GLICS & GLCS CONTRIBUTING TO OTHER NATIONAL DEVELOPMENT INITIATIVES





Government Transformation Programme, Economic **Transformation Programme,** and other national initiatives



Promoting **inclusivity** by enhancing diversity of their workforce in terms of gender, ethnicity and age and improving work-life practices







Active involvement in economic corridors as master planners. developers and investors



Leading in the implementation of minimum retirement age, minimum wage and providing employment to 225,050 Malaysians in 2014



Delivered major infrastructure projects such as High Speed Broadband, Penang Second Bridge, KL Sentral and klia2



Key players and contributors to the growth of the sukuk market by pioneering the issuance of landmark innovative sukuk

Professionalising the Bumiputera Empowerment Agenda by implementing various initiatives in a market-friendly, meritbased and transparent manner



G20 represented half of the Top 10 constituents on the FTSE Good Bursa Index, which recognises Malaysian companies with corporate responsibility practices

THE WAY FORWARD - 2015 AND BEYOND



TOUGHER EXTERNAL ENVIRONMENT

Volatile and uncertain global

Higher performance bar

Disruptive innovation

Greener and sustainable business practices

Greater demand to assist with nation building

NEW AND EXISTING CHALLENGES

Softening financial and operational performance

Next wave of growth harder to achieve

Heightened pace of globalisation, liberalisation and regulations

Complexity of operating in multiple geographies

Talent and human capital

Potential hubris and complacency



WAY FORWARD -

DELIVER HIGH PERFORMANCE

- Become world class companies and global champions
- Meet and set global standards
- Embrace leading business practices

BUILD & SHAPE THE NATION

- Continue executing the 5 Roles
- Support and shape other national priorities
- Grow with inclusivity and sustainability

BECOME STRONG INSTITUTIONS

Elevate from good governance to strong institutions

ESTABLISH A SUCCESSOR ENTITY

- Sustain the 3 Underlying Principles of the Programme
- Contribute to the country's 2020 ambition
- Foster business collaboration

PUTRAJAYA COMMITTEE ON GLC HIGH PERFORMANCE (PCG)



GOVERNMENT-LINKED INVESTMENT COMPANIES (GLICs)











色

G20

|E}



MRCB

















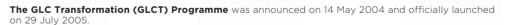












Government-Linked Investment Companies (GLICs) are defined as Federal Government-linked investment companies. There are five GLICs which come under the GLCT Programme namely Employees Provident Fund (EPF), Khazanah Nasional Berhad (Khazanah), Lembaga Tabung Angkatan Tentera (LTAT), Lembaga Tabung Haji (LTH) and Permodalan Nasional Berhad (PNB).

Government-Linked Companies (GLCs) are defined as companies that have a primary commercial objective and are under the control of a GLIC. A GLIC has control over a GLC when it is the majority shareholder or single largest shareholder and when it has the ability to exercise and influence major decisions such as appointment of board members and senior management, award of tenders and contracts and so on. Subsidiaries of such GLCs fall under the purview of the GLCT Programme. The GLCT Programme excludes state controlled or state-linked companies.

G20 is a selection of large GLCs controlled by GLICs under the GLCT Programme and is used as a proxy for performance of the GLCs. This list originally comprised of 20 GLCs but currently stands at 17 due to various mergers, demergers, divestments and other corporate exercises over the years.

www.pcg.gov.my

GLC TRANSFORMATION PROGRAMME GRADUATION REPORT CAR

AUGUST 2015



GRADUATING TO A HIGHER CLASS Nation Building, Touching Lives



DELIVERING FINANCIAL PERFORMANCE

G20 Total Shareholder Return 11.1% p.a. from 14 May 2004 to 28 July 2015

grew **2.9**x

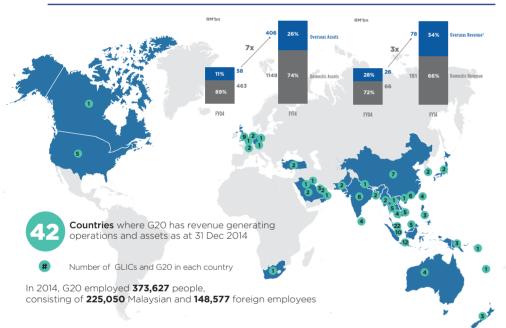
G20 Return On Equity hit

11.0% p.a. from FY04 to FY14



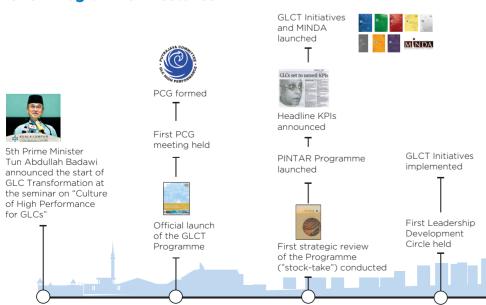


Internationalisation of GLICs & GLCs



GLCT Programme Milestones

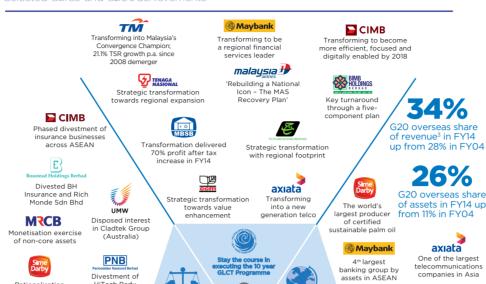
2004



CATALYSING NATION BUILDING

5 Roles of GLICs & GLCs in the New Economic Model (NEM)

Selected GLICs' and G20's achievements



Rationalisation by divestment of **※** POS TO TIME Strategic divestment of Pos Malaysia







Transformational synergy between Affin

and Hwang DBS

MALAYSIA

MITSUI&CO., LTD.

Joint venture with

Mitsui Fudosan

Outlet Park KLIA

Setia Sime Darby

Battersea Power Station

(Pintar

Foundation (PF)

White Book 🌅

launched

UMCORS

UMCoRS

launched

2008

PINTAR

launched





INVEST 200

⊘≡ms

launched

launched

Graduate Employability

Management Scheme

SEJOHTERA

Yayasan Sejahtera

Second strategic

review of the

"stock-take")

Programme

conducted

2009

YAB Prime Minister Dato' Sri Mohd

Najib reaffirmed the GLCT Programme







UEM © SUNRISE

5 roles of GLICs

and GLCs in New

Economic Model

2010

announced



UMW

Regional

presence in 14 countries

ccm



G20 domestic investments ma from EYO4 to EY14

PINEWDDD

AIRPORTS First Asian company

to fully own an European airport

■ CIMB

5th largest banking group in ASEAN

axıata

ched Axiata Digital Services and edotco

TENAGA NASIONAL

GLC

Inaugural GLC

Open Day held

2011

BENEFITTING ALL STAKEHOLDERS

Excluding GLICs, G20 paid...

RM108.6bn

from FY04 to FY14, enriching the investing public and contributors to trust agencies such as EPF and PNB

RM**62.7**bn

from EY04 to EY14, benefitting the

Customers

in dividends

At least 285 international and local customer-related awards won by G20 from 2004 - 2014

THE WALL STREET JOURNAL. Top 5 Most Admired Companies (2009)

Gold Award for Customer Relationship Management (CRM) Implementation in Contact Centres (2011)

Banker Best Customer Service Provider, Asia (2014) Bank of the Year, Malaysia (2010, 2012, 2014)

Best Private Banking Service, Malaysia (2014)

Islamic Issue Category (2014) **STARMINE Starmine Asia Industry Analyst Award (2013, 2014) ASIA ACCIFIC Sest Telecom Group (2009, 2010, 2011, 2012, 2013, 2014)

Fixed Broadband Service Provider of the Year (2012, 2013, 2014)

rost & Sullivan Malaysia Excellence Award or Pharmaceutical Company of the Year

World's Top 5 Best Airport (40-50 Millior Passengers Per Annum Category) (2013, 2014, 2015)

The Skytrax World Airline Awards - 5 Star Rating (2006, 2007, 2008, 2009, 2010, 2011 2012 2013)

Employees

373,627

employed by G20 in 2014, of which **225,050**

RM4.0bn spent by G20 on to and development over the years 2004-2014

3,781

non-executivesbenefitted from participation in G20's upward mobility schemes (UMS) since its launch in 2013

Vendors & Suppliers

RM98.2bn RM1.8bn worth of business

programmes (VDPs) in 2014

66,583

ousiness opportunities by G20 in 2014

1,307

Society

RM6.0bn **spent** on GLICs and

G20 corporate responsibility endowments from 2004 to 2014

SEJ@HTERA 6,458

low-income families benefitted from Yavasar Sejahtera from 2009 to 2014, funded by G20 and other companies

Pintar

184,052 students

programmes in 326 G20 adopted schools from 2007 to 2014

©≡ms slim

4,589 6,900

nder the Graduate Employability
Management Scheme
(GEMS) and Skim Latihan 1Malaysia (SL1M) by G20 from 2009 to 2014

committed by GLICs and under GEMS and SL1M





Highest achievement in G20 Headline KPIs at 77%

Implementation of minimum wage led by GLCs

2012



2013

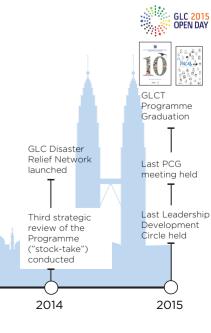


EKONOMI BUMIPUTERA

VAB Date Set Methol Rigits bits Tun Abdul colonial Mescleri The Set of 2013 Devois As the Set of Conscious Devois As the Set of Conscious Devois As the Set of Conscious Devois As the Set of Conscious

Bumiputera





Source: G20 annual reports, GLICs & G20 submissions to PCG Secretariat, Bloomberg, PCG Secretariat analysis

1 FY14 extraordinary break-up basis adjustments due to the restructuring of MAS have been excluded to provide a fair view of operational performance

2 Economic Profit (EP) started being tracked since the official launch of the GLCT Programme in FY05

2006

2007

³ Revenue consists of non-bank revenue and banking income (gross interest income, fee-based income and gross Islamic banking income) Note: MAS has been excluded from G20's TSR and Market Capitalisation computations, due to its delisting

2005