



Global Sustainability & Impact Investing Forum ASEAN CAP10 Sustainability Series

**Welcome Address for Dato' Tajuddin Atan
Chief Executive Officer, Bursa Malaysia Berhad
23 July 2015 | Shangri-La Hotel | Kuala Lumpur
8.45am - 8.55am**

Bismillahirrahmanirrahim

Yang Berhormat Datuk Chua Tee Yong,
Deputy Minister of Finance II,

Our co-host, Nandini Sukumar,
Chief Executive Officer of the World Federation of
Exchanges

Our knowledge provider, Andrew Chan,
Senior Executive Director, PwC

My Exchange peers,
Corporate captains,
Tan Sri-Tan Sri, Datuk Seri-Datuk Seri, Datuk-Datuk,

Datin-datin,

Distinguished guests,

Members of the media,

Ladies and gentlemen,

Assalamualaikum warahmatullahi wabarakatuh.

1. Salam sejahtera, a very good morning and welcome to Bursa Malaysia's inaugural "Global Sustainability and Impact Investing" forum. This forum is a follow-through from the WFE Working Committee meeting that was held here yesterday and I am glad to see so many thought leaders and key capital market players gathered here once again for another highly packed day of dialogues and engagements.
2. Let me begin by thanking each one of you for joining us today and for being part of a conversation that has been transcending the capital market to the rest of the world. I would

also like to specially welcome again, our guests from the World Federation of Exchanges (“WFE”). Thank you for staying back for our event today.

3. I wish to thank The Honourable Deputy Minister of Finance II, Datuk Chua Tee Yong for gracing today’s forum despite his very busy schedule. We are indeed honoured and privileged to have your presence and support here today.
4. Special thanks goes to our co-host, Nandini Sukumar, Chief Executive Officer of WFE for mooting the idea of hosting the WFE Working Committee meeting here in Kuala Lumpur during one of the most defining years for the ASEAN capital market. In addition to collaborating with us to make today’s event a reality, Nandini is also here this morning to share key insights from the results of an extensive survey of the world’s leading exchanges on Sustainable practices.

Ladies and gentlemen,

5. As an exchange, we have a critical role and responsibility to ensure the sustainability of our marketplace. And given that we operate within an increasingly challenging environment, where resources are limited against growing demand, there is an urgent need to move towards greater responsibility, efficiency and accountability from a business perspective.
6. To add to the urgency, we are seeing a shift, especially from an investor and consumer perspective - whereby in addition to making substantive returns, many are looking at delivering environmental and social impact. This will be central throughout our event today and our sustainability series.
7. Our first panel session this morning will in fact

deliberate and provide evidence to this point. I shall not belabour you with details, but I would like to share with you some statistics from the Sustainable Reality paper by Morgan Stanley Institute for Sustainable Investing.

8. It states that in the US in 2012, 1 US Dollar out of every 9 Dollars of US assets under professional management was invested in some form of sustainable investment, primarily in public equities. By 2014, it had increased to 1 US Dollar out of every 6 US Dollars representing a total of 6.57 trillion US Dollars now invested in sustainable investments.

9. On the local front, the market welcomed Malaysia's first ESG fund earlier this month. This followed hot on the heels of the country's first social impact sukuk rollout by Khazanah Nasional in May. Whilst still in its early days, these are

encouraging developments which I hope, will set the tone and direction for more to follow.

10. And I would imagine that, in view of these significant developments at home and abroad, access to global funds for companies that do not commit to sustainable practices will be challenged in times to come.

Ladies and gentlemen,

11. There is no doubt that there is a heightened interest in ESG and sustainability issues across today's marketplace. For Bursa Malaysia, we see sustainability as a journey. Over the years we have taken deliberate steps forward, beginning with our Corporate Responsibility framework in 2006, followed by our sustainability guide in 2010. December 2014 marked another milestone in our journey of sustainability with the rollout of

the FTSE4Good Bursa Malaysia index, otherwise known as our ESG index.

12. With many exchanges driving sustainability initiatives, we are proud to be the first in Asia to have introduced this globally benchmarked ESG index. We believe that this will help usher in a new era of impact investing into our market. Earlier this year, Bursa Malaysia joined the other global exchanges and became a signatory of the United Nations Sustainable Stock Exchanges (SSE) initiative. Our joining as SSE Partner Exchange integrates well with our existing agenda and commitment to stepping our efforts in promoting sustainable practices in our marketplace.

13. Moving forward, we will continue to promote and propagate sustainability practices with ESG as the foundation, to ensure our listed companies capture the necessary attention in this new

sustainability driven marketplace equalised by ESG Indices.

14. Rest assured this will not be our first and last of our Sustainability event. Our next Sustainability Series forum will be held on the 8 October 2015. This is where we will introduce a new sustainability guide and toolkit that provides a new model guidance for other listed companies, big or small, to set their internal compass on a path towards being added to our ESG index.
15. This new Model Guidance has been developed in collaboration with guidelines released by PRI; of which we are fortunate to have Fiona Reynolds, their Managing Director, with us on our panel to add more clarity to global adaptations taking place.

Ladies and gentlemen,

16. Bursa Malaysia created the ASEAN CAP10 Sustainability Series as a platform for the marketplace to engage in meaningful conversations on topics and challenges pertaining to the subject of sustainability. To many, it is a term that conjures up matters ranging from the mitigation of climate change to financial prudence and transparency. However, we will be focused on gaining a deeper understanding of the conversations surrounding the economic, environmental and social elements of sustainability and specifically how they relate to corporations, investors, stock exchanges and governments.

17. With this, I invite all of you to join us in seizing this day to take advantage of the discussions amongst the esteemed thought leaders. I also

urge you to engage in the conversations and let us each play our part in showcasing the strength of our marketplace.

18. Let me end again with thanking all of those whose contribution has made this forum possible. Our moderators and panelist - from my peer exchanges, NASDAQ and the Indonesia Stock Exchange, PwC, Blackrock, Bloomberg, Principles for Responsible Investing (“PRI”), Lafarge Malaysia, Khazanah Nasional and FTSE - thank you very much for bringing your expert perspectives to our conversation today.

Thank you.

Wabillahi taufiq wal hidayah Wassalamualaikum warahmatullahi wabarakatuh.