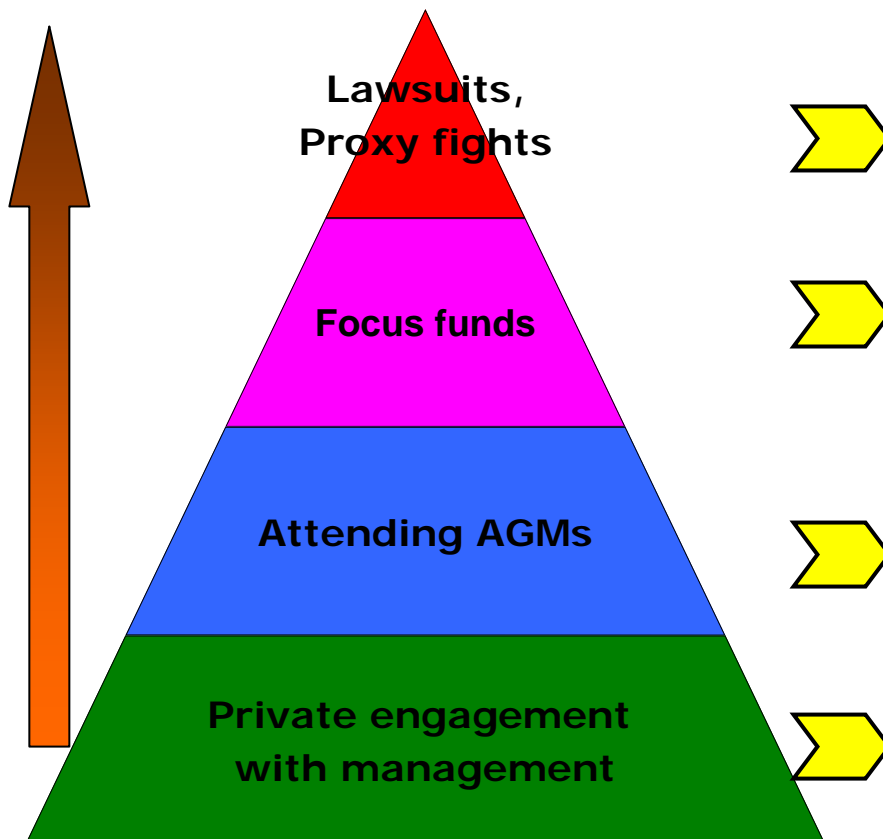


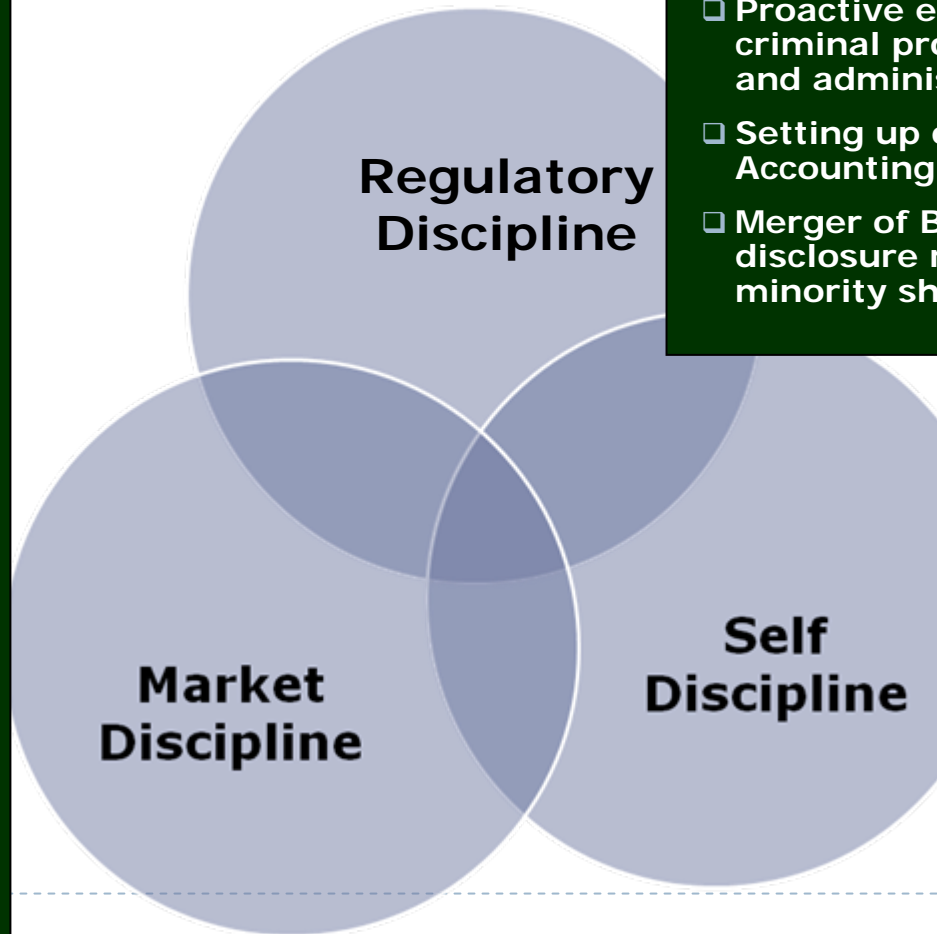
# 1. State of shareholder activism in Asia



Year 2000	Year 2009
A handful of outspoken activists	Not common and still very limited
Generally no focus funds existed	A few focus funds established and practice proxy voting. Eg. Korea Corporate Governance Fund, Japan Corporate Governance Fund
Only small number of retail shareholders attending AGMs. Shareholder groups at nascent stage.	Shareholder groups more active. Retail shareholders actively participating on the rise.
Only a few institutional funds or private equity funds engage actively with management	Rising proactive private engagement by institutional investors

## 2. Three Catalysts for Sound Governance

- ❑ Disclosure based regime. Onus on investors to make decisions
- ❑ Higher transparency required
- ❑ More informed and savvy market players
- ❑ Increased level of shareholder activism
- ❑ Other market players to play their roles effectively – MSWG, media, auditors, fund managers, inst and retail investors and Independent advisers
- ❑ Companies often need external pressure before acting



- ❑ Enhanced surveillance
- ❑ Proactive enforcement through criminal prosecution, civil action and administrative sanctions
- ❑ Setting up of Public Company Accounting Oversight Board
- ❑ Merger of Boards and enhanced disclosure requirements for minority shareholders' protection

- ❑ BOD - 1<sup>st</sup> line Gatekeeper
- ❑ Oversight Role
- ❑ Board balance
- ❑ Transparent
- ❑ Audit Committee members to be financially literate
- ❑ Need for substance over form
- ❑ Auditors to play their role effectively



### 3. Raising the Level of Shareholder Activism

**Various stakeholders need to be vigilant**

#### Watchdogs & Gatekeepers

- Institutional Shareholders
- Retail Shareholders

**Creditor  
Boards**

**Professionals  
Auditors  
Media**

**Investors  
MSWG**

#### Other Efforts

- Civil action
  - Market manipulation & insider trading
  - Enhanced prospectus disclosure obligations on directors, officers and advisers
- Enhancement of audit quality and independence
- Formation of Public Company Accounting Oversight Board

# Shifting the paradigm...

- ❑ Shareholder-driven moves can unlock shareholders value
- ❑ Active shareholders influence the company's behaviour
- ❑ Alleviate boardroom complacency and bring about positive changes towards enhancing shareholders value in a more timely manner

## 4. MSWG's Initiatives

- ❑ Enhanced monitoring services
  - Attending AGMs
  - Producing AGM reports
- ❑ Investor awareness programmes
- ❑ Dialogues and forums with both retail and institutional investors
- ❑ Enhanced website for more interactive communication
- ❑ MSWG Policy Statement On Corporate Governance and Shareholder Voting Guidelines
- ❑ MSWG pool of independent directors
- ❑ Malaysian Corporate Governance Index 2009

# MSWG Products & Services

Main products & services:

- ❑ **Subscriber Services for both retail and corporate, which include:**
  - Letters to the Board of PLCs on points to be raised at the AGM
  - Interactive website
  - *MSWG-Tracker* which include corporate actions, directors links, related party transactions (being fine tuned)
- ❑ Pre and Post AGM Reports for monitoring services
- ❑ Research Publications such as Corporate Governance Survey and Dividend Survey
- ❑ Malaysian Corporate Governance Index 2009 (MCG Index 2009)

# Interactive website: www.mswg.org.my



The screenshot displays the MSWG (Minority Shareholder Watchdog Group) website. The header includes the MSWG logo and the full name of the organization: **MINORITY SHAREHOLDER WATCHDOG GROUP** and **BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**. Below the header, there is a navigation bar with links such as "About Us", "AGMs & EGMs", "Media Releases / News & Commentaries", "MSWG Forums / Seminars", "Speaking Engagements", "Resources & Publications", and "Links".

The main content area is divided into several sections:

- Latest Media Releases:** A list of recent news items with dates and brief descriptions, such as "MSWG AGM/EGM weekly watch June 22-26" and "MSWG introduces Malaysia Corporate Governance Index 2009".
- Upcoming AGMs/EGMs:** A table listing upcoming annual general meetings and extraordinary general meetings for various companies, including dates and company names.
- MSWG Tracker:** A section for subscribers to track corporate actions, including mergers, acquisitions, and dividends.
- Public Forum Discussion:** A section for users to discuss corporate governance issues, with topics like "Disposal of non-core assets by Maxis Airports Holdings Bhd" and "Brokerage Fee".
- Highlights of Events:** A section for upcoming events, such as the "Launch of Malaysian Corporate Governance (MCG) Index on 8 June 2009".
- Subscriber Services:** A section for subscribers to view their subscription details and manage their preferences.

The website also features a search bar, a login form, and a footer with contact information and a disclaimer.



# Views in the press

New Straits Times, Business Times - Wednesday, 11 June 2008

**BASAN PENGAWAS PEMESANG SAHAM MINORITI BERHAD**  
(Incorporated in Malaysia • Company No: 524989-M)

NEW STRAITS TIMES - BIZNEWS  
(Thursday - 2 April 2009)

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD  
(Incorporated in Malaysia - Company No: 524989 -M)

UTUSAN MELAYU - BISNES  
(WEDNESDAY - 3 JUNE 2009)

Students having completed will pay more attention to good ID.

The new unit aims to promote good practices in CE, among both companies in Italy and international better CE standards through recognition and promote information as well as practices on CE standards.

It is hoped that companies achieving a high level of excellence will pay more attention to CE. (M. G. Rossi, chief executive officer of the Istituto Italiano per lo Sviluppo in Italia Language pro-

vided by the grant CE practices, except for Italian, is the only CE practice actually awarded PMT in 2005 and also those that fail to conduct their annual reports by June 2005.

The CE Index, an 80000+ initiatives, is an accumulation of the practices offered by companies in Italy. The CE Index is a ranked compilation of the best CE practices, grouped by the size of the company and the level of CE, which, they intend to award annual reports.

7746, however, is the first

Boston said that every major food company would

As a result, the industry is at a disadvantage to other companies in some areas.

The top 100 companies will be identified for an equal weighting financial performance, and a Green and Transparency

KUALA LUMPUR 2 Jun - Kumpulan Pengarah Pemangkas Sidang Minori (MSWG) mempela individu yang berpengalam dan berkemahiran dalam bidang-bidang khusus untuk menyertai kumpulan itu dengan tujuan menyediakan pengarah berkecuali untuk menjalankan tugas-tugas (JLC), kata Ketua Pegawai Eksekutif, Rita Benoy Bushoon, hari ini.

"Kami akan mengahantar surat ke-

pada badan badan profesional bagi tujuan ini dan mereka yang dicadangkan akan dikategorikan mengikut kemahiran masing-masing," katanya kepada pemberita pada Sidang Kemuncak Audit dan Tadris Urus Asia Pasifik Kelima 2009 di sini. Pada majlis itu, MSWG mengumumkan kumpulan itu, kata Rita.

MSWG telah menerima permintaan daripada PLC untuk membantu

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dapat me  
lengkap  
hari ini  
Cicile Go

mereka mendapatkan pengaruh be-  
hai berkualitas, jelasnya.

Seorang individu itu pernah ber-  
miprat pengalaman selama sekurang-  
kurangnya 10 tahun pada peringkat  
pengajaran dan berusia lebih 40 ta-  
hun untuk menyertai kumpulan itu.  
Sidang kemuncak tahun itu yang ber-  
langsung selama tiga hari bermula  
hari ini dianjukan oleh Columbus  
Circle Governance. - BERNAMA

**▶ "Dance It"**  
Dance. Whichever (or both) of these two options you choose, you'll be able to deduct the cost of the dance. But if you're a taxpayer who's not a member of the church, you'll have to make sure you're not deducting the cost of the dance as a charitable contribution. If you are, you'll have to substantiate the deduction with a receipt from the church. If you're not a member of the church, you'll have to make sure you're not deducting the cost of the dance as a charitable contribution. If you are, you'll have to substantiate the deduction with a receipt from the church. If you're not a member of the church, you'll have to make sure you're not deducting the cost of the dance as a charitable contribution. If you are, you'll have to substantiate the deduction with a receipt from the church.

Oriental Daily News, Oriental Business - Saturday, 10 January 2009

《香港9日訊》小股東權益監督機構(HSMG)新任主席郭利波，在其宣誓就職的記者會上，針對亞洲航空(AIRASIA, 5099, 主板貿易板)和森蘭美(50ME, 4187, 主板貿易板)涉及投訴及重建廉價航站的講題表示，將對森蘭美在近期計劃是否做出正確投資決定做出評估，並會在五日後對外發表聲明。

除了森那美,她表示,该机构也关注多元工业(IHHCOM161)主修工业股。近期宣布收购土地的议案。多元工业于去年12月特宣布其子公司HCOM产业私人有限公司、向拿智姐益阿拉和莫地来纳两人Bersa Kertila私人有限公司和Serica Prima私人有限公司的所有权。该收购价值2.22465万3000令吉。

Bernie Kurnia和Neraca Prima都是特别投资公司，共持有3片位于新山的土地，占地约161万公顷。多元置业主要是通过卖地、发售银行保证金和租金的方式来支付以上交易。

另一方面，前述表示，在旗下小股东权益监督机构执行主席的帽子后，他将为小股东发声，以及维护小股东利益，作为她首要工作准则。她解释，该机构的首要任务就是拓展网络沟通平台及线上服务。

该机构正计划建立一个网站,让股东自由发表言论与交换意见,成为一个完美的交通管道。另一方



面，还将提升该机构的服务能力，如加强对上市公司的政策宣传与咨询服务。

同时,该机构代选出席的各大公司股东常年大会所记录的会议议程或会议结果,将上载到网上供网友订户参阅。如此,股东不必亲赴社会,也能掌握股东大会的会议内容。

目前,小股东权益监督机构是250家上市公司的股东。由于人力资源有限,该机构只专注监督其中的140家上市公司。柯达表示,她渴望以后以1人监督1家上市公司的模式扩大监督工作与范围,但不会在近期执行。

[illegible]

held an open hearing to take along with the US Camp cases. If the Project is declared null and void, thereby, says US, Project's performance is hanging in the air.

Those who wish to see justice in the nullified case of US Camp will have three recommendations: (1) nullify the case; (2) return the land; (3) pay compensation.

They will be helped in this nullified US Camp case, says the attorney for the nullified US Camp, because the nullified US Camp is not nullified.

They would also be assisted in obtaining payment for the nullified US Camp, says the attorney for the nullified US Camp, because the nullified US Camp is not nullified.

THE STAR - Starbiz  
(Wednesday - 4 March 2009)

### MMC investors want another independent valuation on SATS deal

**By DANNY YAP**

**KUALA LUMPUR:** Institutional and retail investors of CIMB Islamic Finance Corp Bhd want a second valuation on the proposition by MMC of the new Senai Airport Terminal 1.

A number of the minority stockholders, both institutions and individuals, were present at the meeting and expressed their concerns over the valuation process.

However on Aug 4, announced to the stock that the SATS valuation RM1.95bil to be satisfied

© 2005 Blackwell Publishing Ltd, *Journal of Internal Medicine* 257: 111–118

But on Dec 5, 2008, MMC took Bursa's company was prepared to acquire SATS for RM1.7bn and that payment would be made by cash and not internally generated funds and disposal of some assets as well as external borrowings.

This prompted the stock exchange to query MMC on Dec 10 for the reason for the price hike.

MMC said that the price hike was due to the fact that shares in cash and also the fact in price.

Minority shareholders at yesterday's meetings said since the acquisition involved a hefty sum of money they felt a second round of meetings were needed to ensure that the transaction was to ensure an objective and fair market price.

Moreover, SATS said a lost a money-making, they said.

The minority shareholders also wanted to know in greater detail how the acquisition of SATS was

100

[illegible]

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# MCG Index 2009

## Objectives

- ❑ To **PROMOTE** best practices in CG amongst PLCs which can be showcased locally and globally
- ❑ To **INCENTIVISE** better CG standards through recognition
- ❑ To **PROVIDE** information and guidance on CG standards

# MCG Index 2009

## Salient Features

- ❑ **Industry driven** led by MSWG
- ❑ Base methodology will filter for **CONFORMANCE** and **PERFORMANCE**
- ❑ **Bonus and Penalty Points** incorporated
- ❑ **Engagement with companies** for top rated
- ❑ **Comments** included from **industry players** for top rated
- ❑ Final **INDEX** based on results that goes beyond box ticking

## 5. Conclusion

- ❑ Shareholder activism is on the rise and is here to stay
- ❑ It is an important market discipline towards better governance
- ❑ Companies with active and engaged shareholders are more likely to be successful in the long term delivering enhanced shareholder's value