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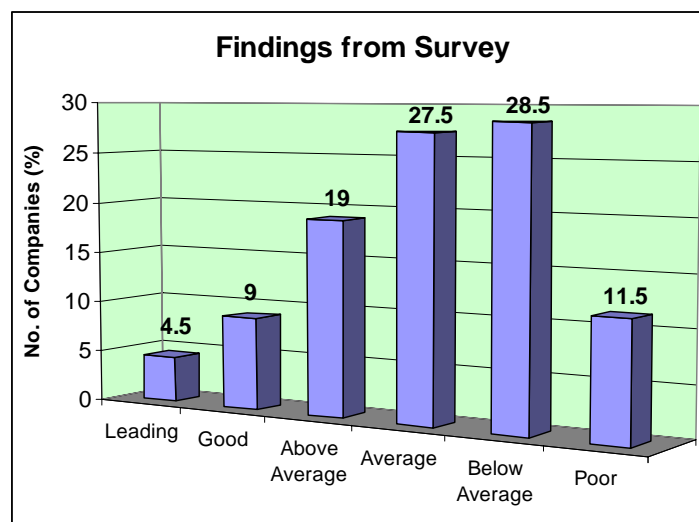
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BURSA MALAYSIA URGES MORE COMPANIES TO EMBRACE CSR AS PART OF SUSTAINABLE BUSINESS PRACTICE

The 2007 Survey reveals Malaysian PLCs generally fall far behind international best practices and disclosures in CSR

Bursa Malaysia urged public listed companies (PLCs) to step up their Corporate Social Responsibility (CSR) practices and adopt a more integrated and holistic CSR approach to fully realise the sustainable value it brings to businesses. Bursa Malaysia commissioned a CSR survey to find out the status of CSR practices by Malaysian PLCs. The findings of the **CSR 2007 Status Report** revealed poor CSR engagement by Malaysian PLCs. On average, the PLCs surveyed demonstrated lack of knowledge and awareness of CSR. While there were some positive examples of best practices in relation to certain CSR areas, the overall picture points to a greater need for PLCs to improve their CSR disclosure and attain better understanding of the key CSR concepts.

The **CSR 2007 Status Report** findings showed that most of the companies assessed fell far behind international best practices and there was a need to increase their levels of CSR disclosure and practice. The survey, which was based on a sample size of 200 listed corporations, revealed that only 32.5% of companies were either in the *above average*, *good*, or *leading* categories of CSR practices. On the other end of the spectrum, two-thirds of PLCs ranked either *average* (27.5%), *below average* (28.5%) or *poor* (11.5%). Listed MNCs, achieved the highest score.



In addition, the report uncovered that the two key areas that require more attention from PLCs are environment and diversity. The findings showed that few companies assessed their environmental impact and there were little measures in place to improve diversity.

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Dato' Yusli Mohamed Yusoff, Chief Executive Officer of Bursa Malaysia said, "Good CSR practices promote business sustainability and add value to our capital markets as well as the standing of our companies. It is crucial that PLCs have a mindset shift in adopting CSR. They must understand that CSR practices must be manifested in their business practices and are not merely an add-on list of activities. In the long term, when companies understand and implement comprehensive CSR practices, it will have a profound effect on corporate performance and at the same time make a positive impact on the society and environment. Globally, investors who lean towards ethical and socially responsible investing are increasingly favouring companies which incorporate environmental, social and governance (ESG) criteria into their business practices, which is the essence of CSR."

Bursa Malaysia commissioned CSR Asia to undertake, co-develop and analyse the responses for the **Corporate Social Responsibility (CSR) in Malaysian PLCs 2007 Status Report**. The companies' adoption of CSR activities were measured based on the four dimensions defined in the Bursa Malaysia CSR framework – Marketplace, Workplace, Environment and Community. The responses were based on the disclosure from these companies with respect to their operations during financial year 2006-2007.

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