

LAUNCH OF BURSA MALAYSIA'S BUSINESS SUSTAINABILITY PROGRAMME

TUESDAY, 23 NOVEMBER 2010

SHANGRI-LA HOTEL KUALA LUMPUR

SPEECH BY YABHG. TUN MOHAMED DZAIDDIN HAJI ABDULLAH

CHAIRMAN OF BURSA MALAYSIA

Assalamualaikum,

Yang Amat Berhormat Dato' Sri Najib Tun Razak, Prime Minister of Malaysia

Yang Berbahagia Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz, Governor of Bank Negara Malaysia

Yang Berbahagia Dato' Yusli Mohamed Yusoff, Chief Executive Officer of Bursa Malaysia

Yang Berhormat Menteri-Menteri dan Timbalan-Timbalan Menteri

Yang Berbahagia Tan Sri-Tan Sri, Puan Sri-Puan Sri, Dato'-Dato', Datin-Datin

Distinguished guests

Members of the media

Ladies and gentlemen

Bursa Malaysia, as a frontline regulator, recognises the importance of having a culture based on good corporate governance. Bursa Malaysia's Business Sustainability Programme for Corporate Malaysia is an integral element in building a capital market of quality and integrity. We seek to encourage Malaysian companies to be more mindful of their business conduct vis a vis their multifarious stakeholders.

We believe that a market, in which sustainable business culture is the norm, is an appealing destination for listing and investments. This is very much in line with the Government's aim to create a dynamic and vibrant capital market in light of the New Economic Model.

On this very note and on behalf of Bursa Malaysia, I would like to take this opportunity to thank **Yang Amat Berhormat Dato' Sri Najib Tun Razak, the Prime Minister**, for taking the time and effort this morning to officiate the launch of Bursa Malaysia's Business Sustainability Programme for Corporate Malaysia.

Yang Amat Berhormat, your presence today is a testament to your commitment in ensuring that the goals of the Financial Services National Key Economic Area are met. We are inspired by your call to drive the NKEA via a world-class capital market. Moreover, we are heartened by the tangible initiatives that you have put in place to achieve this end in the recently announced 2011 Budget.

Back in 2006, Bursa Malaysia's CSR framework was launched as a guideline to drive home the fact that corporate responsibility goes beyond philanthropy or community related initiatives. We also made it a requirement for all listed entities to account for their CSR activities in their annual reports. Through comprehensive awareness and engagement efforts, often times alongside the Securities Commission, listed entities and the media, there is now greater awareness of governance and CSR in the corporate Malaysian mindset.

The current state of the practice of sustainability reporting is also something that needs to be elevated. While we find that there is awareness on sustainability reporting, there needs to be further understanding as to the impact the reporting will have in managing and engaging with stakeholders on key issues.

Ladies and gentlemen,

Today's theme, **Powering Business Sustainability**, is very apt. We want more companies to focus on value creation in the four core areas which include the environment, community, workplace and marketplace, and move on up to the next level of business performance.

Our Programme has been tailored to show companies the relevance of sustainability and how to practice sustainability in its truest form. The multi-pronged, comprehensive and progressive Programme consists of a sustainability guide for directors, a knowledge portal, a project matching facility and thought leadership sessions on the subject matter. It is our aim to be able to construct an Environment, Social and Governance (ESG) Index in the near future. This index will be a catalyst for driving more SRI funds to our market.

The ***Sustainability Guide for Directors***, to be unveiled shortly, is aimed to assist company directors in better understanding the concept of business sustainability. Commitment to sustainable business practices must begin from the top and should be a key consideration discussed at the Board level, and integrated into the company's business strategy. The Guide also provides clarity in managing and integrating environment, social and governance issues in everyday business operations.

In an effort to ensure that information on sustainability is available to all stakeholders, our new ***Sustainability Knowledge Portal*** was developed to provide up-to-date information while featuring interactive tools that encourage information-sharing. Accessible via the Bursa Malaysia website, it is our intention to make this portal a global "go-to" source on sustainability. We have a number of companies which will be the first to showcase their sustainability initiatives on our Knowledge Portal.

Collaborative partnerships on sustainable initiatives can also be the ticket to fast-track the adoption of sustainable business practices. Our dedicated project matching facility has been developed as a catalyst to realise this end. By profiling noteworthy efforts or strategic plans in this area, we can have a platform to galvanise support or inspire others.

This Programme also includes thought-leadership sessions that seek to provide a knowledge sharing platform. As a matter of fact, we will commence with the thought leadership session with two pertinent plenary discussions later this morning featuring well-established industry thought leaders. It has always been our belief that only via open and informative discourse, can we achieve positive change.

Ladies and Gentlemen,

Seeing sustainable business practices being embraced whole-heartedly by corporate Malaysia is a long-term endeavor. Bursa's Business Sustainability Programme is part of a journey for Corporate Malaysia. But achieving its end cannot be realised by putting the task squarely on any one party. It has to be a collective effort from all capital market stakeholders.

Fortunately, we are not starting from naught. Malaysia has been ranked third among 10 countries in the Asian Sustainability Rating 2010, by CSR Asia. Overall, our Malaysian listed companies achieved strong scores in the Social Category, with leading companies reporting diligently on their stakeholder engagement with customers, employees, suppliers and the communities in which they operate.

As such, we are already well placed with our very own “sustainability champions” as role models. All it takes now is for all Malaysian corporations and their stakeholders to stay the course in building durability for tomorrow via sustainable business practices.

To conclude, I would like to once again thank **Yang Amat Berhormat Dato’ Sri Najib Tun Razak**, for joining us this morning. We look forward to your keynote address.

We also hope that all of you here will gain invaluable insights from our plenary session later.

Thank you for your indulgence.

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