UNIVERSITI KUALA LUMPUR
BUSINESS SCHOOL

FINAL EXAMINATION
MARCH 2026 SEMESTER

COURSE CODE	:	EAB31303
COURSE NAME	:	CORPORATE ETHICS AND GOVERNANCE
PROGRAMME NAME	:	BACHELOR IN ACCOUNTING (HONS)
DATE	:	25 JUNE 2026
TIME	:	2:00 PM – 5:00 PM
DURATION	:	3 HOURS

INSTRUCTIONS TO CANDIDATES

1. **Please CAREFULLY read the instructions given in the question paper.**
2. **This question paper has information printed on both sides of the paper.**
3. This question paper consists of **ONE (1) Section; Section A.**
4. Answer **ALL** questions in **Section A**
5. Please write your answers on the answer booklet provided.
6. All questions must be answered in **English** (any other language is not allowed).
7. **This question paper must not be removed from the examination hall.**

THERE ARE FOUR (4) PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 100 marks)

INSTRUCTION: Answer ALL questions.
Please use the answer booklet provided.

Question 1

Many businesses have realized that Corporate Social Responsibility (CSR) plays important part in bringing up the image of the company and at the same time helps the company to play role to contribute to society and public. Identify FIVE (5) reasons why CSR is vital to business.

[Total: 20 marks]

Question 2

Ain, a college student is working as a waitress at a popular eating and drinking establishment called "The Unicorn". This restaurant is known for nightly bands and great entertainment. Business is always good during summer and spring months while during winter month there are steady decline. The owner, K has tried a number of strategies including to require all waitress to wear low-cut and tight-fitting shirts and very short pants. This new strategy only applicable to female workers only and male workers continue to wear old uniform. Sales have been improved with the new strategy but many male customers make abusive and sexual harassment to the waitress and Ain is tired of being harassed physically and verbal actions. Therefore, Ain made a complaint to the manager and refuse to wear the new sexy uniform. Somehow, the manager refuses to let Ain change into the old uniform and require Ain to act like normal or else she will be fired.

(a) Identify any unethical behaviors from above case above.

(5 marks)

(b) Examine whether Ain's action is morally and ethically justified. Support your answer with relevant ethical principles.

(5 marks)

(c) Analyse the possible alternatives available to Ain in this situation and explain which option should be chosen, with reasons to support the decision.

(5 marks)

(d) Suggest some initiatives from the owner to overcome the issues.

(5 marks)

[Total: 20 marks]

Question 3

Every organization aspires to achieve the highest standards of integrity and honesty in the conduct of its business and operations. In return, they are expecting the same from the staff to act in the best interest of the organization and to refrain from engaging in conduct which may affect the best interest of the organization. One of the policies implemented is "NO GIFT POLICY".

Explain the rationale behind the implementation of this policy.

[Total: 20 marks]

Question 4

Grant & Lee Associates were appointed as the external auditors for Dynamics Berhad. During the course of the audit, the company's finance department restricted the auditors' access to certain detailed payroll documents, citing confidentiality concerns. In addition, before the Annual General Meeting (AGM), Grant & Lee Associates received the meeting notice but were informed by the company secretary that their presence was unnecessary. They were also told that, if they chose to attend, they would not be allowed to address the shareholders regarding any matters in the audit report.

Identify the rights of Grant & Lee Associates that have been infringed upon by Dynamics Berhad in the above scenario.

[Total: 20 marks]

Question 5

a) Briefly explain Corporate Governance. Provide appropriate examples.

(4 marks)

b) Explain the difference between Corporate Governance and Corporate management. Provide THREE (3) differences with examples.

(6 marks)

c) Elaborate the FIVE (5) theories under Corporate Governance

(10 marks)

[Total: 20 marks]

END OF EXAMINATION PAPER