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Bismillahir rahmanir rahim

Assalamualaikum warahmatullahi wabarakatuh and Good Morning.

Y. Bhg. Dato' Yusli Mohamed Yusoff
Chief Executive Officer
Bursa Malaysia Berhad

Y. Bhg. Datuk Dr Mohd Tap Bin Salleh
President
Malaysian Institute of Integrity

Ladies and gentlemen,

I am pleased to be here this morning in such an illustrious company. I would like to thank Y. Bhg. Dato' Yusli Mohamed Yusoff and Bursa Malaysia for affording me this opportunity to speak on a number of issues of interests.

Ladies and gentlemen,

2. On July 2, 2007, our Prime Minister, Y.A.B Dato' Seri Abdullah Haji Ahmad Badawi, at the Corporate Leaders' Banquet, reiterated yet again on integrity as being one of the key initiatives under the Ninth Malaysia Plan. The Government and the Malaysian Institute of Integrity (IIM) will continue to be deeply committed towards improving trustworthiness and integrity in the country, and in this regard, I would like to call upon all corporate leaders to work together with the public sector and the civil society in pursuing this agenda, so that the national mission will succeed.

Ladies and Gentlemen,

CSR AND GOOD GOVERNANCE FRAMEWORK

3. Corporate Social Responsibility, or CSR in short, is fast gaining prominence and is beginning to have a profound effect on the conduct of businesses, not only in Malaysia but across the world. CSR is a subject that covers a wide spectrum of issues, such as business ethics, corporate governance, socially responsible investing, environmental sustainability and community investment. For Malaysia, it also incorporates the corporate social responsibility of assisting and nurturing Bumiputra Entrepreneurs and the creation of a BCIC, Bumiputera Commercial and Industrial Community. CSR is perhaps best defined as a concept whereby enterprises integrate social and environmental concerns in their business operations, and in their interactions with stakeholders, usually on a voluntary basis.

4. This holistic approach is by no means the concern of the private sector alone. Bursa Malaysia CSR framework is a good template that put together the environment, market and human capital concerns in harmony. We look forward to seeing more companies voluntarily come forward and engage in this CSR framework.

5. In addition to that, the government has introduced the "Guidelines to Increasing Good Governance in the Public Sector" in which the notion of stewardship, integrity, prudent management of resources and waste are the main themes. There is a great deal of work to be done, but I am confident that this enterprise will continue to gain momentum.

Ladies and gentlemen,

6. CSR aims to protect and enrich the environment in which they operate, with sound business practices and responsible health, safety and environmental policies. This notion departs from the traditional notion of philanthropy. Most companies are aware of the benefits that CSR offers, not only to the community at large but also the returns that they bring. However, they hesitate to make the commitment, as it may be deemed too small or inconsequential. It must be stressed that no CSR project is too small and none too big. Each and every initiative, wherever it benefits the stakeholders, is enormous in its value.

7. Malaysia has recorded a strong average annual economic growth rate of 6.5 percent since Merdeka. The phenomenal strides we have made should not be in any way underrated, but as we look beyond our borders to compete and to benchmark our business practices against global economic growth per se, our gaze should not stray so far that we do not look after the health of our rivers, the welfare of our employees, the integrity and confidence of our markets, and the development and progress of our communities. We should also never lose sight of the fact that we strive to be globally competitive, so as to enrich and benefit our community at home.

Ladies and Gentlemen,

CSR AND VISION 2020

8. Adoption of CSR entails a paradigm shift from the industrial-age notion that economic, social and environmental goals are always and invariably in conflict with one another. Underpinning CSR is a realisation that creating a more equitable society and promoting economic growth is not mutually exclusive goals. Vision 2020 offers the perfect foundation for integrating these two seemingly conflicting objectives. Its aims go beyond just the attainment of material wealth and economic advancement. The ultimate aim of vision 2020 is to establish a nation that is united, a Malaysian society infused by strong moral and ethical values, democratic, liberal and tolerant, caring, economically just and equitable, progressive and prosperous. All these goals are of course underpinned by an economy that is competitive, dynamic, robust and resilient.

10. This holistic approach to modernisation under Vision 2020 has been underscored and given additional impetus by our honorable Prime Minister. The launch of the National Integrity Plan (PIN) and the establishment of IIM demonstrate the Government's commitment to achieving economic progress that is consistent with good personal values and corporate ethics.

11. This morning, we will learn from Standard Chartered Malaysia and YTL Corporation, some pointers on private sector CSR. The launch of the IIM publication, "Corporate Social Responsibility: Our First Look", and its CSR Rebung Project, which was undertaken jointly with Mara Junior Science Colleges in May, 2007, is an example of a documented CSR in action. Both the private and public sectors have significant role within a complementary CSR agenda.

Ladies and Gentlemen,

ROLE OF THE STAKEHOLDERS IN ENHANCING CSR

12. The participation of multiple stakeholders is essential in bringing about an environment where CSR can thrive. Government policies and regulations can and do assume an important role. For example, there are minimum standards set down in the laws for environmental protection, and health and safety, and enterprises are rightly expected to comply with them. While the government HAS an important role in encouraging the development of CSR in the corporate sector, such practices and changes in corporate behaviour cannot be legislated through Acts of Parliament alone. Beyond putting in place laws that promote CSR, the Government also acts as a facilitator. For example, the Ministry Of Domestic Trade And Consumer Affairs, and the Companies Commission of Malaysia have placed significant emphasis on CSR with the introduction of the Malaysian Business Code of Ethics, and the Company Directors' Code of Ethics. Companies which are serious about CSR should consider the adoption of such codes of conduct

as a good starting point.

13. The role of NGOs and professional bodies is also important to complement the government's efforts to spur CSR. Through self regulation and raising public awareness and expectations, NGOs and professional bodies can place pressure on companies to go beyond their minimal statutory duties and legislative requirements. Efforts taken by bodies such as the Malaysian Accounting Standards Board to encourage greater disclosure of environment-related financial disclosures and the ACCA's findings on the state of corporate environmental reporting should be applauded and continuously encouraged.

Ladies and gentlemen,

14. On a final note, I wish to thank all of you for attending this dialogue and I hope that you will bring back to your respective organisation this agenda, so that we are not only economically competitive and progressive, but also benevolent governors of our nation. IT IS NOT A CLICHE ½ THAT we are borrowing this place from our GRAND children and GREAT GRAND CHILDREN. We have to return it in a better state.

Thank you.