

MEDIA RELEASE

WORLD'S FIRST SHARIAH COMPLIANT VOLUNTARY CARBON EXCHANGE STARTS TRADING; BURSA CARBON EXCHANGE WILL NEXT OFFER RENEWABLE ENERGY CERTIFICATES

- *Bursa Carbon Exchange (BCX) successfully commences trading of carbon credits from 25 September 2023*
- *Future environmental product expansion to include facilitating trading of Renewable Energy Certificates (RECs) on BCX by Q3 2024*

Kuala Lumpur, 26 September 2023 – Bursa Malaysia Berhad (“Bursa Malaysia” or the “Exchange”) announced that yesterday, its subsidiary, Bursa Carbon Exchange (“BCX”), had commenced trading and facilitation of off-market transactions of carbon credits. By the close of its second day of trading, ten companies from various industries transacted a total of 16,500 Verra-registered carbon credits. This signals an encouraging start for Malaysia’s voluntary carbon market (“VCM”).

“We are pleased with the successful go-live of the BCX trading platform. Bursa Malaysia’s efforts and agility underscores our speed-to-market in fulfilling a national mandate to facilitate the country’s shift towards a lower carbon economy,” said Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia.

For the commencement of trading, two standardised contracts were offered - the Global Technology-Based Carbon Contract (“GTC”), focusing on global technology-based greenhouse gas (“GHG”) reduction projects, and the Global Nature-Based Plus Carbon Contract (“GNC+”), which features global nature-based GHG reduction projects with co-benefits in the Agriculture, Forestry and Other Land Use (“AFOLU”) sector.

Companies who took part in the go-live trading on BCX (beginning with the highest volume traded) were:

- Vitol Asia Pte Ltd
- Petro Ocean Sdn Bhd
- Global Tunikara Sdn Bhd
- Sumisaujana TCM Chemicals Sdn Bhd
- Green Innotech Sdn Bhd
- Graphene Synergy R&D Sdn Bhd

- Yinson Holdings Bhd
- ICT Zone Asia Bhd
- CIMB Bank Berhad
- Sisma Water Technology Sdn Bhd

“Interestingly, we observed a notable surge in participation by smaller companies, demonstrating the growing awareness of environmental responsibility among not just public listed companies, but also among small and medium-sized enterprises. While the participation of large corporations remains vital, this shift indicates that there is wider embrace of sustainability practices, which suggests future broader demand for decarbonisation projects,” added Datuk Umar.

“Our aspiration is to offer a variety of environmental solutions based on market needs. We have received increasing requests from corporates seeking an independent and cost-effective platform for renewable energy certificates (RECs) transactions. Thus, we are pleased to announce our intent to offer RECs on BCX by the third quarter of next year. As a trusted and experienced exchange operator, Bursa Malaysia has a key role in the national energy transition, which is to facilitate financing in low carbon technologies, and accelerating availability of RECs,” Datuk Umar elaborated.

The BCX is one of the many initiatives by the Exchange to complement proactive efforts by Malaysian companies to reduce their impact to the environment. “BCX will take time to build liquidity as it is in its infancy stage. In time, we are confident that our various ecosystem building efforts and offering of high quality environmental solutions will surely gain traction. We urge leading companies to step up and be early active participants of the BCX, either as a supplier or a buyer,” stated Datuk Umar.

BCX is currently waiving its onboarding fee and offering a discount on its trading fee until the end of 2023. Companies who have yet to onboard or trade are encouraged to take advantage of the offer before the year ends. The BCX trading platform was co-designed and developed with Deon Digital AG, which is headquartered in Switzerland.

- End -



About Bursa Malaysia

Bursa Malaysia is an exchange holding company incorporated in 1976 and listed in 2005 and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at www.bursamalaysia.com.

About Bursa Carbon Exchange

Bursa Carbon Exchange (BCX), a subsidiary of Bursa Malaysia, is a global spot exchange that enables corporates to take practical climate mitigation action through the trading of carbon credits from projects with measurable climate action outcomes that adhere to international standards. The carbon exchange was incorporated in 2022 and is operated by Bursa Malaysia Carbon Market Sdn Bhd. Visit <https://bcx.bursamalaysia.com> for more information.

For media enquiries, please contact the Group Strategic Communications team:

Lailatul Fitriyah

DID: +603 2034 7280

Mobile: +6011 2324 0230

E-mail: lailatulfitriyah@bursamalaysia.com

Dominica Chin

DID: +603 2034 7627

Mobile: +6012 217 0245

E-mail: dominica@bursamalaysia.com