



FINAL EXAMINATION
BACHELOR OF ACCOUNTANCY (HONOURS)

**COURSE : CORPORATE GOVERNANCE AND
BUSINESS ETHICS**

COURSE CODE : CGE4013

DURATION : 3 HOURS

INSTRUCTIONS TO CANDIDATES:

1. This question paper consists of **FOUR (4)** questions.
2. Answer **ALL** questions in the Answer Booklet provided.
3. Please check to make sure that this examination pack consists of:
 - i. The Question Paper
 - ii. An Answer Booklet
4. Do not bring any material into the examination hall. The use of a calculator is allowed.
5. Please write your answer using permanent ink.

MYKAD/ PASSPORT NO : _____
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SECTION : _____

DO NOT OPEN THIS QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO

This question paper consists of 6 printed pages including the front page

QUESTION 1

The following case highlights several corporate governance issues in Malaysia.

"Weak board oversight, lack of transparency, and ineffective monitoring mechanisms contributed to governance failures in several high-profile Malaysian corporate scandals. Effective audit committees and independent directors are essential to ensure accountability and protect stakeholders' interests."

(Adapted from Securities Commission Malaysia, 2021.)

Required:

- a. Explain **TWO (2)** reasons why transparency is important in corporate governance.
(5 marks)
- b. Based on the issues highlighted above, discuss **FIVE (5)** corporate governance mechanisms that could prevent similar governance failures.
(10 marks)
- c. Suggest **TWO (2)** reasons why governance misconduct may still occur despite the existence of governance regulations.
(4 marks)
- d. As a company director, recommend **TWO (2)** actions to mitigate the issues highlighted above.
(6 marks)

(Total: 25 marks)

QUESTION 2

Case Study: Sustainability Practices in Malaysian Companies

Several companies in Malaysia have implemented sustainability initiatives to improve their Environmental, Social, and Governance (ESG) performance. These initiatives include reducing plastic packaging, promoting responsible sourcing, lowering carbon emissions, improving water efficiency, and supporting local communities through sustainable programmes. These efforts aim to ensure long-term business sustainability while creating positive impacts on society and the environment.

Required:

- Explain **FIVE (5)** benefits gained through the implementation of sustainability initiatives. (10 marks)
- MajuRasa Sdn Bhd, a local food manufacturing company, plans to adopt sustainability practices similar to those shown in Figure 1. Based on the sustainability focus areas shown in Figure 1:

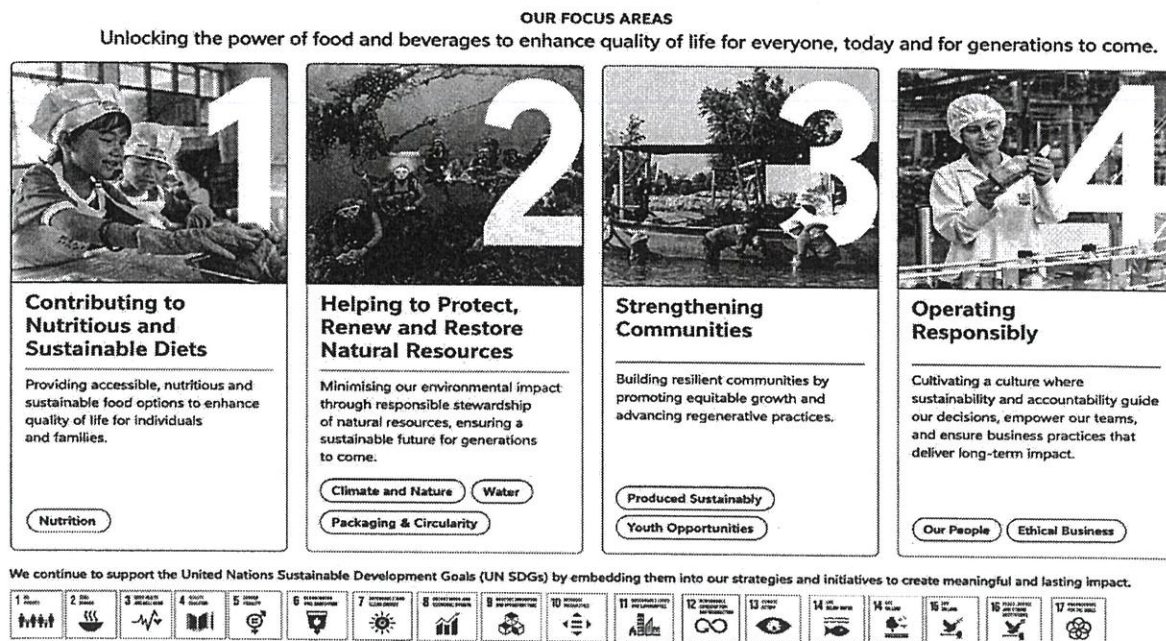


Figure 1: Sustainability Focus Areas
(Adapted from a sustainability report, 2025.)

- i. Prepare a sustainability framework suitable for MajuRasa Sdn Bhd.
(5 marks)
 - ii. Explain **ONE (1)** way MajuRasa Sdn. Bhd. can implement the sustainability framework proposed in (i).
(5 marks)
 - c. Evaluate **ONE (1)** challenge that may be faced by MajuRasa Sdn. Bhd. in implementing sustainability initiatives in its business operations.
(5 marks)
- (Total: 25 marks)

QUESTION 3

Case: Discrimination Against Pregnant Employee

In 2022, a female employee working at a retail company in Kuala Lumpur claimed that she was denied promotion opportunities after informing management about her pregnancy. Although her performance evaluations were consistently excellent, management argued that her pregnancy would reduce productivity and increase operational burden. Shortly after, another less experienced employee was promoted instead. The employee later resigned and lodged a complaint with the Labour Department, claiming unfair discrimination and unequal treatment at the workplace.

(Source: Adapted from Malaysian workplace discrimination and labour rights reports, 2022.)

Required:

- a. Explain **THREE (3)** ethical issues that can be identified in the case above.
(6 marks)
- b. Using the principle of justice and fairness, evaluate whether the company acted ethically in handling the employee's promotion opportunity.
(10 marks)
- c. Discuss **THREE (3)** actions that organisations can implement to promote ethical treatment and equal employment opportunities in the workplace.
(9 marks)

(Total: 25 marks)

QUESTION 4

Case Study: A Welfare-Based Non-Profit Organisation

A welfare-based non-profit organisation that manages public donations is currently under internal review after concerns were raised regarding weaknesses in financial governance and transparency.

A senior finance officer discovered that approximately RM500,000 of donated funds had been redirected to projects that were not approved by the board of trustees. Senior management instructed employees not to disclose the issue while the organisation conducts an internal investigation.

The organisation provides welfare assistance to more than 2,000 low-income families and depends heavily on public trust and donations. Donors expect their contributions to be managed responsibly, ethically, and transparently.

The senior finance officer is considering whether the matter should be formally reported to the board and relevant authorities. However, doing so may create public controversy, damage the organisation's reputation, and potentially affect the welfare services received by beneficiaries.

Required:

- a. Analyse the ethical dilemma faced by the senior finance officer above based on:
 - i. Agent-centred deontology theory (6 marks)
 - ii. Patient-centred deontological theory (6 marks)
- b. Using the concept of practical wisdom, evaluate **TWO (2)** of the most ethical courses of action that the employee should take. (5 marks)
- c. Discuss **FOUR (4)** roles of deontological ethics in strengthening organisational integrity and accountability. (8 marks)

(Total: 25 marks)

(TOTAL: 100 MARKS)

END OF QUESTION PAPER