



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

**Welcoming Address**  
**by**  
**Tan Sri Dr. Sulaiman Mahbob**  
**Chairman of MSWG**  
**MSWG-ASEAN Corporate Governance**  
**Transparency Index, Findings**  
**and Recognition 2014**  
**Sime Darby Convention Centre, Kuala Lumpur**  
**On 9 December 2014 (Tuesday)**

**Assalamualaikum Warahmatullahi Wabarakatuh,**

**Salam Sejahtera**

**Yang Amat Berhormat Tan Sri Dato' Haji Muhyiddin Hj Mohd Yassin**  
**Timbalan Perdana Menteri Malaysia,**

**Tan Sri-Tan Sri, Dato-Dato,**

**Tetamu Kehormat**

**Ahli-Ahli Media**

**Tuan- tuan dan Puan-puan**

**Terlebih dahulu saya memanjatkan kesyukuran kepada Allah SWT**  
**yang dengan izinNya kita dapat berkumpul di malam yang indah**  
**ini.**

**Saya mengucapkan jutaan terima kasih kepada YAB yang telah dapat meluangkan masa beliau untuk menghadiri majlis malam ini, walaupun dalam kesibukan tugas resmi. Kehadiran YAB menunjukkan betapa pentingnya perkara `corporate governance' atau tadbirurus korporat kepada beliau. Semasa beliau menjadi YB Menteri Perdagangan Dalam Negeri, Kepenggunaan dan Kooperasi, dahulu pun, beliau telah menitikberatkan aspek tadbirurus sebagai asas pengurusan korporat yang baik.**

**Selanjutnya izinkan saya bertutur dalam bahasa Inggeris memandangkan terdapat tetamu dari luar negeri.**

**The Honourable Tan Sri Haji Muhyiddin bin Haji Yassin,**

**Distinguished guests,**

**Members of the media,**

**Ladies and gentlemen.**

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***Good evening,***

1. Welcome to the Annual **MSWG-ASEAN Corporate Governance Transparency Index, Findings and Awards Ceremony 2014.**
2. On behalf of MSWG, I am grateful and honoured with the presence of our Deputy Prime Minister of Malaysia, YAB Tan Sri Hj Muhyiddin Yassin tonight. Thank you YAB Tan Sri, for agreeing to grace our event and later to present the awards to the winners tonight.

***Ladies and Gentlemen,***

3. This event is a recognition of Top PLCs in Malaysia which have shown significant progress in their Corporate Governance practices. By using the ASEAN CG Scorecard we have made assessment on companies and also individuals who are leaders or strong proponents of good corporate governance. We are pleased to see so many of you finding the time to attend this function reflecting how concerned you all on the matter of corporate governance. More than 500 attendees are gathered here tonight comprising people from the capital market, from corporate bodies, comprising corporate captains Board of Directors, institutional investors, and also representatives from associations, professional bodies, academia as well as members of the media.
4. Your presence and strong support, here tonight, surely augurs well for corporate governance. We thank you much.

***Ladies and Gentlemen,***

5. We are now into our third year of using the ASEAN CG Scorecard as a tool to assess public listed companies' adoption of corporate governance principles and best practices.
6. The ASEAN CG Scorecard incorporated almost 85% of MSWG's initial scorecard methodology and thus based on its track record, MSWG has been entrusted with the responsibility, as the Domestic Ranking Body, to undertake the said assessment. We are happy to acknowledge the support from the Capital Market Development Fund (CMDf) in funding this exercise.
7. MSWG-ASEAN CG Transparency Index to be presented tonight identifies the Top 100 Malaysian PLCs based on transparency of disclosures. The companies were assessed based on the following criteria based on the OECD Principles of Corporate Governance:
  - ***Rights of shareholders***
  - ***Equitable treatment of shareholders***
  - ***Role of stakeholders***
  - ***Disclosure and transparency***
  - ***Board responsibilities***
8. In addition, we also underscore the importance of good financial performance. Hence, the financial criteria, of Return on Equity and Total Shareholder Return, for the last 3 years were included. After all the top 100 PLCs must be performing companies.

9. The awards not only denote quality and transparency amongst the PLCs but also reflect a high commitment to stand tall and be amongst the best in corporate governance in the international scene. In today's competitive business environment with high level of globalisation, and where the dynamics of markets are continuously in a state of change, an infrastructure with high level of corporate governance, and unblemished integrity are most pertinent especially in the effort to attract foreign capital. For developing countries such as Malaysia, international capital flows play a significant development of our local capital market. And thus, it is only logical that we have to continuously raise the bar of good corporate governance and in this context, the annual findings of the MSWG-ASEAN Transparency Index is certainly in the right direction.

***Ladies and Gentlemen,***

10. Now, may I take the opportunity to share with you some of MSWG's key activities during the year. A significant milestone was the launch of the Malaysian Code for Institutional Investors on 27 June this year which was jointly launched by the SC and MSWG.
11. The development of the Code was spearheaded by MSWG and collectively developed by Malaysia's largest institutional investors namely Employees Provident Fund, Permodalan Nasional Berhad, Kumpulan Wang Persaraan, Social Security Organisation, Lembaga Tabung Angkatan Tentera, Lembaga Tabung Haji, Malaysian Association of Asset Managers, Malaysian Takaful Association and Private Pension Administrator.

12. The Code aims to set out broad principles of effective stewardship by institutional investors such as their disclosures of stewardship policies, monitoring of and engagement with investee companies and managing conflict of interests. Though the Code is voluntary, I once again urge institutional investors to become signatories to demonstrate their commitment to adopting these best practices. A good take-up and application of the Code by institutional investors will encourage good governance and long-term sustainability of their investee companies.
13. Since the launch of the Code, MSWG has been actively engaging with institutional shareholders, both local and foreign, to sign up as signatories. We are pleased that foreign asset and fund management companies have also contacted MSWG and expressed interest to become signatories to the Code, and subsequently became signatories to the Code. A few PLCs have also signed up as supporters of the Code.
14. In line with our mission to provide sustainable shareholder value through engagement with relevant stakeholders, with a focus on minority shareholder interest, MSWG through its core corporate monitoring activities had covered about 300 PLCs on Bursa Malaysia in 2014. Nonetheless, shareholders, particularly retail shareholders had higher expectations for MSWG to attend more AGMs. On this, we need to be mindful of the issues of our constraints in resources and funding. MSWG is currently funded up to 75% by the CMDF, while the balance is through MSWG's own revenue generating activities.
15. This year, MSWG continued to provide investor education programmes as well as training for directors supported by Bursa Malaysia. We also continued to raise and highlight CG issues through our weekly newsletters as well as in Malay & Chinese newspapers.

16. Moving forward, MSWG will continue to improve our existing core services as well as links with global CG organisations, to share and exchange views on the changing CG landscape. We are planning to strengthen our research arm to include undertaking research for small and medium cap companies to enable price discovery among the small and medium cap stocks.

***Ladies and Gentlemen***

17. Before I end, let me once again thank our YAB Deputy Prime Minister for taking time off from his busy schedule to grace this occasion.
18. I would also like to express my sincere thanks and appreciation to the members of the Adjudication Committee for this MSWG-ASEAN Transparency Index 2014. It has certainly been an arduous and not an easy task combing through several hundreds of companies to determine the winners and more so as competition has been intense and very acute.
19. Special thanks to the CMDF, regulators, and institutions that have supported MSWG in its work, and for making these annual awards a key event in Malaysia's corporate calendar.
20. I also wish to express my appreciation to all CG supporters for their continuing support and strong encouragement without which I believe, today's event would not have been made possible.

21. My appreciation goes to the CEO and her team who have been strong and diligent in bringing MSWG to the next level and in putting hard work to ensure our success. MSWG has been at the forefront championing good corporate governance and has awakened many corporate members of its vital role in the CG eco-system.
22. My heartfelt thanks goes to all distinguished guests at tonight's event.
23. Finally, congratulations to the award winners for their achievements. You have earned tonight's recognition and I wish all of you a very pleasant evening ahead.

Thank you.

***Wabillahitaufikwalhidayah, wassalamualaikum w.b.t.***