

MEDIA RELEASE

Kuala Lumpur
15 December 2016

MALAYSIA-ASEAN CORPORATE GOVERNANCE TRANSPARENCY INDEX, FINDINGS AND RECOGNITION 2016

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

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

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

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

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

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

Comments on Key Areas for Top 100 PLCs:

Environmental, Social and Governance

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

Women on Board

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

Publishing of AGM Minutes

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

Whistle-Blowing Policy

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

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

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

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

-ENDS-

For further information, please contact:

**PUAN LYA RAHMAN
GENERAL MANAGER
MINORITY SHAREHOLDER WATCHDOG GROUP**

11th Floor, Bangunan KWSP
No.3, Changkat Raja Chulan
Off Jalan Raja Chulan
50200 Kuala Lumpur
HP: 012 - 229 7260
Tel: +603 -2070 9090
Fax: +603 – 2070 9107
E-mail: lyarahman@mswg.org.my

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

NO.	NAME OF COMPANY
1	BURSA.MALAYSIA BHD
2	TELEKOM MALAYSIA BHD
3	AXIATA GROUP BHD
4	MALAYAN BANKING BHD
5	SIME DARBY BHD
6	RHB CAPITAL BHD
7	CIMB GROUP HOLDINGS BHD
8	ALLIANZ MALAYSIA BHD
9	PETRONAS DAGANGAN BHD
10	TENAGA NASIONAL BHD
11	LPI CAPITAL BHD
12	MALAYSIA AIRPORTS HOLDINGS BHD
13	FELDA GLOBAL VENTURES HOLDINGS BHD
14	UEM SUNRISE BHD
15	ASTRO MALAYSIA HOLDINGS BHD
16	PUBLIC BANK BHD
17	PETRONAS GAS BHD
18	TOP GLOVE CORPORATION BHD
19	PETRONAS CHEMICALS GROUP BHD
20	UMW HOLDINGS BHD
21	IJM CORPORATION BHD
22	IJM PLANTATIONS BHD
23	SUNWAY BHD
24	IHH HEALTHCARE BHD
25	BUMI ARMADA BHD
26	BRITISH AMERICAN TOBACCO (M) BHD
27	UMW OIL & GAS CORPORATION BHD
28	NESTLE (M) BHD
29	AFFIN HOLDINGS BHD
30	KPJ HEALTHCARE BHD
31	DIGI.COM BHD
32	UEM EDGENTA BHD
33	MEDIA PRIMA BHD
34	CAHYA MATA SARAWAK BHD
35	MSM MALAYSIA HOLDINGS BHD
36	DELEUM BHD
37	PARAMOUNT CORPORATION BHD
38	MALAYSIAN RESOURCES CORPORATION BHD
39	SUNWAY CONSTRUCTION GROUP BHD
40	ALLIANCE FINANCIAL GROUP BHD
41	MATRIX CONCEPTS HOLDINGS BHD
42	PRESTARIANG BHD
43	OSK HOLDINGS BHD
44	TALIWORKS CORPORATION BHD
45	KLCC PROPERTY HOLDINGS BHD
46	AMMB HOLDINGS BHD
47	SP SETIA BHD
48	MALAYSIA BUILDING SOCIETY BHD
49	DAIBOCHI PLASTIC & PACKAGING INDUSTRY BHD
50	MAXIS BHD

NO.	NAME OF COMPANY
51	MISC BHD
52	QL RESOURCES BHD
53	HEINEKEN MALAYSIA BHD
54	CCM DUOPHARMA BIOTECH BHD
55	POS MALAYSIA BHD
56	BIMB HOLDINGS BHD
57	IOI PROPERTIES GROUP BHD
58	WESTPORTS HOLDINGS BHD
59	KUMPULAN PERANGSANG SELANGOR BHD
60	TA GLOBAL BHD
61	MALAYSIA MARINE AND HEAVY ENGINEERING HOLDINGS BHD
62	TUNE PROTECT GROUP BHD
63	BARAKAH OFFSHORE PETROLEUM BHD
64	DAGANG NEXCHANGE BHD
65	FRASER & NEAVE HOLDINGS BHD
66	WEIDA (M) BHD
67	MMC CORPORATION BHD
68	MNRB HOLDINGS BHD
69	ALAM MARITIM RESOURCES BHD
70	BINTULU PORT HOLDINGS BHD
71	DATASONIC GROUP BHD
72	ORIENTAL HOLDINGS BHD
73	SMIS CORPORATION BHD
74	AIRASIA BHD
75	TRIPLC BHD
76	7-ELEVEN MALAYSIA HOLDINGS BHD
77	SYARIKAT TAKAFUL MALAYSIA BHD
78	TIEN WAH PRESS HOLDINGS BHD
79	WCT HOLDINGS BHD
80	UNITED PLANTATIONS BHD
81	SBC CORPORATION BHD
82	MALAKOFF CORPORATION BHD
83	GAS MALAYSIA BHD
84	HONG LEONG BANK BHD
85	GOOMI ENERGY SERVICES BHD
86	MBM RESOURCES BHD
87	MANULIFE HOLDINGS BHD
88	KUALA LUMPUR KEPONG BHD
89	MKH BHD
90	GENTING BHD
91	UNISEM (M) BHD
92	ELK-DESA RESOURCES BHD
93	STAR MEDIA GROUP BHD
94	TA ENTERPRISE BHD
95	AMWAY (M) HOLDINGS BHD
96	TSH RESOURCES BHD
97	MPHB CAPITAL BHD
98	OLD TOWN BHD
99	MESB BHD
100	HANDAL RESOURCES BHD

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

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

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

Assessment by Minority Shareholder Watchdog Group
(2012 - 2016)

1. MACRO STATISTICS

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

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

2. CORPORATE GOVERNANCE STATISTICS

CORPORATE GOVERNANCE BASE SCORE²	2016	2015	2014	2013	2012
No. of Companies Covered	868	870	873	862	500
Average Base Score for all Companies	66.52	62.98	60.23	61.59	56.70
Average Base Score for Top 100	84.99	80.41	76.82	75.99	68.20

3. SUMMARY OF FINDINGS FOR THE TOP 100 COMPANIES

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

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

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

*Total No. of Female EDs and NINEDs

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

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

***Notes:**

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

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

3 Abbreviation of Nomination Committee

4 Abbreviation of Remuneration Committee

5 Abbreviation of Internal Audit Function

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

Malaysia-ASEAN Corporate Governance 2016 Award Winners

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

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

CEO OF THE YEAR

YBhg Dato' Rohana Rozhan
(Astro Malaysia Holdings Bhd)

CG WRITER OF THE YEAR

Mr Cheah Chor Sooi
(Focus Malaysia)

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

Market Cap between RM300 million and RM1 billion

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

Market Cap between RM100 million and RM300 million

Signature International Bhd
RGB International Bhd

Market Cap below RM100 million

TRIpIc Bhd
SMIS Corporation Bhd

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

Axiata Group Bhd
Bursa Malaysia Bhd
Telekom Malaysia Bhd

EXCELLENCE AWARD FOR ESG PRACTICES (IN ALPHABETICAL ORDER)

Axiata Group Bhd
CIMB Group Holdings Bhd
Sime Darby Bhd

MERIT AWARD FOR CG DISCLOSURES (BY RANK)

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

INDUSTRY EXCELLENCE

Plantation

Sime Darby Bhd

Financial

LPI Capital Bhd

Property & Construction

Sunway Construction Group Bhd

Oil & Gas

Petronas Gas Bhd

Food & Beverage

Nestle (Malaysia) Bhd

Manufacturing

Top Glove Corporation Bhd

Consumer Goods

British American Tobacco (Malaysia) Bhd

Consumer Services

Tenaga Nasional Bhd

Healthcare

IHH Healthcare Bhd

Telecommunications & Media

Telekom Malaysia Bhd

MERIT AWARD FOR MOST IMPROVED

Top Glove Corporation Bhd

Affin Holdings Bhd

MERIT AWARD FOR BOARD DIVERSITY

Telekom Malaysia Bhd

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

Bursa Malaysia Bhd

Public Bank Bhd

Telekom Malaysia Bhd

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

CCM Duopharma Biotech Bhd

Paramount Corporation Bhd