



MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest
BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD
(Incorporated in Malaysia • Company No : 524989-M)

MALAYSIAN CORPORATE GOVERNANCE INDEX 2009

BASE METHODOLOGY

(Developed by Nottingham University Business School)

The following are the broad key parameters for the Base Methodology which will be used as criteria for looking at conformance and best practices based on local Code on Corporate Governance and Listing Requirements. In addition, the OECD best practices will also be used.

The based methodology will be using 115 key parameters.

KEY PARAMETERS FOR BASE METHODOLOGY

- ❖ **THE BOARD OF DIRECTORS - e.g.**
 - ✓ **Principal Responsibilities of the Board**
 - ✓ **Chairman & CEO**
 - ✓ **Board Balance**
 - ✓ **Significant Shareholder**
 - ✓ **Appointment to the Board (Ensuring Board's Continuous Effectiveness)**
 - ✓ **Size of Board**
 - ✓ **Directors' Training**
 - ✓ **Board Structure & Procedures**
 - ✓ **Relationship of the Board to Management**
 - ✓ **Access to Information**

❖ **DIRECTORS' REMUNERATION**

- ✓ **Remuneration Committee (Determination of Directors' Remuneration)**
- ✓ **Disclosure of Remuneration**

❖ **SHAREHOLDERS**

- ✓ **Dialogue between Companies and Investors**
- ✓ **Annual General Meeting**

❖ **ACCOUNTABILITY AND AUDIT**

- ✓ **The Audit Committee (AC)**
- ✓ **Internal Controls and Internal Audit**
- ✓ **Related Party Transactions**
- ✓ **Corporate Social Responsibility**
- ✓ **Auditors**
- ✓ **Timely Reporting**