Bursa Malaysia Corporate Governance Guide (3rd edition)
Breakfast Talk 2018

Insights into Corporate Governance Guide:
Bridging Promises and Practices

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16 March 2018

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The new MCCG

**Year 2000**
Issued post-Asian financial crisis; targeted on weaknesses exposed by the crisis.

**Year 2007**
Key amendments to strengthen board composition and the role of the audit committee.

**Year 2012**
First deliverable of the blueprint; focus on strengthening board effectiveness including independent directors.
The new MCCG - cont’d

Differentiated approach in identifying practices and reporting expectations for Large Companies (i.e. FTSE 100 or PLCs with market capitalisation of RM 2 billion and above).

32 Practices are supported by Guidance and Intended Outcome to aid implementation. 4 Step Up practices are introduced to encourage progression.

Underpinned by the CARE model

- Comprehend: Understand and internalise the spirit and intention
- Apply: Implement CG practices in substance to achieve the intended outcomes
- Report: Provide fair and meaningful disclosure
Development of Bursa CG Guide

A publication that seeks to provide practical “handles” for companies, particularly listed issuers.

**Year 2009**

The Guide was based on the Principles and Best Practices of the Revised 2007 Malaysian Code on Corporate Governance, Bursa Securities Listing Requirements and other regulatory requirements.

**Year 2013**

The Guide was updated to reflect the Principles and Recommendations of the Malaysian Code on Corporate Governance 2012 as well as other amendments to regulatory requirements.

**Year 2017**

Guide is premised on the Malaysian Code on Corporate Governance released in April 2017, whilst drawing perspectives from a wide range of authoritative promulgations and best practices.
Development of Bursa CG Guide – cont’d

Structured based on a **thematic approach** to provide users with a focused view on corporate governance perspectives. Below are the **Executive Summary** and **three Pull-outs** that correspond with the respective **Principles of the MCCG**.

The Guide is not:
- A “one-stop” solution to all corporate governance needs.
- An expression of opinion or agenda by any enforcement agency/regulator/professional body.
- Exhaustive to cover all the various possible scenarios concerning corporate governance.
The Guide was developed through a comprehensive review and robust stakeholder engagement process.

- **April**
  - Release of MCCG and commencement of CG Guide review

- **September**
  - Public consultation and focus group sessions on CG Guide

- **November**
  - Amendments to Bursa Securities Listing Requirements

- **December**
  - Release of CG Guide (3rd edition)

**Institutional Investors**
- Asset owners
- Asset managers

**Listed Issuers**
- Directors and company secretaries from large, medium and small capitalised listed issuers

**Professional Bodies**
- Accountants
- Companies Secretaries
- Directors
- Investor relations practitioners

**Advocacy Bodies**
- Watchdog group
- Training providers
- Academic institutions
Executive Summary

- About the Guide
- Structure of the Guide
- Contents of the Guide
- Application of the Guide
Executive Summary

About the Guide

Premised on the **objective of bringing about cultural and behavioural change**, this Guide serves to:

- provide insights into best practices of corporate governance; and
- elucidate how practices can be applied and actualised in substance rather than in form.

As this Guide is designed with the **MCCG** as a primary reference point, it should be read in conjunction with the **MCCG**.

It also draws references to other regulatory requirements such as **Bursa Securities Listing Requirements** and **CMSA**.

- **Directors**
- **Listed issuers**

  *Non-listed issuers* are encouraged to draw perspectives from the Guide.

- **Broader cross-section of players in the CG ecosystem**

  *E.g. management, gatekeepers, and other custodians of CG.*
Executive Summary – cont’d
Application of the Guide

Paragraph 15.25 of Bursa Securities Listing Requirements

(1) A listed issuer must ensure that its board of directors provides an overview of the application of the Principles set out in the MCCG, in its annual report.

(2) In addition, the listed issuer must disclose the application of each Practice set out in the MCCG during the financial year, to the Exchange in a prescribed format and announce the same together with the announcement of the annual report. The listed issuer must state in its annual report, the designated website link or address where such disclosure may be downloaded.

In making the Corporate Governance Overview Statement and the Corporate Governance Report, a listed issuer should refer to the Corporate Governance Guide issued by the Exchange – Paragraph 3.7(a) of Practice Note 9, Bursa Securities Listing Requirements.

Guidance on disclosure:

Balanced
Provision of an honest assessment including favourable and unfavourable information.

Meaningful
Provision of complete and tailored information that is up-to-date and relevant.

Comparable
Provision of consistent information across time as well as across listed issuers.
Executive Summary – cont’d
Structure of the Guide

Each Pull-out of the Guide is structured in the following manner:

1. **Introduction**
   A lead-in that articulates the context, introduces the concepts and key areas which are covered in the Pull-out.

2. **Write-ups to Practices and Step Ups of MCCG**
   Narrative on the reasoning, application as well as the international developments relating to the Practices and Step Ups (key features contained are explained in the ensuing slides).

3. **Appendices**
   Sample policies and instruments that are designed for the utility and further customisation of companies based on their circumstances and nuances.
Executive Summary - cont’d

Contents of the Guide

Key features showcased in each write-up to the Practices and Step Ups are as follows:

- **Why**
  - Case for change
  - The reasoning and value proposition for each Practice and Step Up are laid out for companies to appreciate the drivers of good corporate governance.

- **What could go wrong**
  - The possible outcomes of poor corporate governance practices are described.

- **How**
  - The practice in substance
  - Key considerations relating to the application of the Practices and Step Ups are explored.

- **Dos and Don’ts**
  - A quick and bite-sized list of actions to undertake and actions to avoid.

- **Where**
  - International perspectives
  - International and regional developments in selected jurisdictions are highlighted.
The write-ups to selected **Practices** and **Step Ups** contain the following:

<table>
<thead>
<tr>
<th><strong>Point for reflection</strong></th>
<th><strong>Investors’ perspectives</strong></th>
<th><strong>Hot button issues</strong></th>
<th><strong>Case studies</strong></th>
<th><strong>Illustrative disclosure</strong></th>
<th><strong>Red flags</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The Guide pauses regularly to highlight <strong>insights</strong> and how misconceptions can prevent meaningful application of corporate governance practices.</td>
<td>Views of <strong>institutional investors on key matters</strong> are shared.</td>
<td><strong>Contentious issues</strong> are examined and the <strong>lessons</strong> drawn are reflected upon.</td>
<td>Analyses of <strong>prominent cases</strong> and the corporate governance implications.</td>
<td><strong>Sample disclosures</strong> to highlight elements that should be contained therein.</td>
<td>An outline of symptoms indicating <strong>broader corporate governance issues</strong>.</td>
</tr>
</tbody>
</table>
Pull-out I

- Introduction to Pull-out I
- Outline of Pull-out I
- Illustrative content – Practice 4.2 and Step Up 4.3 of MCCG
In discharging their responsibilities, directors must fulfill their duty of care, skill and diligence in a conscientious manner as boards bear the ultimate responsibility for their company’s values and actions.

The success of the board in fulfilling its oversight responsibility depends on its size, composition, and leadership qualities.

Establishing a nominating committee is essential to ensure that there is structured oversight process in recruiting, retaining, training and developing the best available executive and non-executive directors and that board renewal and succession are managed effectively.

Establishing a remuneration committee is important so as to assist the board in developing and administrating a fair and transparent procedure for setting policy on remuneration of directors and senior management.
Pull-out I
Outline of Pull-out I

Corresponding to Principle A of MCCG

Board responsibilities

- **Practice 1.1**: Board leadership
- **Practice 1.2**: The board chairman
- **Practice 1.3**: Separation in the roles of chairman and chief executive officer
- **Practice 1.4**: Company secretary
- **Practice 1.5**: Information and support for directors
- **Practice 2.1**: Board charter
- **Practice 3.1**: Establishing and implementing a code of conduct and ethics
- **Practice 3.2**: Establishing and implementing whistleblowing policies and procedures

Board composition

- **Practice 4.1**: Presence of independent directors on the board
- **Practice 4.2 and Step Up 4.3**: Tenure of independent directors
- **Practices 4.4 and 4.5**: Diversity on boards and in senior management
- **Practice 4.6**: Sourcing of directors
- **Practice 4.7**: Chairmanship of the nominating committee
- **Practice 5.1**: Evaluation for board, board committees and individual directors

Remuneration

- **Practice 6.1**: Remuneration policy and procedures for directors and senior management
- **Practice 6.2**: Remuneration committee
- **Practices 7.1, 7.2 and Step Up 7.3**: Disclosure of remuneration
Illustrative content

Tenure of independent directors

Practice 4.2 and Step Up 4.3 of MCCG

**Intended Outcome 4.0:**
Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**MCCG Practice 4.2:**
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 justify and seek annual shareholders’ approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders’ approval through a two-tier voting process.

*Guidance: In considering independence, it is necessary to focus not only on whether a director’s background and current activities qualify him or her as independent but also whether the director can act independently of management (extract).*

**MCCG Step Up 4.3**
The board has a policy which limits the tenure of its independent directors to nine years.
Why Case for change

The **length of service of an independent director** is increasingly being recognised as a key element in the review of a director’s independence.

Extended tenure may give rise to independent directors having a close relationship with board and management.

**Independence**

- **Independence of mind** (thought and action)
  - Exercise of independent judgment without being affected by influences that compromise objectivity.

- **Independence in appearance** (perceived independence)
  - Free from any personal, family or economic interests which would lead a third party to cast doubts on an independent director’s objectivity.

**Investors’ perspectives**

Concerned of the negative impact that long tenure may have on independent directors.

*Source: Study by Institutional Shareholders Services in United States and Canada in the year 2014*

**Employee Provident Fund**

(revised Voting Guidelines 2017)

To **vote against** any resolution to reappoint an independent director who has served for more than 12 years.
Pull-out I

Illustrative content

(Tenure of independent directors - Practice 4.2 and Step Up 4.3 of MCCG)

Why

Case for change

Quantitative approach to achieve qualitative outcome

Research from INSEAD shows that objectivity and performance of independent directors reach an inflection point between the 7th to 11th year, drifting from rigorous challenge and oversight to complacency.

What could go wrong:

- Lack of robust challenge process
- Tendency of the board to defend past actions
- Inability of the board to respond to the evolving and changing business circumstances
Assessment by nominating committee on whether a long serving independent director is “independent in mind”

- Possession of sufficient self-esteem and confidence
- Professional scepticism towards any transaction that requires board approval
- Unafraid to express disagreement on issues and actively pursues them with the board and management
- Does not shy away from asking difficult and uncomfortable questions during board deliberations

Hot-button issue

In the past, there have been instances whereby an independent director upon the end of his or her tenure is replaced by a family member - “independence can be inherited”.

Whilst such an appointment is not an outright breach of regulatory requirements, it may cast serious doubts on the ability of the director to exercise objective judgment.

Companies should internalise the spirit of law and endeavour to make sustained changes in order to truly benefit from the presence of independent directors.
# Retention of a long-serving independent director

**Two-tier voting process**

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13 and beyond…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Appointment according to <strong>Bursa Securities Listing Requirements</strong></td>
<td>Annual shareholders’ approval</td>
<td>Annual shareholders’ approval through two-tier voting process</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Content elements to consider in a justification to retain a long-serving independent director:

- nature of the assessment performed to evaluate the director’s independence;
- outcome of the assessment (with the bases for arriving at the outcome);
- statement by the board on the directors’ independence; and
- additional considerations, if any.

### Dos

- Conducting a thorough annual assessment on independence.
- Incorporating enabling provisions in the company’s constitution for two-tier voting.

### Don’ts

- Maintaining that an annual assessment is a substitute for not obtaining shareholders’ approval.
- Providing generic justifications in a resolution seeking to retain a long-serving independent director.
- Reduce shareholders’ approval via the two-tier voting process to an advisory vote.
How does the two tier-voting process operate?

Under the two-tier voting process, shareholders’ votes will be cast in the following manner at the shareholders’ meeting:

**Tier 1: Only the Large Shareholder(s) of the company votes; and**

**Tier 2: Shareholders other than Large Shareholder(s) votes.**

Guidance may be sought from the Malaysian Code on Takeover and Mergers 2016 to determine the identification of Large Shareholders.

A **Large Shareholder** refers to a person who:

- is entitled to exercise, or control the exercise of, not less than 33% of the voting shares in the company;
- is the largest shareholder of voting shares in the company;
- has the power to appoint or cause to be appointed a majority of the directors of the company; and
- or has the power to make or cause to be made, decisions in respect of the business or administration of the company, and to give effect to such decision or cause them to be given effect to.
The decision for the aforementioned resolution is determined based on the vote of Tier 1 and a **simple majority** of Tier 2.

- If there is more than one Large Shareholder, a simple majority determines the outcome of the Tier 1 vote.

### Scenarios

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Tier 1</th>
<th>Tier 2</th>
<th>Successful/ not successful</th>
</tr>
</thead>
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<tr>
<td>Scenario I</td>
<td>✔</td>
<td>✔</td>
<td>Successful</td>
</tr>
<tr>
<td>Scenario II</td>
<td>Abstained</td>
<td>✗</td>
<td>Not Successful</td>
</tr>
<tr>
<td>Scenario III</td>
<td>✔</td>
<td>✗</td>
<td>Not Successful</td>
</tr>
<tr>
<td>Scenario IV</td>
<td>✗</td>
<td>✔</td>
<td>Not Successful</td>
</tr>
</tbody>
</table>

### Food for thought (not part of the Guide)

- Amendment to Constitution to clarify on the operationalisation of two-tier voting
- Franchisee/JV agreements which call for control of companies via the presence of Non-Executive Directors should be clarified so as to allow the redesignation of long-serving Independent Directors without concerns of non-application to Practice 4.1
- If the resolution to reappoint the said Director as an Independent Director through a two-tier voting process is not carried through, the board may appoint the individual as a Non-Independent Director after the general meeting by virtue of paragraph 7.22 of Bursa Securities Listing Requirements
International perspectives

(Tenure of independent directors - Practice 4.2 and Step Up 4.3 of MCCG) - cont’d

Where

**United Kingdom**

Code of Corporate Governance, Provisions B.1.1

Tenure limit: 9 years

“Comply or explain”
Note: The board should state its reasons if it determines that a director is independent notwithstanding that the ID has served for more than 9 years.

**Hong Kong**

Corporate Governance Code and Conduct and Corporate Governance Report, Provision A.4.3

Tenure limit: 9 years

“Comply or explain”
Note: Appointment beyond the 9th year should be subject to a separate resolution for the approval of shareholders.

**India**

Companies Act 2013, Section 149 (10) and (11)

Tenure limit: 10 years

“Mandatory”
Note: Eligible for appointment after 3 years of ceasing to become an ID

**Singapore**

Code of Corporate Governance, Guideline 2.4

Tenure limit: 9 years

“Comply or explain”
Note: The independence of any director who has served beyond 9 years from the date of his first appointment should be subject to particularly rigorous review.
Policies & procedures (arising from Principle A of MCCG)

**Board Charter**

**Practice 2.1**
- Set out among others the governance structure, authority and terms of reference of the board, its committees and management.
- Periodically reviewed and published on the website

**Policy on gender diversity**

**Practice 4.5**
- Disclose the policy, targets and measures on gender diversity in Annual Report

**Code of Conduct & Ethics**

**Practice 3.1**
- To include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.
- Periodically reviewed and published on the website

**Whistleblowing policy & procedures**

**Practice 3.2**
- Encourage employees to report genuine concerns in relation to breach of a legal obligation (include negligence, criminal activity, breach of contract and breach of law), miscarriage of justice, danger to health and safety or to the environment and the cover-up of any of these in the workplace.

**Remuneration Policies and Procedures for Directors and Senior Management**

**Practice 6.1**
- Takes into account the demands, complexities and performance of the company as well as skills and experience required.
- To align with Company’s business strategy and long-term objectives.
- Periodically reviewed and published on the website

**Terms of Reference of Remuneration Committee**

**Practice 6.2**
- Dealing with the authority and duties of the Remuneration Committee
- Periodically reviewed and published on the website
Pull-out II

- Introduction to Pull-out II
- Outline of Pull-out II
- Illustrative content – Practices 8.2 and 8.3 of MCCG
Pull-out II
Introduction to Pull-out II

Section I: Establishment and effectiveness of the audit committee

It is imperative for audit committees to be supported by fundamental building blocks, namely an appropriate structure and foundation, well-defined responsibilities, an understanding of current and emerging issues as well as a proactive, risk-based approach to its work.

Section II: Roles and responsibilities of the audit committee

The audit committee must be vigilant, informed and diligent in fulfilling its oversight responsibilities in relation to financial reporting, review of conflicts of interests, assessment of internal control environment, evaluation of internal audit and external audit.

Section III: Communication on audit, risk management and control

The audit committee report should describe relevant significant issues in a concise and understandable form, tailored to the specific circumstances of the company.
Pull-out II
Outline of Pull-out II

Corresponding to Principle B of MCCG

Audit committee

- Practice 8.1: Chairman of the audit committee
- Practice 8.2 and 8.3: Oversight of external auditors by the audit committee
- Step Up 8.4: Independence of the audit committee
- Practice 8.5: Financial literacy of audit committee members

Risk management and internal control framework

- Practices 9.1 and 9.2: Risk management and internal controls
- Step Up 9.3: Establishment of board risk committee
- Practices 10.1 and 10.2: Effectiveness of an internal audit function
MCCG Intended Outcome 8.0
There is an effective and independent Audit Committee. The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

MCCG Practice 8.2:
The Audit Committee has a policy that requires a former key audit partner to observe a cooling-off period of at least two years before being appointed as a member of the Audit Committee.

Guidance: Cooling-off period safeguards potential threats when a key audit partner is in a position to significantly influence the audit and financial statement preparation process (extract).

MCCG Practice 8.3
The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Guidance: Policies and procedures should amongst others consider the competence, resource and capacity of the external audit firm; nature and extent of non-audit services rendered; and written assurance from the external auditor (extract).
An audit has value to financial statement users because it is performed by an independent and a competent third party.

Inspection findings by the Audit Oversight Board in 2016 showed that audit procedures which required a high degree of unpredictability such as those relating to revenue, inventory and related-party transactions showed significant deficiencies.

**Common significant deficiencies in audit engagements**

<table>
<thead>
<tr>
<th>Area</th>
<th>Major audit firms</th>
<th>Other audit firms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue recognition</td>
<td>15%</td>
<td>21%</td>
</tr>
<tr>
<td>Inventory</td>
<td>18%</td>
<td>41%</td>
</tr>
<tr>
<td>Group audits</td>
<td>7%</td>
<td>29%</td>
</tr>
<tr>
<td>Sampling</td>
<td>9%</td>
<td>27%</td>
</tr>
<tr>
<td>Related-party transactions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and balances</td>
<td>38%</td>
<td>25%</td>
</tr>
</tbody>
</table>

What could go wrong:

- Compromised objectivity of the external auditors.
- Lack of expertise and experience by the external auditors to conduct the audit process.
- Lack of robust focus on the critical areas of risk concerning financial reporting.
Assessing the suitability of the external auditor

Audit committee’s recommendation on the appointment of an external auditor should be based on an assessment of **the suitability of the external auditor** as well as the **effectiveness of the audit process**.

**Capabilities**
- Expertise
- Experience
- Network
- Reputation

**Suitability of external auditors**

**Conflicts of interests, independence and ethics.**

**Dos**
- Establishing private sessions for the external auditors and audit committee to discuss on key audit challenges.

**Don’ts**
- Setting an excessively high threshold for the provision of non-audit services.
- Maintaining that an external audit firm’s confirmation on its independence is the be-all and end-all.
Policies and procedures for the audit committee to assess the suitability of an external auditor

Examples of policies

- A policy on the appointment, re-appointment and removal of external auditors.
- A policy on the types of non-audit services that are prohibited and limits to level of fees for non-audit services.
- A policy to govern the appointment of former key audit partner as a member of the audit committee or employee.

Examples of procedures

- Obtaining written assurance from the external auditor that they are, and have been, independent throughout the conduct of the audit engagement.
- Developing a list of audit quality indicators to monitor the effectiveness of the external auditors.
- Performing an annual evaluation on the performance of the external auditor.
International perspectives

Where

United Kingdom
Corporate Governance Code, Provision C.3.8

Singapore
Code of Corporate Governance, Guideline 11.4

The annual report must include a section describing the work undertaken by the audit committee. The report should include approach taken to assess the effectiveness of external auditors and information on appointment/re-appointment of external auditors, length of tenure, tendering processes as well as policy on provision of non-audit services by the external auditors.

The duties of the audit committee should include reviewing the scope and results of the external audit and independence and objectivity of external auditors; and making recommendations to the board on the appointment, re-appointment and removal of external auditors.
Policies & procedures (arising from Principle B of MCCG)

Policy on cooling-off period of former key audit partners

Practice 8.2
• Former key audit partner to observe a cooling-off period of at least two years before being appointed as a member of the Audit Committee.

Policies and procedures to assess the suitability, objectivity and independence of external auditor

Practice 8.3
• Policies and procedures to consider:
  o competence, audit quality and resource capacity of the external auditor in relation to the audit;
  o the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
  o obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.
Pull-out III

- Introduction to Pull-out III
- Outline of Pull-out III
- Illustrative content – Practice 12.3 of MCCG
Section I: Boards’ responsibilities to stakeholders

A company operates within a community or society where it has both internal and external stakeholders involved. Companies now need to consider the impact they have on their stakeholders based on the business decisions they make.

Section II: Corporate reporting

Corporate reporting is an integral part of a company’s medium of communication to its stakeholders. Stakeholders, especially shareholders and regulators, expect an increased level of transparency from companies in terms of their reported information on financial, strategy, risk, sustainability and corporate governance.

Section III: General meeting of shareholders

General meetings serve as a platform for communication of long-term corporate objectives, strategies and plans, as well as a dialogue on governance matters, between the board and management, with the shareholders.
Pull-out III
Outline of Pull-out III

Corresponding to Principle C of MCCG

Communication with stakeholders

- Practice 11.1: Communication with stakeholders
- Practice 11.2: Integrated reporting

Conduct of general meetings

- Practice 12.1: Notice of General Meeting
- Practice 12.2: Attendance of directors at general meetings
- Practice 12.3: Electronic voting
MCCG Intended Outcome 12.0
Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

MCCG Practice 12.3
Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate –

• voting including voting in absentia; and
• remote shareholders’ participation at General Meeting

Guidance: In facilitating greater shareholder participation, it is important for the company to consider leveraging technology to facilitate electronic voting and remote shareholder participation (extract).
Whilst the rights of shareholders to attend, speak and vote at general meetings are well-defined in the law, there are many **constraints** that pose a challenge in the exercise of their rights (e.g. location of the meeting could be a hindrance).

**Point for reflection**

Whilst the adoption of electronic voting will result in an outlay of initial costs, it is envisaged that companies may benefit from long-term savings.

Additional benefits of electronic voting are outlined below:

- more **reliable and transparent results dissemination** as compared to the manual counting of ballot papers;
- results are often tabulated and **released at a faster pace**; and
- the electronic voting process helps companies to **reduce their carbon footprint**.

**What could go wrong:**

- Lack of communication between the board and shareholders which results in an unhealthy relationship.
- Inability of the company to gather meaningful feedback of shareholders.
Voting via mobile application

The method requires shareholders to download the e-voting application onto a mobile device and connect to a prescribed Wi-Fi network.

Voting via handheld device

This process involves shareholders using a specific device provided upon registering for the meeting. The device would contain a card that carries the shareholder’s identity and number of shares registered.

Voting via polling stations

This is a common platform for companies with a smaller shareholder base as it necessitates shareholders to line up and cast their votes via an electronic screen or a computer.

Dos

✓ Investing in electronic voting platforms.

Don’ts

× No proper consideration given to the location of the general meeting.
× Deliberately changing the location of general meetings year-on-year.
Nothing in this Part is to be taken to preclude the holding and conducting of a meeting in such a way that persons who are not present together at the same place may by electronic means attend and speak and vote at it.
Presented by

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Thank you