

# NACRA 2020

National Annual Corporate Report Awards  
Towards Accountability & Excellence



MALAYSIAN INSTITUTE  
OF ACCOUNTANTS



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## **NACRA 2020: ENHANCING EXCELLENCE IN CORPORATE REPORTING, DRIVING GOVERNANCE, BUILDING TRUST**

Thirty years after the National Annual Corporate Report Awards (NACRA) were first established, Malaysian Institute of Accountants (MIA), The Malaysian Institute of Certified Public Accountants (MICPA) and Bursa Malaysia Berhad are delighted to announce the new framework for NACRA 2020 - in response to a vastly transformed corporate and regulatory landscape as well as increasing investor demands for both financial and non-financial information.

While the NACRA vision of promoting excellence and accountability in corporate reporting remains unchanged, NACRA 2020 introduces a brand-new awards structure and assessment criteria that augments recognition to many more leading organisations and is aligned with global reporting frameworks and best practices.

A key change to the NACRA awards structure is that all organisations will compete for Excellence Awards according to market capitalisation for listed companies, with a separate category for non-listed organisations. NACRA 2020 offers a Platinum award as well as three Gold and three Silver awards for each Excellence Awards category, in order to celebrate the commendable improvements in corporate reporting and afford recognition to a wider pool of high-quality reporters. To enhance transparency, this year we also reveal the marking criteria weightage for the Excellence Awards, as a guide for better reporting.

Given the increasing global relevance and acceptance of integrated reporting <IR> and sustainability, the NACRA assessment criteria have been realigned with <IR> and sustainability elements and emphasises the importance of non-financial information, forward-looking statements and sustainability information to communicate organisations' value creation narratives over time. Responding to the growing global emphasis on sustainability and impact reporting on ESG (environmental, societal and governance) impacts, NACRA continues to offer an Award for Best Sustainability Reporting.

We hope that the new awards structure and assessment criteria will further drive the quality of disclosure in order to improve the information made available to investors, while embedding a culture of sustainability among organisations in Malaysia. We look forward to your participation and support to achieve the vision of NACRA 2020 - driving excellence in corporate reporting to strengthen business performance, good governance and investors' trust in Malaysian business.



**Mr Stanley Teo Swee Chua**  
Chairman  
NACRA 2020 Organising Committee

# THE ORGANISERS



BURSA MALAYSIA BERHAD



MALAYSIAN INSTITUTE OF ACCOUNTANTS



THE MALAYSIAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

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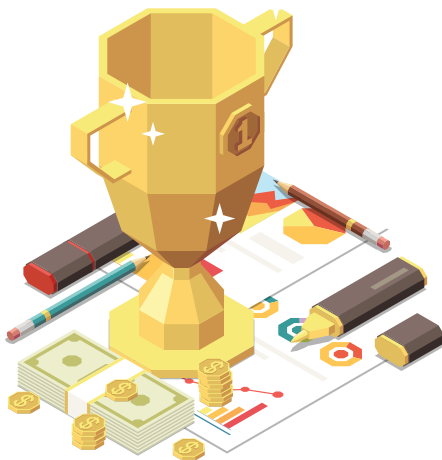
# NACRA OBJECTIVES



To **promote effective communication** by organisations through the publication of timely, informative, transparent and reader-friendly annual reports.



To **raise the bar for quality corporate reporting** in Malaysia.



To **recognise and encourage excellence** in the presentation of financial and corporate information.



To **create public awareness** of the objective measures of an organisation and their value creation over time, and greater understanding of the financial performance and results an organisation has achieved.

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# NACRA HISTORY

**2019**  
**Sustainability Statement has been fully implemented.** Inclusiveness & Diversity Reporting Award which was introduced in 2015 were removed, as Sustainability Reporting also encompasses disclosures on inclusiveness and diversity.

**2016**  
Corporate Social Responsibility Reporting Award has been replaced with the new **Sustainability Reporting Award.**

**2013**  
Corporate Social Responsibility Award was renamed as the **Corporate Social Responsibility Reporting Award.**

**2008**  
Environmental Reporting Award was renamed as the **Corporate Social Responsibility Award.**

**1990**  
In recognition that the two awards shared common objectives, the unification of the awards to become the **National Annual Corporate Report Awards (NACRA)** which was jointly sponsored by KLSE, MIA, MIM and MACPA. NACRA continued to be jointly organised by Bursa Malaysia, MIA and the MICPA till present.

**1985**  
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).

**2020**  
**New NACRA framework** were introduced.

**2017**  
NACRA introduced the inaugural **Integrated Reporting Awards.**

**2015**  
NACRA in partnership with Talent Corporation Malaysia Berhad introduced an award category for **Inclusiveness & Diversity Reporting.**

**2012**  
**Participation into NACRA is made via application** and not automatic entry as per the previous process.

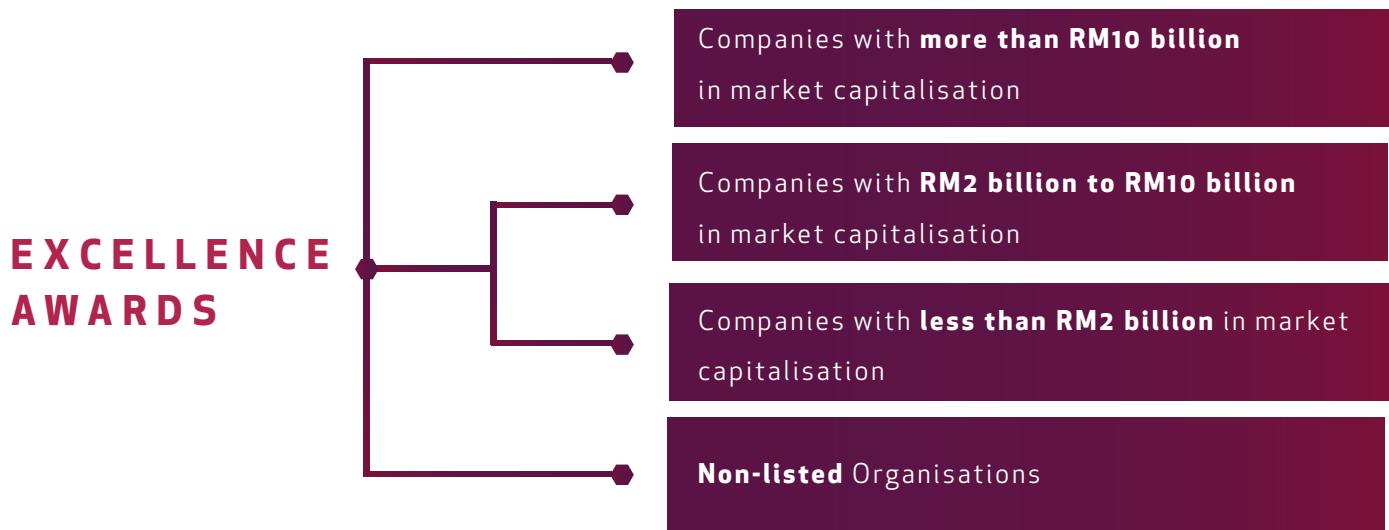
**2000**  
Launch of the **Environmental Reporting Award.**

**1988**  
The Malaysian Institute of Accountants (MIA) and the Kuala Lumpur Stock Exchange (KLSE) collaborated to organise the **National Annual Report Awards (NACRA).**

# AWARDS

NACRA comprises four categories of awards, namely the Excellence Awards, Best Sustainability Reporting Awards, Best Annual Report in Bahasa Malaysia Awards and Best Designed Annual Report.

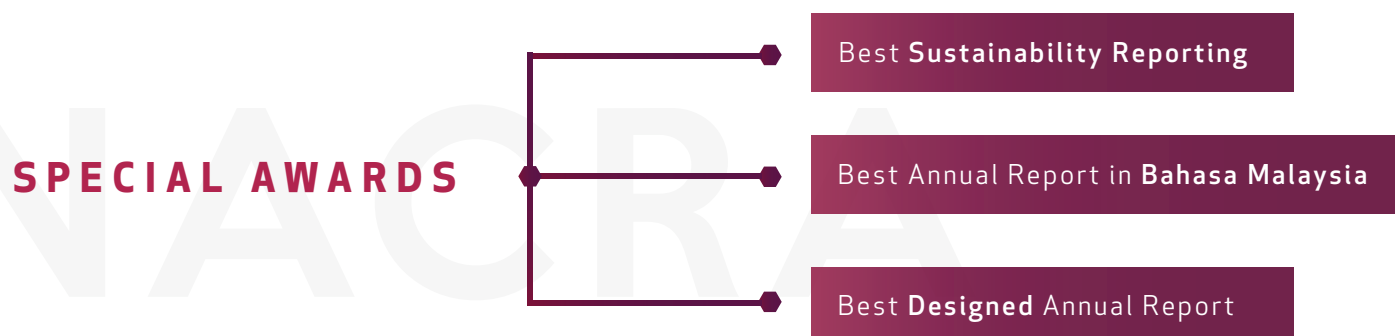
The top award for the most outstanding Annual Report for the year is the Platinum Excellence Award. This Award will be presented to the organisation, which displays the highest standard of reporting in its annual report.



[The market capitalisation for NACRA Award 2020 will be based on the market capitalisation as at 2 January 2019.]

In each of the category of Excellence Awards (except for the Non-listed Organisations), the number of winners (provided the minimum assessment marks are met) are as follows:

Platinum	1 winner
Gold	up to 3 winners
Silver	up to 3 winners



Each category of Special Awards will have a Platinum, Gold and Silver award.

# ELIGIBILITY CRITERIA

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

Eligible companies including organisation not listed on Bursa Malaysia Securities Berhad (Bursa Malaysia), public sector and other organisation established in Malaysia.

The annual reports eligible for entry to NACRA 2020 are those with financial years ended in 2019.

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

- Promptness of publication i.e. published annual report received by Bursa Malaysia within the prescribed period after year-end.
- Auditors' report is not modified, other than due to the true and fair over-ride as permitted under section 244(3) of the Companies Act 2016.
- Compliance with all applicable approved Accounting Standards other than due to the true and fair over-ride as permitted under section 244(3) of the Companies Act 2016.
- No public sanction by Bursa Malaysia or the Securities Commission on the company's affairs during the companies' financial year of the Award.
- Companies should not be under a scheme pursuant to section 365 to 368 of the Companies Act 2016 or under Bursa Malaysia Practice Note 16 (PN16) / Practice Note 17 (PN17) / Amended Practice Note (Amended PN17)\*#.
- Compliance with the continuing disclosure requirements as set out in Appendix 9C "Contents of Annual Report" in Listing Requirements of Bursa Malaysia.

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

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

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# 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 **5 hard copies and a PDF copy** of the published annual report in English, **PDF copy** of the Corporate Governance Report and **5 hard copies and a PDF copy** of the Sustainability Report (if printed separately) to the NACRA Adjudication Committee by **Wednesday, 15 July 2020**.

Companies that wish to participate in the “Best Annual Report in Bahasa Malaysia” category are also required to submit a **PDF copy** of the fully translated Bahasa Malaysia Annual Report to the NACRA Adjudication Committee by the deadline stipulated above.

## PARTICIPATION FEE

In line with our efforts to further enhance NACRA 2020 deliverables and to enable the objectives of NACRA to be fully realised, the following participation fee will apply to participating organisations:

Companies listed on Main Market	RM5,500
Companies listed on ACE Market	RM3,500
Non-listed companies, Public Sector and other Malaysian Organisations	RM3,500

The participation fee is to be used fully to meet the cost arising from the adjudication process. 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 2020, please contact the NACRA Secretariat:

The Secretary, NACRA 2020 Organising Committee  
c/o Malaysian Institute of Accountants (MIA)  
Dewan Akauntan, Unit 33-01, Level 33, Tower A, The Vertical, Avenue 3, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

TEL: 03-2722 9000 | FAX: 03-2722 9100 | EMAIL: [nacra@mia.org.my](mailto:nacra@mia.org.my) | WEBSITE: [www.mia.org.my](http://www.mia.org.my)

# NACRA ASSESSMENT CRITERIA

## EXCELLENCE AWARDS

Entrants are assessed in the following six (6) areas:

### A. Overview

- Presentation of reliable and relevant information that is fair, balanced and understandable.
- A clear and meaningful presentation of the organisation's mission and vision.
- Organisations adopting Integrated Reporting must ensure connectivity of information flows in presenting the overall view of the organisation's business.
- Key financial highlights and trends together with financial indicators of the last five years or since listing (if it has been listed less than 5 years).

### B. Detailed information of the organisation's business, operations and performance (including financial and non-financial performance)

- Overview of the organisation's business and operations including its objectives and strategies for achieving the objectives, and how the organisation's strategies relate to its ability to create value in the short and long term.
- Discussion and analysis of the financial results and financial condition including:
  - (i) Commentary on financial and non-financial indicators to measure the organisation's performance;
  - (ii) Significant changes in performance, financial position and liquidity as compared with the previous financial year;
  - (iii) Discussion on the capital expenditure requirements, capital structure and capital resources; and
  - (iv) Known trends and events that are reasonably likely to have a material effect on the organisation's operations, performance, financial condition, and liquidity, together with the underlying reasons or implications;
- Review of operating activities including discussion on the main factors that may affect the operating activities of each principal business segment of the organisation, impact on future operating activities, and the approach or action taken in dealing with the effect or outcome of such matters on its business activities;
- Any identified anticipated or known risks that the organisation is exposed to which may have a material effect on the organisation's operations, performance, financial condition, and liquidity together with a discussion of the plans or strategies to mitigate such risks; and
- Forward-looking statement providing commentary on:

- (i) Organisation's possible trend, outlook and sustainability of each of its principal business segment;
- (ii) Prospects of new businesses or investments; and
- (iii) Dividend or distribution policy, if any, and factors contributing to the dividend or distribution for the financial year.

### **C. Financial Statements**

The financial statements should be prepared in compliance with the approved accounting standards and disclosure requirements set out in the Companies Act 2016, the Listing Requirements of Bursa Malaysia and other relevant legislation. Organisations are encouraged to provide relevant and reliable financial information which exceeds the mandatory requirements.

The financial statements should comprise:

- A statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cashflows.
- Significant accounting policies are identified and described in a clear and entity-specific manner.
- Quality and clarity of disclosures in the notes to the financial statements. Clear and concise explanatory notes covering major or extraordinary events/ transactions during the year.
- Ensure that key disclosures are clearly set out and avoid compliance box-ticking or boilerplate disclosures.
- Appearance and presentation of financial statements and related notes achieve understandability and readability.

### **D. Corporate Governance ("CG") Disclosures**

Companies listed on Bursa Malaysia must make the Corporate Governance disclosure of the application of the principles set out in the Malaysian Code on Corporate Governance ("MCCG"). Non-listed entities and other organisations are encouraged to embrace the code on corporate governance and should consider applying the practices in the MCCG to enhance their accountability, transparency and sustainability.

#### **(i) CG Overview Statement**

The annual report should include the CG Overview Statement which provide a summary of the organisation's corporate governance practices during the financial year with reference to the three Principles:

- Board leadership and effectiveness;
- Effective audit and risk management; and
- Integrity in corporate reporting and meaningful relationship with stakeholders.

The company should highlight the key focus areas and future priorities in relation to its corporate governance practices through CG Overview Statement.

#### (ii) CG Report

The application of each Practice set out in the MCCG during the financial year should be disclosed in CG Report and announce together with the Bursa Malaysia's announcement of the annual report.

- The CG Report should include specific disclosures on its application of each CG Practice and should provide a fair and meaningful disclosure of the company's corporate governance practices.
- If the company has departed from a Practice, it must provide an explanation for the departure and disclose the alternative practice it has adopted, and how such alternative practice achieves the Intended Outcome as set out in MCCG.
- The disclosures in the CG Report should be closely guided by the guidance set out in MCCG.

In making the CG Overview Statement and the CG Report, the companies must also consider the following:

- Ensure the CG Overview Statement and the CG Report:
  - (i) contain adequate information to enable an informed assessment by shareholders and potential investors of its corporate governance practices; and
  - (ii) align with the spirit and Intended Outcome of the MCCG.
- Ensure that key messages on governance are clearly set out and avoid compliance box-ticking or boilerplate statements.

### **E. Sustainability Reporting**

The annual report should include a narrative statement of the management of material economic, environmental and social risks and opportunities ("Sustainability Statement").

The Sustainability Statement should contain information that is balanced, comparable and meaningful by referring to the Sustainability Reporting Guide issued by Bursa Malaysia.

The Sustainability Statement must include disclosures as follows:

- The governance structure in place to manage the economic, environmental and social risks and opportunities;
- The scope of the Sustainability Statement and basis for the scope;
- Material sustainability matters:

- (i) Identification of Material Sustainability Matters: How and why they are important;
- (ii) How they are managed including details on:
  - Policies to manage these sustainability matters;
  - Measures or actions taken to deal with these sustainability matters; and
  - Indicators relevant to these sustainability matters which demonstrate how the listed issuer has performed in managing these sustainability matters.

#### **F. Overall Presentation and Additional Consideration**

Organisations are encouraged to:

- Enhance the connectivity of information within the corporate reporting.
- Include other relevant information and additional disclosures beyond the statutory requirements which are useful for understanding of the annual report, for example:
  - Share trading information (e.g. trading volume and price movements).
  - A calendar of significant events of interest to stakeholders.

### **Marking Criteria Weightage For Excellence Awards**

The general marking criteria weightage for Excellence Awards are as follows:

Corporate Information (including financial and non-financial information)	40%
Financial Statements (compliance with approved accounting standards and disclosure requirements)	40%
Corporate Governance Disclosures	10%
Sustainability Reporting	10%
	100%

# NACRA ASSESSMENT CRITERIA

## SPECIAL AWARDS

### Best Sustainability Reporting

The Award for Best Sustainability Reporting will be presented to Sustainability Statement prepared in accordance with the Global Reporting Initiative Standards (GRI Standards) and Bursa Malaysia's Sustainability Reporting Guide (2nd Edition).

The Sustainability Statement will be assessed based on the following factors:

- How sustainability facilitates, supports and drives corporate and societal value;
- The risks and opportunities connected to sustainability matters;
- How your organisation identifies, evaluates and manages material sustainability risks and the opportunities in creating long term value to stakeholders and society at large; and
- The quality and depth of sustainability information disclosed to meet the needs and expectations of users.

### 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

Presentation of information in a concise, logical and easy to understand format is a crucial aspect of annual reporting. The design of the annual report can also 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 is intended to recognise creativity and ingenuity in the use of graphics, illustrations, photographs and layout concepts that enhance the communicative effect of the annual report.

The following aspects will be considered:

- Clear reflection of the organisation's theme, objective or vision in the cover design.
- Logical progression of report and continuity of design.
- Relevance and effectiveness of the graphs, photographs and graphics used.
- Overall layout and photography.
- Overall neatness and readability of the report – effective use of colour, white space, captions, headlines, type styles and size.

# ORGANISING & ADJUDICATION COMMITTEES



Mr Stanley Teo Swee Chua (*Chairman*)  
Mr Tang Seng Choon (*Alternate Chairman*)  
En Novie Tajuddin



En Ahmad Zahirudin Abdul Rahim  
Mr Foong Mun Kong  
Dr Nurmazilah Dato' Mahzan  
Ms Low Wai-Ky (*Official Secretary*)



## **NACRA 2020 Adjudication Committee**

En Ahmad Zahirudin Abdul Rahim (MIA) (*Chairman*)  
Mr Foong Mun Kong (MIA) (*Alternate Chairman*)  
Mr Stanley Teo Swee Chua (MICPA)  
Mr Tang Seng Choon (MICPA)  
Ms Tan Lay Khoon (Bursa Malaysia)

## **Joint Secretaries**

Ms Low Wai-Ky (MIA)  
Ms Chiam Pei Pei (MICPA)

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# NACRA 2020 ENTRY FORM

Please complete the details and return the form together with the required number of copies of your organisation's annual report in English and the Sustainability Report (if printed separately). PDF copies of the Annual Report, Corporate Governance Report, Sustainability Report (if printed separately) and the fully translated Bahasa Malaysia Annual Report (only for companies participating in the "Best Annual Report in Bahasa Malaysia" category) should also be submitted by the closing date to:

The Secretary  
 NACRA 2020 Adjudication Committee  
 c/o Malaysian Institute of Accountants (MIA)  
 Dewan Akauntan, Unit 33-01, Level 33, Tower A, The Vertical, Avenue 3, Bangsar South City, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.  
 TEL: 03-2722 9000 | FAX: 03-2722 9100 | EMAIL: [nacra@mia.org.my](mailto:nacra@mia.org.my) | WEBSITE: [www.mia.org.my](http://www.mia.org.my)

The completed form which acts as a payment advice should be accompanied by the appropriate payment for participation in NACRA 2020.

## PAYMENT ADVICE

<input checked="" type="checkbox"/> Please Tick	FEE	TOTAL
PARTICIPATION FEE*	RM	RM
<input type="checkbox"/> Company listed on Main Market	RM5,500	<input type="text"/>
<input type="checkbox"/> Company listed on ACE Market	RM3,500	<input type="text"/>
<input type="checkbox"/> Non-Listed Company/Public Sector/Other Malaysian Organisations	RM3,500	<input type="text"/>
TOTAL PAYABLE		<input type="text"/>

### Payment by Cheque:

Enclosed is a crossed cheque made payable to MALAYSIAN INSTITUTE OF ACCOUNTANTS being participation fee for NACRA 2020

Cheque No: \_\_\_\_\_ for the amount of RM \_\_\_\_\_

Name of Organisation \_\_\_\_\_

We have read the conditions of NACRA 2020 and agree to abide by these conditions.

Name of Officer \_\_\_\_\_

Position \_\_\_\_\_

Business Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name of Contact Person (if different from above) \_\_\_\_\_

5 copies of the Annual Report in English and 5 copies of the Sustainability Report (if printed separately) are enclosed. The PDF copies of the Annual Report in English, Corporate Governance Report, the Sustainability Report (if printed separately) and the fully translated Bahasa Malaysia Annual Report (only for companies participating in the "Best Annual Report in Bahasa Malaysia" category) have been emailed to the Secretariat at [nacra@mia.org.my](mailto:nacra@mia.org.my)

**CLOSING DATE FOR SUBMISSION OF ENTRIES: Wednesday, 15 July 2020.**

Please contact Ms Low Wai-Ky of Malaysian Institute of Accountants at Tel: 03-2722 9000 or email [nacra@mia.org.my](mailto:nacra@mia.org.my) for further information.

MIA Head Office, Dewan Akauntan, Unit 33-01, Level 33, Tower A, Bangsar South City, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.



# ■ NACRA PAST WINNERS

## WINNERS OF OVERALL EXCELLENCE AWARD

1990	<b>PUBLIC BANK BERHAD</b>
1991 - 1996	<b>AMMB HOLDINGS BERHAD</b>
1997	<b>PUBLIC BANK BERHAD</b>
1998 - 2001	<b>KUMPULAN GUTHRIE BERHAD</b>
2002 - 2005	<b>PUBLIC BANK BERHAD</b>
2006	<b>TELEKOM MALAYSIA BERHAD</b>
2007 - 2010	<b>PUBLIC BANK BERHAD</b>
2011	<b>TELEKOM MALAYSIA BERHAD</b>
2012	<b>MALAYAN BANKING BERHAD</b>
2013	<b>TELEKOM MALAYSIA BERHAD</b>
2014	<b>TELEKOM MALAYSIA BERHAD</b>
2015	<b>MALAYAN BANKING BERHAD</b>
2016	<b>MALAYAN BANKING BERHAD</b>
2017 - 2019	<b>CIMB GROUP HOLDINGS BERHAD</b>



# NACRA 2020

Challenge for the Most Outstanding Annual Report of The Year

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# NACRA 2020

National Annual Corporate Report Awards  
Towards Accountability & Excellence