

MINORITY SHAREHOLDER WATCHDOG GROUP
BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated In Malaysia – Company No. 524989-M)

The Malaysian Reserve – Wednesday, July 12, 2017

M'sia presses on corporate governance reform

There is sense of responsibility to improve standards and also strong commitment from investment and business communities

by **DASHVEENJIT KAUR**

MALAYSIA has the determination and unwavering commitment to drive governance reform despite political uncertainty, according to International Corporate Governance Network (ICGN).

There is a sense of real responsibility to improve standards driven by organisations such as the Minority Shareholder Watchdog Group (MSWG) and Institutional Investor Council (IIC), said ICGN ED Kerrie Waring.

"Besides MSWG and IIC, there is

strong commitment from champions of the investment and business communities themselves, many of whom are present at our meeting," Waring told reporters at the briefing of the ICBN annual conference 2017 yesterday.

Organised by ICGN and hosted by Retirement Fund Inc (KWAP), the conference featured speakers from renowned corporate governance champions including Khazanah Nasional Bhd, the Employees Provident Fund, VCAP Asset Managers Sdn Bhd, Securities Commission Malaysia (SC), CIMB Group Holdings Bhd and many others.

"In recognition of the growing importance of corporate governance in attracting investment from investors, 430 international delegates have gathered at this conference to explore governance priorities in major Asian markets and achieve value creation through sustainable



Photo: ICGN/Chris Ng
Wan Kamaruzaman says foreign investors have been showing confidence in our capital market

long-term practices," she said.

"We welcome the many positive developments taking place to promote high standards of corporate governance including publication of the Malaysian Code for Institutional

Investors 2014 and this year's Malaysian Code of Corporate Governance (MCCG)," Waring added.

Earlier this year, SC released the new MCCG, a set of best practices to strengthen corporate culture anchored on accountability and transparency.

The code listed 36 practices in support of three principles, namely board leadership and effectiveness, effective audit, risk management and internal controls, as well as corporate reporting and relationship with stakeholders.

Adopting a differentiated and proportionate approach, Waring said, it required certain practices and reporting expectations to apply only to companies on the FTSE Bursa Malaysia Top 100 and those with a market capitalisation of RM2 billion or more. SC also placed greater emphasis on internalisation of the corporate governance culture among listed compa-

nies, as well as non-listed entities, including state-owned enterprises, small and medium enterprises and licensed intermediaries.

Speaking on its positive impact, KWAP CEO Datuk Wan Kamaruzaman Wan Ahmad said foreign investors have been showing confidence in our capital market evidenced by the substantial amount of foreign holdings lately.

"As at end of May 2017, foreign holdings in our capital market stood at 27.1% for local equity market, the highest level of holdings since January 2013," said Wan Kamaruzaman.

He added that debt securities and sukuk market in the month of May recorded RM19.5 billion, the second consecutive monthly increase in foreign holdings this year.

"This is possible through sound implementation of corporate governance in all facets of our economy and conduct," Wan Kamaruzaman said.