CORPORATE GOVERNANCE CASE STUDIES | East Asia and the Pacific

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2121 Pennsylvania Avenue, N.W.
Washington, D.C. 20433
Internet: www.ifc.org

CAMBODIA

BUSINESS	Provides financial services, including credit, inter-branch transfer and deposit products to rural and urban clients including farmers, small businesses and households
LOCATION	Cambodia
SECTOR	Microfinance
2017 PROFIT	US$ 27.35 million (8% annual growth) (Source: 2017 Annual Report)
TYPE	Private
# EMPLOYEES	4,000 (Source: 2017 Annual Report)
# TOTAL FLEET	156 branches (Source: 2017 Annual Report)
IFC ASSESSMENT DATE	March 2014

Amret Co. is a leading microfinance institution in Cambodia serving micro, small and medium enterprises and low-to-middle-income populations with a focus on rural areas, agriculture and district and provincial cities. Amret was launched in 1991, and obtained a license to operate as a deposit-taking MFI in 2009. Today, it provides a wide range of loan and deposit services to Cambodia women, farmers, small businesses, and households across 25 provinces and 197 operating districts.

As one of the top three MFIs in Cambodia, with a nationwide presence across 197 districts, Amret provides financial products, including solidarity credits, individual credits, SME loans, savings accounts and term deposits, to more than 400,000 clients through 156 branches, with more than US$ 350 million in outstanding deposits and more than US$ 668 million in outstanding loans by 2017.

Its goal is to provide a wide-range of tailored financial solutions for low income people, including micro, small and medium enterprises, in order to improve the living standards of the population and contribute to the economic and social development of Cambodia. Amret is a subsidiary of Advans SA, a global network of microfinance institutions across 9 countries. Advans supports Amret in refining its governance practices and improving its organizational efficiency. Since 2013, Amret has pioneered loan products in the AgriFin and Fintech space. It rolled out mobile financial services and was awarded grant funding from the UN Capital Development Fund to expand women's financial inclusion through digital finance. Over the years, Amret has adapted its strategy to minimize risk through concentrating its lending activities on areas less affected by over-indebtedness, which has in turn helped maintain a good loan portfolio quality and improved profitability.

WHY CHANGE?

Amret was committed to the principles of good governance as demonstrated by the strong risk and control frameworks that were embedded in the organization prior to IFC's assessment. The Board was engaged in the stewardship of the company which contributed to a strong management structure across the organization. In addition, the company was in compliance with applicable regulations for MFIs in Cambodia. Although Directors were engaged in setting strategy, there was not a formal authority matrix or formally documented board charters with terms of reference to guide the decision-making process. The composition of the Board required some diversification and recruitment of independent members with strong commercial banking acumen and a deep knowledge of the local market. Additionally, Amret was looking to improve the way it handled related party transactions and establish clear policies to protect minority shareholders and eliminate conflicts of interest.

WHAT DID THEY CHANGE?

In March 2014, IFC evaluated Amret's governance capabilities. Even prior to IFC's involvement, Amret's board and executive leadership demonstrated their strong commitment and adherence to good governance beyond compliance with local regulations. The IFC evaluation aimed at helping Amret further enhance the board's effectiveness, optimize management controls, improve disclosure policies and practices, and develop provisions on shareholder's rights.

Management advanced on its already impressionable CG improvement program by reinforcing governance practices and raising the bar to align with international standards. Authorities were better clarified between the Board and Management. Prior to IFC's assessment, Amret established an Audit Committee, chaired by an independent director who was nominated by minority shareholders, which met 4 times annually to review internal and external audit functions and ensure compliance with local laws. Additionally, more independent directors with commercial banking, risk management, and local market experience were recruited to improve the Board's composition and effectiveness of the committees. The company also went above and beyond to strengthen its internal control and risk management systems with the establishment of a Risk Oversight Committee which oversees four management committees that assess credit, operational, strategy, and asset & liability risks.

Furthermore, the Board codified its CG policies, developed remuneration and evaluation procedures, and made an effort to eliminate conflicts of interest with respect to related party transactions and procurement practices with technical vendors. With a strong CG foundation, Amret was a benchmark for other financial institutions in Cambodia and perceived as more transparent and investor-friendly. This culminated in receiving A- ratings from international rating agencies including MicroFinanza and MicroRate.

Mr. Claude Falgon, **Chairman of the Board**

"From the beginning, the Directors had a deep sense of the importance of good governance and for the Board to function well. As the Board became more focused on stewardship and strategic decision-making, they recognized the need to diversify its composition and bring in experienced independent directors capable of defending the interests of the company in order to create value for shareholders, and not just protect their interests."

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	Undertake a Corporate Governance Improvement Program to address recent governance concerns, incorporating at least the high priority recommendations in this report. Develop a formal Corporate Governance Manual for the company, including board charters.	Launched a Corporate Governance improvement program to resolve governance concerns with respect to Conflicts of Interest and Related Party Transactions. Developed formally documented board charters and established a CG manual in line with best international practices.
Board Effectiveness	**Composition**: Recommend board seat appointments by IFC and FMO along with at least 2 independents to achieve minority/independent board majority vs. controlling shareholders. **Expertise/Independence**: Add/replace an independent member with someone that possesses commercial banking experience and ideally is a Cambodian national. **Structures:** **Nomination & Remuneration**: Formalize development of the Nomination and Remuneration Committee, chaired by an independent member to help with management succession and development issues and also create space between the CEO and Chairman. **Committees**: Appoint an independent director with commercial banking experience to chair the Risk Oversight Committee. **Succession Planning**: Develop a Succession Plan for the Chairman of the Board to ensure ongoing sustainability of the Bank over the long-term. **Structure**: Ensure proper dedication of time by the board to discuss more	**Composition**: Revised the Board Composition to ensure one-third of the seven directors were independents with diverse, local expertise in modern, commercial banking, risk, and accounting. Appointed additional independent directors with local banking experience for a total of 3 out of 7 independent directors on the Board with relevant commercial banking acumen and a better understand of the local environment. **Structures:** Established a Governance and HR Committee, chaired by an independent member. **Committees:** **Risk**: Revised the risk management structure to comprise a Risk Oversight Committee and four management subcommittees responsible for credit, operational, strategy, and asset & liability management. **Succession Planning**: Under the oversight of the Nomination and Remuneration Committee, ensure that proper succession is available and ready for the Board and Committees' Chairs, as well as key management executives.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Board Effectiveness	forward-looking strategic issues versus spending too much time on financials and internal management issues. **Roles**: Should better clarify authorities between the board and management. **Evaluation**: Develop an annual Board Evaluation process to help identify areas for continuous improvement.	**Structure**: The Board and Committees established formal working procedures and met as needed to play a more proactive role with regard to stewardship and strategic planning. Recruited Chief Risk Officer with international experience to establish a strong Risk Division staffed with trained risk managers. **Roles**: Developed formal board charters and policies that clarified the roles and expectations of the Board and its Committees. Delineated the authority of the Board versus management. **Evaluation**: Conducted self-evaluation of its CG practices on a regular basis and developed action plans when needed.
Management Control	**HR Function**: Strengthen HR function to slow down turnover at the management level and better retain qualified talent.	**HR Function**: Developed and implemented management evaluation and remuneration policies overseen by the HR Committee.
Disclosure and Transparency	**Public Disclosures and RPTs**: Improve disclosure of significant related party transactions, particularly with Horus. **Financial Reporting**: Should ensure all International Accounting Standards are included in financial reports.	**Public Disclosures and RPTs**: Improved the way the company handles and discloses Related Party Transactions and developed a policy to formally disclose reports that were transparently shared with shareholders. **Financial Reporting**: Audit Committee tasked with selecting the external auditors and given authority to monitor and oversee their work.
Shareholder and Stakeholder Relations	**Shareholder Protection:** Revise the company Articles by: a) Revising the board composition language that is currently based on graduated shareholder percentage; and b) Removing the specific mention of Horus as a technical assistance provider. **Conflicts of Interest**: Develop a formal Related Party Transaction policy requiring proper disclosure, arms-length test, recusal by conflicted parties, and approval by a majority of non-conflicted directors.	**Shareholder Protection**: Revised parts of the Company's Articles to help the board manage the relationship between shareholders, and removed content that favored the controlling shareholder. Edited the language of the board composition that was based on graduated shareholder percentage. **Conflicts of Interest**: Put in place a stronger, formal process for managing Related Party Transactions and Conflicts of Interest and ensured associated policies were understood and adopted across the institution.

AMRET REPORTED THE FOLLOWING IMPACTS FOUR YEARS AFTER EMBARKING ON THE CHANGES:

Access to Capital
With respect to raising capital over the last 3-4 years, changes in corporate governance have contributed significantly to helping Amret raise approximately US$ 200 million in debt.

Profitability
In the long term, better risk management resulting from the establishment of functional internal control systems has resulted in the lowest portfolio at risk value (PAR30 stood at 0.40%) among all MFIs in Cambodia (the average PAR is 1.4%). Amret has maintained good but reasonable levels of profitability thanks to an improvement in governance and organizational efficiency. This enables the company to reinvest profits in developing institutional strength while offering satisfactory returns on equity to its shareholders.

Reputation
Amret has established a strong reputation in the market because of its public commitment to governance and transparency. This translated into greater overall investor confidence. The result has been the development of an extraordinarily solid company that has been awarded good ratings by international rating agencies such as: "Alpha-" by US-based MicroRate, in 2014, and "A-" by Italy based MicroFinanza for two consecutive years in 2015 and 2016, with stable outlooks.

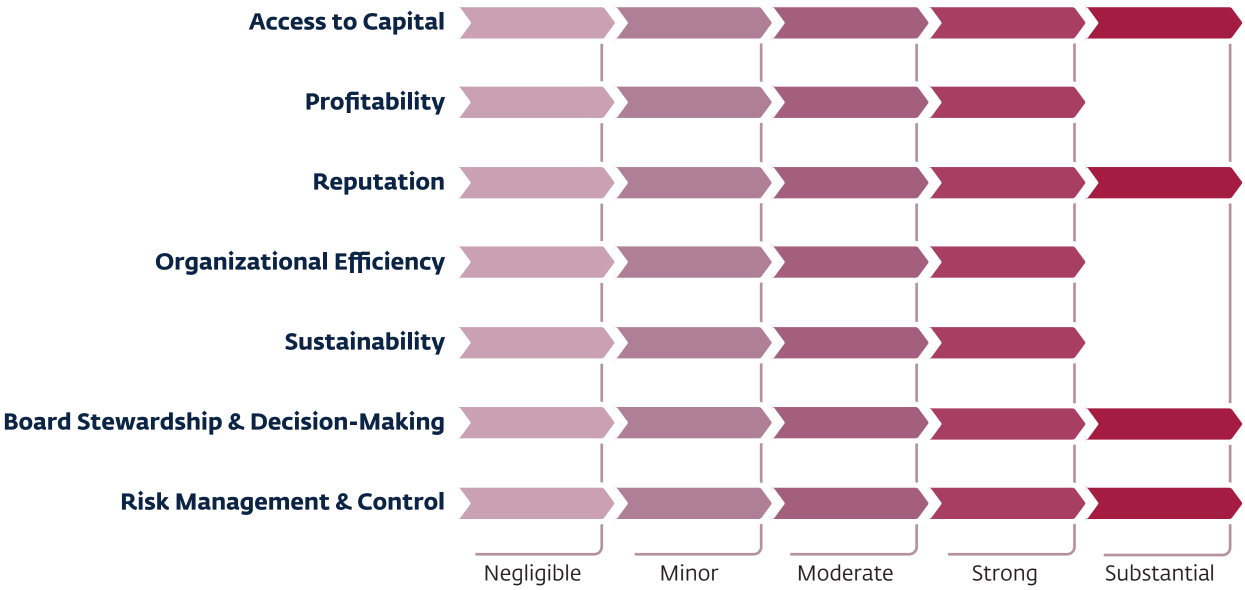
Organizational Efficiency
By enhancing its CG, Amret has established sound internal controls and risk management capabilities which positively impacted organizational effectiveness. The diversification of the Board and establishment of functional Committees has improved communications with management and empowered them to more effectively monitor and mitigate operational and strategic issues before they become problematic.

Sustainability
The A- credit rating awarded to Amret reflects the company's capacity to manage and contain risk events should they arise. These internal control mechanisms, coupled with stable fundamentals and intelligent client protection systems, have created a perception that Amret has high long term sustainability and creditworthiness.

Board Stewardship & Decision-Making
The Board's composition was restructured by replacing 4 directors with a majority of qualified, independent practitioners with experience in the local and regional financial sectors. This diversification, combined with the establishment of functional committees, enabled Directors to have deeper, more productive strategic discussions while designating authority to directors and management where appropriate.

Risk Management & Control
Amret's risk management and internal control capabilities were vastly improved with a focus on safeguarding capital and optimizing the risk/return ratio. The development of an enterprise wide risk management system enabled the company to scale appropriately within its risk tolerance while maintaining compliance with local regulatory policies.

IMPACT SCORECARD



Value of financing facilitated:
CG enhancements have played a major part in the securitization of roughly **US$ 100-200 million** since IFC's CG assessment

INDONESIA

BUSINESS	Provides transportation services in Indonesia with a focus on four verticals: taxis, limousines, car rentals, and chartered buses
LOCATION	Indonesia
SECTOR	Transportation
2016 PROFIT	US$ 36.9 million (Source: 2016 Annual Report)
TYPE	Publicly traded (IDX)
# EMPLOYEES	3,961 (Source: 2016 Annual Report)
# TOTAL FLEET	+35,000
IFC ASSESSMENT DATE	August 2015

Blue Bird Tbk, a leading transport group in Indonesia that owns and operates more than 15 subsidiaries, was incorporated in 2001 and went public in 2014. The Company has consistently displayed positive performance, as demonstrated by its reported net revenue of US$ 353 million in 2016.

As a leading passenger transportation company in Indonesia, Blue Bird currently has a fleet of more than 35,000 vehicles serving more than 10 million passengers per month in 17 different locations throughout Indonesia. Its core business lines include regular taxi services, executive taxi services, limousine and car rental services, and charter bus services. The Company plans to expand both its taxi and non taxi business through geographical expansion and new business opportunities while continuing to invest in improving efficiency across all business segments.

WHY CHANGE?

Following its IPO, Blue Bird approached IFC to support the Company's efforts to strengthen its corporate governance (CG) framework and policies to go beyond compliance with local regulations and align the company's governance with international leading practices and standards. The decision to engage IFC Corporate Governance Group was a strategic one that was in line with Blue Bird's overall growth strategy. Blue Bird Group's dramatic transformation from a modest family-owned business into a professionally run listed company and one of Indonesia's leading transportation providers required a significant re-configuration in the company's governance structure and practices.

The Company wanted to set a tone at the top that highlights the importance of CG. However, since many members of the Board of Commissioners (BoC) and Board of Directors (BoD) were relatives, the leadership knew they needed to develop formal board charters and terms of reference (TORs) to clearly articulate the roles of the BoC and BoD and clarify the responsibilities of each body within the organization. In terms of internal controls, Blue Bird's Internal Audit function needed improvement and dedicated resources to monitor systemic risks. Regarding the treatment of shareholders, the Company did not have policies to address conflicts of interest, insider trading or related party transactions, which was problematic since family members were represented in the BoC and BoD of both Blue Bird and affiliated companies. The founders understood that better governance would bring added value and that value creation would come from better management of risks. By spearheading a review of its CG, Blue Bird showed its proactive stance and foresight.

WHAT DID THEY CHANGE?

In April 2016, IFC conducted a diagnostic of Blue Bird's CG practices and developed a practical, action-oriented plan to help the Company improve its governance structures and practices. In collaboration with IFC, Blue Bird developed a comprehensive CG Manual to clearly outline how the Company should be governed. To enhance the effectiveness of its boards and more clearly delineate their roles and responsibilities, TORs were created for BoC and BoD members as well as for board-level Committees and the Corporate Secretary. The composition of the BoC and BoD was reviewed to ensure that both boards would be led by capable, independent members equipped with the expertise necessary to steer the Company moving forward. To improve the capacity for monitoring risks, the Company strengthened its Internal Audit Unit and established a more formal risk management framework. With expectations of transforming from a privately held family business to a rapidly growing public company, the founders explored the development of a family governance framework, including a family constitution, in order to set the vision, values, and policies regulating the family relationship with the business and ensure the continuity of Blue Bird for generations to come.

Mr. Purnomo, Blue Bird Group Founder

"As a family-owned company, the growth of our business was no different than any other startup. We started small but over time became one of the largest transport groups in Indonesia. With IFC's support, we have developed a robust corporate governance framework and key policies to ensure that our business continues to serve the interests of all our stakeholders (including our staff, employees, customers, and our investors) and be a corporate governance leader in our industry."

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	To clearly demonstrate their commitment to CG, the founders wanted to put in place a proper governance and family governance framework and establish CG policies and codes beyond regulatory requirements.	Developed a more formal governance framework starting with a CG Manual that outlined the principles of governance and a Code of Conduct that defined Blue Bird's ethical values. Disclosed these codified documents to shareholders, staff, and the public.
Board Effectiveness	**Composition**: The industry experience and functional skills of BoD members was appropriate, however the size (4 Directors) was limited. **Structure**: Since the majority of BoC and BoD members were family members and not independent, and their experience was concentrated on the Company's industry, there were challenges in terms of oversight of management who, in many cases, were also family members. This represented a potential conflict of interest at times. **Roles**: No formal board charter to establish roles of the BoC and BoD. **Corporate Secretary**: No documented roles for the Corporate Secretary. **Procedures**: Informal board working procedures, in particular for BoC meetings and in the quality and depth of board papers to help Commissioners and Directors in their oversight duties. **Evaluation**: No established process for evaluating BoC and BoD members. **Succession Planning**: No formal, clear succession plan or process.	**Composition**: The BoD added an additional independent Director unaffiliated with the family, who currently serves as the CFO. **Structure**: Leadership worked to find the right equilibrium in terms of size and balance between family and non-family members and oversight of management to avoid conflicts of interest. **Roles**: Created a Board Charter and documented the responsibilities of the BoC and BoD, including their TORs, in the CG Manual and Charter. **Corporate Secretary**: Developed TOR to define the responsibilities of the Corporate Secretary based on best practices. **Procedures**: Incorporated provisions for board meeting procedures in the CG Manual. Established a formal annual calendar of BoC and BoD meetings and enhanced meeting packages and agendas. Ensured board materials were shared 5 days in advance of meetings. **Evaluation**: Instituted a formal process for evaluating BoC and BoD members and as a group annually with formal objective-setting procedures to serve as KPIs. **Succession Planning**: The BoC, led by the Nomination and Remuneration Committee, identified key senior management positions for consideration. Established emergency interim plans and targeted individuals who could fulfill each role. Set up a longer term strategy to nurture internal talent.
Management Control	**Internal Audit**: With 11 members, the Internal Audit Department's scope was narrow and focused on financial aspects including fraud detection and	**Internal Audit**: Widened scope of work plan to focus on risk-based audit, IT audit, operation and accounting audits, and files recording/archiving.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Management Control	mismanagement of cash collection and reconciliation. **Compliance**: There was no whistleblower policy.	Strengthened Internal Audit function to ensure it provided input to the BoC's Audit Committee and independent assurance on the effectiveness of controls and risk mitigation practices. **Compliance**: Established organization-wide whistleblower policy for drivers and customers.
Disclosure and Transparency	**Public Disclosures**: Annual Reports were not completed with high quality financial and non-financial information. The website lacked information on CG policies. **External Auditor**: The GMS selected the external auditor.	**Public Disclosures**: Provided more detailed information in English on the CG framework in the Annual Report and on the website. **External Auditor**: Audit Committee tasked with selecting the external auditors and given authority to monitor and oversee their work.
Shareholder and Stakeholder Relations	**Shareholder Protection:** Informal policies existed to protect minority shareholders. **Conflicts of Interest/RPTs**: No policies in place on conflicts of interest or RPTs. Family members were members of the BoC and BoD of both Blue Bird and its sister or parent companies. **Dividends**: No transparent or easy mechanisms for determining the amount of dividends to be distributed to shareholders.	**Shareholder Protection**: Formally improved practices in treating all shareholders, including minority shareholders, fairly and equitably. Formalized AGM in terms of notification time, meeting agenda, advanced sharing of materials, voting mechanisms, proxies, and shareholders' rights to information and representation. **Conflicts of Interest/RPTs**: Developed policies to ensure family members are not involved in conflicting business decisions nor are they permitted to serve on the BoC and BoD at Blue Bird and other Group subsidiaries simultaneously, to ensure transactions were conducted at arms' length terms. **Dividends**: Adopted a clearly stated and rational dividend policy in line with shareholder preferences and best practices.

BLUE BIRD REPORTED THE FOLLOWING IMPACTS TWO YEARS AFTER EMBARKING ON THE CHANGES:

Access to Capital
Although the Company has never had a problem accessing capital, Blue Bird reported US$ 295 million in financing facility since major corporate governance changes were implemented.

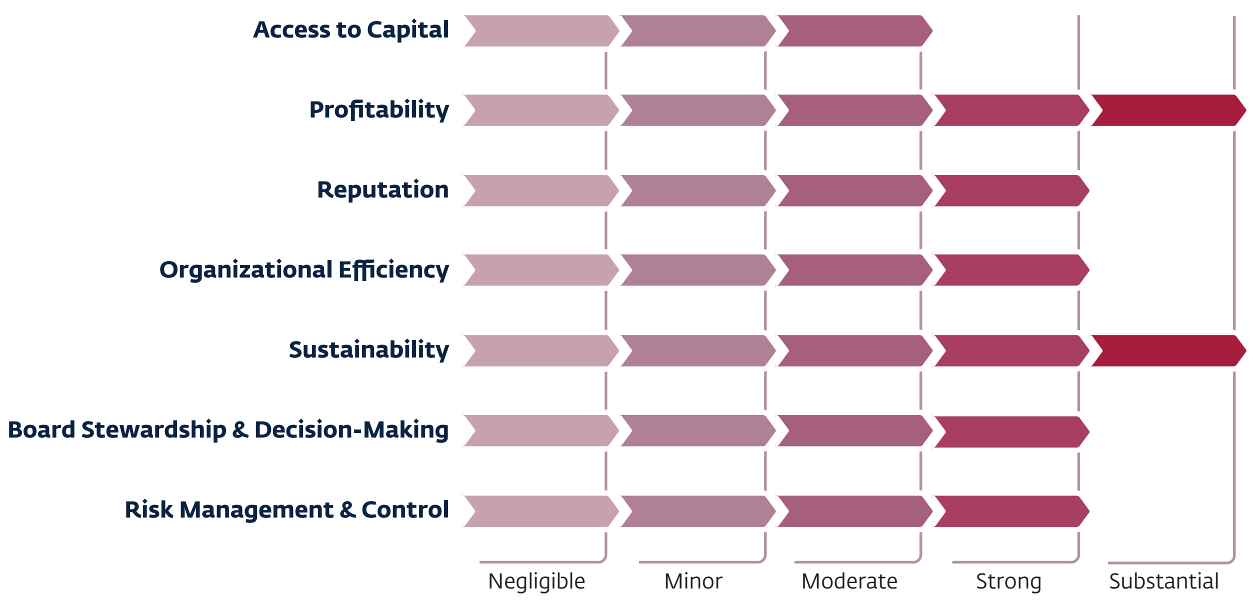
Sustainability
Corporate Governance changes laid a critical foundation for the company to ensure its longevity and long-term sustainability. The positive steps taken by Blue Bird to address key governance issues, including family governance, will help ensure an appropriate balance between the family and the business.

Board Oversight
Blue Bird achieved clarity of roles and improved coordination among key governance functions through the development of board charters and improved board working procedures, which further strengthen the BoC's oversight capacity and strategic stewardship of the Company.

Reputation
Blue Bird's already strong reputation has been reinforced by demonstrating its commitment to international corporate governance best practices. Strong and transparent governance practices have also bolstered the Company's reputation and image as the best in class, thus allowing Blue Bird to attract highly qualified professionals in a market where competition for talent is fierce.

Transparency
The Company's disclosure practices have improved substantially, making Blue Bird one of the most transparent companies in the Indonesian market. In 2017, Blue Bird received the Indonesia Corporate Secretary Award from Warta Ekonomi magazine. This award was given to companies that have implemented good corporate governance practices and are committed to transparency, accountability, responsibility, independence, and fairness.

IMPACT SCORECARD



Value of financing facilitated: US$ 295 million

SARATOGA

BUSINESS	Active investment holding company in Southeast Asia focused on early and growth stage companies, with an emphasis on sectors that support Indonesian economic development.
LOCATION	Indonesia
SECTOR	Financial sector (focused on natural resources, infrastructure, and consumer products and services)
2016 NET PROFIT	US$ 453 million
TYPE	Publicly Traded (IDX)
# EMPLOYEES	52 (Source: 2016 Annual Report)
# PORTFOLIO COMPANIES	22 operating companies, 11 Publicly Listed +20,000 employees (Source: company website)
IFC ASSESSMENT DATE	December 2013

"Our commitment to corporate governance is not merely to support our own growth and ensure the long-term sustainability of our business. We want to set an example for our investee companies. We also replicate key corporate governance principles and changes at our investee companies. By implementing IFC's recommendations, we have new insights into the key role played by corporate governance as we pursue new investment opportunities and help catalyze corporate governance changes at our investee companies."

Mr. Jerry Ngo, Independent Director and Chief Financial Officer

Saratoga Investama Sedaya is a leading active investment company headquartered in Jakarta, Indonesia. The Company boasts a Net Asset Value of over US$ 1.4 billion and directly employs 52 people. Founded in 1998, Saratoga takes an active role in managing its investee companies with a blended focus on promising early and growth stage companies, special situation opportunities, as well as blue chip sector leaders. Investments are targeted on sectors that support Indonesian economic development, including natural resources (50%), infrastructure (39%), and consumer products and services (11%). Saratoga has amassed a portfolio of 22 companies with over 20,000 employees with a goal of actively managing these investments and growing them into listed companies.

Saratoga was listed on the IDX in 2013 and it currently has a market capitalization of US$ 717 million (Reuters, March 19, 2017). The Company formally launched its CG Code and Code of Conduct in June 2014. Saratoga is dedicated to exercising the principles of good corporate governance across all of its operating units and believes that this will enhance performance, increase investor trust, improve communications, and protect the interests of all stakeholders.

WHY CHANGE?

Saratoga's founders desired to be recognized as a market leader in the implementation of good CG, but they realized that the Company first needed a proper governance framework. Since going public in 2013, Saratoga's primary focus was to ensure compliance with local listing requirements. The founders acknowledged that changes were needed not only to meet Indonesian capital market regulations, but to optimize the Company's current performance and further prepare the organization for continued growth. To drive more efficient decision making structures and address other challenges that impeded progress, the roles and responsibilities of the BoC and BoD needed to be documented and formalized. Additionally, Saratoga's Internal Audit and Risk Management capacity warranted strengthening and policies to manage conflicts of interest, insider trading, and RPT's needed to be developed and enforced. Leadership was committed to ensuring that its governance practices were in line with market expectations.

WHAT DID THEY CHANGE?

In October 2013, IFC conducted a CG Assessment to help Saratoga improve its governance structure and practices following its recent listing on the IDX. The CG framework was evaluated for gaps between actual practices and requirements for listed companies in Indonesia. In the last two years, the Company made great strides in improving its CG practices through activities such as finalizing the BoC and BoD Charters, amending the Nomination and Remuneration Committee Charter and the Audit Committee Charter, and updating the Investment Committee Charter to comply with new OJK regulations. Saratoga established Internal Audit and Risk Management units shortly after its public listing. A robust Investor Relations (IR) Unit was set up in 2015 to provide public access to the Company's information via an IR section on the website. A Code of Conduct, which included related party transaction and whistleblower policies, was adopted in 2014. The IPO was a key catalyst that motivated Saratoga to revamp its CG policies and build a CG Code on par with international standards and regional best practices.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	The founders, members of the BoC and BoD, and senior executives were committed to good CG. The will to improve CG practices was evident, however even after the IPO, the Company still needed to put in place more formal governance structures and processes, develop a CG Code and Code of Conduct, and build a professional CG framework.	Developed a CG framework with active support from the BoC and Corporate Secretary. Created a CG Code/Manual which outlined the Company's principles of governance practices. Codified principles of the BoC and BoD and disclosed them to shareholders, the public, and to staff. A Code of Conduct was also developed.
Board Effectiveness	**Composition**: The BoD had 4 Directors. BoC size was appropriate with 5 Commissioners (2 independent), however the balance of skills required enhancement. **Structure**: Lack of clarity as to the respective roles of the BoC, BoD, and management. No annual board plan to clarify all areas of responsibility. There were three Committees: Audit, Nomination and Remuneration, and Investment. No formal BoC or BoD charters. No TORs for the roles of Commissioners and Directors as well as the scope of work of individual Committee members. **Investment Committee**: The Committee was under the authority of the BoD. The BoC delegated its authority to the President Commissioner, so there was an unclear delineation of authority between the BoC and BoD. Questionable whether investment decisions taken by the Committee were in line with the RPT policy and that risks associated with investing in new ventures were considered by the BoC. **Procedures and Corporate Secretary**: Informal working procedures, especially for BoC meetings. Members of the BoD also attended BoC meetings. Needed to formally and comprehensively document board minutes and publish outcomes. As part of the listing requirements, hired a Corporate Secretary with strong legal background yet still lacked formal TOR or clarity of reporting lines. **Evaluation**: No formal individual evaluation process or a process for evaluating BoC members as a group. No objective setting process to establish key performance indicators for Directors.	**Composition**: Although the BoC did not revise its composition, the BoC successfully oversaw the implementation of significant corporate governance changes within the Company. In 2015, the Commissioners participated in an external CG training ("Going Beyond External Compliance"). **Structure**: Defined and documented the roles and responsibilities of the BoC and BoD in the CG Manual. Developed respective charters to clarify the segregation of duties, including TORs for Commissioners and Directors. Developed an annual board plan to ensure all areas of responsibility were worked into BoC agendas. **Investment Committee**: Made modifications in the Investment Policy within the Investment Charter. Decisions required unanimous agreement of all members and an acknowledgement from the President Commissioner, as appointed by the BoC to supervise the Investment Committee. Authorized the Investment Committee to regularly report its activities during BoC meetings. The BoC, through the Audit Committee, periodically reviews the decisions taken by the Investment Committee to ensure alignment with the Investment Policy. **Procedures and Corporate Secretary**: Documented board meeting procedures in the CG Manual, including provisions on a formal agenda and advance briefing materials. Regular BoC meetings held according to annual schedule. Several BoC meetings scheduled to be followed by joint meetings with the BoD. Developed TOR to clarify the scope of work of the Corporate Secretary, who reports directly to the President Director. The Corporate Secretary attended

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Board Effectiveness	**Succession Planning**: Informal succession plan in place involving the top leadership position in Saratoga, and each BoD member identified his/her own potential successors. Nomination and Remuneration Committee did not formally develop a succession plan for senior management or a succession plan strategy to nurture internal talent.	competence development programs in financial management and IFC's Master Program for Corporate Secretary Training. **Evaluation**: Criteria for evaluations more clearly documented and linked to the defined roles of the BoC in the CG Manual, Board Charter, and the Commissioner's TOR. Remuneration for BoC members based on the performance of the BoC. The Nomination and Remuneration Committee mandated to determine the remuneration of Commissioners. BoD members' remuneration was based on the Company's performance against budget, business targets, and industry benchmarks. **Succession Planning**: As part of the HR program, Saratoga developed succession and talent management plans for members of the BoC, BoD, and strategic positions within senior management which are formally overseen by the Nomination and Remuneration Committee.
Management Control	**Structure**: As a public company, Saratoga still needed to establish its Internal Audit function and formalize its planning, monitoring, and risk management processes. **Risk Management**: Business and investment risk function embedded in scope of Investment Committee and its pre-investment process. No systematic, enterprise-wide risk management framework that encompasses its portfolio companies. No risk management system documented or approved by the BoC and BoD. **Internal Audit**: Compliance driven as required by the capital market regulators. The head of Internal Audit needed to establish and formalize the internal audit review process, procedures, and work plans. The staffing capacity needed to be improved. **Compliance**: The role was handled by the legal department and Corporate Secretary. No whistleblower policy or system in place in either the holding or portfolio companies.	**Structure**: Established an Internal Audit Unit and hired a head of Internal Audit. **Risk Management**: Established a Risk Management Unit (RMU), integrated into the CG assurance alongside the Internal Audit and Compliance units. RMU's role is to identify, assess, manage, and monitor risks with the BoD and business unit heads. Risk culture is more closely embedded within Saratoga. BoD was active in implementation of risk management while Audit Committee oversaw the RMU and escalated issues to the BoC. **Internal Audit**: Formalized the role of the Internal Audit Unit in the Internal Audit Charter. The Internal Audit Unit expanded to include a Head and Senior Officer directly accountable to the President Director with close ties to the Audit Committee to provide assurance to the BoD. Cooperated with internal audit throughout investee companies and formulated an annual work plan which was approved by the BoD and Audit Committee. Auditors received structured and continuous training.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Management Control		**Compliance**: The Audit Committee was responsible for compliance with applicable internal and external regulations. Established an official mechanism for whistleblowers to report misconduct as defined in the CG Code and Code of Conduct of the Company.
Disclosure and Transparency	**Public Disclosures**: Did not disclose CG Manual, Code of Ethics, or relevant governance related policies on the website or to shareholders. **Conflicts of Interest/RPTs**: No policy or mechanism to deal with conflicts of interest, insider trading, and issues with RPTs.	**Public Disclosures**: Disclosed all relevant CG specific materials on the website. **Conflicts of Interest/RPTs**: Developed Code of Conduct that includes conflict of interest, insider trading, related party transactions, and whistle-blowing policies.
Shareholder and Stakeholder Relations	**Shareholder Protection**: No shareholder relations function to ensure equitable treatment of shareholders. Needed to improve its shareholders' meeting policy.	**Shareholder Protection**: Formally established and improved the Company's policy and practices on treatment of shareholders, particularly minority shareholders. Enhanced shareholder meetings by formalizing the meeting notification and organization of the annual GMS (e.g., notification time, meeting, agenda, meeting papers, representation, voting mechanisms, proxies, etc.).

SARATOGA REPORTED THE FOLLOWING IMPACTS FOUR YEARS AFTER EMBARKING ON THE CHANGES:

Access to Capital
CG policies implemented by Saratoga have had a strong impact on its ability to access capital, providing a one percent saving in the cost of capital annually, improving its credit score, and providing opportunities to diversify its funding sources.

Corporate Governance Catalyst
Saratoga has replicated the Company's CG structures and policies in its investee companies, moving from a CG Champion to a CG Catalyst. Strong and transparent governance structures both within Saratoga and its portfolio companies have yielded consistent profits and maximized shareholder value.

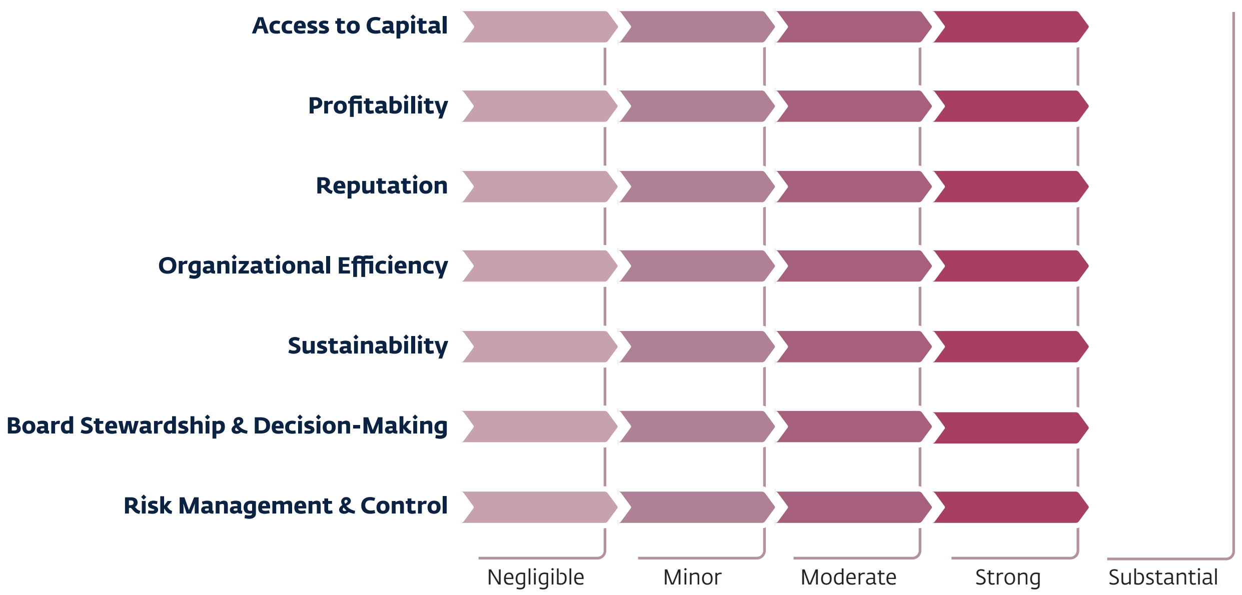
Organizational Efficiency
The adoption of various CG policies has improved Saratoga's organizational efficiency and contributes to effective decision making. The Company reported improved clarity in roles and responsibilities, which allows the Company to adopt a lean and efficient structure unburdened by many layers of bureaucracy.

Risk Management
Risk management has improved significantly following the establishment of the Risk Management Unit. The Unit, under the supervision of the Audit Committee, regularly identifies and reviews key risks to the business and appoints a key risk champion for each respective department, thereby building an overall strong risk awareness and risk culture.

Internal Audit
Saratoga's Internal Audit Unit plays a significant role in identifying and conducting high risk audits and pressure points within its portfolio companies, thereby ensuring the effectiveness of internal controls and the control environment throughout the Group.

Reputation
The implementation of corporate governance changes has built greater trust, confidence, and positive perception that inspired market confidence. Saratoga is consistently perceived as a reliable and responsible business with solid corporate governance structure and practices by investors and other stakeholders.

IMPACT SCORECARD



Value of financing facilitated: US$ 350 million

TIMOR-LESTE

BUSINESS	Provides financial products with a focus on microloans to poor rural and urban populations (primarily women)
LOCATION	Timor-Leste
SECTOR	Microfinance
2016 NET PROFIT (Yr. Growth)	US$ 1,370,110 (Source: 2017 Audited Financial Statement)
TYPE	Joint stock company
# EMPLOYEES	277 (Source: 2017 Annual Report)
# BRANCHES	20 branches (4 field offices) (Source: 2017 Annual Report)
IFC ASSESSMENT DATE	April 2013

Kaebauk Investimentu No Finansas, SA (KIF) is the largest microfinance institution (MFI) in Timor-Leste, and it was originally known as Tuba Rai Metin (TRM) which translates to "Stand Firmly on the Ground". TRM was launched in 2001 and registered as a separate MFI in 2002 under Catholic Relief Services. In March 2016, the organization's name became KIF, as the Company completed its transformation from a Non-Governmental Organization (NGO) into an Other Deposit Taking Institution (ODTI), the first in the country. Today, it is regulated by the Central Bank and provides financial products to Timorese women and small businesses.

With a nationwide presence across all 13 districts of Timor-Leste, KIF provides financial products, including credit, savings accounts and micro-insurance, to more than 12,000 clients (primarily women) through 20 branches and four field offices. KIF has endured two consecutive civil wars in 2006 and 2007 that saw 13 other MFIs shudder operations.

Its goal is to extend its reach into even more remote regions through branchless banking services. While it focuses primarily on supplying traditional microloans, it plans to expand into remittances, as well as non-financial offerings like agriculture and business development training, financial literacy classes and environmental services. KIF is also piloting an agricultural loan product that won't require borrowers to repay until after their harvest.

WHY CHANGE?

Converting from an NGO to an ODTI created a number of regulatory considerations that compelled KIF to re-assess and instill better governance practices that would be anticipated by future investors and depositors. There was an acknowledgement that the Board lacked the resources and skills essential for performing its tasks and adequately overseeing strategic initiatives. With control activities being largely reactive in nature, leadership looked forward to building a formal risk management and control system to mitigate risks inherent in KIF's operations. Since the organization was dependent on external auditors to ensure compliance with reporting standards, management aimed to develop a competent internal accounting team. Additionally, since KIF's financial reporting and disclosure practices lacked transparency, a proper information disclosure policy was required. As the conversion to an ODTI progressed, Board members welcomed the opportunity for significant improvement in the CG structure and practices as a means to foster sustainable development.

WHAT DID THEY CHANGE?

In March 2016, the IFC conducted an evaluation of KIF's CG framework to identify critical weaknesses and a substantive approach for adopting better governance practices and routine self-assessments. Management aimed to create and incorporate key CG codes into the by-laws of the Board, formalize the role of the Chairman, and develop a Corporate Secretary function for the first time. Since the Board was concentrated with local business experts, there was a push to greatly enhance the composition of the Board. The goal was to bring in 1-2 independent Directors preferably with microfinance, accounting and regulatory experience and fortify the existing Board Committees (with an emphasis on the Nomination Committee). Moreover, the Board intended to clarify its duties, remuneration policies, evaluation mechanisms, and working procedures by modifying the Board manual and BoD by-laws. With respect to internal control systems, KIF planned to strengthen its Internal Audit function, formalize internal control policies and establish a Compliance function in order to mitigate risks related to its operations. As KIF began to diversify its ownership and bring on strategic shareholders, leadership's adoption of better CG practices created a more attractive, investor-friendly corporate environment.

Mr. Angelo Soares, CEO

"KIF has gone through a significant transformation process in order to strengthen its corporate governance practices. During the post conflict-era when the company was referred to as Tuba Rai Metin, the Board was less engaged, information was not well managed, and the business was prone to collapse under financial crisis. Kaebauk emerged with a Board that was committed to strong corporate governance and capable of providing strategic direction. By adopting best-in-class CG practices, we noticed an overall improvement in the function of our operation and the delivery of services. These positive changes not only reinforced our reputation as the most reliable Other Deposit Taking Institution in the market, but also boosted investor confidence and our ability to access capital at better terms than ever before."

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	KIF seemed generally committed to good CG but needed to take concrete measures to establish and promote substantive CG practices.	**CG Commitment**: Considered and adopted relevant by laws, succession planning polices for its governance bodies, a CG Code to promote CG within KIF, and a CG Officer/Corporate Secretary to oversee the CG practices within the organization.
Board Effectiveness	**Composition**: Board members were experienced in local business, however the Board needed to provide better oversight and diversify its expertise. **Committees**: There was not an Executive Committee. The Audit Committee needed improvement as it did not collaborate with external auditors and its oversight of the Internal Audit Department and risk management function was inadequate. The Nomination Committee's procedures were unstructured and no formal recruitment plan existed. **Roles**: The Board needed to strengthen its role for overall guidance over the organization and direction to the management team. It did not adequately supervise the Internal Audit function, passively participated in the oversight of the risk management function, and was not too involved in the work of the external auditor. **Procedures**: Meetings were held frequently but not according to a regular schedule and were initiated by management. Preparations for Board meetings were decentralized and administered by various individuals, primarily from management. Also, there were not adequate policies for Board member remuneration. **Succession Planning**: No formal succession plan adopted at the Board or management levels.	**Composition**: The Board improved its composition in terms of independence and mix of skills. Optimized the Board evaluation mechanism and developed a formal remuneration policy, succession plan for Board members, and an induction training program. **Committees**: Established functional Audit and Risk Management Committees with roles and responsibilities written in separate by-laws. Also established an ad hoc Human Resources Committee to help provide greater focus on attracting, developing and retaining employees. It also took the lead on improving HR policies, restructuring the HR department, and succession planning. **Roles**: The Board improved its oversight over the organization's activities and participation in strategy setting functions. The duties, authorities and accountability of the Board were clarified in the BoD's by-laws and the role of the Chairman was more clearly articulated. **Procedures**: The Board established a corporate calendar to arrange regular meetings that were initiated by the Chairperson and not management. The CG Officer/Corporate Secretary formalized working procedures in the Board's by-laws and took charge of developing and disseminating Board meeting agendas and papers. Remuneration policies were adopted, performance evaluations were conducted once a year and Board meetings were reimbursed. **Succession Planning**: Developed a succession plan with respect to the replacement of key management personnel in order to ensure business continuity and to establish a formal process of authority delegation in the normal course of business or during emergency situations.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Management Control	**Risk Management**: The Risk Management function needed improvement as it was combined with the Internal Audit function. Control policies were reactive in nature with only basic elements of risk management and no systematic approach. **Internal Audit**: The performance of the Internal Audit function was not fully adequate. It was conducting non-audit related work, the methodology it used was not in line with internal audit best practices, and the independence of the auditors was questionable without direct reporting to the BoD.	**Risk Management**: Established a more proactive, formalized risk management system that included control assessments to mitigate risks. Risk officer appointed to test and assess the internal control systems for mitigating operational risks. **Internal Audit**: Developed by-laws for the Internal Audit function based on best practices. Reorganized structure to keep core competencies related to audit but removed non-audit reporting from the department. Formalized and strengthened Internal Audit department practices related to Board oversight and internal audit reporting to the Board. Ensured that internal auditors were qualified with relevant audit experience. Quality of documentation improved and a formal audit plan developed.
Disclosure and Transparency	**Public Disclosures**: No separate information disclosure policy. KIF prepared annual audited financial statements yet it relied heavily on external auditors to ensure compliance with IFRS. **Financial Reporting**: Accounting function lacked experience to prepare financial statements in accordance with IFRS.	**Public Disclosures**: Established an information disclosure policy. KIF improved the competency of the accounting staff and started preparing and disseminating Annual Reports with essential non-financial information. **Financial Reporting**: Built internal capacity for IFRS financial reporting including training staff, developing accounting policies, and establishing a financial reporting structure, internal document and process flows.
Shareholder and Stakeholder Relations	**Shareholder Protection:** As an NGO, KIF did not require a framework to ensure basic protection of shareholders' rights. No experience conducting the GMS. No policies on shareholders' right. **Dividend Policy**: No dividend policy in place.	**Shareholder Protection:** Developed provisions on shareholders' rights, rights to access information and their participation at the GMS. Developed policies on shareholders' rights/minority shareholders' rights and on conducting the GMS. **Dividend Policy**: Adopted by-law on dividend policy which regulated the procedure for determining the amount of dividends and set the timeframe for the payment of declared dividends.

KIF REPORTED THE FOLLOWING IMPACTS FOUR YEARS AFTER EMBARKING ON THE CHANGES:

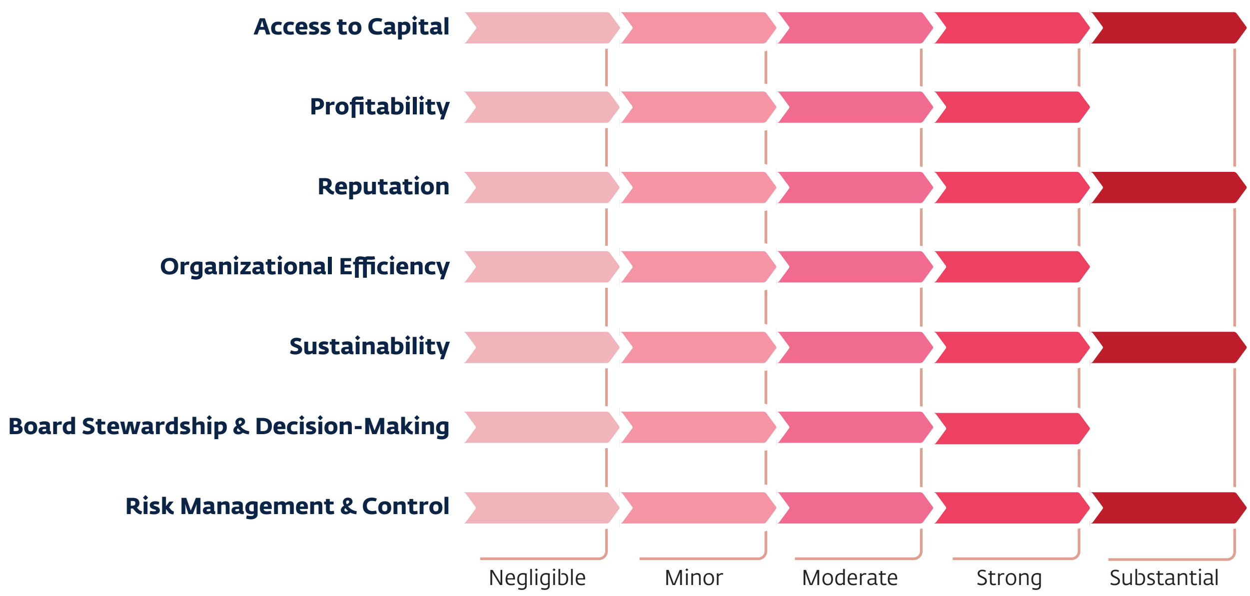
Access to Capital
IFC's support both in helping strengthen KIF's CG framework while also taking an equity position in the company provided confidence in another equity investor, Base of the Pyramid Asia (BOPA). BOPA's investment was contingent on IFC's equity investment. Investor confidence was also evident in the ability for KIF to gain access to USD $19 million in debt capital, as well as over USD $4 million in lines of credit.

Profitability
Due to the Board's proactive strategic input and regular stewardship, KIF's profitability has grown steadily, boasting over USD $1 million in profit in 2017. Shareholder's demonstrated confidence in KIF by agreeing to skip their annual dividend for FY16 in an effort to strengthen the company's capital base. In 2017, profitability increased by 46% from the prior year.

Reputation
This has been, without a doubt, the key gain for KIF. CG enhancements led to a much stronger reputation in the market, which in turn enabled KIF to access a cheaper cost of capital. After IFC's equity investment, the company secured loans with reduced interest rates from 8% to 6%.

Risk
The early identification and handling of risks, now managed by the Board's Audit and Risk Committee, resulted in a more systematic and methodical handling of risk than exercised previously. Our Board committee actively monitors and mitigates risk issues which have ultimately improved the functionality of our business and the quality of our loan portfolio.

IMPACT SCORECARD



Value of financing facilitated:

US$ 830,00 equity investment from IFC, BOPA and TURAME (*Source: 2016 Audited Financial Statement)

US$ 23.4 million in access to debt capital from various financial institutions (*Source: 2017 Annual Report)

VIETNAM

TMG
Inspiring People

BUSINESS	Provides travel, hospitality, aviation and online travel services across Asia with sales offices in the United States, United Kingdom, Australia, and Russia.
LOCATION	Vietnam
SECTOR	Tourism
2017 GROUP REVENUE	US$ 62.8 million
TYPE	Private
# EMPLOYEES	Approximately 1,794 (Source: TMG)
# HOTELS	11 (Source: Company Website)
IFC ASSESSMENT DATE	December 2014

THIEN MINH GROUP (TMG), founded in 1994 and headquartered in Vietnam, is the leading integrated travel and hospitality group in Southeast Asia. A privately held travel company, TMG specializes in destination management services, hospitality, aviation and online travel agent services targeting domestic and international tourists.

TMG operates several brands including Buffalo Tours, Victoria Hotels and Resorts, ÊMM Hotels and Resorts, Hai Au Aviation, and iVIVU.com – an online travel booking website. While the company attracts around 90,000 tourists to the region annually, it hosts over 200,000 guests across its three and four-star modern hotel chain.

Looking forward, the Group aims to become the leading integrated player in the Vietnam market with the capability to serve some 10 million passengers by 2023 and to understand, engage and capture value from customers across customer journeys (or value chain) with its integrated product offerings.

WHY CHANGE?

As TMG ventured into other markets in Asia, the company's senior management realized that the company needed a stronger corporate infrastructure – including a sound framework for corporate governance – a more formalized Board decision-making process, and greater transparency. Subsequently, this would help the company to achieve sustainable growth, meet its strategic objectives, and become investor-ready. A pressing concern was with regard to improving and developing a stronger management control environment from the group level down to the subsidiaries. While transitioning from its modest entrepreneurial roots to becoming a leader in the tourism industry in Southeast Asia, the company's leadership recognized that it outgrew its governance and management infrastructure. So it needed to re-evaluate its internal controls and address specific challenges such as key-person risks, delegation of authorities, succession planning, and disclosures. Executives and Board members were proactive in identifying ways to address these challenges. The aim was to optimize performance and ensure that its corporate governance (CG) practices were in sync with international standards regardless of whether TMG continued as a privately held business or went public.

WHAT DID THEY CHANGE?

IFC conducted a CG Assessment of TMG in December 2014. The goal was to recommend practical governance enhancements in line with projected corporate growth and strategic objectives. Overall, the executive team, Board members, shareholders, and the senior management demonstrated a strong commitment to making CG improvements. The company recognized the need to adopt and administer the highest level of CG standards including bolstering its internal audit capabilities and formalizing its management-level Steering Committee. The Board, although quite functional, required diversification and reinforcement in strategic areas. This was likely to foster independence and enable its directors to be more engaged and well-positioned to provide insightful stewardship and oversight. Although control and compliance systems were in order, the company addressed span of control and human capital issues to help drive sustainability of the business. Additionally, TMG made efforts to improve its quality and frequency of disclosures. The company went beyond an Audit Committee, which was geared for Board level reporting. It established more formal, standardized reporting mechanisms, while publishing corporate information online in a transparent manner that was consistent with best practices and aligned with market expectations.

Mr. Tran Trong Kien,
TMG Founder and Chairman of the Board

"My aim, as the chairman, is to create a diverse, inclusive, and effective Board, which is fully informed about the business and is able to provide the executive membership with a judicious blend of challenge and support. The ongoing corporate governance exercise has given TMG a unique opportunity to gain access to best practices. Further, voluntary adoption of key principles in this regard has significantly changed the overall management of the company and its operations. While we remain as flexible and agile as the market demands, our Board fosters an environment of open communication and constructive debate over strategic issues. I believe we are on the right track for a long-term and sustainable growth."

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	To support TMG's national and regional expansion, the company needed to make changes to its CG framework over the medium/long-term. First and foremost, TMG needed to substantiate its commitment to CG by developing its own CG and policies in alignment with international best practices.	**CG Commitment**: Developed formal Board charters including a CG Manual and Company Code of Ethics and Conduct. Adopted a CG model similar to multinational firms with operations across multiple jurisdictions.
Board Effectiveness	**Composition**: Comprised two-thirds executives and shareholder board appointees, so there was a low level of independence. The Board needed members with relevant industry expertise and multinational experience for the company to expand regionally. **Structure**: There was a need to formalize and adopt several functional committees. **Roles**: There was a blurred division between the Board and management, given the number of executives on the Board. It was important to try to enforce the roles of directors as stated in the Charter. **Procedures**: The TMG Board procedures and practices, especially on meetings, level of discussions, Board materials, etc., needed improvement. **Succession Planning**: The company had not addressed the succession issue of the chairman/CEO, thus exposing the company to significant 'key-person' risk.	**Composition**: Strengthened the functional effectiveness of its Board by gradually putting plans in place to revise and expand the Board membership over time. This included the addition of a third independent director with relevant industry expertise. **Structure**: Adopted plans to establish more subcommittees on the Board including Audit & Risk and Governance & Organization Committees. Set up a CG working group with the Corporate Secretary, CEO, and an independent director. **Roles**: A Corporate Secretary was appointed with formal scope of work to improve functioning of the Board. **Procedures**: The Board adopted procedures to ensure efficiency and good communication, thus helping Board members to be more informed during Board discussions. This included more regular and frequent meetings, distribution of Board papers in advance, and discussing candid issues facing the business. **Succession Planning**: Initiated a process of transition with a separate chairman and CEO. This way, the chairman could dedicate time to strategic matters and the CEO could focus on operational concerns. Groomed a prospective deputy CEO as part of the gradual succession plan prior to its public offering.
Management Control	**Structure**: The company needed to ensure that the right control structure was in place to deliver consistent, quality, and international standard services across all businesses regardless of location. **Executive Committee**: Though there	**Structure**: Strengthened key control functions including formalizing the Executive Steering Committee and establishing more structured frameworks related to compliance, accountability, finance, HR, and internal controls.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Management Control	was a committee of senior executives, the authority was vastly centralized with a top-down approach, which undermined other management authorities. Information exchange was mostly through shared business reporting. **Risk Management**: TMG needed to put in place a governance structure and controls to make any key executive, especially the CEO, replicable if one of them was incapacitated. With its aggressive growth objectives, the company faced more complex risks. **Human Resources**: HR went through a robust expansion and TMG experienced a high turnover. There was a shortage of key skillsets including capable General Hotel Managers and skilled hospitality professionals. The company faced challenges to strengthen human capital management and reinforce mechanisms to incentivize and retain staff. **Internal Audit**: The Internal Auditors were not specialized in the company's business segments or helping with corrective action plans. It was rather a box-ticking exercise, otherwise meant to identify risks and problems. The auditors reported directly to the Board chairman.	**Executive Committee**: Established a formal management-level Steering Committee to help take stock and ownership of decision-making, oversight, human capital, and span of control issues. This committee helped decentralize authority, formalize approval limits, and give the management discretion and accountability. **Risk Management**: Developed a more formal risk management system and proactively identified, evaluated, and managed business risks associated with operations, E&S, health safety, financial, and regulatory policies. A risk register was frequently updated with plans to develop a live register to prevent risks in real time. **Human Resources**: Developed a more comprehensive understanding of the laws, benefits, insurance policies, and general market practices of each country of operation as TMG expanded. Further, regional consolidation followed due to the ASEAN integration. Aligned HR policies of the group with each country in operation. **Internal Audit**: Ensured the independence of the Internal Audit function and strengthened it to validate that key risk management and governance processes worked effectively. Formal job descriptions and audit manuals were developed. Reports to the Audit and Risk Committee and provides value-added suggestions to support business managers in their risk mitigation efforts.
Disclosure and Transparency	**Public Disclosures**: While information flowed in a transparent and open manner, the company had no standardized reporting tools or business intelligence systems. There was scope to better align with international standards in terms of developing an Annual Report, online disclosures, and information for shareholders. Even though TMG's current ownership was concentrated in three investors, its share ownership would become more diffused after an Initial Public Offering (IPO), and the company would need to improve its transparency practices.	**Public Disclosures**: In anticipation of an IPO, it realized a public listing would demand higher expectations from the market and regulators. Remodeled the corporate website to include improved online disclosures encompassing a CG manual, an annual report, and an investor corner including key financial and non-financial information.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Shareholder and Stakeholder Relations	**Shareholder Protection:** Shareholders had easy access to corporate information and the Supervisory Committee was designed to protect their interests, however the independence of the Board was a concern with primary representation from shareholders or executives.	**Shareholder Protection**: Aimed to eliminate conflicts of interest and prepared to become "investor ready" by establishing shareholder protection mechanisms and policies on Related Party Transactions and Conflicts of Interest. Replaced the Supervisory Committee with an Audit and Risk Committee to discuss risks and other findings openly with shareholders at Board meetings.

FOUR YEARS AFTER THE CHANGES, TMG REPORTED THE FOLLOWING RESULTS:

Access to Capital
As TMG continues to adopt and implement best CG practices, it gained confidence in its ability to meet Vietnam's regulatory requirement with regard to how public companies must be governed. This, in turn, enabled the company to be one step closer to achieving its goal of going public and accessing capital through an IPO.

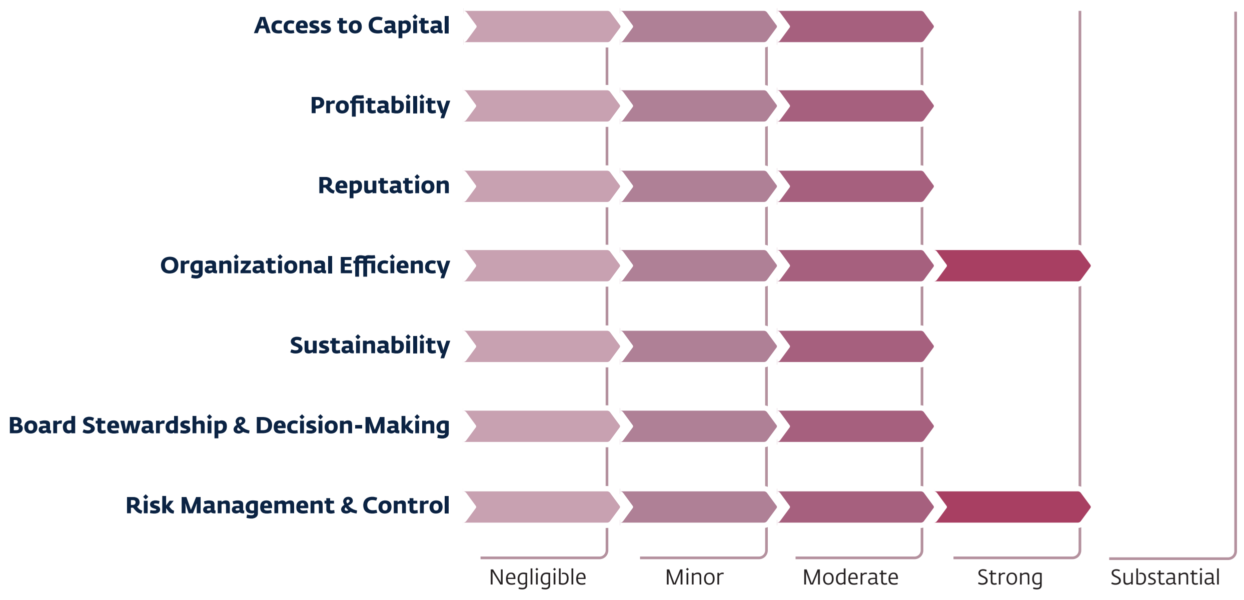
Reputation
CG enhancements sent a signal to the market about TMG's commitment to corporate governance. Improved disclosures via the company's website and other external communication channels increased transparency, as well as consumer and investor confidence in the business.

Sustainability
With the execution of numerous CG improvements over the years, TMG developed a long-term vision towards the management and scale of business. Strategies for succession planning, risk mitigation, disaster prevention, and business continuity contributed to a more sustainable and viable business plan in the long run.

Board Oversight
TMG's Board clearly defined the roles and responsibilities of its members and committees, thus improving the Board's ability to make informed decisions, provide effective leadership to the management, and steer the course of the company.

Risk
Frequent discussions about potential risks – along with strategies to mitigate them – have become a part of routine debates at the Board level. These practices significantly improved TMG's overall ability to identify and eliminate risks even before they emerged.

IMPACT SCORECARD



Value of financing facilitated:
Divestment of US$ 45 million (sale of Buffalo Tours in March 2017)
Investment of US$ 13 million (by Air Asia into Hai Au Aviation in March 2017)

BUSINESS	Provides retail, SME and commercial banking services in Vietnam.
LOCATION	Vietnam
SECTOR	Financial
2017 PROFIT Before Tax (Yr. Growth)	US$ 363 million (65%) (Source: 2017 Annual Report)
TYPE	Private
# EMPLOYEES	23,826 employees (Source: 2017 Annual Report)
# OUTLETS	216 branches and 4.9 million active customers (Source: 2017 Annual Report)
IFC ASSESSMENT DATE	September 2012

"Improved CG and greater transparency has positively impacted our IPO efforts. Our experience shows that when foreign investors look for good companies, they not only consider profitability, but also take into account non-financial factors such as CG and sustainability. In the race for capital, VPBank has paid close attention to improving its CG practices. Subsequently, that has significantly helped in securing foreign funding. We can now borrow from international lenders a lot more easily than we did earlier — a clear example of how CG has improved our overall operations, rating, and reputation." **- Mr. Ngo Chi Dung, Chairman of the Board.**

"Thanks to IFC's investment, VPBank can enhance its reputation and brand value through IFC's supervision and technical support in corporate governance, especially risk management." **- Mr. Nguyen Duc Vinh, CEO.**

(from Vietnam Plus, "IFC seals convertible loan of 57 million USD to VP Bank", July 19, 2017)

VIETNAM PROSPERITY JOINT-STOCK COMMERCIAL BANK (VPBANK), headquartered in Hanoi, was founded in 1993 as the Vietnam Joint-Stock Commercial Bank for Private Enterprises. Since changing its name in 2010, the bank has amassed a nationwide footprint with 216 retail branches over 70 Small and Medium Enterprise (SME) centers. Further, it has more than 470 branded automated teller machines (ATMs) and 105 cash deposit machines (CDM).

VPBank provides commercial and retail banking products and services in Vietnam including deposit products, loans, insurance products, credit cards, international payment and remittance services, trade finance, foreign exchange, Internet and mobile banking, SMS banking, and e-commerce services. In 2017, the bank's total assets exceeded $12 billion. The bank was selected by the State Bank of Vietnam (SBV) to pilot the Basel II implementation roadmap in Vietnam. Moving forward, the goal is to become a leading retail bank in Vietnam, while expanding its lending activities to import and export businesses, and SMEs. In 2017, the bank ventured into the Micro SME segment, which yielded a tenfold increase in the SME unsecured loan balance from 2015, when VPBank started exploring this segment.

WHY CHANGE?

As VPBank aimed to become a top-tier bank in Vietnam, it recognized the need to improve its governance framework and go beyond the legislative minimum. The bank demonstrated a clear commitment to good CG, though internal policies and by-laws were compliance-driven and adopted to meet regulatory requirements. The bank's owners and executives proactively sought ways to implement international CG standards and establish itself as a well-governed financial institution. The bank's leadership acknowledged that CG improvements would help the bank address challenges to a sustainable growth and improve internal controls, decision-making capabilities, and strategic planning processes.

WHAT DID THEY CHANGE?

IFC conducted a CG Assessment of VPBank in September 2012. The bank leadership, Board members, and shareholders were committed to making CG improvements. As an initial step, the bank revised its charter to include CG and information disclosure policies. It also adopted CG and ethics codes. An Annual Report was developed, which included financial and nonfinancial information as well as a section on governance, which outlined its dividend and whistleblower policies. Further, VPBank took a range of concrete measures over time, which instilled good CG in its corporate culture. For example, the BoD increased its director base from four to six, adding an element of independence and diversity of expertise to the Board. The Corporate Secretary function was strengthened and formalized. A Risk Management Committee was established, which helped to better assess and monitor risks across the bank. In addition, the delegation of the audit function to the Supervisory Board helped clearly define and separate the roles and duties of the Board versus the various existing management committees. The HR Committee developed an evaluation and remuneration policy, tailored for a long-term performance. These governance enhancements positioned the Board to provide stewardship, oversee risk management and internal control framework, and adjust policies in line with the bank's annual strategic plans.

SUMMARY OF KEY CHANGES

	KEY CHALLENGES in 2012	KEY CHANGES
Commitment to Corporate Governance	Even though there were internal policies and by-laws in place to meet regulatory requirements, the Bank's corporate governance was primarily compliance-driven and did not go beyond the legislative minimum. In its desire to become one of the top banks in Vietnam, key shareholders and executives recognized the need for improvement and alignment with international CG standards.	**CG Commitment**: Committed to implementing best CG practices and proactive in implementing recommendations to strengthen its CG. Established principles beyond legislative mandates. Adopted a CG improvement plan at the Board level and conducted regular assessments regarding the implementation of the plan. The Bank revised its charter to include CG and information disclosure policies along with a CG Code and Code of Ethics.
Board Effectiveness	**Composition**: The Board's three non-executive directors were very involved in the operational management of the bank. There was only one independent director whose independence was questionable as he did operational work in the bank. The Board lacked directors who had legal, risk management, and internal audit expertise. The chairman was not independent or non-executive, which was contradictory to best practices. **Structure**: Inappropriate balance between Board and management as Board controlled decision-making through regular participation in management level committees. The bank had no Board-level committees and the composition, status, and functioning of these committees needed to be addressed as they were staffed by both directors and management. There was no Audit, Risk Management or Remuneration/Nomination Committees. **Roles & Responsibilities**: The division between Board and management was blurred, given the large number of executives on the Board. The Board stepped into the realm and authorities of the CEO, and the rest of the management team. The Board had tight control over decision making of key operational issues through regular participation in several committees (Ex-co, ALCO, Credit, ITSC, Product), which are usually established and operated at the management level. **Corporate Secretary**: The bank did not have a dedicated Corporate Secretary. Instead, there was a BoD Office, which covered basic Corporate Secretary	**Composition**: Added one independent director with legal/internal audit experience. Chairman delegated more authority to other Board members and management to reinforce his independence. **Structure**: The Board segregated the duties of directors and management, delegated operational issues and removed itself from participation in committees at the management level. Restructured composition of committees to ensure they operated under the mandate of the Board and were staffed by suitable experts. Established functional Risk Management Committee and designated Audit Committee duties to the Supervisory Board. **Roles**: Developed formal CG guidelines and a Board charter to clarify and formalize roles of the Board and management, and emphasized the important duty of the Board in setting the bank's strategy as well as oversight. The Board also progressively transferred its operational roles to management. It further stepped back from intense participation in management-level committees and provided the CEO with full autonomy over operation. **Corporate Secretary**: Enhanced function of the BoD Office and provided specialized training in legal and CG topics. Amended the by-laws in order to enhance the scope of services of the BoD Office and separate the Corporate Secretary function from that of an administrative assistant. Revamped the BoD's scope to ensure adequate CG principles were being followed, periodic updates were provided to the Board on regulatory issues, and new director

	KEY CHALLENGES in 2012	KEY CHANGES
	functions. The BoD Office's scope of work was limited. **Procedures**: The Board lacked formalized orientation, evaluation, and remuneration policies. Typically, there was no advance notice for agendas or distribution of Board papers. Also, there was no CG Code or Code of Ethics. **Succession Planning**: The bank had not adopted a formal succession plan at the Board or management level to minimize key-person risk.	orientation was in place. **Procedures**: Introduced formal, transparent policies on orientation and remuneration. Clearly defined annual Board evaluation process. Required invitations, agendas and Board papers to be distributed with a five-day advance notice. Revised the charter and by-laws to include CG practices. Developed a CG and Code of Ethics. **Succession Planning**: Developed a formal succession plan at the management level and considered plans for the chairman and CEO.
Management Control	**Structure**: The Board's oversight of the control environment needed to be clarified and improved. The bank's framework of internal control was concentrated around front office operations and authorization limits for credit approvals. **Audit/Internal Audit**: There was no Audit Committee functioning under the Board's purview. The Supervisory Board assumed the role of the Audit Committee. However, technically it was accountable to the General Meetings of Shareholders (GMS) rather than the BoD, and needed enhancement to oversee Internal Audit and risk mitigation functions. **Risk Management**: The risk management framework was decentralized and managed at the transactional level without a systematic approach to formalizing risk mitigation and monitoring procedures. The bank lacked expertise to adequately oversee risk management. **Human Resources**: Senior management performance evaluation was informal and there was lack of a transparent annual bonus system. **Compliance**: The bank did not have a whistleblowing policy. **Financial Reporting**: The bank's BoD – not the GMS – selected the external auditor. Financial statements were based on Vietnamese Accounting Standards (VAS).	**Structure**: Established C-level positions to strengthen the control culture and environment, and to ensure that controls were built-in and exercised by senior management. **Audit/Internal Audit**: Revised and updated role and practices of the Supervisory Board to comply with local regulations, provide financial oversight to the Board, and perform similar duties typical of an Internal Audit Department. **Risk Management**: Established a Risk Management Committee. Hired a Chief Risk Officer, who directly reports to the CEO, and is also a member of the Risk Management Committee. Developed systematic, centralized approach for identifying, prioritizing, mitigating, reporting, and monitoring material risks across the bank. **Human Resources**: Developed and approved senior management evaluation policies and performance-based remuneration plans. **Compliance**: Created a whistleblower policy to enable confidential reporting of breaches of conduct or violations to the Head of Compliance department and the Head of Supervisory Board. **Financial Reporting**: Modified policy on selecting the external auditor to enable the GMS to assume that role. While following the Vietnamese Accounting Standards to comply with local regulations, the bank also adopted the International Financial Reporting Standards (IFRS).

SUMMARY OF KEY CHANGES

	KEY CHALLENGES in 2012	KEY CHANGES
Disclosure and Transparency	**Public Disclosures**: Disclosure of CG related materials on the website was limited. Annual Reports and reports in the "Investor" section of the website were only available in Vietnamese. No quarterly financial information about the bank was published online. **Disclosures**: The bank did not have formalized disclosure policies that regulated information sharing with shareholders, stakeholders, investors, or other interested parties. **Conflicts of Interest/RPTs**: The bank had not adopted by-laws on RPTs. Associated rules were fragmented and referred to in the charter and BoD regulations by repeating the wording of the current legislation.	**Public Disclosures**: Disclosed more comprehensive information online about the Board, committees, Supervisory Board, remuneration policies, and financial statements. Included a CG section in the Annual Report and published it on the website in English. Restructured "Investor" section of the website to provide relevant CG-related content in English. **Disclosures**: Developed internal by-laws on information disclosures. Disclosed a CG section in the Annual Report and published it online in English. **Conflicts of Interest/RPTs**: Adopted internal by-laws on RPTs to increase clarity regarding associated policies.
Shareholder and Stakeholder Relations	**Shareholder Policy**: Rights were not clearly described in the bank's Charter. There was no dividend policy. **Minority Shareholder Protection**: Minority shareholders were permitted to attend general meetings and receive information, but their impact on the business was insignificant and their activism was low.	**Shareholder Policy**: Amended the bank's charter with a clear list of rights, including provisions declaring equitable treatment of all shareholders. A dividend policy was created and published online. **Minority Shareholder Protection**: Provided a detailed explanation of the cumulative voting procedure in the charter and notes to shareholders. Ensured shareholders were given an opportunity to exercise their right to elect a BoD member. The bank recently introduced a formal Investor Relation Department to effectively facilitate all investor communication in a professional manner.

FIVE YEARS AFTER THE CHANGES, VPBANK REPORTED THE FOLLOWING RESULTS:

Access to Capital
Investors, customers, and financial institutions recognized VPBank's CG enhancements, which improved the bank's ability to substantially increase deposits from the domestic market as well as its access to nearly $1billion in both offshore and international debt financing since 2016. In addition, in 2017, VPBank raised 22 percent capital from offshore and international fund managements.

Profitability
Profitability increased by 900 percent since 2012. CG has been a contributing factor in VPBank's growth and surge in net profits.

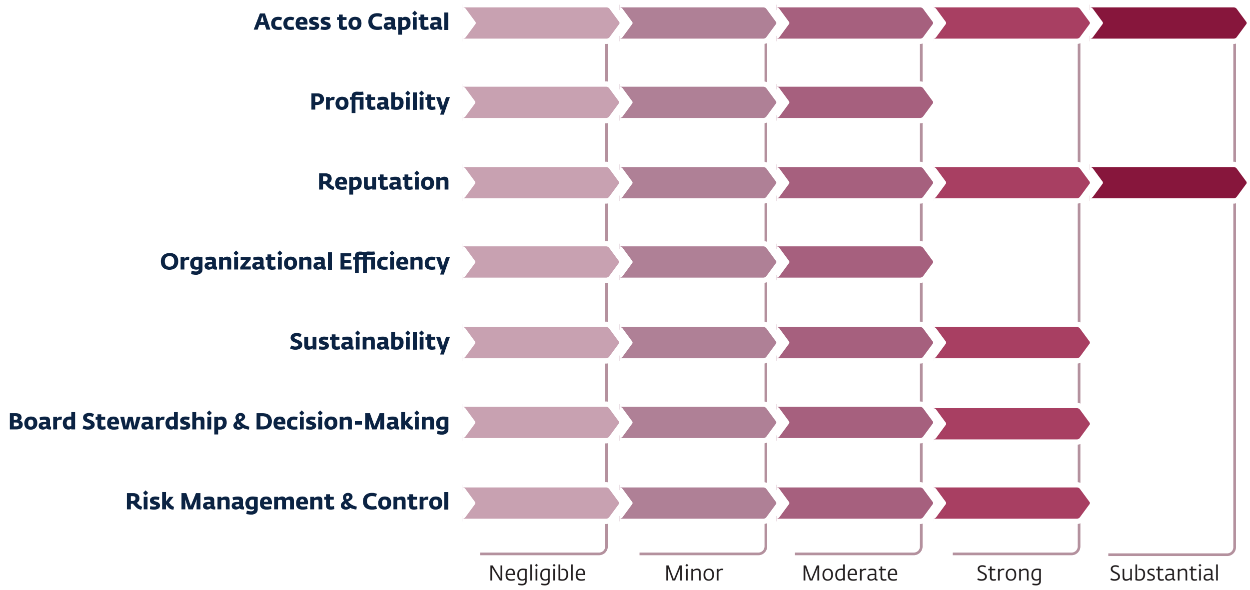
Reputation
The commitment and implementation of best CG practices have inspired confidence and improved trust among VPBank's customers and partners. CG has certainly had a significant impact on the bank's reputation in both the local and international markets.

Organizational Efficiency
By clarifying roles, responsibilities, and authorities of Board members, its committees and management, VPBank runs more efficiently and the Board is more functional as a whole.

Sustainability
By actively focusing on mitigating risks and applying international standards for risk management, VPBank is confident of achieving its short to long-term objectives in a sustainable and realistic manner.

Board Oversight
The Board has been setting the vision, direction, risk appetite, and culture of the bank more effectively. Following improvements in the bank's corporate governance, the Board is able to provide better strategic guidance and play a stronger leadership role in terms of operation.

IMPACT SCORECARD



Value of financing facilitated:
US$ 158 million in syndicated loans from IFC and **US$ 604 million** from other funding sources (World Bank, JICA, and commercial bank financing).

On August 11, 2017, VPBank officially announced its listing on the Ho Chi Minh City Stock Exchange (HoSE) under the ticker VPB. VPBank was valued at nearly VND 52 trillion (US$ 2.3 billion), making it one of the top 10 listed firms by market capitalization. With more demanding requirements for corporate governance and customer service quality, the listing presents the bank with both opportunities, and makes it one of the most professional, transparent, and efficient financial institution in Vietnam.

BUSINESS	Manufactures and distributes milk-based dairy products in Vietnam and abroad.
LOCATION	Vietnam
SECTOR	Food and Beverage (Dairy)
2017 PROFIT (Yr. Growth)	US$ 456 million (9.8%) (Source: 2017 Annual Report)
TYPE	Publicly listed
# EMPLOYEES	7,845 (Source: 2017 Annual Report)
# BRANCHES	16 (Source: 2017 Annual Report)
IFC ASSESSMENT DATE	January 2011

Vietnam Dairy Products Joint Stock Company (Vinamilk) provides milk and dairy products in Vietnam and internationally. Established in 1976 as a state-owned company, it officially went public on the Ho Chi Minh City Stock Exchange (HoSE) in 2006. Subsequently, it became the country's largest dairy company as well as the largest public company in terms of market capitalization listed on HoSE (ticker symbol VMN). Vinamilk was further chosen as the first ever Vietnamese representative for Forbes's 50 Best Listed Firms in the Asia Pacific 2016.

With a nationwide presence across Vietnam, Vinamilk mainly produces and distributes condensed milk, powdered milk, fresh milk, soya milk, yogurt, ice-cream, cheese, fruit juice and beverage, and other milk-based products. Vinamilk also exports its products to 35 countries with a focus on new markets in Africa and South East Asia besides traditional markets in the Middle East[1]. In 2017, the company's total production volume was over 250 SKUs with a total export volume of nearly 17,000 tons of milk powder.

The company's vision is to become a global brand in the food and beverage industry, inspiring consumers' trust in its range of nutrient and health products.

WHY CHANGE?

As Vinamilk aimed to establish itself as a leading sustainable brand, its leadership realized the need to significantly improve its corporate governance framework to emerge as groundbreakers. With the growth of business in Vietnam and abroad, the Board and senior management recognized that adopting best CG practices would help diversify the experience of directors, align risk and internal control functions, be more transparent, and improve brand recognition, thus inspiring consumer confidence. Meanwhile, with no clearly defined roles and responsibilities for its directors and functional committees or a CG manual to guide the company, Vinamilk was in want of change. A top listed company on HoSE, Vinamilk was ready to go beyond compliance and improve its CG framework for a distinctive edge in the sector.

WHAT DID THEY CHANGE?

In 2012, Vinamilk joined the Asia Corporate Governance Association (ACGA). Subsequently, it committed to implementing best corporate governance practices as outlined in IFC's 2010 manual for Vietnamese public companies[2], and made exemplary efforts to establish the highest standards of governance among its peers. CG was still relatively new in the country and the region. To start with, Vinamilk strengthened the functional effectiveness of its Board and appointed a Corporate Secretary to support CG implementation across the company. A more rigid definition of Board independence was adopted, and in April 2017, Vinamilk officially achieved the one third independent director requirement. The terms of reference, director authorities, and Board procedures were clearly documented and reinforced. In a few years, the company's overall commitment to good corporate governance resulted in the development of a detailed Code of CG and committee charters for its Audit, Strategy, Remuneration, and Nomination Committees. In an effort to streamline risk mitigation and internal audit activities, Vinamilk emerged as a regional role model yet again by replacing its Supervisory Board with an Audit Committee. The company was one among the top listed firms to receive a high ranking in the annual ASEAN CG Scorecard Assessments as well as the Annual Report Awards — organized by the Stock Exchanges and the Vietnam Investment Review — in terms of public disclosure of both financial and nonfinancial information online.

Ms. Le Thi Bang Tam,
Chairwoman

"Corporate governance is key to our long-term strategy for sustainability and growth as a regional dairy producer in Southeast Asia. Over the years, we have established a robust corporate governance framework, which continues to serve as the regional role model for corporate governance in ASEAN. This, consequently, strengthens our Board and management accountability, inspires trust among stakeholders in the market, and promotes long-term interest of our shareowners."

[1] *According to the 2017 Annual Report of Vinamilk.*
[2] *The Corporate Governance Manual was published by IFC in collaboration with the State Securities Commission of Vietnam in 2010.*

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Commitment to Corporate Governance	Vinamilk recognized the importance of good CG, and the Board was committed to formalized processes and procedures, and established better CG practices. Yet, the company needed to take action to make real changes in the governance of the business.	**CG Commitment**: Developed and executed CG policies and codes, and established a part-time Corporate Secretary to drive CG implementation within Vinamilk.
Board Effectiveness	**Composition**: The Board needed to diversify the experience of its membership, provide greater stewardship and oversight, and recruit independent and diverse directors. **Committees**: There was no Audit Committee, which led to issues of overseeing risk governance and internal controls. **Roles**: The Board needed to better define roles and responsibilities for the general leadership of the company as well as direction of its management. Members were not proactively involved in the risk management or audit function. **Procedures**: Meetings were held frequently, but there was no regular schedule and they were initiated by management. Preparations for Board meetings were decentralized and administered by various individuals, primarily from management. Also, there were no adequate policies for remuneration of Board members. **Succession Planning**: No formal succession plan was adopted at the Board or management level.	**Composition**: The Board made substantial changes to its composition by increasing directors and adding independent members to meet the local regulatory requirements. **Committees**: Established a fully functional Audit Committee, which led to revising and expanding Board membership, including sourcing insightful members with relevant industry expertise to serve on the Audit, Strategy, Nomination, and Remuneration Committees. **Roles**: Responsibilities and authorities were clearly defined in a CG manual and charters, which enabled directors and management to make informed decisions. Duties, scope of work, and accountability were clarified in the by-laws and the chairman's responsibilities were documented. **Procedures**: The Board established clearer procedures for meetings and shared board papers in advance to give directors sufficient time to plan. Board meeting policies were well documented in the CG manual, which more effectively managed expectations and enabled Board members to engage in more tactical and effective debate. **Succession Planning**: Developed a succession plan with respect to the replacement of key management personnel. The aim was to ensure business continuity and establish a formal process of authority delegation in the normal course of business or during emergency situations.
Management Control	**Risk Management and Audit**: The Risk Management function was not aligned with the Internal Audit function. Control policies were responsive, but only when issues cropped up, and not in line with international standards.	**Risk Management and Audit**: Evaluated the regulations over the company's risk governance and internal controls in order to set up a more formal system to mitigate risks and enable management to take corrective action. The Risk Management Committee was combined with the Audit Committee and chaired by an

SUMMARY OF KEY CHANGES

	KEY CHALLENGES	KEY CHANGES
Management Control		independent director. By-laws were formally established and members with audit and risk experience were recruited to develop and implement a structured annual audit plan.
Disclosure and Transparency	**Disclosure of Information**: No prior information disclosure policies were established, and financial statements were not prepared in accordance with IFRS.	**Disclosure of Information**: Documented a disclosure of information policy in its CG code including principles on transparency, confidential information, insider information, information security, related party transactions, and disclosure of information to shareholders.
Shareholder and Stakeholder Relations	**Shareholder Protection and Dividend Policy:** There were policies on shareholder rights and dividends, but they were not extensively documented in a CG Code.	**Shareholder Protection and Dividend Policy:** Developed formal provisions in its CG Code on rights of shareholders of the company, equitable treatment of shareholders, and GMS resolutions. Adopted clearer and consistent principles in the by-laws on the Dividend Policy, which ensured the payout ratio was transparent.

EIGHT YEARS AFTER THE CHANGES, VINAMILK REPORTED THE FOLLOWING IMPACTS:

Access to Capital
IFC's investors recognized the improved access to quality financial and nonfinancial information, resulting in better access to low-cost capital sources. Vinamilk received more favorable interest rates from both domestic and international financial institutions, and saved approximately $4.8 million in terms of the total borrowing interests from 2015 to 2017. In addition, Vinamilk has always attracted foreign investors and it reached the maximum cap of the foreign ownership limit (FOL) of 49 percent between the end of 2011 and 2016. The FOL was then progressively increased to 59.8 percent at the end of 2017, after the FOL was removed to allow foreign shareholders to buy the shares divested by the State Capital Investment Corporation, a major local (State) shareholder of Vinamilk.

Profitability
The average compound annual growth rates (CAGR) of net profit after tax and total assets from 2011 to 2017 are 16 percent and 14.3 percent respectively. This sound financial outcome was catalyzed by governance enhancements, a key factor that improved the company's overall effectiveness.

Reputation
Vinamilk's reputation has meaningfully improved due to increased consumer and investor confidence in the company, given enhancements in management, disclosures, and the overall stewardship in business.

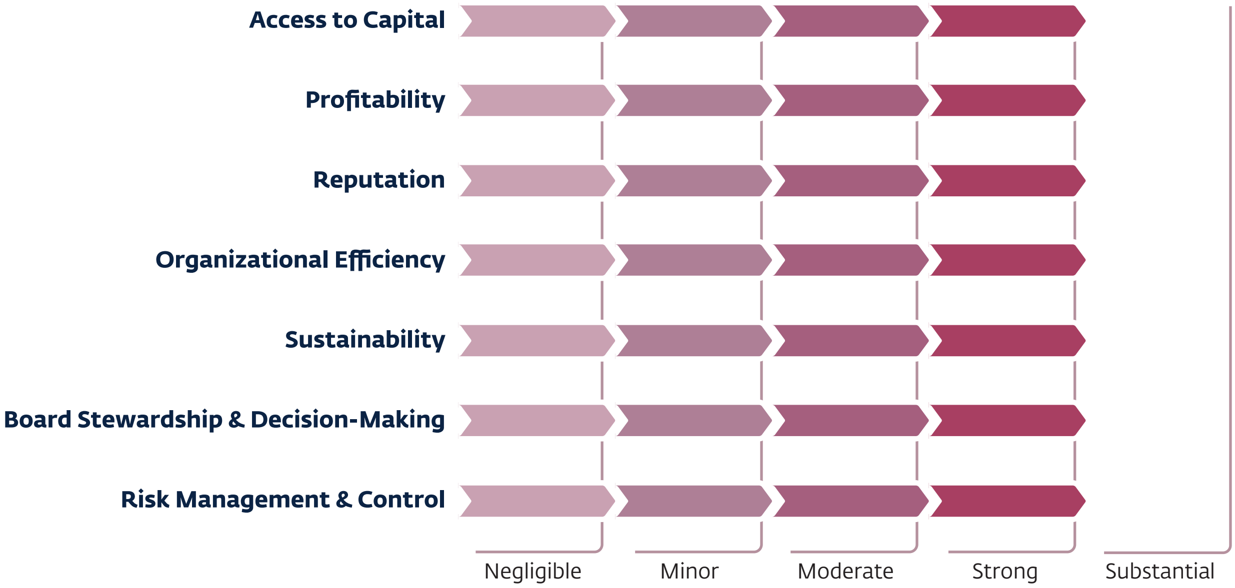
Organizational Efficiency
Organizational efficiency improved as a result of a centralized management model and a strong distribution system, which streamlined and automated operations.

Sustainability
The company has taken concrete steps to develop and implement a personnel succession plan and talent management program with specific career pathways geared to create future leaders at Vinamilk, thus contributing to long-term sustainability and loyalty.

Board Oversight
Vinamilk's Board and management make more informed, insightful resolutions on corporate-wide issues and hold more effective discussions that foster strategic decision-making.

Risk
Risk mitigation and internal control systems have improved considerably, resulting in more proactive measures and assessment of potential risks, thus enabling the company to take corrective action in a timely manner.

IMPACT SCORECARD



Value of financing facilitated:
Increase of foreign ownership from 49 percent at the end of 2016 to 59.8 percent at the end of 2017

About IFC Corporate Governance Group

The Group brings together staff from investment and advisory operations into a single, global team. This unified team advises on all aspects of corporate governance and offers targeted client services in areas such as increasing board effectiveness, improving the control environment, and family businesses governance. The Group also helps support corporate governance improvements and reform efforts in emerging markets and developing countries, while leveraging and integrating knowledge tools, expertise, and networks at the global and regional levels.

Contact Us:

Chris Razook
Corporate Governance Lead
+852-2509-8512
crazook@ifc.org

Leyal Savas
Program Manager
+84-8-3823-5266
lsavas@ifc.org

ifc.org/corporategovernance

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