



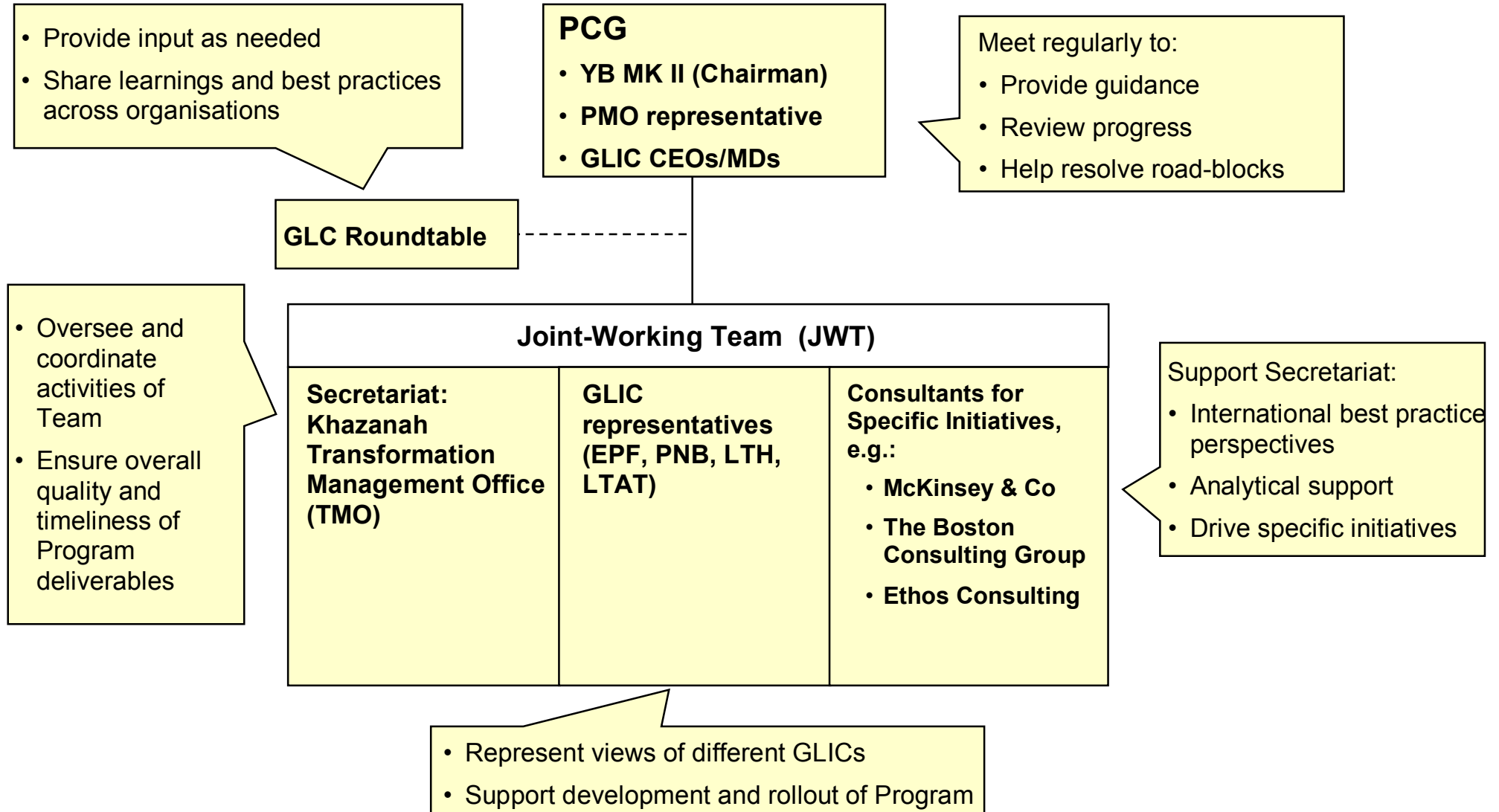
Landscape – Catalysing GLC Transformation to Advance Malaysia's Development

2007 Asian Roundtable on Corporate Governance

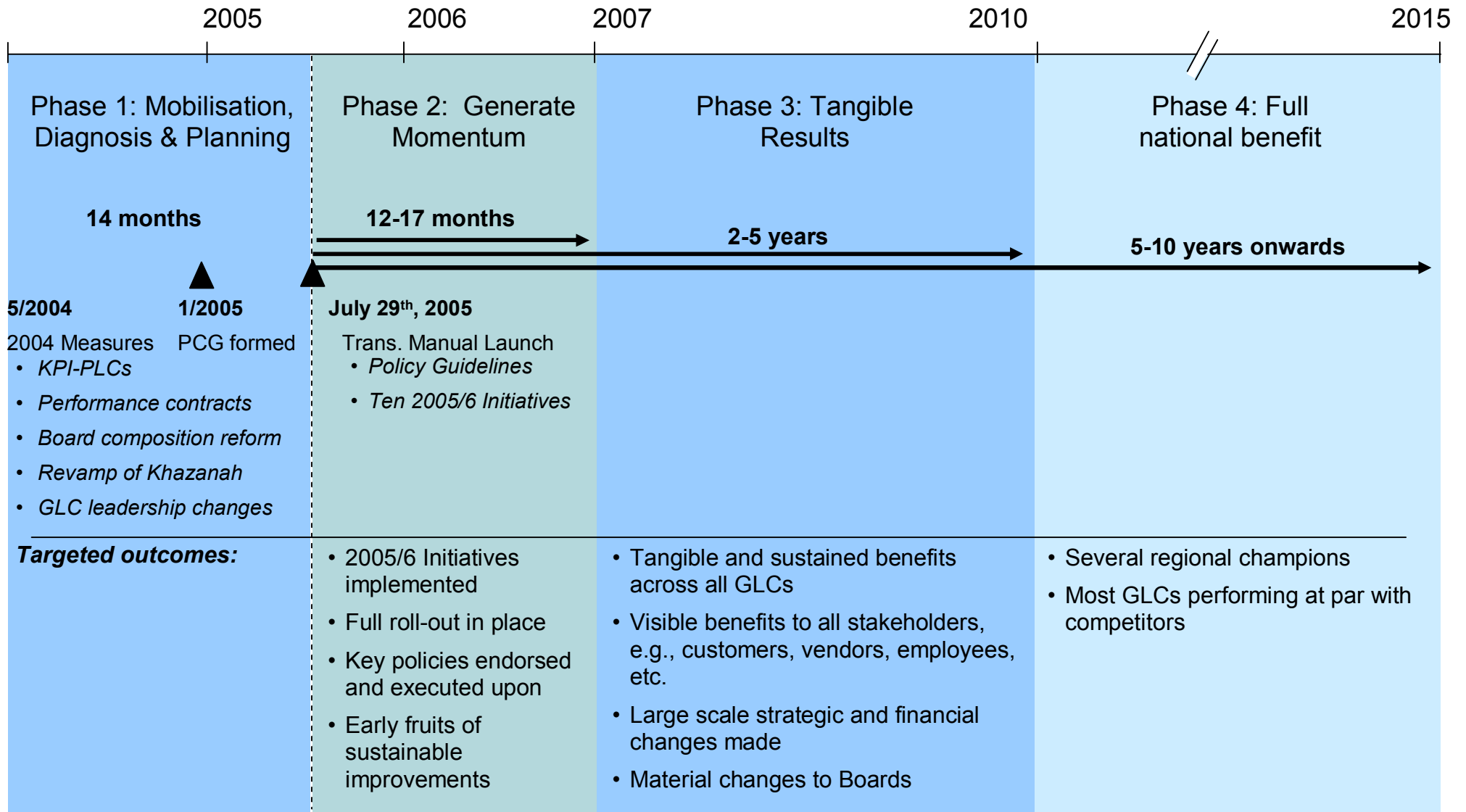
Cebu, Philippines, 18-20 April 2007



TMO SUPPORTS THE PUTRAJAYA COMMITTEE FOR GLC HIGH PERFORMANCE (PCG)



GLCT IS A LONG-TERM PROGRAM



GLCT POLICY THRUSTS

Underlying Principles of GLCT:

- National development foundation
- Performance focus
- Governance, shareholder value and stakeholder management

Policy Thrust 1:
Clarify the GLC mandate in the context of national development

Policy Thrust 2:
Upgrade the effectiveness of Boards and reinforce the corporate governance of GLCs

Policy Thrust 3:
Enhance GLIC capabilities as professional shareholders

Policy Thrust 4:
Adopt best practices within GLCs

Supported by ten overarching themes of initiatives

Policy Thrust 5:
Implementing the GLC Transformation Program



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10 OVERARCHING THEMES OF THE INITIATIVES

Initiative	Description
1 Enhance Board effectiveness	'Green Book' on enhancing Board effectiveness through revamping Board practices and processes (based on pilot).
2 Strengthen Directors capabilities	Director Academy to be established. Strategies for sourcing effective Directors currently being developed.
3 Enhance GLIC Monitoring and Management functions	Learnings from pilot GLIC to enhance the processes and capabilities of its M&M function and establish 'Nominee Director Term Sheets.'
4 Improve regulatory environment	Guidelines to assist GLCs build regulatory capabilities and the development of a Regulatory Knowledge Network involving relevant GLICs and GLCs.
5 Clarify social obligations	'Silver Book' with Guidelines to assist GLCs in clarifying and quantifying their social obligations based on 2 pilots.
6 Review and revamp procurement	'Red Book' to provide best practices, clarification on government policies and the role of GLCs in developing local suppliers.
7 Optimise capital management practices	'Purple Book' with Guidelines for GLCs to optimise capital management.
8 Manage and develop leaders and other human capital	'Orange Book' to provide guidance to GLCs to develop programs to identify, cultivate and develop leaders and other human capital.
9 Intensify performance management practices	'Blue Book' Version 2.0 launched. Other initiatives to driver performance, such as Headline KPIs, implementation of EVA/VBM to be developed.
10 Enhance operational improvement	'Yellow Book' with guidelines on managing non-core assets, and 'Brown Book' on customer charters, as examples of Initiatives to drive operational improvement and value creation at GLCs

Source: GLC Transformation Manual

GLC TRANSFORMATION PROGRESS, *EXCERPT FROM GLCT PROGRESS REVIEW, INVEST MALAYSIA*

