



**THE EFFECT OF CORPORATE GOVERNANCE ON DIVIDEND POLICY OF FIRM:
A STUDY ON MALAYSIAN TRADING/SERVICE/FOOD COMPANIES**

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DECEMBER 2019

ACKNOWLEDGEMENT

It took a lot of encouragement and help to complete this task as I was faced with a lot of difficulty in knowing all the terminology and procedures on how to get the final outcome and it definitely isn't unassisted.

First of all, I would like to express my deepest gratitude to Allah S.W.T Almighty for the successful completion of this project with the blessing and for giving me the strength and patience to complete this task. Syukur Alhamdulillah.

My sincere gratitude goes to Madam Betsy Jomitin, who has given me the opportunity to perform this research throughout the entire semester. This work would not have happened without her support, experience, and consistent help. I would also not forget to mention the examiner Sir Amirul Muhminin B. Darussamin for giving me feedback on this study.

I would also like to thank all the staff at Sabah Credit Corporation who are always allowing me to seek advice from my advisor once a week without penalizing me and always understanding my efforts to complete both my internship and my research paper.

Last but not least, without the willingness of my family and friends to share their knowledge with me, I'm unlikely to reach the conclusion of this project. Through their support, love and encouragement, I am grateful to be able to fulfill this task.

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ABSTRACT

This study is to investigate the effect of corporate governance on dividend policy of trading, service and food companies in Malaysia. It is to examine the relationship between board size, board independence and CEO duality with dividend yield of the company.

This study consists 7 years from 2012 to 2018 with 480 observations and data collected from annual report and data stream. Secondary data have been used in this study and using Stata software to analyze the relationship between variables.

By Stata software, board independence and CEO duality are positively significantly relationship with dividend policy of the company. However, board size is insignificantly positive relationship with dividend policy.

More than that, this study can contribute to the future researcher, policy maker and others to understand how board size, board independence and CEO duality influences the dividend yield of the company.

Keywords: *corporate governance, dividend policy, trading, service, food, Malaysia.*