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**FOR IMMEDIATE RELEASE**

**MEDIA STATEMENT**

**Putrajaya, 20 November 2013**

## **GLCs CONTINUE TO STRENGTHEN KEY INITIATIVES TO ENSURE SUSTAINABLE GROWTH WITH INCLUSION**

- *G20 TSR grows at 13.6% p.a, market cap expands 2.9x to RM403b*
- *G20 preparing their Bumiputera-related KPIs as part of the 2014 budgeting and planning cycle, to be announced in Q1 2014*
- *PRIME launched to benefit 145,000 local non-executive staff in Upward Mobility Schemes*

YAB Prime Minister Dato' Sri Mohd Najib Tun Abdul Razak, at the 25th meeting of the Putrajaya Committee on GLC High Performance ("PCG 25") today, called on Government-Linked Investment Companies<sup>1</sup> ("GLICs") and Government-Linked Companies ("GLCs") to prepare for the transition or "graduation" of the 10-year GLC Transformation Programme ("Programme") by strengthening initiatives to support the nation's sustainable growth on an equitable basis. This will ensure inclusivity and social justice in the community, with the Programme underpinned by the concept of being market-friendly and merit-based. In his opening address, the Prime Minister expressed his full support to the Programme and reiterated the Bumiputera Agenda ("BA") as a core component of the National Agenda. The BA is in line with the Programme's underlying principles of growth with equity which entails, *inter alia*, the development of the Bumiputera community that would lead to social harmony in the country.

### **GLCT continues steady progress in its 9<sup>th</sup> year**

The Programme which is now in its ninth year of a 10-year journey, continues to record steady progress with the G20<sup>2</sup> Total Shareholder Returns ("TSR") growing at 13.6% p.a. and G20 market capitalisation expanding 2.9 times to RM403b since the start of the Programme from 14<sup>th</sup> May 2004 until 25<sup>th</sup> October 2013. GLCs continue to be on a robust growth trajectory with some making significant inroads into regional markets which has a positive strategic impact on the national economy by supporting the New Economic Model ("NEM") and improving overall efficiencies. The Programme's success thus far, has also positively impacted all levels of stakeholders with customers, employees, suppliers and the most important stakeholder – the people. With the ongoing success of the Programme, GLCs have also significantly increased their Corporate Social Responsibility activities and touched more lives.

The transformation of the GLCs has yielded wide-ranging results and has strengthened their capacity to play a major role in helping Malaysia become a developed nation by 2020.

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1. The five GLICs are Employees Provident Fund, Khazanah Nasional Berhad, Lembaga Tabung Angkatan Tentera, Lembaga Tabung Haji and Permodalan Nasional Berhad  
2. G20 is a selection of large GLCs controlled by GLICs under the GLCT Programme and is used as a proxy for the performance of the GLCs. This list originally comprised 20 GLCs. It currently consist of 17 GLCs due to various mergers, demergers and other corporate exercises over the years



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### **GLCs' strong commitment to the Bumiputera Economic Empowerment programme in a balanced and professional manner**

The BA has always been the Government's core national agenda and one of the three underlying lynchpins of the Programme since its launch in July 2005. Under the Programme, the BA continues to be implemented through various key action steps, namely through business and entrepreneur development (vendor development, divestment process, new businesses), human capital development, corporate social responsibility, dividends and tax distribution. In addition, the Bumiputera Economic Empowerment ("BEE"), announced by YAB Prime Minister on 14<sup>th</sup> September 2013, outlines the next phase of GLC contribution to the BA. The BEE will instill the right skill sets and direction to ensure implementation of the BA in GLCs in a professional, market-friendly and merit-based manner with proper attention given to ensure social justice and inclusivity.

Going forward, the GLCs pledge to intensify the BA efforts through the various initiatives. The GLCs are in the midst of designing BA KPIs to be rolled into their 2014 plan. In addition, the GLCs are expected to introduce "game-changing" initiatives by early next year.

### **Launch of Program Majudiri 1Malaysia ("PR1ME"), a programme-wide Upward Mobility Scheme ("UMS") to allow non-executives to grow professionally**

The PCG in its 25<sup>th</sup> meeting has also launched Program Majudiri 1Malaysia or PR1ME to guide the GLCs in implementing their respective UMS initiatives over the next 12 months.

UMS is a scheme specially designed to give non-executive staff opportunities to grow within their organisations. This initiative by the GLCs is very important given that 40% of G20 total employees (or about 145,000 employees from approximately 360,000) are non-executive Malaysian employees. The UMS has thus been designed to extend stakeholder benefits to this particular group to ensure inclusivity and industrial harmony. It involves equipping non-executive staff with skills, competencies and knowledge for professional growth and consequently, improving their socio-economic wellbeing. Today, 16 members of the G20 have a UMS scheme compared to 11 in 2012.

### **Programme moving into its last phase towards "Graduation"**

The 10-year Programme is scheduled to end in July 2015. The PCG is finalizing the post-graduation route which will have more details next year.

**END**

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## About The Putrajaya Committee on GLC High Performance (“PCG”)

The GLC Transformation Programme (“GLCT”) was soft launched on 14 May 2004 and officially launched on 29th July 2005. The PCG was formed in January 2005 as a steering committee for the Programme and drives the transformation of GLCs into high-performing entities. PCG is currently chaired by the Prime Minister and consists of representatives from the Minister of Finance Incorporated and the Prime Minister’s Office as well as participation from the heads of the Government-Linked Investment Companies (“GLIC”) namely Employees Provident Fund, Khazanah Nasional Berhad, Lembaga Tabung Angkatan Tentera, Lembaga Tabung Haji and Permodalan Nasional Berhad. Khazanah is the secretariat to the PCG and manages the roll-out and implementation of the GLCT Programme.

A secretariat to the PCG, the Transformation Management Office (“TMO”) has been established at Khazanah and given the responsibility for managing the roll-out and implementation of the GLCT Programme.

## Current G20 Companies

1. Affin Holdings Berhad
2. Axiata Group Berhad
3. BIMB Holdings Berhad
4. Boustead Holdings Berhad
5. CIMB Group Berhad
6. Chemical Company of Malaysia Berhad
7. Malayan Banking Berhad
8. Malaysian Airline System Berhad
9. Malaysia Airports Holdings Berhad
10. Malaysian Building Society Berhad
11. Malaysian Resources Corporation Berhad
12. Sime Darby Berhad
13. Telekom Malaysia Berhad
14. Tenaga Nasional Berhad
15. TH Plantations Berhad
16. UEM Group Berhad
17. UMW Holdings Berhad