

JOINT MEDIA RELEASE

BURSA CARBON EXCHANGE SIGNS MOC WITH MALAYSIAN PHOTOVOLTAIC INDUSTRY ASSOCIATION TO ENHANCE VOLUNTARY RENEWABLE ENERGY CERTIFICATES MARKET

Kuala Lumpur, 17 January 2024 - Bursa Carbon Exchange ("BCX" or the "Exchange"), a wholly-owned subsidiary of Bursa Malaysia Berhad, has announced a strategic collaboration with the Malaysian Photovoltaic Industry Association ("MPIA"), marking a significant step in the enhancement of Malaysia's voluntary renewable energy certificates ("RECs") market.

The partnership, formalised through a Memorandum of Collaboration ("MOC") signed during the MPIA Solar Roadshow 2024 on 16 January 2024, will focus on four key areas:

- (1) Joint promotion of solar RECs, enabling BCX to offer RECs trading to MPIA members, corporate entities and relevant stakeholders;
- (2) Advancing market integrity and awareness of RECs ecosystem, focusing on the appropriate usage of RECs and addressing concerns related to double claiming by corporates, including transparent reporting on solar energy claims;
- (3) Exploration of potential solar RECs supply from MPIA members for the inaugural RECs auction, continuous trading and off-market transactions on BCX; and
- (4) Support for the prospective development of an ASEAN voluntary RECs framework.

Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia Berhad, commented, "The MOC with MPIA signifies our joint support in the implementation of the National Energy Transition Roadmap ("NETR"), and is a direct response to the growing corporate demand in Malaysia for RECs. This is a crucial step forward in enriching our Exchange's offering with solar RECs, following our recent collaboration with Sarawak Energy Berhad to include their hydro RECs in our suite of RECs product. We are committed to establishing BCX as a one-stop Shariah-compliant environmental exchange with a suite of offerings, which aligns with Bursa Malaysia's vision as a multi-asset exchange."

The collaboration between BCX and MPIA aims to establish a transparent, efficient and cost-effective market for REC transactions. This will contribute towards realising the

NETR, where the Renewable Energy (“RE”) strategic development roadmap envisions a substantial increase in Malaysia’s RE capacity, targeting 70% of installed RE capacity in the power mix by 2050.

“We are thrilled with our collaboration with BCX, which provides a two-prong benefit, where we provide access to solar RECs for those who wish to be RE100¹ affiliated to reduce their scope 2 electricity emissions while BCX provides opportunities to MPIA members to supply solar RECs, thereby generating additional avenue to improve the financial viability of their photovoltaic (PV) projects. We also believe that the offer of solar RECs on BCX will make renewable energy more accessible for corporations,” said MPIA President, Mr. Davis Chong.

BCX, the world’s first Shariah-compliant carbon exchange, was established as a voluntary carbon market (“VCM”) initiative and this initiative was announced by the Malaysian Government during the tabling of National Budget 2022. BCX aims to democratise access to environmental products, thereby fostering a sustainable and resilient environmental products market. MPIA, a non-profit entity, provides a credible and representative platform for the Malaysian solar industry, promoting the widespread adoption of solar energy.



Photo 1

¹ RE100 is a global corporate renewable energy initiative for companies committed to 100% renewable electricity consumption by a target year.



Photo 2

Caption: [L-R] Memorandum of Collaboration signing at MPIA Solar Roadshow 2024 on 16 January 2024, which was formalised by Davis Chong, MPIA President and Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia Berhad

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About Bursa Malaysia

Bursa Malaysia is an Exchange holding company incorporated in 1976 and listed in 2005. It has grown to be one of the largest bourses in ASEAN. Today, Bursa Malaysia operates and regulates a multi-asset exchange, offering a comprehensive range of investment, capital raising, and exchange-related facilities. Bursa Malaysia is committed to its mission of Creating Opportunities, Growing Value for the Malaysian capital market, economy, and society. Learn more at 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 the 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.

About Malaysian Photovoltaic Industry Association

Established in 2006, the Malaysian Photovoltaic Industry Association (MPIA) plays a crucial role in advancing solar PV awareness and its adoption among the nation's people. As a result of MPIA's efforts, the general population has become more knowledgeable about solar energy and its benefits. This increased awareness has set the stage for a more receptive attitude towards embracing sustainable and green changes in the global atmosphere. MPIA comprises members from every facet of the solar supply chain, including manufacturers, service providers, system integrators, consultants, insurance providers, training providers, academicians, financier, etc. Visit <https://mpia.org.my/> for more information.

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