

28 January 2014

**CIRCULAR : CC/AL/SC/AKK-ZN/036-14**  
(Total No Pages: 7 including this page)

**TO : ALL MEMBERS**

**ATTN : CHIEF EXECUTIVE OFFICER / AUTHORISED REPRESENTATIVE**

Dear Sir/Madam,

**THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014 (CODE)**

- 1) Industry Consultation; and**
- 2) Invitation - Focus Group Discussion and Presentation Session**

The Securities Commission Malaysia and the Minority Shareholder Watchdog Group (MSWG) issued a joint consultation paper No.1/2014 on the 15 January 2014, seeking public feedback on the Malaysian Code for Institutional Investors 2014 (CODE).

The formulation of a new code for institutional investors is in line with the recommendations for the Corporate Governance Blueprint 2011 launched by the SC in July 2011. This is also aligned with the global governance developments to promote responsible investments by institutional investors.

In this regard, FIMM is seeking feedback from the industry on the consultation paper as attached in Part A. We are pleased to enclose the joint consultation paper in the link below: [http://www.mswg.org.my/files/editor\\_files/file/MCII/JOINT-PUBLIC-CONSULTATION-PAPER-ON-MCII\\_150114.pdf](http://www.mswg.org.my/files/editor_files/file/MCII/JOINT-PUBLIC-CONSULTATION-PAPER-ON-MCII_150114.pdf)). The consultation paper can be obtained at the SC ([www.sc.com.my](http://www.sc.com.my)) and MSWG ([www.mswg.org.my](http://www.mswg.org.my)) website.

Following the feedback, members are requested to attend a Focus Group & Presentation Session on the Malaysian Code for Institutional Investors 2014 as follows:

**Date : 18 February 2014 (Tuesday)**  
**Time : 10.00 am – 11.30 am**  
**Venue : Securities Commission Malaysia**  
**No 3, Persiaran Bukit Kiara**  
**Bukit Kiara, 50490 Kuala Lumpur**

Please complete PART A and PART B respectively and submit to FIMM via fax at 03 – 2093 2700 latest by **Monday, 10 February 2014**.

We look forward to your feedback and attendance for the focus group session.

Thank you.

Sincerely

**FEDERATION OF INVESTMENT MANAGERS MALAYSIA**



**ABDUL KADIR KASSIM**  
Chairman

**REPLY SLIP**  
**INDUSTRY CONSULTATION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014**

To: Federation of Investment Managers Malaysia  
c/o Investments & Strategic Planning Department  
19-06-01, 6th Floor, PNB Damansara, 19, Lorong Dungun, Damansara Heights  
50490 Kuala Lumpur  
Tel: 03-2093 2600 Fax: 03-2093 2700  
E-mail: [koh@fimm.com.my](mailto:koh@fimm.com.my) and [hauchek@fimm.com.my](mailto:hauchek@fimm.com.my)

**Kindly FAX this completed REPLY SLIP to FIMM by noon, 10 February 2014 (Monday)**

Would you like to participate in this industry consultation?  
(Please tick accordingly and let us know even if your company is not able to participate.)

**YES!** Enclosed please find the completed Feedback Form for your further action. Please contact the undersigned\*/ following personnel\* if you require any further clarification on the feedback.

Name: \_\_\_\_\_

Designation: \_\_\_\_\_

Tel No: \_\_\_\_\_ Fax No: \_\_\_\_\_

(\* strike wherever is not applicable)

**NO,** we are not participating in this industry consultation. (If no, please state your reason).

\_\_\_\_\_

From:

\_\_\_\_\_

Name

\_\_\_\_\_

Name of company

\_\_\_\_\_

Designation

\_\_\_\_\_

Tel No.

Fax No.

\_\_\_\_\_

Date

Signature

*Personal data and comments submitted via this reply slip and feedback form will be used solely for the purpose of industry consultation to the relevant authorities. In keeping the information secure and confidential, FIMM will strictly observe the requirements of the Personal Data Protection Act 2010.*

**INDUSTRY CONSULTATION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014 (THE CODE)**  
(Due Date: 10 February 2014)

**Feedback Form** (For more details on the Joint Public Consultation and the Code, please refer to Joint Public Consultation Paper No.1/2014 issued by the Minority Shareholder Watchdog Group, a copy of which can be downloaded from their website at ([http://www.msxg.org.my/files/editor\\_files/MCI/JOINT-PUBLIC-CONSULTATION-PAPER-ON-MCI1150114.pdf](http://www.msxg.org.my/files/editor_files/MCI/JOINT-PUBLIC-CONSULTATION-PAPER-ON-MCI1150114.pdf)))

**Question 1**

Are the principles of the Code sufficient to strengthen the accountability of institutional investors as envisaged in the Corporate Blueprint (CG) 2011? Are there other areas that should be included in the Code?

**Question 2**

Are the definitions provided clear and appropriate?

**INDUSTRY CONSULTATION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014 (THE CODE)**  
(Due Date: 10 February 2014)

**Question 3**

Is the guidance provided under the respective principles adequate? (If "No", please suggest additional guidance needed and rationale):

No	Principles	Feedback (If "No", please suggest additional guidance needed and rationale)
1	<b>Principle 1</b> Institutional investors should disclose the policies on their stewardship.	Yes: [ ] No: [ ] Your suggestion and rationale:
2.	<b>Principle 2</b> Institutional investors should monitor their investee companies.	Yes: [ ] No: [ ] Your suggestion and rationale:
3.	<b>Principle 3</b> Institutional investors should engage with investee companies as appropriate.	Yes: [ ] No: [ ] Your suggestion and rationale:
4.	<b>Principle 4</b> Institutional investors should adopt a robust policy on managing conflicts of interest which should be publicly disclosed.	Yes: [ ] No: [ ] Your suggestion and rationale:
5	<b>Principle 5</b> Institutional investors should incorporate corporate governance and sustainability considerations into the investment decision-making process.	Yes: [ ] No: [ ] Your suggestion and rationale:

**INDUSTRY CONSULTATION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014 (THE CODE)**

(Due Date: 10 February 2014)

**PART A**

No	Principles	Feedback (If "No", please suggest additional guidance needed and rationale)
6	<b>Principle 6</b> Institutional investors should publish a voting policy.	Yes: [ ]      No: [ ] Your suggestion and rationale:
7	<b>Principle 7</b> Institutional investors should consider acting collectively with other investors where appropriate.	Yes: [ ]      No: [ ] Your suggestion and rationale:
8	<b>Principle 8</b> Institutional investors should engage in the development of relevant policies and best practices.	Yes: [ ]      No: [ ] Your suggestion and rationale:

**Question 4**

The Code encourages its signatories to report annually on their application of the principles of the Code, and where there is non-observance of a principle, signatories are expected to provide meaningful explanation for the departure. Do you agree with this approach?

Yes, I agree [ ]	If "No", please provide rationale why you do not agree.
No, I disagree [ ]	

**PART A**

**INDUSTRY CONSULTATION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014 (THE CODE)**  
 (Due Date: 10 February 2014)

**Question 5**

Should you have other comments related to the Code, please complete the following. Kindly support your comments with rationale and where applicable, example.

No.	Section/ Clause/ Principle	Comments (please provide rationale and example, where applicable)

(Please use additional sheet if the space provided is insufficient)  
 ---End of Feedback Form. Thank you for your participation---

**REPLY SLIP**

**YES! PLEASE REGISTER ME/US FOR THE FOCUS GROUP & PRESENTATION SESSION ON THE MALAYSIAN CODE FOR INSTITUTIONAL INVESTORS 2014.**

**NO! I AM NOT ATTENDING.**

<b>Date</b>	: 18 February 2014
<b>Venue</b>	: Securities Commission Malaysia, No 3, Persiaran Bukit Kiara, Bukit Kiara, 50490, Kuala Lumpur
<b>Programme</b>	
10.00 am	: Registration
10.05 am – 10.30 am	: Presentation on the Malaysian Code for Institutional Investors 2014 (Pn. Rita Benoy Bushon, CEO, MSWG)
10.30 am – 11.30 am	: Discussion and Q&A session
11.30am	: End

**PARTICIPANT (1)**

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Tel. No. : \_\_\_\_\_

E-Mail : \_\_\_\_\_

**PARTICIPANT (2)**

Name : \_\_\_\_\_

Designation : \_\_\_\_\_

Tel. No. : \_\_\_\_\_

E-Mail : \_\_\_\_\_

Organisation : \_\_\_\_\_

Please return the **REPLY SLIP** to FIMM via fax at 03 – 2093 2700 latest by Monday **10 February 2014**. For further clarification for the event registration, please contact Pn. Zurin or Ms Harkiran at 03 – 20932600.

*Personal data and comments submitted via this reply slip and feedback form will be used solely for purposes of event registration and collective submission to the relevant authorities. In keeping the information secure and confidential, FIMM will strictly observe the requirements of the Personal Data Protection Act 2010.*