

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 1818  
**COMPANY NAME** : Bursa Malaysia Berhad  
**FINANCIAL YEAR** : December 31, 2023

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("Board") of Bursa Malaysia Berhad ("Bursa Malaysia") is responsible for the management and oversight of the Company's business and affairs. In order to ensure the effective discharge of the Board's functions and responsibilities, it has established a Governance Model for the Group where specific powers of the Board are delegated to the relevant Board Committees and the Chief Executive Officer ("CEO"). The Board Committees comprise 3 Governance Committees i.e. Audit Committee ("AC"), Risk Management Committee ("RMC"), Nomination and Remuneration Committee ("NRC"); 2 Development Committees i.e. Technology and Cybersecurity Committee, and Sustainability and Development Committee; and 4 Regulatory Committees i.e. Regulatory and Conflicts Committee ("RACC"), Appeals Committee, Market Participants Committee and Listing Committee as set out in the Governance Model of Bursa Malaysia Berhad ("Bursa Malaysia") Group, which is available on Bursa Malaysia's website <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/governance_model">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/governance_model</a>.</p> <p>(1) The Board, together with the Management, is committed to promoting good corporate governance ("CG") culture within the organisation which reinforces ethical, prudent and professional behaviour. As guided by the Malaysian Code on Corporate Governance ("MCCG"), ASEAN CG Scorecard criteria and the relevant international best practices, the Board continuously upholds CG standards and values in the organisation and strives to lead by example in strengthening the competitiveness and investor confidence in our capital market.</p> <p>For the discharge of its duties and responsibilities, the Governance Model and its processes are built upon the Terms of Reference of the Board and its respective Committees ("Governance Model Document") and complemented by the Corporate Authority</p>

	<p>Manual which clearly delineates relevant matters and applicable limits, including those reserved for the Board’s approval, and those which the Board may delegate to the Board Committees, the CEO and the Management.</p> <p>(2) The Board plays an active role in the development of the Company’s strategy and monitoring of its performance and implementation. In July 2023, the Board conducted a mid-year review of the 2023 Business Plan and Budget including financial performance, where the performance targets set by the Board in the 2023 Corporate Scorecard were compared against the actual performance for the year to date. The Board through its RACC also considered a mid-year report on the Regulation Division’s performance in July 2023. The RACC is the Board Committee responsible for overseeing the regulatory functions of Bursa Malaysia Group.</p> <p>The Board has in place a practice of conducting an annual strategy session, where the Management presents to the Board its proposed strategy and proposed business and regulatory plans for the following year. In this respect, the Board at its strategy meeting held on 10 - 12 September 2023, considered the progress of the Group’s strategy and initiatives in 2023 against the targets set for 2023. Taking stock of the current and emerging industry trends, the Board deliberated on the focus areas across the securities market, derivatives market and Islamic capital market (including Bursa Suq Al-Sila’), information services/market data, market operations, technology, sustainability, regulation and human capital.</p> <p>At the strategy session, the Board also reviewed and deliberated on the Management’s proposals in charting Bursa Malaysia’s strategic roadmap for 2024 – 2026 having regard to various factors including the global exchanges’ development in technology, expansion of offerings towards sophisticated, green and sustainable themed products as well as Shariah-based products and the need to fortify Bursa Malaysia’s position as a Multi-asset Exchange moving forward. The Board challenged the Management’s proposed plans and initiatives for strengthening the core business, diversifying products and services in the capital market. The Board also emphasised on the need to embed sustainability in the organisation and ecosystem in tandem with the rising investment trend in Environmental, Social and Governance. In this respect, the Board had emphasised on the need to elevate Bursa into being ASEAN’s leading, sustainable and globally-connected marketplace. The Board provided its guidance and feedback on the market, business and operational initiatives for the Management’s takeaways to future proof the exchange beyond 2024 and accordingly, to further refine the proposed Strategic Roadmap 2024-2026. Given the current and evolving economic climate, opportunities and risks arising from the uncertain market conditions, the strategic focus was on delivering</p>
--	--

	<p>new products and offerings into the market and enhancing customer experience through sustainability, innovation and technology with an aim to increase market vibrancy and liquidity, create opportunities and value for enhancing competitiveness. The final Strategic Roadmap 2024-2026 which was developed in line with the vision and mission of Bursa Malaysia was approved by the Board in November 2023. Further to this, the 2024 Business Plan and Budget were presented to and approved by the Board in December 2023.</p> <p>(3) At the same Board strategy meeting in September 2023, the Chief Regulatory Officer (“CRO”) presented the Regulation Division’s status update on the approved key initiatives of the Regulatory Plan 2023 and their key outcomes against the Regulatory 2021-2023 Key Initiatives. The CRO also presented the proposed Regulatory Plan 2024- 2026 to facilitate the Board’s deliberations on the relevant focus areas for the Group’s regulatory function including the Rules Framework, Market Intermediaries, CG and Sustainability, Human Capital Development and Capacity Building. In October 2023, the RACC further reviewed the proposed key regulatory initiatives to be carried out under the Regulatory Plan 2024 and the related budget and manpower requirements for the regulatory functions. The final 2024 Regulatory Plan, Budget and Manpower requirements were presented and approved by the Board in December 2023, as recommended by the RACC.</p> <p>(4) As part of Bursa Malaysia’s journey towards net-zero emissions, the Board recognised the importance of developing ESG strategies.</p> <p>Bursa Malaysia is committed to achieving net zero GHG emissions by 2050. To this end, in 2023, Bursa Malaysia had taken active steps to maintain our carbon neutral status for the reporting year via offsetting our operational emissions for the period 1 January 2023 to 31 December 2023 through the purchase of carbon credits (for Scopes 1 and partial 3), as well as the utilisation of Renewable Energy Certificates (RECs) (for Scope 2). Additionally, through our internal initiatives such as the Carbon Conscious Workplace programme, we continued to raise awareness and educate our employees regarding their impact on our resource utilisation (e.g. energy, water, waste) and how they can collectively contribute to an overall reduction. The Exchange will continue to carry out our decarbonisation efforts internally, in line with global best practices, including further diversifying our energy mix towards sourcing 100% renewable energy by 2030, per our target submission to the Science Based Targets Initiative (SBTi).</p> <p>For the Marketplace, Bursa Malaysia has also launched three new tools/materials to facilitate PLC ESG-related disclosures, aligned with our Enhanced Sustainability Reporting Guidelines (3<sup>rd</sup> Edition). They include: The Illustrative Sustainability Report; The</p>
--	--

Sustainability Explainer Video Series; and the ESG Reporting Platform.

Furthermore, Bursa Carbon Exchange (BCX) had carried out its inaugural auction in March 2023, and in September 2023, launched the off-market transactions of carbon credits via its trading platform. At the same time, BCX also announced that it will be offering RECs on the platform by Q3 2024, therefore facilitating the decarbonisation of our local companies.

- (5) The CEO is responsible for the day-to-day management of the business and operations of the Group, and this includes driving the strategic management of the material sustainability matters. He is supported by the senior management as well as the Management Committees established under the Group's Management Governance Framework. The Management's performance under the leadership of the CEO is monitored by the Board through a status report which is tabled to the Board and includes a comprehensive summary of the Group's operating drivers and financial performance during each reporting period. The Board is also kept informed of key strategic initiatives, significant operational issues and the Group's performance based on the approved Key Performance Indicators in the Corporate Scorecard. The Chief Financial Officer and the Director of Corporate Strategy were present at Board meetings to support the CEO in presenting the updates on the progress of key initiatives, business targets and achievements to date, and to provide clarification on the queries and issues raised by the Board. The CRO was in attendance at the RACC meetings to present updates and to respond to the enquiries by the RACC on the regulatory activities of the Group.

Under the Group Management Governance Framework, the CEO has in place 3 management committees, namely the Management Committee, Management Regulatory Committee and Business Rules Committee. The Management Regulatory Committee reviews the regulatory strategy and high level policies on the capital markets including the rules governing the EHC businesses that fall under the purview of the Capital Market and Services Act 2007 ("CMSA"). The Business Rules Committee serves as the dedicated management committee to review the rules governing the businesses which are not EHC businesses under the CMSA.

- (6) To ensure effective oversight and monitoring of the regulatory function, the CRO provides the RACC with a status report on a quarterly basis, to report on the progress of actions taken by the Regulation Division and to update on regulatory initiatives and activities. In the first quarter of each year, the Management reports to the Board on Bursa Malaysia's compliance with its regulatory duties and obligations under the CMSA in the previous year. In March 2023, the Board reviewed and approved the Annual Regulatory Report 2022 before it was submitted to the Securities

Commission Malaysia (“SC”) in compliance with Section 16 of the CMSA.

In 2020, the Board had considered the establishment of a Regulatory Subsidiary (“RegSub”) with the objective to address any potential or perceived conflict of interest (“COI”) between the regulatory function and the commercial objectives of Bursa Malaysia. Pending the issuance of the relevant laws/regulations, the RegSub has yet to be operationalised. In October 2021, the Governance Model was enhanced to manage the above COI. The enhancement includes the revamp of the RACC structure in terms of its roles, responsibilities and composition. The RACC is given the mandate to oversee the regulatory function of the Group, and in the performance of its regulatory duties, it shall exercise its judgement independently of Bursa Malaysia’s business functions. As at 31 December 2023, the RACC comprises 4 members who are external independent individuals and 2 members who are Public Interest Directors (PIDs) of Bursa Malaysia (following the resignation of Puan Sharifatu Laila binti Syed Ali as a PID and member of the RACC effective 16 August 2023). The independent individuals were appointed by the Board in consultation with the SC, and one of them is the RACC Chairman. The profiles of the RACC members are set out on Pages 121 and 122 of the Integrated Annual Report 2023. The CRO reports exclusively to the RACC in relation to the performance of the regulatory function of the Group. The direct line of reporting further strengthens the independence of the RACC.

- (7) Through the RMC, the Board oversees the risk management matters, including review of frameworks and policies of the Group. The RMC advises the AC and the Board on areas of high risk and the adequacy of compliance and control procedures throughout the organisation.

The RMC assists the Board to fulfil its responsibilities with regards to risk governance and risk management in order to manage the overall risk exposure of the Group. The AC reviews the internal controls of the Group to ensure, as far as possible, the safeguarding of its assets and its shareholders’ investment.

The RMC reviews and recommends for the Board’s approval the annual Corporate Risk Profile which specifies the key enterprise risks in light of the strategic objectives of the Group. The RMC then monitors the key risks facing the business in order to stay current on governance practices relating to the risk. The RMC is also responsible for overseeing the compliance with regulatory and statutory requirements, business continuity management and Integrity & Governance Unit (“IGU”) functions of the Group. The details are as set out under Practice 9 in this report.

In October 2023, the RMC's Terms of Reference was revised to include "reviewing and reporting to the Board of any examination, assessment or audit carried out by the regulators" following the transfer of the function of monitoring compliance and status of action items from audit exercises carried out by the Regulator from Internal Audit Division to Risk and Compliance Division.

(8) The Board through the NRC is responsible to ensure that there is an effective and orderly succession planning of the Board and senior management in Bursa Malaysia Group. The Terms of Reference of the NRC provides that it is responsible for formulating the nomination, selection and succession policies for the Group's key management positions including the CEO.

(a) In discharging its responsibility on succession planning, the NRC receives succession management as well as talent development updates from Group Human Capital ("GHC") in accordance with the approved succession management framework on a half yearly basis. The NRC had in August and November 2023 reviewed the updates from GHC and provided its feedback on the identification and assessment of the suitability and readiness of the potential successors as well as the criteria of the Mission Critical Roles, Successor and Talent. The NRC also reviewed the succession bench strength including the suitability, readiness and diversity of successor candidates as part of the planning exercise. To this, the NRC considered the different learning approaches and tools which were aligned to the successors' readiness level for their development plans.

(b) The Board through its NRC reviewed the existing Board composition such as the optimum size and diversity in terms of gender (i.e. to meet the 30% Board policy on gender diversity), ethnicity and mix of skills and experience. In this review, the NRC shall have regard to the strategic direction of the Company as well as the Board composition of other comparable exchanges and/or companies.

(i) The Board is mindful that diversity in the Board composition is important to facilitate optimal decision-making by harnessing different insights and perspectives. Whilst the capital market experience is of paramount importance to the Board, a high performing Board should comprise directors with wide variety of backgrounds, experience and skills.

The NRC shall determine if there is any gap in the Board composition, and identify the selection criteria for the new Director(s) with the view to close the gap (if any) and to strengthen the Board composition with reference to the strategic direction of the Company.

	<p>(ii) The Board takes into consideration the appropriate mix of skills, experience and strength in qualities which would be relevant for the Board to ensure it is equipped to meet the shifting competitive landscape and technological changes faced by the Group. The MCCG highlights on the role of the board and senior management in addressing sustainability risks and opportunities of a listed issuer. To this, the Board has in place a Board Sustainability and Development Committee (“SDC”) under the Governance Model. The composition of the SDC includes an independent member who is an expert in sustainable development or sustainable finance to assist the Board in setting and driving sustainability strategies, priorities and targets of Bursa Malaysia as a frontline regulator and listed entity. In this respect, the Board recognises that sustainability should be embedded within the culture of the boardroom, whereby each single member of the board should view the organisation and its operations through the lens of sustainability.</p> <p>(c) In September 2023, the NRC reviewed the performance of the CEO of Bursa Malaysia over the last 2 years for the purpose of considering the renewal of his service contract and re-appointment as Director of Bursa Malaysia. Having considered various factors including his performance, achievements and leadership skills, the Board approved his renewal as recommended by the NRC. In this respect, the SC’s concurrence had also been obtained on the renewal of the CEO’s service contract as well as his re-election at the 47<sup>th</sup> Annual General Meeting (AGM) of the Company in accordance with Sections 10(1)(b) and 10(5) of the CMSA.</p> <p>(d) During the year, the NRC also reviewed the proposed appointments, renewal and confirmation of key senior management (“KSM”) personnel, before recommending the same for the Board’s approval.</p> <p>In discharging the responsibility on succession planning, the NRC received succession management as well as talent development updates from Group Human Capital (“GHC”) in accordance with the approved succession management framework. The NRC had in January and February 2023 reviewed updates from GHC and provided its feedback to the current organisation succession bench strength, Senior Critical Roles and the identification and assessment of the suitability and readiness of the potential successors. Following this, the NRC deliberated and approved the revised Succession and talent management framework of the organisation in April 2023 whereupon emphasis was put on identified Core Critical Roles and Functional Critical Roles in succession management</p>
--	--



and planning exercise going forward. Throughout the year, the NRC also required GHC to ensure that the suitability and diversity of successor candidates as part of the planning exercise.

(9) The Board emphasised the importance of embracing the integrity and ethical values across the organisation. The same applies to the Company's financial and non-financial reporting to ensure reliability, timeliness, transparency and compliance with the relevant standards. The Board has in place a Code of Conduct and Ethics for Members of the Regulatory Committees, to reflect the commitment to embrace the highest standard of integrity, professional and ethical behaviour in discharging their responsibilities for Bursa Malaysia Group. In addition, a majority of the members of the RACC are external independent individuals who shall not be an executive director or full-time officer of any listed issuer or market participant that is regulated by Bursa Malaysia, and shall not be an active politician as defined in Guidance 5.5 of the MCCG.

(a) The IGU of Bursa Malaysia reports directly to the RMC, which is responsible to oversee the implementation, monitoring and evaluation of the Organisational Anti-Corruption Plan ("OACP"). The OACP which encompassed a 3-year strategy intended to strengthen governance, integrity and anti-corruption controls within the organisation has been published on Bursa Malaysia's website in accordance with Paragraph 15.29 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), to inform its stakeholders on Bursa Malaysia's continuous and concerted efforts to prevent corruption.

(b) In January and July 2023, the Board had through the RMC reviewed the half-yearly IGU reports for the reporting period from July to December 2022 and January to June 2023 respectively, prior to submission to the Malaysian Anti-Corruption Commission ("MACC"). The half-yearly IGU report for July to December 2023 was also reviewed by the RMC at its meeting held in January 2024, prior to submission to the Board and the MACC.

(10) Bursa Malaysia actively builds and sustains a high level of investor trust in the market through maintaining robust CG practices and open lines of communication with its stakeholders. Its Investor Relations ("IR") activities undertaken during the year were implemented in accordance with its IR Policy, and directed towards maximising shareholder value.

Information on the engagements with stakeholders is available in Our Stakeholders on Page 49 of the Integrated Annual Report 2023 and Pages 13 to 18 of the Sustainability Report 2023.

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The roles and responsibilities of the Chairman of the Board are clearly specified in Paragraph 7 of the Board Charter, which is available on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter</a></p> <p>The Chairman of the Board is responsible for instilling good corporate governance ("CG") practices in the organisation. The Chairman of Bursa Malaysia leads the Board in the adoption and implementation of good governance practices.</p> <ol style="list-style-type: none"><li>(1) As a Public Interest Director, the non-executive Chairman leads the Board by setting the tone at the top, and managing the Board's effectiveness by focusing on strategy, governance and compliance having regard to public interest. In turn, the Board monitors the functions of the Board Committees in accordance with their respective Terms of Reference to ensure its own effectiveness.</li><li>(2) The Chairman with the assistance of the Company Secretaries (Corporate Governance and Secretarial function) sets the board agenda for each meeting based on the dates of scheduled Board meetings in the annual meeting calendar, and the same is circulated to the Board Members accordingly.</li><li>(3) The Chairman leads the meeting pace and discussions in an effective manner. The Chairman In this respect, the Board had emphasised on the need to elevate Bursa into being ASEAN's leading, sustainable and globally connected marketplace. promotes a Boardroom environment that allows for expression of views in the spirit of 'constructive challenge', effective debate and contribution from the Board members to facilitate informed decision-making by the Board.</li><li>(4) The Chairman, besides the Senior Independent Director and the Chairman of the RMC, is also one of the contact persons for reporting any individual director or any member of the Board Committee's improper conduct within the organisation in accordance with the Whistleblower Policy and Procedures of Bursa Malaysia Group. In addition, stakeholders can provide their</li></ol>

	<p>views on Bursa Malaysia to the Chairman or the Senior Independent Director, at any point of time.</p> <p>In September 2023, the Chairman chaired a meeting of the Non-Executive Directors (“NED”) without the presence of the Chief Executive Officer (“CEO”)/Executive Director and the Management of Bursa Malaysia, to discuss among others strategic, governance and operational issues. The Chairman communicated the outcome of the NED session to the CEO for his attention and necessary action, where required.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The positions of Chairman and CEO of Bursa Malaysia are held by different individuals. The distinct and separate roles and responsibilities of the Chairman and CEO are provided in Paragraph 8 of the Board Charter, which is available on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter</a>.</p> <p>The Chairman, Tan Sri Abdul Wahid Omar leads and manages the Board by focusing on strategy, governance and compliance whereas the CEO, Datuk Muhamad Umar Swift manages the business and operations of the Company and implements the Board's decisions.</p> <p>The distinct and separate roles of the Chairman and CEO, with their clear division of responsibilities, ensure a balance of power and authority, such that no one individual has unfettered decision-making powers.</p> <p>The specific authorities of the CEO as delegated and mandated by the Board are as set out in the Corporate Authority Manual of Bursa Malaysia Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	For 2023, Bursa Malaysia is in compliance with Practice 1.4 of the MCGG whereby the Chairman of the Board, Tan Sri Abdul Wahid Omar ("the Chairman") is not a member of the Audit Committee ("AC") or the Nomination and Remuneration Committee ("NRC") of Bursa Malaysia.  The Board Charter and TOR of the AC and NRC clearly stipulates that the Chairman of the Board shall not be a member of the AC and the NRC.
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The current Company Secretaries of Bursa Malaysia, Puan Yong Hazadurah Md Hashim and Puan Izreen Fara Ismail, have legal qualifications and are qualified to act as company secretaries under Section 235(2) of the Companies Act ("CA") 2016. All secretaries are also registered with the Companies Commission of Malaysia ("CCM") under Section 241 of the CA 2016 and are issued with practising certificates by the Registrar of Companies.</p> <p>Puan Yong Hazadurah is licensed by the Registrar of Companies whilst Puan Izreen Fara is an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and a Chartered Governance Professional under the Chartered Governance Institute.</p> <p>(1) The Company Secretaries manage the logistics of all Board and Board Committee meetings. Attendance and minutes of all Board and Board Committee meetings are properly recorded and kept by the Company Secretaries. The Company Secretaries ensure that deliberations at Board and Board Committee meetings are well documented, and subsequently communicated to the relevant Management personnel for appropriate actions.</p> <p>The Board is updated by the Company Secretaries on the follow-up of its decisions and recommendations by the Management. Action items would stay as matters arising in the minutes of meetings until they are resolved or completed.</p> <p>(2) The Company Secretaries provide support to the Board in fulfilling its fiduciary duties and leadership role in shaping the corporate governance ("CG") of Bursa Malaysia Group.</p> <p>In this respect, they play an advisory role to the Board, particularly with regards to the Company's constitution, Board policies and procedures, CG best practices and its compliance with regulatory requirements, codes, guidelines and legislations. The Company Secretaries also support the Board in managing the Group's Governance Model to ensure its relevance and effectiveness.</p> <p>During the year, the Company Secretaries also shared with the Board the latest global trends and developments on CG practices</p>

through circulation of articles or reports issued by various organisations, to the members of the Board and relevant Board Committees.

(3) The Company Secretaries organise induction programmes for new Directors/Committee members. In these programmes, the Company Secretaries provide new Directors with background on the Governance Model of Bursa Malaysia as an Exchange Holding Company and the Directors' fiduciary duties, public interest responsibilities and other regulatory obligations. In August 2023, the Company Secretaries and the relevant Management team members gave briefings to a newly appointed Director, Ms. Tan Ler Chin to be familiarised with the business and operations of Bursa Malaysia and its subsidiaries.

(4) As the Board of Directors must on a continuous basis, evaluate and determine the training needs of its members [in accordance with **Paragraph 15.08(2)** of the MMLR of Bursa Securities], the Board through the NRC had considered the areas/topics of training relating to business operations or capital market development as part of the Directors' continuing education programmes. In this respect, the Company Secretaries had organised the following development programmes in-house:-

(a) For Directors, to enable them to stay current on relevant laws and issues:-

- Global Market and Economic Outlook on 10 September 2023;
- Global Capital Market Trends and Opportunities for Malaysia on 10 September 2023;
- Guardians of Integrity Elevating Board Oversight in Anti-Fraud, Bribery and Corruption on 31 October 2023;

(b) For the Regulatory Committees, the RACC, Listing Committee ("LC") and Market Participants Committee ("MPC") had their annual developmental meetings on 19 October 2023, 21 November 2023 and 15 November 2023 respectively.

(i) The RACC was provided with updates on relevant subject matters such as investigation and enforcement processes together with an overview on Market Surveillance, Investor Development and Bursa Intelligence.

(ii) The LC was provided with updates on relevant subject matters such as the enforcement and appeals process, Review of the ACE One Stop Centre and an overview of the Malaysian capital market key developments in 2023 and 2024.

(iii) The MPC was apprised on the insights into the derivatives regulatory outlook, and efforts in enhancing the



	<p>effectiveness of supervision and reinforcement of best practices amongst as well as a presentation by Market Surveillance on the market surveillance system.</p> <p>(5) The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in CG by attending the relevant training programmes for continuous professional development as required by the CCM and MAICSA.</p> <p>In 2023, the Company Secretaries had assisted the Board in the review of the Governance Model Document including the Terms of Reference of the relevant Governance Committees. The review exercise was necessary to ensure adequate group-wide framework in line with new internal processes and best CG practices. The review exercise was also necessary to ensure Bursa Malaysia continues to fulfill its public interest objective effectively, and further enhance its reputation as a well-governed exchange group.</p> <p>(6) The 46<sup>th</sup> Annual General Meeting (“AGM”) was successfully conducted virtually on 30 March 2023. The Company Secretaries play an important role in ensuring that the processes and proceedings are in place and properly managed in compliance with the Constitution as well as the relevant laws and regulations. The Company Secretaries assisted the Chairman and the Board in the conduct of the 46<sup>th</sup> AGM at the Broadcast Venue and thereafter, ensured that the proceedings were properly recorded. The Minutes of the 46<sup>th</sup> AGM and the lists of questions and answers were uploaded on Bursa Malaysia’s website in accordance with Practice 13.6 of the MCGG.</p> <p>(7) The Company Secretaries play an important role in advising the Board on principles and best practices in CG and hence, they also serve as a focal point for stakeholders’ communication and engagement on CG issues affecting Bursa Malaysia as an Exchange Holding Company and a listed entity.</p> <p>The Board provides its feedback on the performance of the Company Secretaries through a formal annual customer satisfaction survey. For the year 2023, the Board was satisfied with the performance and support rendered by the Company Secretaries to the Board/Board Committees in discharging their functions. This was reflected in the customer satisfaction survey score of 4.5 on a 5-scale rating.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	

<b>Measure</b>	:		
<b>Timeframe</b>	:		

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In facilitating the Directors to discharge their responsibilities efficiently and effectively, an <i>'Annual Meeting Calendar'</i> ("the Calendar") is prepared and circulated in advance of each new year. The Calendar provides Directors with scheduled dates for meetings of the Board and Board Committees, the Annual General Meeting and major conferences hosted by Bursa Malaysia, as well as the closed periods for dealings in securities by Directors based on the targeted dates of announcements of the Group's quarterly results. The Calendar is available on iPads provided to all Directors and Board Committee members, for easy reference to facilitate their time planning.</p> <p>With respect to the scheduled Board Meetings in the Calendar, a <i>'Board Meeting Agenda Schedule'</i> is also prepared in advance of each new year, setting out the tentative Agenda items for each scheduled Board meeting during the year. The Board Meeting Agenda Schedule serves to facilitate the Board and Management's planning in the preparation of matters for discussion at the meetings scheduled during the year.</p> <p>In this respect, Bursa Malaysia has in place a formal process for Management's submission of Board Memoranda and presentation materials for a Board/Board Committee meeting, which is set out in the <i>'Guidelines on Submission and Presentation of Board Memoranda'</i> ("the Guidelines"). Under the Guidelines, the deadline for submission of meeting materials is 5 business days prior to the dates of meetings. This is to ensure that the Directors have enough preparation time and information to make an informed decision at each Board meeting. The Board continuously emphasises on the importance in adhering to the Guidelines to ensure completeness and accuracy of contents for the presentation of Board Memoranda at Board/Board Committee meetings of Bursa Malaysia which may be held physically, virtually or in hybrid.</p> <p>For every Board Meeting, the Chairman sets the Board Meeting agenda, and ensures adequate time is allocated for discussion of issues tabled to the Board for deliberation.</p> <p>Bursa Malaysia provides digital access to meeting materials of all Board and Board Committee meetings instead of distribution of hard copies. The customised solution provides various functionalities which enable</p>

	<p>Directors and Committee members to access various Company documents, including Board policies, procedures, rules and guidelines, which are uploaded onto iPads for convenient reference. With that, Directors and committee members can access meeting materials and relevant information in a timely and efficient manner, thus improving Board performance and overall effectiveness of decision-making.</p> <p>The Notice of Board meetings are sent to the Directors via e-mail at least 7 working days prior to a meeting. The same notification is sent to the Management, which includes the reminder on the deadlines for submission of meeting materials for the Management’s attention. Upon receipt from the Management, the Company Secretaries ensure that the meeting materials are uploaded on iPads as soon as practicable.</p> <p>The deliberations and decisions at Board and Board Committee meetings are well documented in the minutes of meetings, including dissenting views and Directors’ abstention from deliberation and decision on related matters.</p> <p>The Company Secretaries will communicate to the relevant Management members the Board’s decisions/recommendations via circulation of draft minutes of meetings for appropriate actions to be taken. The Company Secretaries will also follow up with the Management on status of actions taken with reference to the previous minutes of meetings for updating the Board. Action items would stay as matters arising in the minutes of meetings until they are resolved or completed.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Bursa Malaysia has a Board Charter which is periodically reviewed, and the same is available on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/board_charter</a>.</p> <p>The Board Charter serves as a primary reference for prospective and existing Board members of their fiduciary duties as directors of Bursa Malaysia being an Exchange Holding Company and a listed entity, as well as the functions of the Board Committees of the Group. It sets out amongst other things, the key values, principles, policies and ethos of the Company.</p> <p>The Board Charter provides the requirement for Directors to maintain the highest degree of integrity and professionalism while at the same time promoting transparency and accountability in their actions. The Board composition/Diversity policy, Directors' appointment process as well as the Directors' Fit and Proper policy are also embedded in the Board Charter. It also includes a provision which prohibits an "active politician" as defined in the MCCG, to be a Director on the Board of the Company. The roles and responsibilities of the Board of Directors, Senior Independent Director, Chairman and CEO are clearly outlined in Paragraphs 5 to 8 of the Board Charter.</p> <p>In accordance with Paragraph 16.1 of the Board Charter, the Board shall review, the Board Charter annually, to keep it up to date and consistent with the Board's objectives and responsibilities as well as the Governance Model of Bursa Malaysia. The Governance Model of Bursa Malaysia and its processes are built upon the Terms of Reference ("TOR") of the Board and its respective Board Committees as set out in the Governance Model Document ("GMD") and complemented by the Group Corporate Authority Manual ("CAM"), which clearly delineates relevant matters and applicable limits, including those reserved for the Board's approval and those which the Board may delegate to the Board Committees i.e. Governance Committees, Development Committees and Regulatory Committees, the CEO and the Management. Key</p>

matters reserved for the Board's approval include the annual and quarterly financial results, annual business plan and budget, dividend policy, business continuity plan, new issues of securities, business restructuring, expenditure above a certain pre-determined limit, disposal of significant fixed assets and acquisition or disposal of companies within the Group. Hence, the GMD and the CAM are reviewed as and when required, to ensure an optimum structure for efficient and effective decision-making in the organisation.

The Board Charter incorporates an existing Board policy requiring each Director of Bursa Malaysia to attend at least 3 training sessions relating to the capital market in each year to keep up with the capital market developments. This is also in line with the Board's responsibility to ensure continuing education/training, to update their knowledge and enhance their skills through attendance at relevant programmes, to enable the Directors to sustain their active participation and contribute effectively in Board deliberations.

In this respect, all Directors of Bursa Malaysia had attended at least 3 training programmes in 2023, which focused on capital market developments.

The Board Effectiveness and Evaluation exercise undertaken for the period from 1 July 2022 to 30 June 2023 (BEE 2022/2023) enables each member of the Board to determine and identify their respective development and training needs which amongst others was in relation to ESG, cyber security, technology and digital transformation..

To facilitate identification of appropriate training programmes based on the Board's assessment of the Directors' training needs [in accordance with **Paragraph 15.08(3)(a)** of the MMLR of Bursa Securities], the Directors were invited to attend a series of talks organised by Bursa Malaysia together with various professional associations and regulatory bodies, to update/deepen their knowledge and enhance their skills, (as set out below). In addition, the Directors may submit their request for attending the conferences in accordance with the training approval process, subject to the Board's training policy and availability of budget for each individual director.

In accordance with **Paragraph 15.08(3)(b)** of the MMLR of Bursa Securities, the Directors of Bursa Malaysia had attended various programmes in 2023 which include the following:-

**(1) Corporate Governance (including audit, risk management, compliance and internal control)**

- INTAN Executive Forum Series (Governance) 2023 on Collaborative Governance – Tadbir Urus Kolaboratif: Cabaran dan Resolusi Ke Arah Pemantapan Perkhidmatan Awam, 21 February 2023 (attended by Tan Sri Abdul Wahid Omar, also a Panelist)
- Guardians of Integrity Elevating Board Oversight in Anti-Fraud, Bribery and Corruption, 31 October 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Datin Azlina Mahmad,

	<p>Chong Chye Neo, Syed Ari Azhar Syed Mohamed Adlan, Tan Sri Abdul Farid Alias, Dato' Anad Krishnan Muthusamy, Datuk Bazlan Osman)</p> <ul style="list-style-type: none"> <li>• Anti-Bribery and Corruption Refresher Training: Revisiting Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act, 7 June 2023 (attended by Ms . Chong Chye Neo)</li> <li>• Anti Bribery and Anti-Corruption training – Promoting Good Governance, 21 June 2023 (attended by Datin Azlina Mahmad)</li> <li>• Conflicts of Interest (COI) and Governance of COI, 15 August 2023 (attended by Dato' Anad Krishnan, Datin Azlina Mahmad, Tan Sri Abdul Farid Alias, Datuk Bazlan Osman)</li> <li>• The Arrival of ISSB Standards and Continued Relevance of Integrated Reporting, 4 September 2023 (attended by Datuk Muhamad Umar Swift, Datuk Bazlan Osman)</li> <li>• Navigating Sustainability Reporting in the Banking Industry, 6 September 2023 (attended by Datuk Bazlan Osman)</li> <li>• Financial Frauds &amp; Scams Workshop, 4 October 2023 (attended by Datin Azlina Mahmad, Datuk Bazlan Osman, Ms. Tan Ler Chin,</li> <li>• Board Oversight of Climate Risks and Opportunities, 10 October 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Security Commission Malaysia (SC) OECD: Asia Roundtable on Corporate Governance, 11 – 12 October 2023 (attended by Tan Sri Abdul Wahid Omar and Datuk Muhamad Umar Swift)</li> <li>• Deloitte's Live Boardroom simulation, 18 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Directors' Training – AML/CFT &amp; TFS, 18 October 2023 (attended by Datuk Bazlan Osman)</li> <li>• Directors' Conflict of Interest, 5 December 2023 (attended by Ms. Chong Chye Neo)</li> </ul> <p><b>(2) Information Technology and Cybersecurity</b></p> <ul style="list-style-type: none"> <li>• Battling The Rise of Cyber Threats in Financial Services in 2023 17 January 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Cloud Adoption – Overview and Trends, 23 March 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Dato' Anad Krishnan, Datin Azlina Mahmad, Tan Sri Abdul Farid Alias, Datuk Bazlan Osman, Ms. Chong Chye Neo, Encik Syed Ari Azhar Syed Mohamed Adlan)</li> <li>• Understanding the Cyber Security Landscape, 19 June 2023 (attended by Ms. Chong Chye Neo)</li> </ul> <p><b>(3) Leadership, Legal and Business Management</b></p> <ul style="list-style-type: none"> <li>• FIDE Forum: Distinguished Board Leadership Series 2023 "Can America stop China's rise? Will ASEAN be damaged, 12 January 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Leadership Talk at Kementerian Pembangunan Wanita, Keluarga dan Masyarakat Malaysia( KPWKM's) Management Retreat, 14 January 2023 (attended by Tan Sri Abdul Wahid Omar, also a Guest Speaker)</li> <li>• CEO Action Network (CAN) and Ministry of Transport (MOT) Sustainability Workshop, 17 January 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• INCEIF: Keynote lecture on Branding - A Corporate leader's Perspective, 8 March 2023 (attended by Tan Sri Abdul Wahid Omar, also a Keynote speaker)</li> </ul>
--	--

	<ul style="list-style-type: none"> <li>• Universiti Malaya: Knowledge sharing session on Purposeful Leadership and Sustainability, 1 April 2023 (attended by Tan Sri Abdul Wahid Omar, also a Speaker)</li> <li>• PUNB: Leadership Enhancement &amp; Acceleration Programme (LEAP) - Leadership &amp; Sustainability Talk, 12 April 2023 (attended by Tan Sri Abdul Wahid Omar, also a Speaker)</li> <li>• Webinar WAIM 2023 – Talk on Purposeful Leadership &amp; Sustainability, 19 April 2023 (attended by Tan Sri Abdul Wahid Omar, also a Speaker)</li> <li>• PwC Malaysia: ‘A leadership agenda: Driving trust from the top’ launch event, 13 May 2023 (attended by Tan Sri Abdul Wahid Omar, also a Speaker)</li> <li>• Institute Social Malaysia (ISM): Executive Talk Program - Leading With a Purpose, 8 June 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Ethical Leadership Helps Shape Organizational Values &amp; Cultures, 13 – 14 June 2023 (attended by Datuk Bazlan Osman)</li> <li>• The Hasanah Forum 2023: Fostering Justice Based Philanthropy: Shifting the Narrative to Action - Theme: People &amp; Leadership - Nurturing Courageous Leaders, 14 June 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Ethical Leadership Helps Shape Organizational Values &amp; Cultures, 16 June 2023 (attended by Datuk Bazlan Osman)</li> <li>• Emulate Prophetic Leadership, 16 June 2023 (attended by Datuk Bazlan Osman)</li> <li>• The Hasanah Forum 2023: Co-hosted in partnership with the Asian Venture Philanthropy Network (AVPN) Global Conference 2023, 20 June 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Women Leadership Foundation Roundtable Session and Industry Visit to Bursa Malaysia - Leadership Session, 4 July 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Building a Winning Conglomerate In Turbulent Times, 25 July 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Entrepreneurial and Business Leadership for a New Era, 27 July 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Board's Role In Value Creation, 8 August 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Refresher of 5 CLA’s for Board of Directors, 14 August 2023 (attended by Ms. Chong Chye Neo)</li> <li>• ILHAMAVCAP: Leadership Talk Series 2023, 6 September 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• UM Leadership Talk: Kepimpinan Berasaskan Tujuan dan Kelestarian, 7 September 2023 (attended by Tan Sri Abdul Wahid Omar, also a Guest Speaker)</li> <li>• 30% Club Malaysia: Board Mentoring Celebration, 13 September 2023 (attended by Tan Sri Abdul Wahid Omar, also a Keynote speaker)</li> <li>• Khazanah Mega Trends 2023: Orchestrating a Development Bargain for Sustainable Growth, 2 – 3 October 2023 (attended by Datin Azlina Mahmad, Datuk Bazlan Osman, Ms. Chong Chye Neo)</li> <li>• Singapore Listed Entity Directors’ Programme, 11 – 13 October 2023 (attended by Tan Sri Abdul Farid Alias)</li> <li>• RSOG Premier Flagship Program: Authentic Leadership - Purpose &amp; Values Driven, 16 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• 8<sup>th</sup> World Investment Forum 2023, Abu Dhabi, 16 – 19 October 2023 (attended by Datuk Muhamad Umar Swift)</li> <li>• CelcomDigi MY5G CEO Roundtable, 17 October 2023 (attended by Datuk Bazlan Osman)</li> </ul>
--	--



- InvestED Career Talk 2023: Fireside Chat With Iconic Speakers, 24 October 2023 (attended by Tan Sri Abdul Wahid Omar, also a guest speaker)
- Accenture AI Ascend 2023: Transcend Boundaries Elevate Possibilities 26 October 2023 (attended by Datuk Bazlan Osman)
- Seminar Keselamatan Negara Di Maktab Ketahanan Nasional: National Security - A Corporate leaders' perspective, 2 November 2023 (attended by Tan Sri Abdul Wahid Omar)
- Board Leadership Series 2023: Empowering Change through Diversity, Equity and Inclusion (DEI), 2 November 2023 (attended by Datuk Bazlan Osman)
- PRIBUMI Development Programme: Motivational Talk - Leadership, 4 November 2023 (attended by Tan Sri Abdul Wahid Omar)
- Purpose Based Islamic Leadership Programme (IBFIM), 8 November 2023 (attended by Tan Sri Abdul Wahid Omar, also as Guest Speaker)
- Fima Summit 2023: Recent Changes To Bursa's Listing Requirements - Conflict Of Interest & RPT/ RRPT; Climate Reporting and Carbon Market & Management, 14 November 2023 (attended by Datuk Bazlan Osman)
- IFAC Thought Leadership Seminar, 15 – 16 November (attended by Datuk Bazlan Osman)
- DIRI Premiere and Fireside Chat, 16 November 2023 (attended by Tan Sri Abdul Wahid Omar, also a Guest Speaker)
- CelcomDigi Board Strategy Workshop, 16 November 2023 (attended by Tan Sri Abdul Farid Alias)
- CRMSA and Security Awareness Training, 27 November 2023 (attended by Datuk Bazlan Osman)
- Global Muslim Business Forum 2023: Plenary Session 1 - Challenges and Opportunities in the New Economy & Digital Technology and Green Energy Driving Future Growth, 29 – 30 November 2023 (attended by Tan Sri Abdul Wahid Omar)
- Building a Sustainable Legacy – Empowering Leaders for a Lasting Impact, 5 December 2023 (attended by Ms. Chong Chye Neo)
- Leadership Talk to EXIM Staff - Leading with Purpose, 12 December 2023 (attended by Tan Sri Abdul Wahid Omar, also a Guest Speaker)

#### **(4) Financial and Capital Markets**

- Invest Shariah Industry Dialogue 2022 (ISID 2022): Series 2, Islamic Digital Economy - Fast Track Your Fund Raising with Bursa Malaysia, 19 January 2023 (attended by Tan Sri Abdul Wahid Omar)
- WWF Investor Forum co-hosted with Amundi, 22 February 2023 (attended by Tan Sri Abdul Wahid Omar)
- 34<sup>th</sup> Palm & Lauric Oils Price Outlook Conference and Exhibition (POC2023), 7 March 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Datin Azlina Mahmud, Dato' Anad Krishnan, Ms. Chong Chye Neo, Encik Syed Ari Azlan Syed Mohamed Azlan)
- Invest Malaysia Kuala Lumpur: Reshaping Malaysia's Narrative Series 1 - Strengthening Resilience & Sustaining Growth, 7 – 8 March 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Dato' Anad Krishnan, Datin Azlina Mahmud, Tan Sri Abdul Farid Alias, Datuk Bazlan Osman, Ms. Chong Chye Neo, Encik Syed Ari Azhar Syed Mohamed Adlan)

	<ul style="list-style-type: none"> <li>• Sharing Session on GLC Transformation in Malaysia with Mr Pravin Gordan, Minister of Public Enterprises, South Africa, 2 May 2023 (attended by Tan Sri Abdul Wahid Omar, also a Speaker)</li> <li>• Invest Malaysia Series 2: Reshaping Malaysia's Narrative Series 2 - Digital Malaysia, 7 June 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Dato' Anad Krishnan, Tan Sri Abdul Farid Alias, Datuk Bazlan Osman, Ms. Chong Chye Neo)</li> <li>• MIA International Accountant's Conference 2023, 13 – 14 June 2023 (attended by Datuk Muhamad Umar Swift, Datuk Bazlan Osman)</li> <li>• Malaysia Insolvency Conference 2023: Recession or Opportunities on the Horizon, 21 June 2023 (attended by Datuk Bazlan Osman)</li> <li>• Financial literacy program by Arus Academy, 30 June 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Asian Leaders Sustainable Finance Development Programme, 12 – 14 July 2023 (attended by Datuk Muhamad Swift)</li> <li>• Invest Malaysia Kuala Lumpur: Launch of the National Energy Transition Roadmap Part 1 - Flagship Catalyst Projects and Initiatives Energising the Nation, Powering Our Future, 27 July 2023 (attended by Datuk Muhamad Umar Swift, Dato' Anad Krishnan, Datin Azlina Mahmud, Tan Sri Abdul Farid Alias, Datuk Bazlan Alias, Ms. Chong Chye Neo)</li> <li>• Invest Shariah Conference 2023: Navigating the Shariah Horizon - Diversifying Investment Frontiers &amp; Fireside Chat - From Tradition to Transformation: The Future of Diversified Shariah Investment, 9 August 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Razak School of Government (RSOG) &amp; Malaysian Rail Link (MRL) Leadership Program: The Art of Leadership - Leading with Purpose, 10 August 2023 (attended by Tan Sri Abdul Wahid Omar, also a Guest Speaker)</li> <li>• Asia School of Business (ASB): Fireside Chat Series - Trespassings - Leadership lessons from 77 Trains BC and Other Journeys, 18 August 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• MIBA Launchpad: Empowering Investment Banking Professionals &amp; Looking Ahead - The Future of Investment Banking Professionals, 23 August 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• East Malaysia Palm Oil &amp; Lauric Oil Conference, 5 September 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift and Datuk Bazlan Osman)</li> <li>• KLIFF 2023: Harnessing Islamic Finance for a Sustainable Future, 19 – 20 September 2023 (attended by Datuk Bazlan Osman)</li> <li>• 2023 World Federation of Exchanges Annual General Meeting &amp; Conference, 20 – 21 September 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift)</li> <li>• Seminar Pelaburan Saham #PahangNextWealth sponsored by Yayasan Al-Sultan Abdullah (YASA), 21 October 2023 (attended by Tan Sri Abdul Wahid Omar, also a Keynote speaker)</li> <li>• Invest Malaysia New York: Reshaping Malaysia's Narrative, 20 – 24 September (attended by Tan Sri Abdul Wahid Omar)</li> <li>• IFAC Sustainability Summit: Asia Pacific, 27 – 28 September 2023 (attended by Datuk Bazlan Osman)</li> <li>• Embedded Finance: Seizing The Multi-Trillion Dollar Opportunity, 17 October 2023 (attended by Ms. Chong Chye Neo)</li> <li>• CPA Congress 2023, 18 – 20 October 2023 (attended by Datuk Muhamad Umar Swift)</li> <li>• TRATAX Webinar 2024: National Budget, 20 October 2023 (attended by Datuk Bazlan Osman)</li> </ul>
--	--

	<ul style="list-style-type: none"> <li>• EPF Private Markets Summit 2023, 1 November 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Asian Strategy &amp; Leadership Institute (ASLI) Banking and Finance Summit 2023, 14 November 2023 (attended by Datin Azlina Mahmad)</li> <li>• PNB Knowledge Forum 2023: Education Reimagined, 15 November 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Bank Pembangunan Malaysia 50th Anniversary Forum: Panel Discussion 1 - Opportunities for Development Financial Institutions (DFIs) in the Changing Developing Landscape, 20 November 2023 (attended by Tan Sri Abdul Wahid Omar, also a Panelist)</li> <li>• National Economic Masterplan: NIMP 2030 – Strategies for Industries, 30 November 2023 (attended by Ms. Chong Chye Neo)</li> <li>• AAA Technical Day: Traders' Day &amp; Outlook 2024, 9 December 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• FIDE FORUM Chairman's Dialogue: Financing The Digital Economy - Supporting the Madani Framework, 12 December 2023 (attended by Tan Sri Abdul Wahid Omar)</li> </ul> <p><b>(5) Environmental, Social and Governance (ESG)</b></p> <ul style="list-style-type: none"> <li>• WWF APGS CEO &amp; APC 2023 Conference, 14 – 16 March 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Briefing on Environmental, Social and Governance by PricewaterhouseCoopers PLT, 28 March 2023 (attended by Ms. Chong Chye Neo)</li> <li>• Board ESG Governance: Navigating the Board's Role in ESG KPIs, GRC and Executive Compensation, 25 April 2023 (attended by Tan Sri Abdul Farid Alias)</li> <li>• WWF Annual Conference 2023/Council Meeting, 22 – 26 May 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Energy Asia Conference 2023: Charting Pathways for a Sustainable Asia, 26 – 28 June 2023 (attended by Datin Azlina Mahmad)</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact, 11 – 12 July 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Datin Azlina Mahmad, Chong Chye Neo, Syed Ari Azhar Syed Mohamed Adlan, Tan Sri Abdul Farid Alias, Dato' Anad Krishnan Muthusamy, Puan Sharifatu Laila Syed Ali)</li> <li>• CGM Webinar- Pricing A Negative Externality: Carbon - Mandatory Carbon Markets, 12 July 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• WWF Climate Finance Summit 2023, 13 July 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• Directors Conference 2023: Bank Islam Group - Harmonising Talent and Governance &amp; Leverage ESG for Sustainability Retention, 7 August 2023 (attended by Datuk Bazlan Osman)</li> <li>• Youth Climate Forum 2023 on Green Finance and Sustainable Investing: Unlocking Opportunities for Youth in Climate Action - Sustainability &amp; Pathways to Net Zero: A Corporate Leader's Perspective, 19 August 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• 14th SC-OCIS Roundtable, Session One: Investing Towards the Common Good - Impact, Stewardship and Ethical Considerations &amp; Catalysing Impact Assessment For A Sustainable Transition, 24 – 25 August 2023 (attended by Tan Sri Abdul Wahid bin Omar)</li> </ul>
--	--

	<ul style="list-style-type: none"> <li>• National Climate Governance Summit: Climate Governance Workshops for SMEs, 5 – 7 September 2023 (attended by Datin Azlina Mahmad)</li> <li>• Navigating Sustainability Reporting, 6 September 2023 (attended by Datin Azlina Mahmad)</li> <li>• Malaysia Carbon Market Forum 2023: Programme Overview, 5 October 2023 (attended by Datuk Muhamad Umar Swift, Datin Azlina Mahmad, Datuk Bazlan Osman, Ms. Tan Ler Chin)</li> <li>• Board Oversight on Climate Risk and Opportunities, 10 October 2023 (attended by Datuk Bazlan Osman)</li> <li>• Climate Governance Malaysia Chairperson Masterclass: The Business of Biodiversity - Why It Matters to Your Company by Helen Crowley, 13 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• The JC3 Journey to Zero Conference: Navigating the Next Environmental Challenge - Understanding and Managing Nature-Related Risks, 23 – 25 October 2023 (attended by Tan Sri Abdul Wahid Omar, Datin Azlina Mahmad, Ms. Chong Chye Neo, Ms. Tan Ler Chin)</li> <li>• FGV Sustainability Week, 24 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• INCEIF-Masterclass on Sustainability: ESG and Pathways to Net Zero, 25 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• UPTM: The Bursa Malaysia Vision - Aligning Sustainability &amp; Digital Innovation for the Future, 30 October 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• ESG and Islamic Finance , 7 November 2023 (attended by Datin Azlina Mahmad)</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact, 8 – 9 November 2023 (attended by Datuk Bazlan Osman, Ms. Chong Chye Neo, Ms. Tan Ler Chin)</li> <li>• SC Chairperson Masterclass Series: Leading The Change (Session 7) - Reporting under the TCFD Framework by Anna Kok, 4 December 2023 (attended by Tan Sri Abdul Wahid Omar)</li> <li>• United Nations’ Climate Change Conference 28 (COP28), 24 November, 12 December 2023 (attended by Tan Sri Abdul Wahid Omar and Datuk Muhamad Umar Swift)</li> <li>• Capacity Building Workshop on ESG and Corporate Greenhouse Gass Accounting and Reporting, 5 December 2023 (attended by Tan Sri Abdul Wahid Omar, Datuk Muhamad Umar Swift, Datin Azlina Mahmad, Tan Sri Abdul Farid Alias, Datuk Bazlan Osman, Encik Syed Ari Azhar Syed Mohamed Adlan, Ms. Tan Ler Chin)</li> <li>• ESG for Construction &amp; Property, 5 December 2023 (attended by Ms. Chong Chye Neo).</li> </ul>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



**Intended Outcome**

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

**Practice 3.1**

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company’s website.

<p><b>Application</b></p>	<p>: Applied</p>						
<p><b>Explanation on application of the practice</b></p>	<p>: The Board of Bursa Malaysia has put in place a comprehensive Code of Conduct and Ethics (“COCE”) for the Company. The COCE caters for different groups in Bursa Malaysia i.e. the Directors, the employees and the Members of the Regulatory Committees of the Company. The COCE documents can be found on Bursa Malaysia’s website: <a href="https://www.bursamalaysia.com">https://www.bursamalaysia.com</a> at About Bursa-ABOUT US-Corporate Governance-Code of Conduct and Ethics.</p> <p>The ‘COCE for Directors’ (“COCED”) is reviewed at least once in every 3 years to ensure relevancy and alignment with the prescribed requirements and best corporate governance (“CG”) practices.</p> <p>The COCED takes into account the following 5 guiding principles under the Guidelines on Adequate Procedures pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission (“MACC”) Act 2009:-</p> <table border="1" data-bbox="603 1397 1385 1621"> <tr> <td style="text-align: center;"><b>T.R.U.S.T. Key Principles</b></td> </tr> <tr> <td><b>Principle I:</b> Top Level Commitment</td> </tr> <tr> <td><b>Principle II:</b> Risk Assessment</td> </tr> <tr> <td><b>Principle III:</b> Undertake Control Measures</td> </tr> <tr> <td><b>Principle IV:</b> Systematic Review, Monitoring and Enforcement</td> </tr> <tr> <td><b>Principle V:</b> Training and Communication</td> </tr> </table> <p>The COCED articulates the firm stance taken by the Board in promoting better governance culture and ethical behaviour to prevent any corrupt practices in relation to business activities. The COCED was also enhanced to clearly reflect the top-level commitment and assurance from the Board that Bursa Malaysia takes a zero-tolerance approach towards fraud, bribery, corruption and any form of dishonesty in its business dealings.</p> <p>To observe high standards of business, professional and ethical conduct, the Directors (whether acting in their own capacity or on the</p>	<b>T.R.U.S.T. Key Principles</b>	<b>Principle I:</b> Top Level Commitment	<b>Principle II:</b> Risk Assessment	<b>Principle III:</b> Undertake Control Measures	<b>Principle IV:</b> Systematic Review, Monitoring and Enforcement	<b>Principle V:</b> Training and Communication
<b>T.R.U.S.T. Key Principles</b>							
<b>Principle I:</b> Top Level Commitment							
<b>Principle II:</b> Risk Assessment							
<b>Principle III:</b> Undertake Control Measures							
<b>Principle IV:</b> Systematic Review, Monitoring and Enforcement							
<b>Principle V:</b> Training and Communication							

Group's behalf) are committed to refrain themselves from offering, soliciting, giving or receiving any gifts, donations (including political donations), sponsorships, and any other form of benefits (in kind, cash, advantages, travel, entertainment and/or favour, etc) from persons or entities who deal with Bursa Malaysia Group where the gift would reasonably be expected to influence the performance of the Director's duties in any aspect.

The COCED provides principles and standards relating to the Directors' duty to act in the public interest and best interest of Bursa Malaysia Group, and covers the areas of transparency, integrity, accountability, sustainability, conflicts of interest ("COI"), anti-corruption/bribery, confidentiality, insider trading, fair dealing and anti-competition, proper use of company's assets, compliance with laws, rules and regulations. Every Director shall uphold the highest integrity and has a duty to safeguard the Company's assets which shall only be used in a safe, ethical and lawful manner. The reporting of unlawful or unethical behaviour is encouraged, particularly through the Whistleblower Policy and Procedures.

The Code of Ethics for employees promotes integrity and ethical conduct/behaviour in all aspects of the Company's operations, including privacy and confidentiality of information, dealings in securities and COI. Accordingly, all employees of Bursa Malaysia Group are required to make annual declarations on their compliance with the policies and procedures as set out in the Code of Ethics. This declaration includes the confirmation by each employee to safeguard the confidentiality of information obtained in the course of employment and uphold personal integrity in the workplace. This serves to maintain awareness amongst staff of the need to build and maintain a value-based culture beyond a culture that is merely driven by compliance.

The Code of Ethics for employees also sets out the prohibited activities or misconduct involving gifts, gratuities, bribes, dishonest behaviour and sexual harassment. In this respect, Bursa Malaysia adopted a "No Gift" policy since July 2019 (which has since been renamed as "Gifts Policy" effective December 2023), as set out in the Code of Ethics for employees. In principle, all employees of Bursa Malaysia Group, their family members or agents acting for or on behalf of Bursa Malaysia are prohibited from, directly or indirectly, receiving or providing gifts, kickbacks or gratuities from/to third parties.

As an Exchange Holding Company ("EHC") and a frontline regulator, Bursa Malaysia has 4 Regulatory Committees under its Governance Model, which are responsible to make key regulatory decisions on behalf of Bursa Malaysia Group i.e. the Regulatory and Conflicts Committee ("RACC"), the Listing Committee, the Market Participants Committee and the Appeals Committee. With the view to ensure the independence of the regulatory functions having regard to the responsibilities of the EHC to maintain an orderly market and uphold public interest, the Regulatory Committees comprise members who are

	<p>the Public Interest Directors of Bursa Malaysia and/or external independent individuals (“Regulatory Committee Members”). These Regulatory Committee Members shall have the relevant industry experience with significant knowledge and expertise in specific areas, to facilitate the discharge of the functions of the Regulatory Committees. In view of their role as Regulatory Committee Members, they are expected to embrace a high standard of integrity and ethics in discharging their responsibilities for Bursa Malaysia Group. Hence, they are required to carry out their duties in an honest, fair, diligent and ethical manner, within the scope of authority conferred upon them and in accordance with the applicable laws, rules, regulations and Bursa Malaysia’s internal policies or guidelines.</p> <p>In this respect, the Board has in place the ‘COCE for Members of the Regulatory Committees’ (“COCERC”) to ensure the Regulatory Committee Members’ commitment to high standards of professional and ethical behaviour in the performance of their responsibilities. Accordingly, every Regulatory Committee Member is required to provide his/her undertaking to comply with the COCERC upon his/her acceptance of appointment as a Member of any of the Regulatory Committees.</p> <p>In addition to the implementation of the COCE’s policies and procedures for Bursa Malaysia Group, awareness programmes are also organised internally, to promote good business conduct and maintain a healthy corporate culture in Bursa Malaysia.</p> <p>The Board also has in place the Directors’ Fit and Proper Policy (“FPP”), to ensure that any person to be appointed or elected/re-elected as a Director of Bursa Malaysia Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the position in the most effective manner. The Directors’ FPP is incorporated in the Board Charter which is available on Bursa Malaysia’s website. The Board Charter also includes a provision which prohibits an “active politician” as defined in the MCCG, to be a Director on the Board of the Company.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	



### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Bursa Malaysia has established and put in place the policies and procedures on whistleblowing within the Group. In this respect, the Whistleblower Policy and Procedures (“WPP”) fosters an environment in which integrity and ethical behaviour are maintained through protocols which allow for the exposure of any violations or improper conduct or wrongdoings within the Group.</p> <p>The WPP provides the whistleblowing process in Bursa Malaysia for employees and Directors as well as the independent individuals sitting as members of the Board Committees.</p> <p>(1) The WPP provides an avenue for any persons namely employees, Directors, or external parties to report any improper conduct as defined in the WPP against any employee or Director, in a safe and confidential manner.</p> <p>The Board is responsible for overseeing the implementation of the WPP.</p> <p>(2) The WPP also provides an avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including business principles and the Group’s policies and guidelines, in a safe and confidential manner. An employee who makes a report of improper conduct in good faith shall not be subject to unfair dismissal, victimisation, demotion, suspension, intimidation or harassment, discrimination, any action causing injury, loss or damage or any other retaliatory actions by the Group.</p> <p>(3) The RMC is responsible for overseeing the implementation of the WPP for the Group’s employees, whilst duties relating to the day-to-day administration of the WPP are performed by the Director of Risk &amp; Compliance (“RC”).</p> <p>The Integrity &amp; Governance Unit (“IGU”) consists of 4 core functions namely complaints management, detection and verification, integrity enhancement and governance. Given its oversight responsibilities of the WPP administration, the IGU is tasked to carry out investigation</p>

	<p>on allegations or complaints made through the whistleblowing channels.</p> <p>(4) In light of privacy and security concerns, all complaints and reports made are to be kept private and confidential, as Bursa Malaysia's e-mail resides on its dedicated server.</p> <p>The WPP for Bursa Malaysia Group (for Employees and Directors) is published on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/whistleblower_policy_and_procedure">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/whistleblower_policy_and_procedure</a></p>	
<p><b>Explanation for departure</b> :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>One of the key responsibilities of the Board of Bursa Malaysia under its Terms of Reference ("TOR") is to review and approve strategic initiatives including corporate business restructuring and strategic alliances, to ensure that they support long-term value creation and take into account economic, environmental and social considerations. In this respect, the Chief Executive Officer ("CEO") through a Management Committee which he chairs, assists the Board in overseeing the formulation, implementation and effective management of Bursa Malaysia's strategies, including those related to sustainability.</p> <p>Accordingly, the Board is ultimately accountable for ensuring that sustainability is integrated into the strategic direction of Bursa Malaysia Group and its operations. To achieve this, the Board continuously ensures that there is an effective governance framework for sustainability within the Group.</p> <p>Towards this end, the Board has in place a Sustainability and Development Committee ("SDC") under the Governance Model with the primary purpose to assist the Board in its oversight responsibilities:-</p> <ul style="list-style-type: none"><li>(i) To ensure the strategic plan for the Group supports long term value creation and sustainability goals; and</li><li>(ii) To ensure the development and implementation of the strategic plan for the Group is effective and takes into account sustainability considerations.</li></ul> <p>In view of its purpose, the composition of the SDC includes an independent member who is an expert in sustainable development or sustainable finance.</p> <p>In the oversight of sustainability matters, the Board is also assisted by the Risk Management Committee ("RMC"), which oversees the Group's various risks including sustainability and climate-related risks. The CEO,</p>

	<p>through the Management Committee, continues to be responsible for the strategic management of material sustainability matters of Bursa Malaysia Group.</p> <p>‘Embedding Sustainability in our Organisation and Workplace’ is one of the 5 strategic pillars of Bursa Malaysia’s Strategic Roadmap 2021-2023 and is supported by the Sustainability Roadmap 2021-2023, which contains a list of initiatives/programmes in five priority areas involving the marketplace, internal practices and communities. Bursa Malaysia’s sustainability strategies and the corresponding programmes and initiatives are driven by the relevant divisions/departments of Bursa Malaysia and with the support of Group Sustainability as appropriate.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Bursa Malaysia’s sustainability strategies, priorities, targets and performance against these targets are developed and monitored against a 3-year Sustainability Roadmap. They are guided by a careful review of the materiality assessment exercise and engagement with key internal and external stakeholders. The Sustainability Roadmap is aligned with the Bursa Malaysia Strategic Roadmap 2021-2023. There are 5 priority areas covering key aspects of the marketplace, ecosystem, environment, workforce and community. The initiatives in each priority area will be driven by the relevant departments of Bursa Malaysia. For a comprehensive description of Bursa Malaysia’s stakeholder groups, their engagement and targets as well as performance against these objectives, please refer to Bursa Malaysia’s standalone Sustainability Report which can be found on the Bursa Malaysia website.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>In order to ensure the Board is kept abreast on sustainability issues which are relevant to the Exchange business and operations, several training programmes had been arranged for the Board and Management during the year. These include as follows:-</p> <ul style="list-style-type: none"><li>• Bursa Carbon Market Forum 2023: Empowering Climate Actions Through Carbon Markets (4 October 2023)</li><li>• Board Oversight on Climate Risks &amp; Opportunities (10 October 2023)</li><li>• Capacity Building Workshop on ESG and Corporate Greenhouse Gas Accounting and Reporting (5 December 2023)</li></ul> <p>Further, the Enterprise Analytic and Reporting Unit provides regular updates to the Board members on Sustainability and Environmental, Social and Governance (“ESG”) matters such as news articles or reports, to ensure the Board is kept abreast on the latest developments and trends, in the local and global scene.</p> <p>In the earlier explanation on the application of Practice 4.1 of MCCG, the Board’s commitment to strengthen its oversight of sustainability issues through the establishment of a Board Committee i.e. the Sustainability and Development Committee (“SDC”) has been described. The SDC is responsible to assist the Board in overseeing the strategic initiatives of the Group, to ensure that they support long-term value creation and sustainability goals. It also oversees the business plans and key initiatives of Bursa Malaysia Group having regard to economic, environmental and social considerations underpinning sustainability. In this respect, the SDC’s composition includes an independent member with expertise in sustainable development/sustainable finance, to assist the Board/SDC in setting sustainability strategies, priorities and targets of Bursa Malaysia as a frontline regulator and listed entity.</p> <p>In addition, the Risk Management Committee also oversees the Group’s various risks including Environmental, Social, and Governance (“ESG”) risk. The CEO, through the Management Committee, continues to be responsible for the strategic management of material sustainability matters of Bursa Malaysia Group</p>

As part of the Board Effectiveness Evaluation (“BEE”) 2022/2023 exercise conducted by PwC Consulting Services (M) Sdn Bhd, the Board skills evaluation had included the Directors’ skills and experiences in sustainability/ESG. The Board is of the view that sustainability should be embedded within the culture of the boardroom, whereby each member of the Board should be able to view the organisation and its operations through the lens of sustainability. As such, a “sustainable mindset” of a Director and the understanding that “business is not a commercial activity divorced from wider society” would be vital for the Board, in ensuring its commitment and focus on sustainability and climate-related matters. The Board agreed that there was sufficient capacity in this area, to enable the Board to discharge its role effectively in the areas of Sustainability/ESG, which is supported by the BEE 2022/2023 outcome where the average rating obtained was 3.5 out of 4.

During the year, the Board considered several initiatives as proposed by the Management, to address sustainability risks and opportunities having regard to various international standards and best practices. Among the initiatives include:-

- (i) In July and December 2023, the Risk & Compliance Division and the Group Sustainability Division presented to the RMC Management’s update on climate-related risks in the organisation. The presentation included Bursa’s climate action journey, updates on the greenhouse gas (“GHG”) emissions reductions plans - accomplishments and progress made, global climate risk landscape, key global and local developments on climate risks. The climate risk and opportunities (“CRO”) presented to the RMC are the basis of the ESG-initiatives that forms part of the approved Risk & Compliance Strategy Roadmap for 2024-2026.
- (ii) In September and November 2023, the RMC reviewed the project risk assessment and the system readiness assessment carried out on the Centralised Sustainability Intelligence (“CSI”) platform project respectively. The CSI platform was established to facilitate sustainability disclosures by Public Listed Companies (“PLCs”) as part of Bursa’s Enhanced Sustainability Reporting Requirements. It also serves as a centralized ESG data platform to aligned Malaysia sustainability disclosures with global standards.

The RMC deliberated on the risks associated with the CSI’s platform project objectives and implementation strategy taking into accounts the cybersecurity and operational risks involved in establishing the platform.

- (iii) System readiness assessment of the Bursa Carbon Exchange (“BCX”) platform for continuous trading was reviewed by the RMC in September 2023 where the results of the functional and non-functional tests, management of the data & cyber-related risk, and overall readiness of the BCX to go-live were reported.

	<p>BCX is a shariah-compliant multi-environmental product exchange that facilitates the trading of high-quality carbon credits via standardised carbon contracts. Corporates may purchase these credits to offset their carbon footprint while the sales of carbon credits, in return, will help to finance and drive the development of domestic GHG emission reduction, removal solutions and projects.</p>	
<p><b>Explanation for departure</b></p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	:	
<p><b>Timeframe</b></p>	:	



### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Bursa Malaysia's Corporate Scorecard was developed based on the guiding principle to ensure alignment and effective implementation of strategies under the 2021-2023 Strategic Roadmap. The strategic pillars of the roadmap include embedding sustainability in the organisation and marketplace. In this respect, targets with respect to specific sustainability strategies or initiatives had been included as Key Performance Indicators ("KPIs") in the Corporate Scorecard and/or the Divisional Scorecard (CEO-1 scorecard).</p> <p>For the 2023 Corporate Scorecard, the sustainability-related KPIs were on the reduction in the organisation's carbon footprint via Scope 1 and 2 GHG emissions as well as an improvement of the ESG ratings and/or performance in PLCs. The results of the first KPI: Reduction in the organisation's carbon footprint via Scope 1 and 2 GHG emissions were "Unsatisfactory" due to an unforeseen incident which affected the Exchange Square Main Building chiller, thus resulting in an increase in Scope 1 GHG emissions compared to 2022. Nonetheless, the impact of this increase was mitigated by Bursa's energy efficiency initiatives and the utilisation of Renewable Energy Certificates purchased from the open market. The second Sustainability related KPI was rated at "Exceeds Expectation". The Corporate Scorecard in particular, the sustainability-related KPIs were cascaded down to the Senior Management at Divisional level within the organisation.</p> <p>The questionnaires in conjunction with the Board Effectiveness Evaluation ("BEE") for the period from 1 July 2022 to 30 June 2023 ("2022/2023") embedded relevant sustainability-related performance measures and questions which had been incorporated for the evaluation of the Board/Committee Members, in accordance with Practice 4.4 of the MCCG,</p> <p>Guidance 4.4 of the MCCG further provides that <i>such performance evaluation should consider how well the board and senior management have performed their respective roles. This may include, where applicable, progress against the achievement of sustainability targets. The performance evaluation should be conducted to promote accountability and identify issues that may require intervention by the board and/or senior management. Outcomes from the evaluations and next steps should also be shared with the company's shareholders.</i></p>

	<p>The average rating of at least 4.6 and above out of a 5-scale rating for the following assessment on the Board’s responsibilities for ESG matters indicated a satisfactory performance of the Board and CEO/Management:-</p> <ol style="list-style-type: none"> <li>(1) Overseeing the development and implementation of sustainability strategies in the organisation, and ensuring environmental, social and governance (“ESG”) aspects are appropriately balanced with the interests of various stakeholders;</li> <li>(2) The board has the required capacity and competency in its ability to tackle questions and deliberate on sustainability matters, as well as evaluate the sustainability risks and opportunities, and make informed decisions on the matter;</li> <li>(3) Effectiveness in discharging responsibility in the are of Sustainability in environmental, social and governance practices; and</li> <li>(4) The CEO provides dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the business.</li> </ol> <p>Nevertheless, the Directors’ observations and the Senior Management’s feedback had been consistent on the need for more focus and attention in Sustainability Strategies particularly, in Environmental, Social and Governance aspects will remain as one of the areas requiring ongoing attention for continuous improvement.</p>	
<p><b>Explanation for departure</b> :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

### **Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### **Practice 4.5- Step Up**

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

*Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.*

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	Ms. Emilia Tee Yoke Hoong, Director of Group Sustainability, was the designated person appointed by Bursa Malaysia since 2017 to provide dedicated focus to manage sustainability strategically in the operations of the Company, up until her retirement in October 2023. Puan Aina Zahari was then appointed as the Acting Director of Group Sustainability effective 1 November 2023 as well as the interim designated sustainability personnel for the Company. Effective 2 January 2024, Dr. Ahmad Hezri bin Adnan has been appointed as the new Director of Group Sustainability, the designated person within the Management, to provide dedicated focus in the Company's strategic management of sustainability matters.

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p><u>Refreshing the Board Composition</u></p> <p>The Nomination and Remuneration Committee ("NRC") is responsible to assist the Board (amongst others) in the development and implementation of the policies on the nomination and appointment of Directors and Committee members in Bursa Malaysia Group, to achieve long-term sustainability of the organisation in accordance with the Terms of Reference of the NRC.</p> <p>In this respect, the Board is mindful that for it to be effective, its composition must include the right group of people, with an appropriate mix of skills, knowledge, experience and independence elements that fit the Company's objectives and strategic goals. Accordingly, the Board already has in place the 'Board 9-year policy' since 2011, to ensure continued effective functioning and progressive refreshing of the Board. In conjunction with this, the NRC had established a Pool of Potential Directors/Committee Members ("Talent Pool"), for its reference in the appointment process. The Talent Pool is updated from time to time, based on the contribution by the Board Members as well as from various other external/ independent sources.</p> <p>The NRC is responsible for the Board succession planning to ensure the Board is refreshed periodically and continues to be effective with the right composition, which would enable it to be better equipped to respond to challenges that may arise and deliver value. Accordingly, the appointment of Directors to the Board of the Company (other than the Public Interest Directors ("PIDs")) is subject to a formal, rigorous and transparent process. The appointment process is as summarised below:-</p> <p>(1) The NRC shall review the existing Board composition such as the optimum size and diversity in terms of gender (i.e. to meet the 30% Board policy on gender diversity), ethnicity, age and mix of skills/experience. In this review, the NRC shall have regard to the strategic direction of the Company as well as the trend in the Board composition (including the skills matrix) of other comparable exchanges and/or companies.</p>

The Board viewed that diversity in the Board composition is important to facilitate optimal decision-making by harnessing different insights and perspectives. Whilst the capital market experience is of paramount importance to the Board, a high-performance Board should comprise directors with a wide variety of backgrounds, experiences and skills.

- (2) The NRC shall determine if there is any gap in the Board composition, and identify the selection criteria for the new Independent Non-Executive Director (INED) with the view to close the gap (if any) and to strengthen the Board composition with reference to the strategic direction of the Company.
- (3) Upon the Board's approval of the selection criteria for the new appointment(s), the NRC shall source for potential candidates based on the selection criteria.
- (4) The NRC shall review the refreshed Talent Pool with reference to the selection criteria to identify suitable candidates and shortlist them for further review or engagement.
- (5) The NRC shall conduct engagement sessions with the shortlisted candidate(s) as well as the fit and proper assessment in accordance with the Directors' Fit and Proper Policy ("DFPP").
- (6) The NRC shall recommend to the Board its proposed candidate for appointment to the Board, for the Board's decision.
- (7) Upon the Board's approval of the shortlisted candidate, the Securities Commission Malaysia ("SC")'s concurrence will be sought in accordance with Section 10 of the Capital Markets and Services Act 2007 ("CMSA").

With the impending retirement of an Independent Non-Executive Director ("INED") in June 2023 in accordance with the Board 9-year Policy, one of the key focus areas during the year was executing the Board succession plan. In the process for appointment of a new Director, the NRC had determined the selection criteria for the new INED who must have the skills and experience in Capital Markets, Finance and Accounting leadership and being a CEO/ Managing Director in a large organisation with international markets presence. The NRC considered the Talent Pool guided by this selection criteria and finally, it identified a suitably qualified candidate which was from an independent source. In July 2023, the Board approved the recommendation of the NRC for the appointment of the new INED, Ms. Tan Ler Chin subject to the SC's concurrence being obtained in accordance with Section 10(1)(b) of the CMSA. The SC's concurrence was obtained on 28 July 2023, and the appointment took effect on 16 August 2023. The induction programme for the new INED was conducted on 23 August and 5 - 6 September 2023.

On 16 August 2023, a PID, Puan Sharifatu Laila binti Syed Ali had resigned from the Board. In accordance with Section 10(1)(a) of the CMSA, the appointment of a PID of Bursa Malaysia is by the Minister of Finance in consultation with the SC.

In the above process for appointment of the new INED, the fit and proper assessment of the candidate was conducted by the NRC in accordance with the Directors' Fit and Proper Policy (DFPP) as set out in the Board Charter. In assessing the candidate's fitness and propriety, the Board through the NRC, had considered all relevant factors based on the overarching criteria namely, the candidate's Character and Integrity, Experience and Competence and the Time and Commitment. During the year, the NRC also conducted the fit and proper assessment on the Directors who were proposed for re-election at the AGM of the Company as well as the two (2) PIDs who were being proposed for re-appointment in accordance with Section 10(1)(a) of the CMSA. In accordance with the DFPP, the new INED and the Directors who were identified for re-election/re-appointment had also submitted to the Company their fit and proper declarations in the prescribed forms.

In July 2023, the NRC had embarked on a Board composition review in conjunction with the Board Effectiveness Evaluation ("BEE") 2022/2023 exercise, which was conducted by an external consultant, PwC Consulting Services (M) Sdn Bhd ("PwC"). In this review, the NRC considered the outcome of the BEE 2022/2023 exercise which had covered the assessment on the appropriateness of the Board structure and composition. In this regard, it was noted that one of the key strengths of the Board is its composition which was well-balanced and adequately diverse for effective governance.

#### Director's Retirement/Re-election

Article 18.4 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company excluding the PIDs for the time being or if their number is not a multiple of 3, then the number nearest to 1/3 shall retire by rotation at an Annual General Meeting ("AGM") of the Company and be eligible for re-election.

The schedule of retirement by rotation was determined by the NRC and the Directors' eligibility to stand for re-election was also considered taking into account their tenure of service in accordance with the Board 9-year policy, where the tenure of an independent director should not exceed a term limit of 9 years. In this regard, all the INEDs (including the PIDs) have served the Board for less than 9 years as at 31 December 2023, except for Mr. Pushpanathan a/l S.A. Kanagarayar who completed his 9 years of service on the Board of Bursa Malaysia on 22 June 2023. Following this, Mr. Pushpanathan a/l S.A. Kanagarayar retired as an INED of the Company effective 23 June 2023.

Article 18.11 of the Company's Constitution provides that any Director appointed by the Board shall hold office until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

In this respect, Datuk Muhamad Umar Swift and Ms. Chong Chye Neo will retire in accordance with Article 18.4 of the Company's Constitution, and Ms. Tan Ler Chin will retire in accordance with Article 18.11 of the Company's Constitution, at the 47<sup>th</sup> AGM of the Company scheduled in March 2024.

For the purpose of determining the eligibility of a Director to stand for re-election at the 47<sup>th</sup> AGM, the NRC had conducted an assessment of each Director's performance, contributions, independence, fitness and propriety having regard to the following:-

- (a) The Director's performance and contribution based on his/her Self and Peer Assessment results of the BEE 2022/2023;
- (b) The Director's level of contribution to the Board deliberations through his/her skills, experience and strength in qualities;
- (c) The level of independence demonstrated by the Director, and his/her ability to act in the best interests of the Company in decision-making; and
- (d) The Director's fitness and propriety with reference to the DFPP.

In accordance with the DFPP under Paragraph 4.3.5 of the Board Charter, the above retiring Directors had also made the fit and proper declarations in the prescribed form, and submitted the same to the NRC/Board for consideration.

Based on the NRC's review, it was agreed that the retiring Directors' performance and contributions in the discharge of their duties during the assessment period had been satisfactory. The NRC was satisfied that the retiring Directors had contributed effectively to the Board's deliberations. They had demonstrated their diligence and commitment, particularly in their respective roles as follows:-

- (a) Ms. Chong Chye Neo as Chairman of the Technology & Cybersecurity Committee as well as member of the Nomination & Remuneration Committee, Risk Management Committee (up until 15 August 2023 and the Sustainability & Development Committee (appointed effective 16 August 2023);
- (b) Datuk Muhamad Umar Swift as CEO and Executive Director as well as a member of the Board Development Committees i.e. the Technology & Cybersecurity Committee and the Sustainability & Development Committee; and

	<p>(c) Ms. Tan Ler Chin as member of the Audit Committee and Risk Management Committee (appointed effective 16 August 2023).</p> <p>The Board upon due deliberation, approved the proposed re-election of Datuk Muhamad Umar Swift, Ms. Chong Chye Neo and Ms Tan Ler Chin at the 47<sup>th</sup> AGM of the Company, as recommended by the NRC. The SC had on 30 November 2023, provided its concurrence on the proposed re-election in accordance with Section 10(1)(b) of the CMSA.</p> <p>Notwithstanding the above, Ms. Chong Chye Neo had indicated her intention not seek for re-election at the 47<sup>th</sup> AGM of the Company.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	<p>:</p>



## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2023, the Board of Bursa Malaysia comprises 9 Directors i.e. 8 Independent Non-Executive Directors (“INEDs”) and 1 Executive Director, who also serves as the Chief Executive Officer. All the 8 INEDs satisfy the independence test under the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). They constitute 89% of the Board.</p> <p>Section 10(1)(a) of the Capital Markets and Services Act 2007 (“CMSA”) provides that one-third of the Board shall be Public Interest Directors (“PIDs”), including the Chairman. Their appointment is by the Minister of Finance (“MOF”) in consultation with the Securities Commission Malaysia (“SC”), this is in line with the requirements of the CMSA for the Company to act in the public interest, having particular regard for investor protection in performing its duties as an Exchange Holding Company. As at 31 December 2023, 3 of the INEDs on the Board are PIDs including the Chairman.</p> <p>Each of the PIDs upon their appointment, gave to Bursa Securities a letter of confirmation as an Independent Director as defined under Paragraph 1.01 of the MMLR of Bursa Securities [Paragraph 3.2.1 of the Board Charter].</p> <p>Each of the Directors had given confirmations on a quarterly basis, as to whether he/she has any family relationship with any director and/or major shareholder of Bursa Malaysia, any conflict of interest or potential conflict of interest, including any interest in any competing business with Bursa Malaysia or its subsidiaries, any convictions for offences within the past 5 years other than traffic offences or any imposition of penalty by the relevant regulatory bodies. This is one of the criteria to enable the Board/ Nomination and Remuneration Committee (“NRC”) to assess the Directors’ independence as and when any new interest or relationship develops.</p> <p>In view of the fact that independent and objective judgement could be compromised by amongst others, familiarity or close relationships with other Board members, the Board recognised the importance to focus beyond the INEDs’ background, economic and family relationships, and consider whether the INEDs could continue to bring independent and objective judgement to Board deliberations.</p>

	<p>In addition, the assessments of independence of the INEDs are conducted on an annual basis via the following:-</p> <p>(a) Self and Peer Evaluations under the Board Effectiveness Evaluation (“BEE”), to ensure that the INEDs were independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company. Independence and objectivity are one of the INEDs’ performance criteria in accordance with Guidance 6.1 of the MCCG.</p> <p>(b) Forms of declaration of independence by each INED, to facilitate the process of determining the Director’s independence.</p> <p>The outcome of the BEE 2022/2023 results indicated that the Non-Executive Directors (“NEDs”) have demonstrated independence and objectivity in the Board’s decision-making process, have given valuable feedback through sharing of knowledge and experience and have acted in the best interests of Bursa Malaysia, as well as in safeguarding the public interest. The Board members have been able to provide objective and independent deliberations for effective oversight of management.</p> <p>In December 2023, the NEDs had also declared that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their objective and independent judgements, decisions and reviews.</p> <p>In addition, the Board has also instituted a policy effective October 2015 that there shall be no Nominee Director on the Board of Bursa Malaysia, i.e. a Director who is nominated by a substantial shareholder to represent its interest on the Board of Bursa Malaysia. This is in line with the responsibility of Bursa Malaysia as an Exchange Holding Company under the CMSA to uphold public interest above its commercial or other interests, and also to avoid any perceived or potential conflict of interest with the unique role of the Board of Bursa Malaysia in ensuring orderly and fair markets.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>														
<b>Application</b>	:	Adopted												
<b>Explanation on adoption of the practice</b>	:	<p>The Board has adopted a 9-year policy for Independent Non-Executive Directors ("INEDs") taking into account the need for progressive refreshing of the Board [Paragraph 4.2.3 of the Board Charter] since its decision on 16 July 2010.</p> <p>All INEDs have served the Board for less than 9 years. The Director's years of service as at 31 January 2024 were set out in the profiles of the Board of Directors on Pages 112 to 120 of the Integrated Annual Report 2023 and summarised as follows:-</p> <table border="1"><thead><tr><th>Years of Service (#)</th><th>0 &lt; # ≤ 1</th><th>1 &lt; # ≤ 3</th><th>3 &lt; # ≤ 6</th><th>6 &lt; # ≤ 9</th></tr></thead><tbody><tr><td>Number of Directors</td><td>1</td><td>2</td><td>6</td><td>0</td></tr></tbody></table> <p>During the year, an INED, Mr. Pushpanathan a/l S.A. Kanagarayar had retired from the Board of the Company effective 23 June 2023 in accordance with the Board 9-year policy.</p>			Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6	6 < # ≤ 9	Number of Directors	1	2	6	0
Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6	6 < # ≤ 9										
Number of Directors	1	2	6	0										

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Board believes that a truly diverse and inclusive Board will leverage the differences of its members, to achieve effective stewardship and in turn, retain its competitive advantage. In this respect, the Board and the Nomination and Remuneration Committee (“NRC”) take into account the current diversity in the skills, experience, gender, age, ethnicity and nationality of the existing Board in seeking potential candidate(s). This helps to ensure an appropriate balance between the experience perspectives of the longer term directors and new perspectives that bring fresh insights to the Board.</p> <p><u>Board Diversity in 2023</u></p> <p>(1) <i>Board Size</i>; The Board through its NRC conducts an annual review of its size and composition, to determine if the Board has the right size and sufficient diversity with independence elements that fit the Company’s objectives and strategic goals.</p> <p>For the first half of the year, the Board consisted of 10 members and it was reduced to 9 members upon the retirement of Mr. Pushpanathan a/l S.A. Kanagarayar at the end of June 2023 as as an Independent Non-Executive Director (“INED”) in accordance with the Board 9-year policy. The Board size remained at 9 members with the resignation of Puan Sharifatu Laila binti Syed Ali, an INED and Public Interest Director (“PID”) and the appointment of Ms. Tan Ler Chin as a new INED in August 2023. During the year, the Board maintained at least 30% women directors in accordance with the Board Diversity Policy as set out in the Board Charter.</p> <p>Based on the Board’s annual review of its size and composition in conjunction with the Board Effectiveness Evaluation exercise, it was agreed that the Board size of 10 members was appropriate and adequate to effectively govern the organisation based on the current governance model of Bursa Malaysia Group. In this regard, the Board agreed that the Board size at 10 – 11 members would be optimum having regard to the relevant factors, including the Board Skills Matrix and the distribution of Directors’ membership on the Board Committees.</p>

(2) *Board Skills/ Experience*; The Board Skills Matrix has also been developed based on the Directors' self-assessment, and used as reference for refreshing the Board and succession planning, to complement one another. The following Board Skills Matrix is based on the Board composition as at 31 December 2023:-

No.	Areas of Practice/Experience/Skill/Expertise*	Percentage
1.	Capital Market Experience	78%
2.	International Business Experience	86%
3.	Other Exchange Experience	64%
4.	Corporate Chief Executive Officer/Managing Director	90%
5.	Breadth of Business Experience	80%
6.	Accounting/Financial Management	81%
7.	Human Capital Management Experience	83%
8.	Technology Experience	72%
9.	Corporate Governance	86%
10.	Government Experience	65%
11.	Legal/Regulatory	73%

\* Individual Directors may fall into one or more categories

(3) *Board Diversity*; The diversity in the age, gender, ethnicity and nationality of the existing Board as at 1 January 2023 is as follows:-

	Age Group						Gender	
	46 - 50	51 - 55	56 - 60	61 - 65	66 - 70	71 and above	Male	Female
Number of Directors	1	1	4	2	1	0	6	3

	Ethnicity				Nationality	
	Malay/ Bumi-putera	Chinese	Indian	Others	Malaysian	Foreigner
Number of Directors	5	2	1	1	8	1

The Board strongly views that diversity of its composition is important to facilitate optimal decision-making by harnessing different insights and perspectives. Whilst the capital market experience is of paramount importance to the Board, a high-performance board should comprise directors with a wide variety of backgrounds, experiences and skills.

The Board has in place its Diversity Policy for Bursa Malaysia [as given under Practice 5.10 in this report]. The Board has met its policy of at least 30% women representation with 3 female and 6 male Directors as at 1 January 2024, having the combination of skills, experience and strength in qualities which are relevant to Bursa Malaysia.

#### Board Succession Planning and Appointment

Appointments of Directors to the Board of Bursa Malaysia are subject to a formal, rigorous and transparent process. In carrying out its review, the NRC takes into account the existing Board composition such as the optimum size and diversity in terms of gender, ethnicity and mix of skills/experience.

- (1) In 2023, the Talent Pool had been refreshed with new candidates based on recent research in the market on former CEOs/Executives of reputable corporations with international markets presence particularly, the ASEAN region and research on corporate leaders with backgrounds in capital markets and financial technology leadership. The NRC/Board ensures that any new appointment would bring about appropriate diversity in terms of ethnicity, age and gender, to complement and further strengthen the Board.
- (2) Bursa Malaysia ensures that its directors have the character, experience, integrity, competence and time to effectively discharge their roles. Hence, the NRC in its review of potential candidates is always guided by the selection criteria and the agreed character traits i.e. Integrity, Competence and Humility.
- (3) No person shall be appointed as a director on the Board or continue to serve as a director of the Company if the person is disqualified or deemed to be disqualified pursuant to Paragraph 4.4 of the Board Charter.
- (4) Paragraph 4.2.4 of the Board Charter provides that no person shall be appointed as a Director or continue to serve as a Director if the person is or becomes an active politician. A person is considered as an “active politician” if he is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council, or division level in a political party.
- (5) The Board has in place the Directors’ Fit and Proper Policy (“DFPP”), to ensure that any person to be appointed or elected/re-elected as a Director of Bursa Malaysia Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the position in the most effective manner. The DFPP is incorporated in the Board Charter (which is available on Bursa Malaysia’s website). In evaluating the ability of a director to perform his role effectively, the Board should consider among others whether a director is ‘over stretched’ in terms of his commitments to the board, to meet the demands and expectations of the role.

In 2023, with respect to the review on the proposed re-election or re-appointment of Directors, the NRC considered the average rating for the retiring Directors in terms of their performance including, preparedness for Board and Board Committee meetings and their participation during the assessment period under the BEE 2022/2023 (excluding Ms. Tan Ler Chin as she was only appointed in August 2023 i.e. after the review period for the BEE 2022/2023), which had been ‘Satisfactory’ / ‘Strong’ in respect of their average score for the attributes in their assessment.

#### Board Committees Succession and Appointment

During the year, the NRC also reviewed the composition of the Board Committees having regard to the Membership Classification in the Terms of Reference (TOR) of each committee. In June 2023, the Board, upon recommendation of the NRC, approved the proposed appointment of the members of the Audit Committee for a new term of one year commencing from 1 July 2023. Following the changes in the Board composition arising from the retirement/ appointment of INEDs and resignation of a PID, the Board also approved the relevant changes in the composition of Board Governance and Development Committees for the current term that would expire in June 2024.

Senior Management Succession Planning and Appointment

The NRC reviewed the detailed succession plans and talent management updates for the mission critical roles in the organisation as presented by the Director, Group Human Capital (“GHC”) on a half-yearly basis. The NRC also considered the succession bench strength of each senior critical role and operational critical role. As guided by the 9-box grid, the successors’ development plans were developed based on their current readiness levels to increase their leadership capabilities and potential. Talents were also identified by GHC to cultivate their leadership skills and prepare them to be successors to critical roles.

At its meetings held in April and August 2023, the NRC considered the proposed renewal of appointment for 2 key senior management (“KSM”) personnel. These 2 appointments were approved by the Board in July and September 2023, respectively based on the NRC’s recommendations. The NRC also considered the proposed renewal of appointment of the CEO in October 2023, which was approved by the Board in the same month. In accordance with Section 10(5) of the Capital Markets and Services Act 2007 (“CMSA”), the SC’s concurrence was also sought on the proposed renewal of appointment of the CEO. To this, the SC provided its concurrence on 30 November 2023.

The NRC was mindful that appointment of KSM should be made with due regard for diversity in skills, experience, age, gender, race/ethnicity (cultural background) and nationality. The diversity of the KSM as at 31 December 2023 based on their profiles on Pages 124 and 125 of the Integrated Annual Report 2023 are as set out in the tables below:-

Age Group			Gender	
46-50	51-55	56-60	Male	Female
0	3	2	3	2

Race/Ethnicity			Nationality	
Malay/ Bumiputera	Chinese	Indian	Malaysian	Foreigner
2	1	2*	3	2

Note: \* includes an Indian national and a Singaporean



<b>Explanation</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The policies and procedures for recruitment and appointment (including re-election/re-appointment) of Directors are set out in a document approved by the Board referred to as the Protocol for Appointment of Directors and Board Committee Members of Bursa Malaysia (“the Protocol”).</p> <p>The Nomination and Remuneration Committee (“NRC”) is guided by the Protocol in carrying out its responsibilities in respect of the nomination, selection and appointment process in Bursa Malaysia and its relevant subsidiaries, which also provides the requirements under the relevant laws and regulations on the matter. In this respect, the Board has established a pool of potential Directors/Committee members of Bursa Malaysia (“the Talent Pool”), for its reference when considering new appointments, in line with the sourcing process and criteria for potential candidates as set out in the Protocol.</p> <p>As part of the Board succession planning process, the Talent Pool is also maintained and updated from time to time. The NRC reviews the profiles of the potential candidates in the Talent Pool which are obtained from various sources including from the members of the Board of Bursa Malaysia, the external Board Committee members and other external/ independent sources, including desktop reviews. The potential candidates in the Talent Pool had been sourced from independent sources such as the NAM Institute for the Empowerment of Women Malaysia, Malaysian Investment Banking Association, Association of Stockbroking Companies of Malaysia (ASCM), Malaysian Futures Brokers Association (MFBA), LeadWomen Sdn Bhd, 30% Club, Federation of Public Listed Companies Berhad (FPLC) and Financial Institution Directors Education (FIDE) Forum, Malaysian Directors Academy and online desktop research of directors appointed for commercial banks, investment banks, relevant Government-linked Companies and PLCs. This is to facilitate the NRC in its review process including to identify the most suitable and qualified candidate, with appropriate diversity in terms of ethnicity, age and gender, to complement and further strengthen the current Board.</p>

	<p>In 2023, the Talent Pool had been refreshed with new potential candidates based on the agreed selection criteria for the new appointment, to ensure the list of potential candidates remains relevant and offers the talent/skills required for the NRC/Board's consideration. The NRC reviewed the profiles of the potential candidates in the Talent Pool before shortlisting several candidates for its informal engagement to ascertain their suitability having regard to the relevant factors such as their backgrounds, experiences, personality and time commitments and the required character traits i.e. Integrity, Competence and Humility. The NRC also considered other relevant factors as below.</p> <p>(1) In compliance with Paragraph 15.06 of the MMLR of Bursa Securities, the shortlisted candidates for Bursa Malaysia must not hold directorships of more than 5 PLCs.</p> <p>(2) The proposed candidate will also be required to confirm that he/she meets the criteria for an independent director as prescribed in the MMLR of Bursa Securities and its Practice Note 13 prior to recommending to the Board for approval of his/her proposed appointment as an INED.</p> <p>(3) In accordance with Paragraph 4.3.5 of the Board Charter, a proposed candidate shall be required to make the fit and proper declaration in a prescribed form and submit the same to the Company (for the NRC/Board's consideration).</p> <p>In 2023, the NRC had reviewed the refreshed Talent Pool guided by the selection criteria and finally, it identified a suitably qualified candidate from an independent source. The Board subsequently approved the recommendation of the NRC for the appointment of Ms. Tan Ler Chin as an INED of the Company, and the appointment took effect from 16 August 2023.</p>	
<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The profiles of the Directors of Bursa Malaysia are published in the Integrated Annual Report and on Bursa Malaysia's website. These include their age, gender, tenure of service, directorships in other companies, working experience and any conflict of interest as well as their shareholdings in Bursa Malaysia, if any.</p> <p>At the forthcoming 47<sup>th</sup> Annual General Meeting of the Company ("AGM") scheduled on 26 March 2024, three (3) Directors namely, Ms. Chong Chye Neo, Datuk Muhamad Umar Swift and Ms. Tan Ler Chin, will retire in accordance with the Company's Constitution. In October 2023, for the purpose of determining the eligibility of these Directors to stand for re-election at the 47<sup>th</sup> AGM, the Board through the Nomination and Remuneration Committee ("NRC"), had assessed the retiring Directors and considered the following:-</p> <ul style="list-style-type: none"><li>(i) The Director's performance and contribution based on the Self and Peer Evaluation ("SPE") results of the Board Effectiveness Evaluation ("BEE") 2022/2023;</li><li>(ii) The Director's level of contribution to the Board deliberations through his/ her skills, experience and strength in qualities;</li><li>(iii) The level of independence demonstrated by the Independent Non-Executive Director ("INED"), and the Director's ability to act in the best interests of the Company in decision-making; and</li><li>(iv) The Director's fitness and propriety with reference to the Directors' Fit and Proper Policy ("DFPP").</li></ul> <p>(1) Based on the outcome of the review conducted by the NRC, Ms. Chong Chye Neo's performance and contribution in the discharge of her duties during the assessment period under the BEE 2022/2023, had been satisfactory. The NRC was satisfied that Ms. Chong Chye Neo had contributed effectively to the Board's deliberations. She had demonstrated her diligence and commitment, particularly as Chairman of the Technology &amp; Cybersecurity Committee ("TCC").</p>

Ms. Chong Chye Neo has provided valuable contributions as a member of the Board as well as a member of the TCC, NRC and Risk Management Committee during the assessment period under the BEE 2022/2023 (for the period from 1 July 2022 to 30 June 2023).

Ms. Chong Chye Neo had abstained herself from deliberation and decision at both the Board and NRC meetings on her proposed re-election. The Board upon due deliberation, resolved to approve the proposed re-election of Ms. Chong Chye Neo at the 47<sup>th</sup> AGM of the Company, as recommended by the NRC. However, Ms. Chong Chye Neo had informed the Company of her intention not to seek for re-election at the forthcoming 47<sup>th</sup> AGM. Hence, she will retain office until the close of the 47<sup>th</sup> AGM.

- (2) Based on the outcome of the NRC's review, Datuk Muhamad Umar Swift's performance and contributions in the discharge of his duties as CEO/Executive Director during the assessment period under the BEE 2022/2023, had been satisfactory. The NRC was satisfied that Datuk Muhamad Umar Swift had performed effectively as CEO in leading the organisation, and that he had contributed effectively to the Board's deliberations. He had also contributed effectively as a member of the Board as well as a member of the Board Development Committees i.e. the Technology and Cybersecurity Committee and the Sustainability and Development Committee.

Datuk Muhamad Umar Swift had abstained himself from deliberation and decision by the Board on his re-election. The Board upon due deliberation, resolved to approve the proposed re-election of Datuk Muhamad Umar Swift at the 47<sup>th</sup> AGM of the Company, as recommended by the NRC. The same was concurred by the SC in accordance with Section 10(1)(b) of the Capital Markets and Services Act 2007.

- (3) Based on the outcome of the NRC's review, Ms. Tan Ler Chin's performance and contribution in the discharge of her duties upon her appointment as INED effective 16 August 2023, had been satisfactory. The NRC was satisfied that Ms. Tan Ler Chin had contributed effectively to the Board's deliberations. She had demonstrated diligence and commitment, and contributed effectively to the Board's deliberations given her relevant background in fund management, investments and capital markets. She had also been an effective member of the Audit Committee and Risk Management Committee.

Ms. Tan Ler Chin had abstained herself from deliberation and decision by the Board on her re-election. The Board upon due deliberation, resolved to approve the proposed re-election of Ms. Tan Ler Chin at the 47<sup>th</sup> AGM of the Company, as recommended by the NRC. The same was concurred by the SC in accordance with Section 10(1)(b) of the Capital Markets and Services Act 2007.

	The above information is also included in the notes accompanying the Notice of the 47 <sup>th</sup> AGM, to facilitate the shareholders to make informed decision on the re-election of Directors as recommended by the Board of the Company.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied										
<b>Explanation on application of the practice</b>	:	<p>The NRC is chaired by the Senior Independent Director of the Company ("SID"), in accordance with the membership classification under the TOR of the NRC as set out below:-</p> <table border="1"><thead><tr><th>No.</th><th>Membership Classification of the NRC</th></tr></thead><tbody><tr><td>1.</td><td>SID (Chairman of the NRC)</td></tr><tr><td>2.</td><td>Independent Non-Executive Director who is a Public Interest Director</td></tr><tr><td>3.</td><td>Independent Non-Executive Director</td></tr><tr><td>4.</td><td>Independent Non-Executive Director</td></tr></tbody></table> <p>In 2023, there had been a change of SID following the appointment of the former SID, Dato' Bazlan Osman as Chairman of the Audit Committee effective 23 June 2023 (the former Chairman of the Audit Committee, Mr. Pushpanathan a/l S.A. Kanagarayar had retired on 22 June 2023 in accordance with the Board 9-year policy). In conjunction with this, Tan Sri Abdul Farid Alias was appointed as the new SID and Chairman of NRC effective 23 June 2023, and Dato' Bazlan Osman was redesignated as a member of NRC.</p> <p>The specific responsibilities of the SID are as set out in Paragraph 6.4 of the Board Charter, which is available on Bursa Malaysia's website.</p>	No.	Membership Classification of the NRC	1.	SID (Chairman of the NRC)	2.	Independent Non-Executive Director who is a Public Interest Director	3.	Independent Non-Executive Director	4.	Independent Non-Executive Director
No.	Membership Classification of the NRC											
1.	SID (Chairman of the NRC)											
2.	Independent Non-Executive Director who is a Public Interest Director											
3.	Independent Non-Executive Director											
4.	Independent Non-Executive Director											
<b>Explanation for departure</b>	:											
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>												
<b>Measure</b>	:											
<b>Timeframe</b>	:											

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	As at 31 December 2023, the Board comprises 3 women Directors out of 9 Directors on the Board, which represents 33% women directors.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		



### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Board has its Diversity Policy, as set out below [in accordance with <b>Paragraph 15.08A(3)</b> of the MMLR of Bursa Securities]:-</p> <div style="border: 1px solid black; padding: 10px;"><p style="text-align: center;"><b>Board Diversity Policy</b></p><p>Bursa Malaysia's diversity policy is to ensure that the mix and profiles of our Board members in terms of age, ethnicity and gender, provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. We believe that a truly diverse and inclusive Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity and gender, which will ensure that Bursa Malaysia retains its competitive advantage.</p><p>In this regard, the NRC is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions. In reviewing the composition of the Board, the NRC will consider the benefits of diversity in order to maintain an optimum mix of skills, knowledge and experience on the Board. Diversity and its benefits underpinned by meritocracy will continue to be the focus of the NRC when identifying and recommending new candidates for Board memberships, as well as evaluating the performance of the Board and its individual members.</p><p>In connection with its efforts to create and maintain a diverse Board, the NRC will:</p><ul style="list-style-type: none"><li>(a) Assess the appropriate mix of diversity (including gender, ethnicity and age), skills, experience and expertise required on the Board and address gaps if any;</li><li>(b) Adhere to the recruitment protocol that seeks to include diverse candidates in any director search;</li><li>(c) Make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board, etc;</li><li>(d) Periodically review and report to the Board on requirements in relation to diversity on the Board, if any.</li></ul><p>The NRC will discuss and agree annually on all measurable objectives for achieving diversity on the Board and recommend them to the Board for</p></div>

adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.

The Board shall maintain at least 30% representation of women on boards.

In 2023, the Board maintained at least 30% representation of women on the Board. From 1 January 2023 to 22 June 2023, the Board comprises 3 women Directors out of 10 Directors on the Board, which represents 30% women directors. From 23 June 2023 to 31 December 2023, the Board comprises 3 women Directors out of 9 Directors on the Board, which represents 33% women directors.

Various steps have been undertaken by the NRC to ensure that suitable women candidates are sought from various sources as part of its recruitment exercise. Apart from the nominations which the NRC may receive from Directors and external Board Committee members for the pool, potential candidates may also be sourced from relevant professional and advocacy bodies and/or the regulator(s), as well as other independent sources (which are stated under Practice 5.6 in this report) to complement the Board Skills Matrix. The Company Secretaries also conduct online desktop reviews with a view to identify potential women candidates who may potentially be admitted to the pool.

Invitations were sent to the potential candidates to participate in the pool by providing their particulars and confirming certain personal information which would be relevant for the NRC's reference in the process.

Due diligence is also conducted on the identified candidates to ensure that they satisfy the independence test, conflict of interest assessment as well as fit and properness as envisaged under the MMLR of Bursa Securities together with the other prescribed requirements.

Bursa Malaysia acknowledges the importance of participation of women in senior management and also recognised the significance of Diversity, Equity and Inclusion ("DEI") in attaining effective strategic objectives to enhance sustainable growth and development and in promoting better corporate governance within Bursa Malaysia Group.

Bursa Group has in place a DEI Policy which is applicable to all levels of employees of Bursa Malaysia (inclusive of Senior Management). It also applies across Bursa Malaysia's business for ensuring the successful promotion of all aspects of the DEI Policy and appropriate behaviour in the workplace. Employees are treated fairly and respectfully, and not judged by their gender, age, ethnicity, religion, cultural background, nationality or disability. Any breach of the DEI Policy will be dealt with in accordance with the Group Disciplinary Policy.

The selection and recruitment of new employees and Senior Management shall take into account merits, skills, knowledge, expertise, experience, professionalism and integrity regardless of their gender, ethnicity and age with the objective of maximising the performance, efficiencies and effectiveness of the organisation. This is aligned with the *United Nations Guiding Principles on Business and Human Rights* in addressing the implementation and protection of human rights against risk of

	<p>discrimination with attention to the rights and needs of Bursa Malaysia’s employees as well as challenges faced by them.</p> <p>In this respect, Bursa Malaysia has maintained at least 30% women i.e. 2 out of 5 key senior management positions in the organisation are held by women as at 31 December 2023.</p> <p>The DEI Policy is published on Bursa Malaysia’s website:  <a href="https://www.bursamalaysia.com/about_bursa/sustainability/social">https://www.bursamalaysia.com/about_bursa/sustainability/social</a>.</p>	
<b>Explanation</b> : <b>for</b> <b>departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Nomination and Remuneration Committee (“NRC”) carries out the Board Effectiveness Evaluation (“BEE”) exercise annually [<b>Paragraph 15.08A(3)(c)</b> of the MMLR of Bursa Securities]. An external consultant may be engaged once every 3 years to assist the NRC to facilitate an objective and candid board evaluation as set out in the Board Charter [Paragraph 11.4 of the Board Charter].</p> <p>In June 2023, the Board resolved to appoint PwC Consulting Services (M) Sdn Bhd (“PwC”) to conduct the BEE exercise for the period 1 July 2022 to 30 June 2023 (“2022/2023”), based on the NRC’s recommendation after evaluating the consultants’ proposed approach/ methodology for the exercise.</p> <p>(1) The BEE 2022/2023 was conducted by way of questionnaires which comprised of the Board and Board Committee Effectiveness Assessments, Directors and Board Committee members’ Self and Peer Evaluations (“SPE”), one-to-one interview sessions with the 10 Directors at that point of time (including the Chief Executive Officer), the Chairman of the Regulatory and Conflicts Committee Chairman and 6 members of Senior Management.</p> <p>The effectiveness of the Board is assessed in the following areas:-</p> <ul style="list-style-type: none"><li>(a) Effective Board oversight practices;</li><li>(b) Appropriate Board structure and composition;</li><li>(c) Positive boardroom environment and dynamics;</li><li>(d) Effective leadership by Board chair and the CEO;</li><li>(e) Effective Board administration and processes;</li><li>(f) Board skills and directors’ training; and</li><li>(g) Board remuneration.</li></ul>

	<p>In June 2023, the approach, methodology and implementation plan for the BEE 2022/2023 were presented for the NRC’s review, having regard to the Malaysian Code on Corporate Governance (“MCCG”).</p> <p>(2) The assessment of individual Directors’ contributions and performance is conducted based on assessments in the following areas which had been incorporated in the Directors’ SPE assessment as set out below:-</p> <p>(i) (a) Board dynamics and participation;  (b) Leadership, integrity and objectivity; and  (c) Knowledge and expertise;  (d) Effectiveness of Chairman; and  (e) Effectiveness of Chief Executive Officer.</p> <p>The above had addressed the performance criteria with reference to Guidance 6.1 of the MCCG as set out below:-</p> <p>(i) Will and ability to critically challenge and ask the right questions;  (ii) Character and integrity in dealing with potential conflict of interest situations;  (iii) Commitment to serve the company, due diligence and integrity;  (iv) Confidence to stand up for a point of view;  (v) Fit and properness;  (vi) Calibre and personality;  (vii) Board dynamics and participation;  (vii) Competency and capability;  (ix) Independence and objectivity; and  (x) Contribution and performance.</p> <p>(3) The effectiveness of the Board Committees is assessed in the following areas:-</p> <p>(a) Board dynamics and participation;  (b) Leadership, integrity and objectivity;  (c) Knowledge and expertise;  (d) Accountabilities and responsibilities;  (e) Board committee composition; and  (f) Board committee chair</p> <p>(4) The SPE for the Board Committee members is similar as the Directors’ SPE, which is intended to assess their contribution, performance, calibre and personality in relation to the skills, experience and other qualities they bring to the Board/Board Committees. The SPE also examines the ability of each Board or Committee member to give input at meetings and to demonstrate a high level of professionalism and integrity in the decision-making process. It also considers the ability of each individual member to exercise independent judgement and demonstrate objectivity and</p>
--	---

	<p>clarity of thought on issues during deliberations at meetings, provide logical honest opinions, and offer practical and realistic advice to the discussions.</p> <p>(5) The feedback from the Directors and 6 members of Senior Management was also sought via interview sessions. Observations based on responses, interview insights and review of minutes of meetings were highlighted for the NRC / Board’s consideration in developing an action plan for improvement or in enhancing its overall effectiveness.</p> <p>(6) PwC had presented to the NRC and the Board the outcome of the BEE 2022/2023 in August 2023 and September 2023, respectively. The overall results at a glance were generally strong across various domains, with average ratings for the areas of assessments were above 4.6, based on a 5-scale rating. The Board resolved to adopt the BEE 2022/2023 results and the action plan as recommended by the NRC. The results of the BEE 2022/2023 indicated that the performance of the Board, the Board Committees, the individual Directors and members of the Board Committees during the assessment period had been generally strong, and therefore, they had been effective in their overall discharge of functions, roles and duties. The Board was satisfied with each of the Directors’ level of performance, and that they had also met the performance criteria in the prescribed areas of assessments. The results of these assessments form the basis of the NRC’s recommendations to the Board for the re-election of Directors at the 47<sup>th</sup> Annual General Meeting in March 2024.</p> <p>(7) In November 2023 following the Board’s approval at its offsite meeting held on 10 - 12 September 2023, PwC had provided each Board member his/her own individual results of the Directors’ SPE together with a peer average rating on each area of assessment for personal information and development. At the same time, the members of the Technology and Cybersecurity Committee, Sustainability and Development Committee and the Regulatory Committees were also provided with the results of their respective Committee Effectiveness Assessments including the Committee members’ feedback, the results of the Committees’ SPE together with a peer average rating on each area of assessment for personal information and development.</p> <p>(8) In the BEE Report, PwC highlighted its observations which include key strengths in accordance with Guidance 6.1 of the MCCG. They were the strong leadership of the Board chair, a well-balanced board composition, positive Board culture and dynamics, an effective working relationship between the Board and Management, strong support from the Board committees, strong management and leadership by the CEO as well as effective support from the company secretaries.</p>
--	--

	<p>(9) In line with Guidance 5.8 of the MCGG and the TOR of the NRC, the NRC Chairman (who is the SID) together with PwC led the annual review of Board effectiveness, ensuring that the performance of each individual director and Chairman of the Board are independently assessed. The NRC deliberated at length on each comment/feedback given through the BEE 2022/2023 exercise and noted that there were no weakness areas identified which required any specific step/enhancement to be undertaken in relation to the functioning of the Board and its committees. Nevertheless, the NRC requested that the Board and Board Committee members' feedback be shared with the relevant individual for notation and further action, where applicable.</p> <p>(10) With the view to raise the bar on the Board's governance practices and overall effectiveness, the enhancement opportunities areas were considered based on items with rating below 3.7 and the Board members' comments/feedback. In this respect, the NRC had derived from the above BEE 2022/2023 results, the areas requiring enhancement opportunities for continuous improvement which were categorised as below:-</p> <ul style="list-style-type: none"> <li>(a) Enhancement of Board skills, with tailored training programmes to be set in place;</li> <li>(b) Human capital development and succession planning; and</li> <li>(c) Shaping the future composition of the Board, in terms of other exchanges experience, expertise in stock brokerage and trading.</li> </ul> <p>(11) As part of implementation of the action plans from the previous BEE 2021/2022, the Board had already completed all the actions for improvement to strengthen the Board and/or its process. They were as follows:-</p> <ul style="list-style-type: none"> <li>(a) A review of the composition of the Board Committees was undertaken in May 2023 in view of Mr. Pushpanathan a/l S.A. Kanagarayar's retirement as INED in June 2022 in accordance with the Board's 9-year policy. Following this, Datuk Bazlan Osman relinquished the role of Senior Independent Director and Chairman of the NRC and took over as Chairman of the Audit Committee. Accordingly, Tan Sri Abdul Farid assumed the role of Senior Independent Director on 23 June 2023 and was redesignated as Chairman of the NRC on even date. Consequential changes to the composition of the RMC, SDC and TCC also took place; and</li> <li>(b) The NRC and the Board had throughout the year deliberated and considered the Board Composition i.e. Board Size and Skills Matrix in consideration of the Board succession planning and</li> </ul>
--	---

	<p>refreshment exercise to be undertaken to fill a casual vacancy on the Board.</p> <p>(9) In addition to the SPE under the BEE 2022/2023, the Board is also satisfied with the level of commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of Bursa Malaysia. The quorum of Board meetings had been met with full attendance by 8 Directors for 11 Board meetings. 1 Director had full attendance for the 7 Board meetings held during her tenure in the year i.e. Puan Sharifatu Laila Syed Ali from 1 January 2023 to 16 August 2023. Another Director had full attendance for 5 Board meetings held during his tenure i.e. Mr. Pushpanathan a/l S.A. Kanagarayar from 1 January 2023 to 22 June 2023. And 1 other Director had full attendance for the 4 Board Meetings held during her tenure i.e. Ms. Tan Ler Chin from 16 August 2023 to 31 December 2023.</p> <p>(10) As an effective practice to facilitate the discharge of their functions, the Non-Executive Directors had convened their discussion session at the conclusion of the Board offsite meeting on 12 September 2023.</p> <p>The meeting attendance at Board and Board Committee meetings are evidenced by the attendance record in the CG Overview as set out on Page 132 of the Integrated Annual Report 2023.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>



## Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has established a formal and transparent process for approving the remuneration of the Board and Board Committees ("Board Remuneration Policy"), the Chief Executive Officer and Senior Management of Bursa Malaysia.</p> <p>(1) The Board remuneration policy is reviewed by the Nomination and Remuneration Committee ("NRC") on an annual basis prior to making its recommendations to the Board for approval. In its review, the NRC considers various factors including the Non-Executive Directors' ("NEDs") fiduciary duties, time commitments expected of them and the Company's performance.</p> <p>The fees of the NEDs and any benefits payable to the Directors shall from time to time be determined by an Ordinary Resolution of the Company in general meeting in accordance with Section 230 of the Companies Act ("CA") 2016.</p> <p>(2) The Board is mindful that fair remuneration is critical to attract, retain and motivate the Directors of the Company as well as other individuals serving as members of the Board Committees. In ensuring remuneration and incentives for Independent NEDs do not conflict with their obligations to bring objectivity and independent judgement, the NRC may engage an external consultant to conduct the board remuneration review, from time to time.</p> <p>In 2023, the Board agreed that the BRR shall be conducted internally by the NRC. The details of the BRR are set out under Practice 7.2 in this report.</p> <p>In December 2023, the Board approved the recommendation by the NRC to seek the shareholders' approval at the 47<sup>th</sup> AGM on the</p>

	<p>Directors' fees and benefits payable to the NEDs (as described in Practice 7.2 in this report) in accordance with Section 230 of the CA 2016 and Paragraph 7.24 of the MMLR of Bursa Securities.</p> <p>(3) Bursa Malaysia's compensation strategy is based on 2 main criteria i.e. Pay Positioning (External Comparison) and Pay Positioning (Internal Comparison). The NRC referred to the Aon Hewitt McLagan of Malaysia's survey data in its review process for determination of the senior management's remuneration package.</p> <p>(a) The NRC is responsible to review the Group employees' compensation policy to ensure alignment of compensation to corporate performance. In February 2023, the NRC approved the utilisation of the 2023 provision for annual salary increment and salary adjustment which are guided by a matrix based on individual employees' performance rating and pay positioning. The NRC also considered the distribution of 2022 provision for performance bonuses, which took cognisance of the 2022 Corporate Scorecard results as well as individual performance for the year 2022.</p> <p>(b) In January 2023, the NRC in its review was agreeable to maintain the current pay philosophy for basic pay and total compensation of the Group employees.</p> <p>(4) The Board has in place a deferred performance incentive plan ("DPIP") which was based on pay for performance philosophy, with focus on simplicity and inclusivity. Under the DPIP, payment to eligible staff will be deferred over 2 years for reward and retention purposes. The NRC reiterated the importance of having a simple and efficient long term incentive plan with the focus on performance, growth and retention.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Board has established a formal and transparent process for approving the remuneration of the Board and Board Committees, the Chief Executive Officer ("CEO") and the Senior Management of Bursa Malaysia. In this respect, the Nomination and Remuneration Committee ("NRC") is responsible to formulate and review the remuneration policies for the Board and Board Committees as well as the Senior Management of the Company to ensure the same remain competitive, appropriate, and in alignment with the prevalent market practices. The responsibilities of the NRC in relation to remuneration matters are set out in the Terms of Reference of the NRC contained in the Governance Model Document, which is available on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/governance_model_document">https://www.bursamalaysia.com/about_bursa/about_us/corporate_governance/governance_model_document</a></p> <p>As at 31 December 2023, the NRC comprised 4 members, all of whom are Independent Non-Executive Directors ("INEDs") of the Company. The NRC Chairman is the Senior Independent Director ("SID") of Bursa Malaysia.</p> <p>The Board is satisfied that in 2023, the NRC has effectively discharged its roles and responsibilities with respect to its remuneration function, which include amongst others, reviews of the remuneration policies for the Board, Board Committees, the CEO and key management personnel.</p> <p><u>For Board</u></p> <p>Section 230(1) of the Companies Act ("CA") 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 47<sup>th</sup> Annual General Meeting ("AGM") on the Directors' remuneration in 2 separate resolutions as follows:-</p>

- (a) **Resolution 3** on payment of Directors' fees in respect of the preceding year 2023; and
- (b) **Resolution 4** on payment of Directors' benefits from 27 March 2024 to the next AGM in 2025.

(1) Board remuneration review

The NRC is responsible to conduct an annual review of the Board remuneration policy with the view to ensure that the current remuneration for the members of the Board and Board Committees of Bursa Malaysia Group remain competitive and appropriate to attract, retain and motivate individuals with strong credentials and high calibre to serve on the Board of the Company. In this respect, an external consultant may be engaged from time to time, for the Board remuneration review ("BRR") exercise to provide the NRC with an objective and independent perspective.

In 2023, the BRR was conducted internally by the NRC and facilitated by the Company Secretaries, with the view to ascertain the competitiveness of the Board remuneration having regard to various factors including the Board remuneration of comparator companies in the financial services sector, dominant providers and those with similar market capitalisation in Malaysia as well as comparable stock exchanges. The NRC took into consideration the demands, complexities and performance of the Exchange Group particularly, the core activities and responsibilities of the Board/Board Committees as well as having regard to the responsibilities and contribution levels of individual members in terms of statutory duties, fiduciary duties, risk, intensity/complexity of work, time commitment and effort.

(2) Directors' fees

In December 2023, the Board approved the NRC's recommendation for the Directors' fees in respect of the financial year ("FY") 2023 to remain unchanged (i.e. same as the fees approved by the shareholders for the FY 2017, 2018, 2019, 2020, 2021 and 2022), as they are still competitive and at par with the prevalent market rate.

(a) **Resolution 3** sets out the amount of each Director's fee i.e. RM300,000 per annum for the Non-Executive Chairman and RM200,000 per annum for each of the Non-Executive Directors ("NEDs") in respect of the financial year ended 31 December 2023 ("FY 2023"). The exact amounts receivable by each individual NED are provided in Note 9 of the Audited Financial Statements for the FY 2023.

(b) The payment of the NEDs' fees in respect of the preceding FY 2023 will only be made if the proposed **Resolution 3** has been passed at the 47<sup>th</sup> AGM pursuant to Article 19.1 of the Constitution and Section 230(1)(b) of the CA 2016.

With the transparency and clarity on the amount of each Director's fee, the shareholders' approval is sought accordingly under Resolution 3, rather than through a separate resolution for each Director's fee. Furthermore, the Board

members are collectively responsible in exercising the powers of the Company in managing the business and affairs of the Company.

(3) Benefits payable to the NEDs

The benefits payable to the NEDs comprise the allowances and other emoluments payable to the Chairman and members of the Board, Board of subsidiaries and Board Committees and such other committees as may be established by the Board.

- (a) At the 46<sup>th</sup> AGM of the Company held on 31 March 2023, the benefits payable to the NEDs of the Company from 1 April 2023 until the 47<sup>th</sup> AGM of the Company was approved for an amount of up to RM2,000,000. The utilisation of this approved amount as at 31 December 2023 is RM1,284,653. Based on the schedule of meetings in the first quarter of 2024, an amount of RM430,000 is expected to be utilised for payment of meeting allowance, fixed allowance and other benefits to the NEDs. Hence, the expected total utilised amount would be approximately 86% of the approved amount.
- (b) Based on the BRR conducted in 2023, the Directors' benefits payable to the NEDs are proposed to be the same for the period from 27 March 2024 to the next AGM in 2025 ("Current Period") as set out in the table below:-

Description	Chairman	NEDs / Members
<b>Meeting Allowance (per meeting)</b>		
● Board of Bursa Malaysia	RM3,000	RM3,000
● Board of Subsidiary	RM3,000	RM3,000
● Bursa Malaysia Group Committees	RM3,000	RM3,000
<b>Fixed Allowance</b>		
● Bursa Malaysia Group Committees [except for the Regulatory and Conflict Committee (RACC)]	RM20,000 per annum	RM12,000 per annum (RM1,000 per month)
● RACC members (who are Directors of Bursa Malaysia) [as explained in paragraph (c) below]	Not Applicable	RM60,000 per annum (RM5,000 per month)
<b>Monthly Fixed Allowance – Chairman of Bursa Malaysia [Note 1]</b>	RM52,000	Not Applicable
<b>Other Benefits for NEDs of Bursa Malaysia only</b>	Club membership, medical coverage, travel and other claimable benefits	Medical coverage, travel and other claimable benefits

	<p>Note 1: Monthly fixed allowance to the Chairman of Bursa Malaysia being an Exchange Holding Company and listed entity is made, in recognition of the significant roles in leadership and oversight, and the wide-ranging scope of responsibilities expected of him, as well as the fact that he does not serve on the boards of any other listed companies or market participants regulated by Bursa Malaysia.</p> <p>2: The Chief Executive Officer/Executive Director does not receive any Directors' remuneration.</p> <p>(c) The total amount of benefits payable to the NEDs is estimated to be up to RM2,000,000 for the Current Period, based on the above Board Remuneration Policy and taking into account various factors including the number of scheduled meetings for the Board/Board Committees as well as the number of NEDs involved in these meetings. This amount is the same as the approved amount at the 46<sup>th</sup> AGM which was up to RM2,000,000.</p> <p>Payment of benefits to the NEDs will be made by the Company on a monthly basis and/or as and when incurred, if the proposed <b>Resolution 4</b> has been passed at the 47<sup>th</sup> AGM. The Board is of the view that it is just and equitable for the NEDs to be paid the Directors' remuneration (excluding Directors' fees) on a monthly basis and/or as and when incurred, particularly after they have discharged their responsibilities and rendered their services to the Company throughout the Current Period.</p> <p><u>For CEO</u></p> <p>The Executive Director/CEO does not receive any Directors' remuneration. The CEO, who sits on the Board of subsidiary companies or serves on the Board Committees within the Group, is also not entitled to any Director's fees or meeting allowance for attending those Board or Board Committee meetings.</p> <p>The CEO's remuneration package is structured so as to link to corporate and individual performance measures which comprise fixed and variable components, determined based on the Key Performance Indicators in the Corporate Scorecard, as approved by the Board.</p> <p><u>For Employees</u></p> <p>In January 2023, the NRC assessed the performance of the key management personnel based on their performance with regards to the Corporate Scorecard and Divisional Scorecard results as well as competencies. To ensure consistency in their performance assessments, the final performance ratings as decided by the NRC is used for the purpose of determining their performance bonuses and annual increments.</p> <p>For 2023, in conjunction with the renewal of the fixed term contracts of key management personnel, the NRC had considered and approved the remuneration package for these new appointments. The renewal of fixed term contracts of key senior management members together with their remuneration packages were approved by the Board.</p>
:	

<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with best corporate governance practice, the disclosure of the Directors' remuneration on a named basis has been made in the Annual Audited Financial Statements over the years.</p> <p>The remuneration received by each of the Non-Executive Directors ("NEDs") and Chief Executive Officer ("CEO") in 2023 is set out in the table below. The NED No. 10 and 11 were a former Directors who had retired and resigned as INED respectively during the year.</p> <p>(1) The NEDs' fees in respect of financial year 2023 are subject to shareholders' approval at the 47<sup>th</sup> Annual General Meeting to be held in March 2024;</p> <p>(2) The CEO does not receive any remuneration in his capacity as an executive director.</p> <p>Disclosures of the detailed remuneration breakdown for all Directors, including the CEO are as set out in Note 9 and Note 38(c) to the Financial Statements on Pages 211 and 242 and 243 of the Integrated Annual Report 2023 respectively. For disclosure in this report, the amount of salary as set out in the table includes the employer's contribution to the Employees Provident Fund ("EPF").</p>



No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Abdul Wahid Omar	Independent Director	300	692	0	0	0	0	992	300	692	0	0	0	0	992
2	Datuk Muhamad Umar Swift	Executive Director	0	0	1,497	374	35	295	2,201	0	0	1,497	374	35	295	2,201
3	Dato' Anad Krishnan a/l Muthusamy	Independent Director	200	168	0	0	0	0	368	200	168	0	0	0	0	368
4	Datin Azlina Mahmud	Independent Director	200	180	0	0	0	0	380	200	180	0	0	0	0	380
5	Tan Sri Abdul Farid Alias	Independent Director	200	109	0	0	0	0	309	200	109	0	0	0	0	309
6	Datuk Bazlan Osman	Independent Director	200	134	0	0	0	0	334	200	134	0	0	0	0	334
7	Chong Chye Neo	Independent Director	200	131	0	0	0	0	331	200	131	0	0	0	0	331
8	Syed Ari Azhar Syed Mohamed Adlan	Independent Director	200	123	0	0	0	0	323	200	123	0	0	0	0	323
9	Tan Ler Chin	Independent Director	76	36	0	0	0	0	112	76	36	0	0	0	0	112
10	Pushpanathan a/l S.A. Kanagarayar	Independent Director	95	54	0	0	0	0	149	95	54	0	0	0	0	149
11	Sharifatu Laila Syed Ali	Independent Director	124	120	0	0	0	0	244	124	120	0	0	0	0	244
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.2**

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Not applicable – adopted Step Up 8.3	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>Bursa Malaysia has 5 key senior management ("KSM") personnel, and the disclosure of their remuneration has been made on a named basis in the Audited Financial Statements for the previous financial years ("FY") 2019, 2020, 2021 and 2022. The total remuneration of the KSM personnel in respect of the FY 2023 as at 31 December 2023 are set out in the table on the next page.</p> <p>The remuneration of the 5 KSM is also set out in Note 38(c) to the Financial Statements on Page 243 of the Integrated Annual Report 2023. For disclosure in this report, the amount of salary as set out in the table includes the employer's contribution to the EPF [except for KSM No. 3, who is not a Malaysian and hence, EPF contribution is not mandatory].</p>

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1	Rosidah Baharom	Chief Financial Officer	926	0	196	0	109	1,231
2	Mohd Saleem Kader Bakas	Director, Derivatives Market	646	0	149	0	202	997
3	Ashish Jaywant Rege	Director, Group Technology	869	0	217	0	114	1,200
4	Tay Yu Hui	Director, Market Operations	785	0	160	0	100	1,045
5	Julian Mahmud Hashim	Chief Regulatory Officer	1,045	0	224	0	105	1,372

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Audit Committee ("AC") comprises 4 members who are Independent Non-Executive Directors ("INEDs"), one of whom is also a Public Interest Director.</p> <p>The current AC Chairman, Datuk Bazlan Osman assumed the role on 23 June 2023 following the retirement of Mr. Pushpanathan a/l S.A. Kanagarayar upon conclusion of his tenure as INED in line with the Board 9-year policy. Datuk Bazlan Osman is a member of the Association of Chartered Certified Accountants (ACCA) and the Malaysian Institute of Accountants (MIA). He is not the Chairman of the Board.</p> <p>Mr. Pushpanathan a/l S.A. Kanagarayar is an INED and was the AC Chairman from 23 June 2014 until 22 June 2023. He is member of the Institute of Chartered Accountants of Scotland (ICAS), Malaysian Institute of Certified Public Accountants (MICPA) and the MIA. During his tenure as AC Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar was not a Chairman of the Board</p> <p>The Chairman of the Board of Bursa Malaysia is Tan Sri Abdul Wahid Omar since 1 May 2020. This has always been the practice by Bursa Malaysia, in line with the requirements in Practice 9.1 of the Malaysian Code on Corporate Governance ("MCCG") which is also reflected in the Terms of Reference ("TOR") of the AC.</p> <p>The current Chairman of the Board is not an AC member, and none of the former Chairmen of the Board was ever an AC member, consistent with Practice 1.4 of the MCCG.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	

<b>Timeframe</b>	:		
------------------	---	--	--

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Bursa Malaysia has always recognised the need to uphold independence. None of the members of the Board were former key audit partners within the cooling-off period of 3 years, and no such person is appointed as a member of the AC.  The TOR of the AC provides that <i>"Any former key audit partner must have observed a cooling-off period of at least 3 years before one is eligible for appointment as AC member"</i> as set out in in Practice 9.2 of the MCGG.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>(1) At the 1<sup>st</sup> Audit Committee ("AC") meeting held in January 2023, the Chief Financial Officer sought the AC's approval on the proposed Financial Year ("FY") 2023 Annual Plan which sets out the planned audit services and both recurring non-audit and non-recurring non-audit services fees before they were rendered by Ernst &amp; Young PLT ("EY") in accordance with Section 4.1 of the Auditor Independence Policy. The appointment of EY as external auditors of Bursa Malaysia for the FY 2023 was subsequently approved by the shareholders at the 46<sup>th</sup> Annual General Meeting ("AGM") of Bursa Malaysia held on 30 March 2023.</p> <p>In the course of review, the AC was satisfied that the nature and extent of the recurring non-audit and non-recurring non-audit services to be provided by EY was acceptable. The AC then granted its approval on EY's actual fees for FY 2022 which was within the range of the FY 2022 Annual Plan, including the recurring non-audit and non-recurring non-audit services as well as the Management's proposal for EY's fees in the FY 2023 Annual Plan in accordance with the Auditor Independence Policy.</p> <p>(2) The AC had in January 2023 undertaken an annual assessment of the quality of audit which encompassed the performance of EY, the quality of EY's communications with the AC and Bursa Malaysia, and EY's independence, objectivity and professionalism.</p> <p>(a) The AC considered the feedback obtained via assessment questionnaires from Bursa Malaysia personnel who had substantial contact with the external audit team and EY throughout the year. EY's performance was assessed in 3 areas, i.e. quality of audit services provided, competency and sufficiency of audit resources, and communication and interaction.</p> <p>(b) The AC also took into account the openness in communication and interaction with the lead engagement partner and leadership members of the engagement team through</p>

discussions at private meetings, which demonstrated their independence, objectivity and professionalism.

The AC was satisfied with the suitability of EY based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC was also satisfied in its review that the provision of the non-audit services by EY to the Company for the FY 2022 did not in any way impair their objectivity and independence as external auditors of Bursa Malaysia.

- (3) Having regard to the outcome of the annual assessment of external auditors, the Board had in January 2023 approved the AC's recommendation for the shareholders' approval to be sought at the 46<sup>th</sup> AGM on the appointment of EY as external auditors of Bursa Malaysia for the FY ending 31 December 2023.
- (4) In January 2023, EY in its presentation of the External Auditors' report to the AC provided a written assurance that they had been independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements in respect of the audited financial statements of the Group for the FY 2022.
- (5) At the same AC meeting held in January 2023, the Chief Financial Officer sought the AC's approval on the proposed FY 2023 Annual Plan which sets out the planned audit services and both recurring non-audit and non-recurring non-audit services fees before they are to be rendered by EY, whose appointment as external auditors of Bursa Malaysia for the FY 2023 is subject to the shareholders' approval at the 46<sup>th</sup> AGM to be held on 30 March 2023.

The AC was satisfied that the nature and extent of the recurring non-audit and non-recurring non-audit services to be provided by EY was acceptable. The AC then granted its approval on EY's actual fees for FY 2022, including the total recurring non-audit and non-recurring non-audit services fees which constituted less than 50% of the total EY's remuneration for 2022 with reference to Section 4.2 of the Auditor Independence Policy.

- (6) In October 2023, the external auditors, EY presented for the AC's review its 2023 Audit Plan which outlined its engagement team, audit timeline, the areas of audit emphasis, and their focus on key audit matters with reference to the International Standard on Auditing 701. This formed part of the AC's assessment of the suitability, objectivity and independence of EY on an annual basis. Based on the outcome of its assessment, the AC decides whether or not to recommend to the Board for the shareholders' approval to be sought on the re-appointment of the external auditors at the forthcoming 47<sup>th</sup> AGM in 2024.

	<p>The above had been practised in accordance with Section 2.1 of the Auditor Independence Policy which provides that the AC shall review the re-appointment of the external auditors based on the Management’s annual performance evaluation of the external auditors and/or whether there is reason (supported by grounds) to believe that the external auditors are not suitable for re-appointment.</p> <p>With reference to Section 1.1 of the Auditor Independence Policy, the lead engagement partner and quality control review partner who are responsible for the financial statements of Bursa Malaysia Group shall be subject to a 7-year rotation with a 5-year and 3-year cooling-off periods respectively. Ms. Ng Sue Ean who became the lead engagement partner in 2022 will be subject to a 7-year rotation. The quality control review partner is Encik Ahmad Qadri bin Jahubar Sathik who assumed the role in 2022.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted										
<b>Explanation on adoption of the practice</b>	:	<p>The Audit Committee ("AC") comprises wholly of Independent Non-Executive Directors ("INEDs"). An INED of the Company who satisfies the independence test under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is an Independent Director. This is provided in the Terms of Reference ("TOR") of the Board of Directors.</p> <p>The AC comprises 4 members who are Independent NEDs, one of whom is also a Public Interest Director in accordance with the membership classification under the TOR of the AC as set out below:-</p> <table border="1"><thead><tr><th>No.</th><th>Membership Classification of the AC</th></tr></thead><tbody><tr><td>1.</td><td>Independent Non-Executive Director (Chairman of the AC)</td></tr><tr><td>2.</td><td>Independent Non-Executive Director</td></tr><tr><td>3.</td><td>Independent Non-Executive Director</td></tr><tr><td>4.</td><td>Independent Non-Executive Director who is a Public Interest Director</td></tr></tbody></table>	No.	Membership Classification of the AC	1.	Independent Non-Executive Director (Chairman of the AC)	2.	Independent Non-Executive Director	3.	Independent Non-Executive Director	4.	Independent Non-Executive Director who is a Public Interest Director
No.	Membership Classification of the AC											
1.	Independent Non-Executive Director (Chairman of the AC)											
2.	Independent Non-Executive Director											
3.	Independent Non-Executive Director											
4.	Independent Non-Executive Director who is a Public Interest Director											

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The review of the composition of the Audit Committee ("AC") shall be conducted annually in accordance with Paragraph 15.20 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad. The AC members shall be appointed by the Board of Directors for a term of 1 year, and the AC members may be eligible for re-appointment.</p> <p>The Board reviews the terms of office of the AC members and assesses the performance of the AC and its members through an annual Board Committee effectiveness evaluation.</p> <p>The AC members are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuing education programmes, so as to enable them to sustain their active participation during deliberations.</p> <p>The Chairman and members of the AC are financially literate, and have carried out their duties in accordance with the Terms of Reference of the AC.</p> <p>Based on the outcome of the AC Effectiveness Assessment of the Board Effectiveness Evaluation 2022/2023, the Board is satisfied with the AC's performance as its Chairman and members possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the AC. The AC was involved in the following:-</p> <p>(1) Financial reporting process</p> <p>The AC reviewed the Company's financial statements with the presence of the external auditors and the Director/Acting Director of Internal Audit ("IA"), prior to recommending them for approval</p>

by the Board and issuance to stakeholders. As part of the governance process in reviewing the quarterly and annual financial statements by the AC:-

- (a) The Chief Financial Officer provided assurance to the AC on a quarterly basis that appropriate accounting policies had been adopted and applied consistently; that the going concern basis applied in the Condensed Consolidated Financial Statements (“CCFS”) and Annual Financial Statements was appropriate; that prudent judgements and reasonable estimates had been made in accordance with the requirements set out in the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”); that adequate processes and controls were in place for effective and efficient financial reporting and disclosures under the MFRS, IFRS, International Accounting Standards (“IAS”) and MMLR; and that the CCFS and Annual Financial Statements did not contain any material misstatement and gave a true and fair view of the financial position of the Group and the respective companies within the Group for 2022.
- (b) The Director / Acting Director of IA undertook an independent assessment on the internal control system on a quarterly basis and assured the AC that no material issue or major deficiency had been noted which would pose a high risk to the overall system of internal control under review.
- (c) The external auditors, Ernst & Young PLT (“EY”) confirmed that they had conducted their review on the quarterly CCFS in accordance with the International Standard on Review Engagements 2410, *“Review of Interim Financial Reporting Information Performed by the Independent Auditor of the Entity”*. The quarterly financial statements were prepared in all material respects in accordance with MFRS 134 and IAS 34, as nothing had come to their attention which caused them to believe otherwise.
- (d) EY presented their Independent Auditors’ Report on the Annual Financial Statements for the financial year ended 31 December 2022 together with the key audit matters therein as well as their long form report covering their observations, findings and recommendations on certain process improvements noted in the course of their audit.
- (e) There had been co-ordination between internal and external auditors with regards to the use of the work of internal audit by EY in 2023. Besides EY’s normal review and reliance on the internal audit reports issued during the year, 1 internal auditor was assigned to the year-end financial audit under the supervision of EY based on consideration of his/her competence and objectivity.

	<p>The IA staff assigned to EY for the FY 2023 financial audit complied with EY’s independence requirements and appropriate safeguards were observed as to the reporting protocol by the said staff during the assignment period to ensure the independence of the external audit function was not impaired.</p> <p>(2) Continuous education</p> <p>The AC members play a key role in the Public Interest Enterprise (“PIE”)’s governance structure and are responsible in overseeing the PIE’s financial reporting process.</p> <p>(a) The AC members were invited to various training programmes to keep abreast of relevant industry developments including accounting and auditing standards, business practices and rules, to address any skills or knowledge gaps according to their needs.</p> <p>The training programmes attended by the Board/ AC members are set out in the Explanation for Practice 2.1 herein.</p> <p>(b) The current presiding AC Chairman, Datuk Bazlan Osman took over the Chair of the AC on 23 June 2023 following the retirement of Mr. Pushpanathan a/I S.A. Kanagarayar upon the conclusion of his 9 year tenure as INED. Datuk Bazlan Osman had been serving as the President of the Malaysian Institute of Accountants (“MIA”) since his election on 17 June 2022 until 30 November 2023. Prior to that, he was elected as the Vice President on 30 July 2021 and had commenced his term as an MIA Council member on 1 December 2019. He had also served as ex-officio of Financial Reporting Foundation from 17 June 2022 until 1 December 2023 and the Chair of the ACCA Malaysia Advisory Committee from 1 December 2021 to 30 November 2023. In addition to the aforementioned, Datuk Bazlan is also a Director of the Malaysia Professional Accountancy Centre. Datuk Bazlan Osman brings extensive corporate and business experience to the MIA leadership role.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>

<b>Timeframe</b>	:		
------------------	---	--	--



### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board affirms its overall responsibility for the Group's system of internal control and risk management, as well as for reviewing the adequacy and integrity of the system. The system of internal control addresses governance, risk management, financial, strategy, organisational, operational, regulatory, sustainability and compliance control matters. The Board recognises that this system is designed to manage, rather than eliminate, the risks of not adhering to the Group's policies and achieving goals and objectives within the risk appetite and risk tolerance established by the Board and Management. Therefore, the system provides reasonable, but not absolute, assurance against the occurrence of any material misstatement, loss or fraud.</p> <p>Bursa Malaysia adopts an integrated approach to organization-wide governance, risk, and compliance ("GRC") ensuring that Bursa Malaysia acts in accordance with its risk appetite, internal policies/ procedures, and external regulations, through the alignment of strategy, structure, processes, people and technology. This model is documented in the "Integrated Governance, Risk and Compliance ("iGRC") Framework".</p> <p>The overarching framework used as the reference for risk management in Bursa Malaysia is entitled the Enterprise Risk Management framework ("ERMF"). This framework encompasses the governance structure, resources, methods, and processes used to manage risks within the organisation. Bursa Malaysia's risk appetite, risk tolerance and acceptable risks are also incorporated within the ERMF.</p> <p>The ERMF is supplemented by the following risk management framework:-</p> <ul style="list-style-type: none"><li>• Technology &amp; Cybersecurity Risk Management Framework ("TCRF") – The objective of the TCRF is to strengthen the ability of Bursa to detect and mitigate technology and cybersecurity risk that come along with greater technology adoption in carrying out and achieving its operations and business objectives.</li><li>• Business Continuity Management ("BCM") Framework - serves as an overarching framework outlining the main principles of business continuity management (BCM) that is adopted in Bursa Malaysia</li></ul>

	<p>that are in line with the applicable standard and regulatory requirements.</p> <ul style="list-style-type: none"> <li>• Framework on Risk Management for Outsourcing Arrangements - Describes the various areas of focus that will form the components to guide the target audience in managing the risks in outsourcing arrangements and describes the processes managing these risks which involves risk assessment, due diligence assessment, contract considerations, performance assessment, business continuity requirements, and cyber security requirements.</li> <li>• Integrity, Governance and Compliance Management (“IGCM”) framework - sets out the approach of Bursa Malaysia in overseeing and mitigating integrity, governance, and compliance risks in order to ensure that Bursa Malaysia attains high standards of compliance.</li> </ul> <p>These frameworks have been established in reference to Securities Commission’s Guidelines on Financial Market Infrastructures and Guidelines on Technology Risk Management as well as best practices such as the ISO 31000:2018 Risk Management – Guidelines and Principles for Financial Market Infrastructures (PFMI) published by Bank for International Settlements (BIS) and International Organization of Securities Commissions (IOSCO) to manage the risks of its business and operations.</p> <p>In addition, various guidelines, and standard operating procedures (“SOP”) have been established with reference to the latest industry standards, best practices, and regulatory requirements; to facilitate the implementation of these risk management frameworks.</p> <ol style="list-style-type: none"> <li>(1) In RMC Meeting held in April 2023, the RMC committee reviewed and approved the Customer Money Laundering/ Terrorism Financing (“ML/TF”) Risk Rating (CRR) and Institutional ML/TF Risk Assessment (“IRA”) Methodologies for implementation at the respective subsidiaries of the Group.</li> <li>(2) In the same meeting, the results of the Cyber Security Maturity Assessment and Cloud Readiness Assessment conducted by an external party was also presented and deliberated at the RMC.</li> <li>(3) The RMC also deliberated upon the Cybersecurity Contingency Playbook on Ransomware Remediation and provided their concurrence on the mitigation/ enhancement actions to be undertaken to further fortifying the exchange’s cyber resilience.</li> <li>(4) In the month of August 2023, the RMC reviewed and provided their concurrence on the related framework, policy, and guidelines to be adopted by Bursa Malaysia RAM Capital Sdn. Bhd. (“BR Capiral”) for risk management, compliance, and BCM. The same was later presented and approved by the BR Capital Board in the same month.</li> </ol>
--	--

	<p>(5) In the month of September 2023, the Cybersecurity Roadmap was presented to the RMC for notation and deliberation. In addition, the results of Anti-Bribery Management System (“ABMS”) conformance appraisal results were also presented.</p> <p>(6) RMC had also reviewed and approved the annual disclosures of BMDC, BMSC, Bursa Malaysia Depository, and Bursa Malaysia Bonds in compliance with SC’s Guidelines on FMI for submission to SC and publication of the same on Bursa’s website.</p> <p>(7) In the RMC Meeting held in November 2023, the TCRF which was developed based on the Securities Commission’s Guidelines on Technology Risk Management (Issued 1 August 2023) was duly presented to the RMC.</p> <p>In addition, the RMC deliberated on the results of the annual review of the risk management and compliance frameworks and policy which the BCM Framework, Anti-Fraud, Bribery, &amp; Corruption Policy &amp; Guidelines (“AFBC P&amp;G”), and the Anti-Money Laundering, Countering Financing of Terrorism and Targeted Financial Sanctions (“AML/CFT &amp; TFS”) Policy and Procedures.</p> <p>The above risk management and compliance frameworks and polices were subsequently presented to the Board for approval in December 2023.</p> <p>In the same November meeting, the RMC deliberated upon and approved the Foreign Exchange Hedging Policy which was designed to address the Group’s operational needs and mitigate potential risks arising from currency fluctuations.</p> <p>(8) In December 2023, the report on the annual Independent Validation of Credit and Liquidity Risks Models for BMSC and BMDC that was prepared by an external assessor, was presented and approved by the RMC.</p> <p>(9) The RMC also approved updates to the Financial Risks Methodologies following the annual review conducted by RC on the Financial Risk Management Guidelines as well as the methodologies relating to Equities Margin, Derivatives Margin, BMSC Clearing Guarantee fund, BMDC Clearing Fund, Liquidity Stress Test and Collateral Risk Management Methodologies, which was carried out to ensure continuous compliance with SC’s Guidelines on FMI and the PFMI.</p> <p>(10) The Integrity &amp; Governance Unit (“IGU”) function also known as the “Integrity Unit” was established under the RC on 1 October 2020, which consists of 4 core functions namely complaints management, detection and verification, integrity enhancement and governance. The Director of RC who reports directly to the</p>
--	---

	<p>RMC, presented the IGU report as well as the Compliance reports, which included updates on activities/ initiatives conducted throughout the year, breaches, non-compliance as well as observations.</p> <p>(a) the Director of RC presented the half-yearly reports of the IGU activities in relation to the Malaysian Anti-Corruption Commission (“MACC”)’s Guideline on Management of IGU for the RMC’s review at the meetings held in January and July 2023 respectively, prior to submission of the same reports to the Board and MACC’s Agency Integrity Management Division.</p> <p>(b) These reports noted that all complaints/ concerns on allegations of misconduct in reference to the Anti-Fraud, Bribery, &amp; Corruption Policy &amp; Guidelines (“AFBC P&amp;G”) were adequately reviewed, deliberated by RMC, and appropriate actions were taken.</p> <p>Notwithstanding the above, the risk management structure remains the same within the 3 lines of defence and clearly established functional responsibilities and accountabilities for the management of risk. The Group’s risk profile, risk appetite and risk tolerance define the overarching parameters of the Group for the management of risk. Clear risk treatment guidance is in place stipulating the actions to be taken for each type of risk.</p>	
<p><b>Explanation for departure</b></p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	:	
<p><b>Timeframe</b></p>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board via the Risk Management Committee ("RMC") oversees the risk management matters related to the activities of the Group, which include identification, analysis, evaluation, treatment, monitoring, review and reporting of significant risks across the Group. The RMC also assists the Board to fulfil its responsibilities with regards to risk governance and risk management in order to manage the overall risk exposure of the Group. The RMC is also responsible for overseeing the Business Continuity Management (BCM), Compliance, Integrity &amp; Governance Unit (IGU) functions of the Group.</p> <p>The RMC reviews and recommends for the Board's consideration and approval, the risk management frameworks, policies and/or guidelines for managing risks within the Group. The RMC also monitors and assesses the risk appetite and risk tolerance for the Group, to safeguard the shareholders' investments and the Group's assets.</p> <p>The Group has an established and structured process for risk management where the analysis and evaluation of risks are guided by approved risk criteria. The Group also established an effective risk management infrastructure that facilitates risk management processes and reporting.</p> <p>In 2023, the RMC at its quarterly meetings had assessed the risk impact and likelihood of those key risks and determined the risk ratings accordingly for continuous risk mitigation actions. The Risk &amp; Compliance Division ("RC") continues to monitor the key risk indicators for maintaining organisational performance and competitive position as well as for developing strategic sustainability practices to achieve the sustainability goals.</p> <p>Between the months of August and November 2023, R&amp;C conducted a review of the Corporate Risk Profile ("CRP") 2024 which includes the risk register review and a comparison of key risks against other exchanges and global risk reports. The proposed revision of the CRP was subsequently presented for the RMC's consideration and upon the RMC's recommendation, the Board approved the same in December 2023.</p>

	<p>During the same period of review, Risk Appetite Statement for year 2024 was also reviewed to align with Bursa Malaysia’s Vision and Mission as well as the 3 core strategies under Bursa Malaysia’s 2024-2026 strategic roadmap. The Risk Appetite statement represents the Board’s collective appetite on the amount and type of risk that Bursa Malaysia is prepared to pursue, retain, or take in pursuit of its strategic objectives. Zero-tolerance is maintained for non-compliance with statutory codes, regulatory requirements, local and international laws, integrity issues and corrupt practices as well as data protection breaches. The Risk Appetite statement is a key component of effective risk management which support informed decision-making and balancing risk and opportunities.</p> <p>The Risk Tolerance Statement has also been reviewed concurrently at the RMC and Board level with the CRP 2024 and Risk Appetite Statement in December 2023. Risk tolerance statement encompasses the requirements, risk metrics and measurements to maintain a robust management system to manage general business risks including from the perspectives of strategy implementation, performance and operating expense, avoidance of risks that can cause systemic risks to the marketplace as well as disruption of a fair and orderly market environment.</p> <p>Further details on the management and reporting of the key risks of the CRP 2023, and the controls in place to mitigate and manage those risks are provided in the Statement on Internal Control and Risk Management on Pages 145 to 155 of the Integrated Annual Report 2023.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted										
<b>Explanation on adoption of the practice</b>	:	<p>The Risk Management Committee ("RMC") comprises wholly of Independent Non-Executive Directors ("INEDs"). An INED of the Company satisfies the independence test under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is an Independent Director. This is provided in the Terms of Reference ("TOR") of the Board of Directors.</p> <p>The RMC comprises 4 members who are INEDs, one of whom is also a Public Interest Director ("PID"). The RMC is chaired by an INED, Encik Syed Ari Azhar bin Syed Adlan who took over the RMC Chairmanship from Puan Sharifatu Laila binti Syed Ali on 16 August 2023.</p> <p>The RMC membership classification under the TOR of the RMC is as set out below:-</p> <table border="1"><thead><tr><th>No.</th><th>Membership Classification of the RMC</th></tr></thead><tbody><tr><td>1.</td><td>INED or INED who is a PID (Chairman of the RMC)</td></tr><tr><td>2.</td><td>INED or INED who is a PID</td></tr><tr><td>3.</td><td>INED</td></tr><tr><td>4.</td><td>INED</td></tr></tbody></table>	No.	Membership Classification of the RMC	1.	INED or INED who is a PID (Chairman of the RMC)	2.	INED or INED who is a PID	3.	INED	4.	INED
No.	Membership Classification of the RMC											
1.	INED or INED who is a PID (Chairman of the RMC)											
2.	INED or INED who is a PID											
3.	INED											
4.	INED											

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board has established an in-house Internal Audit (“IA”) function for Bursa Malaysia Group, which is led by the Director of IA who reports directly to the Audit Committee (“AC”), and administratively to the Chief Executive Officer. The appointment of Ms. Shamita Atputharaja, as the new Director of IA took effect from 22 May 2023 replacing Puan Fathilah Ishak, who was previously appointed as the Acting Director of IA. Ms. Shamita’s appointment as Director of IA was confirmed on 22 November 2023.</p> <p>In this respect, the Acting Director / Director of IA shall be accountable in reporting to the AC on the assessment of adequacy and effectiveness of the Group’s governance, risk management and control processes. She has full access to the AC Chairman for consultation and clarification on audit scope and objectives as well as for reporting purposes.</p> <p>(1) As guided by the IA’s Audit Charter, IA must be independent of the activities and processes which it appraises to ensure it is able to perform its duties in an objective manner and provide impartial advice to the AC.</p> <p>The IA function undertakes an independent assessment on the internal control system of the Group through audit engagements carried out in the financial year and provides assurance to the AC that no material issues or major deficiencies have been noted which would pose a high risk to the overall system of internal control under review.</p> <p>(2) To ensure that the responsibilities of IA are fully discharged, the AC reviews:-</p> <ul style="list-style-type: none"><li>(a) the appointment, renewal of appointment, replacement and removal of the Director of IA;</li><li>(b) the adequacy of the IA’s scope, competency, experience and resources of the IA function; and</li><li>(c) the appraisal or assessment of performance of the IA function and performance of the Director of IA via the review of the IA scorecard.</li></ul>



	<p>The IA engagements were carried out based on the Annual Audit Plan 2023 as approved by the AC, and in accordance with the International Professional Practices Framework issued by The Institute of Internal Auditors (“IIA”). IA provides recommendations to mitigate control weaknesses and enhance the governance, risk management and control processes within the Group. The results of the audits as disclosed in the IA reports were reviewed by the AC. The relevant Management members were made responsible to ensure that corrective actions on the reported weaknesses were taken within the required timeframes. IA conducted follow-up reviews / audits to ensure that the corrective actions were implemented appropriately. The detailed activities carried out by the IA are provided in the AC Report on pages 159 to 161 of the Integrated Annual Report 2023.</p> <p>(3) In line with Guidance 11.1 of the Malaysian Code on Corporate Governance, the AC is responsible to determine the remit of and decide on the budget for the IA function under its Term of Reference (“TOR”), to ensure that the IA function is effective and is able to perform independently.</p> <p>(a) The AC had in February 2024 assessed the performance of the IA function having regard to the status of completion against the number of audit engagements as approved under the IA’s Audit Plan 2023.</p> <p>(b) At the meeting held in November 2023, the AC reviewed and approved the IA’s 2024 Annual Audit Plan, resource requirements and budget for 2024, which comprised the allocation of 13 personnel. IA had developed its Audit Plan 2024 based on a combination of a revised audit universe, risk-based prioritisation, value-based prioritisation and 3-year cycles as well as taking into consideration the risk landscape as set out in the Corporate Risk Profile 2023. The AC deliberated at length on the audit coverage, adequacy of resource allocation and budget for key initiatives, audit management system and data analytic tools for the year 2024.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	

<b>Timeframe</b>	:		
------------------	---	--	--

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance with the IA's Audit Charter [Section 6.0 Independence &amp; Objectivity], IA is required to confirm to the Board via the AC, at least annually, the organizational independence of the internal audit activity. This is also in accordance with Standard 1110 – "Organisational Independence" of the International Professional Practices Framework.</p> <p>All auditing endeavours are conducted in compliance with the IIA Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing as set out in the TOR of the AC.</p> <p>(1) IA had in January 2024 confirmed its organisational independence to the AC, where all the internal auditors had signed the annual declaration that they were and had been independent, objective and in compliance with the Code of Ethics of Bursa Malaysia and the professional standards laid down by the IIA in carrying out their duties for the Financial Year 2023.</p> <p>All the IA personnel confirmed via the annual declarations that they are free from any relationships or conflicts of interest, which could impair their objectivity and independence. They provided assurance to the AC that whilst carrying out their duties as internal auditors of Bursa Malaysia, they:-</p> <ul style="list-style-type: none"><li>(i) were independent of the process/ area/ division/ department that they were auditing;</li><li>(ii) applied and upheld the principles stated in the IIA's Code of Ethics; and</li><li>(iii) complied with the requirements as stated in Bursa Malaysia's Code of Ethics.</li></ul> <p>(2) The IA function has 13 approved headcounts, comprising the Acting Director / Director of IA and 12 internal auditors.</p>

	<p>The IA function is currently headed by Ms Shamita Atputharaja, the Director of IA. Shamita took over this role on 22 May 2023. She has more than twenty (20) years of external and internal audit experience. Shamita is an Association of Chartered Certified Accountants (“ACCA”) (UK) qualified accountant, a Chartered Accountant with the Malaysian Institute of Accountants and a Chartered Banker with the Asian Institute of Chartered Bankers (“AICB”) and the Chartered Banker Institute (UK). Shamita has also completed the Certificate in Internal Auditing for Financial Institutions (“CIAFIN”) and Certification for Bank Auditors (“CBA”) from the AICB.</p> <p>(3) In accordance with the TOR of the AC, the AC had in February 2024 conducted an annual assessment of the performance of the IA function by reviewing the 2023 IA Scorecard results. The AC was satisfied with the competency, experience and resources of the IA function for discharging its role and responsibilities.</p> <p>The AC was also satisfied that the IA function was performed in accordance with the IIA's Definition of Internal Auditing and Code of Ethics and that it conforms to the International Standards for Professional Practice of Internal Auditing. This would enable the IA function to continuously deliver value-added assurance to Bursa Malaysia and to support Bursa Malaysia in achieving its corporate and strategic objectives.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Bursa Malaysia ensures that its communication with the shareholders and various stakeholders is transparent, timely and with quality disclosure. Depending on stakeholder type and objective, Bursa Malaysia customises its engagement approaches and communicates with its stakeholders through appropriate platforms/methods.</p> <p>(1) Bursa Malaysia is committed to being accountable and responsive to the expectations and interests of its stakeholders. Amongst the Company's key stakeholders are:-</p> <ul style="list-style-type: none"><li>(a) Public listed companies (PLCs) or potential PLCs (including advisers and secretarial firms that act on their behalf);</li><li>(b) Investors;</li><li>(c) Intermediaries (including brokers, clearing participants, authorised direct members and authorised depository agents);</li><li>(d) Regulators and government agencies;</li><li>(e) Employees;</li><li>(f) Bursa Malaysia's shareholders and analysts;</li><li>(g) Industry associations, professional bodies and industry experts;</li><li>(h) Vendors and suppliers; and</li><li>(i) Community groups (including non-profit organisations which are beneficiaries of our community initiatives).</li></ul> <p>(2) To facilitate the stakeholders' understanding of the Company with respect to the business of the company and its policies on governance, the Company has placed various documents pertaining to the organisation, Board and Management, corporate governance, policies, charters, terms of reference as well as other corporate information on its website under 'About Bursa-ABOUT US', for easy reference.</p> <p>The Company has also utilised information technology to broadly and effectively disseminate information on the dates scheduled for release of its quarterly results. After the end of every quarter, the Company Secretary will announce these dates in advance via Bursa LINK.</p>

In 2023, the quarterly financial results were announced via Bursa LINK immediately after the Board's approval between 12.30 p.m. and 1.30 p.m. on the same day and analyst/media briefings were conducted for the second and fourth quarters financial results. This is important in ensuring equal and fair access to information is provided to the investing public, so that they can make informed decisions.

- (3) Bursa Malaysia via its website under 'About Bursa-INVESTOR RELATIONS' provides all relevant information on the Company which is accessible to the public. They include all announcements made by Bursa Malaysia, share price information, annual reports, notices of general meetings, notes/minutes of general meetings, slide presentations made at such meetings and webcasts for the benefit of shareholders who are unable to attend these meetings.

Bursa Malaysia's Investor Relations ("IR") function is responsible to ensure and facilitate continuous and effective communication between the Company and its stakeholders. The stakeholders are encouraged to channel their concerns to the Head of IR. The former Head of IR, Puan Rasmona Abdul Rahman was responsible for the IR function up to 31 January 2023. Accordingly, her contact number and e-mail address - [ir@bursamalaysia.com](mailto:ir@bursamalaysia.com) was provided on Bursa Malaysia's website, and on Page 114 of the Integrated Annual Report 2022. Effective 1 February 2023, the IR function has been transferred to Mr. Chiong Tong Chai and his contact details has been updated on Bursa Malaysia's website and on Page 128 of the Integrated Annual Report 2023

- (4) Bursa Malaysia strives to maintain an open two-way communication with its **employees** to discuss, amongst others, the Company's performance and growth strategies, Code of Ethics, training and development, performance evaluation and management, remuneration and benefits, occupational safety, health and wellbeing, collective bargaining and employee volunteerism. In addition to the above, employees can also relay their concerns via the grievance platform and whistleblowing channel.

In 2023, Bursa Malaysia engaged with its employees primarily through its internal employee portal (i.e. MY1818), meetings, feedback sessions, training sessions, talks, surveys and campaigns. Bursa Malaysia also administered an online Employee Engagement Index Survey which provided Bursa Malaysia with a yardstick as to the engagement level of employees within Bursa Malaysia Group. Results of the engagement survey were then translated and used as action points to further improve employees' overall experience within Bursa Malaysia and as to how Bursa Malaysia can further retain, motivate and grow its talent base.

As the journey to transform employee engagement continues, 2023 saw with it enhanced modes of communication and

engagement with all Bursa employees. In 2023, Bursa Malaysia's primary focus revolves around capturing employee experience, strengthening communication platform, and fostering employee engagement through wellbeing and branding initiatives.

The Progressive Onboarding initiative signifies a commitment to enhancing the onboarding experience for new joiners at Bursa Malaysia with the participation of Senior Management that align seamlessly with the Employee Engagement and cultivate stronger connections between new joiners and the organisation.

Open communication channels with the CEO to interact with employees at a casual setting enhances understanding of the company's business and career paths, fostering transparency and collaboration. In addition, sessions with Division Heads facilitate open discussions, recognise contributions, and promote inclusivity and teamwork.

Bursa provides various platforms - VIVA Engage for 360 recognitions to inculcate appreciation culture and "#BeBURSA" that was introduced to be the centralised communication platform.

All these strategic initiatives have been crafted to enhance employees' overall experience with Bursa Malaysia towards a productive, engaged and motivated workforce.

- (5) Bursa Malaysia engages with its **local communities** (e.g. beneficiaries of Yayasan Bursa Malaysia, scholars) primarily on matters pertaining to Bursa Malaysia's community investment and Corporate Social Responsibility initiatives through meetings, phone calls, Bursa Malaysia's corporate website and events.

The stakeholders are also encouraged to channel their concerns to the Director of Group Sustainability, who up to her retirement in October 2023 was held by Ms. Emilia Tee Yoke Hoong who led the Group Sustainability Division and reports directly to the CEO of Bursa Malaysia. The current Director of Sustainability is Dr. Ahmad Hezri Adnan who assumed the position effective 2 January 2024. Dr. Ahmad Hezri's contact number and e-mail address are provided on Page 2 of Bursa Malaysia's Sustainability Report 2023.

- (6) Bursa Malaysia conducts materiality assessment on an annual basis to ensure the material matters reflect the evolving stakeholders' priorities and their impact to creation potential. The materiality assessment exercise is being aligned to Bursa Malaysia's strategic planning cycle. In 2023, Group Sustainability undertook a comprehensive materiality assessment that resulted in the validation of 14 Material Matters. These 14 Material Matters were grouped into 5 Priority Areas that shaped the strategic objectives and initiatives in the Sustainability Roadmap 2021-2023. In

	<p>additional, the materiality assessment exercise for 2023 further introduced 9 proposed refreshed materiality matters that would lead to the development of the Sustainability Roadmap for 2024 – 2026. In view of the above, a simple online survey was carried out in 2023.</p> <p>Details of the materiality assessment and stakeholder engagement conducted in 2023 are provided on Pages 13 to 18 and Pages 19 to 21 of the Sustainability Report 2023 respectively.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		



### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As part of our efforts to develop a strategic corporate reporting approach to better meet the needs of various stakeholders and achieve business benefits, Bursa Malaysia had in the 2016 Annual Report, embarked on its integrated reporting (&lt;IR&gt;) journey. Through the &lt;IR&gt; approach, Bursa Malaysia as a frontline regulator, a market operator, an influencer and a public listed company aims to tell a clear and comprehensive story about itself, its business, strategies as well as how it creates values and shares them with all its stakeholders over the near, medium and long term.</p> <p>Underpinning Bursa Malaysia’s commitment to sustainable and long-term value creation, it had issued its first Integrated Annual Report (“IAR”) 2018 on 28 February 2019 based on the International Integrated Reporting Council’s International Integrated Reporting Framework. The second, third and fourth were the IAR 2019, IAR 2020 and IAR 2021 which were issued on 2 March 2020, 2 March 2021, 1 March 2022 and IAR 2022 respectively. This IAR 2023 will be the sixth as part of the &lt;IR&gt; journey to improve the quality of information disclosures to stakeholders and promote greater transparency and accountability by Bursa Malaysia.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Bursa Malaysia dispatches the notice of its Annual General Meeting (“AGM”) to shareholders at least 28 days before the AGM, well in advance of the 21-day requirement under the Companies Act (“CA”) 2016 and Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p> <p>On 1 March 2023, notifications were sent to all shareholders either by way of letter or e-mail to inform that the Notice of the 46<sup>th</sup> AGM, Proxy Form and Administrative Guide for the 46<sup>th</sup> AGM which was scheduled to be held on 30 March 2023 were published on Bursa Malaysia’s website. These documents together with the Integrated Annual Report 2022, Sustainability Report 2022 and Corporate Governance Report 2022 were also made available at <a href="https://bursa.listedcompany.com/iar_2022.html">https://bursa.listedcompany.com/iar_2022.html</a>.</p> <p>The notes to the Notice of the 46<sup>th</sup> AGM dated 1 March 2023 provided detailed explanations for each resolution proposed, e.g. re-election of Directors, Directors’ remuneration comprising the Directors’ fees and benefits, appointment of auditors, to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>The Administrative Guide was intended to provide the shareholders with the detailed procedures of the AGM, their entitlement to attend the AGM, their right to appoint a proxy and information as to who may count as a proxy. The Company allows a member to appoint a proxy who need not be a member of the Company.</p> <p>The 46<sup>th</sup> AGM was conducted virtually in accordance with the revised ‘Guidance and FAQs on the Conduct of General Meetings for Listed Issuers’ issued by the Securities Commission Malaysia (“SC”) on 7 April 2022. A virtual general meeting is to be conducted online, without a physical meeting venue, and shareholders will participate by audio and/or video capabilities. The only venue involved is the Broadcast Venue where only the essential individuals are physically present to organise the virtual general meeting.</p>

	In view of the fluctuating levels of Covid-19 cases in the first quarter of 2023, the Board decided to continue to have a virtual 46 <sup>th</sup> AGM at the Conference Room 1, Ground Floor of Exchange Square as the Broadcast Venue and via the TIH Online website at <a href="https://tjh.online">https://tjh.online</a> .	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>All 10 directors attended the 46<sup>th</sup> Annual General Meeting (“AGM”) held on 30 March 2023 to engage directly with shareholders and to be accountable for their stewardship of the Company.</p> <p>The 10 Directors were physically present at the Broadcast Venue in accordance with the <i>SC’s Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers</i> were as follows:-</p> <ol style="list-style-type: none"><li>1. Tan Sri Abdul Wahid Omar [Chairman of the Board]</li><li>2. Datuk Muhamad Umar Swift [Chief Executive Officer (“CEO”)/Executive Director]</li><li>3. Dato’ Anad Krishnan a/l Muthusamy</li><li>4. Puan Sharifatu Laila Syed Ali [Risk Management Committee Chairman, prior to her resignation as PID / INED in August 2023]</li><li>5. Datin Azlina Mahmad</li><li>6. Mr. Pushpanathan a/l S.A. Kanagarayar [Audit Committee Chairman prior to his retirement upon conclusion of his 9 year tenure as an INED in June 2023]</li><li>7. Datuk Bazlan Osman [Nomination and Audit Committee (NRC) Chairman prior to his appointment as Audit Committee Chairman in June 2023]</li><li>8. Ms. Chong Chye Neo [Technology and Cybersecurity Committee Chairman]</li><li>9. Tan Sri Abdul Farid Alias</li><li>10. Encik Syed Ari Azhar Syed Mohamed Adlan</li></ol> <p>The Company Secretaries (Puan Yong Hazadurah Md Hashim and Izreen Fara Ismail), the Chief Financial Officer (Puan Rosidah Baharom), the External Audit Partner, Ms. Ng Sue Ean of Ernst &amp; Young PLT (“EY”), the Scrutineer, Mr. Anthony Tai Yu Kun of Deloitte Risk Advisory Sdn Bhd were also physically present at the Broadcast Venue, supported by audio and visual support personnel.</p> <p>14 members of senior management were also in attendance via video conferencing.</p> <p>A total of 1,552 shareholders, corporate representatives and proxies attended the 46<sup>th</sup> AGM via <b>TIIH Online</b> website at <a href="https://tiih.online">https://tiih.online</a>. The proceedings of the 46<sup>th</sup> AGM at the Broadcast Venue included the CEO’s presentation of the Company’s operating and financial</p>

	<p>performance for 2022, the presentation of the external auditors' unqualified report to the shareholders, and a Questions &amp; Answers session during which the Chairman invited shareholders to use the query box facility to submit questions (real time) during the meeting, pertaining to the Company's financial statements and other items for adoption at the meeting, before putting a resolution to vote. Besides the Directors and the CEO, the Management and External Auditors were in attendance to respond to the shareholders' queries.</p> <p>To further encourage engagement between the Directors and shareholders, shareholders had been invited to submit questions prior to the 46<sup>th</sup> AGM via <b>TIIH Online</b> website at <a href="https://tiih.online">https://tiih.online</a> in relation to the agenda items for the 46<sup>th</sup> AGM. This was communicated in Note 7 of the Administrative Guide.</p> <p>The CEO first shared with the shareholders, corporate representatives and proxies in attendance, the Company's responses to questions submitted by shareholders in advance of the 46<sup>th</sup> AGM. Thereafter, the Chairman and the CEO read out the questions received via the query box from the members, corporate representatives and proxies during the meeting, and provided the responses for the same, accordingly.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>At its 39<sup>th</sup> AGM held on 31 March 2016, Bursa Malaysia had leveraged technology to facilitate electronic voting (“e-voting”) for the conduct of poll on all resolutions for the first time. Electronic voting devices were used to provide a more efficient and accurate outcome of the results. The voting at the 40<sup>th</sup> and 41<sup>st</sup> AGM held on 29 March 2017 and 28 March 2018 respectively were conducted on a poll in accordance with Paragraph 8.29A of the MMLR of Bursa Securities.</p> <p>In addition to the e-voting in person at the AGM venue, the Company at its 42<sup>nd</sup> AGM held on 28 March 2019 had enabled remote shareholders' participation and online remote voting by leveraging technology in accordance with Section 327(1) and (2) of the CA 2016 and Article 15.4 of the Constitution of the Company. The Company's first experience using Remote Participation and Voting (“RPV”) facilities on 28 March 2019 was useful and timely for convening the virtual 43<sup>rd</sup>, 44<sup>th</sup> and 45<sup>th</sup> AGM on 29 April 2020, 31 March 2021 and 30 March 2022 respectively, with online attendance and voting by shareholders during the pandemic where the MCO and subsequent RMCO periods were declared by the government.</p> <p>For the 46<sup>th</sup> AGM held on 30 March 2023 being the fourth virtual general meeting, Bursa Malaysia had appointed Tricor Investor &amp; Issuing House Services Sdn Bhd (“Tricor”) as Poll Administrator to conduct the polling process, and Deloitte Risk Advisory Sdn Bhd (“Deloitte”) as Scrutineers to verify the poll results.</p> <p>The Company had conducted a virtual 46<sup>th</sup> AGM on 30 March 2023 at the Broadcast Venue by leveraging technology in accordance with Section 327(1) and (2) of the CA 2016, Article 15.4 of the Constitution of the Company and <i>SC's Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers</i>.</p> <p><b>(a) Remote shareholders' participation at the 46<sup>th</sup> AGM</b></p> <p>Shareholders were invited to exercise their right to attend, participate and vote at the meeting remotely by using the RPV</p>

facilities at <https://tiih.online>. The registration for attendance was opened from 10.00 a.m. Wednesday, 1 March 2023 at <https://tiih.online> until such time before the voting session ended at the 46<sup>th</sup> AM on Thursday, 30 March 2023. Detailed procedures were provided to shareholders in the Administrative Guide.

After verification that one was a shareholder based on the General Meeting Record of Depositors (“ROD”) as at 23 March 2023, the relevant shareholder was notified via e-mail by Tricor that his/her registration for the remote participation at the 46<sup>th</sup> AGM had been approved. If the shareholder was already a user with **TIIH Online**, he/she could log in with his/her username and password to submit the request to participate remotely via live streaming and online remote voting. An e-mail notification to confirm the shareholder’s registration for RPV was then sent by Tricor after its verification based on the General Meeting ROD as at 23 March 2022 and upon the cut-off date and time for proxy form submission.

**(b) Voting in absentia**

Shareholders logged on with their usernames and passwords at Tricor’s **TIIH Online** website and participated remotely via live streaming at the 45<sup>th</sup> AGM. A short video by Tricor was played to demonstrate to the members, corporate representatives and proxies who were present at the 46<sup>th</sup> AGM on the process for online voting via TIIH Online. The voting session had commenced from the start of the Meeting at 10.00 a.m. until the close of the voting session as announced by the Chairman at 1.05 p.m.

The Scrutineers, Deloitte verified and announced the poll results for each resolution, which included votes in favour and against, upon which the Chairman of the 46<sup>th</sup> AGM declared that all the resolutions were carried. The poll results were also announced by Bursa Malaysia via Bursa LINK on the same day for the benefit of all shareholders.

The Minutes of the 46<sup>th</sup> AGM (including all the Questions raised at the meeting and the Answers thereto) were made available on Bursa Malaysia’s website: <https://www.bursamalaysia.com> at About Bursa-INVESTOR RELATIONS-Financial Information-AGM and EGM, or at [https://bursa.listedcompany.com/agm\\_egm.html](https://bursa.listedcompany.com/agm_egm.html)

In line with the Malaysian Code on Corporate Governance (“MCCG”), Bursa Malaysia had sought confirmation from Tricor on their cyber hygiene practices to ensure data privacy and security to prevent cyber threats. To this, Tricor had confirmed that it has implemented an Information Technology policy and Information Security policy, endpoint controls and data classification for cyber hygiene practices of the staff. Stress test and penetration testing had been performed on TIIH Online to test its resiliency. To provide further assurance to the public, Tricor Malaysia is ISO27001 certified. In addition to this, the TIIH

	Online is hosted on a secure cloud platform and the data centre is ISO27001 certified	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>At the commencement of the 46<sup>th</sup> AGM, the Chairman, Tan Sri Abdul Wahid Omar ("Tan Sri Chairman") briefed the members, corporate representatives and proxies present virtually at the Meeting of their right to ask questions and vote on the resolutions set out in the Notice of the 46<sup>th</sup> AGM dated 1 March 2023.</p> <p>(1) Under Agenda 1 in which the audited financial statements were laid in accordance with Section 340(1)(a) of the Companies Act 2016 for discussion only, the CEO of Bursa Malaysia, Datuk Muhamad Umar Swift, ("Datuk CEO") took the opportunity to engage with the shareholders by giving a brief presentation which covered the following:-</p> <ul style="list-style-type: none"><li>(a) 2022 Financial Performance: Financial Trends and Growing Shareholders' Value;</li><li>(b) 2022 Market Performance: Securities Market, Islamic Capital Market and Bursa Malaysia Derivatives;</li><li>(c) 2022 Key Developments &amp; Initiatives; and</li><li>(d) Moving Forward: Vision, Mission and 2021-2023 Strategic Roadmap to enhance Bursa Malaysia's strength which comprised 3 core strategies i.e. (i) product expansion; (ii) ecosystem development; (iii) capacity and capabilities building; 4 enablers and 5 strategic pillars.</li></ul> <p>(2) All the 10 Directors and senior management as mentioned under Practice 13.2 of the MCCG were present at the 46<sup>th</sup> AGM to provide responses to the questions posed by shareholders via TIH Online website at <a href="https://tiah.online">https://tiah.online</a> in relation to the agenda items for the 46<sup>th</sup> AGM, both prior to and during the 46<sup>th</sup> AGM.</p> <p>(a) Bursa Malaysia received 39 questions from MSWG and shareholders in total prior to up to a day before the 46<sup>th</sup> AGM. These questions were displayed in the CEO's presentation slides</p>

	<p>for the shareholders' reference, as Datuk CEO read out the questions submitted by the shareholders and provided the Management's responses for the same.</p> <p>Thereafter, the Company continued to receive more questions as shareholders started to login to TIH Online 30 minutes before the commencement of the 46<sup>th</sup> AGM. Ample time and opportunity were made available for shareholders to pose questions. During the meeting which commenced from 10.00 a.m. on 30 March 2023, shareholders, corporate representatives and proxies had submitted a total of 226 questions.</p> <p>(b) To ensure effective communication with the shareholders at a fully virtual general meeting, questions posed by shareholders were displayed on the screen for the meeting participants' reference whilst Tan Sri Chairman being the Chairman of the meeting read out the shareholders' questions.</p> <p>The Questions and Answers ("Q&amp;A") session was held for about 1 ½ hours from 11.20 a.m. to 12.50 p.m. during which Tan Sri Chairman and Datuk CEO were fully engaged in responding to those questions received via the query box from the members, corporate representatives and proxies. The Audit Committee Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar and the presiding NRC Chairman, Datuk Bazlan Osman as well as the External Audit Partner were also invited to provide the responses to relevant questions submitted via the query box during the meeting itself.</p> <p>(c) 3 questions were received after the Q&amp;A session had ended. Hence, they were responded to by the Company via e-mail after the 46<sup>th</sup> AGM.</p> <p>(3) Whilst the AGM is one of the platforms where shareholders can raise issues or seek explanation from the Board or Management, they are free to share their feedback and questions at <a href="mailto:ir@bursamalaysia.com">ir@bursamalaysia.com</a> at any time, outside of the AGM.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	

<b>Timeframe</b>	:		
------------------	---	--	--

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

*Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.*

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Above Creative Events (M) Sdn Bhd was engaged to provide the audio and visual support services to broadcast the proceedings of the 46<sup>th</sup> AGM virtually. It was live streamed for access via TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>.</p> <p>(1) The Poll Administrator, Tricor Investor &amp; Issuing House Services Sdn Bhd (“Tricor”) had verified the eligibility of shareholders/corporate representatives/proxies to attend the 46<sup>th</sup> AGM based on the General Meeting Record of Depositors as at 23 March 2023 and upon the cut-off date and time for proxy form submission. This online platform was secured exclusively for the members with approved registration for the Remote Participation and Voting (“RPV”) at the 46<sup>th</sup> AGM.</p> <p>(2) Tricor has in place an application called the Moderator Link, to assist the user in tracking the questions posed by the shareholders during AGM, to facilitate the listed issuer’s compliance with the SC’s Guidance. Questions posed by shareholders via TIIH Online website had been captured and transmitted to Bursa Malaysia for action and response, prior to and during the 46<sup>th</sup> AGM. Similarly, the same application/tool had been used by Bursa Malaysia for the same questions to be made visible to all meeting participants.</p> <p>With the use of Moderator Link, Tan Sri Chairman who has a good understanding of the Company’s business, had managed the Q&amp;A session smoothly and efficiently. Each question had been displayed on the screen as and when Tan Sri Chairman, Datuk CEO and/or other respondents provided their responses to the respective questions accordingly in an orderly manner.</p> <p>(3) The extensive Q&amp;A session of about 1 ½ hours served as an interaction between the Directors, Management and shareholders</p>

	<p>during the virtual meeting. Whilst the members were in attendance in the proceedings of the 46<sup>th</sup> AGM at “(LIVE STREAM MEETING) BURSA 46TH AGM”, he/she could select “GO TO REMOTE VOTING PAGE” button below the Query Box to cast his/her votes.</p> <p>This is in line with the SC’s Guidance which provides that Members shall be allowed to cast their votes remotely and contemporaneously (live) during the proceeding of the general meeting.</p> <p>(4) Although the online voting session had commenced from the start of the meeting at 10.00 a.m. on 30 March 2023, Tan Sri Chairman had allowed additional 15 minutes for members to cast their votes after the conclusion of the Q&amp;A session at 12.50 p.m. At 1.05 p.m. Tan Sri Chairman then announced that the “in time” voting session had ended.</p> <p>(5) The poll results were verified by the Scrutineers, Deloitte Risk Advisory Sdn Bhd (“Deloitte”) between 1.05 p.m. and 1.25 p.m. The Scrutineers’ representative, Mr. Anthony Tai Yu Kun of Deloitte announced the poll results of each Resolution 1 to 6 and each of them was displayed to members, corporate representatives and proxies present as Tan Sri Chairman declared that the resolutions were duly passed.</p> <p>For those shareholders who were not able to attend the 46<sup>th</sup> AGM, he/she could listen to the recording of the meeting proceedings which were uploaded on Bursa Malaysia’s website: <a href="https://www.bursamalaysia.com">https://www.bursamalaysia.com</a> at About Bursa-INVESTOR RELATIONS-Financial Information-AGM and EGM, or at <a href="https://bursa.listedcompany.com/agm_egm.html">https://bursa.listedcompany.com/agm_egm.html</a>.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Minutes of the 46 <sup>th</sup> Annual General Meeting (AGM) dated 30 March 2023 duly confirmed and signed together with the CEO's presentation materials were uploaded on Bursa Malaysia's website: <a href="https://www.bursamalaysia.com">https://www.bursamalaysia.com</a> at About Bursa-INVESTOR RELATIONS-Financial Information-AGM and EGM, or at <a href="https://bursa.listedcompany.com/agm_egm.html">https://bursa.listedcompany.com/agm_egm.html</a> on 9 May 2023.  As all questions were posed by shareholders via the TIIH Online, Bursa Malaysia had requested its Internal Audit to check and verify the records after the 46 <sup>th</sup> AGM, to ensure that all questions were responded to during the meeting or via e-mail after the meeting.  Internal Audit had completed its review and confirmed that all AGM questions had been answered. Hence, the complete list of questions received prior to the 46 <sup>th</sup> AGM together with the answers for the same [Annexure 4] and the complete list of questions raised at the AGM together with the answers for the same [Annexure 5] were posted on Bursa Malaysia's website on 9 May 2023, i.e. within 30 business days from the date of 46 <sup>th</sup> AGM.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

Click or tap here to enter text.

