## STRATEGIC PRIORITY

## SUPPORT INVESTOR STEWARDSHIP AND ENGAGEMENT

Investor activism and stewardship are powerful tools to shape governance and drive long-term value creation of companies. It also provides the market discipline required to drive responsible business conduct.

The IIC and MSWG have been instrumental in raising the level of stewardship and influencing positive changes in the governance of companies.

To deepen and strengthen shareholder activism, the SC will undertake investor education efforts targeted at strengthening retail investors' understanding of corporate governance and sustainability issues, as well as support institutional investor stewardship and engagement.



## Investor education focusing on CG and sustainability for retail investors



The SC will collaborate with the MSWG to develop a series of programmes to enhance retail shareholders' awareness and understanding on corporate governance and sustainability issues. This includes evaluating companies' governance practices, measures to improve board diversity and digital aptitude as well as performance in managing sustainability risks and opportunities.



## Support institutional investor stewardship and engagement through the PERKUKUH programme



On 12 August 2021, the Government launched the *Perkukuh Pelaburan Rakyat* (PERKUKUH) programme, consisting of 20 initiatives to strengthen governance and optimise the performance of government-linked investment companies (GLICs).

Led by Ministry of Finance (MOF), the SC is supporting the development of baseline governance requirements and best practices that GLICs are expected to adopt. The SC will also work closely with the IIC and Capital Markets Malaysia to update and enhance the *Malaysian Code for Institutional Investors* (MCII) to promote effective and outcome oriented stewardship as well as address capacity-building needs of GLICs to scale up their engagement approach and measures.

