



Governance Model Document of Bursa Malaysia Berhad



**As at
1 July 2019**

This document is to be used solely for internal purposes of Bursa Malaysia Berhad and its group of companies.
Bursa Malaysia Berhad reserves all proprietary rights to the contents of this Governance Model Document.

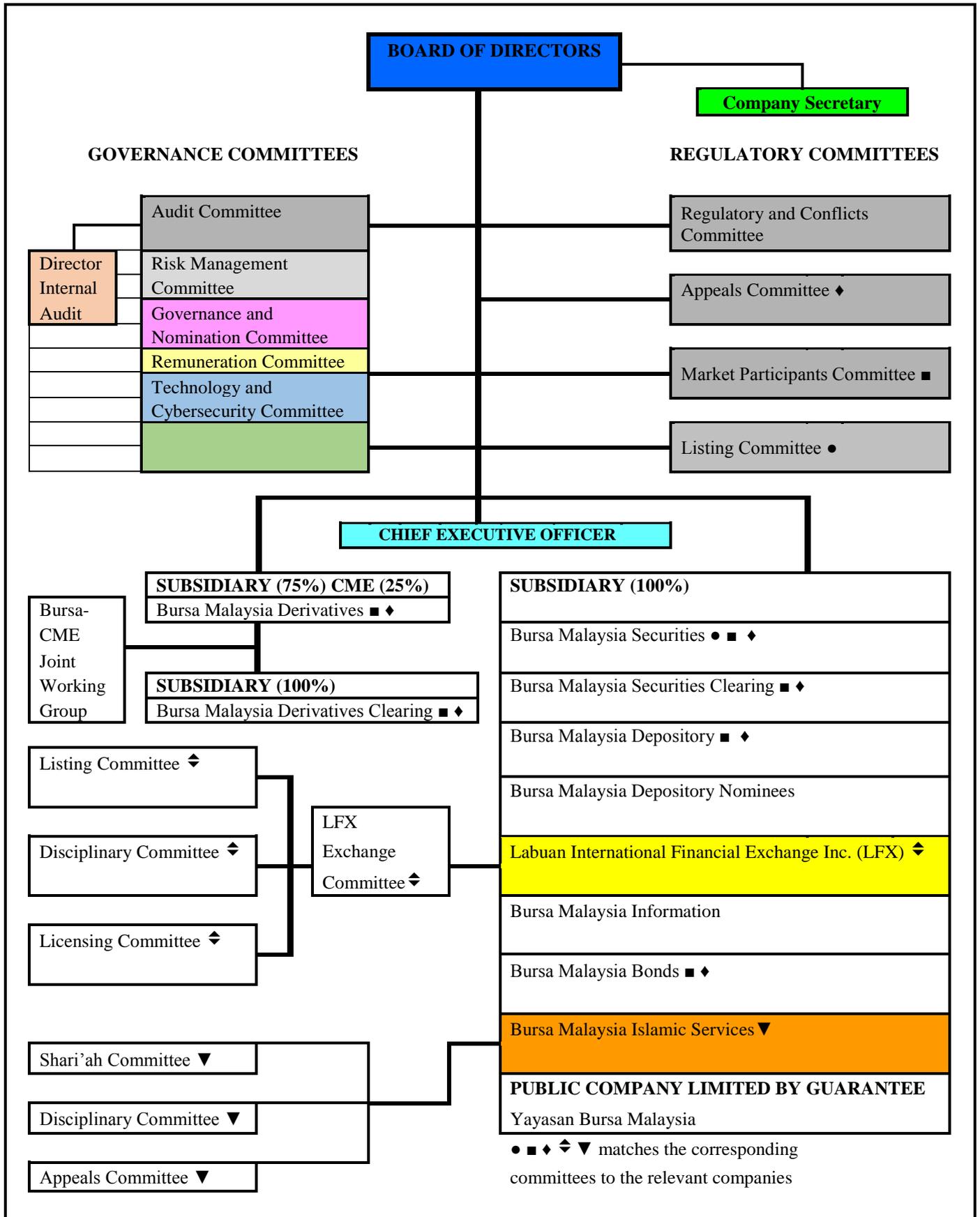


TABLE OF CONTENTS

1.	Governance Model	Page 1
2.	<u>Board of Directors of Bursa Malaysia Berhad</u>	Page 2 – 5
3.	<u>Governance Committees</u>	
3.1	Audit Committee	Page 6 – 10
3.2	Risk Management Committee	Page 11 – 13
3.3	Governance and Nomination Committee	Page 14 – 17
3.4	Remuneration Committee	Page 18 – 20
3.5	Technology and Cybersecurity Committee	Page 21 – 22
4.	<u>Regulatory Committees</u>	
4.1	Regulatory and Conflicts Committee.....	Page 23 – 25
4.2	Listing Committee	Page 26 – 27
4.3	Market Participants Committee	Page 28 – 29
4.4	Appeals Committee	Page 30 – 31
5.	<u>Committees Established Pursuant to Labuan Financial Services and Securities Act 2010 (LFSSA)</u>	
5.1	LFX Exchange Committee	Page 32 – 33



1. Governance Model



2. Board of Directors

TERMS OF REFERENCE	
Status	The Board of Directors of Bursa Malaysia Berhad (Bursa or the Company) is governed by the Companies Act 2016 (CA), Capital Markets and Services Act 2007 (CMSA) and the Constitution.
Membership	Classification
	<p>1. Non-Executive Chairman [The Chairman of the Board is appointed by the Minister of Finance amongst the Public Interest Directors, pursuant to Section 10(3) of the CMSA]</p> <p>2. Public Interest Directors (PIDs) [One third (1/3) of the number of Directors shall be PIDs who are appointed by the Minister of Finance in consultation with the Securities Commission, pursuant to Section 10(1)(a) of the CMSA]</p> <p>3. Other Directors [The remaining Directors are appointed by the Board or elected by the shareholders with the concurrence of the Securities Commission, pursuant to Section 10(1)(b) of the CMSA]</p>
Independent Director	A Non-Executive Director of the Company who satisfies the independence test under the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities). At least one third (1/3) of the Board of Directors shall be Independent Directors.
Primary Purpose	<p>The Board of Directors has primary responsibility for the governance and management of the Company, and fiduciary responsibility for the financial and organisational health of the Company.</p> <p>The Board of Directors monitors the functions of the Board Committees i.e. Governance Committees and Regulatory Committees, which correspond to respective subsidiary companies within Bursa group (the Group).</p>
Responsibilities	<p>In line with the Practices and Guidance of the Malaysian Code on Corporate Governance, the Board of Directors has the following responsibilities:-</p> <ul style="list-style-type: none"> • Promote good corporate governance culture within the Group which reinforces ethical, prudent and professional behaviour • Review, challenge and decide on Management’s proposals on matters as set out in the Group Corporate Authority Manual, which includes the overall corporate strategy, business plan, budget and regulatory plan, and monitor the implementation by Management • Review and approve strategic initiatives including corporate business restructuring or streamlining and strategic alliances, to ensure that they support long-term value creation and take into account economic, environment and social considerations underpinning sustainability



TERMS OF REFERENCE

Responsibilities (cont'd)

- Oversee the conduct of the Group's businesses to evaluate and assess management performance whether the businesses are being properly managed
- Assess and identify the principal risks of the Group's businesses in recognition that business decisions involve the taking of appropriate risks
- Set the risk appetite within which the Board expects Management to operate, and ensure that there is an appropriate risk management framework to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks
- Approve the nomination, selection, succession policies, and remuneration packages for the Board members, Board Committee members, Nominee Directors on the functional Boards of the subsidiaries of Bursa, CEO and Deputy CEO, and the annual manpower budget for the Group, including managing succession planning, appointing, training, fixing the compensation of, and where appropriate replacing senior management or key management personnel
- Approve the appointment, resignation or removal of Company Secretaries of Bursa
- Develop and implement an 'investor relations programme' or 'shareholder communications policy' for the Group
- Review the adequacy and integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines (including the securities laws, CA and MMLR of Bursa Securities)
- Review and approve the Financial Statements encompassing annual audited accounts and quarterly reports, dividend policy, credit facilities from financial institutions and guarantees
- Review and approve the Audit Committee Report, Risk Management and Internal Control Statement for the Annual Report
- Review and approve the Annual Regulatory Report prepared in accordance with Section 16 of the CMSA
- Prepare a Corporate Governance (CG) Overview Statement and CG Report on compliance with the Malaysian Code on Corporate Governance for the Annual Report
- Review and approve investment policies and guidelines for the Company's surplus funds, asset allocation policy and policy on exposure limits on investment with banking institutions
- Review and approve the capital expenditure, purchase of fixed assets, operating expenditure, variation order and any other matters in accordance with the Group Corporate Authority Manual



TERMS OF REFERENCE	
	<ul style="list-style-type: none"> • Approve the appointment of external auditors and their related audit fees • Carry out or perform such other functions necessary for the discharge of its fiduciary duties under the relevant laws, rules and regulations
Authority	<p>With the exception of specific corporate decisions as may be provided under the relevant securities laws, CA, MMLR of Bursa Securities, and the Constitution, requiring either the Minister of Finance/Securities Commission's approval or the passing of ordinary or special resolutions by shareholders, the Board of Directors shall have full authority to make all decisions.</p> <p>The Board shall also have the power to delegate specific functions and authority to its Committees, the Board of the subsidiaries of Bursa, individual Directors, or the Management.</p>
Meetings and Attendance	<p>The Board shall meet six (6) times each financial year and at any such time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for Board meetings shall be at least two-third (2/3) of the number of Directors on the Board, including a minimum of two (2) Public Interest Directors.</p> <p>Each member of the Board is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes of the Board shall be the decision of the Board. In the event of an equality of votes, the Chairman of the Board shall be entitled to a second or casting vote.</p> <p>Each Director shall attend at least 75% of the total Board meetings held during the year.</p>
Reports	<p>The Board is responsible for ensuring the production of the following reports:</p> <ul style="list-style-type: none"> • Financial statements (including annual audited accounts and quarterly financial results) • Audit Committee Report • Statement explaining the Board's responsibility for preparing the annual audited accounts • CG Overview Statement and CG Report • Risk Management and Internal Control Statement • Sustainability Statement/Report • Annual Business Plan and Budget • Annual Regulatory Report <p>The Board shall receive the Minutes of Board meetings of the functional Board of the subsidiaries and the Minutes of the Board Committees in the Group.</p>



TERMS OF REFERENCE

Directors' Circular Resolution	A resolution in writing signed by a majority of all Directors shall be valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted provided that the signatories must include the Chairman. All such resolutions shall be described as "Directors' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the Company's minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more Directors. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	The Company Secretaries who are appointed by the Board under the CA shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all members of the Board the papers to be deliberated at the meeting.
Appointment Process	All Directors, with the exception of Public Interest Directors, shall be required to submit themselves for re-election at regular intervals of not more than three (3) years in accordance with Article 18.4 of the Company's Constitution.



3.1 Audit Committee

TERMS OF REFERENCE	
Status	The Audit Committee (AC) is a committee of the Board of Directors.
Membership	Classification
<p><i>Note:</i></p> <p>1. The AC Chairman is not the Chairman of the Board</p> <p>2. Any former key audit partner must have observed a cooling-off period of at least 2 years before one is eligible for appointment as AC member</p>	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
	<p>The AC shall be appointed by the Board amongst its directors and shall comprise at least three (3) members who must be non-executive directors and financially literate, the majority of whom shall be independent directors. At least one (1) member of the AC:-</p> <p>(1) must be a member of the Malaysian Institute of Accountants (MIA); or</p> <p>(2) if he is not a member of the MIA, he must have at least three (3) years' working experience; and</p> <p style="padding-left: 40px;">(a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or</p> <p style="padding-left: 40px;">(b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967;</p> <p>(3) fulfils such other requirements as prescribed by Bursa Malaysia Securities Berhad or approved by the Securities Commission.</p> <p>No alternate Director shall be appointed as a member of the AC.</p>
Primary Purpose	<p>The AC is responsible to assist the Board of Directors in:-</p> <p>(1) fulfilling its oversight responsibilities for the financial reporting process, system of internal control and audit process;</p> <p>(2) ensuring the adequacy of controls in the processes and procedures undertaken in accordance with applicable laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies; and</p> <p>(3) overseeing the implementation and monitoring of the Whistleblower Policy and Procedures for the Group, and ensuring effective administration thereof by the Head of Internal Audit (IA).</p>
Responsibilities	<p>Specific responsibilities include, to:-</p> <ul style="list-style-type: none"> • Review the Group's quarterly results and year end financial statements before submission to the Board, focusing particularly on:



TERMS OF REFERENCE

- Changes in or implementation of major accounting policy changes
- Significant matters highlighted including financial reporting issues, significant judgements made by management, significant and unusual events or transactions, and how these matters are addressed
- Significant adjustments arising from the audit
- Compliance with accounting standards and other legal requirements
- The going concern assumption
- Review the annual performance assessment, including the suitability, objectivity and independence of the external auditors in accordance with the Auditor Independence Policy, which takes into consideration the following:-
 - The competence, audit quality and resource capacity of external auditors in relation to audit;
 - Written assurance from the external auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements, including the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants
- Recommend appointment, re-appointment or removal of external auditor, and their audit fees
- Review with the external auditors on the following and report the same to the Board:-
 - Audit plan, which comprises audit and non-audit services, and the fees
 - Nature, extent and scope of non-audit services, i.e. recurring and non-recurring to ensure that they are not likely to create conflicts of interest, so as to maintain objectivity and independence of external auditors
 - Audit report
 - Evaluations of the system of internal controls
 - Audit approach, including coordination of audit efforts with internal auditors, and assistance given by the employees to the external auditors
 - External auditors' management letter and management's response thereto
 - Any significant audit findings, reservations, difficulties encountered or material weaknesses reported by the external auditors
- Review with the internal auditors on the following and report the same to the Board:-
 - Effectiveness of the Group's internal control systems, which includes amongst others, financial, operational, compliance and information technology security and control
 - Adequacy of resources for internal control and dealing with problems encountered during the audit process
 - Adequacy of the scope of work, competency, experience and resources of the IA function and that it has the necessary authority to carry out its role and responsibilities



TERMS OF REFERENCE

- The IA plan, processes, the results of the IA assessments, investigation undertaken and whether or not appropriate action is taken on the recommendations
- Conformance with The Institute of Internal Auditors' Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice of Internal Auditing
- Review and approve the IA Scorecard and key performance indicators
- Review the appraisal or assessment of the performance of the IA function and performance of the Head of IA, who is appointed to be responsible for the regular review and/or appraisal of the effectiveness of the risk management, internal control and governance processes within the Group, and submit the outcome of performance assessment of the Head of IA to the Nomination and Remuneration Committee for determination of reward allocation
- Review the following and report the same to the Board:-
 - The Annual Statement on Internal Control and Risk Management to be published in the Annual Report
 - The findings of any examination, assessment or audit by regulators
 - Any related party transactions and conflict of interest situations that may arise including any transaction, procedure or course of conduct that raises question of management integrity
 - Any letter of resignation from the external auditors or suggestions for their dismissal
 - Whether there is reason (supported by grounds) to believe that the external auditor is not suitable for re-appointment
- Verify the allocation of options pursuant to the Employees' Share Option Scheme (ESOS) or the allocation of shares pursuant to any incentive plan for employees of the Group at the end of each financial year as being in compliance with the criteria which is disclosed to the employees
- Assess processes and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies
- Determine the remit of and decide on the budget for the internal audit function which reports directly to the AC, to ensure that the IA function is effective and is able to function independently. The IA personnel:-
 - should be independent of the activities they audit and free from any relationship or conflicts of interest which could impair their objectivity and independence;
 - should perform audit with impartiality, proficiency and due professional care
- Exercise its powers and carry out its responsibilities as may be required from time to time under the Whistleblower Policy and Procedures for the Group
- Report to the Board of Directors any suspected frauds or irregularities,



TERMS OF REFERENCE	
	<p>serious internal control deficiencies or suspected infringement of laws, rules and regulations which come to its attention and are of sufficient importance to warrant the attention of the Board</p> <ul style="list-style-type: none"> • Carry out any other function that may be mutually agreed upon by the AC and the Board
Authority	<p>The AC shall have the authority to:-</p> <ul style="list-style-type: none"> • Review and approve the appointment, renewal of appointment, replacement or removal of the Head of IA who reports directly to the AC • Convene meeting with the external auditors, the internal auditors or both excluding the attendance of other directors and employees of the Group, whenever deemed necessary and such meetings with the external auditors shall be held at least twice a year • Obtain external professional advice or other advice and invite persons with relevant experience to attend its meetings, if necessary • Investigate any matter within its terms of reference, have the resources which it needs to do so, full and unrestricted access to information pertaining to the Group and the Management, and all employees of the Group are required to comply with requests made by the AC • Have direct communication channels with the external auditors and internal auditors, and also to engage the senior management on a continuous basis, such as the chairman, the CEO and the chief financial officer in order to be kept informed of matters affecting the Group • Appoint an independent party to conduct or to assist in conducting any investigation, upon the terms of appointment to be approved by the AC • Authorise the AC Chairman for the time being to carry out the AC's responsibilities as required under the Whistleblower Policy and Procedures for the Group • Recommend to the Board of Directors any appropriate changes to the duties of the AC
Meetings	<p>The AC shall meet four (4) times each year and at such other time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the AC shall be three (3), the majority of members present must be independent directors.</p> <p>Each member of the AC is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes shall be the decision of the AC. In the event of an equality of votes, the Chairman of the AC shall be entitled to a second or casting vote.</p>
Communication to the Board	<p>The AC shall prepare a report each year concerning its activities in compliance with these terms of reference to be tabled to the Board and for</p>



TERMS OF REFERENCE	
	<p>inclusion in the Group's Annual Report.</p> <p>The minutes of each AC meeting shall be tabled to the Board for notation.</p> <p>The AC may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.</p> <p>Where the AC is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the AC must promptly report such matter to the Securities Commission.</p>
Circular Resolution	<p>A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the AC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>
Secretariat	<p>The following persons shall be the joint secretaries to the AC:-</p> <p>(i) Company Secretary; (ii) Person(s) appointed by the AC from: (a) IA; and/or (b) Corporate Governance & Secretarial.</p> <p>The Company Secretary shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the AC shall be conducted annually. The AC members shall be appointed by the Board of Directors for a term of one (1) year, and the AC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



3.2 Risk Management Committee

TERMS OF REFERENCE	
Status	The Risk Management Committee (RMC) is a committee of the Board of Directors, established pursuant to Section 22 of the Capital Markets and Services Act 2007.
Membership	Classification
	1. Independent Non-Executive Director (Chairman of the RMC)
	2. Independent Non-Executive Director who is a Public Interest Director
	3. Independent Non-Executive Director
	4. Independent Non-Executive Director
Primary Purpose	<p>The RMC is responsible for overseeing the risk management matters relating to the activities of the exchange holding company and its subsidiaries (the Group). It assists the Board to fulfil its responsibilities with regard to risk governance and risk management in order to manage the overall risk exposure of the Group.</p> <p>The RMC is also responsible for overseeing the compliance and business continuity functions of the Group.</p>
Responsibilities	<p>Specific responsibilities include, to:-</p> <p>Enterprise Risk Management</p> <ul style="list-style-type: none"> • Oversee the risk management matters of the Group, which include identifying, managing, monitoring, treating and mitigating significant risks across the Group • Review and recommend the principles, frameworks and policies for managing risks within the Group, for consideration and approval by the Board • Review and approve the procedures and guidelines for managing risks within the Group • Review, monitor and assess the risk appetite and risk tolerance for the Group • Review and recommend the annual Corporate Risk Profile which specifies key enterprise risks, for approval by the Board • Review and recommend the statement on risk management which form part of the Statement on Internal Control, for approval by the Board • Review and deliberate the reports on significant risk findings and recommendations • Review, monitor and assess the effectiveness of the Group's implementation of risk treatment/mitigation action plan(s) for the management and control of the key risks, including cyber risk and resilience • Review and assess the impact of cyber risk when undertaking any new activities, including but not limited to any investment decision, merger and acquisition, adoption of new technology and outsourcing arrangements • Review and keep updated of any new or emerging trends of threats, including cyber threats, so as to ensure that the Management continues to promote risk awareness at all levels within the Group • Review new product and ensure the appropriate and relevant risks have been adequately addressed before submission to the relevant authority for seeking approval-in-principle on any proposed new product launch • Review if necessary together with other Committees, the Management,



TERMS OF REFERENCE	
	<p>Internal Audit and external auditors, any significant risks that could affect the Group and assess the steps that the Management has taken to manage such risks</p> <ul style="list-style-type: none"> • Review the adequacy of resources allocated for effective management of risk within the Group • Benchmark risk management practices of the Group against international recognised standards <p>Compliance and Business Continuity Management</p> <ul style="list-style-type: none"> • Review and deliberate reports on non-compliance findings, business continuity testing results and recommendations • Review the framework, the plan and the scope as well as the effectiveness of the compliance and business continuity functions • Monitor the overall compliance to the internal policies, statutory and regulatory requirements as well as guidelines for the Group • Benchmark compliance and business continuity management practices of the Group against international recognised standards
Authority	<p>The RMC shall have the authority to make decisions on matters which fall within the purpose and responsibilities of the RMC.</p> <p>The RMC shall also have the authority to seek information and have unrestricted access to information pertaining to the Group and the Management, to fulfil its primary purpose and responsibilities.</p> <p>The RMC shall make recommendations to the Board in respect of risk related matters which warrants the attention of the Board.</p>
Meetings	<p>The RMC shall meet four (4) times each year and at such other time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the RMC shall be three (3).</p> <p>Each member of the RMC is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes shall be the decision of the RMC. In the event of an equality of votes, the Chairman of the RMC shall be entitled to a second or casting vote.</p>
Communication to the Board	<p>The minutes of each RMC meeting shall be tabled to the Board for notation.</p> <p>The RMC shall from time to time provide the Board with status updates in respect of risk related matters, which warrants the attention of the Board.</p> <p>The RMC shall report to the Board on key risk issues or decisions made within its purview, for the Board's notation.</p>
Circular Resolution	<p>A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the RMC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each</p>

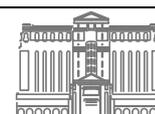


TERMS OF REFERENCE	
	signed by one (1) or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	<p>The following persons shall be the joint secretaries to the RMC:-</p> <p>(i) Company Secretary; and (ii) Person(s) appointed by the RMC from: (a) Corporate Governance & Secretarial; and/or (b) Risk & Compliance.</p> <p>The Company Secretary shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the RMC shall be conducted once in every two (2) years. The RMC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the RMC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



3.3 Governance and Nomination Committee

TERMS OF REFERENCE	
Status	The Governance and Nomination Committee (GNC) is a committee of the Board of Directors (Board) of Bursa Malaysia Berhad (Bursa).
Membership	Classification
	1. Independent Non-Executive Director who is Chairman of the Board/ Public Interest Director (Chairman of the GNC)
	2. Senior Independent Non-Executive Director
	3. Independent Non-Executive Director
	4. Independent Non-Executive Director
<p>Primary Purpose</p> <p><i>Note: ** ‘Key Senior Management’ of Bursa Group includes person(s) who are primarily responsible for the business operations of Bursa’s core business and principal subsidiaries with reference to Appendix 9C of Bursa Malaysia Securities Berhad Main Market Listing Requirements (MMLR). They are:-</i></p> <p>(a) Chief Commercial Officer (b) Chief Operating Officer (c) Chief Regulatory Officer (d) Chief Financial Officer (e) Director, Securities Market (f) CEO, Bursa Malaysia Derivatives Berhad</p>	<p>The GNC is accountable to the Board on the effectiveness of the Group’s governance structure, framework and policies to meet the company’s values and standards. To this, the GNC will assist the Board in the following:-</p> <p>(1) the review of the Board and its committees’ composition and diversity;</p> <p>(2) the nomination and selection of candidates for the appointment of Directors and Board committee members;</p> <p>(3) the selection of candidates for the appointment of the Chief Executive Officer (CEO) of Bursa and key senior management;</p> <p>(4) the succession planning for the Board and senior management;</p> <p>(5) the performance evaluation of the Board and its committees;</p> <p>(6) the oversight of matters relating to corporate governance,</p> <p>to ensure necessary resources for the Board and Management are in place to achieve long-term sustainability.</p> <p>The GNC is responsible for recommending to the Board for approval of the following appointments:-</p> <p>(1) Members of the Board other than Public Interest Directors;</p> <p>(2) Members of the Board Committees;</p> <p>(3) Senior Independent Non-Executive Director (SID);</p> <p>(4) Chief Executive Officer (CEO) of Bursa;</p> <p>(5) Members of key senior management** of Bursa Group; and</p> <p>(6) Company Secretaries of Bursa.</p> <p>The GNC is responsible for reviewing and approving the appointment, re-appointment or termination of the Group’s key management personnel. The ‘Key Management Personnel’ include executives at Job Grade Executive Vice President (E2), Senior Executive Vice President (E1), A3 and A2 who are on fixed term employment contracts/service contracts.</p>



TERMS OF REFERENCE

Responsibilities

Specific responsibilities include, to:-

1. Board structure, size, composition and diversity

- Develop, review and recommend to the Board a set of corporate governance framework and structure with reference to developments in the areas of corporate governance and/or changes to the applicable laws, regulations, rules and guidelines from time to time
- Assess and review the size, composition and diversity of the Board and Board Committees including the required mix of skills, knowledge, experience and other qualities annually, and recommend to the Board its proposal

2. Nomination and selection criteria for Directors and Committee members

- Formulate the nomination, selection and succession policies for the members of the Board, Board Committees and Senior Independent Non-Executive Director
- Approve the criteria to be applied for identifying and/or reviewing candidates for the appointments of Directors and members of the Board Committees of Bursa
- Review all nominations and recommend the selection of final candidate(s) to the Board for approval the election/appointment, and re-election/re-appointment of Directors and members of the Board Committees
- Make recommendations to the Board for appointments to fill casual vacancies
- Make recommendations to the Board on the extension of the term of appointment of a Public Interest Director
- Review and recommend to the Board the appointment of members of Board Committees established by the Board for each term
- Review and recommend to the Board the appointment of Non-Executive Directors to the Board of the subsidiaries of Bursa

3. Performance evaluation of the Directors and Committee members

- Review and propose the Board's performance evaluation process and performance criteria for the Board's approval
- Review the performance of the members of the Board and Board Committees prior to seeking the Board's approval on their re-appointment or termination
- Review the feedback arising from the evaluation of the Board and Board Committees, and recommend to the Board action plan for improvement on areas identified in the Board effectiveness evaluation, where applicable
- Conduct rigorous review to determine whether a director can continue to be independent in character and judgement, and also to take into account the need for progressive refreshing of the Board
- Review the time commitment required from the Non-Executive Directors

4. Succession planning for Board and Directors' training

- Develop and review the succession plan for the Board and the CEO, and make recommendation to the Board taking into account all factors including the challenges and opportunities facing the Group and the skills and expertise required in the future



TERMS OF REFERENCE

- Ensure that orientation and education programmes are provided for new members of the Board
- Review the needs of the Directors for their continuing education programmes

5. Succession planning for Senior Management and Leadership Development

- Review the human resources plan of Bursa, including succession management framework and activities, human resource initiatives as well as annual manpower budget
- Review all nominations and recommend the selection of final candidate(s) to the Board for approval the appointment, re-appointment or termination of Key Senior Management
- Review all nominations and approve the final candidate(s) to the Board for appointment, re-appointment or termination of Key Management Personnel of the Group
- Review the leadership needs and leadership training and development programmes of the Group
- Recommend the engagement of external professional advisors to assist and/or advise the GNC, on selection and succession policy matters, where necessary

6. Performance evaluation of the CEO and Senior Management

- Establish a set of quantitative and qualitative performance criteria to evaluate the performance of the CEO, Key Senior Management and the Group's Key Management Personnel (which include the Group Company Secretary and the Director of Internal Audit)
- Review the Corporate Balanced Scorecard and key performance indicators (KPIs) to drive organisational performance
- Review the application of corporate KPIs to the scorecards of the respective Strategic Business Units/Support Functional Units, to ensure alignment towards corporate objectives, including the weights distribution and specific performance criteria, which may be applicable to the divisional scorecards of Internal Audit and Regulation, prior to its recommendation for approval by the Audit Committee, and the Regulatory and Conflicts Committee respectively
- Review the performance of the CEO and Key Senior Management prior to seeking the Board's approval on their re-appointment or termination
- Review the performance of the Group's Key Management Personnel and decide on the renewal of their service contracts or otherwise, including promotion or termination
- Review the performance of the Chief Regulatory Officer (based on recommendation by Regulatory and Conflicts Committee) and the Key Senior Management which form the basis of the Remuneration Committee's recommendation to the Board for approval of their performance rewards
- Review and approve the performance of the Director of Internal Audit (based on recommendation by Audit Committee) and the Group's Key Management Personnel for determination of performance rewards by the Remuneration Committee

7. Corporate Governance (CG) Oversight



TERMS OF REFERENCE	
	<ul style="list-style-type: none"> • Review the Terms of Reference of the Board and its committees to ensure effectiveness in the discharge of their respective functions • Review the annual CG Overview Statement and CG Report for the Board's approval • Oversee all matters relating to CG including developing and reviewing appropriate framework, policies and codes of conduct to promote proper governance within the Group
Authority	The GNC shall have the authority to make decisions on matters which fall within the purpose and responsibilities of GNC.
Meetings	<p>The GNC shall meet four (4) times each year and at such other time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the GNC shall be three (3).</p> <p>Each member of the GNC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the GNC. In the event of an equality of votes, the Chairman of the GNC shall be entitled to a second or casting vote.</p>
Communication to the Board	<p>The minutes of each GNC meeting shall be tabled to the Board for notation.</p> <p>The GNC may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.</p> <p>The GNC shall also prepare a report on the effectiveness of the Board as a whole and the individual performance of each Director.</p>
Circular Resolution	A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the GNC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	<p>The Company Secretary shall be the secretary of the GNC.</p> <p>The Company Secretary shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the GNC shall be conducted once in every two (2) years. The GNC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the GNC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



3.4 Remuneration Committee

TERMS OF REFERENCE	
Status	The Remuneration Committee (RC) is a committee of the Board of Directors (Board) of Bursa Malaysia Berhad (Bursa).
Membership	Classification
	6. Senior Independent Non-Executive Director (Chairman of the RC)
	7. Independent Non-Executive Director who is a Public Interest Director
	8. Independent Non-Executive Director
	9. Independent Non-Executive Director
<p>Primary Purpose</p> <p><i>Note: ** ‘Key Senior Management’ of Bursa Group includes person(s) who are primarily responsible for the business operations of Bursa’s core business and principal subsidiaries with reference to Appendix 9C of Bursa Malaysia Securities Berhad Main Market Listing Requirements (MMLR). They are:-</i></p> <p>(a) Chief Commercial Officer (b) Chief Operating Officer (c) Chief Regulatory Officer (d) Chief Financial Officer (e) Director, Securities Market (f) CEO, Bursa Malaysia Derivatives Berhad</p>	<p>The RC is responsible to assist the Board in the development and implementation of the framework and policies on the remuneration of the Non-Executive Directors (NEDs) and employees of Bursa and its subsidiaries. The RC also assists the Board to ensure that the remuneration policies put in place are fair and implemented through a transparent and independent process.</p> <p>The RC is responsible for reviewing and recommending to the Board for approval the remuneration packages and annual performance rewards for the following positions:-</p> <p>(1) Chief Executive Officer (CEO); and (2) Members of key senior management** of Bursa Group.</p> <p>The RC is also responsible for reviewing and approving the remuneration packages of the Group’s key management personnel based on outcome of performance review by the Governance and Nomination Committee. The ‘Key Management Personnel’ include executives at Job Grade Executive Vice President (E2), Senior Executive Vice President (E1), A3 and A2 who are on fixed term employment contracts/service contracts.</p> <p>With respect to the Share Grant Plan (SGP), the RC shall assist the Board to ensure that the SGP is fairly and properly administered and implemented in accordance with the SGP By-Laws.</p>
Responsibilities	<p>Specific responsibilities include, to:-</p> <ul style="list-style-type: none"> • Review annually the remuneration policy for the members of the Board, Board Committees and NEDs on the Board of the subsidiaries of Bursa, and recommend to the Board for approval • Review the remuneration of the CEO of Bursa and Key Senior Management, and recommend to the Board for approval • Review and approve the remuneration of the Group’s Key Management Personnel (which include the Group Company Secretary and the Director of Internal Audit)



	TERMS OF REFERENCE
Responsibilities (cont'd)	<ul style="list-style-type: none"> • Approve the utilization of the provision for annual salary increment, performance bonus, market adjustments and total incentive pool for distribution to employees as well as long term incentives (including share grant and bonus) in respect of each financial year • Review the Group's compensation policy and ensure alignment of compensation to corporate performance, and compensation offered in line with market practice • Recommend the engagement of external professional advisors to assist and/or advise the RC, on remuneration matters, where necessary • Establish a trust to be administered by the Trustee for the purpose of subscribing for new Bursa shares and transferring them to selected employee(s) and/or selected executive(s), as and when the RC may in its discretion deem fit, and direct the administration of the SGP in accordance with the SGP By-Laws • Consider and determine the selection of eligible employee(s) and/or eligible executive(s) based on the conditions of eligibility as stipulated in By-Law 4 of the SGP By-Laws • Consider and determine the overall share grant allocation, including the number of shares to be granted to a selected employee and/or selected executive and vested in him/her subject to the provisions of the SGP By-Laws • Consider and determine the allocation framework under the SGP, as well as the performance targets based on performance measures i.e. performance qualifier or key performance indicators to be achieved for the Award(s) under the SGP • Make an offer to selected employee(s) and/or selected executive(s) of Bursa Group, in the form and manner as may be prescribed by the RC in accordance with the SGP By-Laws • Recommend to the Board for approval, where it deems necessary, any amendment, modification, addition, or deletion of the SGP By-Laws • Enter into any transactions, agreements, deeds, documents or arrangement, and make rules, regulations or impose terms and conditions or delegate part of its power relating to the administration of the SGP as the RC may in its discretion deem fit, necessary and/or expedient subject to the provisions of the SGP By-Laws for the time being in force • Take all other actions within the purview of the RC pursuant to the SGP By-Laws, for the necessary and effective implementation and administration of the SGP
Authority	The RC shall have the authority to make decisions on matters which fall within the purpose and responsibilities of RC.
Meetings	<p>The RC shall meet four (4) times each year and at such other time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the RC shall be three (3).</p> <p>Each member of the RC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the RC. In the event of an equality of votes, the Chairman of the RC shall be entitled to a second or casting vote.</p>



TERMS OF REFERENCE	
Communication to the Board	<p>The minutes of each RC meeting shall be tabled to the Board for notation.</p> <p>The RC may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.</p> <p>The RC shall also prepare a report on the effectiveness of the Board as a whole and the individual performance of each Director.</p>
Circular Resolution	<p>A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the RC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>
Secretariat	<p>The Company Secretary shall be the secretary of the RC.</p> <p>The Company Secretary shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the RC shall be conducted once in every two (2) years. The RC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the RC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



3.5 Technology and Cybersecurity Committee

TERMS OF REFERENCE	
Status	The Technology and Cybersecurity Committee (TCC) is a committee of the Board of Directors (Board) of Bursa Malaysia Berhad (Bursa).
Membership	Classification
	10. Independent Non-Executive Director (Chairman of the TCC)
	11. Non-Independent Executive Director/Chief Executive Officer
	12. Independent Non-Executive Director who is a Public Interest Director
	13. Independent Non-Executive Director
	14. Independent individual with technology expertise
Primary Purpose	The TCC is responsible to assist the Board in:- (1) fulfilling its oversight responsibilities with respect to the overall role of technology in the execution of business strategy; (2) overseeing the cybersecurity function of the Group.
Responsibilities	Specific responsibilities include, to:- <ul style="list-style-type: none"> • Review and recommend to the Board, the Management’s technology strategy and plan, in alignment with the Group’s overall business objectives • Oversee the adequacy and allocation of technology resources (funding and personnel) for delivery of short-term and long-term technology plans of the Group • Review significant technology investments and expenditures of the Group • Review the governance and capabilities in key technology changes and innovations to meet the demands of the Group and industry • Review and report to the Board on the emerging global technologies and trends and their potential for application within the Group • Provide oversight on the cybersecurity function of the Group, and escalate to the Board where appropriate • Review and keep updated of any new or emerging trends of cyber threats, to ensure cybersecurity preparedness and resilience of the Group • Perform such other tasks relating to the oversight of the Group’s technology and cybersecurity functions as may be delegated by the Board from time to time <p>Notwithstanding anything in these Terms of Reference, the responsibility for oversight of risks associated with technology and cybersecurity, including risk assessment and risk management, shall remain with the Risk Management Committee, with reports to the Audit Committee as appropriate.</p>
Authority	The TCC shall have the authority to make decisions on matters which fall within the purpose and responsibilities of TCC.



TERMS OF REFERENCE

Meetings	<p>The TCC shall meet two (2) times each year and at such other time(s) as it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the TCC shall be three (3).</p> <p>Each member of the TCC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the TCC. In the event of an equality of votes, the Chairman of the TCC shall be entitled to a second or casting vote.</p>
Communication to the Board/ other Board Committees	<p>The minutes of each TCC meeting shall be tabled to the Board for notation.</p> <p>The TCC will refer to the Audit Committee or Risk Management Committee any matters that have come to the attention of the TCC which are relevant for notation or consideration, or which should be dealt with by, the Audit Committee or Risk Management Committee.</p>
Circular Resolution	<p>A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the TCC. All such resolutions shall be described as “Members’ Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>
Secretariat	<p>The following persons shall be the joint secretaries to the TCC:-</p> <ul style="list-style-type: none"> (i) Company Secretary; and (ii) Person(s) appointed by the TCC from: <ul style="list-style-type: none"> (c) Corporate Governance & Secretarial; and/or (d) Technology & Information Management. <p>The Company Secretary shall be responsible for preparation of agenda in consultation with the Chairman, and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the TCC shall be conducted once in every two (2) years. The TCC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the TCC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



4.1 Regulatory and Conflicts Committee

TERMS OF REFERENCE	
Status	The Regulatory and Conflicts Committee (RACC) is a committee of the Board of Directors of Bursa Malaysia Berhad (Bursa).
Membership	Classification
	<ol style="list-style-type: none"> 1. Public Interest Director (Chairman of the RACC) 2. Public Interest Director 3. Public Interest Director 4. Public Interest Director 5. Independent Non-Executive Director
Primary Purpose	<p>The RACC is responsible for overseeing the regulatory functions and conflicts arrangement within Bursa group (the Group). It also reviews and approves proposed changes to the Listing Requirements (LR)/the Group business rules.</p> <p>The RACC is also responsible for the management and administration of the Capital Market Education and Integrity Fund (CMEIF) of Bursa in accordance with the requirements under Part II: Regulatory Oversight of the Guidance on the Regulatory Role of Bursa dated 28 March 2012 to meet its objectives.</p> <p>The CMEIF of Bursa is set up pursuant to a directive issued by the Securities Commission dated 16 October 2012 to account for all fines and transfer monies collected by Bursa, which are segregated as liability in the balance sheet.</p> <p>In addition, the RACC is responsible to perform an independent review of appeal cases on contract/trade cancellations.</p>
Responsibilities	<p>Specific responsibilities include, to:-</p> <ul style="list-style-type: none"> • Oversee the regulatory structure and functions of Bursa to ensure the effective and efficient discharge of Bursa's duties under the Capital Markets and Services Act 2007 (CMSA) as a regulator, having regard to public interest • Review and recommend the Annual Regulatory Report (ARR) of Bursa, for approval by the Board • Review and recommend the annual Regulatory Plan (ARP) and Budget, for approval by the Board. This review shall include the initial proposal by Regulation Division and the final recommendation by Bursa Management • Review and recommend the annual Manpower Plan of Regulation Division, for approval by the Board. The review is mainly to ensure availability of optimal human resources in Regulation Division • Quarterly review of the implementation status of key initiatives under the ARP • Quarterly review of the resources (financial and manpower) allocated to Regulation Division • Review and approve the Regulation Scorecard and key performance indicators • Review the performance of the Chief Regulatory Officer/Director of Regulation in relation to the regulatory functions within the Group, and



TERMS OF REFERENCE

	<p>submit the outcome of performance assessment to the Nomination and Remuneration Committee (NRC) for determination of reward allocation</p> <ul style="list-style-type: none"> • Review and recommend remuneration and reward policies (where necessary) for Regulation Division, for consideration by the NRC and approval by the Board • Conduct quarterly ‘one-on-one’ engagement session with the Chief Regulatory Officer/Director of Regulation in the absence of other Bursa Group Management • Review the adequacy of the arrangements within the Group for dealing with any perceived or actual conflict between the proper performance of its regulatory functions and its commercial interests, including any conflict of interests (COI) or potential COI arising from Bursa being a self-listed entity • Review and approve the Guidelines for Handling of COI, and any amendment thereof • Review COI situations that may arise in the organisation in accordance with the guidelines/procedures and where the RACC determines that a COI or potential COI does or may arise as a result of Bursa being a self-listed entity and frontline regulator, the matter shall be escalated to the Board for decision • Review and approve proposed changes to the LR/the Group business rules • Approve utilisation of the CMEIF for programmes and initiatives proposed based on the approved objectives and guidelines • Determine, review and recommend changes to the CMEIF’s objectives, where appropriate • Determine, review and approve the CMEIF’s guidelines and plans, where appropriate • Determine the allocation of the utilisation of the CMEIF for the programmes and initiatives approved for implementation • Monitor the utilisation of CMEIF and its balances • Decide on all other matters in relation to the management of the CMEIF • Deliberate and, subject to such facts and representations made by Bursa management and/or claimants, decide on whether Bursa had acted in good faith in cancelling a contract/trade or whether the contract/trade cancellation was justified
<p>Authority</p>	<p>The RACC shall have the authority to make decisions on matters which fall within the responsibilities of the RACC and where the RACC deems appropriate, to delegate certain matters within its responsibilities to the Management.</p> <p>The RACC shall also have the authority to make decision on whether Bursa had acted in good faith in cancelling a contract/trade or whether the contract/trade cancellation was justified.</p>



TERMS OF REFERENCE	
Meetings	<p>The RACC shall meet as and when it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the RACC shall be three (3).</p> <p>Each member of the RACC is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes shall be the decision of the RACC. In the event of an equality of votes, the Chairman of the RACC shall be entitled to a second or casting vote</p>
Communication to the Board	<p>The minutes of each RACC meeting shall be tabled to the Board for notation.</p> <p>The RACC may from time to time submit to the Board its recommendation on matters within its purview, for the Board's decision.</p>
Circular Resolution	<p>A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the RACC. All such resolutions shall be described as "Members' Circular Resolutions" and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions "in writing" or "signed" include approval by legible confirmed transmission by facsimile or other forms of electronic communications.</p>
Secretariat	<p>The following persons shall be the joint secretaries to the RACC:-</p> <ul style="list-style-type: none"> (i) Company Secretary; and (ii) Person(s) appointed by the RACC from: <ul style="list-style-type: none"> (a) Corporate Governance & Secretarial; and/or (b) Regulation. <p>The joint secretaries shall be responsible for preparation of agenda in consultation with the Chairman, minutes of meeting and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the RACC shall be conducted once in every two (2) years. The RACC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the RACC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



4.2 Listing Committee

TERMS OF REFERENCE	
Status	The Listing Committee (LC) is a committee established by the Board of Bursa Malaysia Berhad. It is a committee appointed/approved by the Board of Bursa Malaysia Securities Berhad (Bursa Securities) as the LC of Bursa Securities.
Membership	Classification
<i>Note:</i> - No member of the LC should sit on the Appeals Committee - A Board member who sits on the LC shall not be an Executive/ Management of any Public Listed Company and/or Stockbroking Company	1. Public Interest Director/Independent Non-Executive Director (Chairman of the LC)
	2. One (1) Public Interest Director/Independent Non-Executive Director
	3. Four (4) independent individuals with legal qualification or regulatory experience
	4. Four (4) independent individuals with accounting qualification, investment banking or corporate finance experience
Primary Purpose	The LC is responsible to decide on all major enforcement action undertaken under the Listing Requirements of Bursa Securities, withdrawal of listing and other major listing related regulatory decisions.
Responsibilities	Specific responsibilities include, to:- <ul style="list-style-type: none"> • Preside over matters relating to alleged breaches by Listed Issuers, Directors, Principal Officers, Advisers, Sponsors and any other persons to whom the Listing Requirements of Bursa Securities are directed to, and decide on breaches and appropriate sanctions or such other actions • Decide on such matters (including applications and policies) in relation to the Listing Requirements of Bursa Securities referred to the LC by the Management • Consider and decide on cases of appeal from parties against decisions by the Management, as may be referred by the Management
Authority	The LC shall have the authority to make decisions on matters which fall within the responsibilities of the LC and where the LC deems appropriate, to delegate certain matters within its responsibilities to the Management.
Meetings	The LC shall meet as and when it deems necessary to fulfil its responsibilities. The Quorum for the LC shall be at least 50% of the number of LC members for the time being, including at least one (1) member who is Public Interest Director or Non-Executive Director. Each member of the LC is entitled to one (1) vote in deciding the matters deliberated in the meeting. The decision that gained the majority votes shall be the decision of the LC. In the event of an equality of votes, the Chairman of the LC shall be entitled to a second or casting vote.
Communication to the Board	The minutes of each LC meeting shall be tabled to the Board for notation. The LC may from time to time raise significant issues to the attention of the Board.



TERMS OF REFERENCE	
Circular Resolution	A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the LC. All such resolutions shall be described as “Members’ Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	<p>The following persons shall be the joint secretaries to the LC:-</p> <p>(i) Company Secretary; and (ii) Person(s) appointed by the LC from Corporate Governance & Secretarial .</p> <p>The joint secretaries shall be responsible for preparation of agenda in consultation with the Chairman, minutes of meeting and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the LC shall be conducted once in every two (2) years. The LC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the LC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



4.3 Market Participants Committee

TERMS OF REFERENCE	
Status	The Market Participants Committee (MPC) is a committee established by the Board of Bursa Malaysia Berhad. It is a committee appointed/approved by the Board of the licensed subsidiaries, namely, Bursa Malaysia Securities Bhd, Bursa Malaysia Derivatives Bhd, Bursa Malaysia Depository Sdn Bhd, Bursa Malaysia Securities Clearing Sdn Bhd, Bursa Malaysia Derivatives Clearing Bhd and Bursa Malaysia Bonds Sdn Bhd pursuant to their respective Rules.
Membership	Classification
<i>Note:</i> - No member of the MPC should sit on the Appeals Committee - A Board member who sits on the MPC shall not be an Executive/ Management of any Public Listed Company and/or Stockbroking Company	1. Public Interest Director/Independent Non-Executive Director (Chairman of the MPC)
	2. One (1) Public Interest Director/Independent Non-Executive Director
	3. Two (2) independent individuals with legal qualification or regulatory experience
	4. Four (4) independent individuals with significant experience in the securities industry
	5. Two (2) independent individuals with significant experience in the derivatives industry
Primary Purpose	The MPC is responsible to decide on:- (1) all matters related to registration of Participating Organisations, Trading Participants, Clearing Participants, Participants of Electronic Trading Platform (ETP), Authorised Depository Agents (ADAs), Authorised Direct Members (ADMs) and Registered Persons (Participants) and all regulatory matters in relation to the Rules of the respective licensed subsidiaries; and (2) all claims made against the compensation fund of Bursa Malaysia Depository Sdn Bhd (Bursa Depository), and matters relating to the determination of such claims, based on the delegated authority from the Board of Bursa Malaysia Berhad and Bursa Depository.
Responsibilities	Specific responsibilities include, to:- <ul style="list-style-type: none"> • Preside over matters relating to alleged breaches of the Rules by Participating Organisations, Trading Participants, Clearing Participants, Participants of ETP, ADAs, ADMs, persons registered pursuant to the requirements of the relevant Rules and any other requirements as directed, and decide on breaches and appropriate sanctions or such other actions • Deliberate and/or decide on such matters (including applications and policies) in relation to the Rules referred to the MPC by the Management • Consider and decide on cases of appeal against decisions by the Management, as may be referred by the Management • Deliberate and make decision on the determination of all claims made against the compensation fund of Bursa Depository (Depository Compensation Fund) • Decide on all other matters in relation to the Depository Compensation Fund



TERMS OF REFERENCE	
Authority	The MPC shall have the authority to make decisions on matters which fall within the responsibilities of the MPC and where the MPC deems appropriate, to delegate certain matters within its responsibilities to the Management.
Meetings	<p>The MPC shall meet as and when it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the MPC shall be at least 50% of the number of MPC members for the time being, including at least one (1) member who is Public Interest Director or Non-Executive Director.</p> <p>Each member of the MPC is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes shall be the decision of the MPC. In the event of an equality of votes, the Chairman of the MPC shall be entitled to a second or casting vote.</p>
Communication to the Board	<p>The minutes of each MPC meeting shall be tabled to the Board for notation.</p> <p>The MPC may from time to time raise significant issues to the attention of the Board.</p>
Circular Resolution	A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the MPC. All such resolutions shall be described as “Members’ Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	<p>The following persons shall be the joint secretaries to the MPC:-</p> <p>(i) Company Secretary; and</p> <p>(ii) Person(s) appointed by the MPC from Corporate Governance & Secretarial.</p> <p>The joint secretaries shall be responsible for preparation of agenda in consultation with the Chairman, minutes of meeting and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the MPC shall be conducted once in every two (2) years. The MPC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the MPC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



4.4 Appeals Committee

TERMS OF REFERENCE	
Status	The Appeals Committee (APC) is a committee established by the Board of Bursa Malaysia Berhad. It is a committee appointed/approved by the Boards of Bursa Malaysia Securities Bhd, Bursa Malaysia Derivatives Bhd, Bursa Malaysia Depository Sdn Bhd, Bursa Malaysia Securities Clearing Sdn Bhd, Bursa Malaysia Derivatives Clearing Bhd and Bursa Malaysia Bonds Sdn Bhd as the APC of the respective entities pursuant to their respective Rules.
Membership	Classification
<p><i>Note:</i></p> <ul style="list-style-type: none"> - APC Members must not be involved in the Listing Committee, and Market Participants Committee - A Board member who sits on the APC shall not be an Executive/ Management of any Public Listed Company and/or Stockbroking Company 	<ol style="list-style-type: none"> 1. Chairman of the Board (Chairman of APC) 2. One (1) Public Interest Director/Independent Non-Executive Director 3. Two (2) independent individuals with significant experience in securities or derivatives industry 4. Four (4) independent individuals with legal qualification or regulatory expertise
Primary Purpose	<p>The APC is responsible for hearing and deciding on appeals against first instance decisions of the Listing Committee or Market Participants Committee made:-</p> <ol style="list-style-type: none"> (1) for or against Participating Organisations, Trading Participants, Clearing Participants, Participants of Electronic Trading Platform (ETP), Authorised Depository Agents (ADAs), Authorised Direct Members (ADMs), Registered Persons, Applicants, Listed Issuers, Directors, Principal Officers, Advisors, Sponsors and all other persons to whom the Listing Requirements, Rules and any other relevant requirements are directed; and (2) in relation to claims made under the compensation fund of Bursa Malaysia Depository Sdn Bhd (Depository Compensation Fund). <p>Any decision(s) made by the APC is final and non-appealable.</p>
Responsibilities	<p>Specific responsibilities include, to:-</p> <ul style="list-style-type: none"> • Consider appeals from Participating Organisations, Trading Participants, Clearing Participants, Participants of ETP, ADAs, ADMs, Registered Persons, Listed Issuers, Directors, Principal Officers, Advisors, Sponsors, Applicants, and any other persons to whom the Listing Requirements, Rules and any other relevant requirements are directed against decisions made by the Group with regards to decisions made by the Listing Committee and Market Participants Committee or appeals from Group Regulation against decisions made by the same Committees • Consider appeals in relation to disputes involving market participants where the Exchange had acted to make a determination



TERMS OF REFERENCE	
	<ul style="list-style-type: none"> Consider appeals in relation to claims made under the Depository Compensation Fund
Authority	The APC shall have the authority to make decisions on all regulatory appeals brought before it.
Meetings	<p>The APC shall meet as and when it deems necessary to fulfil its responsibilities.</p> <p>The Quorum for the APC shall be at least 50% of the number of APC members for the time being, including at least one (1) member who is Public Interest Director or Non-Executive Director.</p> <p>Each member of the APC is entitled to one (1) vote in deciding the matters deliberated in the meeting.</p> <p>The decision that gained the majority votes shall be the decision of the APC. In the event of an equality of votes, the Chairman of the APC shall be entitled to a second or casting vote.</p>
Communication to the Board	<p>The minutes of each APC meeting shall be tabled to the Board for notation.</p> <p>The APC may from time to time raise significant issues to the attention of the Board.</p>
Circular Resolution	A resolution in writing signed by a majority of all members shall be valid and effectual as if it had been passed at a meeting of the APC. All such resolutions shall be described as “Members’ Circular Resolutions” and shall be forwarded or otherwise delivered to the Company Secretary without delay and shall be recorded by the Company Secretary in the minutes book. Any such resolution may consist of several documents in the like form, each signed by one (1) or more members. The expressions “in writing” or “signed” include approval by legible confirmed transmission by facsimile or other forms of electronic communications.
Secretariat	<p>The following persons shall be the joint secretaries to the APC:-</p> <p>(i) Company Secretary; and</p> <p>(ii) Person(s) appointed by the APC from Corporate Governance & Secretarial.</p> <p>The joint secretaries shall be responsible for preparation of agenda in consultation with the Chairman, minutes of meeting and distribution to all the members the papers to be deliberated at the meeting.</p>
Appointment Process	<p>The review of the composition of the APC shall be conducted once in every two (2) years. The APC members shall be appointed by the Board of Directors for a term of two (2) years or such other period as may be specified by the Board of Directors from time to time, and the APC members may be eligible for re-appointment.</p> <p>The Board of Directors may revoke the appointment of a member and/or vary the term of appointment of a member at any time as it deems fit.</p>



5.1 LFX Exchange Committee

TERMS OF REFERENCE	
Status	Section 138 of the Labuan Financial Services and Securities Act 2010 (LFSSA), provides that the affairs of Labuan International Financial Exchange Inc (LFX or the Exchange) shall be managed by the Exchange Committee
Membership	Classification
	Pursuant to Section 138(1) of LFSSA, the Exchange Committee shall consist of not less than three (3) persons who possess relevant experience in financial, commercial or legal matters.
Primary Purpose	<ul style="list-style-type: none"> • To manage the affairs of the Exchange in accordance with Section 138 of the LFSSA. • To assist and advise the LFX Board in the management of the company in accordance with the Rules of the Exchange by making appropriate recommendations for the Board's consideration. • To undertake such responsibilities where the Board specifically delegates any of its powers to the Exchange Committee.
Responsibilities	<p>Specific responsibilities include, to:-</p> <ul style="list-style-type: none"> • Assist and advise the Board of Directors of LFX in its evaluation on an ongoing basis the effectiveness and efficiency of the strategies, policies and plans approved for the Exchange. • Review progress reports and proposals submitted by the various committees and management of LFX. • Monitor the implementation of approved strategies, policies and plans. • Evaluate on an ongoing basis the effectiveness and efficiency of the Exchange's business operations.
Authority	<ul style="list-style-type: none"> • Upon their appointment, members of the Exchange Committee shall exercise and perform their powers and functions in accordance with and be bound by the provisions of the Rules of the Exchange and any directions issued by Labuan Financial Services Authority (LFSA) from time to time. • Except for the power to hear appeals, the Exchange Committee may delegate any of its powers or functions to:- <ul style="list-style-type: none"> • any member of the Exchange Committee; • any of the other committees; • any sub-committee as may be established by the Exchange Committee; • the Chief Executive Officer (CEO); or • any other officer of the Exchange; <p>provided that such delegation shall not preclude the Exchange Committee from performing or exercising at any time any of its powers</p>



TERMS OF REFERENCE	
	<p>or functions so delegated.</p> <ul style="list-style-type: none"> • The Exchange Committee shall have access to both the internal and external auditors and to Senior Management of the Exchange, as required to perform duties. • The Exchange Committee shall also have the authority to engage independent experts where they consider it necessary to carry out its duties.
Meetings and Secretaries	<ul style="list-style-type: none"> • The Exchange Committee shall determine its own regulations and procedure in conducting an Exchange Committee meeting. However the following rules shall be observed:- <ul style="list-style-type: none"> ➤ The quorum necessary for an Exchange Committee meeting shall be three (3) members; ➤ The Chairman of the Exchange Committee shall be the chairman of the meeting. If the Chairman is not present, the members present shall elect one of the members present to be chairman for that meeting; ➤ All matters arising at the Exchange Committee meeting shall be decided by a majority of votes. In case of an equality of votes, the chairman for the meeting shall have a second casting vote; and ➤ A member of the Exchange Committee may participate in an Exchange Committee meeting by means of teleconference and such participation shall be deemed to constitute such member's presence in such Exchange Committee meeting. • A Secretary of the Exchange Committee shall be appointed, who shall be responsible, in conjunction with the Exchange Committee Chairman, for drawing up the agenda and circulating it to all members of the Exchange Committee in advance of the meetings. • The Secretary shall be responsible for keeping the Minutes of the Meetings and circulating them to the Exchange Committee members. • The Exchange Committee may invite any person to attend any meetings of the Exchange Committee, if necessary, to brief and explain to the Committee on any specific proposals or reports. • If the CEO is not the Chairman of the Exchange Committee, the CEO may sit and speak in any meetings of the Exchange Committee provided that the CEO shall have no right to vote at the said meetings.
Reports	<p>A copy of the Exchange Committee meeting minutes shall be submitted to the Board of Directors of LFX for information.</p>
Appointment Process	<ul style="list-style-type: none"> • In accordance with Section 138 of the LFSSA the chairman and one other person shall be appointed by the Minister of Finance and the rest appointed by LFSA. • Pursuant to the Rules of the Exchange the members shall hold office for a term not exceeding three (3) years. However, upon the expiry of the three (3) year term, he shall be eligible for re-appointment.

