



Opening Remarks
Dato' Mohammad Faiz Azmi
Chairman, Securities Commission Malaysia
National Corporate Governance and Sustainability Awards 2025
20 January 2026, 8.10 pm
Mandarin Oriental Hotel, Kuala Lumpur

Yang Amat Berhormat Datuk Amar Haji Fadillah Yusof, Deputy Prime Minister of Malaysia,

Yang Berbahagia Datuk Nor Azimah Abdul Aziz, Chief Executive Officer, Companies Commission of Malaysia,

Yang Berbahagia Tan Sri Abdul Farid Alias, Chairman, Bursa Malaysia,

Yang Berbahagia Dato' Fad'l Mohamed, Chief Executive Officer, Bursa Malaysia,

Yang Berbahagia Datuk Mohammad Nasir Ali, Chairman, MSWG,

Yang Berusaha Dr Ismet Yusoff, CEO, MSWG,

Ladies and gentlemen.

Assalamualaikum warahmatullahi wabarakatuh and good evening.

1. Professor Mervyn E. King¹, a famous advocate for corporate governance, once said that "Governance is about leadership. A board should be a thought partner to management, not just a compliance officer".
2. Why I start with this quote is to make the point that corporate governance starts from the top of the corporate body, the Board.
3. Corporate governance is most effective when three forces work together. The first is self-discipline where boards and management set the tone and build the culture based on their own values, purpose and mission. These awards being given today also amplify self-discipline by celebrating leadership and integrity and doing the right thing.
4. The second force is market discipline where investors, stakeholders and the wider ecosystem reinforce good behaviour through scrutiny, expectations and trust. When market discipline is strong, accountability happens early, and regulatory intervention becomes the exception rather than the norm.
5. This is why bodies like the Minority Shareholders Watch Group (MSWG) is important to the capital market. These NACGSA Awards matter as it strengthens market discipline by recognising boards and companies that choose good governance. Not because they are compelled to but because they believe in it.
6. The third and final force is regulatory discipline. This safety net sets minimum standards and enforces accountability where serious matters such as fraud and market manipulation happen. If the first two forces are working well, you do not need to be visited by Bursa or the SC.
7. Altogether, these three forces ensure good governance is not merely compliance but a driver of trust, resilience and long-term value creation.

¹ Founding Chair of the King Committee that released The King Report on Corporate Governance

8. That is why in the current climate debate, sustainability is also necessary to add a long-term lens to your governance efforts. It helps companies prepare and explain to stakeholders how they are resilient. It also signals that we as a country are resilient as well.
9. Therefore, I am looking forward to the first group of PLCs reporting on ISSB disclosures this year with the second group of Main Market PLCs starting their preparations this year for reporting next year.
10. Another reason NACGSA carries weight is its robust assessment approach which includes utilising the ASEAN Corporate Governance Scorecard anchored on the G20/OECD CG Principles, the Malaysian Code on Corporate Governance (MCCG) and Bursa Malaysia's sustainability reporting framework.
11. In assessing governance and sustainability, the message is clear. They are not separate checklists but central to creating durable corporate value.
12. Last year, I shared that the SC is undertaking a review of the MCCG through targeted discussions and consultations.
13. As part of this review, we draw on data-driven insights from the SC's Corporate Governance Monitor issued last year and emerging developments to guide proposed interventions and policy enhancements.
14. In this context, a Discussion Paper on the Corporate Governance Framework was issued last month. The purpose is to test ideas and stimulate forward thinking on the next steps for our framework. Proposals are intended to help address gaps, including preparing boards to serve as strategic architects of trust.
15. We are taking a consultative approach because a code works best when it is informed by actual market experience - those of boards, investors, companies, intermediaries and stakeholder groups.

16. The aim is to ensure our governance expectations remain fit-for-purpose to support investability, board effectiveness and sustain confidence in Corporate Malaysia.
17. Your feedback is crucial not only to refine the code in 2026, but to ensure it reflects how governance actually works in boardrooms and markets. The consultation period ends next month on 13 February which is just in time for Chinese New Year. Regulators work like you, on public holidays.
18. Coming back to the awards, to the companies being recognised by NACGSA this evening, congratulations.
19. Your achievements signal more than good processes. It is a clear commitment to the fundamentals that matter - boards that ask the right questions, a culture that upholds integrity, transparency that builds trust and disclosures that are credible and decision-useful.
20. I would encourage companies to view NACGSA as a practical reference point - to identify gaps, strengthen corporate behaviour and build shareholder and stakeholder confidence.
21. Moving forward, the SC will launch the Capital Market Masterplan (CMP) 2026-2030 soon. Some elements of CMP will be supported by MCCG 2026, for example assessing the use of AI and impact of cyber security on businesses.
22. Under CMP, there will be initiatives to drive up corporate long-term value, from the top-performing to the non-performing PLCs. Concurrently, market entities like MSWG, led by Dr Ismet, must be strengthened and take on a more proactive role.
23. All these efforts will deliver benefits that extend beyond individual firms to encompass the wider capital market.

Closing

Ladies and gentlemen,

24. In closing, corporate governance should not be seen as a dry, compliance only-function. It is fundamentally about leadership, ethics, balanced decision-making and ensuring the long-term health and legitimacy of the corporation in society.
25. The SC remains committed to support and strengthen corporate governance within Corporate Malaysia through regulation and collaboration with partners across the ecosystem, including MSWG, Bursa Malaysia, corporate captains and the investment community.
26. To end, I would like to express my appreciation to the MSWG, organisers of the National Corporate Governance and Sustainability Awards (NACGSA) 2025. I wish everyone a wonderful evening ahead.

Thank you.

ENDS