

Public



Code of Ethics

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ABBREVIATIONS AND DEFINITIONS

The table below provides abbreviations and definitions used in this policy.

Term	Abbreviations and Definitions
Bursa	Bursa Malaysia Berhad and its subsidiaries / associated companies
CEO	Chief Executive Officer
Employee	All levels of employees of Bursa Malaysia, its group of companies including such persons who are on contract, secondment, apprenticeship, attachment or any persons by whatever description under the supervision of Bursa Malaysia and its group of companies whether remunerated or otherwise.
GHR	Group Human Resources
IA	Internal Audit
RC	Risk & Compliance
Code	Code of Ethics
Whistleblower	A person that makes a report of any breaches of the Code.

1. Introduction

- 1.1 Bursa owes a statutory duty to the public to always act in the public interest and to maintain a fair and orderly capital market. Adherence to ethical values will create and promote an environment of mutual trust, consideration for fellow employees and responsible behaviour. Hence, employees have a duty to serve Bursa with personal integrity, honesty, discipline, transparency and commitment to act in Bursa's best interest.
- 1.2 The Code is reviewed periodically and maintained by GHR. This is to determine its effectiveness, impact and ensure that it is in keeping with market practices.

2. Responsibilities for All Employees

- 2.1 Ethical behaviour at Bursa is required of all employees. All employees of Bursa are required to:-
- observe a basic code of ethical conduct in the workplace;
 - uphold personal integrity and to adhere to the requirements of the law and to observe recognised standards of fair dealing;
 - be dedicated and loyal to Bursa;
 - be responsible for conducting their work in a manner consistent with Bursa's directives, guidelines and policies as issued from time to time; and

- (e) be cautious when dealing with public officials, to avoid, any perception of or suspicion of misconduct and to be attentive to suspicious behaviour by stakeholders in their financial dealings with Bursa.

2.2 If an employee has the role to manage other employees, he or she has the duty to:

- (a) act as a role model, demonstrating ethical behaviour in the performance of your duties;
- (b) help employees understand the Code of Ethics and company policies and have access to resources to help them live the Code of Ethics everyday;
- (c) create an environment where employees are comfortable speaking up without fear of retaliation;
- (d) take seriously any concern raised by an employee that compromises the Code of Ethics, and take time to understand if the issue should be escalated. If so, escalate the matter as soon as possible; and
- (e) recognise ethical behavior.

2.3 Any employee who suspects or who has knowledge of possible violations of the Code should immediately bring the matter to the attention of GHR or IA whichever appropriate. All matters so reported shall be treated and dealt with in complete confidentiality.

3. Code of Ethics

3.1 Company Policies and Procedures

- 3.1.1 Bursa's policies and procedures are necessary for the efficient and effective operation of Bursa to ensure that the business objectives are achieved in a timely and proper manner.
- 3.1.2 Employees shall strictly adhere to all policies and procedures of Bursa. Failure to do so may result in misconduct and disciplinary action will be imposed as in accordance to the Group Disciplinary Policy.
- 3.1.3 If an employee requires further clarification or views any policies and procedures to be inappropriate or outdated, they must highlight their concerns to their respective HOD.
- 3.1.4 HODs should use reasonable care to ensure that effective processes of business controls are in place in their respective area of responsibility.

3.2 Confidential Information

3.2.1 In the course of employment, employees may come into possession of confidential or sensitive information and in particular, confidential and sensitive information relating to Bursa and/or its business associates (“confidential information”). All employees are prohibited from disclosing any confidential information unless authorised to do so by their relevant Heads. It is therefore pertinent that all employees exercise caution and due care in handling any information obtained in the course of their duties.

3.3 Securities and Futures Transaction

3.3.1 Each employee of Bursa has a duty to be conversant with the provisions of Part V, Division 1 of the Capital Markets and Services Act 2007, Part V, Division 2 of the Capital Markets and Services Act 2007 and Part V of the Securities Industry (Central Depositories) Act 1991 (SICDA), and not directly or indirectly involve themselves in any action or activity that amounts to a violation of such provisions by the employees or another person(s).

3.4 Conflict of Interest

3.4.1 The term “conflict of interest” describes any circumstances that could cast doubt on an employee’s ability to act with total objectivity with regard to Bursa’s interests and statutory duties. No employee shall knowingly place himself in a position that would be in conflict with the interest or statutory duties of Bursa. Employees in avoiding situations of conflict of interest shall:-

- (a) Ensure that their personal financial circumstances and transactions do not jeopardise their independent judgment or adversely affect their job performance;
- (b) Not hold any financial or other interest, either directly or indirectly in any stock broking or futures broking company or act for or on behalf of any stock broking or futures broking company;
- (c) Not hold any financial or other interest either directly or indirectly in any contractor, vendor or party having or is likely to have business dealings with Bursa.
- (d) Not have any direct or indirect involvement in other employment (remunerated or otherwise).

3.4.2 Employees shall refrain from taking advantage of their positions or exercising their authority to

further their own personal interests at the expense of Bursa. Where a conflict or potential conflict of interest arises, the employee shall disclose this to the relevant internal parties and recuse himself / herself from any related proceedings.

3.4.3 There are certain circumstances where employees are strictly prohibited from directly or indirectly soliciting, offering or accepting any gift, entertainment or hospitality, to avoid the perception or appearance of potential conflict of interest. Examples include -

- (a) In respect of a particular regulated person, when there is a regulatory action pending vis-à-vis that individual or organisation (e.g. processing of an application for waiver under the rules or investigation of a breach);
- (b) Procurement process (e.g. tender or competitive bidding);
- (c) Placement of funds;
- (d) Negotiations in relation to any contract including the exercise of any right or entitlement, any variation, termination or extension of the same as well as the formalization of the relevant documentation;
- (e) Process to determine any criteria for the recognition of achievements by regulated persons; or
- (f) Recruitment process.

Employees are advised to adopt a more prudent approach when it comes to the above circumstances to avoid potential conflict of interests.

3.5 Gifts, Entertainment and Travel

3.5.1 Bursa Malaysia prohibits the corrupt use of gifts, entertainment or travel, directly or indirectly, to unduly influence business or regulatory decisions, gain an unfair advantage or to retain or win business. Employees are strictly prohibited from soliciting gifts, entertainment or travel from any third party. They are particularly disallowed from giving or accepting gifts, entertainment or travel from parties engaged in a tender or competitive bidding exercise (e.g. vendors or consultants) or parties who are the subject matter of the circumstances mentioned in sub-paragraphs (a) to (f) of paragraph 3.4.3 above.

Bursa Malaysia adopts a “No Gift” policy, subject to certain limited exceptions. At the corporate level, Bursa Malaysia allows the giving or receiving of gifts as follows –

- (a) Official Functions, Events or Engagements
Providing corporate gifts to a third party as tokens of appreciation in relation to the organisation's official functions, events, engagements or celebrations of any kind (e.g. commemorative gifts or door gifts offered to all guests attending the event). The determination of the appropriate corporate gifts to be given shall be in accordance with the criteria approved by the CEO;
- (b) Company Visits or Courtesy Calls
Providing or receiving tokens of appreciation at company level such as gifts exchanged as part of an official company visit or courtesy call, where the gifts received are treated as company property; or
- (c) Charity or Corporate Social Responsibility
Providing or soliciting gifts or donations to or from third parties (e.g. monetary gifts or gifts in-kind) for charity or CSR related purposes, including donations given by Yayasan Bursa Malaysia in accordance with its constitution.

- 3.5.2 In line with the "No Gift" policy employees are generally prohibited from accepting or offering gifts to any third party. Employees may only accept or offer gifts to any third party in the limited exceptions where there is no conflict of interest in accepting or offering the gift and the gift is –
- (i) a corporate gift (bearing the corporate logo) of a nominal value (i.e. something small or is a small gesture), worth not more than RM250 and is equally offered to all persons from the same category (e.g. employee receiving the same gift offered to other speakers where the employee was also a speaker); or
 - (ii) a perishable item (e.g. fruits, festive cookies or delicacies offered during festive seasons).
- 3.5.3 Employees must declare and report the receipt or giving of a gift under paragraph 3.5.2 (ii) to the supervisor who is at the level of Head of Department and above. In respect of the receipt of such gift, the approving supervisor must determine whether to:-
- i. donate the gift to charity; or
 - ii. allow the employee to retain the gift, subject to the condition that the employee donates an amount equivalent to the worth of the gift, to charity.
 - iii. allow the gift to be fairly distributed or shared among Bursa Malaysia's employees.

- 3.5.4 Under no circumstances may an employee accept gifts in the form of cash, fees, rewards, sponsored travel and holidays, benefits-in-kind, tips, commissions, vouchers, complimentary tickets for concerts, sports events, movies, theatres or sporting equipment or accessories.
- 3.5.5 Employees are prohibited from indirectly soliciting, giving or receiving gifts including, through their family members, namely their spouse, parent, child, including adopted child and stepchild, brother, sister and the spouse of the child, brother or sister.
- 3.5.6 For the avoidance of doubt, this “No Gift” policy does not apply to the acceptance or offering of gifts by employees from or to their relatives, friends or acquaintances who have no current nor prospective business dealings with Bursa Malaysia and where it will not give rise to any potential or perceived conflicts of interest.
- 3.5.7 Bursa Malaysia employees are not allowed to accept entertainment from third parties except in the form of meals or corporate hospitality that is acceptable at the corporate level. Employees may offer or accept meals from business associates or stakeholders where all the following conditions are met–

(a) Valid Purpose

It is for a legitimate business purpose or to build goodwill to strengthen business relationships and is not solicited or given as a bribe, payoff or kickback. It would not unduly influence the outcome of any business or regulatory decision, influence or appear to influence the performance of the employees’ duties in any aspect or create any conflict of interest;

(b) Proportionate

The value of the meal is reasonable and appropriate in the context of the business occasion. In this respect, the value of not more than RM250 per person will be considered reasonable in a local setting while the value of not more than USD100 per person will be considered reasonable for an overseas setting;

(c) Frequency

The offer or acceptance of meals with the same party, shall not be more than 4 times a year; and

(d) Approval for Offering Entertainment

Only certain Bursa Malaysia employees are eligible to entertain and in doing so, they must

comply with the Entertainment Policy including obtaining prior approval for the entertainment expense, where required.

- 3.5.8 Bursa Malaysia does not allow third parties to sponsor the travel expenses of any employee, or Bursa Malaysia itself to sponsor the travel expenses of any third party, except in limited circumstances where all the following criteria are met -

(a) Valid Purpose

It is for a legitimate business purpose (e.g. the person sponsored is a speaker of an event organised by the sponsoring organisation) and not to unduly influence the outcome of any business or regulatory decision or create any conflict of interest;

(b) Proportionate

The class of travel and accommodation are reasonable and appropriate. In the case of the employee, the class of travel and accommodation shall be consistent with what the employee is entitled to under the Employee Handbook. In the case of a third party, the class of travel and accommodation shall be at least on par with what the third party is entitled to under his or her employee entitlements;

(c) Relevance

Where the sponsorship is for an employee, the selection of the employee shall be based on relevance to the employee's job function or expertise; and

(d) Approval

Approval by the CEO is obtained, in accordance with the Corporate Authority Manual.

3.6 Dishonesty / General Conduct

- 3.6.1 Employees shall strictly comply with Malaysian laws, and rules and regulations that are currently in force. Employees shall not be involved in or aid or abet any activity that is a criminal offence punishable by imprisonment or one where the relevant authorities deem as an activity that requires the employee to be placed under any legal order of restricted residence or banishment.
- 3.6.2 Employees shall not be involved in or aid or abet any activity that is deemed by Bursa to be a misconduct which includes, amongst others, money laundering activities.
- 3.6.3 Any employee who becomes aware of any such activities as above is required to report such

matters immediately to the GHR or IA whichever appropriate who is empowered to conduct a full investigation. Bursa further reserves the right to report any actions or activity suspected of being of a criminal nature to the police or other relevant authority.

3.7 Sexual Harassment

- 3.7.1 Sexual harassment by or of any person employed by Bursa, is unacceptable and strictly prohibited. Employees are to be guided by the provisions contained in the “Code of Practice on the Prevention and Eradication of Sexual Harassment in the Workplace” issued by the Ministry of Human Resources, Malaysia.
- 3.7.2 Due to the sensitive and personal nature of sexual harassment complaints and to protect victims from further embarrassment, all reports / complaints shall be treated in strictest confidence. Complaints and grievances shall be handled and resolved according to internal grievances procedures.

3.8 General Compliance

3.8.1 Outside Interest

No employee may engage in an outside interest that would encroach on his time and / or attention that is required to be devoted to Bursa.

3.8.2 Property, Equipment and Use of Facilities

Employees shall not cause any damage to property whether belonging to Bursa or to other employees located within the premises of Bursa or any use of any such property to commit any criminal acts or any act of misconduct as determined by Bursa. Properties of Bursa assigned to employees are strictly to be utilised for work related purposes only. Abuse or misuse of the properties so assigned is a serious violation of the Code.

3.8.3 Accurate Representation of Information

It is the responsibility of all employees to ensure that the public or any party dealing with Bursa with whom the employee is communicating with on behalf of Bursa, receives accurate and authorised information only.

3.8.4 Proper Recording and Disbursement of Funds and Other Assets

Funds and other assets of Bursa are to be used for legal and proper business purposes only. No unauthorised, false, improper or misleading records or entries shall be made in the books and records of Bursa.

3.8.5 News / Media Release

No employee of Bursa is authorised to make any statements about Bursa to the news media or the public without prior approval of the CEO or such other designated personnel or authorised persons of Bursa. Employees are expected to refer to the Media Policy for details.

3.8.6 Religious / Racial / Sexual Discrimination

No employee of Bursa shall practice any form of discrimination or prejudice in the workplace.

3.8.7 Involvement in Political Activities and Political Contributions

Bursa Malaysia is an apolitical organisation and does not want to be identified or involved with any political party. Employees must not use Bursa Malaysia's funds or resources to make any direct or indirect political contributions on behalf of Bursa Malaysia and must avoid even having the appearance of making such contributions to any political party, candidate or campaign. Employees are **Not Allowed** to be involved or participate in the following political activities:-

- take an active part in any activities of any political parties;
- engage in canvassing support for any candidate to an office in any political party by making public statements, write or publish any social media, books, articles or leaflets;
- stand for or accept an office in any political party;
- act as an election agent, a polling agent or in any capacity, for or on behalf of a candidate at an election to the Dewan Rakyat or any State Legislative Assembly; and
- contest any election to, any State Legislative Assembly or any local authority and / or the Dewan Rakyat or accept an appointment or nomination to the Dewan Negara.

Any employee wishing to actively participate full time in politics (e.g. stand for election) must resign from Bursa Malaysia.

3.8.8 Facilitation Payments.

Employees are prohibited from directly or indirectly, requesting, accepting or giving facilitation payments for the benefit of the employee themselves or in connection with Bursa Malaysia's operations and business. Employees are expected to notify their immediate superior in writing when encountered with any requests or if they are offered facilitation payments.

In the event that an employee's safety is at stake, a facilitation payment to protect the employee is permitted if:-

- (i) that is the immediate recourse to protect the safety of the Employee; and
- (ii) the CEO's approval has been obtained; or where payment under the state of emergency has been undertaken, after which the CEO's approval must be retrospectively obtained as soon as possible

3.8.9 Declaration of Assets

Employee shall submit a declaration of assets including any revised declarations within the time prescribed, to GHR.

4. Reporting of Breach(s) / Whistleblowing to Violation(s) of the Code

- 4.1 Violation of the Code affects the integrity of Bursa as well as the integrity of its employees. Not only does it lead to an unpleasant working environment, but it can also lead to serious legal and financial implications for Bursa. Bursa is dependent on all employees to report and not to condone any violation(s) of the Code.

5. Investigation, Due Inquiry and Disciplinary Action

- 5.1 Upon logging a report, IA will provide the whistleblower an acknowledgement of receipt of the report within two (2) working days of receipt. IA will then proceed to conduct a preliminary investigation to determine whether there are merits to initiate a full investigation.
- 5.2 In case where a domestic inquiry is required, the inquiry and disciplinary proceeding shall be in accordance with the procedures as stipulated in the Group Disciplinary Policy.

6. The Right of Appeal

- 6.1 In the event disciplinary proceedings have been concluded and a decision of dismissal has been made in respect of a breach of the Code, an employee on whom the dismissal has been imposed shall have the right to appeal.