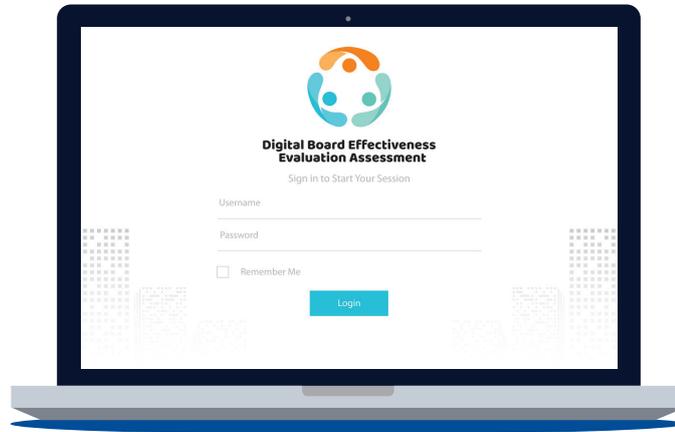


# Introducing the KPMG Board Effectiveness Evaluation Tool



**Ease of access**



**Confidentiality and security**



**Data storage and analytics**



**Instant results infrastructure**

Revolutionaries, futurists and restless geniuses have facilitated the development of exponentially advancing technologies by repurposing the concepts, discoveries and breakthroughs of their predecessors. Against this backdrop of dizzying innovation, KPMG has sought to continue the generation of positive cycles and loops of advancement in the realm of corporate governance by exploring how technology can further enhance board effectiveness.

KPMG has the pleasure of introducing a tool that can aid the board evaluation process. By way of a quick teaser, the board evaluation tool aims to deliver the following value-added features:

## **User-friendly interface**

Personalised features, status progress indicator and export functionalities

## **Automated reporting**

Thematic write-ups based on responses gathered

## **Customised questionnaires**

Tailored questions based on first hand boardroom and industry insights

## **Respondent Confidentiality**

Rigorous network security that protects any user information or client data

## **Completeness Checks**

Detection of anomalies, mandatory fields and minimum response time

## **Enhanced security**

Unique credentials and clear demarcation between administrator and respondents (board members)

## **Data analytics**

Score dashboard, trend analysis and repository benchmarking

# How it works:

**Step 1:**  **Enters credentials and logs in**

**Step 2:**  **Completes assessment and questionnaires**

No.	Question	Average Rating
1.	Does the composition of the BC allow for BC members to exercise objectivity and independence in performing their duties and responsibilities in the best interest of the Company?	3.33
2.	Do the BC members exhibit appropriate industry understanding and comprise a diversity of knowledge and expertise required to perform its duties and responsibilities?	3.33
3.	Are BC meetings run effectively, with adequate time and focus spent on important or emerging issues such as "pay for performance" and "pay-ratio gap"?	3.67
4.	Is the Board provided with continuous education programmes to keep all Directors up to date with the latest developments in the market industry and regulatory environment?	3.14
5.	Are the findings from previous BEE fed into the continuous professional programmes of Directors (i.e. are the trainings provided tailor-fitted into the needs and requirements of the Directors and the Company as a whole)?	3.14

**Step 3:**  **Evaluation finishes**

13.	Does the composition of the BC allow for BC members to exercise objectivity and independence in performing their duties and responsibilities in the best interest of the Company?	3.67
14.	Do the BC members exhibit appropriate industry understanding and comprise a diversity of knowledge and expertise required to perform its duties and responsibilities?	3.33
15.	Are BC meetings run effectively, with adequate time and focus spent on important or emerging issues such as "pay for performance" and "pay-ratio gap"?	3.67
16.	Is the Board provided with continuous education programmes to keep all Directors up to date with the latest developments in the market industry and regulatory environment?	3.14

**Step 4:**  **Findings and analytics report are generated**

Source: KPMG Board Evaluation Software

**Legend:**  Administrator (Company Secretary)  User (Director)

All in all, this tool can serve to iron out the wrinkles that have been omnipresent in traditional board evaluation process - some of which include the failure to complete assessment instruments due to time constraints, provision of uniform rating for all questions in the instruments and lack of synthesis in drawing up the results.

With time and trial, the system is expected to be enhanced as we consider feedback from the marketplace and seek to incorporate advanced features. Plans are already underway to create a data repository benchmarking exercise and peer analysis vis-à-vis listed issuers across the ASEAN region. To this end, KPMG would welcome any input that would help to unleash the utmost potential of this system.

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