

THE SEARCH for excellence in corporate governance has begun. Once again, the annual 'Malaysian Business Corporate Governance Award' will be held this year to honour high achievers in good governance practices in corporate Malaysia.

The arduous task of picking the winners will take more than three months, sieving through hundreds of annual report pages, responses to our questionnaire and searching various online and print media to ensure that the winners will be the epitome of good governance locally.

As in the previous four years since the annual event was launched, the 'Malaysian Business Corporate Governance Award 2006' seeks to recognise and honour companies that display meticulous care in ensuring principles of accountability; transparency and diligence are not compromised, while seeking to provide a better profit yield to shareholders at the same time.

A distinguished four-man panel of judges, independent and well-versed in corporate governance issues, will evaluate the companies. The panel of judges comprises Abdul Wahab Jaafar Sidek, CEO of Minority Shareholder Watchdog Group (MSWG); Datuk Dr Mohd Tap Salleh, President of the Integrity Institute of Malaysia; Yeo Tek Ling, council member of accounting group CIMA; and Teo Ee Sing, advisory committee member of accounting group ACCA. Business consulting firm KPMG Business Advisory Sdn Bhd will vet the entire judging process. Abdul Wahab will act as the chairman of the judges' panel, while Lee Min On, partner of KPMG, will independently vet the judging process.

In the first stage of elimination, only 50 top companies which pass a rigorous profit test will qualify. These companies must first maintain a good track record in profitability and must not have been privately or publicly reprimanded by the authorities. Furthermore, these companies



The panel of judges for **Malaysian Business**' Corporate Governance Award 2006' (left to right): Lee, Teo, Mohd Tap, Abdul Wahab and Yeo posing with Charles Raj, editor of **Malaysian Business**, at the judges meeting

Excellence in Governance

The search for the corporate entity with the best corporate governance record is on with *Malaysian Business*' annual 'Corporate Governance Award'. ■ By Prathaban V

must not have made losses or be involved in any sort of activity deemed harmful to the environment. Companies listed under the PN4, PN10 and PN17 categories on Bursa Malaysia will be automatically disqualified.

In the second stage, a questionnaire will be sent to these 50 companies, asking for response to a series of questions to evaluate their corporate governance performance and business ethics. The companies will be graded according to their response to these questions by the panel of judges.

Corporate governance is akin to corporate character. Hence, a minimum listing history is necessary to better

evaluate the award candidates. For main board and second board companies, they must have a minimum 10-year listing history, to effectively evaluate their track record in corporate governance. Mesdaq-listed companies will be required to have at least a 12-month listing history.

Last year, Public Bank Bhd was the overall 'Malaysian Business Corporate Governance Award 2005' winner for the fourth consecutive time. The award's main sponsor is the Chartered Institute of Management Accountants (CIMA) and it is supported by Bursa Malaysia. The souvenir sponsor for the event is luxury accessory manufacturer Braun Buffel. **mb**