

MEDIA RELEASE

BURSA MALAYSIA RANKS AS ASIA'S LEADING EXCHANGE IN GENDER EQUALITY IN CORPORATE LEADERSHIP

Kuala Lumpur, 13 December 2023 - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") stands at the forefront of gender equality in the boardroom, as recognised in the Gender Equality in Corporate Leadership Asia 2023 Report ("Report"), released by the United Nations Sustainable Stock Exchange (UN SSE) and International Finance Corporation (IFC) today.

According to the Report, which analysed each Exchange's top 100 listed issuers by market capitalisation, Malaysia leads in the region in terms of percentage of women on board, at 26% of board seats. Furthermore, 44% of the public listed companies ("PLCs") on Bursa Malaysia from the same category had exceeded the target or threshold of 30% female board members.

Other key highlights from the Report¹ include:

- On average within the region, women hold 16% of board seats, 7% of board chair positions and 5% of CEO positions.
- Bursa Malaysia leads the region with 26% of board seats held by women. This performance is followed by the stock markets of Vietnam (at 21%), Philippines (at 20%) and Thailand (at 20%).
- Bursa Malaysia also had a strong lead in terms of the percentage of firms that had at least 30% women on board. In Malaysia, 44% of the top 100 firms met the threshold, whereas the next two leading exchanges for this indicator was Vietnam Stock Exchange (at 26% of firms) and Stock Exchange of Thailand (at 24% of firms).

¹ The Asia analysis examined the gender balance of the boards of the largest 100 listed companies by market capitalisation on each of 17 exchanges in Asia. The study excluded exchange-traded funds and secondary listings of subsidiary companies sharing the same board as another listed company in the study. These criteria resulted in a sample of 1,700 companies listed across 17 markets. For each of these companies, UN SSE researchers examined the general board size and composition and the gender of C-suite personnel. The information was collected in Q1 and Q2 2023 using publicly available information provided by companies in their latest available annual reports, on their websites, as well as company-specific information available in the Bloomberg data terminal. If conflicting information was available through these sources, the latest recorded datapoint was given priority over older information.

- Vietnam Stock Exchange had the highest percentage of female board Chairs (15%), followed by Indonesia Stock Exchange (13%), and Nepal Stock Exchange (11%).
- Vietnam Stock Exchange also had the highest percentage of female CEOs (12%), followed by the Stock Exchange of Thailand (9%).
- All-male boards persist as a significant proportion in most markets in the region, with 10 out of the 17 covered Asian markets having more than 20% of firms with all-male boards.
- 5 out of the 17 exchanges have established rules mandating a minimum representation of women on corporate boards. The five markets - China, India, Malaysia, Pakistan and the Republic of Korea - similarly enforced regulatory requirements specifying a mandatory minimum of at least one female board member.

Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia expressed appreciation for Malaysia's relatively strong ranking stating, "This recognition or finding speaks to the commitment and progress of Malaysian PLCs. We celebrate their positive actions to inculcate gender equality in their board compositions, reinforcing the benefits of a gender-diverse board."

Datuk Umar also acknowledged that Malaysia's achievement in this aspect is a culmination of concerted efforts driven by the government and regulatory bodies, and through market efforts championed by the Securities Commission Malaysia (SC), Bursa Malaysia, and numerous organisations. Collectively, these initiatives have been rolled out in a comprehensive, phased approach that includes advocacy, corporate awareness, as well as regulatory measures.

Among others, initiatives which supported this outcome include:

- Board diversity being a key focus in the Malaysian Code on Corporate Governance (MCCG) since 2000, while the 2021 edition recommended a minimum of 30% women directors across all boards;
- The SC setting a target of eliminating all-male boards in the top 100 companies by the end of 2018, and achieving a minimum of 30% women directors in PLCs by 2020;

- Bursa Malaysia mandating that PLCs with market capitalisation of RM2 billion as at 31 December 2021, to appoint at least one woman Board member by 1 September 2022²;
- Bursa Malaysia's annual advocacy and training programmes for PLCs;
- Collaborations with various organisations including the SC and the 30% Club Malaysia to push the diversity agenda.

More recently, Bursa Malaysia's Enhanced Sustainability Reporting Framework designated the diversity theme as one out of eleven Common Sustainability Matters, and therefore, regarded as being material for all listed companies regardless of size and sector. To enhance transparency and accountability, Bursa Malaysia is mandating PLCs to report on the following indicators to show improvements over time:

- percentage of directors by gender and age group; and
- percentage of employees by gender and age group, for each employee category.

Anthony Miller, Chief Coordinator, UN SSE, said, "We commend Bursa Malaysia for promoting improved gender equality in corporate leadership in their market. The issuers of Bursa Malaysia have the highest proportion of women on boards in Asia. This is the result of years of work by the exchange, policy makers and market participants. It is a testament to the progress that can be made toward realising the UN Sustainable Development Goal 5 (SDG 5) when different actors in society all work together toward a common goal. The SSE looks forward to working with Bursa Malaysia and other exchanges in Asia to disseminate good practices and lessons learned to further accelerate the achievement of gender equality."

However, in recognising that advancing equality is an ongoing journey, Datuk Umar emphasised, "We cannot be complacent. Collectively, each Board should look beyond the threshold of women on board seats and ensure there is no unconscious gender bias at all levels of the company. Championing diversity in various aspects within our PLCs will continue to be a key agenda for Bursa Malaysia, to drive business competitiveness and inclusivity."

A copy of the Gender Equality in Corporate Leadership Asia 2023 Report is available at: <https://sseinitiative.org/publication/gender-equality-in-corporate-leadership-asia/>.

² For the remaining PLCs, the requirement to comply is by 1 June 2023.

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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.

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