

# CORPORATE SUSTAINABILITY STATEMENT

**Bursa Malaysia is a market operator and a regulator, responsible for ensuring the sustainability of the Malaysian capital markets. We are committed to maintaining the highest standards of corporate governance (“CG”) while operating in an economically, environmentally and socially sustainable manner, balancing business opportunities and risks.**

Our sustainability leadership is led by our Board of Directors (“Board”), which oversees and ensures that Bursa Malaysia pursues its regulatory and commercial objectives, and remains a responsible and sustainable organisation. Information on the Board, Board Charter, Governance Model, Board Committees and their Terms of Reference is available on our corporate website.

Our Chief Executive Officer (“CEO”) fortifies Bursa Malaysia’s sustainability practices across the management and operational fronts with a separate Group Management Governance Framework. The CEO who leads the Sustainability Committee reports to the Board of Bursa Malaysia on regular basis, providing updates as well as relevant proposals on the Group’s sustainability strategy and performance for the Board’s review and approval.

We interact with a large number of different stakeholder groups. We empower all our business and functional units to regularly engage with their respective stakeholders on their chosen platforms to ensure that key issues impacting our stakeholders are addressed in our practices and business strategies.

**We have previously reported our sustainability initiatives, categorised into three priority areas namely:**

- **Responsible and Ethical Practices;**
- **Reaching out to Community; and**
- **Managing our impact on the Environment.**

## OUR SUSTAINABILITY FRAMEWORK



We are in the process of reviewing our sustainability approach and disclosing our sustainability practices and performances based on Economic, Environmental and Social (“EES”) considerations, transitioning from reporting based on the four Corporate Social Responsibility dimensions namely Marketplace, Workplace, Environment and Community.

Our stakeholders should read this Statement together with our standalone Sustainability Report (“SR”) as the latter provides a more comprehensive coverage of our approach in managing our material EES risks and opportunities. We first issued our standalone SR in 2011 and have continued to do so annually. Our SRs have made reference to Global Reporting Initiative™ (“GRI”) G3 and subsequently, to G4 Sustainability Reporting Guidelines.

# CORPORATE SUSTAINABILITY STATEMENT



## ECONOMIC

Bursa Malaysia is an exchange holding company established in 1973 and listed in 2005. Today, it is one of the largest bourses in ASEAN, hosting more than 900 companies across 60 economic activities. It operates a fully integrated exchange, offering a comprehensive range of exchange-related facilities including listing, trading, clearing, settlement and depository services. It also has a diverse range of offerings covering equities, derivatives and Islamic products and bonds as well as an offshore financial exchange.

One of the key Entry Point Projects (“EPP”) identified to drive the Financial Services National Key Economic Area under the Economic Transformation Programme is Revitalising Malaysia’s Equity Markets, aiming at increasing Bursa Malaysia’s market capitalisation to RM3.9 trillion by 2020 from RM1.0 trillion in 2010, creating 8,598 jobs by 2020 and improving trading velocity from 31% of total market capitalisation to 60% in line with regional averages.

That being said, we are committed to assisting the development of the Malaysian capital markets, providing the infrastructure needed to create a globally competitive and vibrant marketplace. Our economic values generated, distributed and retained are described in detail in the Financial Statements of this Annual Report 2015 (“AR2015”) where information on grants received and their usage can also be found. Stakeholders can read more about various opportunities and risks in the “From the Board of Directors and Senior Management” section of this Report.

We rely heavily on our 596 employees for our operation. They enjoy various employee benefits such as retirement benefits and share grant plan (“SGP”) as detailed in the Financial Statements of this AR2015. We also rely on our 147 active vendors supplying various needs such as telecommunication services, utilities and office supplies. We practise ethical procurement and vendor management and selection of vendors is governed by the Purchasing Manual.

During the year:

To further facilitate CG and sustainability best practice:

- We launched Bursa Malaysia’s new Sustainability Framework, comprising amendments to the Listing Requirements and the issuance of a Sustainability Reporting Guide and Sustainability Toolkits.
- We became a Partner Exchange to the United Nation’s Sustainable Stock Exchanges (“UN SSE”) Initiative.
- We hosted the Global Sustainability and Impact Investing Forum, organised the Sustainability Symposium 2015 and conducted seminars and workshops for Public Listed Companies (“PLCs”) directors and practitioners.
- We supported industry initiatives such as NACRA Awards and ACCA MASRA Awards.



## ECONOMIC

Bursa Malaysia is an exchange holding company established in 1973 and listed in 2005.

More than

**900**  
Listed  
Companies

across 60 economic  
activities

**Partner  
Exchange**

to UN SSE Initiative

# CORPORATE SUSTAINABILITY STATEMENT



## ENVIRONMENTAL

**Greenhouse Gases (“GHG”) emission reduction target is one of the Key Performance Indicators (“KPIs”) in our Balanced Scorecard.**

Electricity consumption makes up

**96%**  
GHG emissions

GHG emissions reduction target of

**0.5%**  
year-on-year

We reduced our GHG emissions from electricity usage and paper consumption by

**0.4%**  
year-on-year

To improve the market ecosystem and strengthen our own sustainability practices:

- We amended the Main Market and ACE Market Listing Requirements to liberalise related party transactions, enhance regularisation plans for financially distressed listed issuers and provide better clarity on the admission criteria and post-listing obligations of the ACE Market, among others. We issued guidance on rebates on commission for equity brokers and introduced the Bursa Malaysia Derivatives (“BMD”) Clearing Disclosure Framework.
- We launched a new Listing Information Network System (“Bursa LINK”) and an online listing enquiry service dubbed AskListing@Bursa.
- Our BMD was granted registration as a Foreign Board of Trade by the U.S. Commodity Futures Trading Commission (“CFTC”), which enables BMD’s identified members and other participants located in the U.S. to enter trades directly into its electronic trading platform on Chicago Mercantile Exchange (“CME”) Globex to trade BMD products.
- We co-hosted the ASEAN Capital Market CEO Summit 2015 to heighten interest in the ASEAN Exchanges Collaboration Project as well as build an informed investment community and promoted our offerings through initiatives such as Invest Malaysia, Palm and Lauric Oils Conference & Exhibition (“POC”) 2015, 2<sup>nd</sup> Gold & Precious Metals Price Outlook Conference, the inaugural Financial Markets Price Outlook Conference, CBRS Research Scheme, Workshop@Bursa, Evening with Bursa, Investment Talks, CPE Accredited Product-Centric Workshops, Structured Warrants Masterclass, Minggu Saham Amanah Malaysia and Derivatives Day. We also supported our partners in their efforts to promote the capital markets, such as Malaysian Biotechnology Corporation Sdn Bhd in educating its BioNexus status and Bio-economy group of companies on their journey to listing on Bursa Malaysia.
- We enhanced our Securities Transaction Policy, revised our Purchasing Manual and reported our sustainability practices in our standalone Sustainability Report.

## ENVIRONMENTAL

We have taken steps to manage our environmental impact in 2015. However our plan in the future is to review our sustainability approach and disclosure and further identify environmental matters that may be material to our business. While we complied with all relevant legislation and received no environmental management complaints last year, we strived to reduce or avoid any impact of our operations on the environment, setting a Greenhouse Gases (“GHG”) emission reduction target as one of the Key Performance Indicators (“KPIs”).

Electricity consumption makes up 96% of our GHG emissions with paper consumption and business air travel making up the rest. We set an internal quantified GHG emission reduction target of 0.5% year-on-year to ensure that we continue to find ways to avoid any impact on the environment. Our detailed five years’ energy consumption and operations GHG emissions data with all the methodologies, assumptions and conversion factors used can be found in our SR2015, in which our water usage and waste data is also reported.

We promote responsible environmental protection among our employees and stakeholders. We support the Government’s efforts in formulating appropriate climate change policies for the country such as the National Corporate GHG Reporting Programme for Malaysia (“MyCarbon”).

We reduced our GHG emissions from electricity usage and paper consumption by 0.4% year-on-year.

## SOCIAL

We are committed to being an employer that employs good labour and human rights practices for our 596 employees of diverse background. Our Talent Council reviews and approves Talent Management framework, direction and strategy, development programmes and interventions for our talent pool. We offer competitive benefits and compensation to attract and retain the best talents for the sustainability of our company and marketplace. We engage with and invest in our employees, supporting their personal and professional development, inculcating work-life balance and ensuring their health and safety.

# CORPORATE SUSTAINABILITY STATEMENT



Our employees embrace our dynamic, driven and dependable (“3D”) values and uphold the highest ethical standards and business conduct when performing their duties and dealing with our stakeholders, as guided by our Codes of Ethics. We respect and support the right to freedom of association and collective bargaining. A total of 96 or 16% of our employees are members of the National Union of Commercial Workers.

We also interact and collaborate with our stakeholders in making a positive impact on our communities. We have a three-pronged approach in our community investment. First, we invest in community initiatives that enhance capital market awareness and are linked to our business strategy such as our BursaMKTPLC, which is a free retail online platform to reach out to 538 million people in the six ASEAN nations of Thailand, Indonesia, Singapore, The Philippines, Brunei and Malaysia. Second, we invest in initiatives that are aimed at improving lives and creating a meaningful impact such as our Scholarship Programme and The Bursa Bull Charge (“TBCC”) annual charity run, which we channel through our foundation, Yayasan Bursa Malaysia. Lastly, we encourage and financially support our employees in volunteering to help the underprivileged and the deserving in our community.

During the year:

- We invested RM2.0 million in employee development, which includes functional and technical training as well as managerial and leadership skills training. The average learning days per employee was five days. We also educated our employees on the Capital Market via our Capital Market Intelligence Report (“eCMIR”) and inculcated a culture of knowledge among employees as well as the public with Knowledge Centre@Bursa.
- We launched an enhanced Individual Development Plan (“IDP”) and conducted Training Needs Analysis (“TNA”), mid and year-end Performance Reviews and an Employee Engagement Survey to identify further improvement opportunities.
- We improved our Human Capital Management System and revamped our employee portal “My1818” to increase efficiency and make it more interactive as the portal is packed with information on policies, forms, events, activities and e-learning, among others.
- We engaged with our employees through activities such as CEO Conversations, the Staff Annual Dinner, Hari Raya Open Day, Bursa Raya Durian Fiesta, Bursa Treasure Hunt 2015, National Labour Day Celebration and the Employee Engagement Series of articles.



## SOCIAL

We are reaching out to our various stakeholders and we committed to being an employer that implements good labour and human rights practices with regard to our 596 employees.

BursaMKTPLC to reach out to

**538 million**

people in the six ASEAN nations

We invested

**RM2 million**

for employee development

# CORPORATE SUSTAINABILITY STATEMENT

We educated youth on our marketplace

**3,275**  
students

visited the Exchange

Trained

**21**  
young graduates

in our Skim Latihan 1 Malaysia (“SL1M”) training and internship programme

Our employees registered a total of

**3,462**  
volunteer hours



- We engaged the community through Buka Puasa functions with orphans and Tahfiz students, and the National Labour Day Celebration.
- We supported work-life balance through flexi working hours and promoted health and wellness through activities and programmes such as Wellness Campaigns, Awareness and Author’s Talks, the Ministry of Finance Sports Fiesta, Cycling Awareness Week and Bursa Bowling Tournament. We also issued internal communications on health issues such as typhoid outbreaks, the Middle East Respiratory Syndrome (“MERS-CoV”), smoke and haze.
- We educated youth on our marketplace, which included 3,275 students who visited the Exchange, 1,823 students from fifteen universities who joined our Bursa Young Investor Club (“BYIC”), and 637 university students who participated in our Bursa University Day. Also, 50% of 1,514 participants who attended our Bursa Investor Education Workshop (“BIEW”) were students.
- We continued to offer scholarships to students from challenging backgrounds to help them obtain undergraduate degrees from local universities. In 2015, we offered scholarships to five students. We also trained 21 young graduates in our Skim Latihan 1 Malaysia (“SL1M”) training and internship programme.
- We leveraged on our position to bring together 179 corporations and raised RM1.8 million for charity organisations through our fund raising charity run, TBBC 2015. We also held “Beneficiaries’ Day” to enable the TBBC beneficiaries to raise additional funds.
- Our employees volunteered for TBBC and activities at various charity homes such as Rumah Kids, Rumah Charis, Rumah Bakti Nur Shaheera, Al Nasuha Orphanage, Rumah Kasih Pertiwi, Khidmat Baitul Mahabah and Shepherd’s Centre, registering a total of 3,462 volunteer hours.

**CORPORATE SUSTAINABILITY  
STATEMENT**

**NUMBER OF EMPLOYEES**



**596**

**AVERAGE LENGTH  
OF SERVICE**



**13**  
years

**GENDER DIVERSITY**



**54%**  
male

**AVERAGE  
TRAINING DAYS  
PER EMPLOYEE**

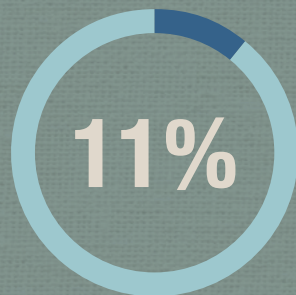


**5**  
days



**46%**  
female

**ATTRITION  
RATE**



**AGE DIVERSITY**

■ Male ■ Female

