

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1818
COMPANY NAME : BURSA MALAYSIA BERHAD
FINANCIAL YEAR : December 31, 2021

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 PERSUANT 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.

Application :	Applied
Explanation on application of the practice :	<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: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Governance Model.</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 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>

- (2) The Board plays an active role in the development of the Company's strategy and monitoring of its performance and implementation. In July 2021, the Board conducted a mid-year review of the 2021 Business Plan and Budget including financial performance, where the performance targets set by the Board in the 2021 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 August 2021. The RACC is the Board Committee responsible for overseeing the regulatory functions of Bursa Malaysia.

The Board has in place a practice of conducting 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 virtual strategy meeting held on 28-29 September 2021, considered the progress of the Group's strategy and initiatives in 2021 against the targets set for 2021. 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 resources.

The Board reviewed the relevance and progress of Bursa Malaysia's 2021-2023 Strategic Roadmap, taking into account the achievements to date in 2021. The Board further deliberated on the Management's proposals on some of the potential game changers across 5 strategic pillars to improve Bursa Malaysia's competitiveness. The Board challenged the Management's proposed plans and initiatives for strengthening the core business, diversifying products and services in the capital market towards becoming a multi asset exchange. The global exchanges' development in technology and expansion of offerings towards sophisticated, green and sustainable-themed products as well as Shariah-based products were also considered by the Board. In this respect, the Board had emphasised on the need to embed sustainability in the organisation and ecosystem as well as to promote Environmental, Social and Governance ("ESG") and efficiency of the supply chain impacting the Public Listed Companies ("PLCs"). The Board provided its guidance and feedback on the market, business and operational initiatives for the Management's takeaways to further refine the 2021-2023 Strategic Roadmap. Given the current and evolving economic climate, opportunities and risks including Covid-19 pandemic and digital transformation for the future, various initiatives through sustainability, innovation and technology were proposed with an aim to increase market vibrancy and liquidity, create opportunities and value for enhancing competitiveness. The 2022 Business Plan and Budget were subsequently presented and approved by the Board in November 2021.

- (3) At the same Board strategy meeting in September 2021, the Chief Regulatory Officer ("CRO") presented the Regulation Division's status

	<p>update on the approved key initiatives of the Regulatory Plan 2021 and their key outcomes against the Regulatory Plan 2021-2023. The CRO also presented the proposed Regulatory Plan 2022 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 2021, the RACC further reviewed the key regulatory initiatives to be carried out under the Regulatory Plan 2022 and the related budget and manpower requirements for the regulatory functions. The final 2022 Regulatory Plan, Budget and Manpower requirements were presented and approved by the Board in November 2021, as recommended by the RACC.</p> <p>(4) As part of Bursa Malaysia’s journey towards net-zero emissions, the Board recognised the importance in developing strategies in ESG underpinning sustainability. In response to the call for action on climate change, the Board at its meeting held in July 2021, approved for Bursa Malaysia to adopt the CEO Action Network (“CAN”) Group 3 (Advanced) commitments which include, briefly the following:-</p> <ul style="list-style-type: none"> (a) committing to Net Zero Emissions by 2050; (b) adopting United Nations Guiding Principles on Business and Human Rights; and (c) setting and reporting on public targets for the United Nations Sustainable Development Goals. <p>With the view to strengthen Bursa Malaysia’s ambition to become carbon neutral by 2022 and achieve net zero emissions by 2050 across its entire operations, the Board had in September 2021 approved Bursa Malaysia’s commitment to the Science Based Targets Initiative (“SBTi”) and to the development of a quantitative and science-based emission reduction target in line with the criteria and recommendations of the SBTi and with reference to the 2015 Paris Agreement.</p> <p>(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</p>
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	<p>updates and to respond to the enquiries by the RACC on the regulatory activities of the Group.</p> <p>(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 Capital Markets and Services Act 2007 (“CMSA”) in the previous year. In March 2021, the Board reviewed and approved the Annual Regulatory Report 2020 before it was submitted to the Securities Commission Malaysia (“SC”) in compliance with Section 16 of the CMSA.</p> <p>In 2020, the Board had considered the establishment of a Regulatory Subsidiary (“RegSub”) with the objective to enhance the Group’s governance arrangement in particular, to address any potential or perceived conflict of interest (“COI”) between the regulatory function and the commercial objectives of Bursa Malaysia. A new legal framework would need to be in place for the RegSub to be operationalised. Pending the issuance of the relevant laws/regulations for the operationalisation of the RegSub, the Board at its strategy meeting in September 2021, approved the implementation of an enhanced governance model to strengthen the independence of the regulatory function of the Group in addressing the above potential or perceived COI. The changes include a revamp of the RACC structure in terms of its roles, responsibilities and composition, with effect from 1 October 2021. 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. Accordingly, the new RACC comprises 4 members who are external independent individuals and 3 members who are Public Interest Directors of Bursa Malaysia. 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 94 and 95 of the Integrated Annual Report 2021. 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.</p> <p>(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.</p> <p>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.</p>
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	<p>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.</p> <p>(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.</p> <p>(a) In discharging its responsibility on succession planning, the NRC receives succession management as well as talent development updates from Group Human Resources (“GHR”) in accordance with the approved succession management framework on a half yearly basis. The NRC had in July and December 2021 reviewed the updates from GHR and provided its feedback to 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.</p> <p>(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), race/ethnicity and mix of skills/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.</p> <p>(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.</p> <p>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>
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	<p>(ii) Taking 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 Board at its meeting held in July 2021 approved Bursa Malaysia Group’s Sustainability Governance Framework for the establishment of a Board Sustainability and Development Committee (“SDC”) in place of the former Market and Development Committee. The SDC shall comprise 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. Nevertheless, the Board recognised that sustainability should be embedded within the culture of the boardroom, whereby each single member of the board should be encouraged to view the organisation and its operations through the lens of sustainability.</p> <p>(c) In April and November 2021, the NRC reviewed the performance of 2 key management personnel and approved the renewal of their fixed term contracts. In January, March and June 2021, the NRC reviewed the proposed renewal/confirmation of appointment for 3 key senior management (“KSM”) personnel. All these 3 appointments were approved by the Board in February, March and June 2021, respectively based on the NRC’s recommendations.</p> <p>(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. In September 2021, the Board approved the establishment of 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. The composition of the RACC had been revised whereby the majority members 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 MCGG.</p> <p>(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</p>
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	<p>("Bursa Securities"), to inform its stakeholders on Bursa Malaysia's continuous and concerted efforts to prevent corruption.</p> <p>(b) In January and July 2021, the Board had through the RMC reviewed the half-yearly IGU reports for the reporting period from July to December 2020 and January to June 2021 respectively, prior to submission to the Malaysian Anti-Corruption Commission ("MACC"). The half-yearly IGU report for July to December 2021 was also reviewed by the RMC at its meeting held in January 2022, prior to submission to the Board and the MACC.</p> <p>(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.</p> <p>Information on the engagements with stakeholders is available in Our Stakeholders on Page 44 of the Integrated Annual Report 2021 and Pages 84 to 90 of the Sustainability Report 2021.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</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 1.2

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

Application	: Applied
Explanation on application of the practice	<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: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Board Charter.</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">(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.(2) The Chairman with the assistance of the Company Secretary 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.(3) The Chairman leads the meeting pace and discussions in an effective manner. The Chairman 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.(4) The Chairman, besides the Senior Independent Director, is also one of the contact persons for reporting any individual director's improper conduct or organisational malpractice within the organisation. Stakeholders can provide their views on Bursa Malaysia to the Chairman or the Senior Independent Director, at any point of time. <p>In December 2021, 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</p>

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

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.

Application	:	Applied
Explanation on application of the practice	:	<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: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Board Charter.</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>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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

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'.

Application	:	Applied
Explanation on application of the practice	:	<p>As at 31 December 2021, 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.</p> <p>The Chairman has never been an AC member since the date of his appointment to the Board on 1 May 2020. During the year, he was a member of the NRC from 1 January 2021 until 30 November 2021.</p> <p>With the issuance of the revised MCGG in April 2021, the Board at its meeting held in June 2021, approved the action item for Bursa Malaysia's compliance with Practice 1.4 of the MCGG, whereby the NRC's Terms of Reference and its membership composition shall be changed to exclude the Chairman of the Board as a member of the NRC.</p> <p>In this respect, the Board had also agreed for the implementation of the said change to take effect in Q4 2021 after the completion of the Board Effectiveness Evaluation ("BEE") exercise for the period from 1 October 2020 to 30 September 2021 ("2020/2021"). In arriving at this decision, the Board considered the fact that 2 of the NRC members were just appointed in April 2021 and hence, it was necessary to maintain the composition of the NRC then, to ensure the smooth completion of the BEE exercise for 2020/2021. Accordingly, the Chairman had retired as a member of the NRC on 30 November 2021 in compliance with Practice 1.4 of the MCGG.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

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.

Application	: Applied
Explanation on application of the practice	<p>The Company Secretaries of Bursa Malaysia, Puan Yong Hazadurah Md Hashim and Ms. Suzanne Hong Soo Yong both have legal qualifications and are qualified to act as company secretaries under Section 235(2) of the Companies Act ("CA") 2016. Both 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 Ms. Suzanne Hong 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>Following the issuance of the revised MCCG in April 2021, the Company Secretaries presented to the Board at its meeting held in</p>

June 2021, a gap analysis study of the internal practices in Bursa Malaysia against the best practices in the revised MCCG. An action plan to close the gap and further enhance the internal CG practices was recommended to the Board for its consideration and decision, accordingly.

During the year, the Company Secretaries also shared with the Board the latest global trends and developments on CG practices 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 March 2021, the Company Secretaries and the relevant Management team members gave briefings to a newly appointed Director, Datin Azlina Mahmad to be familiarised with the business and operations of Bursa Malaysia and its subsidiaries. The Company Secretaries also arranged for Datin Azlina Mahmad's attendance at the Mandatory Accreditation Programme (MAP) on 31 May 2021 and 1-2 June 2021.

Induction programmes were also organised by the Company Secretaries for the newly appointed Board Committee members as set out below, to familiarise them with the relevant information for discharging their responsibilities as Board Committee members.

No.	Board Committee	Date of Induction
1.	Regulatory and Conflicts Committee	23 March 2021
2.	Sustainability and Development Committee	8 December 2021
3.	Technology and Cybersecurity Committee	8 December 2021

- (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:-
- London Stock Exchange Group and Climate Risk on 30 June 2021;

	<ul style="list-style-type: none"> ● Carbon Markets on 5 August 2021; ● Economics Outlook & Lookout on 28 September 2021; ● 2021 Global Market & Economic Outlook: New Beginnings and Old Challenges in the New Normal on 28 September 2021; ● Capital Market Masterplan 3 on 11 October 2021; ● Net Zero Pathways for Malaysia on 11 October 2021; ● Section 17A of the Malaysian Anti-Corruption Commission Act 2009: Protecting You & Your Business with T.R.U.S.T and Understanding the Legal Provision on 23 November 2021; ● How Market Infrastructures are Coping with Cyber Threat amid Global Pandemic on 23 November 2021. <p>(b) For the Regulatory Committees, the Listing Committee (“LC”) and Market Participants Committee (“MPC”) had their annual developmental meetings virtually, on 11 November 2021 and 18 November 2021 respectively.</p> <p>(i) The LC was provided with updates on subject matters such as the Valuation of Listed Companies and attracting the Unicorns, ACE One Stop Centre and the Guidance on managing conflict of interest for Regulatory Committees. The LC members were also kept abreast of the Capital Market Masterplan 3.</p> <p>(ii) The MPC was apprised of the discharge of Bursa Malaysia’s frontline regulatory role, market trend, surveillance observation and the report on surveillance survey of front office monitoring and trading surveillance. The MPC members were kept abreast of the brokers' preparedness during the pandemic in managing clients' expectation, technology and cyber risk. The MPC was also updated on the outcome of the review of the investigation and enforcement processes towards reducing turnaround time and the Guidance on Managing Conflict of Interest for Regulatory Committees.</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 2021, the Company Secretaries had assisted the Board in the review of the Governance Model Document including the development of the Terms of Reference of the Governance Committees, Development Committees and Regulatory Committees. The review exercise was necessary to ensure adequate group-wide framework in line with best CG practices, to enable the Board’s effective oversight of the Group’s financial and</p>
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	<p>non-financial performance, business strategy and priorities, risk management including material sustainability risks and CG policies and 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 44th Annual General Meeting (“AGM”) was successfully conducted fully virtual on 31 March 2021. 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 44th AGM at the Broadcast Venue and thereafter, ensured that the proceedings were properly recorded. The Minutes of the 44th AGM and the lists of questions and answers were uploaded on Bursa Malaysia’s website in accordance with Practice 13.6 of the MCCG.</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 2021, 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 4.6 on a 5-scale rating.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</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 1.6

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.

Application	:	Applied
Explanation on application of the practice	:	<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 material 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 emphasised 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 ensure 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 Directors and Committee members to access various Company</p>

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board of Bursa Malaysia has a Board Charter which is periodically reviewed, and the same is available on Bursa Malaysia's website: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Board Charter.</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 MCGG, 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.

In April 2021, the Board considered the status of Bursa Malaysia Group's compliance with the revised '*Guidelines on the Conduct of Directors of Listed Corporations and Their Subsidiaries*' issued by the Securities Commission Malaysia ("SC") on 12 April 2021. Upon review, the Board was satisfied with the existing Group governance framework, whereby each subsidiary company adopted the GMD and the CAM of Bursa Malaysia Group.

In June 2021, the annual review of the Board Charter was conducted in conjunction with the review of the Group's corporate governance ("CG") practices with reference to the revised MCCG issued by the SC on 28 April 2021. Having conducted the review, the Board approved various changes to the Board Charter to incorporate the applicable practices and guidance of the revised MCCG and at the same time, to keep it up to date and consistent with the Board's objectives and responsibilities as well as the Governance Model of Bursa Malaysia.

One of the updates to the Board Charter is to incorporate 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 2021, which focused on capital market developments.

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, according to their needs. 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 2021 which include the following:-

A. Corporate Governance (including audit, risk management, compliance and internal control)

- Data Insights and Integrity of Data, 3 March 2021 (attended by Datuk Muhamad Umar Swift)
- Non-financial Risk Management: The Art of the Possible, 11 March 2021 (attended by Datuk Muhamad Umar Swift)
- Board Effectiveness Evaluation Industry Briefing, 1 April 2021 (attended by Ms. Chong Chye Neo)
- Risk Landscape 2021, 14 April 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy)
- BlackRock Asia Corporate Director Forum on Governance and Sustainability, 14 April 2021 (attended by Encik Syed Ari Azhar Syed Mohamed Adlan)
- MASB Dialogue on MFRS17 Insurance Contract: What Every Director Must Know, 20 April 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy)
- KPMG's Asia Pacific Board Leadership Centre: Board and Audit Committee Priorities 2021, 7 May 2021 (attended by Puan Sharifatu Laila Syed Ali, Datin Azlina Mahmud, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift)
- Implementing Amendments in the MCCG 2021 - Adoption of best practices by subsidiaries of Public Listed Companies ("PLCs"), 14 June 2021 (attended by Datuk Bazlan Osman)
- Board Risk Workshop: Building Sustainability in a Digital World, 25 June 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy)
- Rethinking Corporate Risk to Manage Market Uncertainty, 2 July 2021 (attended by Datuk Bazlan Osman)
- Risk Management in Technology, One Year On, 8 July 2021 (attended by Ms. Chong Chye Neo and Datuk Bazlan Osman)
- Institute of Corporate Directors Malaysia ("ICDM"): Launch of the 2020 Malaysian Board Practices Review Report, 8 July 2021 (attended by Datin Azlina Mahmud)
- Executive Cyber Risk Update, 13 August 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy)
- SC's Audit Oversight Board: Conversation with the Audit Committees, 6 December 2021 (attended by Mr. Pushpanathan a/l S.A. Kanagarayar, Dato' Anad Krishnan a/l Muthusamy, Datuk Bazlan Osman and Encik Syed Ari Azhar Syed Mohamed Adlan)

B. Information Technology and Cybersecurity

- Rethinking Our Approach to Cyber Defence in Financial Institutions, 11 March 2021 (attended by Tan Sri Abdul Wahid Omar, Datuk Karownikaran @ Karunikaran a/l Ramasamy, Ms. Chong Chye Neo and Datuk Bazlan Osman)

	<ul style="list-style-type: none"> • ICDM Masterclass: Digital Disruptions - Winning Strategies for Legacy Companies, 12 August 2021 (attended by Datin Azlina Mahmad, Ms. Chong Chye Neo and Datuk Bazlan Osman) • Cybersecurity awareness program by Cybersecurity Malaysia & Vigilant Asia, 22 December 2021 (attended by Datuk Bazlan Osman) <p>C. Leadership, Legal and Business Management</p> <ul style="list-style-type: none"> • Ring The Bell For Gender Equality, 8 March 2021 (attended by Datuk Muhamad Umar Swift) • The Business of Banking and the Economic Environment, 24 March 2021 (attended by Datuk Muhamad Umar Swift) • Spark Engage: Innovate to Accelerate, 25 March 2021 (attended by Ms. Chong Chye Neo) • Universiti Kebangsaan Malaysia-Graduate School of Business National Forum: National Transformation Agenda - Malaysia Future Ready?, 20 April 2021 (attended by Tan Sri Abdul Wahid Omar) • One Year On - Taking Malaysian Anti-Corruption Commission (“MACC”) Section 17A Programme to the Next Level, 7 May 2021 (attended by Datuk Bazlan Osman) • The Association of Chartered Certified Accountants (“ACCA”) Virtual Conference 2021: Reshaping Finance - Digitally Enabled, Sustainability Focused, 18 May 2021 (attended by Datuk Bazlan Osman) • Dialogue on The Role of Independent Director in Embracing Present and Future Challenge, 2 June 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy and Ms. Chong Chye Neo) • Impact 24, 2 June 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy) • US-China Rivalry & the New Geopolitics in ASEAN, 3 June 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy) • Malaysian Institute of Accountants (MIA) International Accountants Conference 2021: Navigating Sustainable Future with Agility & Resilience, 8-10 June 2021 (attended by Datuk Bazlan Osman and Datuk Muhamad Umar Swift) • Malaysia Insolvency Conference 2021: Flattening the Insolvency Curve Through Restructuring and Rescue Reliefs, 13 & 14 July 2021 (attended by Datuk Muhamad Umar Swift) • Permodalan Nasional Berhad Knowledge Forum 2021: Rising Above Covid-19 – Reimagining Work in Malaysia & Beyond, 14 July 2021 (attended by Tan Sri Abdul Wahid Omar) • 3rd International Conference of Pharmacy and Health Sciences, 2 August 2021 (attended by Tan Sri Abdul Wahid Omar) • Financial Planning for Retirement, 12 August 2021 (attended by Datuk Muhamad Umar Swift) • ICDM Masterclass: The Effective Board - 3 Integral Components required for Board Effectiveness & Communication, 18 August
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	<p>2021 (attended by Datin Azlina Mahmad and Ms. Chong Chye Neo)</p> <ul style="list-style-type: none"> • The Board's Role and Responsibilities in Crisis Communication, 19 August 2021 (attended by Datin Azlina Mahmad and Encik Syed Ari Azhar Syed Mohamed Adlan) • Essentials on Corporate Reporting and Assurance, 27 August 2021 (attended by Datuk Muhamad Umar Swift) • Dialogue with senior leaders on Risk Based Capital Framework for Insurers & Takaful Operators, 6 September 2021 (attended by Datuk Bazlan Osman) • Corporate Liability - Impact on Commercial Organisation, 7 September 2021 (attended by Datuk Bazlan Osman) • Labour Rights Issue, Personal Data Protection Act 2010 amid the Covid-19 Pandemic, 8 September 2021 (attended by Datuk Bazlan Osman) • Khazanah Megatrends Forum 2021: The Invention of Tomorrow: Crafting Our New Collective Narrative, 4-6 October 2021 (attended by Tan Sri Abdul Wahid Omar, Puan Sharifatu Laila Syed Ali and Datuk Muhamad Umar Swift) • Bloomberg Invest Global Summit: The Future of Asset Management, 5-7 October 2021 (attended by Encik Syed Ari Azhar Syed Mohamed Adlan) • CPA Australia Virtual Congress 2021: Leadershift, 20-22 October 2021 (attended by Datuk Muhamad Umar Swift) • BlackRock Asia Pacific C-Suite Summit: Investing for the Future, 27 & 28 October 2021 (attended by Encik Syed Ari Azhar Syed Mohamed Adlan) • ACCA International Assembly - Future Global Trends; Professional Accountants at the heart of Sustainable business; Skills and capabilities: Rethinking the role of the accountant in a changing world and sustainable recovery from crisis, 30 October 2021-1 November 2021 (attended by Datuk Bazlan Osman) • Budget Talk by PricewaterhouseCoopers, 18 November 2021 (attended by Mr. Pushpanathan a/l S.A. Kanagarayar) • MACC Section 17A Education: Protecting Against Liability, 24 November 2021 (attended by Ms. Chong Chye Neo) • Powertalk Global Series 2021: Becoming a Boardroom Star, 17 December 2021 (attended by Tan Sri Abdul Wahid Omar) <p>D. Financial and Capital Markets</p> <ul style="list-style-type: none"> • 12th ASEAN Conference in collaboration with ASEAN Exchanges, 4 January 2021 (attended by Tan Sri Abdul Wahid Omar) • Shariah Investing Dialogue with PLCs 2021: Opportunities for PLCs in a Shariah-compliant Landscape, 17 March 2021 (attended by Tan Sri Abdul Wahid Omar, Puan Sharifatu Laila Syed Ali, Ms. Chong Chye Neo and Encik Syed Ari Azhar Syed Mohamed Adlan) • Palm & Lauric Oils Conference, 23-24 March 2021 (attended by Puan Sharifatu Laila Syed Ali and Mr. Pushpanathan a/l S.A. Kanagarayar)
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	<ul style="list-style-type: none"> • Shariah Investing Dialogue 2021 Series 2: Sustainability and Value Based Intermediation in Islamic Capital Markets, 21 April 2021 (attended by Datuk Bazlan Osman) • Maybank Kim Eng & ASEAN Exchanges Virtual Conference: Beyond the Pandemic Crisis, 24 June 2021 (attended by Encik Syed Ari Azhar Syed Mohamed Adlan) • Islamic Finance for Board of Directors, 5 & 6 July 2021 (attended by Ms. Chong Chye Neo) • The Malaysian Economic Summit 2021: Spurring Malaysia’s Productivity and Growth After the Covid-19 Pandemic, 13 July 2021 (attended by Datin Azlina Mahmad and Datuk Bazlan Osman) • 60th World Federation of Exchanges General Assembly, 6-9 September 2021 (attended by Tan Sri Abdul Wahid Omar, Datin Azlina Mahmad and Datuk Muhamad Umar Swift) • Infrastructure Development to Boost Economic Growth Post Covid-19, 9 September 2021 (attended by Tan Sri Abdul Wahid Omar) • Roundtable on New Economic Policy (“NEP”) – Reflections on the NEP after 50 years, 15 September 2021 (attended by Tan Sri Abdul Wahid Omar) • Invest Malaysia Kuala Lumpur (“IMKL”) 2021 Virtual Series 1: Economic Reform, 14 October 2021 (attended by Tan Sri Abdul Wahid Omar, Puan Sharifatu Laila Syed Ali, Datin Azlina Mahmad, Datuk Karownakaran @ Karunakaran a/l Ramasamy, Mr. Pushpanathan a/l S.A. Kanagarayar, Datuk Bazlan Osman, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift) • IMKL 2021 Virtual Series 2: Reviving Malaysia’s Growth Engine, 9 November 2021 (attended by Tan Sri Abdul Wahid Omar, Puan Sharifatu Laila Syed Ali, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift) • IMKL 2021 Virtual Series 3: Sustainable Growth, 10 November 2021 (attended by Tan Sri Abdul Wahid Omar, Puan Sharifatu Laila Syed Ali, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift) • Financial Institution Directors Education (FIDE) Forum on Capital Market Masterplan 3, 16 November 2021 (attended by Datuk Bazlan Osman) • IMKL 2021 Virtual Series 4: Renewable Energy – Decarbonising Malaysia, 23 November 2021 (attended by Datin Azlina Mahmad) <p>E. Environmental, Social and Governance (ESG)</p> <ul style="list-style-type: none"> • Herbert Smith Freehills Training Series - ESG, 25 February 2021 (attended by Ms. Chong Chye Neo) • Renewable Energy - A Genesis for a Sustainable Future, 6 April 2021 (attended by Puan Sharifatu Laila Syed Ali, Datuk Karownakaran @ Karunakaran a/l Ramasamy, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift)
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	<ul style="list-style-type: none"> • ESG in Investing: The Time is Now, 28 April 2021 (attended by Tan Sri Abdul Wahid Omar, Datin Azlina Mahmad, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift) • Sustainable Finance and Impact Investing, 10 May 2021 (attended by Datuk Muhamad Umar Swift) • Developments in ESG and Sustainable Investing, 18 June 2021 (attended by Tan Sri Abdul Wahid Omar, Datin Azlina Mahmad, Ms. Chong Chye Neo, Encik Syed Ari Azhar Syed Mohamed Adlan and Datuk Muhamad Umar Swift) • Joint Committee on Climate Change (“JC3”) Flagship Conference 2021: Finance for Change, 23-25 June 2021 (attended by Datin Azlina Mahmad, Mr. Pushpanathan a/l S.A. Kanagarayar, Ms. Chong Chye Neo and Datuk Bazlan Osman) <ul style="list-style-type: none"> - The Time is Now, Choose a Brighter Future: Sustainability as a Business Strategy for Financial Institutions, 23 June 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy); - Outcomes and Implications for Financial Institutions, 24 June 2021; - Sustainable Finance for the Private Sector, 25 June 2021 (attended by Tan Sri Abdul Wahid Omar) • ESG related training by Ernst & Young, 20 August 2021 (attended by Datuk Karownikaran @ Karunikaran a/l Ramasamy) • C2ESG: Climate Change & ESG, 2-3 September 2021 (attended by Datuk Bazlan Osman) • Construction and Infrastructure Sustainability Initiatives, 30 September 2021 (attended by Mr. Pushpanathan a/l S.A. Kanagarayar) • Ethics for Sustainable Artificial Intelligence (“AI”) Adoption – Connecting AI to ESG, 20 October 2021 (attended by Datuk Bazlan Osman) • Bursa Institutional Sectorial Series: When Shariah meets ESG, 2 November 2021 (attended by Tan Sri Abdul Wahid Omar) • The 2050 Net Zero Carbon Emission Target: Role of Finance, 12 November 2021 (attended by Datuk Bazlan Osman) • Leadership for Enterprise Sustainability Asia (LESA) Conference 2021: Ready for the Climate Change(D) Economy? 15-18 November 2021 (attended by Datin Azlina Mahmad).
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	

Timeframe	:		
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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.

Application	: Applied						
Explanation on application of the practice	<p>The Board of Bursa Malaysia has put in place 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: https://www.bursamalaysia.com 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. The last review was conducted in April 2020, taking 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 1386 1621"><thead><tr><th>T.R.U.S.T. Key Principles</th></tr></thead><tbody><tr><td>Principle I: Top Level Commitment</td></tr><tr><td>Principle II: Risk Assessment</td></tr><tr><td>Principle III: Undertake Control Measures</td></tr><tr><td>Principle IV: Systematic Review, Monitoring and Enforcement</td></tr><tr><td>Principle V: Training and Communication</td></tr></tbody></table> <p>The COCED articulated 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>	T.R.U.S.T. Key Principles	Principle I: Top Level Commitment	Principle II: Risk Assessment	Principle III: Undertake Control Measures	Principle IV: Systematic Review, Monitoring and Enforcement	Principle V: Training and Communication
T.R.U.S.T. Key Principles							
Principle I: Top Level Commitment							
Principle II: Risk Assessment							
Principle III: Undertake Control Measures							
Principle IV: Systematic Review, Monitoring and Enforcement							
Principle V: 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 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, as set out in the Code of Ethics for employees. 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 the Public Interest Directors of Bursa Malaysia and/or external

	<p>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 September 2021, the Board approved the establishment of the ‘COCE for Members of the Regulatory Committees’ (“COCERC”) and for the same to be put in place 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 was 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. In this respect, on 23 November 2021, a briefing was organised for the Board, Senior Management and the RACC Members on Section 17A of the MACC Act 2009: Protecting You & Your Business with T.R.U.S.T and Understanding the Legal Provision within the organisation. The briefing was conducted by a MACC officer from the Community Education Division.</p> <p>In January 2022, the Board further established 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>
<p>Explanation for departure</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>	

Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	<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>(1) The Board has in place the WPP for Directors which may be used for reporting any individual director’s improper conduct or organisational malpractice within the organisation.</p> <p>The Board is responsible for overseeing the implementation of the WPP for Directors, and all whistle-blowing reports are addressed to the Non-Executive Chairman of the Board or Senior Independent Director (“SID”) of Bursa Malaysia.</p> <p>(2) The WPP 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 Audit Committee (“AC”) 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 Internal Audit. The AC Chairman is the contact person under the reporting process.</p> <p>(4) In light of privacy and security concerns, all complaints/reports in relation to Bursa Malaysia Group are channelled to the AC Chairman at whistleblower@bursamalaysia.com to be kept private and confidential, as Bursa Malaysia’s e-mail resides on its dedicated server.</p>

	Both the WPP for Directors and Bursa Malaysia Group are published on Bursa Malaysia's website: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Whistleblower Policy and Procedures.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<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 underpinning sustainability. 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 sustainability strategies.</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>In July 2021, the Board together with the Management, conducted a review of the Governance Model of Bursa Malaysia with the view to further strengthen the framework for sustainability within the organisation having regard to the new Practices and Guidance under the revised MCGG. Among the changes approved by the Board, was the establishment of a new Board Committee i.e. the Sustainability and Development Committee ("SDC") in place of the (former) Market and Development Committee under the Governance Model. The primary purpose of the SDC is to assist the Board in its oversight responsibilities:-</p> <ul style="list-style-type: none">(i) To ensure the strategic plan for the Group supports long term value creation and sustainability goals; and(ii) To ensure the development and implementation of the strategic plan for the Group is effective and takes into account sustainability considerations.

	<p>In view of its purpose, the Board agreed that the composition of the SDC would include an independent member who is an expert in sustainable development or sustainable finance. The Board also approved the changes to the TOR of the Risk Management Committee (“RMC”) to provide explicitly the RMC’s responsibilities in overseeing the Group’s various risks including sustainability and climate-related risks. The CEO, through the Management Committee, continues to be responsible for the strategic management of material sustainability matters of Bursa Malaysia Group.</p> <p><i>‘Embedding Sustainability in our Organisation and Workplace’</i> is one of the 5 strategic pillars of Bursa Malaysia’s Strategic Roadmap 2021-2023 which set out the list of initiatives/programmes to be implemented. Bursa Malaysia’s sustainability strategies and priorities are differentiated according to its roles as a market operator and a public-listed company (“PLC”) to drive the sustainability and climate-related agenda moving forward. Bursa Malaysia’s sustainability strategies and corresponding programmes and initiatives under the 5 priority areas are mainly spearheaded by the Group Sustainability, Securities Market, Regulation and Data Business Divisions of Bursa Malaysia, and these Divisions are supported by various other functions within the organisation.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

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.

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

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.

Application	: Applied												
Explanation on application of the practice	<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 organised internally for the Board and Management to gather more insights in particular on the measurement and monitoring of greenhouse gas (GHG) emission sources and carbon footprints as well as strategies on long-term emission offsetting. They were as follows:-</p> <table border="1"><thead><tr><th>No.</th><th>Title</th><th>Date</th></tr></thead><tbody><tr><td>(a)</td><td>London Stock Exchange Group and Climate Risk</td><td>30 June 2021</td></tr><tr><td>(b)</td><td>Carbon Markets</td><td>5 August 2021</td></tr><tr><td>(c)</td><td>Net Zero Pathways for Malaysia</td><td>11 October 2021</td></tr></tbody></table> <p>In addition, the Enterprise Analytic and Reporting Unit provides weekly 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 MCGG, 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”), effective 1 August 2021 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>As part of the Board Effectiveness Evaluation (“BEE”) 2020/2021 exercise, the Directors conducted a self-assessment of their skills matrix which included their experience in sustainability. In this respect, the Board viewed that sustainability should be embedded within the</p>	No.	Title	Date	(a)	London Stock Exchange Group and Climate Risk	30 June 2021	(b)	Carbon Markets	5 August 2021	(c)	Net Zero Pathways for Malaysia	11 October 2021
No.	Title	Date											
(a)	London Stock Exchange Group and Climate Risk	30 June 2021											
(b)	Carbon Markets	5 August 2021											
(c)	Net Zero Pathways for Malaysia	11 October 2021											

	<p>culture of the boardroom, whereby each single 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. For the foregoing reason, the Board agreed that there was sufficient capacity in this area, to enable the Board to discharge its role effectively.</p> <p>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:-</p> <p>(i) In November 2021, the Risk & Compliance Division and the Group Sustainability Division with the guidance of an external consultant, Carbon Trust had embarked on developing a strategic action plan to integrate the recommendations for voluntary climate-related financial disclosures (“TCFD”) into the Exchange’s operations and businesses, to determine the climate-related risks and opportunities which are relevant to the business model of Bursa Malaysia. To enable alignment with the TCFD recommendations, an independent assessment would be conducted on the risks and opportunities that Bursa Malaysia faces, drawing on climate science and scenario data.</p> <p>(ii) One of the responsibilities of the Risk Management Committee (“RMC”) is to oversee the Group’s various risks including sustainability and climate-related risks. In July 2021, the RMC considered the transition plan for Bursa Malaysia to achieve carbon neutrality by 2022 and commitment to net-zero emissions by 2050. In this respect, the RMC reviewed the measures to enhance environmental management having regard to the risks and opportunities in managing climate risks. The RMC had agreed on the proposed climate commitments and moving forward plans.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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.

Application	: Applied
Explanation on application of the practice	<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 Division Scorecard (CEO-1 scorecard).</p> <p>For the 2021 Corporate Scorecard, the sustainability-related KPIs were to increase FTSE4Good Bursa Malaysia constituents and to develop corporate sustainability practitioner competency framework. The results of these KPIs were rated at "Exceed Expectations".</p> <p>In conjunction with the Board Effectiveness Evaluation ("BEE") for the period from 1 October 2020 to 30 September 2021 ("2020/2021") and in accordance with Practice 4.4 of the MCCG, the Nomination and Remuneration Committee at its meeting held in September 2021 reviewed the draft questionnaires in which the relevant sustainability-related performance measures and questions had been incorporated for the evaluation of the Board/Committee Members. This was one of the action items which was completed with the issuance of the BEE 2020/2021 questionnaires on 1 October 2021.</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 ratings of at least 3.7 and above out of a 4-scale rating for the following questions indicated satisfactory performance of the Board and CEO/Management:-</p>

	<p>(1) The Board has critiqued, questioned and approved Management’s corporate strategies and business plans taking into account sustainability considerations;</p> <p>(2) The Board takes responsibility for the governance of sustainability in the Company including setting the Company’s sustainability strategies, priorities and targets;</p> <p>(3) The Board is knowledgeable and understand the sustainability issues relevant to the Company and its business;</p> <p>(4) The Board constantly determines and identifies the development needs for Directors to address their knowledge gaps (concerning sustainability and other relevant areas) through Board development programmes;</p> <p>(5) The CEO ensures the day-to-day business affairs of Bursa Malaysia are effectively managed, taking into account the sustainability considerations;</p> <p>(6) The CEO leads and drives the Management in addressing the Company’s material sustainability risks and opportunities.</p> <p>Through the BEE 2020/2021: 360° Assessment questionnaire, all the members of Senior Management had unanimously viewed that the Board had performed its duties effectively in considering sustainability issues during its deliberations on the Group’s strategies and business plans. The Senior Management also gave their perspectives in addressing the Company’s material sustainability risks and opportunities.</p> <p>Nevertheless, the Directors’ observations and the Senior Management’s feedback had been consistent on the need for more focus and attention in Sustainability whereby Environmental, Social and Governance practices will remain as one of the areas requiring ongoing attention for continuous improvement.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</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.

Application	:	Adopted
Explanation on adoption of the practice	:	A designated person i.e. Ms. Emilia Tee Yoke Hoong, Director of Group Sustainability, has been appointed by Bursa Malaysia since 2017 to provide dedicated focus to manage sustainability strategically in the operations of the Company.

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.

Application	:	Applied
Explanation on application of the practice	:	<p><u>Refreshing the Board Composition</u></p> <p>The Nomination and Remuneration Committee ("NRC") is responsible to assist the Board (among other things) 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 various external sources.</p> <p>In January 2021, the NRC had reviewed the process for appointment of an Independent Non-Executive Director ("INED") of Bursa Malaysia (other than a Public Interest Director ("PID")) in view of the retirement of an INED, Datin Grace Yeoh Cheng Geok at the 44th Annual General Meeting ("AGM") in March 2021. The agreed 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), race/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 Board composition of other comparable exchanges and/or companies.</p> <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</p>

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 INED(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.
- (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 recommend to the Board its proposed candidate for appointment to the Board, for the Board's decision.
- (6) 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").

In April 2021, the NRC conducted an analysis of the Board Skills Matrix based on the Board composition after the 44th AGM, to determine the skills gaps that may be needed to be filled. In this review, the NRC considered the desired skill sets for the Board of Bursa Malaysia with reference to the objectives, strategic direction and emerging challenges faced by the Group, to future proof Bursa Malaysia's competitiveness through the execution of its 2021-2023 Strategic Roadmap. The NRC also considered the comparative study on the Board Skills Matrix of Bursa Malaysia and several other comparator exchanges. Based on this review exercise, the NRC considered the skillset/experience for the appointment of a new INED to complement and further strengthen the current Board. At this meeting, the NRC also decided to refresh the Talent Pool with more candidates from other sources, for its consideration in due course. Further to this, the Talent Pool had been refreshed with new candidates based on the research in the market on former CEOs/Executives of reputable corporations/financial institutions and corporate leaders with backgrounds in capital markets and technology related business.

In November 2021, in conjunction with its review of the outcome of the Board Effectiveness Evaluation ("BEE") 2020/2021, the NRC also reviewed the latest Board composition, the Board optimum size and the selection criteria for appointment of new INEDs in due course. In this respect, the Board subsequently approved the recommendation of the NRC on the selection criteria for appointment of a new INED in 2022.

Director's Retirement/Re-election

Pursuant to Article 18.4 of the Constitution of Bursa Malaysia, one-third of the Directors of the Company excluding PIDs for the time being shall retire from office once at least in each 3 years but shall be eligible for re-election. The schedule of retirement by rotation was determined by the NRC and the Director's eligibility to stand for re-election was also being 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 respect, all the INEDs (including the PIDs) have served the Board for less than 9 years as at 31 December 2021 except for the SID who will have completed his 9 years of service on the Board of Bursa Malaysia at the 45th AGM in March 2022.

For the purpose of determining the eligibility of Mr. Pushpanathan a/l S.A. Kanagarayar to stand for re-election at the 45th AGM, the NRC conducted an assessment of his performance, contribution and independence having regard to the following:-

- (a) The Director's performance and contribution based on his Self and Peer Assessment results of the BEE 2020/2021;
- (b) The Director's level of contribution to the Board deliberations through his skills, experience and strength in qualities; and
- (c) The level of independence demonstrated by the Director, and his ability to act in the best interests of the Company in decision-making.

Based on the outcome of the NRC's review, Mr. Pushpanathan a/l S.A. Kanagarayar's performance and contribution in the discharge of his duties during the assessment period had been satisfactory. The NRC was satisfied that Mr. Pushpanathan a/l S.A. Kanagarayar had contributed effectively to the Board's deliberations, He had demonstrated his diligence and commitment, particularly as Audit Committee Chairman.

Upon due deliberation, the Board resolved to approve the proposed re-election of Mr. Pushpanathan a/l S.A. Kanagarayar at the 45th 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 CMSA.

In accordance with Paragraph 4.3.5 of the Board Charter, Mr. Pushpanathan a/l S.A. Kanagarayar had also made the fit and proper declaration in the prescribed form, and submitted the same to the Company prior to the issuance of the Notice of the 45th AGM of the Company.

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

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.

Application	:	Applied
Explanation on application of the practice	:	<p>As at 1 January 2022, the Board of Bursa Malaysia comprises 10 Directors i.e. 9 Independent Non-Executive Directors (“INEDs”) and 1 Executive Director, who also serves as the Chief Executive Officer. All the 9 INEDs satisfy the independence test under the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). They constitute 90% 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 by the Minister of Finance in consultation with the Securities Commission Malaysia 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. In this respect, 4 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 with Bursa Malaysia and any convictions for offences within the past 5 years other than traffic offences. This is one of the criteria to enable the Board/ Nomination and Remuneration Committee 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 Assessments 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 MCGG.</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 2020/2021 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 2021, 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>Explanation for departure</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>Measure</p>	<p>:</p>
<p>Timeframe</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 5.3

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.

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

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.

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.

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Board has adopted a 9-year policy for Independent Non-Executive Directors ("NEDs") 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 Independent NEDs have served the Board for less than 9 years. The Director's years of service as at 31 January 2022 were set out in the profiles of the Board of Directors on Pages 84 to 93 of the Integrated Annual Report 2021 and summarised as follows:-</p> <table border="1"><thead><tr><th>Years of Service (#)</th><th>0 < # ≤ 1</th><th>1 < # ≤ 3</th><th>3 < # ≤ 6</th><th>6 < # ≤ 9</th></tr></thead><tbody><tr><td>Number of Directors</td><td>1</td><td>6</td><td>1</td><td>2</td></tr></tbody></table> <p>Datuk Karownikaran @ Karunakaran a/l Ramasamy will be retiring by rotation in accordance with Article 18.4 of the Constitution of the Company and in accordance with the Board's 9-year policy at the 45th AGM in March 2022.</p>	Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6	6 < # ≤ 9	Number of Directors	1	6	1	2
Years of Service (#)	0 < # ≤ 1	1 < # ≤ 3	3 < # ≤ 6	6 < # ≤ 9								
Number of Directors	1	6	1	2								

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.

Application	: Applied
Explanation on application of the practice	<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, retains 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, age, race/ethnicity (cultural background) 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 2021</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>During the year, there have been several changes to the composition of the Board of Bursa Malaysia with the appointment of Datin Azlina Mahmad as a new PID in March 2021, the retirement of Datin Grace Yeoh Cheng Geok as an Independent Non-Executive Director (“INED”) at the 44th Annual General Meeting in March 2021 and the resignation of Puan Uji Sherina Abdullah as an INED in December 2021 which took effect on 1 January 2022. In 2021, the Board maintained at least 30% women directors on the Board in accordance with its 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 11 members as at 30 September 2021 was appropriate and adequate to effectively govern the organisation. In light of the revamp of the Regulatory and Conflicts Committee structure under the enhanced governance model effective 1 October 2021, an optimum Board size is being reviewed by the NRC 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 1 January 2022:-

No.	Areas of Practice/Experience/Skill/Expertise*	Percentage
1.	Capital Market Experience	80%
2.	International Business Experience	87%
3.	Other Exchange Experience	62%
4.	Corporate Chief Executive Officer/Managing Director	92%
5.	Breadth of Business Experience	90%
6.	Accounting/Financial Management	77%
7.	Human Capital Management Experience	87%
8.	Technology Experience	71%
9.	Corporate Governance	92%
10.	Government Experience	82%
11.	Legal/Regulatory	70%

* Individual Directors may fall into one or more categories

(3) *Board Diversity*; The diversity in the age, gender, race/ethnicity (cultural background) and nationality of the existing Board as at 1 January 2022 is as follows:-

	Age Group					71 and above	Gender	
	46 - 50	51 - 55	56 - 60	61 - 65	66 - 70		Male	Female
Number of Directors	1	1	5	0	2	1	7	3

	Race/Ethnicity				Nationality	
	Malay/ Bumi-putera	Chinese	Indian	Others	Malaysian	Foreigner
Number of Directors	5	1	2	2	9	1

The Board strongly views that diversity of the Board's 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 7 male Directors as at 1 January 2022, 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, race/ethnicity and mix of skills/experience.

- (1) The Talent Pool had been refreshed with new candidates based on recent research in the market on former CEOs/Executives of reputable corporations/financial institutions and research on corporate leaders with backgrounds in capital markets and technology related business. The said list was presented to the NRC for review at its meeting held in November 2021. The new appointments shall ensure appropriate diversity in terms of ethnicity, age and gender, to complement and further strengthen the current Board.
- (2) Bursa Malaysia as a listed entity is to ensure 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 character traits i.e. Integrity, Competence and Humility.
 - (a) 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.
 - (b) The Board had in June 2021 approved the adoption of Guidance 5.5 of the MCCG which provides that *“a person is considered politically active if he is a Member of Parliament, State Assemblyman or holds a position at the Supreme Council, or division level in a political party”*. The same had been incorporated in Paragraph 4.2.4 of the Board Charter.
 - (c) The Board had in January 2022, approved the establishment of 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.
- (3) With reference to Guidance 5.5 of the MCCG, there should be a formal, rigorous and transparent process for the appointment of directors (including re-appointments) and senior management. 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 commitments, to meet the demands and expectations of the role.

In case of re-election or re-appointment of Directors, the NRC took note that the average rating for the 3 Directors i.e. Mr. Pushpanathan a/l S.A. Kanagarayar, Dato’ Anad Krishnan a/l Muthusamy and Tan Sri Abdul Wahid Omar in preparedness for Board and Board Committee meetings and their participation during the assessment period under the BEE 2020/2021 had been satisfactory (3.00 < average rating < 4.00) on a 4-scale rating.

Board Committees Succession and Appointment

- (1) Pending the issuance of the relevant laws/regulations for the operationalisation of the Regulatory Subsidiary (“RegSub”), the Board at its meeting in September 2021, approved the implementation of an enhanced governance model to address any potential or perceived conflict of interest (“COI”) between the regulatory function and the commercial objectives of Bursa Malaysia. The changes include a revamp of the Regulatory and Conflicts Committee (“RACC”) structure in terms of its roles, responsibilities and composition, with effect from 1 October 2021. The new RACC comprises 4 members who are external independent individuals and 3 members who are Public Interest Directors of Bursa Malaysia. The independent individuals were appointed by the Board in consultation with the SC, and one of them is the RACC Chairman. Under the RACC Charter as approved by the Board, the test of independence as set out in the MMLR of Bursa Securities applies to the 4 independent individuals, and in addition, they shall not be an active politician. Further restrictions are also imposed on the independent RACC members who must not hold more than 2 directorships in any listed issuer and that the RACC Chairman shall hold no directorship in any listed issuer.
- (2) With the resignation of a Director who was an NRC member effective 1 January 2022 and the impending retirement of the Senior Independent Director (“SID”) who is the NRC Chairman at the 45th AGM in March 2022, the NRC at its meeting held in November 2021 also reviewed the proposed changes to the membership composition of the NRC for the appointment of a new SID to succeed the Chairmanship of the NRC in April 2022. Hence, Datuk Bazlan Osman is appointed as a new NRC member with effect from 1 January 2022 in transition to become the next SID and NRC Chairman. At the same time, he had to relinquish his position as the Chairman of the Risk Management Committee to ensure a balanced distribution of Directors’ membership in Board Committees and to avoid being ‘over stretched’ in terms of commitment.

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 Resources (“GHR”) on a half-yearly basis i.e. in July and December 2021 respectively. The NRC also considered the succession bench strength of each senior critical roles 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 GHR to cultivate their leadership skills and prepare them to be successors to critical roles.

At its meetings held in January, March and June 2021, the NRC considered the proposed renewal/confirmation of appointment for 3 key senior management (“KSM”) personnel. All these 3 appointments were approved by the Board in February, March and June 2021, respectively based on the NRC’s recommendations.

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

	<p>nationality. The diversity of the KSM as at 31 December 2021 based on their profiles on Page 98 of the Integrated Annual Report 2021 are as set out in the tables below:-</p> <table border="1" data-bbox="480 300 1315 412"> <thead> <tr> <th colspan="3">Age Group</th> <th colspan="2">Gender</th> </tr> <tr> <th>46-50</th> <th>51-55</th> <th>56-60</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4</td> <td>1</td> <td>4</td> <td>2</td> </tr> </tbody> </table> <table border="1" data-bbox="480 450 1315 595"> <thead> <tr> <th colspan="3">Race/Ethnicity</th> <th colspan="2">Nationality</th> </tr> <tr> <th>Malay/ Bumiputera</th> <th>Chinese</th> <th>Indian</th> <th>Malaysian</th> <th>Foreigner</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>2*</td> <td>1**</td> <td>4</td> <td>2</td> </tr> </tbody> </table> <p>Note: * includes a Singaporean ** includes an Indian national</p>					Age Group			Gender		46-50	51-55	56-60	Male	Female	1	4	1	4	2	Race/Ethnicity			Nationality		Malay/ Bumiputera	Chinese	Indian	Malaysian	Foreigner	3	2*	1**	4	2
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<p>Measure :</p>																																			
<p>Timeframe :</p>																																			

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.

Application	:	Applied
Explanation on application of the practice	:	<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 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 independent sources. 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 (now known as Institute of Corporate Directors Malaysia), and online desktop research of directors appointed for commercial banks, investment banks, top Government-linked Companies and top PLCs. This is to facilitate the NRC in identifying 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>With reference to Paragraph 15.08A(3)(b) of the MMLR of Bursa Securities, the Talent Pool has been refreshed with new potential candidates in 2021, having regard to the selection criteria for the new appointment, to ensure that the list of potential candidates remains relevant and offers the talent/skills required for the NRC/Board's consideration.</p> <p>The NRC gave its feedback on the profiles of several new candidates and deliberated on the proposed selection criteria for background checks. This is to enable the NRC's review and selection of their suitability having regard to their qualifications and experience/skill sets with reference to the 'must have' and 'nice to have' criteria. This was in view of filling the casual vacancy in the Board composition having regard to the Board's optimum size. Apart from these criteria, the NRC also considered the mix of skills, backgrounds, experiences, personality and time commitments, including these character traits i.e. Integrity, Competence and Humility.</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) In accordance with Paragraph 5.2.4(b) of the Board Charter, the Directors shall notify the Chairman before accepting any new directorship during their tenure of service. Such notification should include an indication of time commitment for the new appointment as a Director. This has been consistent with Practice 5.5 of the MCGG which provides that the board should consider the existing board positions held by a Director, including on boards of non-listed companies, to avoid any potential integrity and governance concerns.</p> <p>(3) 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>(4) 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 2021, the NRC had reviewed and refreshed the pool of candidates but had not made any selection.</p>
<p>Explanation for departure</p>	<p>:</p>

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

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.

Application	: Applied
Explanation on application of the practice	<p>The profiles of Directors 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>(1) With regards to the extension of the term of appointment of the Public Interest Directors ("PIDs"), Tan Sri Abdul Wahid Omar had abstained from deliberation and decision by the NRC on his re-appointment. The following observations were shared by the NRC:-</p> <p>(a) Tan Sri Abdul Wahid Omar had provided excellent Board leadership and had facilitated healthy Board dynamics with open discussion and expression of constructive views. Hence, his re-appointment would be beneficial to Bursa Malaysia for continuity of his leadership in strategic initiatives undertaken together with various stakeholders. Tan Sri Abdul Wahid Omar had also contributed to the Board Committees namely, the NRC, Sustainability and Development Committee and Regulatory and Conflicts Committee ("RACC") during the assessment period under the Board Effectiveness Evaluation ("BEE") for the period from 1 October 2020 to 30 September 2021 ("2020/2021").</p> <p>(b) Dato' Anad Krishnan a/l Muthusamy's key contribution was in giving opinion or advice from a legal perspective and in relation to market regulation. He had also contributed to the Board Committees namely, the Audit Committee ("AC"), RACC and Market Participants Committee based on the outcome of the BEE 2020/2021.</p> <p>Both Tan Sri Abdul Wahid Omar and Dato' Anad Krishnan a/l Muthusamy had abstained themselves from deliberations and decisions by the Board on their re-appointment. Taking into consideration the Directors' Self and Peer Assessment results which</p>

	<p>were satisfactory (3.00 < average rating < 4.00) on a 4-scale rating, the Board resolved to approve and support the re-appointment of the PIDs and submitted its recommendation to the Minister of Finance and Securities Commission Malaysia (“SC”) for reference.</p> <p>(2) Based on the outcome of the NRC’s review, Mr. Pushpanathan a/l S.A. Kanagarayar’s performance and contribution in the discharge of his duties during the assessment period under the BEE 2020/2021 had been satisfactory. The NRC was satisfied that Mr. Pushpanathan a/l S.A. Kanagarayar had contributed effectively to the Board’s deliberations. He had demonstrated his diligence and commitment, particularly as AC Chairman. He has served as AC Chairman for 7 years 7 months as at 31 January 2022 since the date of his appointment as Director of Bursa Malaysia on 23 June 2014.</p> <p>Mr. Pushpanathan a/l S.A. Kanagarayar 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 Mr. Pushpanathan a/l S.A. Kanagarayar at the 45th 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.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</p>	

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.

Application	:	Applied										
Explanation on application of the practice	:	<p>The NRC is chaired by the current Senior Independent Director of the Company ("SID"), Datuk Karownikaran @ Karunikaran a/l Ramasamy 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>The current SID is nominated amongst the Independent Non-Executive Directors [Paragraph 6.2 of the Board Charter]. Datuk Karownikaran @ Karunikaran a/l Ramasamy has been serving his extended term of appointment as SID for 2 years from 1 January 2020 to 31 December 2021. The Board had approved a further extension of his term of appointment as SID for a period of 3 months until his retirement in March 2022. 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
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Explanation for departure	:											
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Measure	:											
Timeframe	:											

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.

Application	:	Applied	
Explanation on application of the practice	:	As at 1 January 2022, the Board comprises 3 women Directors out of 10 Directors, which represents 30% women directors.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application :	Applied
Explanation on application of the practice :	<p>The Board has its Diversity Policy, as set out below [in accordance with Paragraph 15.08A(3) of the MMLR of Bursa Securities]:-</p> <div style="border: 1px solid black; padding: 10px;"><p style="text-align: center;">Board Diversity Policy</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">(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;(b) Develop recruitment protocols that seek to include diverse candidates in any director search;(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;(d) Periodically review and report to the Board on requirements in relation to diversity on the Board, if any.<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 adoption. At any given time the Board may seek to improve one or more aspects of its diversity and measure progress accordingly.</p><p>The Board shall maintain at least 30% representation of women on boards.</p></div>

The Board has maintained at least 30% women directors, represented by 3 women directors out of 10 Directors as at 1 January 2022.

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.

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 and conflict of interest assessment as envisaged under the MMLR of Bursa Securities as well as 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.

In this respect, Group Human Resources had in November 2021 presented for the NRC's review, 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, race, religion, cultural background, nationality, ethnicity 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 discrimination with attention to the rights and needs of Bursa Malaysia's employees as well as challenges faced by them.

The NRC at its meeting held in November 2021 also looked at the demographics of Bursa Malaysia's current state in terms of ethnicity, gender and age and the benchmarking with other organisations on the diversity practices. To this, Bursa Malaysia has maintained at least 30% women i.e. 2 out of 6 key senior management positions in the organisation are held by women as at 31 December 2021.

	The DEI Policy was approved by the NRC and was presented to the Board in November 2021 for adoption and implementation by Bursa Malaysia. Accordingly, the same has been published on Bursa Malaysia's website: https://www.bursamalaysia.com at About Bursa-SUSTAINABILITY-Social.	
Explanation :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

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>	
Application	: Applied
Explanation on application of the practice	: <p>The Nomination and Remuneration Committee (“NRC”) carries out the Board Effectiveness Evaluation (“BEE”) exercise annually [Paragraph 15.08A(3)(c) of the MMLR of Bursa Securities]. An external consultant is 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]. An external consultant, KPMG Management & Risk Consulting Sdn Bhd (“KPMG”) conducted the previous BEE for the period from 1 July 2019 to 30 September 2020 (“2019/2020”) in 2020.</p> <p>(1) In June 2021, the NRC considered the approach and timeline of the BEE exercise for a period of 12 months from 1 October 2020 to 30 September 2021 (“2020/2021”). The NRC recommended and the Board approved for the said BEE exercise to be conducted internally via questionnaires and facilitated by the Company Secretaries.</p> <p>(a) In July 2021, the draft questionnaires were presented for the NRC’s review, having regard to the Malaysian Code on Corporate Governance (“MCCG”) in particular, Practice 4.4 which provides that <i>“the performance evaluations of the board and senior management shall include a review of the performance of the board and senior management in addressing the company’s material sustainability risks and opportunities”</i>, being part of their responsibilities.</p> <p>(b) The NRC also took into consideration the provisions under Guidance 4.1, 4.3 and 4.4 of the MCCG in refining some of the questions for the BEE 2020/2021. Additional questions were incorporated accordingly into the BEE 2020/2021 questionnaires for the purpose of evaluating the Board’s performance and its composition having regard to the new provisions in the MCCG.</p>

	<ul style="list-style-type: none"> (i) A measure of whether a board has the required capacity, competency and ability to tackle questions and deliberate on sustainability, as well as evaluate the sustainability risks and opportunities, and make informed decisions on the matter; (ii) To ensure the board is equipped and ready to execute its role, the board should identify its professional development needs concerning sustainability and ensure these are addressed; and (iii) The board should also consider whether a change in its composition or of its skills matrix is required to strengthen board leadership and oversight of sustainability issues. <p>(2) The questionnaires comprised the Board and Board Committee Effectiveness Assessments, Directors and Board Committee members' Self and Peer Assessments ("SPA"), and the 360° Assessment questionnaire which were participated by 14 members of Senior Management.</p> <ul style="list-style-type: none"> (a) The Board Effectiveness Assessment covers the following areas to assess the effectiveness of the Board's oversight and delegation of responsibilities:- <ul style="list-style-type: none"> (i) Board Responsibilities and Conduct; (ii) Board Composition (in which the size, mix of skills and experience are considered); (iii) Board Process and Administration; (iv) Effectiveness of Chairman; and (v) Effectiveness of Chief Executive Officer. (b) The assessment of individual Directors' contributions and performance is conducted based on assessments in the following areas which had been incorporated in the Directors' SPA questionnaires with reference to the performance criteria under Guidance 6.1 of the MCCG as set out below:- <ul style="list-style-type: none"> (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; (viii) Competency and capability; (ix) Independence and objectivity; and (x) Contribution and performance.
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	<p>(c) The effectiveness of the Board Committees is assessed in terms of structure and processes, accountabilities and responsibilities, as well as the effectiveness of the Chairmen of the respective Board Committees.</p> <p>(d) The SPA for the Board Committee members is similar as the Directors' SPA, 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 SPA 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 clarity of thought on issues during deliberations at meetings, provide logical honest opinions, and offer practical and realistic advice to the discussions.</p> <p>(3) The Company Secretaries had in November 2021 presented to the NRC and the Board the outcome of the BEE 2020/2021. The overall average ratings for the areas of assessments were above 3.5, based on a 4-scale rating. The Board resolved to adopt the BEE 2020/2021 results and the action plan as recommended by the NRC. The results of the BEE 2020/2021 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 satisfactory ($3.00 < \text{average rating} \leq 4.00$) on a 4-scale rating, 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 45th Annual General Meeting in March 2022.</p> <p>(4) On 1 December 2021 immediately after the Board's approval at its meeting on 30 November 2021, the Company Secretaries had provided each Board member his/her own individual results of the Directors' SPA together with a peer average rating on each area of assessment for personal information and development. On the same date, the members of the Technology and Cybersecurity Committee, Sustainability and Development Committee and the Regulatory Committees who are non-Directors of Bursa Malaysia were also provided with the results of their respective Committee Effectiveness Assessments including the Committee members' feedback, the individual results of the Committees' SPA together with a peer average rating on each area of assessment for personal information and development.</p> <p>(5) In the BEE Report, the Company Secretaries highlighted the observations which include key strengths in accordance with</p>
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	<p>Guidance 6.1 of the MCCG. They were the Board's commitment to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness, and having sufficient trust in the Board's interaction with Management. The Board also epitomized as mentors to the Management by leveraging and imparting their knowledge, skills and experience.</p> <p>(6) In line with Guidance 5.8 of the MCCG and the TOR of the NRC, the NRC Chairman (who is the SID) 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 2020/2021 exercise and noted that there was no item with the rating of 2 [Needs Improvement] or below, and therefore there was no key weakness area 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 Management for notation and further action, where applicable.</p> <p>(7) With the view to raise the bar on the Board's governance practices and overall effectiveness, the enhancement 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 2020/2021 results, the areas requiring ongoing attention for continuous improvement which were categorised as below:-</p> <ul style="list-style-type: none"> (a) Human capital development and succession management; (b) Communication with stakeholders and investor relations; (c) Sustainability in environmental, social and governance practices; and (d) Innovation and products development. <p>(8) As part of implementation of the action plans from the previous BEE 2019/2020, 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"> (a) The Chairman of the Board, Tan Sri Abdul Wahid Omar had on 30 November 2020 kicked off the first session of mentorship with Datuk Bazlan Osman and Encik Syed Ari Azhar Syed Mohamed Adlan to provide them an insight on the workings of the Board. On 9 September 2021, the Chairman of the Board had a session of mentorship with Datin Azlina Mahmad who was appointed as Public Interest Director of Bursa Malaysia on 16 March 2021;
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	<p>(b) Group Human Resources had been communicated to include members outside of NRC (i.e. domain experts and Board Committee Chairmen) in the early stages (interview and nomination) of reviewing key senior management/key management personnel candidature;</p> <p>(c) For enhancement in quality of Board papers/ presentation to the Board for better utilisation of time and resources, the Board noted that the revised Guidelines on Submission and Presentation of Board Memoranda had been completed in November 2020 which also incorporated the requirement of a common framework in reporting the financial implications such as cost and benefit analysis.</p> <p>(9) In addition to the SPA under the BEE 2020/2021, 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. 2 Directors had attended 10 out of 11 Board meetings. A Director had full attendance for the 9 Board meetings held during her tenure from 16 March 2021 to 31 December 2021.</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 final Board meeting on 16 December 2021.</p> <p>Their meeting attendance at Board and Board Committee meetings are evidenced by the attendance record in the CG Overview as set out on Page 103 of the Integrated Annual Report 2021.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</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.

Application	:	Applied
Explanation on application of the practice	:	<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 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 Regulatory 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 in conjunction with the engagement of an external consultant for the board effectiveness evaluation once every 3 years [Paragraph 9.5 of the Board Charter]. An external consultant, KPMG was appointed to conduct a Board remuneration review ("BRR") in July 2020.</p>

Hence, this annual review was conducted internally by the NRC in November 2021. The details of the BRR are set out under Practice 7.2 in this report.

After due deliberation, the Board approved the recommendation by the NRC to seek the shareholders' approval at the 45th AGM on the 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.

(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.

(a) The NRC is responsible to review the Group employees' compensation policy to ensure alignment of compensation to corporate performance. In February 2021, the NRC approved the utilisation of the 2021 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 2020 provision for performance bonuses, which took cognisance of the 2020 Corporate Scorecard results as well as individual performance for the year 2020.

(b) In March 2021, the NRC in its review was agreeable to maintain the pay philosophy for basic pay and total compensation of the Group employees and approved the revised salary structure effective 1 July 2021 including salary adjustments to ensure alignment of compensation to corporate performance.

(4) The NRC had been responsible to implement and administer the Share Grant Plan ("SGP") in accordance with the SGP By-Laws which were approved by the shareholders since 26 May 2011. As such, the employees share grants for each financial year from 2011 to 2018 were approved accordingly by the NRC, and there were no new share grants in 2019 and 2020. The final vesting of plan shares took place on 13 April 2021 before the expiry of the SGP on 17 April 2021.

(a) In view of staying competitive for retention purpose, Group Human Resources had engaged a consultant, Korn Ferry to conduct the long-term incentive plan ("LTIP") study by referring to Aon Hewitt's 2020 market data for financial institutions and the market trend. The outcome of Korn Ferry's study on the total compensation was aligned with the LTIP proposal.

(b) In April 2021, the NRC had considered a new LTIP and approved it as deferred performance incentive plan ("DPIP") based on pay for performance philosophy, with focus on simplicity and

	<p>inclusivity. Only Grade E2 (Executive Vice President) and above are eligible for the said DPIP, which payment will be deferred over 2 years for reward and retention purposes. The NRC reiterated the importance of having a simple and efficient LTIP with the focus on performance, growth and retention. The same was approved by the Board in April 2021.</p>	
<p>Explanation for departure</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>Measure</p>	:	
<p>Timeframe</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.

Application :	Applied
Explanation on application of the practice :	<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: https://www.bursamalaysia.com at About Bursa-ABOUT US-Corporate Governance-Governance Model Document.</p> <p>As at 1 January 2022, the NRC comprised 5 members, all of whom are Independent Non-Executive Directors of the Company. The NRC Chairman is the Senior Independent Director of Bursa Malaysia.</p> <p>The Board is satisfied that in 2021, 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 45th Annual General Meeting ("AGM") on the Directors' remuneration in 2 separate resolutions as follows:-</p>

(i) **Resolution 2** on payment of Directors' fees in respect of the preceding year 2021; and

(ii) **Resolution 3** on payment of Directors' benefits from 31 March 2022 to the next AGM in 2023.

(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 is engaged for the Board remuneration review ("BRR") once every 3 years, to provide the NRC with an objective and independent perspective. An external consultant, KPMG Management & Risk Consulting Sdn Bhd was appointed to conduct the BRR in 2020.

Hence, a BRR was conducted internally by the NRC in November 2021, 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 also 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

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

(a) **Resolution 2** clearly 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 2021 ("FY 2021"). The exact amounts which are receivable by each individual NED are provided in Note 9 of the Audited Financial Statements for the FY 2021.

(b) The payment of the NEDs' fees in respect of the preceding FY 2021 will only be made if the proposed **Resolution 2** has been passed at the 45th AGM pursuant to Article 19.1 of the Constitution and Section 230(1)(b) of the CA 2016.

Based on the BEE exercise (as set out in Paragraph (3) under Practice 6.1 in this report), the Non-Executive Chairman and the NEDs had discharged their duties and responsibilities effectively in FY 2021. This was supported by the Directors'

Self and Peer Assessment results of the BEE 2020/2021 which ranged from 3.41 to 3.99 on a 4-scale rating. With such transparency and clarity on the amount of each Director's fee, the shareholders' approval is sought accordingly under Resolution 2, 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 44th AGM of the Company held on 31 March 2021, the benefits payable to the NEDs of the Company from 1 April 2021 until the 45th 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 2021 is RM1,175,000. Based on the schedule of meetings in the first quarter of 2022, an amount of RM448,000 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 81% of the approved amount.

(b) Based on the BRR conducted in 2021, the Directors' benefits payable to the NEDs are proposed to be the same for the period from 31 March 2022 to the next AGM in 2023 ("Current Period") except for a proposed variation to the monthly fixed allowance with regards to the Regulatory and Conflicts Committee ("RACC") as set out in the table below:-

Description	Chairman	NEDs / Members
Meeting Allowance (per meeting)		
● Board of Bursa Malaysia	RM3,000	RM3,000
● Board of Subsidiary	RM3,000	RM3,000
● Bursa Malaysia Group Committees	RM3,000	RM3,000
Fixed Allowance		
● Bursa Malaysia Group Committees (except for 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)
Monthly Fixed Allowance – Chairman of Bursa Malaysia [Note 1]	RM52,000	Not Applicable
Other Benefits for NEDs of Bursa Malaysia only	Club membership,	Medical coverage,

			<p>medical coverage, travel and other claimable benefits</p>	<p>travel and other claimable benefits</p>
<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>(c) Under the enhanced governance model of Bursa Malaysia Group, the NRC at its meeting held in November 2021, considered the proposed remuneration for the new RACC members based on their roles and responsibilities coupled with duties, obligations and restrictions imposed on the RACC members, which were akin to those proposed to be applicable to the Regulatory Subsidiary Directors. Since 1 October 2021, the RACC comprised 4 new members who are external independent individuals apart from the existing 3 RACC members who are Public Interest Directors of Bursa Malaysia. The Board at its meeting held in November 2021 approved the proposed revision to the benefits in the form of monthly fixed allowance subject to the shareholders' approval on the payment of Directors' benefits at the 45th AGM.</p> <p>(d) 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 44th 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 Resolution 3 has been passed at the 45th 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,</p>				

	<p>determined based on the Key Performance Indicators in the Corporate Scorecard, as approved by the Board.</p> <p>The current CEO of Bursa Malaysia was not eligible for any share grant under the SGP which had already expired on 17 April 2021.</p> <p><u>For Employees</u></p> <p>In January 2021, the Nomination and Remuneration Committee (“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>In conjunction with the renewal of the fixed term contracts of key management personnel, the NRC had considered and approved the remuneration package of the Head of Bursa Data Business and the Director of Group Human Resources in April and November 2021 respectively. The renewal of fixed term contract of key senior management, the Director of Derivatives Market together with his remuneration package was approved by the Board in February 2021.</p>
<p>Explanation : for departure</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>Measure :</p>	
<p>Timeframe :</p>	

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.

Application	:	Applied
Explanation on application of the practice	:	<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 2021 is set out in the table below. The NEDs No. 11 and 12 were former Directors as at 1 January 2022.</p> <p>(1) The NEDs' fees in respect of financial year 2021 are subject to shareholders' approval at the 45th Annual General Meeting to be held in March 2022;</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 36(c) to the Financial Statements on Pages 189 and 222 of the Integrated Annual Report 2021 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 bin Omar	Independent Director	300	751	0	0	4	0	1055	300	751	0	0	4	0	1055
2	Datuk Muhamad Umar Swift	Executive Director	0	0	1,647	600	35	417	2,699	0	0	1,647	600	35	417	2,699
3	Datuk Karownakaran @ Karunakaran a/l Ramasamy	Independent Director	200	125	0	0	0	0	325	200	125	0	0	0	0	325
4	Pushpanathan a/l S.A. Kanagarayar	Independent Director	200	65	0	0	0	0	265	200	65	0	0	0	0	265
5	Chong Chye Neo	Independent Director	200	128	0	0	0	0	328	200	128	0	0	0	0	328
6	Dato' Anad Krishnan a/l Muthusamy	Independent Director	200	120	0	0	0	0	320	200	120	0	0	0	0	320
7	Sharifatu Laila binti Syed Ali	Independent Director	200	150	0	0	0	0	350	200	150	0	0	0	0	350
8	Syed Ari Azhar bin Syed Mohamed Adlan	Independent Director	200	87	0	0	0	0	287	200	87	0	0	0	0	287
9	Datuk Bazlan bin Osman	Independent Director	200	129	0	0	0	0	329	200	129	0	0	0	0	329
10	Datin Azlina binti Mahmad	Independent Director	158	96	0	0	0	0	254	158	96	0	0	0	0	254
11	Uji Sherina binti Abdullah	Independent Director	200	99	0	0	0	0	299	200	99	0	0	0	0	299

12	Datin Grace Yeoh Cheng Geok	Independent Director	50	32	0	0	0	0	82	50	32	0	0	0	0	82
13	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	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 8.2

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.

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

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.

Application :	Adopted														
Explanation on adoption of the practice :	<p>Bursa Malaysia has 6 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") 2018, 2019 and 2020. The total remuneration of the KSM personnel in respect of the FY 2021 as at 31 December 2021 are set out in the table on the next page.</p> <p>The remuneration of the 6 KSM is also set out in Note 36(c) to the Financial Statements on Page 222 of the Integrated Annual Report 2021. For disclosure in this report, the amount of salary as set out in the table included the employer's contribution to the EPF [applicable to Malaysians i.e. KSM No. 2, 3, 5 and 6].</p> <p>The remuneration for KSM No. 6 is set out below:-</p> <table border="1"><thead><tr><th>No.</th><th>Name of Personnel/ Position</th><th>Salary (RM'000)</th><th>Allowance/ Benefits (RM'000)</th><th>Bonus (RM'000)</th><th>Other emoluments (RM'000)</th><th>Total (RM'000)</th></tr></thead><tbody><tr><td>6.</td><td>Tay Yu Hui, Director, Market Operations</td><td>690</td><td>0</td><td>231</td><td>152</td><td>1,073</td></tr></tbody></table>	No.	Name of Personnel/ Position	Salary (RM'000)	Allowance/ Benefits (RM'000)	Bonus (RM'000)	Other emoluments (RM'000)	Total (RM'000)	6.	Tay Yu Hui, Director, Market Operations	690	0	231	152	1,073
No.	Name of Personnel/ Position	Salary (RM'000)	Allowance/ Benefits (RM'000)	Bonus (RM'000)	Other emoluments (RM'000)	Total (RM'000)									
6.	Tay Yu Hui, Director, Market Operations	690	0	231	152	1,073									

No	Name	Position	Company ('000)					Total
			Salary	Allowance	Bonus	Benefits	Other emoluments	
1	Samuel Ho Hock Guan	Director, Derivatives Market	1,166	0	508	0	674	2,348
2	Julian Mahmud Hashim	Chief Regulatory Officer	968	0	340	0	103	1,411
3	Rosidah binti Baharom	Chief Financial Officer	883	0	296	0	178	1,357
4	Ashish Jaywant Rege	Director, Group Technology	824	0	344	0	173	1,341
5	Azhar bin Mohd Zabidi	Director, Securities Market	798	0	280	0	110	1,188

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.

Application	:	Applied
Explanation on application of the practice	:	<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 AC Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar is a member of the Institute of Chartered Accountants of Scotland (ICAS), Malaysian Institute of Certified Public Accountants (MICPA) and 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 appointed as the AC Chairman since 23 June 2014.</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>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>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.</p> <p>The requirements as to "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" in Practice 9.2 of the MCG were reflected accordingly in the TOR of the AC, whereby the cooling-off period of at least "2 years" was revised to "3 years" upon the Board's approval at its meeting held in June 2021.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	<p>(1) At the 1st Audit Committee ("AC") meeting held in January 2021, the Chief Financial Officer sought the AC's approval on the proposed Financial Year ("FY") 2021 Annual Plan which set out the planned audit services and both recurring non-audit and non-recurring non-audit services fees before they were rendered by Ernst & 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 2021 was subsequently approved by the shareholders at the 44th Annual General Meeting ("AGM") of Bursa Malaysia held on 31 March 2021.</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 2020 which was within the range of the FY 2020 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 2021 Annual Plan in accordance with the Auditor Independence Policy.</p> <p>(2) In October 2021, the external auditors, EY presented for the AC's review its 2021 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 45th AGM in 2022.</p> <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</p>

believe that the external auditors are not suitable for re-appointment.

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. Dato' Megat Iskandar Shah bin Mohamad Nor who became the lead engagement partner in 2015 was due for rotation in 2022. He was replaced by Ms. Ng Sue Ean who will be subject to a 7-year rotation. The quality control review partner Mr. Yeo Beng Yean, who was appointed in 2016 will be due for rotation in 2023.

(3) The AC had in January 2022 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.

(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.

(b) The AC further considered the relevant information as presented in EY's 2021 Transparency Report which included amongst others, EY's governance structure and commitment to maintain the delivery of high-quality audits.

(c) The AC also took into account the openness in communication and interaction with the lead engagement partner and engagement team through 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 2021 did not in any way impair their objectivity and independence as external auditors of Bursa Malaysia.

(4) Having regard to the outcome of the annual assessment of external auditors, the Board had in January 2022 approved the AC's recommendation for the shareholders' approval to be sought at the 45th AGM on the appointment of EY as external auditors of Bursa Malaysia for the FY ending 31 December 2022.

	<p>(5) In January 2022, 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 2021.</p> <p>(6) At the same AC meeting held in January 2022, the Chief Financial Officer sought the AC's approval on the proposed FY 2022 Annual Plan which set 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 2022 is subject to the shareholders' approval at the 45th AGM to be held on 30 March 2022.</p> <p>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 2021, 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 2021 with reference to Section 4.2 of the Auditor Independence Policy.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</p>	

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.

Application	:	Adopted										
Explanation on adoption of the practice	:	<p>The Audit Committee ("AC") comprises wholly of Independent Non-Executive Directors ("NEDs"). A NED 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.

Application	:	Applied
Explanation on application of the practice	:	<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 2020/2021, 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 of Internal Audit ("IA"), prior to recommending them for approval by the Board and</p>

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 2021.
- (b) The 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 2021 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 2021. 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 her competence and objectivity.

The IA staff assigned to EY for the FY 2021 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.

(2) Continuous education

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. On 6 December 2021, the AC members had a conversation with the SC’s Audit Oversight Board (“AOB”) which aimed to assist the AC’s role in enhancing and improving audit quality in Malaysia. In this respect, the AOB shared its inspection findings in year 2020 and recent initiatives in its oversight of auditors of PIE in Malaysia.

(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. Amongst others, 2 of the AC members attended the following training programmes which were organised by an accounting firm/professional body:-

(i)	KPMG’s Asia-Pacific Board Leadership Centre: Board and AC Priorities 2021	7 May 2021
(ii)	Association of Chartered Certified Accountants (“ACCA”): Ethics for Sustainable Artificial intelligence (“AI”) adoption - Connecting AI and Environmental, Social and Corporate Governance	20 October 2021
(iii)	ACCA International Assembly: Future Global Trends; Professional Accountants at the heart of Sustainable business; Skills and capabilities; Rethinking the role of the accountant in a changing world and sustainable recovery from crisis	30 October 2021 – 1 November 2021

(b) The AC Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar has been actively serving as a Council Member of MICPA. He was appointed as the Chairman, MFRS Application & Implementation Committee (“MAIC”) of the Malaysian Accounting Standards Board (“MASB”) for an initial term of 2 years from 1 March 2019 to 28 February 2021, and a further term of 2 years to 28 February 2023. MAIC is entrusted to look at issues relating to the existing and potential divergent practices to ensure consistent application and implementation of MFRSs for the benefit of the capital market. As MAIC Chairman, he had been actively involved in resolving pending and transitional practice issues in the implementation of the various extant MFRSs.

	Mr. Pushpanathan a/l S.A. Kanagarayar also continues to serve as the Chairman of the Insurance Working Group of MASB in the rollout of MFRS 17 - Insurance Contracts, of which the latest implementation date of MFRS 17 is effective from 1 January 2023.	
Explanation for departure :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure :		
Timeframe :		

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.

Application	:	Applied
Explanation on application of the practice	:	<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 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>The Enterprise Risk Management ("ERM") Framework forms part of the Integrated Governance, Risk and Compliance ("iGRC") Framework which was established since November 2018 based on the ISO 31000 - Risk Management, Securities Commission's Guidelines on Financial Market Infrastructures as well as the International Organisation of Securities Commissions (IOSCO) - Principles of Financial Market Infrastructures (PFMI), ISO 19600 - Compliance and ISO 22301 - Business Continuity Management. It encompasses all functionalities of governance, risk and compliance as the second line of defence in Bursa Malaysia Group.</p> <p>(1) In February 2021, the Risk & Compliance Division ("R&C") performed an assessment to align the Technology and Cybersecurity risk management to the ERM Framework with reference to the Bank Negara Malaysia ("BNM")'s Risk Management in Technology ("RMiT") policy. Due to the more prevalent use of technology, the Board approved the Technology and Cybersecurity Risk Guidelines as recommended by the Risk Management Committee ("RMC") which aimed to strengthen the technology resilience of Bursa Malaysia Group against operational disruptions and to increase vigilance and capability to respond to emerging threats due to growing sophistication of cyber threats.</p> <p>(2) In April 2021, the RMC reviewed and agreed on the Framework on Risk Management for Outsourcing Arrangements which had been benchmarked against BNM's Policy Document on Outsourcing. The Framework established and introduced the oversight governance</p>

structure and uniform understanding on managing outsourcing risks as well as a sound and robust outsourcing risk management practices in a structured and systematic manner within Bursa Malaysia Group.

- (3) In July 2021, the RMC conducted an annual review of the ERM Framework with the objective to further define the structure, roles and responsibilities of risk management and ensure consistent and acceptable management of risks in Bursa Malaysia. The Framework placed greater emphasis on the creation and protection of value, leadership and commitment in the integration of risk management in decision-making as well as open and active engagement for recording and reporting of risk. The category for Sustainability Risk was also added into the structure. The same was approved by the Board as recommended by the RMC.
- (4) A review was also conducted by the RMC in July 2021 on the Business Continuity Management (“BCM”) Framework and Guidelines (comprising 4 components and 8 principles) to streamline the common principles, definitions, working relationships and their interdependencies. The revisions of the BCM Framework and Guidelines were made to align with the Guiding Principles on Business Continuity issued by the Securities Commission Malaysia (2019) and Labuan Financial Services Authority (2021), ISO 22301 and Guidelines on BCM for Participants of PayNet Services (2021). The same was approved by the Board as recommended by the RMC.
- (5) Integrity & Governance Unit (“IGU”) was established under the R&C on 1 October 2020, which consists of 4 core functions namely complaints management, detection and verification, integrity enhancement and governance. The Director of R&C who reports directly to the RMC, presented the IGU and Compliance quarterly report, which included an update on breaches, non-compliance and observations regarding activities conducted throughout the year.
 - (a) In November 2021, R&C conducted a review and presented to the RMC the proposed revision to the Integrated Integrity Governance & Compliance (“IGC”) Management Framework to provide guidance on developing, implementing and maintaining an effective anti-bribery and compliance management program for the IGC functions within Bursa Malaysia.
 - (b) Additionally, the Director of R&C presented the half-yearly reports of the IGU for the RMC’s review at the meetings held in January and July 2021 respectively, prior to submission of the same reports to the Board and the Malaysian Anti-Corruption Commission (“MACC”)’s Agency Integrity Management Division.
 - (c) The reports noted that no complaints were received on misconduct relating to fraud, bribery and corruption.

	<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>Explanation for departure</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>Measure</p>	<p>:</p>	
<p>Timeframe</p>	<p>:</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.

Application	:	Applied
Explanation on application of the practice	:	<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, compliance, integrity and governance 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>(1) In January 2021, Risk & Compliance ("R&C") conducted an annual review of the Corporate Risk Profile ("CRP") 2021. This process includes risk register review, comparison of key risks against other exchanges and global risk reports to facilitate the Management's review of the CRP. The CRP 2021 based on the residual risk ratings in terms of potential impact and likelihood of occurrence was presented for the RMC's consideration.</p> <p>The RMC also deliberated on the revisions to the Risk Appetite Statement and 2 of its measurements as presented by the R&C, with a view to ensuring the Risk Appetite Statement continues to be relevant in line with the changing market conditions and in alignment with Bursa Malaysia's vision to be a sustainable marketplace. To this, the RMC had agreed to include pandemic risk and its measurements in the CRP 2021.</p>

	<p>(2) The Board at its meeting held in February 2021, took into consideration the potential impact from any foreseeable future event or situation which could adversely affect the strategic objectives of the Group. The Board resolved to approve the CRP 2021 as recommended by the RMC together with inclusion in the Risk Appetite Statement that “Bursa Malaysia Group is also committed to be a sustainable marketplace by promoting long term sustainable investment and improved environmental, social and corporate governance”.</p> <p>(3) In 2021, 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. R&C 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>Further details on the management and reporting of the key risks of the CRP 2021, and the controls in place to mitigate and manage those risks are provided in the Statement on Internal Control and Risk Management on Pages 117 to 125 of the Integrated Annual Report 2021.</p> <p>(4) In November 2021, the RMC reviewed the proposed revisions to the Risk Appetite Statement for year 2022 to align with Bursa Malaysia’s vision and mission as well as the 3 core strategies under Bursa Malaysia’s 2021-2023 Strategic Roadmap. The said Risk Appetite Statement reflected the expectation of every employee to uphold integrity and professionalism, always deliver critical functions and maintain public confidence and trust.</p> <p>The RMC also reviewed the risk tolerance statement where Bursa Malaysia strived for zero tolerance to non-compliance with statutory codes, regulatory requirements, local and international laws, integrity issues and corrupt practices as well as cybersecurity incident. Bursa Malaysia targets to recover and resume its critical business functions and systems within the recovery time objective.</p> <p>(5) The RMC and the Board deliberated, challenged and thereafter approved the key risks for CRP 2022 with the proposed risk ratings. Additionally, the RMC recommended 4 new risks to the CRP 2022 which was duly approved by the Board in November 2021.</p>
<p>Explanation for departure</p>	<p>:</p>

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

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.

Application	:	Adopted																		
Explanation on adoption of the practice	:	<p>The Risk Management Committee ("RMC") comprises wholly of Independent Non-Executive Directors ("NEDs"). A NED 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 Independent NEDs ("INED"), one of whom is also a Public Interest Director ("PID"). The RMC was chaired by an INED, Datin Grace Yeoh Cheng Geok until her retirement at the 44th AGM held on 31 March 2021. Another INED, Datuk Bazlan Osman took over the RMC chairmanship from 1 April 2021 to 31 December 2021.</p> <p>In consideration of the consequential changes to the composition of the Board Committees, the Board at its meeting held on 16 December 2021 resolved to approve the change in the membership classification under the TOR of the RMC which took effect from 1 January 2022 as set out below:-</p> <table border="1"><thead><tr><th>No.</th><th colspan="2">Membership Classification of the RMC</th></tr><tr><th></th><th>(as at 31 December 2021)</th><th>(effective 1 January 2022)</th></tr></thead><tbody><tr><td>1.</td><td>INED (Chairman of the RMC)</td><td>INED and/or a PID</td></tr><tr><td>2.</td><td>INED</td><td>INED and/or a PID</td></tr><tr><td>3.</td><td>INED</td><td>INED</td></tr><tr><td>4.</td><td>INED who is a PID</td><td>INED</td></tr></tbody></table> <p>In this respect, a PID and INED, Puan Sharifatu Laila Syed Ali who is an RMC member was re-designated to be the RMC Chairman with effect from 1 January 2022. The other 3 RMC members are INEDs.</p>	No.	Membership Classification of the RMC			(as at 31 December 2021)	(effective 1 January 2022)	1.	INED (Chairman of the RMC)	INED and/or a PID	2.	INED	INED and/or a PID	3.	INED	INED	4.	INED who is a PID	INED
No.	Membership Classification of the RMC																			
	(as at 31 December 2021)	(effective 1 January 2022)																		
1.	INED (Chairman of the RMC)	INED and/or a PID																		
2.	INED	INED and/or a PID																		
3.	INED	INED																		
4.	INED who is a PID	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.

Application	: Applied
Explanation on application of the practice	<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.</p> <p>In this respect, the 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 reporting purpose.</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 issue or major deficiency has 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">(a) the appointment and removal of the Director of IA;(b) the adequacy of the IA’s scope, competency, experience and resources of the IA function; and(c) the appraisal or assessment of performance of the IA function and performance of the Director of IA. <p>The IA engagements were carried out based on the annual audit plan 2021 as approved by the AC in accordance with the International Professional Practices Framework by The Institute of Internal Auditors. 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</p>

	<p>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 126 to 131 of the Integrated Annual Report 2021.</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 Terms of Reference, to ensure that the IA function is effective and is able to perform independently.</p> <p>(a) The AC had in November 2021 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 2021. Changes to some audit engagements and their timelines were approved by the AC.</p> <p>(b) At the same meeting in November 2021, the AC reviewed and approved the IA's 2022 Strategic Plan, the Audit Plan and Budget for 2022, which comprised the same allocation of 13 personnel (excluding the secretary). IA had developed its Audit Plan 2022 based on a combination of 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 2022. The AC deliberated at length on the audit coverage, adequacy of resource allocation and budget for key initiatives, audit management system and data analytic tool for the year 2022.</p> <p>(4) In addition, IA also assists the Company to carry out investigation on allegations or complaints made through the whistleblowing channels. In 2021, IA had received several complaint letters and had presented to the AC the outcome of its reviews as to whether there was any element of malpractices or whether the complaints fell within the classification of whistleblowing.</p>
<p>Explanation for departure :</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>Measure :</p>	

Timeframe	:		
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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–

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

Application	:	Applied
Explanation on application of the practice	:	<p>In accordance with the Internal Audit (“IA”)’s Audit Charter [Section 6.0 Independence & Objectivity], IA is required to confirm to the Board (via the Audit Committee (“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 Institute of Internal Auditors’ (“IIA”) Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing as set out in the Terms of Reference (“TOR”) of the AC.</p> <p>(1) IA had in January 2022 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 2021.</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">(i) were independent of the process/ area/ division/ department that they are auditing;(ii) applied and upheld the principles stated in the IIA’s Code of Ethics; and(iii) complied with the requirements as stated in Bursa Malaysia’s Code of Ethics. <p>(2) The IA function has 14 approved headcounts, comprising the Director of IA, 12 internal auditors and a secretary. The Director of IA, Puan Mazliana binti Mohamad is a Member of the Malaysian</p>

	<p>Institute of Accountants (MIA) and a Chartered Global Management Accountant from the Chartered Institute of Management Accountants (“CIMA”).</p> <p>8 of the internal auditors have relevant certifications or professional qualifications such as:-</p> <ul style="list-style-type: none"> (a) Certified Internal Auditor (CIA) and Certification in Risk Management Assurance (CRMA) by the IIA; (b) Chartered Global Management Accountant from CIMA; (c) Association of Chartered Certified Accountants (ACCA); (d) Chartered Islamic Finance Professionals (CIFP) from International Centre for Education in Islamic Finance (INCEIF); (e) Certified Information Security Management System (ISMS) Lead Auditor by BSI Group; (f) Certified Bank Auditor (CBA) from Asian Institute of Chartered Bankers; and (g) Certification in Internal Auditing for Financial Institutions (CIAFIN). <p>(3) In accordance with the TOR of the AC, the AC had in January 2022 conducted an annual assessment of the performance of the IA function by reviewing the 2021 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 is 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>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</p>	

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.

Application	:	Applied
Explanation on application of the practice	:	<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 as below:-</p> <ul style="list-style-type: none">(i) Public listed companies (PLCs) or potential PLCs (including advisers and secretarial firms that act on their behalf);(ii) Investors;(iii) Intermediaries (including brokers, clearing participants, authorised direct members and authorised depository agents);(iv) Regulators and government agencies;(v) Employees;(vi) Bursa Malaysia's shareholders and analysts;(vii) Industry associations, professional bodies and industry experts;(viii) Vendors and suppliers; and(ix) Community groups (including non-profit organisations which are beneficiaries of our community initiatives). <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 references 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 2021, 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 quarterly 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, Puan Rasmona Abdul Rahman. Her contact number and e-mail address - ir@bursamalaysia.com are provided on Bursa Malaysia's website, and on Page 100 of the Integrated Annual Report 2021.

- (4) Bursa Malaysia strives to maintain an open and two-way communication with its **employees** to discuss, among 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 2021, 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.

- (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.

	<p>The stakeholders are also encouraged to channel their concerns to the Director of Group Sustainability, Ms. Emilia Tee Yoke Hoong who leads the Group Sustainability Division and reports directly to the CEO of Bursa Malaysia. Her contact number and e-mail address are provided in Bursa Malaysia’s annual sustainability reports.</p> <p>(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 2020, Group Sustainability undertook a comprehensive materiality assessment that resulted in 13 Material Matters. These 13 Material Matters were further grouped into 5 Priority Areas that shaped the strategic objectives and initiatives in the Sustainability Roadmap 2021-2023. In view of the above, a simple online survey was carried out in 2021 to validate the importance and relevancy of these 13 Material Matters.</p> <p>Details of the materiality assessment and stakeholder engagement conducted in 2021 are provided on Pages 82 to 83 and Pages 84 to 90 of the Sustainability Report 2021 respectively.</p>
<p>Explanation for departure</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>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

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.

Application	:	Applied
Explanation on application of the practice	:	<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 (<IR>) journey. Through the <IR> 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 and third were the IAR 2019 and IAR 2020 which were issued on 2 March 2020 and 2 March 2021 respectively. This IAR 2021 will be the fourth as part of the <IR> journey to improve the quality of information disclosures to stakeholders and promote greater transparency and accountability on Bursa Malaysia.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	: Applied
Explanation on application of the practice	<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 2 March 2021, notifications were sent to all shareholders either by way of letter or e-mail to inform that the Notice of the 44th AGM, Proxy Form and Administrative Guide for the 44th AGM which was scheduled to be held on 31 March 2021 were published on Bursa Malaysia’s website. These documents together with the Integrated Annual Report 2020, Sustainability Report 2020 and Corporate Governance Report 2020 were also made available at https://bursa.listedcompany.com/iar_2020.html.</p> <p>The notes to the Notice of the 44th AGM dated 2 March 2021 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>With reference to the revised ‘<i>Guidance and FAQs on the Conduct of General Meetings for Listed Issuers</i>’ issued by the Securities Commission Malaysia (“SC”) on 19 February 2021, a listed issuer may conduct a fully virtual general meeting in areas under Conditional Movement Control Order (“MCO”) or Recovery MCO. A fully 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</p>

	<p>the essential individuals are physically present to organise the fully virtual general meeting. For areas under Recovery MCO, the number of essential individuals were subject to the size of the Broadcast Venue and ability to adhere with the applicable Standard Operating Procedures (“SOP”).</p> <p>Hence, the Board decided to have a fully virtual 44th AGM at the Conference Room 1, Ground Floor of Exchange Square as the Broadcast Venue and via the TIH Online website at https://tiah.online.</p>	
<p>Explanation for departure</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>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

Practice 13.2

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

Application	: Applied
Explanation on application of the practice	<p>All 12 directors attended the 44th Annual General Meeting (“AGM”) held on 31 March 2021 to engage directly with shareholders and to be accountable for their stewardship of the Company.</p> <p>A total of 23 essential individuals including the 12 Directors were physically present at the Broadcast Venue in accordance with the <i>SC’s Guidance and FAQs on the Conduct of General Meetings for Listed Issuers dated 19 February 2021:-</i></p> <ol style="list-style-type: none">1. Tan Sri Abdul Wahid bin Omar [Chairman of the Board]2. Datuk Muhamad Umar Swift [Chief Executive Officer (“CEO”)/Executive Director]3. Dato’ Anad Krishnan a/l Muthusamy4. Puan Sharifatu Laila binti Syed Ali5. Datin Azlina binti Mahmad6. Datuk Karownakaran @ Karunakaran a/l Ramasamy [Nomination and Remuneration Committee Chairman]7. Mr. Pushpanathan a/l S.A. Kanagarayar [Audit Committee Chairman]8. Datin Grace Yeoh Cheng Geok [Risk Management Committee Chairman]9. Ms. Chong Chye Neo [Technology and Cybersecurity Committee Chairman]10. Puan Uji Sherina binti Abdullah11. Datuk Bazlan bin Osman12. Encik Syed Ari Azhar bin Syed Mohamed Adlan <p>The Company Secretaries, the Chief Financial Officer, the External Audit Partner, Dato’ Megat Iskandar Shah bin Mohamad Nor of Ernst & Young PLT (“EY”), the Scrutineer, Mr. Anthony Tai Yu Kun of Deloitte Risk Advisory Sdn Bhd and 6 audio and visual support personnel were also physically present at the Broadcast Venue.</p> <p>14 members of senior management were also in attendance via video conferencing.</p> <p>In accordance with the SOPs issued by the Malaysian National Security Council, the above number of essential individuals present at the Broadcast Venue was less than 50% of the capacity of the Conference Room 1.</p>

	<p>A total of 944 shareholders, corporate representatives and proxies attended the 44th AGM via TIIH Online website at https://tiih.online. The proceedings of the 44th AGM at the Broadcast Venue included the CEO's presentation of the Company's operating and financial performance for 2020, the presentation of the external auditors' unqualified report to the shareholders, and a Questions & 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 44th AGM via TIIH Online website at https://tiih.online in relation to the agenda items for the 44th 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 44th 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. The Partner of EY, Dato' Megat Iskandar Shah bin Mohamad Nor and the Audit Committee Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar were also invited to provide their responses to relevant questions submitted via the query box.</p>
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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.

Application	: Applied
Explanation on application of the practice	<p>At its 39th 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 40th and 41st 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 42nd 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 first experience in Remote Participation and Voting (“RPV”) facilities on 28 March 2019 was useful and timely for convening a fully virtual 43rd AGM on 29 April 2020, with online attendance and voting by shareholders during the MCO period.</p> <p>For the 44th AGM held on 31 March 2021 being the second fully virtual general meeting, Bursa Malaysia had appointed Tricor Investor & 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 fully virtual 44th AGM on 31 March 2021 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 and FAQs on the Conduct of General Meetings for Listed Issuers dated 19 February 2021</i>.</p> <p>(a) Remote shareholders’ participation at the 44th AGM</p> <p>Shareholders were invited to exercise their right to attend, participate and vote at the meeting remotely by using the RPV facilities at https://tjih.online. The registration for attendance was opened from 10.00 a.m. Tuesday, 2 March 2021 at</p>

<https://tiih.online> until such time before the voting session ended at the 44th AM on Wednesday, 31 March 2021. 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 24 March 2021, the relevant shareholder was notified via e-mail by Tricor that his/her registration for the remote participation at the 44th 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 24 March 2021 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 44th AGM. A short video by Tricor was played to demonstrate to the members, corporate representatives and proxies who were present at the 44th 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 12.20 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 44th 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 44th 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

Subsequent to the issuance of the Malaysian Code on Corporate Governance (“MCCG”) on 28 April 2021, 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 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 in May 2021 to test its resiliency. To provide further assurance to the public, Tricor Malaysia is ISO27001 certified in October 2021. In addition to this, the TIIH Online is hosted on a secure cloud platform and the data centre is ISO27001 certified.

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

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.

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.

Application	:	Applied
Explanation on application of the practice	:	<p>At the commencement of the 44th 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 44th AGM dated 2 March 2021.</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">(a) 2020 Financial Performance: Financial Trends and Growing Shareholders' Value;(b) 2020 Market Performance: Securities Market, Islamic Capital Market and Bursa Malaysia Derivatives;(c) 2020 Key Developments & Initiatives; and(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. <p>(2) All the 12 Directors and senior management as mentioned under Practice 13.2 of the MCCG were present at the 44th AGM to provide responses to the questions posed by shareholders via TIH Online website at https://tiah.online in relation to the agenda items for the 44th AGM, both prior to and during the 44th AGM.</p> <p>(a) Bursa Malaysia received 37 questions from shareholders prior to up to a day before the 44th AGM. These questions were</p>

	<p>displayed in the CEO’s presentation slides 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 44th AGM. Ample time and opportunity were made available for shareholders to pose questions. During the meeting which commenced from 10.00 a.m. on 31 March 2021, shareholders, corporate representatives and proxies had submitted a total of 136 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&A”) session was held for about 1 ½ hours from 10.40 a.m. to 12.10 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 Partner of EY, Dato’ Megat Iskandar Shah and the Audit Committee Chairman, Mr. Pushpanathan a/l S.A. Kanagarayar were also invited to provide the responses to relevant questions submitted via the query box during the meeting itself.</p> <p>(c) 10 questions were received after the Q&A session had ended. Hence, they were responded to by the Company via e-mail after the 44th 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 ir@bursamalaysia.com at any time, outside of the AGM.</p>
<p>Explanation for departure :</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>Measure :</p>	

Timeframe	:		
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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.

Application	:	Applied
Explanation on application of the practice	:	<p>Above Creative Events (M) Sdn Bhd was engaged to provide the audio and visual support services to broadcast the proceedings of the 44th AGM virtually. It was live streamed for access via TIIH Online website at https://tiih.online.</p> <p>(1) The Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) had verified the eligibility of shareholders/corporate representatives/proxies to attend the 44th AGM based on the General Meeting Record of Depositors as at 24 March 2021 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 44th AGM.</p> <p>(2) Tricor had introduced an application called the Moderator Link, as part of its new services 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 44th 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&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&A session of about 1 ½ hours served as an interaction between the Directors, Management and shareholders during the fully virtual meeting. Whilst the members were in attendance in the proceedings of the 44th AGM at “(LIVE STREAM MEETING) BURSA 44TH 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 31 March 2021, Tan Sri Chairman had allowed additional 10 minutes for members to cast their votes after the conclusion of the Q&A session at 12.10 p.m. At 12.20 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 12.20 p.m. and 12.40 p.m. The Scrutineers, Mr. Anthony Tai Yu Kun of Deloitte announced the poll results of each Resolution 1 to 7 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 44th AGM, he/she could listen to the recording of the meeting proceedings which were uploaded 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.</p>
<p>Explanation for departure :</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>Measure :</p>	
<p>Timeframe :</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>	
Application	: Applied
Explanation on application of the practice	: The Minutes of the 44 th Annual General Meeting (AGM) dated 31 March 2021 duly confirmed and signed together with the CEO's presentation materials were uploaded 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 on 3 May 2021. 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 44 th 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 44 th AGM together with the answers for the same [Annexure 4] and the complete list of questions together with the answers for the same [Annexure 5] were posted on Bursa Malaysia's website on 6 May 2021, i.e. within 30 business days from the date of 44 th AGM.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:
Timeframe	:

**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.

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