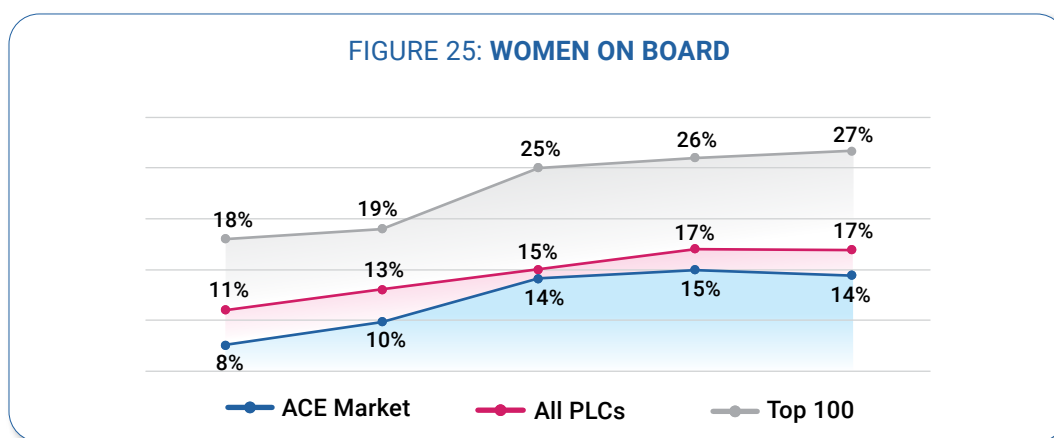


Figure 25 above indicates that the percentage of women directors increased to 27% from 26% in 2020 for Top 100 PLCs and remained relatively stable at 17% for All PLCs. The percentage of women directors for ACE Market PLCs shows a slight decrease from 15% in 2020 to 14% in 2021.

Nevertheless, a recent study by Deloitte in collaboration with the 30% Club found that Malaysia has the highest percentage of women board members in Asia at 24% which is ahead of the global average of 19.7%.¹⁴

As mandated by Bursa Malaysia, PLCs with a market capitalisation of RM2 billion as of 31 December 2021 need to appoint at least one woman director on their boards by 1 September 2022. For the remaining PLCs, the requirement must be complied with by 1 June 2023.

Based on the data analysed for all PLCs for 2021, there were 49 women (2020: 44) who were chairpersons and 34 women (2020: 27) holding the CEO portfolio in PLCs.

¹⁴ <https://www2.deloitte.com/content/dam/Deloitte/at/Documents/human-capital/at-women-in-the-boardroom-2022.pdf>

FIGURE 26: BREAKDOWN OF WOMEN DIRECTORS

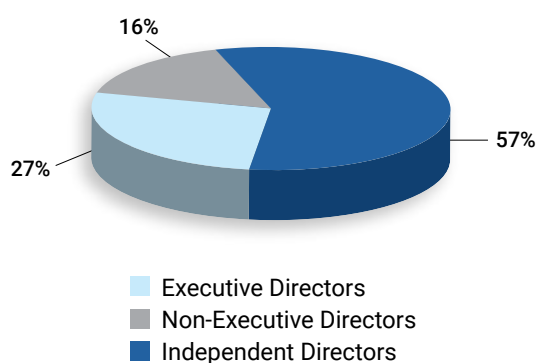


FIGURE 27: WOMEN ON BOARD

NO. OF FEMALE DIRECTORS APPOINTED IN 2021	No.	%
No. of new female ED appointed in the year	29 (2020: 13)	21%
No. of new female NINED appointed in the year	23 (2020: 19)	17%
No. of new female INED appointed in the year	84 (2020: 113)	62%
	136 (2020: 145)	

As per **Figure 27**, there was a 6% decline in the number of new female directors appointed in 2021 (from 145 to 136 appointees).

Having at least one female independent director is an encouraging starting point for the board. Out of the 864 companies reviewed, 311 (36%) had at least one female independent director on their board of directors while 126 companies (15%) had two or more female independent directors.

In terms of board diversity, there were 281 companies (33%) which had established clear diversity policies. Moreover, there were 61 companies (7%) which disclosed policies as well as measurable objectives such as gender diversity targets. Another 135 companies (16%) had policies, measurable objectives and reported their progress in the annual reports.

Board structure

In terms of bonus points for exemplary practices of the Nomination Committee, 559 companies (65%) had Nomination Committees comprised entirely of independent directors.

However, only 171 companies (20%) disclosed that their Nomination Committees undertook the process of identifying the quality of directors aligned with the companies' strategic direction.

Board appointments and re-election

Companies are encouraged to use external and independent channels to source potential candidates for directorships.

The current evaluation found that 383 companies (44%) disclosed their policy of using professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates for their board of directors. However, our assessment revealed that only 38 companies (4%) had utilised such external sources when sourcing for board candidates.

Board structure & composition

Companies that had independent directors as the majority on their boards together with an independent chairman were given bonus points. Out of the 864 companies, only 250 (29%) had independent directors making up more than 50% of the board of directors with an independent chairman.

Risk oversight

To qualify for the bonus points, the board must describe its governance process around information technology (IT) issues which include disruption, cybersecurity, disaster recovery and to ensure that all key risks are identified, managed and reported to the board.

With expanding digital footprint, companies are increasingly facing sophisticated cybersecurity threats. The board's disclosure of its governance process around technology issues will be a signal to shareholders as to how it views cyber risk matters at the highest level.

However, only 102 companies (12%) described their governance process around information technology issues – including disruption, cybersecurity and disaster recovery – to ensure that all key risks are managed.

Board performance

PLCs should establish a separate board level Risk Committee to assist in overseeing their risk management framework and policies. The purpose, duties, term of references and composition of the Risk Committee must be clearly disclosed.

The 2021 assessment found that 427 companies (49%) had a Risk Committee in the year under review – an improvement from 262 companies (31%) in the previous year. As for the Top 100 PLCs, 74 companies had a board-level risk committee. All financial institutions had adopted this key best practice.

THE penalty items were designed to penalise companies based on evidence of actions and events that were indicative of poor quality of governance. There were in total 25 penalty items with maximum penalty points of 67 points.

Rights of shareholders

None of the 864 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. A total of 384 companies (65%) were penalised for non-disclosure of the attendance of these key persons at the AGM based on 593 companies which published their AGM minutes.

Equitable treatment of shareholders

During the period under review:

- ❏ Two companies had a conviction for insider trading involving directors, management and employees in the past three years;
- ❏ There was no case of non-compliance with the laws, rules and regulations pertaining to material RPTs in the past three years; and
- ❏ No company had RPTs that could be classified as financial assistance with companies other than their wholly owned subsidiaries.

Role of stakeholders

In terms of dealing with stakeholders, companies will be penalised if they are found to have violated laws pertaining to labour, employment, consumer, insolvency, commercial, competition and/or environmental issues. In this regard, one company was found to have breached the listing rules and publicly reprimanded by the regulator.

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

Incidences of an audit opinion other than an unqualified opinion by external auditors on financial statements are recognised as indicative of a financially distressed company or going concern issue.

The following were found in the current assessment:

- Eight companies (2020: 5) received a qualified audit opinion (a “qualified” opinion is an auditor's opinion that the financials are fairly presented with the exception of a specified area);
- None of the 864 companies received an adverse audit opinion (An “adverse” audit opinion is one where the financial statements do not give a true and fair view or do not present fairly);
- No company received a disclaimer audit opinion (A “disclaimer” audit opinion is one where the independent external auditor does not express an opinion on the financial statements); and
- No company in the past year revised its financial statement for reasons other than changes in accounting policies.

Responsibilities of the board

The following penalty items are under the ambit of responsibilities of the board. The current evaluation found the following:

- One company 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 their non-executive directors had resigned and raised any issues of governance;
- 156 companies (18%) had on their boards one independent director who had served for more than nine years in the same capacity while 233 companies (27%) had two or more independent directors who had served for 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
- 80 companies (9%) adopted the contentious practice of granting options, performance shares or bonus to INEDs during the year under review compared to 41 companies (5%) in 2020.

CONCLUDING REMARKS

One of the key values of the ASEAN Corporate Governance Scorecard (ACGS) is that they raise awareness of good standards and practices at different levels of our market. The annual assessment using the ACGS is part of a long-term and effective process to improve strengthen the corporate governance practices of our PLCs, including promoting the internalisation of a culture of good governance among companies.

Scorecards are a useful basis for PLCs to commence an analysis of their governance practices and sufficiency of their disclosures as well as to identify shortcomings. The findings of a scorecard can, in turn, be used to help PLCs develop a more strategic corporate governance improvement plans.

Investors both retail and institutional can use the ACGS scores to translate their perceived level of governance in their investee companies to a quantifiable benchmark. Institutional investors will then be able to discharge their stewardship responsibilities by having a constructive engagement with their investee companies on governance issues.

Areas where practices and reporting can be further improved are as follows:

- Clear disclosure of the company's corporate objectives, including short and/or long term goals;
- Disclosure of senior management/C-Suite shareholdings;
- Disclosure of measurable objectives and progress for board diversity, including gender diversity;
- Disclosure of the link between CEO/senior management remuneration and strategy or performance;
- Disclosure of building of clawback provisions into incentive plans such that executives would be required to forgo rewards when they are not justified by actual performance;
- Disclosure on appointment process of the board of directors that is aligned with the PLCs' strategic directions;
- Disclosure on engagement with shareholders beyond AGM; and
- Disclosure on analyst/media briefings, including presentation materials on the company website.

With the rapidly changing business landscape and shifting priorities of stakeholders, boards and companies should anticipate increased scrutiny across the wide spectrum of CG areas. Topics on ESG agenda, diversity and inclusivity, sustainability reporting and digitalisation, among others, dominated CG dialogues in recent times and are here to stay.

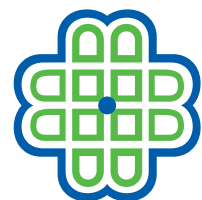
Being benchmarked against G20/OECD Principles, the ACGS is also anticipated to be reviewed in the near future in line with the impending revision to the G20/OECD Principles. It is hoped therefore that the outcomes of the CG assessment will promote discussions among capital market regulators on areas that could be further strengthened through CG policies or initiatives, thus contributing towards enhancing Malaysia's position as a market with strong CG framework and culture.

EMOA



Sports Toto Berhad acknowledges the importance of social sustainability by giving back to society.

Other than helping the needy and underprivileged, we also support nation building through substantial contributions towards sports development.



BERJAYA

SPORTS TOTO BERHAD

(Formerly known as Berjaya Sports Toto Berhad)

(Co. Reg. No. 9109-K)

Lot 13-01, Level 13 (East Wing), Berjaya Times Square, No. 1, Jalan Imbi, 55100 Kuala Lumpur, Malaysia.

www.berjaya.com/sports-toto-berhad

REFERENCES

1. <https://www.sc.com.my/resources/media/media-release/sc-updates-the-malaysian-code-on-corporate-governance-to-promote-board-leadership-and-oversight-of-sustainability>
2. <https://www.sc.com.my/resources/media/media-release/sc-issues-corporate-governance-strategic-priorities-2021-2023>
3. https://www.bursamalaysia.com/sites/5bb54be15f36ca0af339077a/content_entry5c11a9db758f8d31544574c6/61b9c29f39fba25ff74bbcfa/files/Dec15_2021_Bursa_Malaysia_Issues_Updated_Corporate_Governance_Guide__4th_Edition_.pdf?1639565362
4. https://www.bursamalaysia.com/about_bursa/media_centre/bursa-malaysia-strengthens-board-effectiveness-through-enhancements-to-the-main-and-ace-market-listing-requirements
5. <https://www.jpx.co.jp/english/news/1020/20210611-01.html>
6. https://www.hkex.com.hk/News/Regulatory-Announcements/2021/211210news?sc_lang=en
7. <https://www.sec.gov/news/press-release/2022-39>
8. <https://agpr.co.id/electronic-general-meeting-of-shareholders/>
9. <https://www.sc.com.my/api/documentms/download.ashx?id=239e5ea1-a258-4db8-a9e2-41c215bdb776>
10. <https://www.sc.com.my/api/documentms/download.ashx?id=239e5ea1-a258-4db8-a9e2-41c215bdb776>
11. <https://focusmalaysia.my/new-blood-mswg-welcomes-12-year-tenure-for-independent-directors/>
12. <https://www.bakermckenzie.com/en/insight/publications/guides/top-10-op-risks-2022>
13. <https://www.russellreynolds.com/en/insights/articles/the-role-of-the-senior-independent-director>
14. <https://www2.deloitte.com/content/dam/Deloitte/at/Documents/human-capital/at-women-in-the-boardroom-2022.pdf>

GLOSSARY

ACGS	- ASEAN Corporate Governance Scorecard
AGM	- Annual General Meeting
ASEAN	- Association of Southeast Asian Nations
Bursa Malaysia	- Bursa Malaysia Securities
CEO	- Chief Executive Officer
CG	- Corporate Governance
CGR	- Corporate Governance Report
EGM	- Extraordinary General Meeting
EPS	- Earnings per Share
ESG	- Environmental, Social and Governance
FYE	- Financial Year End
GMS	- General Meeting of Shareholders
GRI	- Global Reporting Initiative
IAF	- Internal Audit Function

ICGN	- International Corporate Governance Network
IR	- Integrated Reporting
KPI	- Key Performance Indicators
MCCG	- Malaysian Code on Corporate Governance
MD	- Managing Director
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
ROE	- Return on Equity
ROI	- Return on Investment
RPTs	- Related Party Transactions
SC	- Securities Commission Malaysia
SASB	- Sustainability Accounting Standards Board

KOSSAN

STRETCHING LIMITS • SINCE 1979

CREATING VALUE. PROTECTING LIVES.

KOSSAN is a leading manufacturer of gloves and highly technical engineered rubber products with worldwide market reach. Established in 1979, **KOSSAN** has an annual glove production capacity of 33.5 billion pieces, and over 10,000 metric tonnes per annum of rubber compounding capacity.

KOSSAN RUBBER INDUSTRIES BHD. 197901003918 (48166-W)

Wisma KOSSAN, Lot 782 Jalan Sungai Putus, Off Batu 3 ¾, Jalan Kapar,
42100 Klang, Selangor Darul Ehsan, Malaysia.

☎ +603 3291 2657 ✉ kossan@kossan.com.my

www.kossan.com.my

SCAN QR CODE TO
FOLLOW US ON LINKEDIN



The Duo That Does It All with AFFIN DUO+



3% Cash Back
up to RM100 per month on
contactless transactions*



3X AFFIN Rewards Points
Airlines, e-Commerce/Online,
Duty-Free, Hotels and Overseas
transactions



SCAN HERE TO APPLY!

 **AFFIN BANK**

☎ 03-8230 2222 f i t AffinMy AffinAlways.com

Affin Bank Berhad 197501003274 (25046-T)

always about **you**

Appendix 1: ASEAN CG SCORECARD TEMPLATE

SOURCE DOCUMENT/ LOCATION OF INFORMATION

GUIDING REFERENCE

A. RIGHTS OF SHAREHOLDERS

A.1 BASIC SHAREHOLDER RIGHTS

A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends, and (ii) approved by shareholders at general meetings for final dividends? In the case that the company has offered Scrip dividend, did it pay the dividend within 60 days?	G20/OECD (2015) Principle II: The rights and equitable treatment of shareholders and key ownership functions (A) Basic shareholder rights should include the right to: (6) share in the profit of the corporation.	Dividend announcement / Annual CG Report / Minutes of AGM / Company website / Exchange website
-------	--	--	--

A.2 RIGHT TO PARTICIPATE IN DECISIONS CONCERNING FUNDAMENTAL CORPORATE CHANGES

Do shareholders have the right to participate in:

A.2.1	Amendments to the company's constitution?	G20/OECD (2015) Principle II (B) Shareholders should be sufficiently informed about, and have the right to approve or participate in, decisions concerning fundamental corporate changes such as (1) amendments to the statutes, or articles of incorporation or similar governing documents of the company.	Annual Report / Company website / Articles of Association
A.2.2	The authorisation of additional shares?	G20/OECD (2015) Principle II (B): (2) the authorisation of additional shares.	
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	G20/OECD (2015) Principle II (B): (3) extraordinary transactions, including the transfer of all or substantially all assets that in effect result in the sale of the company.	

A.3 RIGHT TO PARTICIPATE EFFECTIVELY IN AND VOTE IN GENERAL SHAREHOLDER MEETINGS AND SHOULD BE INFORMED OF THE RULES, INCLUDING VOTING PROCEDURES, THAT GOVERN GENERAL SHAREHOLDER MEETINGS

A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?	G20/OECD (2015) Principle II (C): (4) Effective shareholder participation in key corporate governance decisions such as the nomination and election of board members should be facilitated. Shareholders should be able to make their views known, including through votes at shareholder meetings; on the remuneration of board members and/or key executives, as applicable. The equity component of compensation schemes for board members and employees should be subject to shareholder approval.	Announcement of AGM / Articles of Association / Annual Report / Company website
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?		Annual Report / Company website / Articles of Association / Annual CG Report
A.3.3	Does the company allow shareholders to elect directors/commissioners individually?		Minutes of AGM / Result announcement of AGM / Articles of Association / Annual Report / Company website / AGM Notice / Annual CG Report
A.3.4	Does the company disclose the voting procedures used before the start of meeting?	G20/OECD (2015) Principle II (C): Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings, and should be informed of the rules, including voting procedures that govern general shareholder meetings.	AGM Minutes / Articles of Association / Company website / AGM Notice

A.3.5	Do the minutes of the most recent AGM record that shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	G20/OECD (2015) Principle II (C): (3) Shareholders should have the opportunity to ask questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	AGM Minutes / Summary of Minutes / Annual CG Report / Company website
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM?		
A.3.7	Does the company disclose the list of board members who attended the most recent AGM?	G20/OECD (2015) Principle II (C); and ICGN (2014) 1.4: The board of directors should meet regularly to discharge its duties and directors should allocate adequate time to meeting preparation and attendance. Board members should know the business, its operations and senior management well enough to contribute effectively to board discussions and decisions.	
A.3.8	Does the company disclose that all board members and the CEO (if he is not a board member) attended the most recent AGM?	G20/OECD (2015) Principle II (C): (5) Shareholders should be able to vote in person or in absentia, and equal effect should be given to votes whether cast in person or in absentia.	AGM Announcement / AGM Minutes / Articles of Association / Company website / AGM Notice
A.3.9	Does the company allow voting in absentia?	G20/OECD (2015) Principle II (C): (5) Shareholders should be able to vote in person or in absentia.	AGM Minutes / Annual CG Report / Announcements / Company website
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	G20/OECD (2015) Principle II (C)	AGM Minutes / Annual CG Report / Notice of AGM / Announcements / Company website
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?		Company announcement / Company website
A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?	G20/OECD (2015) Principle II (C): (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting.	Company announcements / Articles of Association / Annual Report / Company website
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?		Company announcements / Articles of Association / Annual Report / Company website / Notice of AGM
A.3.14	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?		Articles of Association / Company website / AGM Notice
A.3.15	Does the company provide opportunity for shareholder to place item/s on the agenda of AGM?	G20/OECD (2015) Principle II (C): (3) Shareholders should have the opportunity to pose questions to the board, including questions relating to the annual external audit, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable limitations.	
A.4 MARKETS FOR CORPORATE CONTROL SHOULD BE ALLOWED TO FUNCTION IN AN EFFICIENT AND TRANSPARENT MANNER			
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	G20/OECD (2015) Principle II (H): Markets for corporate control should be allowed to function in an efficient and transparent manner. (1) The rules and procedures governing the acquisition of corporate control in the capital markets, and extraordinary transactions such as mergers, and sales of substantial portions of corporate assets, should be clearly articulated and disclosed so that investors understand their rights and recourse. Transactions should occur at transparent prices and under fair conditions that protect the rights of all shareholders according to their class.	Merger announcement / Company Report on the merger / Exchange website
A.5 THE EXERCISE OF OWNERSHIP RIGHTS BY ALL SHAREHOLDERS, INCLUDING INSTITUTIONAL INVESTORS, SHOULD BE FACILITATED			
A.5.1	Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM?	G20/OECD (2015) Principle II (D): Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.	Annual Report / Company website / Exchange website

B. EQUITABLE TREATMENT OF SHAREHOLDERS			Annual Report / Company website / Announcement
B.1 SHARES AND VOTING RIGHTS			Annual Report / Company website / Announcement
B.1.1	Does the company's ordinary or common shares have one vote for one share?	OECD Principle II E. All shareholders of the same series of a class should be treated equally. Capital structures and arrangements that enable certain shareholders to obtain a degree of influence or control disproportionate to their equity ownership should be disclosed. 1. Within any series of a class, all shares should carry the same rights. All investors should be able to obtain information about the rights attached to all series and classes of shares before they purchase. Any changes in economic or voting rights should be subject to approval by those classes of shares which are negatively affected. ICGN Principle 9.1 Share classes Sufficient information about the material attributes of all of the company's classes and series of shares should be disclosed on a timely basis. Ordinary or common shares should feature one vote for each share. Divergence from a 'one-share, one-vote' standard which gives certain shareholders power disproportionate to their economic interests should be disclosed and explained. Dual class share structures should be kept under review and should be accompanied by commensurate extra protections for minority shareholders, particularly in the event of a takeover bid.	
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website/reports/the stock exchange/the regulator's website)?		
B.2 NOTICE OF AGM			Notice of AGM
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e. there is no bundling of several items into the same resolution?	OECD Principle II C. Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern shareholder meetings: 1. Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be decided at the meeting. 2. Processes and procedures for general shareholder meetings should allow for equitable treatment of all shareholders. Company procedures should not make it unduly difficult or expensive to cast votes. 4. Effective shareholder participation in key corporate governance decisions such as the nomination and election of board members should be facilitated. 5. Shareholders should be able to vote in person or in absentia. ICGN Principle 3.1 Composition (Board) There should be a sufficient mix of individuals with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making. 3.4 Appointment process The process for director nomination and election/re-election should be disclosed, along with information about board candidates which includes: a) board member identities and rationale for appointment; b) core competencies, qualifications, and professional background; c) recent and current board and management mandates at other companies, as well as significant roles on non-profit/charitable organisations; d) factors affecting independence, including relationship(s) with controlling shareholders, and e) length of tenure. 9.2 Major decisions Shareholders should have the right to vote on major decisions which may change the nature of the company in which they have invested.	Notice of AGM
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?		Notice of AGM
B.2.3	Does the notice of AGM/circulars have the following details: Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience, and directorships in other listed companies) who seek election/re-election included?		Notice of AGM / Annual Report
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?		Notice of AGM
B.2.5	Were the proxy documents made easily available?		Notice of AGM

B.3 INSIDER TRADING AND ABUSIVE SELF-DEALING SHOULD BE PROHIBITED			
B.3.1	Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?	<p>OECD Principle III E. Insider trading and market manipulation should be prohibited and the applicable rules enforced.</p> <p>ICGN Principle 4. Corporate Culture 4.5 Employee share dealing There should be clear rules regarding any trading by directors and employees in the company's own securities. Individuals should not benefit directly or indirectly from knowledge which is not generally available to the market.</p>	Annual Report / Company website / Announcement
B.3.2	Are the directors/commissioners required to report their dealings in company shares within three business days?		Annual Report / Company website / Announcement / Annual CG Report
B.4 RELATED PARTY TRANSACTIONS BY DIRECTORS AND KEY EXECUTIVES			
B.4.1	Does the company have a policy requiring directors/commissioners to disclose their interest in transactions and any other conflicts of interest?	<p>OECD Principle II F. Related-party transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protects the interest of the company and its shareholders. 1. Conflicts of interest inherent in related-party transactions should be addressed. 2. Members of the board and key executives should be required to disclose to the board whether they, directly, indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the corporation.</p> <p>ICGN Principle 9.3 Conflicts of interest Policies and procedures on conflicts of interest should be established, understood and implemented by directors, management, employees and other relevant parties. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence.</p> <p>9.4 Related party transactions The process for reviewing and monitoring related party transactions should be disclosed. For significant transactions, a committee of independent directors should be established to vet and approve the transaction.</p>	Annual Report / Company website / Announcement
B.4.2	Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?		Annual Report / Company website / Announcement / Annual CG Report
B.4.3	Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?		Annual Report / Company website / Announcement
B.4.4	Does the company have policies on loans to directors and commissioners, either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?		Annual Report / Company website / Announcement

B.5 PROTECTING MINORITY SHAREHOLDERS FROM ABUSIVE ACTIONS		Annual Report / Company website / Announcement
B.5.1	<p>Does the company disclose that related party transactions (RPTs) are conducted in such a way to ensure that they are fair and at arms' length?</p>	<p>OECD Principle II E. All shareholders of the same series of a class should be treated equally. F. Related party transactions should be approved and conducted in a manner that ensures proper management of conflict of interest and protects the interest of the company and its shareholders. G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN Principle 9.3 Conflicts of interest Policies and procedures on conflicts of interest should be established, understood and implemented by directors, management, employees and other relevant parties. If a director has an interest in a matter under consideration by the board, then the director should promptly declare such an interest and be precluded from voting on the subject or exerting influence.</p> <p>9.4 Related party transactions The process for reviewing and monitoring related party transactions should be disclosed. For significant transactions, a committee of independent directors should be established to vet and approve the transaction.</p> <p>ICGN Principle 9.5 Shareholder approval Shareholders should have the right to approve significant related party transactions and this should be based on the approval of a majority of disinterested shareholders.</p> <p>ICGN Principle 9.10 Equality and redress Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p>
B.5.2	<p>In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?</p>	<p>OECD Principle II G. Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.</p> <p>ICGN Principle 9.5 Shareholder approval Shareholders should have the right to approve significant related party transactions and this should be based on the approval of a majority of disinterested shareholders.</p> <p>ICGN Principle 9.10 Equality and redress Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress.</p>

C. ROLE OF STAKEHOLDERS			
C.1 THE RIGHTS OF STAKEHOLDERS THAT ARE ESTABLISHED BY LAW OR THROUGH MUTUAL AGREEMENTS ARE TO BE RESPECTED Does the company disclose a policy and practices that address:			
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	OECD Principle IV (A): The rights of stakeholders that are established by law or through mutual agreements are to be respected. In all OECD countries, the rights of stakeholders are established by law (e.g. labour, business, commercial and insolvency laws) or by contractual relations. Even in areas where stakeholder interests are not legislated, many firms make additional commitments to stakeholders, and concern over corporate reputation and corporate performance often requires the recognition of broader interests.	Annual Report / Company website / Sustainability or Corporate Responsibility Report (CSR) / Annual CG Report
C.1.2	Supplier/contractor selection procedures?		
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?		
C.1.4	The company's efforts to interact with the communities in which they operate?		
C.1.5	The company's anti-corruption programmes and procedures?		
C.1.6	How creditors' rights are safeguarded?		
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?		Annual Report / Company website / Financial statements / Annual CG Report
C.1.8			Annual Report / Company website / Sustainability or CR Report
C.2 WHERE STAKEHOLDER INTERESTS ARE PROTECTED BY LAW, STAKEHOLDERS SHOULD HAVE THE OPPORTUNITY TO OBTAIN EFFECTIVE REDRESS FOR VIOLATION OF THEIR RIGHTS			
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	OECD Principle IV (B): The legal framework and process should be transparent and not impede the ability of stakeholders to communicate and to obtain redress for the violation of rights.	Company website / Annual Report
C.3 MECHANISMS FOR EMPLOYEE PARTICIPATION SHOULD BE PERMITTED TO DEVELOP			
C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	OECD Principle IV (C): The degree to which employees participate in corporate governance depends on national laws and practices, and may vary from company to company as well. In the context of corporate governance, mechanisms for participation may benefit companies directly as well as indirectly through the readiness by employees to invest in firm specific skills. Examples of mechanisms for employee participation include: employee representation on boards; and governance processes such as work councils that consider employee viewpoints in certain key decisions. International conventions and national norms also recognise the rights of employees to information, consultation and negotiation. With respect to performance enhancing mechanisms, employee stock ownership plans or other profit sharing mechanisms are to be found in many countries. Pension commitments are also often an element of the relationship between the company and its past and present employees. Where such commitments involve establishing an independent fund, its trustees should be independent of the company's management and manage the fund for all beneficiaries.	Annual Report / Company website / Separate CR or ESG report as the case may be / Annual CG Report
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?		Annual Report / Company website / Separate CR or ESG report as the case may be / Annual CG Report
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?		Annual Report / Company website / Separate CR or ESG report as the case may be / Annual CG Report

C.4 STAKEHOLDERS INCLUDING INDIVIDUAL EMPLOYEE AND THEIR REPRESENTATIVE BODIES, SHOULD BE ABLE TO FREELY COMMUNICATE THEIR CONCERNS ABOUT ILLEGAL OR UNETHICAL PRACTICES TO THE BOARD AND THEIR RIGHTS SHOULD NOT BE COMPROMISED FOR DOING THIS

C.4.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report	Annual Report / Company website / Annual CG Report
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?	Annual Report / Company website / Annual CG Report

OECD Principle IV (E):

Unethical and illegal practices by corporate officers may not only violate the rights of stakeholders but also be to the detriment of the company and its shareholders in terms of reputation effects and an increasing risk of future financial liabilities. It is therefore to the advantage of the company and its shareholders to establish procedures and safe-harbours for complaints by employees, either personally or through their representative bodies, and others outside the company, concerning illegal and unethical behaviour.

D. DISCLOSURE AND TRANSPARENCY

D.1 TRANSPARENT OWNERSHIP STRUCTURE

D.1.1	Does the information on shareholdings reveal the identity of beneficial owners holding 5% shareholding or more?	Annual Report / Annual CG Report / Announcements / Company website
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	Annual Report / Annual CG Report / Announcements / Company website
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)?	Annual Report / Annual CG Report / Announcements / Company website
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	Annual Report / Annual CG Report / Announcements / Company website
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPVs)/(SPVs)?	Annual Report / Annual CG Report / Announcements / Company website

OECD Principle V: Disclosure and Transparency

(A) Disclosure should include, but not limited to, material information on:

(3) Major share ownership and voting rights, including group structures, intra-group relations, ownership data, and beneficial ownership.

ICGN 7.6 Disclosure of ownership

... the disclosure should include a description of the relationship of the company to other companies in the corporate group, data on major shareholders and any other information necessary for a proper understanding of the company's relationship with its public shareholders.

D.2 QUALITY OF ANNUAL REPORT

	Does the company's Annual Report disclose the following items:	OECD Principle V (A): (1) The financial and operating results of the company; (2) Company objectives, including ethics, environment, and other public policy commitments; (3) Major share ownership and voting rights, including group structures, intra-group relations, ownership data, beneficial ownership; (4) Remuneration policy for members of the board and key executives, including their qualifications, the selection process, other company directorships and whether they are regarded as independent by the board; (6) Foreseeable risk factors, including risk management system; (7) Issues regarding employees and other stakeholders; (8) Governance structure and policies, in particular, the content of any corporate governance code or policy and the process by which it is implemented.	Annual Report
D.2.1	Corporate objectives		Annual Report
D.2.2	Financial performance indicators		Annual Report
D.2.3	Non-financial performance indicators		Annual Report
D.2.4	Dividend policy		Annual Report
D.2.5	Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/commissioners		Annual Report
D.2.6	Attendance details of each director/commissioner in all directors/commissioners meetings held during the year	OECD Principle V (E): Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users. ICGN 2.4 Composition and structure of the board ICGN 2.4.1 Skills and experience ICGN 2.4.3 Independence ICGN 5.0 Remuneration ICGN 5.4 Transparency UK Corporate Governance Code (2010) A.1.2 - the number of meetings of the board and those committees and individual attendance by directors. CLSA-ACGA (2010) CG Watch 2010 - Appendix 2 (I) CG rules and practices (19) Disclose the exact remuneration of individual directors.	Annual Report
D.2.7	Total remuneration of each member of the board of directors/commissioners		Annual Report

OECD Principle V (A):

(1) The financial and operating results of the company;
 (2) Company objectives, including ethics, environment, and other public policy commitments;
 (3) Major share ownership and voting rights, including group structures, intra-group relations, ownership data, beneficial ownership;
 (4) Remuneration policy for members of the board and key executives, including their qualifications, the selection process, other company directorships and whether they are regarded as independent by the board;
 (6) Foreseeable risk factors, including risk management system;
 (7) Issues regarding employees and other stakeholders;
 (8) Governance structure and policies, in particular, the content of any corporate governance code or policy and the process by which it is implemented.

OECD Principle V (E):

Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users.

ICGN 2.4 Composition and structure of the board

ICGN 2.4.1 Skills and experience

ICGN 2.4.3 Independence

ICGN 5.0 Remuneration

ICGN 5.4 Transparency

UK Corporate Governance Code (2010)

A.1.2 - the number of meetings of the board and those committees and individual attendance by directors.

CLSA-ACGA (2010) CG Watch 2010 - Appendix 2

(i) CG rules and practices

(19) Disclose the exact remuneration of individual directors.

	Annual Report
<p>Corporate Governance Confirmation Statement</p> <p>D.2.8 Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?</p>	<p>OECD PRINCIPLE V (A) (8) UK CODE (JUNE 2010): Listing Rules 9.8.6 R (for UK incorporated companies) and 9.8.7 R (for overseas incorporated companies) state that in the case of a company that has a Premium listing of equity shares, the following items must be included in its Annual Report and accounts: a statement of how the listed company has applied the Main Principles set out in the UK CG Code, in a manner that would enable shareholders to evaluate how the principles have been applied; a statement as to whether the listed company has complied throughout the accounting period with all relevant provisions set out in the UK CG Code; or not complied throughout the accounting period with all relevant provisions set out in the UK CG Code, and if so, setting out:</p> <ul style="list-style-type: none"> (i) those provisions, if any, it has not complied with; (ii) in the case of provisions whose requirements are of a continuing nature, the period within which, if any, it did not comply with some or all of those provisions; and (iii) the company's reasons for non-compliance. <p>ASX CODE: Under ASX Listing Rule 4.10.3, companies are required to provide a statement in their Annual Report disclosing the extent to which they have followed the Recommendations in the reporting period. Where companies have not followed all the Recommendations, they must identify the Recommendations that have not been followed and give reasons for not following them. Annual Reporting does not diminish the company's obligation to provide disclosure under ASX Listing Rule 3.1.</p>
D.3 DISCLOSURE OF RELATED PARTY TRANSACTIONS (RPT)	
D.3.1 Does the company disclose its policy covering the review and approval of material RPTs?	<p>OECD Principle V: Disclosure and Transparency (A) Disclosure should include, but not limited to, material information on:</p>
D.3.2 Does the company disclose the name, relationship, nature and value for each material RPTs?	<p>(5) Related party transactions ICGN 2.11.1 Related party transactions The company should disclose details of all material related party transactions in its Annual Report.</p>
D.4 DIRECTORS AND COMMISSIONERS DEALINGS IN SHARES OF THE COMPANY	
D.4.1 Does the company disclose trading in the company's shares by insiders?	<p>OECD Principle V (A): (3) Major share ownership and voting rights ICGN 3.5 Employee share dealing Companies should have clear rules regarding any trading by directors and employees in the company's own securities. ICGN 5.5 Share ownership Every company should have and disclose a policy concerning ownership of shares of the company by senior managers and executive directors with the objective of aligning the interests of these key executives with those of shareholders.</p>
	Annual Report / Annual CG Report

D.5 EXTERNAL AUDITOR AND AUDITOR REPORT Where the same audit firm is engaged for both audit and non-audit services			
D.5.1	Are the audit and non-audit fees disclosed?	OECD Principle V (C): An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects. OECD Principle V (D): External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit. ICGN 6.5 Ethical standards (Audit) The auditors should observe high-quality auditing and ethical standards. To limit the possible risk of possible conflicts of interest, non-audit services and fees paid to auditors for non-audit services should be both approved in advance by the audit committee and disclosed in the Annual Report.	Annual Report
D.5.2	Does the non-audit fee exceed the audit fees?		Annual Report
D.6 MEDIUM OF COMMUNICATIONS Does the company use the following modes of communication?			
D.6.1	Quarterly reporting	OECD Principle V (E) Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users. ICGN 7.1 Transparent and open communication Every company should aspire to transparent and open communication about its aims, its challenges, its achievements and its failures. ICGN 7.2 Timely disclosure Companies should disclose relevant and material information concerning themselves on a timely basis, in particular meeting market guidelines where they exist, so as to allow investors to make informed decisions about the acquisition, ownership obligations and rights, and sales of shares.	Announcement / Company website
D.6.2	Company website		Annual Report / Announcement / Company website
D.6.3	Analyst's briefing		Annual Report / Announcement / Company website
D.6.4	Media briefings/press conferences		Annual Report / Announcement / Company website
D.7 TIMELY FILING/RELEASE OF ANNUAL/FINANCIAL REPORTS			
D.7.1	Are the audited annual financial report/statement released within 120 days from the financial year end?	OECD Principle V (C) OECD Principle V (E) OECD Principle V-(A). ICGN 7.2 Timely disclosure ICGN 7.3 Affirmation of financial statements The board of directors and the corporate officers of the company should affirm at least annually the accuracy of the company's financial statements or financial accounts.	Announcement / Company website / Exchange website
D.7.2	Is the annual report released within 120 days from the financial year end?		Annual Report / Company website
D.7.3	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the board of directors/commissioners and/or the relevant officers of the company?		Annual Report / Company website
D.8 COMPANY WEBSITE Does the company have a website disclosing up-to-date information on the following:			
D.8.1	Financial statements/reports (latest quarterly)	OECD Principle V (A) OECD Principle V (E) ICGN 7.1 Transparent and open communication ICGN 7.2 Timely disclosure	Company website
D.8.2	Materials provided in briefings to analysts and media		Company website
D.8.3	Downloadable annual report		Company website
D.8.4	Notice of AGM and/or EGM		Company website
D.8.5	Minutes of AGM and/or EGM		Company website
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)		Company website

D.9 INVESTOR RELATIONS				
D.9.1	Does the company disclose the contact details (e.g. telephone, fax, and e-mail) of the officer/office responsible for investor relations?	ICGN 7.1 Transparent and open communication		Annual Report / Company website
E. RESPONSIBILITIES OF THE BOARD				
E.1 BOARD DUTIES AND RESPONSIBILITIES				
Clearly defined board responsibilities and corporate governance policy				
E.1.1	Does the company disclose its corporate governance policy/board charter?	G20/OECD PRINCIPLE V: Disclosure and Transparency (A) Disclosure should include, but not be limited to, material information on: 9. Governance structures and policies, in particular, the content of any corporate governance code or policy and the process by which it is implemented.		Annual Report / Company website / Annual CG Report
E.1.2	Are the types of decisions requiring board of directors/commissioners' approval disclosed?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 1. Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures. 2. Monitoring the effectiveness of the company's governance practices and making changes as needed. 3. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning. 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. 5. Ensuring a formal and transparent board nomination and election process. 6. Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions. 7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular systems for risk management, financial and operational control, and compliance with the law and relevant standards. 8. Overseeing the process of disclosure and communications.	Annual Report / Company website / Annual CG Report / Board Charter	Annual Report / Company website / Annual CG Report / Board Charter
E.1.3	Are the roles and responsibilities of the board of directors/commissioners clearly stated?			
Corporate Vision/Mission				
E.1.4	Does the company have an updated vision and mission statement?	G20/OECD PRINCIPLE VI: Responsibilities of the Board ICGN (2014): 4.1 Codes of Conduct/Ethics The board should adopt high standards of business ethics through codes of conduct/ethics (or similar instrument) and oversee a culture of integrity, notwithstanding differing ethical norms and legal standards in various countries. This should permeate all aspects of the company's operations, ensuring that its vision, mission and objectives are ethically sound and demonstrative of its values. Codes should be effectively communicated and integrated into the company's strategy and operations, including risk management systems and remuneration structures.		Annual Report / Company website / Annual CG Report
E.1.5	Does the board of directors play a leading role in the process of developing and reviewing the company's strategy at least annually?	G20/OECD PRINCIPLE VI: Responsibilities of the Board D. The board should fulfil certain key functions, including: Reviewing and guiding corporate strategy, major plans of action, risk management policies and procedures, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestitures.		Annual Report / Company website / Annual CG Report / CG Manual

E.1.6	Does the board of directors have a process to review, monitor and oversee the implementation of the corporate strategy?	<p>ICGN (2014): 4.1 Codes of Conduct/Ethics The board should adopt high standards of business ethics through codes of conduct/ethics (or similar instrument) and oversee a culture of integrity, notwithstanding differing ethical norms and legal standards in various countries. This should permeate all aspects of the company's operations, ensuring that its vision, mission and objectives are ethically sound and demonstrative of its values. Codes should be effectively communicated and integrated into the company's strategy and operations, including risk management systems and remuneration structures.</p> <p>ICGN (2014): 1.2 Responsibilities The board is accountable to shareholders and relevant stakeholders and is responsible for protecting and generating sustainable value over the long term. In fulfilling their role effectively, board members should:</p> <p>a) guide, review and approve corporate strategy and financial planning, including major capital expenditures, acquisitions and divestments</p>	Annual Report / Annual CG Report / Company website
E.2	BOARD STRUCTURE <i>Code of Ethics or Conduct</i>		
E.2.1	Are the details of the code of ethics or conduct disclosed?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (C) The board should apply high ethical standards. It should take into account the interests of stakeholders. The board has a key role in setting the ethical tone of a company, not only by its own actions, but also in appointing and overseeing key executives and consequently the management in general. High ethical standards are in the long term interests of the company as a means to make it credible and trustworthy, not only in day-to-day operations but also with respect to longer term commitments. To make the objectives of the board clear and operational, many companies have found it useful to develop company codes of conduct based on, inter alia, professional standards and sometimes broader codes of behaviour. The latter might include a voluntary commitment by the company (including its subsidiaries) to comply with the OECD Guidelines for Multinational Enterprises which reflect all four principles contained in the ILO Declaration on Fundamental Labour Rights. Company-wide codes serve as a standard for conduct by both the board and key executives, setting the framework for the exercise of judgement in dealing with varying and often conflicting constituencies. At a minimum, the ethical code should set clear limits on the pursuit of private interests, including dealings in the shares of the company. An overall framework for ethical conduct goes beyond compliance with the law, which should always be a fundamental requirement.</p>	Annual Report / Company website / Annual CG Report
E.2.2	Are all directors/commissioners, senior management and employees required to comply with the code/s?		Annual Report / Company website / Annual CG Report
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?		Annual Report / Company website / Annual CG Report
	Board Structure & Composition		
E.2.4	Do independent directors/commissioners make up at least 50% of the board of directors/commissioners?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. UK CODE (2016): B.2.3 Non-executive directors should be appointed for specified terms subject to re-election and to statutory provisions relating to the removal of a director. Any term beyond six years for a non-executive director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board and to succession for appointments to the board and to senior management, so as to maintain an appropriate balance of skills and experience within the company and on the board.</p>	Annual Report / Annual CG Report / Company website
E.2.5	Does the company have a term limit of nine years or less or two terms of five years* each for its independent directors/commissioners? * The five years term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011		Annual Report / Company website / Annual CG Report

E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 3. Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards can interfere with the performance of board members. Some countries have limited the number of board positions that can be held. Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Disclosure about other board memberships to shareholders is therefore a key instrument to improve board nominations. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.	Annual Report / Company website / Annual CG Report
E.2.7	Does the company have any executive directors who serve on more than two boards of listed companies outside of the group?		Annual Report / Company website / Annual CG Report
Nominating Committee			
E.2.8	Does the company have a Nominating Committee?	G20/OECD PRINCIPLE II: The Rights and Equitable Treatment of Shareholders and Key Ownership Functions	Annual Report / Company website / Annual CG Report
E.2.9	Is the Nominating Committee comprised of a majority of independent directors/commissioners?	(C) Shareholders should have the opportunity to participate effectively and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern general shareholder meetings: With respect to nomination of candidates, boards in many companies have established Nominating Committees to ensure proper compliance with established nomination procedures and to facilitate and coordinate the search for a balanced and qualified board. It is increasingly regarded as good practice in many countries for independent board members to have a key role on this committee. To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate. The recognition of Independent Party in the composition of the Nomination Committee can be counted as committee members. However, to score "Y", the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board.	Annual Report / Company website / Annual CG Report
E.2.10	Is the Chairman of the Nominating Committee an independent director/commissioner?	G20/OECD PRINCIPLE VI (E) 1. Boards should consider assigning a sufficient number of nonexecutive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration.	Annual Report / Company website / Annual CG Report
E.2.11	Does the company disclose the terms of reference/governance structure/charter of the Nominating Committee?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company's size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well-defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards have established independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system.	Annual Report / Company website / Annual CG Report
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?		Annual Report / Company website / Annual CG Report

		<p>Other such committees include those dealing with nomination, compensation, and risk. The establishment of additional committees can sometimes help avoid audit committee overload and to allow more board time to be dedicated to those issues. Nevertheless, the accountability of the rest of the board and the board as a whole should be clear. Disclosure need not extend to committees set up to deal with, for example, confidential commercial transactions.</p> <p>Given the responsibilities of the NC spelt out in codes of corporate governance, the NC is unlikely to be fulfilling these responsibilities effectively if it is only meeting once a year. Globally, the NC of large companies would meet several times a year.</p> <p>G20/OECD PRINCIPLE VI (E)</p> <p>2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company's size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board.</p>	
	Remuneration Committee/ Compensation Committee		
E.2.13	Does the company have a Remuneration Committee?		Annual Report / Company website / Annual CG Report
E.2.14	Is the Remuneration Committee comprised of a majority of independent directors/commissioners?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders.</p> <p>It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short term considerations. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and re-pricing of options.</p> <p>In some countries, policy also covers the payments to be made when hiring and/or terminating the contract of an executive. In large companies, it is considered good practice that remuneration policy and contracts for board members and key executives be handled by a special committee of the board comprising either wholly or a majority of independent directors and excluding executives that serve on each other's remuneration committees, which could lead to conflicts of interest. The introduction of malus and claw-back provisions is considered good practice. They grant the company the right to withhold and recover compensation from executives in cases of managerial fraud and other circumstances, for example when the company is required to restate its financial statements due to material noncompliance with financial reporting requirements.</p> <p>The recognition of Independent Party in the composition of the Remuneration Committee can be counted as committee members. However, to score "Y", the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board.</p>	Annual Report / Company website / Annual CG Report
E.2.15	Is the Chairman of the Remuneration Committee an independent director/commissioner?		Annual Report / Company website / Annual CG Report

E.2.16	Does the company disclose the terms of reference/governance structure/charter of the Remuneration Committee (RC)?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company's size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards have established independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system. Other such committees include those dealing with nomination, compensation, and risk. The establishment of additional committees can sometimes help avoid audit committee overload and to allow more board time to be dedicated to those issues. Nevertheless, the accountability of the rest of the board and the board as a whole should be clear. Disclosure need not extend to committees set up to deal with, for example, confidential commercial transactions. Given the responsibilities of the Remuneration Committee (RC) which are spelt out in codes of corporate governance, the RC is unlikely to be fulfilling these responsibilities effectively if it only meets once a year. Globally, the RC of large companies would meet several times a year.	Annual Report / Company website / Annual CG Report
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?		Annual Report / Company website / Annual CG Report
E.2.18	Audit Committee Does the company have an Audit Committee?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. (1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest. Examples of such key responsibilities are ensuring the integrity of financial and non-financial reporting, the review of related party transactions, nomination of board members and key executives, and board remuneration. G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 2. Boards should consider setting up specialised committees to support the full board in performing its functions, particularly in respect to audit, and, depending upon the company's size and risk profile, also in respect to risk management and remuneration. When committees of the board are established, their mandate, composition and working procedures should be well defined and disclosed by the board. Where justified in terms of the size of the company and its board, the use of committees may improve the work of the board. In order to evaluate the merits of board committees it is important that the market receives a full and clear picture of their purpose, duties and composition. Such information is particularly important in the many jurisdictions where boards have established independent audit committees with powers to oversee the relationship with the external auditor and to act in many cases independently. Audit committees should also be able to oversee the effectiveness and integrity of the internal control system. Other such committees include those dealing with nomination, compensation, and risk. The establishment of additional committees can sometimes help avoid audit committee overload and to allow more board time to be dedicated to those issues. Nevertheless, the accountability of the rest of the board and the board as a whole should be clear. Disclosure need not extend to committees set up to deal with, for example, confidential commercial transactions. The recognition of Independent Party in the composition of the Remuneration Committee can be counted as committee members. However, to score "Y", the Independent Party should meet the independence requirement and has fiduciary duties. Moreover, their profile must be disclosed and must be approved by its board.	Annual Report / Company website / Annual CG Report
E.2.19	Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?		Annual Report / Company website / Annual CG Report
E.2.20	Is the chairman of the Audit Committee an independent director/commissioner?		Annual Report / Company website / Annual CG Report
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?		Annual Report / Company website / Annual CG Report

E.2.22	Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)?	UK CODE (2016) C.3.1 The board should satisfy itself that at least one member of the Audit Committee has recent and relevant financial experience.	Annual Report / Company website / Annual CG Report
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	As many of the key responsibilities of the Audit Committee are accounting-related such as oversight of financial reporting and audits, it is important to have someone specifically with accounting expertise, not just general financial expertise.	Annual Report / Company website / Annual CG Report
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	UK CODE (2016) C.3.6 The Audit Committee should have primary responsibility for making a recommendation on the appointment, reappointment and removal of the external auditor. If the board does not accept the Audit Committee's recommendation, it should include in the Annual Report, and in any papers recommending appointment or re-appointment, a statement from the Audit Committee explaining the recommendation, and should set out reasons why the board has taken a different position.	Annual Report / Company website / Annual CG Report
E.3 BOARD PROCESSES <i>Board meetings and attendance</i>			
E.3.1	Are the board of directors meeting scheduled before the start of financial year?	Scheduling board meetings before or at the beginning of the year would allow directors to plan ahead to attend such meetings, thereby helping to maximise participation, especially as non-executive directors often have other commitments. Additional ad hoc meetings can always be scheduled if and when necessary. It is common practice for boards in developed markets to schedule meetings in this way.	Annual Report / Company website / Annual CG Report
E.3.2	Does the board of directors/commissioners meet at least six times during the year?	WORLD BANK PRINCIPLE 6 (VI.1.24) Does the board meet at least six times per year?	Annual Report / Company website / Annual CG Report
E.3.3	Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year?	G20/OECD PRINCIPLE VI: Responsibilities of the Board (E) The board should be able to exercise objective independent judgement on corporate affairs. 3. Board members should be able to commit themselves effectively to their responsibilities Specific limitations may be less important than ensuring that members of the board enjoy legitimacy and confidence in the eyes of shareholders. Achieving legitimacy would also be facilitated by the publication of attendance records for individual board members (e.g. whether they have missed a significant number of meetings) and any other work undertaken on behalf of the board and the associated remuneration.	Annual Report / Company website / Annual CG Report
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	WORLD BANK PRINCIPLE 6 (VI.1.28) Is there a minimum quorum of at least 2/3 for board decisions to be valid?	Annual Report / Website (In board charter/articles) / Annual CG Report
E.3.5	Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present?	WORLD BANK PRINCIPLE 6 (VI.E.1.6) Does the corporate governance framework requires or encourages boards to conduct executive sessions? G20/OECD PRINCIPLE VI (E) Independent board members can contribute significantly to the decision making of the board. They can bring an objective view to the evaluation of the performance of the board and management. In addition, they can play an important role in areas where the interests of management, the company and its shareholders may diverge such as executive remuneration, succession planning, changes of corporate control, take-over defences, large acquisitions and the audit function. In order for them to play this key role, it is desirable that boards declare who they consider to be independent and the criterion for this judgement. Some jurisdictions also require separate meetings of independent directors on a periodic basis.	Annual Report / Company website / Annual CG Report

Access to information		Annual Report / Company website / Annual CG Report
E.3.6	Are board papers for board of directors/commissioners meetings provided to the board at least five business days in advance of the board meeting?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information. Board members require relevant information on a timely basis in order to support their decision-making. Non-executive board members do not typically have the same access to information as key managers within the company. The contributions of non-executive board members to the company can be enhanced by providing access to certain key managers within the company such as the company secretary, the internal auditor, and the head of risk management or chief risk officer, and recourse to independent external advice at the expense of the company. In order to fulfil their responsibilities, board members should ensure that they obtain accurate, relevant and timely information. Where companies rely on complex risk management models, board members should be made aware of the possible shortcomings of such models.</p> <p>WORLD BANK PRINCIPLE 6 (VI.F.2) Does such information need to be provided to the board at least five business days in advance of the board meeting?</p>
E.3.7	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (F) In order to fulfil their responsibilities, board members should have access to accurate, relevant and timely information. ICSA Guidance on the Corporate Governance Role of the Company Secretary</p>
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	<p>WORLD BANK PRINCIPLE 6 (VI.D.2.12) Do company boards have a professional and qualified company secretary?</p>
E.3.9	Does the company disclose the criteria used in selecting new directors/commissioners?	<p>G20/OECD PRINCIPLE II (C) (4): To further improve the selection process, the Principles also call for full disclosure of the experience and background of candidates for the board and the nomination process, which will allow an informed assessment of the abilities and suitability of each candidate.</p>
E.3.10	Did the company describe the process followed in appointing new directors/commissioners?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 5. Ensuring a formal and transparent board nomination and election process. These Principles promote an active role for shareholders in the nomination and election of board members. The board has an essential role to play in ensuring that this and other aspects of the nominations and election process are respected. First, while actual procedures for nomination may differ among countries, the board or a nomination committee has a special responsibility to make sure that established procedures are transparent and respected. Second, the board has a key role in defining the general or individual profile of board members that the company may need at any given time, considering the appropriate knowledge, competencies and expertise to complement the existing skills of the board. Third, the board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders with the right to make nominations. There are increasing calls for open search processes extending to a broad range of people.</p>

E.3.11	<p>Are all directors/commissioners subject to re-election every three years; or five years for listed companies in countries whose legislation prescribes a term of five years* each?</p> <p>*The five-year term must be required by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011</p>	<p>ICGN (2014): 3.6 Elections Board members should be conscious of their accountability to shareholders. Accountability mechanisms may require directors to stand for election on an annual basis or to stand for election at least once every three years. Shareholders should have a separate vote on the election of each director, with each candidate approved by a simple majority of shares voted.</p> <p>WORLD BANK PRINCIPLE 6 (VI.1.18) Can the re-election of board members be staggered over time? (Staggered boards are those where only a part of the board is re-elected at each election, e.g. only 1/3 of directors are re-elected every year.)</p>	Annual Report / Company website / Annual CG Report
E.3.12	<p>Remuneration Matters Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive directors and CEO?</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short-term considerations. Policy statements generally tend to set conditions for payments to board members for extra-board activities, such as consulting. They also often specify terms to be observed by board members and key executives about holding and trading the stock of the company, and the procedures to be followed in granting and re-pricing of options. In some countries, policy also covers the payments to be made when hiring and/or terminating the contract of an executive.</p>	Annual Report / Company website / Annual CG Report
E.3.13	<p>Is there disclosure of the fee structure for non-executive directors/commissioners?</p>	<p>UK CODE (2016) D.1.3 Levels of remuneration for non-executive directors should reflect the time commitment and responsibilities of the role. Disclosure of fee structure for non-executive directors allows shareholders to assess if these directors are remunerated in an appropriate manner, for example, whether they are paid for taking on additional responsibilities and contributions such as chairing committees.</p>	Annual Report / Company website / Annual CG Report
E.3.14	<p>Do the shareholders or the board of directors approve the remuneration of the executive directors and/or the senior executives?</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. ICGN (2014): 6.1 Alignment Remuneration should be designed to effectively align the interests of the CEO and senior management with those of the company and its shareholders. Remuneration should be reasonable and equitable, and the quantum should be determined within the context of the company as a whole.</p>	Annual Report / Notice to AGM / Company website / Annual CG Report

	Annual Report / Company website / Annual CG Report	
<p>E.3.15</p> <p>Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interests of the company such as claw back provision and deferred bonuses?</p>	<p>ASX CODE (2016)</p> <p>Recommendation 8.2: A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.</p> <p>The disclosures regarding the remuneration of executive directors and other senior executives should include a summary of the entity's policies and practices regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the entity's financial statements.</p> <p>G20/OECD PRINCIPLE VI (D)</p> <p>4. Aligning key executive and board remuneration with the longer term interests of the company and its shareholders. It is regarded as good practice for boards to develop and disclose a remuneration policy statement covering board members and key executives. Such policy statements specify the relationship between remuneration and performance, and include measurable standards that emphasise the longer run interests of the company over short term considerations.</p>	
Internal Audit		
<p>E.3.16</p> <p>Does the company have a separate internal audit function?</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p>	Annual Report
<p>E.3.17</p> <p>Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?</p>	<p>Companies often disclose that they have an internal audit but, in practice, it is not uncommon for it to exist more in form than in substance. For example, an in-house internal audit may be assigned to someone with other operational responsibilities. As internal audit is unregulated, unlike external audit, there are firms providing outsourced internal audit services which are not properly qualified to do so. Making the identity of the head of internal audit or the external service provider public would provide some level of safeguard that the internal audit is substantive.</p>	Annual Report / Annual CG Report
<p>E.3.18</p> <p>Does the appointment and removal of the internal auditor require the approval of the Audit Committee?</p>	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p>In some jurisdictions, it is considered good practice for the internal auditors to report to an independent Audit Committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board.</p> <p>WORLD BANK PRINCIPLE 6</p> <p>(VI.D.7.9) Does the internal auditors have direct and unfettered access to the board of directors and its independent Audit Committee?</p> <p>ASX (2016)</p> <p>Principle 4: Safeguard integrity in corporate reporting</p> <p>Recommendation 4.1</p> <p>Commentary: If the entity has an internal audit function:</p> <ul style="list-style-type: none"> • The appointment or removal of the head of internal audit; • The scope and adequacy of the internal audit work plan, and • The objectivity and performance of the internal audit function. 	Annual Report

Risk Oversight		Annual Report / Company website	
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.</p> <p>G20/OECD PRINCIPLE VI (D) 1. An area of increasing importance for boards and which is closely related to corporate strategy is oversight of the company's risk management. Such risk management oversight will involve oversight of the accountabilities and responsibilities for managing risks, specifying the types and degree of risk that a company is willing to accept in pursuit of its goals, and how it will manage the risks it creates through its operations and relationships.</p> <p>UK CODE (2016) C.2.3 The board should monitor the company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness, and report on that review in the annual report.</p> <p>14. The monitoring and review should cover all material controls, including financial, operational and compliance controls.</p> <p>G20/OECD PRINCIPLE V: Disclosure and Transparency (A) Disclosure should include, but not be limited to, material information on: 7. Foreseeable risk factors Disclosure of risk is most effective when it is tailored to the particular industry in question. Disclosure about the system for monitoring and managing risk is increasingly regarded as good practice.</p> <p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards. In some jurisdictions it is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board. It should also be regarded as good practice for this committee, or equivalent body, to review and report to the board the most critical accounting policies which are the basis for financial reports. However, the board should retain final responsibility for ensuring the integrity of the reporting systems. Some countries have provided for the chair of the board to report on the internal control process.</p>	Annual Report / Company website
E.3.20	Does the Annual Report/Annual CG Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	<p>UK CODE (2016) C.2.3 The board should monitor the company's risk management and internal control systems and, at least annually, carry out a review of their effectiveness, and report on that review in the annual report.</p> <p>14. The monitoring and review should cover all material controls, including financial, operational and compliance controls.</p>	Annual Report / Annual CG Report / Board Charter
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	<p>G20/OECD PRINCIPLE V: Disclosure and Transparency (A) Disclosure should include, but not be limited to, material information on: 7. Foreseeable risk factors Disclosure of risk is most effective when it is tailored to the particular industry in question. Disclosure about the system for monitoring and managing risk is increasingly regarded as good practice.</p>	Annual Report / Company website
E.3.22	Does the Annual Report/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board (D) The board should fulfil certain key functions, including: 7. Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards. In some jurisdictions it is considered good practice for the internal auditors to report to an independent audit committee of the board or an equivalent body which is also responsible for managing the relationship with the external auditor, thereby allowing a coordinated response by the board. It should also be regarded as good practice for this committee, or equivalent body, to review and report to the board the most critical accounting policies which are the basis for financial reports. However, the board should retain final responsibility for ensuring the integrity of the reporting systems. Some countries have provided for the chair of the board to report on the internal control process.</p>	Annual Report / Annual CG Report

E.4 PEOPLE ON THE BOARD			Annual Report / Company website / Annual CG Report
Board Chairman			Annual Report / Company website / Annual CG Report
E.4.1	Do different persons assume the roles of Chairman and CEO?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(E) The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>In a number of countries with single tier board systems, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and Chairman, or, if these roles are combined, by designating a lead non-executive director to convene or chair sessions of the outside directors. Separation of the two posts may be regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability and improve the board's capacity for decision making independent of management.</p> <p>UK Code (2016)</p> <p>A.3.1 The Chairman should on appointment meet the independence criteria set out in B.1.1 below. A chief executive should not go on to be Chairman of the same company. If, exceptionally, a board decides that a chief executive should become Chairman, the board should consult major shareholders in advance and should set out its reasons to shareholders at the time of the appointment and in the next Annual Report.</p> <p>ASX (2016)</p> <p>Recommendation 2.5</p> <p>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p> <p>ICGN (2014): Leadership and Independence</p>	Annual Report / Company website / Annual CG Report
E.4.2	Is the Chairman an independent director/commissioner?		Annual Report / Company website / Annual CG Report
E.4.3	Is any of the directors a former CEO of the company in the past two years?		Annual Report / Company website / Annual CG Report
E.4.4	Are the roles and responsibilities of the Chairman disclosed?	<p>Lead Independent Director</p> <p>If the Chairman is not independent, has the board appointed a lead/senior independent director and has his/her role been defined?</p>	Annual Report / Company website / Annual CG Report / Board Charter
E.4.5		<p>King Code 2009</p> <p>2. Boards and directors</p> <p>Role and function of the board – The board should elect a Chairman of the board who is an independent non-executive director. The CEO of the company should not also fulfill the role of the Chairman of the board.</p> <p>2.16.3 A lead independent director should be appointed in the case where an executive Chairman is appointed or where the Chairman is not independent or conflicted.</p> <p>ICGN (2014): 2.2 Lead independent director</p> <p>The chair should be independent on the date of appointment. If the chair is not independent, the company should adopt an appropriate structure to mitigate any potential challenges arising from this, such as the appointment of a lead independent director. The board should explain the reasons why this leadership structure is appropriate and keep the structure under review. A lead independent director also provides shareholders and directors with a valuable channel of communication should they wish to discuss concerns relating to the chair.</p>	Annual Report / Company website / Annual CG Report
E.4.6	Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in?	<p>ICGN (2014): 3.1 Composition</p> <p>The board should comprise a majority of non-executive directors, the majority of whom are independent, noting that practice may legitimately vary from this standard in controlled companies where a critical mass of the board is preferred to be independent. There should be a sufficient mix of individuals with relevant knowledge, independence, competence, industry experience and diversity of perspectives to generate effective challenge, discussion and objective decision-making.</p>	Annual Report / Annual CG Report

E.5 BOARD PERFORMANCE			
Directors Development			
E.5.1	Does the company have orientation programmes for new directors/commissioners?	This item is in most codes of corporate governance.	Annual Report / Annual CG Report / Company website
E.5.2	Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(E) The board should be able to exercise objective independent judgement on corporate affairs.</p> <p>3. Board members should be able to commit themselves effectively to their responsibilities.</p> <p>In order to improve board practices and the performance of its members, an increasing number of jurisdictions are now encouraging companies to engage in board training and voluntary self-evaluation that meets the needs of the individual company. This might include that board members acquire appropriate skills upon appointment, and thereafter remain abreast of relevant new laws, regulations, and changing commercial risks through in-house training and external courses.</p>	Annual Report / Company website
CEO/Executive Management Appointments and Performance			
E.5.3	Does the company disclose the process on how the board of directors/commissioners plans for the succession of the CEO/Managing Director/President and key management?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>3. Selecting, compensating, monitoring and, when necessary, replacing key executives and overseeing succession planning.</p> <p>In two-tier board systems the supervisory board is also responsible for appointing the management board which will normally comprise most of the key executives.</p>	Annual Report / Company website / Annual CG Report
E.5.4	Does the board of directors/commissioners conduct an annual performance assessment of the CEO/managing director/president?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>2. Monitoring the effectiveness of the company's governance practices and making changes as needed.</p> <p>Monitoring of governance by the board also includes continuous review of the internal structure of the company to ensure that there are clear lines of accountability for management throughout the organisation. In addition to requiring the monitoring and disclosure of corporate governance practices on a regular basis, a number of countries have moved to recommend or indeed mandate self-assessment by boards of their performance as well as performance reviews of individual board members and the CEO/Chairman.</p>	Annual Report / Company website / Annual CG Report
Board Appraisal			
E.5.5	Did the company conduct an annual performance assessment of the board of directors/commissioners and disclose the criteria and process followed for the assessment?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>2. Monitoring the effectiveness of the company's governance practices and making changes as needed.</p> <p>G20/OECD PRINCIPLE VI (E)</p> <p>4. Boards should regularly carry out evaluations to appraise their performance and assess whether they possess the right mix of background and competences. In order to improve board practices and the performance of its members, an increasing number of jurisdictions now encourage companies to engage in board training and voluntary board evaluation that meet the needs of the individual company.</p>	Annual Report / Company website / Annual CG Report
Director Appraisal			
E.5.6	Did the company conduct an annual performance assessment of the individual directors/commissioners and disclose the criteria and process followed for the assessment?	<p>G20/OECD PRINCIPLE VI: Responsibilities of the Board</p> <p>(D) The board should fulfil certain key functions, including:</p> <p>2. Monitoring the effectiveness of the company's governance practices and making changes as needed.</p> <p>G20/OECD PRINCIPLE VI (E)</p> <p>4. Boards should regularly carry out evaluations to appraise their performance and assess whether they possess the right mix of background and competences. In order to improve board practices and the performance of its members, an increasing number of jurisdictions now encourage companies to engage in board training and voluntary board evaluation that meet the needs of the individual company.</p>	Annual Report / Company website / Annual CG Report

Committee Appraisal		Annual Report / Company website / Annual CG Report
E.5.7	Did the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	UK CODE (2016) B.6 Evaluation: The board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.
LEVEL 2 - BONUS ITEMS		
(B)A. RIGHTS OF SHAREHOLDERS		
(B)A.1	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting	Annual Report / Company website / Articles of Association / Announcement of AGM / Minutes of Meeting
(B)A.1.1	Does the company practice secure electronic voting in absentia at the general meetings of shareholders?	OECD Principle II (C) (5) The objective of facilitating shareholder participation suggests that jurisdictions and/or companies promote the enlarged use of information technology in voting, including secure electronic voting in all listed companies. The principles recommend that voting by proxy be generally accepted. Indeed, it is important to the promotion and protection of shareholders rights that investors can place reliance upon directed proxy voting.
(B)B. EQUITABLE TREATMENT OF SHAREHOLDERS		
(B)B.1	Notice of AGM	Notice of AGM / Announcement
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	OECD Principle II (C) (1) Shareholders should be furnished with sufficient and timely information concerning the date, location and agenda of general meetings as well as full and timely information regarding the issues to be decided at the meeting. (3) Effective shareholder participation in key corporate governance decisions such as the nomination and election of board members should be facilitated. OECD Principle III (A) ICGN 8.3.2 Shareholder participation in governance Shareholders should have the right to participate in key corporate governance decisions such as the right to nominate, appoint and remove directors on an individual basis as well as the right to appoint external auditors. ICGN 8.4.1 Shareholder ownership rights The exercise of ownership rights by all shareholders should be facilitated, including giving shareholders timely and adequate notice of all matters proposed for shareholder vote. CLSA-ACGA (2010) CG Watch 2010 - Appendix 2 (I) CG rules and practices (25) Do company release their AGM notices (with detailed agendas and explanatory circulars) at least 28 days before the date of the meeting?
(B)C. ROLES OF STAKEHOLDERS		
(B)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected	Annual report / Company website
(B)C.1.1	Does the company adopt an internationally recognised reporting framework for sustainability (i.e. GRI, Integrated Reporting or SASB)?	OECD - IV. The role of Stakeholders

(B)D. DISCLOSURE AND TRANSPARENCY		
(B)D.1	Quality of Annual Report	Announcement / Company website / Exchange website
(B)D.1.1	Are the audited annual financial report/statement released within 60 days from the financial year end?	
(B)D.1.2	Does the company disclose details of remuneration of the CEO?	
(B)D.1.1	Does the company have at least one female independent director/commissioner?	
(B)E. RESPONSIBILITIES OF THE BOARD		
(B)E.1	Board Competencies and Diversity	Annual Report / Annual CG Report
(B)E.1.1	Does the company have at least one female independent director/commissioner?	Annual Report / Annual CG Report
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	Annual Report / Annual CG Report
(B)E.2 Board Structure		
(B)E.2.1	Is the Nominating Committee comprise entirely of independent directors/commissioners?	Annual Report / Annual CG Report
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	Annual Report / Annual CG Report

(B)E.3 Board Appointments and Re-Election			Annual Report / Company website / Annual CG Report
(B)E.3.1	Does the company use 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/commissioners?	<p>OECD Principle VI (D)</p> <p>(5) The board or nomination committee has the responsibility to identify potential candidates to meet desired profiles and propose them to shareholders, and/or consider those candidates advanced by shareholders with the right to make nominations. There are increasing calls for open search processes extending to a broad range of people.</p> <p>WORLD BANK PRINCIPLE 6</p> <p>(VI.1.21) Are boards known to hire professional search firms when proposing candidates to the board?</p>	
(B)E.4 Board Structure & Composition			Annual Report / Annual CG Report
(B)E.4.1	Do independent non-executive directors/commissioners make up more than 50% of the board of directors/commissioners for a company with independent chairman?	<p>OECD Principle VI (E)</p> <p>(1) Boards should consider assigning a sufficient number of non-executive board members capable of exercising independent judgement to tasks where there is a potential for conflict of interest.</p>	
(B)E.5 Risk Oversight			Annual Report / Annual CG Report
(B)E.5.1	Does the board describe its governance process around IT issues including disruption, cybersecurity and disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	<p>King Code 2009</p> <p>5. The governance of information technology</p> <p>The board should be responsible for information technology (IT) governance</p> <p>5.1.1. The board should assume the responsibility for the governance of IT and place it on the board agenda.</p> <p>5.1.2. The board should ensure that an IT charter and policies are established and implemented.</p>	
(B)E.6 Board Performance			Annual Report / Company website / Annual CG Report
(B)E.6.1	Does the company have a separate board level Risk Committee?	<p>ICGN 5.5 Risk Committee</p> <p>While ultimate responsibility for a company's risk management approach rests with the full board, having a Risk Committee (be it a stand-alone risk committee, a combined risk committee with nomination and governance, strategy, audit or others) can be an effective mechanism to bring the transparency, focus and independent judgement needed to oversee the company's risk management approach.</p>	
LEVEL 2 - PENALTY			
(P)A. RIGHTS OF SHAREHOLDERS			Repurchase Notice / Announcement / Annual Report
(P)A.1 Basic shareholder rights			
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	OECD Principle II (A)	
(P)A.2	Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to prevent abuse.	to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to prevent abuse.	
(P)A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	OECD Principle II (G)	Annual Report / Company website
		Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.	
(P)A.3 Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.			Minutes of Meeting / Meeting results notice
(P)A.3.1	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	OECD Principle II (C) 2	
(P)A.3.2	Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM?	OECD Principle II (C) and ICGN 2.4.2 Time Commitment	AGM minutes
		All directors need to be able to allocate their time effectively and attend AGMs to meet and directly communicate with shareholders.	

(P)A.4 Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed. Did the company fail to disclose the existence of:			
(P)A.4.1 (P)A.4.2 (P)A.4.3	Shareholders agreement? Voting cap? Multiple voting rights?	OECD Principle II (D)	Annual Report / Company website / Articles of association / Company announcement / Media
(P)A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.	to obtain a degree of control disproportionate to their equity ownership should be disclosed.	
(P)A.5.1	Is a pyramid ownership structure and/ or cross holding structure apparent?	OECD Principle II (D): Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed. Some capital structures allow a shareholder to exercise a degree of control over the corporation disproportionate to the shareholders' equity ownership in the company. Pyramid structures, cross shareholdings and shares with limited or multiple voting rights can be used to diminish the capability of non-controlling shareholders to influence corporate policy.	
To check for the existence of pyramid & cross holding structure(s): Disclosure in Annual Report / company website. It may be directly reported by the company or it may be disclosed in the form of group structure that reveals the ownership of the controlling shareholder(s) in companies belonging to the group. Other sources: Check on ownership structures of chains of entities that directly/ indirectly owns the listed company.			
(P)B. EQUITABLE TREATMENT OF SHAREHOLDERS			
(P)B.1	Insider trading and abusive self-dealing should be prohibited.	Annual Report / Company website / Announcement / Media	
(P)B.1.1	Has there been any conviction of insider trading involving directors/ commissioners, management and employees in the past three years?	OECD Principle III: The Equitable Treatment of Shareholders (B) Insider trading and abusive dealing should be prohibited. ICGN 3.5 Employee share dealing Companies should have clear rules regarding any trading by directors and employees in the company's own securities. Among other issues, they must seek to ensure individuals do not benefit from knowledge which is not generally available to the market. ICGN 8.5 Shareholder rights of action ... Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	Annual Report / Company website / Announcement / Media
(P)B.2	Protecting minority shareholders from abusive action.		
(P)B.2.1	Has there been any cases of non-compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?	OECD Principle III (B) Insider trading and abusive dealing should be prohibited. ICGN 2.11.1 Related party transactions Companies should have a process for reviewing and monitoring any related party transaction. A committee of independent directors should review significant related party transactions to determine whether they are in the best interests of the company, and if so to determine what terms are fair. ICGN 2.11.2 Director's conflicts of interest Companies should have a process for identifying and managing any conflicts of interest directors may have. If a director has an interest in a matter under consideration by the board, then the director should not participate in those discussions and the board should follow any further appropriate processes. Individual directors should be conscious of shareholder and public perceptions and seek to avoid situations where there might be an appearance of a conflict of interest. ICGN 8.5 Shareholder rights of action Shareholders should be afforded rights of action and remedies which are readily accessible in order to redress conduct of company which treats them inequitably. Minority shareholders should be afforded protection and remedies against abusive or oppressive conduct.	Annual Report / Company website / Announcement / Media

(PB.2.2)	Were there any related party transactions (RPTs) that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?	OECD Principle III (G) Minority shareholders should be protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and should have effective means of redress. Abusive self-dealing should be prohibited.	Annual Report / Company website / Announcement / Media
(PIC. ROLE OF STAKEHOLDERS)			
(PIC.1)	The rights of stakeholders that are established by law or through mutual agreements are to be respected.		
(PIC.1.1)	Have there been any violations of any laws pertaining to labour/employment/consumer/insolvency/ commercial/competition or environmental issues?	<p>OECD Principle IV (A) The rights of stakeholders that are established by law or through mutual agreements are to be respected.</p> <p>OECD Principle IV (D) (7) Companies are also well advised to establish and ensure the effectiveness of internal controls, ethics, and compliance programmes or measures to comply with applicable laws, regulations, and standards, including statutes criminalising the bribery of foreign public officials, as required under the OECD Anti-Bribery Convention, and other forms of bribery and corruption. Moreover, compliance must also relate to other laws and regulations such as those covering securities, competition and work and safety conditions.</p>	Sanction(s) from Regulator(s) / Media coverage / Company announcement / Annual Report / Company website
(PIC.2)	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.		
(PIC.2.1)	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	<p>OECD Principle IV (B) Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.</p>	Sanction(s) from Regulator(s) / Media / Company announcement / Annual Report / Company website
(PID. DISCLOSURE AND TRANSPARENCY)			
(PID.1)	Sanctions from regulator on financial reports		
(PID.1.1)	Did the company receive a "qualified opinion" in its external audit report?	<p>OECD Principle V: Disclosure and Transparency (B) Information should be prepared and disclosed in accordance with high quality standards of accounting and financial and non-financial disclosures. (C) An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects. (D) External auditors should be accountable to the shareholders and owe a duty to the company to exercise due professional care in the conduct of the audit.</p> <p>ICGN 6.2 Annual audit The annual audit carried out on behalf of shareholders is an essential part of the checks and balances required at a company. It should provide an independent and objective opinion that the financial statements fairly represent the financial position and performance of the company in all material respects, give a true and fair view of the affairs of the company and are in compliance with applicable laws and regulations.</p> <p>ICGN 7.3 Affirmation of financial statements The board of directors and the appropriate officers of the company should affirm at least annually the accuracy of the company's financial statements or financial accounts.</p> <p>International Auditing Standard (ISA) No. 705 "Modifications to the Opinion in the Independent Auditor's Report" (2009). Paras. 7, 8 and 9 specify the three types of modifications to the auditor's opinion; that is, Qualified opinion, Adverse opinion, and Disclaimer opinion respectively.</p>	Annual Report – see Independent Auditor's Report accompanying the company's financial statements
(PID.1.2)	Did the company receive an "adverse opinion" in its external audit report?		Media / Announcement
(PID.1.3)	Did the company receive a "disclaimer opinion" in its external audit report?		
(PID.1.4)	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?		

(P)E. RESPONSIBILITIES OF THE BOARD			
(P)E.1	Compliance with listing rules, regulations and applicable laws		
(P)E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	<p>OECD Principle VI (D) (7) Ensuring the integrity of the corporation's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards. Companies are also well advised to set up internal programmes and procedures to promote compliance with applicable laws, regulations and standards, including statutes to criminalise bribery of foreign officials that are required to be enacted by the OECD Anti-bribery Convention and measures designed to control other forms of bribery and corruption. Moreover, compliance must also relate to other laws and regulations such as those covering securities, competition and work and safety conditions. Such compliance programmes will also underpin the company's ethical code.</p> <p>UK CODE (JUNE 2010) A.4.3 Where directors have concerns which cannot be resolved about the running of the company or a proposed action, they should ensure that their concerns are recorded in the board minutes. On resignation, a non-executive director should provide a written statement to the Chairman for circulation to the board, if they have any such concerns.</p>	Company announcements to the exchange / Media
(P)E.1.2	Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns?	<p>ICGN 3.3 Tenure Non-executive directors should serve for an appropriate length of time to properly serve the board without compromising the independence of the board. The length of tenure of each director should be reviewed regularly by the nomination committee to allow for board refreshment and diversity.</p> <p>ICGN 2.5 Independence</p> <p>OECD PRINCIPLE VI (E) (3) Board members should be able to commit themselves effectively to their responsibilities. Service on too many boards can interfere with the performance of board members. Companies may wish to consider whether multiple board memberships by the same person are compatible with effective board performance and disclose the information to shareholders.</p>	Company announcements to the exchange / Media
(P)E.2	Board structure		Annual report / Company website
(P)E.2.1	Does the company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (whichever is higher) in the same capacity? *The five-year term must be required by legislation which pre-existed before the introduction of the ASEAN Corporate Governance Scorecard in 2011		
(P)E.2.2	Did the company fail to identify who are the independent director(s)/ commissioner(s)?		Annual Report
(P)E.2.3	Does the company have any independent directors/non-executive/ commissioners who serve on a total of more than five boards of publicly-listed companies?		Annual Report / Annual CG Report
(P)E.3	External Audit		Annual Report
(P)E.3.1	Is there any director or senior management personnel who was a former employee or partner of the current external auditor (in the past two years)?	<p>OECD Principle V (C) An annual audit should be conducted by an independent, competent and qualified, auditor in order to provide an external and objective assurance to the board and shareholders that the financial statements fairly represent the financial position and performance of the company in all material respects. Examples of other provisions to underpin auditor independence include a total ban or severe limitation on the nature of non-audit work which can be undertaken by an auditor for their audit client; mandatory rotation of auditors (either partners or in some cases the audit partnership); a temporary ban on the employment of an ex-auditor by the audited company, and prohibiting auditors or their dependents from having a financial stake or management role in the companies they audit.</p>	

(P)E.4 Board structure and composition		Annual report
(P)E.4.1	Has the chairman been the company CEO in the last three years?	
(P)E.4.2	Do independent non-executive directors/commissioners receive options, performance shares or bonuses?	<p>OECD Principle VI (E) The board should be able to exercise objective independent judgement on corporate affairs. In countries with single tier board system, the objectivity of the board and its independence from management may be strengthened by the separation of the role of chief executive and Chairman. Separation of the two posts is generally regarded as good practice as it can help to achieve an appropriate balance of power, increase accountability and improve the board's capability for decision making independent management. The presence of a recent CEO as Chairman may unduly influence the views of the board.</p> <p>UK CODE (JUNE 2010) (D.1.3) Levels of remuneration for non-executive directors should reflect the time commitment and responsibilities of the role. Remuneration for non-executive directors should not include share options or other performance-related elements. If, by exception, options are granted, shareholder approval should be sought in advance and any shares acquired by exercise of the options should be held until at least one year after the non-executive director leaves the board. Holding of share options could be relevant to the determination of a non-executive director's independence (as set out in provision B.1.1).</p> <p>ASX CODE Box 8.2: Guidelines for non-executive director remuneration Companies may find it useful to consider the following when considering non-executive director's remuneration:</p> <ol style="list-style-type: none"> 1. Non-executive directors should normally be remunerated by way of fees, in the form of cash, non-cash benefits, superannuation contributions or salary sacrifice into equity; they should not normally participate in schemes designed for the remuneration of executives. 2. Non-executive directors should not receive options or bonus payments. 3. Non-executive directors should not be provided with retirement benefits other than superannuation.

Planting the Seeds of Sustainability

Sustainability is a journey.

At OSK, it means developing spaces to live in harmony with Nature, protecting the well-being of people around us, helping the less fortunate, and upholding the highest ethical conduct.

We strive to do the right thing, not just because it helps us do well.

But also because building a better tomorrow, starts with what we do today.

Iringan Bayu Wetland Park in our Iringan Bayu township in Seremban, Negeri Sembilan.

www.oskgroup.com

PROPERTY | FINANCIAL SERVICES | CONSTRUCTION | INDUSTRIES | HOSPITALITY



Shangri-La Hotels (Malaysia) Berhad

Reg. No. 197101000484 (10889-U)

Shangri-La Hotels (Malaysia) Berhad is a leading company in Malaysia and is listed on Bursa Malaysia Securities Berhad. The Company and its subsidiaries own and operate deluxe hotels and beach resorts in strategic locations in Kuala Lumpur, Sabah and Penang. The Group's hotel properties are Shangri-La Hotel Kuala Lumpur, Shangri-La Rasa Ria Resort & Spa, Shangri-La Rasa Sayang Resort & Spa, Golden Sands Resort and Hotel Jen Penang, along with an 18-hole championship golf course and a Clubhouse in Pantai Dalit, Tuaran, Sabah. Its associated companies in Myanmar are involved in the ownership and operation of a hotel, serviced apartments and a commercial complex in Yangon. In addition, the Group is engaged in property management and investment. Within the investment portfolio, it owns the prime UBN Tower office building and UBN Apartments in the Golden Triangle of Kuala Lumpur.

KUALA LUMPUR

Shangri-La Hotel Kuala Lumpur
11 Jalan Sultan Ismail
50250 Kuala Lumpur
Tel: (+60-3) 2032 2388
Fax: (+60-3) 2070 1514
E-Mail: slkl@shangri-la.com

PENANG

Shangri-La's Rasa Sayang Resort & Spa Hotel Kuala Lumpur
10th Mile Batu Feringgi Beach, 11100 Penang
Tel: (+60-4) 888 8888
Fax: (+60-4) 881 1800
E-Mail: rsr@shangri-la.com

SABAH

Shangri-La's Rasa Ria Resort & Spa
Pantai Dalit, PO Box 600
89208 Tuaran, Sabah
Tel: (+60-88) 797 888
Fax: (+60-88) 792 777
E-Mail: rrr@shangri-la.com



Hotel Jen Penang

Magazine Road, George Town, 10300 Penang
Tel: (+60-4) 262 2622
Fax: (+60-4) 262 6526
E-Mail: hjp@hoteljen.com

Golden Sands Resort

10th Mile Batu Feringgi Beach, 11100 Penang
Tel: (+60-4) 886 911
Fax: (+60-4) 881 1800
E-Mail: gsh@shangri-la.com

Dalit Bay Golf & Country Club

Pantai Dalit, PO Box 600, 89208 Tuaran, Sabah
Tel: (+60-88) 791 188
Fax: (+60-88) 792 128
E-Mail: dalitbaygolf.rrr@shangri-la.com

Appendix 2: LIST OF DEFAULT ITEMS

A.2 Right to participate in decisions concerning fundamental corporate changes

Do shareholders have the right to participate in:

- A.2.1 Amendments to the company's constitution?
- A.2.2 The authorisation of additional shares?
- A.2.3 The transfer of all or substantially all assets, which in effect results in the sale of the company?

A.3 Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures that govern general shareholder meetings

- A.3.1 Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive directors/commissioners?
- A.3.2 Does the company provide non-controlling shareholders a right to nominate candidates for board of directors/commissioners?
- A.3.3 Does the company allow shareholders to elect directors/commissioners individually?
- A.3.9 Does the company allow voting in absentia?
- A.3.10 Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?
- A.3.11 Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?
- A.3.12 Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/EGM for all resolutions?
- A.3.15 Does the company provide the opportunity for its shareholders to place item/s on the agenda of AGM?

A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner

- A.4.1 In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?

B.1 Shares and voting rights

- B.1.1 Does the company's ordinary or common shares have one vote for one share?

B.3 Insider trading and abusive self-dealing should be prohibited

- B.3.1 Does the company have policies and/or rules prohibiting directors/commissioners and employees to benefit from knowledge which is not generally available to the market?
- B.3.2 Are the directors/commissioners required to report their dealings in company shares within three business days?

B.4 Related party transactions by directors and key executives

- B.4.1** Does the company have a policy requiring its directors /commissioners to disclose their interest in transactions and any other conflicts of interest?
- B.4.2** Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?
- B.4.3** Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted?
- B.4.4** Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?

E.2 Board Structure

Board Structure & Composition

- E.2.6** Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously?

Nominating Committee

- E.2.8** Does the company have a Nominating Committee?

Audit Committee

- E.2.18** Does the company have an Audit Committee?
- E.2.19** Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners?
- E.2.20** Is the chairman of the Audit Committee an independent director/commissioner?
- E.2.21** Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?

E.3.8 Board Process

Access to information

- E.3.8** Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?

Board Appointments and Re-Election

- E.3.11** Are all directors/commissioners subject to re-election every three years; or five years for listed companies in countries whose legislation prescribes a term of five years* each?

*The five -year term is a requirement by legislation which pre-existed the introduction of the ASEAN Corporate Governance Scorecard in 2011

Internal Audit

- E.3.16** Does the company have a separate internal audit function?

WITH NATURE'S GOOD ENERGY, WE OPEN UP A PATH OF ENDLESS POSSIBILITIES.

We're choosing to harness good energy from the sun, wind and water to light up homes and brighten lives. Together with nature, we're working towards generating 8,300MW of renewable energy by 2025.

Together, let's welcome a brighter tomorrow for all.

NET ZERO
2050

Scan to watch
our journey to
a brighter world.



**THE SPARKS OF TODAY,
POWER BRIGHTER TOMORROWS.**

TENAGA NASIONAL
Better. Brighter.

www.tnb.com.my

KAIA
HEIGHTS
EQUINE

Multigenerational hilltop and nature living

Embodying UEM Sunrise's principles
of sustainability with green elements,
built in compliance with sustainable guidelines



- Energy saving lights
fitting and circuiting timing
- Rainwater harvesting
tank for irrigation
- Usage of sustainable
and recyclable green cement
- Environmental friendly
product for quality air
- Greater greenery preservation
- Environmental transport
options



1800888008
uemsunrise.com

2022

CX

UEM

SUNRISE
A member of UEM Group

Find your
Happy

A WORLD WHERE WE BUILD TOMORROW



**ENGINEERING &
CONSTRUCTION**

**PROPERTY
DEVELOPMENT**

**SHOPPING
MALLS**

HOTELS

**BUSINESS
AVIATION**

WCT
BUILDING VALUES

WCT Holdings Berhad (001101002327/909464-A)

B-30-01, The Ascent, Paradigm, No. 1, Jalan SS7/26A, Kelana Jaya
47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel: +(603) 7806 6688 Fax: +(603) 7806 6633 Email: enquiries@wct.my
www.wct.com.my



Appendix 3: WINNERS OF THE MSWG-ASEAN CORPORATE GOVERNANCE AWARD 2021

EXCELLENCE AWARD FOR CG DISCLOSURE

- 1 **ALLIANCE BANK MALAYSIA BHD**
- 2 MALAYSIAN RESOURCES CORPORATION BHD
- 3 **CIMB GROUP HOLDINGS BHD**
- 4 SUNWAY REAL ESTATE INVESTMENT TRUST
- 5 **PETRONAS DAGANGAN BHD**
- 6 BRITISH AMERICAN TOBACCO (MALAYSIA) BHD
- 7 **MALAYAN BANKING BHD**
- 8 PETRONAS GAS BHD
- 9 **PETRONAS CHEMICALS GROUP BHD**
- 10 AMMB HOLDINGS BHD

INDUSTRY EXCELLENCE AWARD

CONSUMER PRODUCTS & SERVICES

- 1 **PETRONAS DAGANGAN BHD**
- 2 BRITISH AMERICAN TOBACCO (MALAYSIA) BHD
- 3 **UMW HOLDINGS BHD**
- 4 SIME DARBY BHD

ENERGY

- 1 **YINSON HOLDINGS BHD**
- 2 VELESTO ENERGY BHD

FINANCIAL SERVICES

- 1 **ALLIANCE BANK MALAYSIA BHD**
- 2 CIMB GROUP HOLDINGS BHD
- 3 **MALAYAN BANKING BHD**
- 4 AMMB HOLDINGS BHD
- 5 **AFFIN BANK BHD**
- 6 TUNE PROTECT GROUP BHD
- 7 **RHB BANK BHD**
- 8 MALAYSIA BUILDING SOCIETY BHD
- 9 **LPI CAPITAL BHD**
- 10 PUBLIC BANK BHD
- 11 **ALLIANZ MALAYSIA BHD**

HEALTHCARE

- 1 **IHH HEALTHCARE BHD**
- 2 DUOPHARMA BIOTECH BHD

INDUSTRIAL PRODUCTS & SERVICES

- 1 **PETRONAS CHEMICALS GROUP BHD**
- 2 LOTTE CHEMICAL TITAN HOLDING BHD
- 3 **UEM EDGENTA BHD**
- 4 SUNWAY BHD

PLANTATION

- 1 **SIME DARBY PLANTATION BHD**

PROPERTY

- 1 **MALAYSIAN RESOURCES CORPORATION BHD**
- 2 UEM SUNRISE BHD
- 3 **PARAMOUNT CORPORATION BHD**

REAL ESTATE INVESTMENT TRUST

- 1 **SUNWAY REAL ESTATE INVESTMENT TRUST**

TELECOMMUNICATIONS & MEDIA

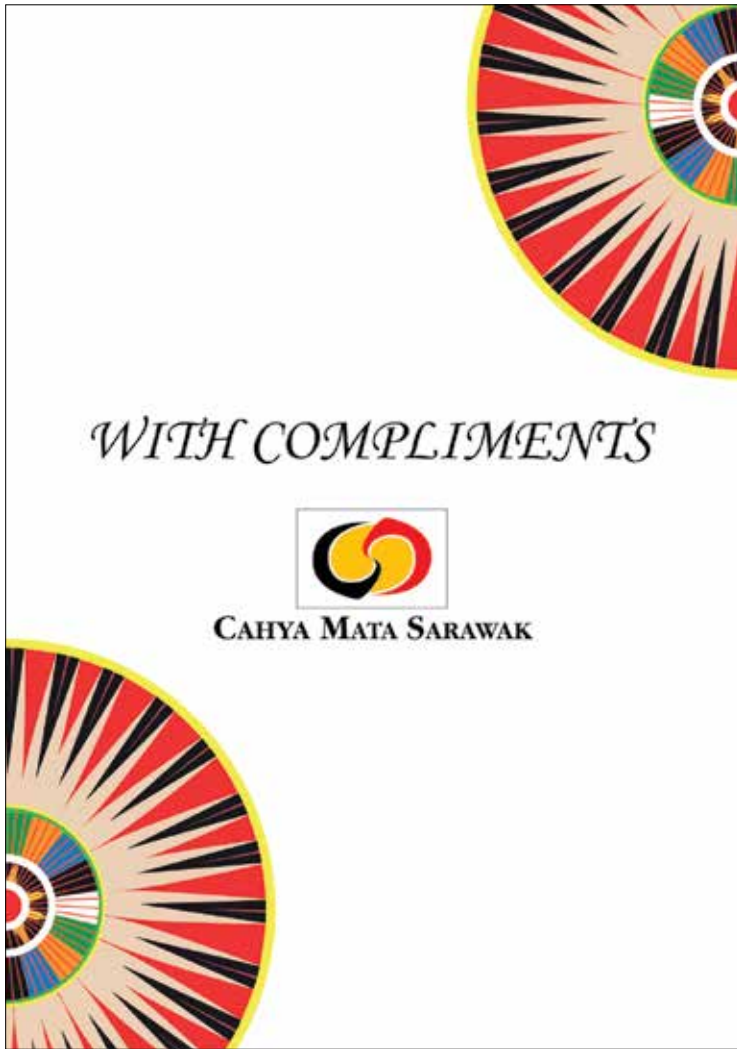
- 1 **ASTRO MALAYSIA HOLDINGS BHD**
- 2 AXIATA GROUP BHD
- 3 **MEDIA PRIMA BHD**
- 4 TELEKOM MALAYSIA BHD

UTILITIES


- 1 **PETRONAS GAS BHD**
- 2 TENAGA NASIONAL BHD

Note:

Bursa Malaysia Bhd, being the frontline regulator of PLCs, has voluntarily recused itself from participation in the MSWG-ASEAN Corporate Governance Award 2021.



WITH COMPLIMENTS



CAHYA MATA SARAWAK



WOOD PANEL PRODUCT SPECIALIST

- 21 BRANCHES ACROSS ASIA PACIFIC
- LARGEST DISTRIBUTION NETWORK IN MALAYSIA
- MORE THAN 43 YEARS OF EXPERIENCES IN THE INDUSTRY
- ONE STOP WOOD PANEL SOLUTION PROVIDER

Furniture Accessories




LAMINATED WOOD PANEL

OUR PRESENCE:



MALAYSIA SINGAPORE THAILAND VIETNAM AUSTRALIA


+60(7)-558 8318 No.2, Jalan Gemilang 1, Taman Perindustrian Maju Jaya, 81300 Johor Bahru, Johor, Malaysia.
+60(7)-554 3720
www.dominant.com.my debgroup@dominant.com.my




LONPAC INSURANCE lonpac.com

Set Yourself Free Of Worries

Protection For You,
Your Family, Businesses
& Properties



Comprehensive Insurance Coverage For Every Need



Lonpac Insurance Bhd is a wholly-owned subsidiary of LPI Capital Bhd

LIVINGSECURE



SUNWAY

Building Up To **50 Years** Of Excellence

We are committed to building a more equitable, resilient and sustainable world for generations to come.

We strive to make lasting change that has a far-reaching impact in this part of the world. By advancing the 17 United Nations Sustainable Development Goals and aligning them with Environmental, Social and Governance (ESG) targets, our corporate strategy and social responsibility continue to drive the Group's long-term success and deepen our commitment to nation-building.

Beyond the awards and accolades, our core values as well as purpose-driven commitment will continue to guide our actions as we look to touch the lives of millions in the lead up to our 50-year milestone in 2024.

Creating and Nurturing A Sustainable Future For All

www.sunway.com.my

SUNWAY COMMITTED TO: SUSTAINABLE DEVELOPMENT GOALS

CSR AWARDS

- The Edge Billion Ringgit (Best CSR Initiative)
- Sustainability & CSR Awards
- Jabatan Kebajikan Masyarakat CSR Award

EMPLOYER AWARDS

- Best Managed Companies
- ASEAN Corporate Governance Award 2020 Industry Excellence
- Sunway was recognized in 8 categories, biggest winners
- TOP 100 SUSTAINABLE EMPLOYERS
- TOP 10 MOST ATTRACTIVE EMPLOYERS BY randstad

SUSTAINABILITY AWARDS

- Best Sustainability Report Asia-Pacific Category
- Diamond Recognition as a Low Carbon City
- 2 recognitions at the Asia Sustainability Reporting Awards
- 4 recognitions at the Sustainable Business Awards

Scan the QR code to watch our video

[Property | Construction | REIT | Healthcare | Malls | Building Materials | Trading & Manufacturing | Quarry | Digital | Hospitality | Education | Leisure | Investment & Financial Services]

Sunway Berhad 2003030267 (021051-0)

Appendix 4: LIST OF TOP 100 COMPANIES FOR CG DISCLOSURE 2021 (BY RANK)

1	ALLIANCE BANK MALAYSIA BHD	51	FGV HOLDINGS BHD
2	MALAYSIAN RESOURCES CORPORATION BHD	52	DELEUM BHD
3	CIMB GROUP HOLDINGS BHD	53	CAHYA MATA SARAWAK BHD
4	SUNWAY REAL ESTATE INVESTMENT TRUST	54	IJM CORPORATION BHD
5	PETRONAS DAGANGAN BHD	55	ECO WORLD DEVELOPMENT GROUP BHD
6	BRITISH AMERICAN TOBACCO (MALAYSIA) BHD	56	MALAYSIA AIRPORTS HOLDINGS BHD
7	MALAYAN BANKING BHD	57	MR D.I.Y. GROUP (M) BHD
8	PETRONAS GAS BHD	58	FRASER & NEAVE HOLDINGS BHD
9	PETRONAS CHEMICALS GROUP BHD	59	OSK HOLDINGS BHD
10	AMMB HOLDINGS BHD	60	IOI PROPERTIES GROUP BHD
11	ASTRO MALAYSIA HOLDINGS BHD	61	IJM PLANTATIONS BHD
12	UMW HOLDINGS BHD	62	BUMI ARMADA BHD
13	YINSON HOLDINGS BHD	63	KUMPULAN PERANGSANG SELANGOR BHD
14	TENAGA NASIONAL BHD	64	DIGI.COM BHD
15	IHH HEALTHCARE BHD	65	MNRB HOLDINGS BHD
16	AFFIN BANK BHD	66	PRESS METAL ALUMINIUM HOLDINGS BHD
17	TUNE PROTECT GROUP BHD	67	POS MALAYSIA BHD
18	SIME DARBY BHD	68	QL RESOURCES BHD
19	RHB BANK BHD	69	MATRIX CONCEPTS HOLDINGS BHD
20	LOTTE CHEMICAL TITAN HOLDING BHD	70	CARLSBERG BREWERY MALAYSIA BHD
21	UEM SUNRISE BHD	71	AEON CREDIT SERVICE (M) BHD
22	MALAYSIA BUILDING SOCIETY BHD	72	PROGRESSIVE IMPACT CORPORATION BHD
23	LPI CAPITAL BHD	73	KPJ HEALTHCARE BHD
24	VELESTO ENERGY BHD	74	GENTING MALAYSIA BHD
25	DUOPHARMA BIOTECH BHD	75	NESTLE (MALAYSIA) BHD
26	AXIATA GROUP BHD	76	EUPE CORPORATION BHD
27	UEM EDGENTA BHD	77	DUTCH LADY MILK INDUSTRIES BHD
28	SIME DARBY PLANTATION BHD	78	RANHILL UTILITIES BHD
29	MEDIA PRIMA BHD	79	GENTING PLANTATIONS BHD
30	TELEKOM MALAYSIA BHD	80	KLCC PROP&REITS-STAPLED SEC
31	PUBLIC BANK BHD	81	MAH SING GROUP BHD
32	SUNWAY BHD	82	GADANG HOLDINGS BHD
33	PARAMOUNT CORPORATION BHD	83	GAMUDA BHD
34	ALLIANZ MALAYSIA BHD	84	GAS MALAYSIA BHD
35	GREATECH TECHNOLOGY BHD	85	HONG LEONG FINANCIAL GROUP BHD
36	SUNWAY CONSTRUCTION GROUP BHD	86	TALIWORKS CORPORATION BHD
37	IOI CORPORATION BHD	87	BINTULU PORT HOLDINGS BHD
38	AWANBIRU TECHNOLOGY BHD	88	EASTERN & ORIENTAL BHD
39	MALAYSIAN MARINE AND HEAVY ENGINEERING HOLDINGS BHD	89	WESTPORTS HOLDINGS BHD
40	MISC BHD	90	GDEX BHD
41	DRB-HICOM BHD	91	GAGASAN NADI CERGAS BHD
42	AMWAY (M) HOLDINGS BHD	92	AME ELITE CONSORTIUM BHD
43	MAXIS BHD	93	PUNCAK NIAGA HOLDINGS BHD
44	TOP GLOVE CORPORATION BHD	94	HAP SENG CONSOLIDATED BHD
45	SURIA CAPITAL HOLDINGS BHD	95	HENGYUAN REFINING COMPANY BHD
46	SP SETIA BHD	96	MSM MALAYSIA HOLDINGS BHD
47	MALAKOFF CORPORATION BHD	97	KUALA LUMPUR KEPONG BHD
48	HONG LEONG BANK BHD	98	UNISEM (M) BHD
49	SIME DARBY PROPERTY BHD	99	TIME DOTCOM BHD
50	ECO WORLD INTERNATIONAL BHD	100	HEINEKEN MALAYSIA BHD



The Minority Shareholders Watch Group (MSWG) wishes to acknowledge
the contribution of the following companies in the publication of our
Malaysia-ASEAN Corporate Governance Report 2021

Bermaz Auto Bhd

Chin Well Holdings Bhd

Gadang Holdings Bhd

United Plantations Bhd

Watta Holding Bhd

Zhulian Corporation Bhd





MINORITY SHAREHOLDERS WATCH GROUP
Shareholder Activism and Protection of Minority Interest

ORDER FORM

NO	PUBLICATION	PRICE (RM)	QUANTITY	AMOUNT (RM)
1	Malaysia-ASEAN Corporate Governance Report 2021	150.00		
TOTAL				

CONTACT DETAILS

Name : _____

Designation : _____

Organisation : _____

Address : _____

E-mail : _____

Tel. No : _____ Fax No : _____

Signature : _____

PAYMENT

- 1) Cheque payments to be made payable to "Badan Pengawas Pemegang Saham Minoriti Berhad"
- 2) Online payment to be made to our Maybank account number 564155124857

For further inquiries, please contact us at

Minority Shareholders Watch Group (MSWG)

Level 23-2, Menara AIA Sentral, No.30, Jalan Sultan Ismail, 50250 Kuala Lumpur

Tel. No : 03-2732 0010

E-mail : cannie.chia@mswg.org.my / mageswary@mswg.org.my

Website : www.mswg.org.my





BANK ON THE STRENGTH OF DECADES OF EXCELLENCE

Conceptualised as a 'bank for the people', Public Bank stood tall for the past 55 years, drawing strength from stability in leadership, financial management, business acumen, professionalism and service excellence.

Our diversified banking business offers a comprehensive range of innovative financial products and services to cater for the ever evolving world of financial technology.

Public Bank will remain steadfast, agile and adaptive to successfully navigate the road ahead. To us, excellence is our commitment.



PUBLIC BANK

Excellence Is Our Commitment

Creating Opportunities, Growing Value

The pulse of our marketplace is defined by the vibrant entrepreneurial spirit of our traders, investors and fundraisers.

We uncover an evolving myriad of opportunities that connect investors and businesses. Opportunities that create value for everyone.