Introduction to ACGA

The Asian Corporate Governance Association (ACGA) seeks to play a constructive role in the evolving Asia-Pacific corporate governance ecosystem. We are a not-for-profit membership association founded in Hong Kong in 1999 shortly after the Asian Financial Crisis.

➢ For more than two decades ACGA has been working to promote systemic improvements in corporate governance regulation and practice in Asia through independent research, advocacy and education. ACGA is entirely funded by its members and does not receive government grants or sponsorship.

➢ We view good public and corporate governance as key to capital market and economic development, including sustainable development. In recent years, our research and events have evolved to encompass ESG reporting, board diversity, and how boards are preparing for climate change.

➢ We believe there is a need to put a firmer governance foundation under ESG and sustainability in Asia. In practical terms, this means clearer policy guidance from regulators, greater board preparedness among listed companies, and deeper and more informed investor stewardship.
ACGA Member Network

113 member firms*

77% are investors: $40 trillion in global AUM

Leading Asian companies

Top 5 global CPA firms

Foreign and Asian asset owners and managers

3 regions: Asia-Pacific, Europe/UK, North America

*Membership is by company. For a full list of members, go to our website Member page.
ACGA works closely with numerous investor and governance-related associations around the region and worldwide. Recognising their important role in enhancing systemic governance standards and practices in their respective markets, ACGA offers such organisations a 50% discount on our Premium Investor Membership fee. This allows them to enjoy most of the benefits of Premium membership at a more reasonable price.

We do, however, seek a commitment from such organisations that they will utilise the services received from ACGA for internal purposes only and that they will not share such information or benefits with their members.

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual fee</th>
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<tbody>
<tr>
<td>Investor Association</td>
<td>US$8,625</td>
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# Key benefits of membership: All members

<table>
<thead>
<tr>
<th>Publications / services</th>
<th>Frequency</th>
<th>Content</th>
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<tbody>
<tr>
<td><strong>Research</strong></td>
<td></td>
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<tr>
<td>Timely research products</td>
<td>Ongoing</td>
<td>ACGA produces timely and focussed briefings for members, including blogs and “deeper dive” analyses of ongoing CG and ESG issues in the region.</td>
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<tr>
<td>CG Watch</td>
<td>Biennial</td>
<td>ACGA’s flagship report ranking 12 major Asia-Pacific markets, including Australia, on their CG ecosystems. Ten reports since 2003.</td>
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<td><strong>Events</strong></td>
<td></td>
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<tr>
<td>ACGA Investor Discussion Group</td>
<td>Quarterly</td>
<td>Confidential forum for members to discuss ACGA advocacy initiatives and collaborative engagements. Two meetings held quarterly for members in Asia/Europe and North America/Australia.</td>
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<td>Member Briefings</td>
<td>Twice a year in the Spring and Autumn</td>
<td>Updates on ACGA research, exclusively for members.</td>
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<td>Annual Conference: Asian Business Dialogue on Corporate Governance</td>
<td>Each November</td>
<td>ACGA’s signature conference bringing companies, investors, regulators and others together for practical discussions on CG and ESG reform in Asia.</td>
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<td>Webinars</td>
<td>Ad hoc</td>
<td>ACGA organises webinars on specific topics for members and works with other organisations from time to time. In 2021, we developed a series of events on China, Southeast Asia and India with the PRI.</td>
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### ADVOCACY

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<tr>
<th>Publications / services</th>
<th>Frequency</th>
<th>Content</th>
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<tbody>
<tr>
<td><strong>Working Groups:</strong> China, Japan, Korea</td>
<td>Three calls per year for each working group</td>
<td>Chaired by members, the Working Groups allow members to become more deeply involved in our regulatory advocacy and to help shape ACGA’s policy work in these markets. ACGA also facilitates company engagement for members. We have a programme of medium- to long-term engagement with 5-7 systemically important firms in each market.</td>
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<td><strong>Member Delegations</strong></td>
<td>Annually for each working group</td>
<td>Organised with the support of our Working Groups, these delegations offer members an opportunity to meet with a large number of regulators, government officials, corporate executives, domestic investors and CG/ESG leaders in an action-packed trip. <em>See p8 for more details on our past delegations.</em></td>
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("Virtual delegations” meetings in 2021 and 2022)
“At ACGA we engage in regular dialogue with financial regulators, institutional investors, listed companies, auditors and others on key corporate governance and ESG issues around the region. We take a practical, long-term view and work towards making lasting and systemic improvements.

“An important differentiator of ACGA is the original and independent research that underpins all we do.”

Jamie Allen, Founding Secretary General, ACGA
## ACGA delegations: 2009 - 2022

<table>
<thead>
<tr>
<th>Market</th>
<th>Trips</th>
<th>Highlights</th>
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<tbody>
<tr>
<td>China</td>
<td>2013, 2017, 2018</td>
<td>In 2017, we took members to Beijing, Shanghai and Shenzhen. Three cities in five days. Meetings with Sinopec, Huaneng Power, AMAC, CAPCO, China Asset Management, the Shanghai and Shenzhen Stock Exchanges, China Vanke and Country Garden, and others.</td>
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<td>Japan</td>
<td>2009, 2010, 2012, 2013, 2014, 2018, 2019 calls in 2022</td>
<td>Each trip included major regulators (METI, FSA, JPX), a dialogue with domestic investors, and roundtables with leading CG groups. Company meetings selected depending on issue (eg, Toyota, Toshiba, Kobe Steel, Toray, MUFG, Japan Tobacco, KDDI). In 2018 and 2019, we also held discussions on renewable energy in Japan.</td>
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<td>Korea</td>
<td>2011, 2016, 2017, 2018, 2019; calls in 2020, 2022</td>
<td>Each trip included major regulators (FSC, MOJ, KRX) and leading CG groups (KCGS, SER). Company engagement focusses on systemically important groups (Samsung, Hyundai, SK, LG, Lotte), banks such as KB and Shinhan, former state enterprises (KEPCO, KT&amp;G), and newer tech firms (Kakao).</td>
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<tr>
<td>India</td>
<td>2010, 2014; calls in 2020</td>
<td>Each trip included major regulators (BSE, NSE, SEBI, MOF, MCA). Selected companies we have met include Reliance Industries, Mahindra &amp; Mahindra, Axis Capital, Oil and Natural Gas Corporation (ONGC), Birla Group</td>
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<tr>
<td>Others</td>
<td>Hong Kong: 2013 Indonesia: 2015 Taiwan: 2009 SE Asia: 2011</td>
<td>Hong Kong meetings included SOEs (China Mobile), local energy (CLP) and aviation (HAECO) firms. Indonesia trip included a series of meetings with coal companies. In Southeast Asia, we visited Singapore, KL and Bangkok in the space of one week.</td>
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## Working Groups

<table>
<thead>
<tr>
<th>Market</th>
<th>Established</th>
<th>Current advocacy focus areas</th>
<th>Virtual engagements 2022</th>
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</table>
• Corporate engagement focused on board independence and effectiveness, board diversity, capital management, cross-shareholdings, climate governance and sustainability goals | Engagement (2x p.a.) with the following companies:  
• Shimano  
• SMC Corporation  
• Toyota Motor  
• Shin-Etsu Chemical  
• Mitsubishi UFJ Financial Group  
“Virtual Delegation” in September 2022: FSA, METI, JPX/TSE and JICPA |
| Korea  | 2016        | • Board diversity, including gender issues  
• Promoting ESG reporting standards  
• Capital structure  
• Meeting board members  
• Mandatory takeover rule (lack of)  
• RPTs – must become a shareholder meeting agenda and should be voted on by independent shareholders | We have arranged dialogue with the following:  
• Samsung Electronics  
• SK Innovation  
• Hyundai Motor  
• LG Chemical  
• SoftBank Group (in collaboration with JWG) |
| China  | 2019        | • ESG reporting guidance  
• Executive compensation  
• Sustainability strategies  
• Data privacy | We are starting engagement with the following:  
• Kweichow Moutai  
• Meituan  
• Zijin Mining  
• Tencent  
• Baidu |
Membership by region – 113 members from 20 markets
Total assets under management – more than US$40 trillion
ACGA members represent seven industry sectors.

- Asset Management: 63%
- Pension Funds: 14%
- Listed Companies: 8%
- Accounting and Auditing Firms: 5%
- Associations and Institutes: 4%
- Financial Intermediaries/Professional Services: 4%
- Education: 2%
ACGA Members Value Our Services

- 10+ Years: 49%
- 7-9 Years: 13%
- 4-6 Years: 16%
- 1-3 Years: 17%
- Joined in 2022: 5%
Recent research reports

1. **Awakening Governance**
   - The evolution of corporate governance in China

2. **Future promise**
   - Aligning governance and ESG in Asia
   - Special report - May 2021

3. **Down to earth**
   - Climate governance case studies in Asia Pacific
   - December 2020
Recent ACGA advocacy submissions

2022

- **Hong Kong Exchanges and Clearing** on listing regime for specialist technology companies
- **Japan Financial Services Agency** on disclosure of corporate details pertaining to sustainability and corporate governance
- **Singapore Exchange** on board renewal and remuneration disclosures
- **Open Letter** on gender diversity in Japan’s Tokyo Stock Exchange (TSE) Prime market
- **International Sustainability Standards Board (ISSB)** on IFRS Exposure Drafts S1 and S2
- **Taiwan Securities and Futures Bureau** on corporate details pertaining to sustainability and corporate governance
- **International Sustainability Standards Board (ISSB)** on planned changes to the new substantial shareholder threshold which is set to be lowered from 10% to 5%
- **Taiwan Securities and Futures Bureau** on proposed rule changes in respect of asset acquisitions and disposals, most notably those covering related-party transactions (RPT)
- **Hong Kong Exchanges and Clearing** on the listing rules relating to share schemes of listed issuers
- **Ministry of Finance Japan** on the Foreign Exchange and Foreign Trade Act

For all ACGA advocacy submissions, white papers, and presentations since 2004, go to our website [Advocacy page](http://www.acga.org/advocacy).
Recent ACGA conferences

➢ For the programmes of all ACGA conferences since 2001, go to our website Conference page.
ACGA – Governing Council

Chair: **Steven Watson**: Partner, Capital International Investors, Hong Kong

Vice Chair: **Ka Shi Lau**: Senior Advisor, BCT Group, Hong Kong

Council members:
- **Pru Bennett**: Partner, Brunswick Group, Sydney
- **Stephen Fuller**: Head of Int’l Government Affairs, The Travelers Companies, Washington
- **Ronnie Lim**: Senior Engagement Specialist, Robeco, Asia-Pacific, Hong Kong
- **Elizabeth Sun**: Former Senior Director of Corporate Communications, TSMC, California
- **May Tan**: Independent Director, CLP Holdings, Hong Kong
- **Hiroaki Toya**: CEO/CIO, Solaris Management, Inc., Tokyo
- **Jeffrey Williams**: Director, UBS SDIC Fund Management, Shanghai
- **Yuelin Yang**: Deputy Group Managing Director, IMC Industrial Group, Singapore

➢ For biographies of each Council member, go to our website [Council](#) page.

➢ For our Articles of Association, Council nomination guidelines, Council committee structure, and a full set of AGM materials and audited accounts since our formation, see the [Governance](#) pages.
ACGA Secretariat

Secretary General: Jamie Allen*
Chief Operating Officer: Irina Medukha*

Research / advocacy staff (alphabetical)
Specialist Advisor: Melissa Brown
Research Editor: Lucy Colback
Specialist Advisor, India: Sharmila Gopinath
Research Associate, Japan: Sumika Hashimoto
Specialist Advisor, Southeast Asia: Chris Leahy
Specialist Advisor, China: Nana Li
Research Manager, China & Korea: Stephanie Lin*
Head of Research: Jane Moir*
Research Director, Taiwan & Malaysia: Neesha Wolf*
Research Manager, Market Analytics (Thailand): Vivian Yau*

Administration / events staff (alphabetical)
Executive PA: Ida Chan*
Accountant: Jovy Chan
Office & Events Manager: Mikky Li*
Conference Manager: Julia Mart

*Denotes full-time staff. For biographies of each Secretariat member, go to our website Secretariat page.
Investor Association Membership – Approval Process

1. Under ACGA’s articles, our Council is required to approve each new membership application.

2. The criteria for investor association membership are principles-based:
   • A clear commitment to the spirit of corporate governance.
   • Support for ACGA’s objectives and principles.
   • Evidence of efforts made to support the development of higher standards of corporate governance in your market.

   The ACGA Secretariat ascertains the answers to these questions through discussion with prospective members and independent due diligence. We report our findings to the Council’s Membership Committee.

3. Following a review, the Membership Committee may wish to seek clarification of information provided by an applicant.

4. Membership approval will be given if the Council believes that an applicant meets the criteria for membership and will add value to the Association’s member network. Approval will not be given if the Council believes otherwise or sees any potential conflict of interest.

5. The Council reserves the right to expel any member from the Association if it believes that the member no longer upholds the required standards of membership.
For more information contact:

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