

nacra
2012

NATIONAL
ANNUAL
CORPORATE
REPORT
AWARDS

TOWARDS
ACCOUNTABILITY &
EXCELLENCE



JOINTLY ORGANISED BY



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The National Annual Corporate Report Awards (NACRA) has been the epitome of corporate reporting excellence and accountability. Since 1990, the organising bodies of NACRA—Bursa Malaysia Berhad, Malaysian Institute of Accountants (MIA) and The Malaysian Institute of Certified Public Accountants (MICPA)—have worked tirelessly and valiantly in promoting this cause.

Now after 22 years, NACRA is a brand that stakeholders and market players associate with when it comes to fair, transparent and intelligible corporate and financial information.

Organisations want their annual reports to achieve two main objectives—compliance with regulatory and legislative requirements and to present stakeholders and market players with other relevant and timely information. Stakeholders and market players have a better appreciation of information that inspires confidence.

The process of decision making is dependent on the reliability and sufficiency of information contained in corporate reports. When the information presented is adequate and accurate, market regulators will surely acknowledge its veracity. To stakeholders, that assurance is essential in their decision making process. After all, everything regarding the movement in the capital market revolves around the need to have clear and concise information.

The criteria for NACRA is reviewed and enhanced each year. New and improved elements are constantly assimilated in the adjudication processes from time to time to cater to the pace of change for the better. This is to make certain that global standards in corporate and financial reporting are adhered to at all times.

We look forward to your participation and support to enable the objectives of NACRA to be fully realised.



NG KIM TUCK

Chairman

NACRA 2012 Organising Committee



the organisers



BURSA MALAYSIA BERHAD



MALAYSIAN INSTITUTE OF ACCOUNTANTS



THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

nacra objectives

- 📌 To promote greater and more effective communication by organisations through the publication of timely, informative, factual and reader-friendly annual reports.
- 📌 To recognise and encourage excellence in the presentation of financial and business information.
- 📌 To create public awareness of the objectives of organisations, their operations and their financial performance.
- 📌 To promote higher standards of corporate governance.



nacra history

NACRA's role in promoting excellence in annual corporate reporting has a long history in Malaysia. It started in 1985 with the launch of the Malaysian Corporate Report Awards (MACRA) which was jointly organised by The Malaysian Association of Certified Public Accountants (MACPA) and the Malaysian Institute of Management (MIM). In 1988, Malaysian Institute of Accountants (MIA) and the Kuala Lumpur Stock Exchange (KLSE) collaborated to organise the National Annual Report Awards (NARA). In recognition that the two awards shared common objectives, 1990 saw the unification of the awards to become ***the National Annual Corporate Report Awards (NACRA)*** which was jointly sponsored by KLSE, MIA, MIM and MACPA.

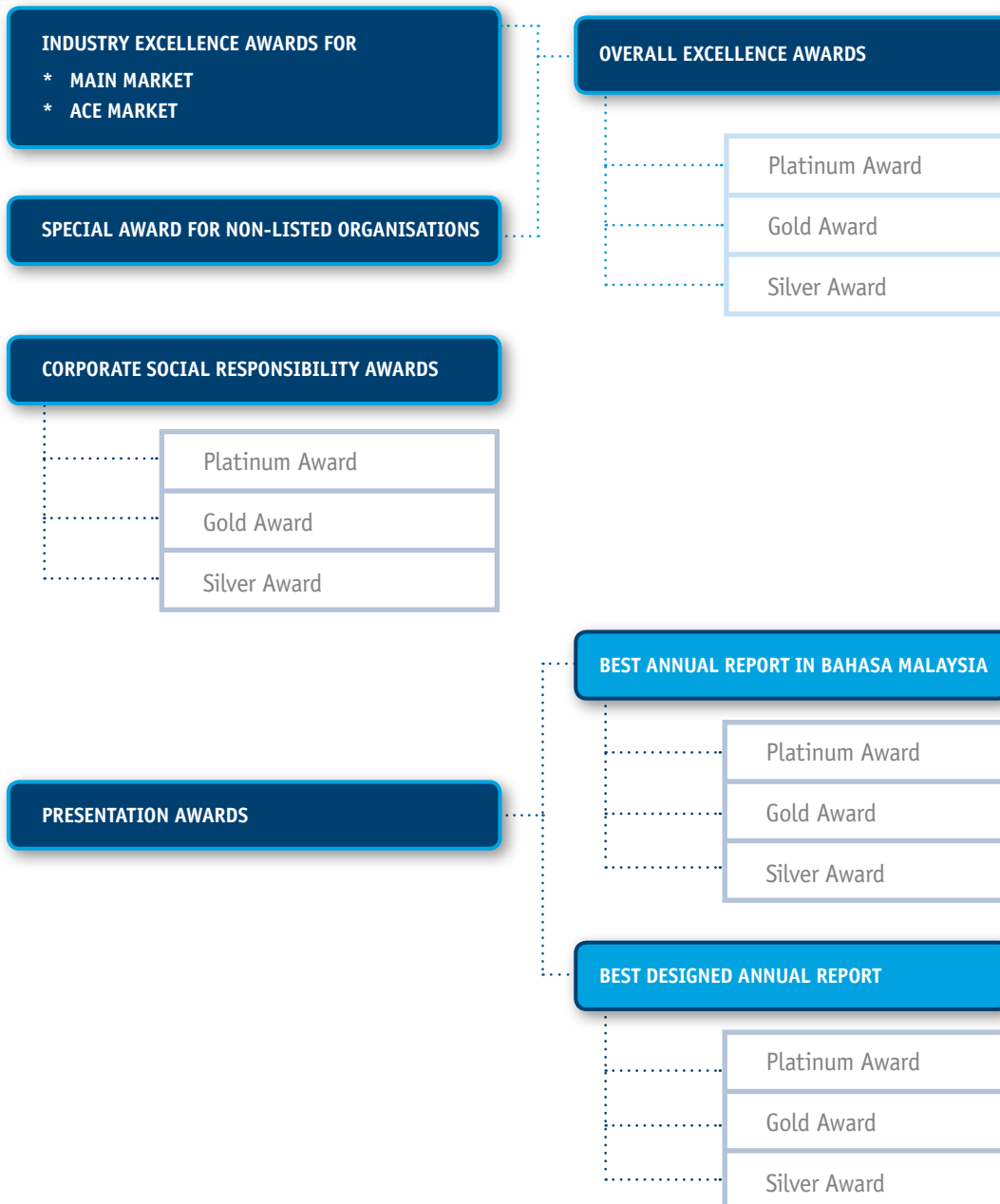
Today, NACRA is the collaborative effort of Bursa Malaysia Berhad, Malaysian Institute of Accountants (MIA) and The Malaysian Institute of Certified Public Accountants (MICPA).

Despite the changes in name and organisers, the objective of NACRA has remained the same to this very day, i.e. to promote excellence in annual corporate reporting.

NACRA not only gives public recognition of excellence in corporate reporting to companies listed on Bursa Malaysia but also non-listed corporations and other organisations. Apart from that, the use of attractive graphic designs in corporate reports are encouraged through the Presentation Awards. As the business world increasingly strives to achieve a social balance, the importance of corporate social and environmental reporting is not left out with the launch of the Environmental Reporting Award in 2000, which was renamed as the Corporate Social Responsibility Award in 2008.

Since it was launched in 1990, the criteria for NACRA have continuously been reviewed and enhanced each year to encourage the disclosure of all material and relevant information beyond the statutory requirements. The stringent criteria have raised the standards and best practices in annual reports over the years.

The National Annual Corporate Report Awards (NACRA) comprises five categories of awards, namely the Overall Excellence Awards, Industry Excellence Awards for Listed Companies, Presentation Awards, Corporate Social Responsibility Awards and the Special Award for Non-Listed Organisations.



Overall Excellence Awards

The top award for the most outstanding Annual Report of the year is the Platinum Overall Excellence Award. This Award will be presented to the organisation, which displays the highest standard of reporting in its annual report.

Industry Excellence Awards

These awards will be presented to organisations in their respective industry sectors, which have achieved excellence in annual reporting. There will be a total of eight Industry Excellence Awards presented in the following categories:

MAIN MARKET

ACE MARKET

Consumer Products

Industrial Products & Technology

Trading & Services

Finance

Construction & Infrastructure Project Companies

Properties & Hotels

Plantations & Mining

Real Estate Investment Trusts (REITs) & Closed-End Funds

Presentation Awards

There are two Awards in this category, namely:

- Best Annual Report in Bahasa Malaysia
- Best Designed Annual Report

Corporate Social Responsibility Awards

The Awards will be presented to organisations in recognition of their commitment and efforts to operating in an economically, socially and environmentally sustainable manner whilst balancing the interest of diverse stakeholders through transparent practices based on ethical values and respect for employees, communities and the environment.

Special Award for Non-Listed Organisations

To encourage the continual improvement of annual reports of non-listed organisations as well as the public sector and other Malaysian organisations, a special award, "Best Annual Report of Non-Listed Organisations", will be presented to an organisation in this category which has achieved overall excellence in annual reporting.

entry requirements

NACRA is open to all companies incorporated or registered in Malaysia as well as the public sector and other organisations established in Malaysia.

All companies listed on Bursa Malaysia, non-listed companies, public sector and other Malaysian organisations that wish to participate in NACRA are required to complete an entry form, to be submitted together with **35 copies** of the published annual report (including the fully translated Bahasa Malaysia/English Report where relevant) to the NACRA Adjudication Committee by ***Saturday, 30 June 2012.***

The annual reports eligible for entry to NACRA 2012 are those with financial years ended in 2011.

For companies listed on Bursa Malaysia, the annual reports eligible for entry must fulfil the following criteria:

1. Promptness of publication i.e. published annual report received by Bursa Malaysia Securities Berhad (Bursa Malaysia) within 6 months after year-end.
2. Auditors' report is not modified, other than due to the true and fair over-ride as permitted under section 166A(4) of the Companies Act, 1965.
3. Compliance with all applicable approved Accounting Standards other than due to the true and fair over-ride as permitted under section 166A(4) of the Companies Act, 1965.
4. No public sanction by Bursa Malaysia or the Securities Commission on the company's affairs.
5. Companies should not be under a scheme pursuant to section 176 of the Companies Act, 1965 or under Bursa Malaysia Practice Note 16 (PN16)/ Practice Note 17 (PN17)/ Amended Practice Note 17 (Amended PN17)**.
6. Information on shareholders' statistics [Listing Requirements of Bursa Malaysia App 9C, Part A (23)]**:
 - substantial shareholders
 - direct and deemed interests of each director (in number and in percentage) in the company or related corporation
 - number of holders, by class and voting rights attached
 - distribution of shareholding in number and in percentage
 - names of 30 largest holders of each class of securities and the number and percentage of securities held of each class
7. Particulars of properties [(Listing Requirements of Bursa Malaysia App 9C, Part A (25))**].
8. Particulars of directors, Chief Executive (if not a director), name of company secretary, registered address and registrar's address [Listing Requirements of Bursa Malaysia App 9C, Part A (1 to 5)]**.

9. Information on Audit Committee [Listing Requirements of Bursa Malaysia paragraph 15.15 and App 9C, Part A (6)]**#:
 - The composition of the audit committee, including the name, designation (indicating the Chairman) & directorship of the members
 - Terms of reference
 - Summary of the activities of the audit committee in the discharge of its functions and duties for the financial year
10. Directors' Statement on Internal Control [Listing Requirements of Bursa Malaysia paragraph 15.26(b) and App 9C, Part A (10)]**#.
11. Directors' Statement on Corporate Governance [Listing Requirements of Bursa Malaysia paragraph 15.25 and App 9C, Part A (8)]**#.
12. A description of the Corporate Social Responsibility activities or practices undertaken by the listed issuer and its subsidiaries, or if there are none, a statement to that effect [Listing Requirements of Bursa Malaysia App 9C, Part A (29)]**#.
13. Annual report contains no addendum. Annual reports containing any addendum would be set aside for determination by the Chairman of the Adjudication Committee as to whether they qualify for detailed adjudication.

* Public listed companies listed on the ACE Market will be required to meet the relevant ACE Market Listing Criteria.

These criteria are not applicable to Real Estate Investment Trusts (REITs) and Exchange-Traded Funds (ETFs). REITs and ETFs are required to comply with the Securities Commission's Guidelines on Real Estate Investment Trusts and Exchange-Traded Funds Guidelines respectively and the relevant Listing Criteria.

Participation Fee

In line with our efforts to further enhance NACRA 2012 deliverables and to enable the objectives of NACRA to be fully realised, the following participation fee will apply to participating organisations:

	FEE*
Companies listed on Main Market	RM6,800
Companies listed on ACE Market	RM3,800
Non-listed companies, Public Sector and other Malaysian Organisations	RM3,800

* The participation fee is inclusive of 1 (one) standard table at the awards presentation dinner.

The participation fee is to be used fully to meet the cost arising from the adjudication process and the dinner. Through this effort, NACRA is able to enhance its resources in more effective and meaningful ways towards promoting excellence in annual corporate reporting.

Enquiries

For more information about NACRA 2012, please contact the NACRA Secretariat:

The Secretary, NACRA 2012 Organising Committee

c/o Malaysian Institute of Accountants (MIA)

Dewan Akauntan, No.2 Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur, Malaysia.

TEL: 03-2279 9200 | FAX: 03-2274 1783 | EMAIL: nacra@mia.org.my | WEBSITE: www.mia.org.my

adjudication process

The adjudication process comes under the supervision and direction of an Adjudication Committee, which comprises five members. The decision of the Adjudication Committee, with regard to the NACRA results, shall be final and binding.

Assessment of annual reports will be carried out by a panel of adjudicators drawn from commerce and industry, public accounting, securities, advertising and communication firms and academic institutions.

The adjudication process will be carried out in two stages.

First Stage

The annual reports will be scrutinised and marked within industry groups. Each industry category will have a panel of at least ten adjudicators appointed by the Adjudication Committee. The annual report which achieves the highest level of overall excellence in the industry group will be considered for the Industry Excellence Award.

Second Stage

The annual reports which are shortlisted by the Adjudication Committee for the Overall Excellence and Presentation Awards will be subject to a second round of adjudication. The reports will be marked by a panel of adjudicators appointed by the Adjudication Committee.

The NACRA criteria consist of two parts—**specific criteria** for the Most Outstanding Annual Report of the Year, the Best Annual Report in Bahasa Malaysia, the Best Designed Annual Report and Corporate Social Responsibility Awards, and **general criteria** for the Industry Excellence Awards and the Special Award for Non-Listed Organisations.

Specific Criteria

Most Outstanding Annual Report of the Year

The top award, together with the NACRA Challenge Trophy, will be presented to the organisation that has achieved the highest level of overall excellence in annual reporting. This report would serve as a model for other annual reports.

Best Annual Report in Bahasa Malaysia

It is the aim of NACRA to promote the use of Bahasa Malaysia in annual reports. The annual reports will be judged according to the following criteria:

- Grammar and usage of language.
- Usage of generally accepted accounting and other financial terminologies.
- Accuracy and fluency of translation.
- Spelling and punctuation.
- Readability and user friendly presentation.

Best Designed Annual Report

Design can play an important role in improving the level of presentation and readability of an annual report to its various audiences. The Best Designed Annual Report Award is intended to recognise creativity and ingenuity in the use of graphs, illustrations, photographs and layout concepts that enhance the communicative effect of the annual report.

In addition to the general adjudication criteria set for Presentation, the following aspects will be considered for best design:

- Overall layout and photography.
- Overall neatness and readability of the report.
- Clear reflection of the organisation's theme, objective or vision in the cover design.
- Relevance and effectiveness of the graphs and photographs used.
- Innovative concept and illustration, e.g. hand drawn graphics and/or computer graphics.
- Print quality of the report, e.g. colour, saturation, binding, cutting and collation.
- Overall impact and impression.

Corporate Social Responsibility

Malaysian Public Listed Companies are required to include a description of the Corporate Social Responsibility (CSR) activities or practices undertaken by the listed issuer and its subsidiaries or if there are none, a statement to that effect [Listing Requirements of Bursa Malaysia App 9C, Part A (29)].

CSR is a company's commitment to operating in an economically, socially and environmentally sustainable manner whilst balancing the interest of diverse stakeholders. CSR means integrating open and transparent practices into a company's business operations, which are based on ethical values and respect for employees, communities and the environment.

CSR is globally applicable, industry to industry and company to company, because of differing local situations and demands of stakeholders. It is a business approach used to create long term value by seizing the opportunities and managing risks that emerge from the economic, social and environmental developments.

CSR is therefore key to a company's sustainability.

CSR information reported in the annual report should include (but not limited to) the following areas:

Marketplace

1. Corporate Governance
 - Policy/statement clearly stated.
 - Board composition—executive directors, non-executive directors, independent directors, women representation.
 - Transparent board and senior management remuneration.
 - Risk analysis/management framework.
 - Disclosure of non-compliance to laws/legislation/codes/listing requirements.
2. CSR Management/Reporting
 - Policy statements or stated commitments.
 - Adoption of a specific reporting guideline.
 - Third party audit/review report.
3. Stakeholder Engagement
 - Structured engagement with all stakeholders.
4. Procurement Policies.
5. Product Responsibility.

Workplace

1. Health & Safety (H & S) issues
 - H & S management system in place.
 - Staff education & training on H & S.

2. Human Capital Development
 - Staff training—number of hours, types of training (job related, skills management, lifelong learning, etc).
3. Work-life Balance
 - Ensuring employees' quality of life—pension plans, flexible working arrangements, counseling/assistance programmes, sports activities, etc.
4. Diversity at Workplace
 - Staff composition—women, ethnic groups, people with disabilities.
 - Providing equal opportunities.
5. Employee Welfare.

Environment

Details on how the company addresses and manages its particular environment impact.

1. Environmental policy clearly stated.
2. Measurement systems in place to measure:
 - Emissions of carbon dioxide and/or other greenhouse gases.
 - Energy consumption.
 - Water consumption.
 - Waste production and management.
3. Set targets for improvements and/or significant initiatives to reduce the above.
4. Company's impact on biodiversity, environmental impact assessments, if any.

Community

Details on the company's relationship with the local communities in which it operates and/or other communities it may choose to support.

1. Employment of local workforce in its operations.
2. Internship or graduate placement programmes.
3. Details on the company's community investment initiatives—nature of investment (monetary, in kind, staff time), areas (infrastructure support, youth development, education, the underprivileged, poverty alleviation, disability, local heritage, etc), and overall effectiveness of programmes.
4. Encouraging employee volunteerism—types of activities completed, total number of hours recorded.

General Criteria

Overview/Highlights

The early pages of the report should contain highlights of the year at a glance and summaries should include:

- A clear and meaningful statement of the organisation's mission and vision, ethical values, its corporate plan, objectives and strategies for achieving those objectives.
- A statement of the organisation's history, its profile and the products/services it provides.
- Performance indicators and summary of results covering at least three years' performance to provide an indication of changes in results.
- Progress towards achievement of the organisation's objectives.
- Significant developments/events and their impact on the organisation.
- A summary of key shareholder information, including shareholders' statistics, share price, earnings per share and dividends per share.
- A summary of code of ethical practices relevant to the organisation's activities.

Review of Operations

A key category of information in the annual report is the detailed explanation of the organisation's operation.

The information coverage should include:

- Discussion of the organisation's principal activities and results for the year.
- Discussion of the organisation's performance and its objectives, including key performance measures/indicators, market share and export achievement.
- Indication of earnings trends and prospects.
- Discussion of the major products/services provided by the organisation.
- Discussion of research and development initiatives, its activities and their impact on the operations of the organisation.
- A statement of policy guidelines, human resources, quality excellence and community relations.

The Board of Directors and Management

One of the most important assets of any organisation is its people and the annual report serves as the most appropriate medium for their introduction to external audience. This category of information should include:

- The board of directors, including details of their experience, terms of appointment and financial and other benefits.
- Key staff members, including details of their experience, qualifications and responsibilities.
- The organisation or corporate structure showing lines of responsibility and the links between the various units and/or divisions of the organisation.
- Key personnel issues including human resource and productivity, improvement in workforce details and employee share option schemes.
- Highlights of shareholders communication and investor relations programmes.

Financial Statements

It is expected that the financial statements are prepared in compliance with approved accounting standards and disclosure requirements set out in the Companies Act, 1965, the Listing Requirements of Bursa Malaysia and other relevant legislation.

NACRA rewards organisations which provide relevant and reliable financial information which exceeds the mandatory requirements. The financial statements should comprise:

- A statement of financial position.
- A statement of comprehensive income.
- A statement of changes in equity or a statement of recognised gains and losses.
- A statement of cash flows.
- Significant accounting policies and clear, concise explanatory notes covering major or extraordinary events/transactions during the year.
- Disclosure of comparative figures covering at least the last financial year.
- Disclosure of financial information by segment.
- Cross-references between the statements and notes.
- A signed statement by the directors stating their views on the financial statements.
- A signed report from the auditors.

Corporate Governance

- Composition of the audit committee and its terms of reference.
- Audit committee report including a summary of the activities of the audit committee and the internal audit function.
- Statements by the board of directors on:
 - Compliance with the Malaysian Code on Corporate Governance.
 - Directors' responsibility for preparing the annual financial statements.
 - The state of internal control of the organisation.

Additional disclosures beyond the Statutory Requirements are encouraged

With the enhanced requirements of the revised Financial Reporting Standards (FRSs), additional disclosures are encouraged, such as:

- Analysis of major expenses, e.g. raw materials, labour cost, research and development expenditure.
- Details of short-term and long-term debt financing arrangements and facilities.
- Disclosure of the estimated fair value or replacement market value of major assets.
- Disclosure of foreign currency denominated loans, terms of interest and repayment.

Supplementary Information

Organisations are encouraged to include other relevant information in the annual report, including:

- A value-added statement.
- Explanation of the organisation's environmental policy, health and safety measures, initiatives and objectives.
- A calendar of significant events of interest to shareholders.
- Highlights of corporate citizenship—community service, sports, social and welfare activities.

Presentation

Presentation of information in a concise, logical and easy to understand format is a crucial aspect of annual reporting. To this end, the annual reports will be judged according to the following criteria:

- Clear, concise, easy-to-read text.
- Logically organised and visibly legible.
- Effective use of graphics, charts and tables to disclose important information at a glance.
- Inclusion of informative photographs.

organising & adjudication committee

NACRA 2012 Organising Committee



Mr Ng Kim Tuck (*Chairman*)

Ms Loh Lay Choon (*Alternate Chairman*)

Mr Foo Yoke Pin



Mr Stephen KL Oong

Encik Johan Idris

Ms Ho Foong Moi

Pn Rashidah Alwi (*Official Secretary*)



Ms Elaine Mariman

Encik Azul Sidek Adnan



NACRA 2012 Adjudication Committee

Mr Stephen KL Oong (*Chairman*) (MIA)

Encik Johan Idris (*Alternate Chairman*) (MIA)

Mr Ng Kim Tuck (MICPA)

Ms Loh Lay Choon (MICPA)

Mr Ch'ng Boon Huat (Bursa Malaysia)

Joint Secretaries

Ms Low Wai Ky (MIA)

Ms Chow Hsiao Mei (MICPA)

nacra 2012 entry form

Please complete the details and return the form together with 35 copies of your organisation's annual report (including the fully translated Bahasa Malaysia/English Annual Report, where relevant) which should cover accounting period ended in the calendar year 2011 to:

The Secretary

NACRA 2012 Adjudication Committee

c/o Malaysian Institute of Accountants (MIA), Dewan Akauntan, No.2 Jalan Tun Sambanthan 3, Brickfields, 50470 Kuala Lumpur

TEL: 03-2279 9200 | FAX: 03-2274 1783 | EMAIL: nacra@mia.org.my | WEBSITE: www.mia.org.my

The completed form should be accompanied by the appropriate payment for participation in NACRA 2012.

We would like to participate in NACRA 2012 under the following category (please tick):

- | | |
|---|------------------------|
| <input type="checkbox"/> Company listed on Main Market | FEE*
RM6,800 |
| <input type="checkbox"/> Company listed on ACE Market | RM3,800 |
| <input type="checkbox"/> Non-Listed Company/Public Sector/Other Malaysian Organisations | RM3,800 |

Payment by Cheque:

Enclosed is a crossed cheque made payable to **MALAYSIAN INSTITUTE OF ACCOUNTANTS** being participation fee for NACRA 2012.

Cheque No: _____ for the amount of RM _____

1. Name of Organisation _____

2. We have read the conditions of NACRA 2012 and agree to abide by these conditions.

Name of Officer _____

Position _____

Business Address _____

Phone _____ Fax _____

Email _____

Signature _____ Date _____

3. Name of Contact Person (if different from above) _____

4. 35 copies of the Annual Report (including the fully translated Bahasa Malaysia/English Annual Report, where relevant) are enclosed.

Closing date for submission of entries : **Saturday, 30 June 2012**

**The participation fee is inclusive of 1 (one) Standard table at the awards presentation dinner. Companies have the option and are encouraged to upgrade to a Premium table with an additional payment of RM3,000.*

Companies who wish to purchase only tables for the awards presentation dinner are welcome to do so at the cost of RM6,000 for a Premium table and RM3,000 for a Standard table. Please contact *Puan Rosliani Shafie* of the Malaysian Institute of Accountants at Tel: 603-2279 9339 or email rosliani@mia.org.my for further information.

nacra past winners

WINNERS OF OVERALL EXCELLENCE AWARD

1990	PUBLIC BANK BERHAD
1991–1996	AMMB HOLDINGS BERHAD
1997	PUBLIC BANK BERHAD
1998–2001	KUMPULAN GUTHRIE BERHAD
2002–2005	PUBLIC BANK BERHAD
2006	TELEKOM MALAYSIA BERHAD
2007–2010	PUBLIC BANK BERHAD
2011	TELEKOM MALAYSIA BERHAD

nacra 2012

NATIONAL ANNUAL CORPORATE REPORT AWARDS 2012

Challenge Trophy for the Most Outstanding
Annual Report of the Year

We look forward to meeting you at the NACRA 2012 Presentation Awards to be held on Thursday, 1 November 2012, at the Sime Darby Convention Centre 1A, Jalan Bukit Kiara 1, Kuala Lumpur.

Please mark the date in your calendar!



nacra
2012

