



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA

SSM's CORPORATE RESPONSIBILITY INITIATIVES

WHY THE COMPANIES COMMISSION OF MALAYSIA DRIVES CR?

The Companies Commission of Malaysia (SSM) is placed in the best position to drive the CR culture among the corporate and business communities in Malaysia.



WHY?



SSM is the Registrar of all companies and businesses in Malaysia.



SSM serves as the starting point to do business in Malaysia.



Existence of SSM's organizational linkage and networking



Availability of a ready pool of auxiliary supportive elements

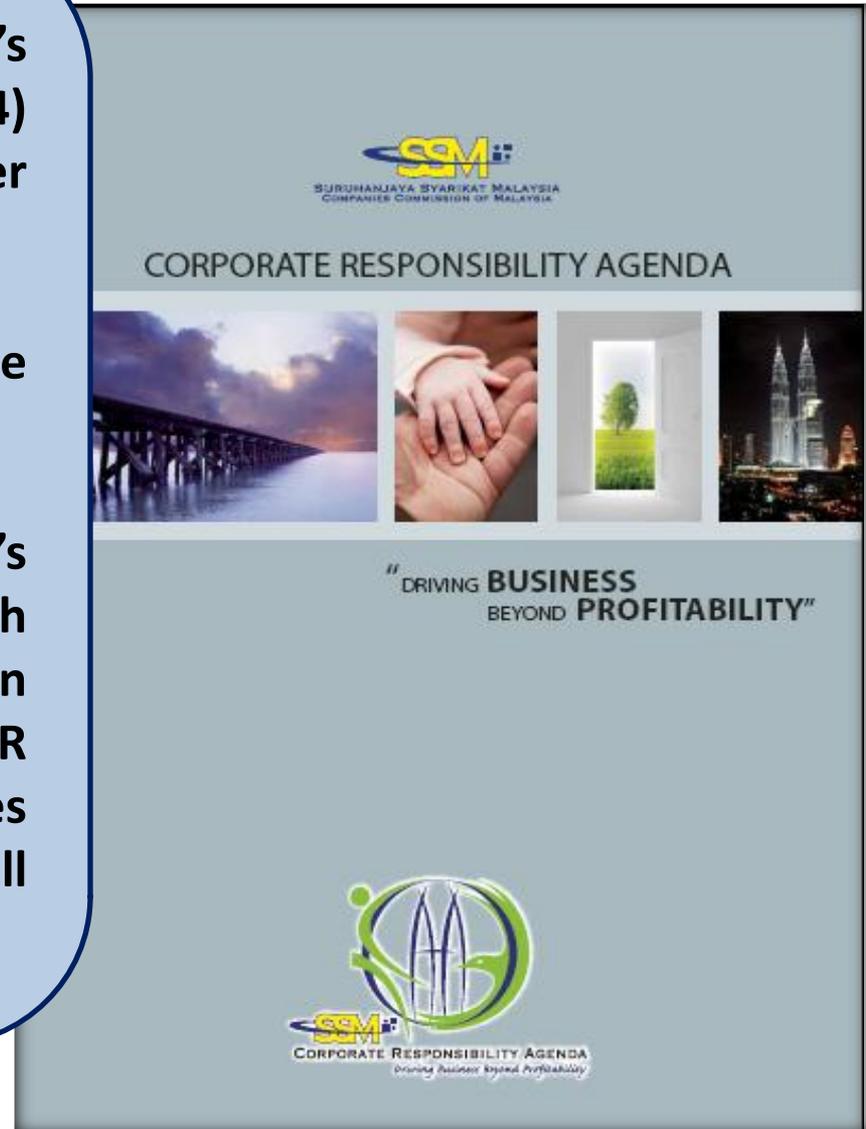


THE SSM CR AGENDA

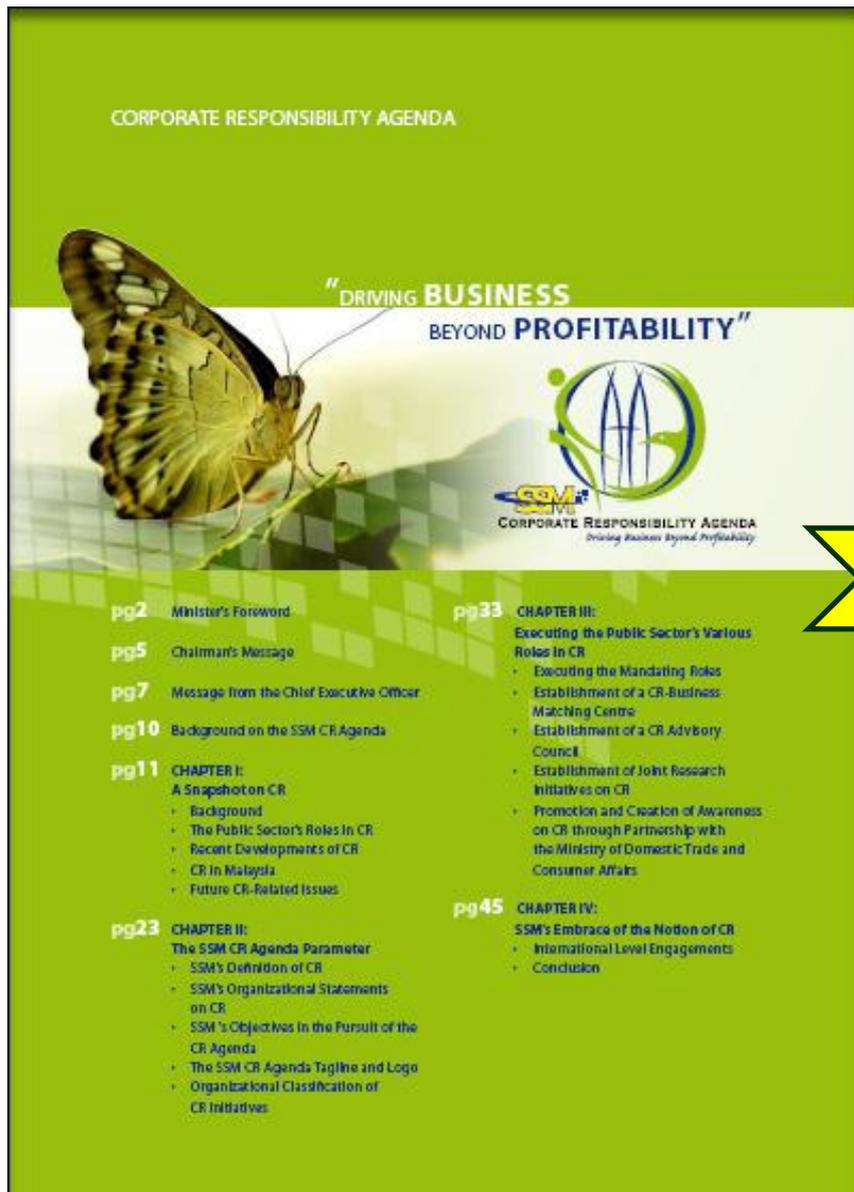
Developed pursuant to SSM's Second Direction Plan (2010-2014) which envisages SSM as the driver of CR by the end of 2014.

Agenda was launched on 30 June 2009.

This Agenda sets out SSM's strategic framework which outlines SSM's approach in inculcating the culture of CR amongst companies & businesses in Malaysia, focusing on Small Medium Enterprises (SMEs).



CONTENTS OF THE SSM CR AGENDA



CHAPTER I:

A SNAPSHOT ON CR

Touches on the origin and evolution of the concept of CR & explains the role played by the public sector in relation to CR

CHAPTER II:

THE SSM CR AGENDA PARAMETER

Explains SSM's organizational parameter in relation to CR which includes the definition, organizational statement, objectives & classification.

CHAPTER III:

EXECUTING THE PUBLIC SECTOR'S VARIOUS ROLES IN CR

Explains the initiatives that will be taken by SSM in carrying out its role as one of the public bodies in Malaysia.

CHAPTER IV:

SSM'S NOTION OF CR

Explains the initiatives that will be taken by SSM in applying the concept of CR within SSM itself & also forming relationships with international bodies promoting CR.

THE SSM CR AGENDA PARAMETER

DEFINITION: *Commitment by corporations and businesses towards Achieving sustainability in the social, economic and environmental conditions in furtherance to the pursuit of profitability*

OBJECTIVES:

1. To nurture the culture of CR in the Malaysian business environment;
2. To encourage all companies to strive in striking an equilibrium between the quest for profitability and creating a sustainable living environment;
3. Inculcate a corporate culture among Malaysian corporate players that values and recognizes all CR initiatives pursued by corporations demonstrated as creating premium for companies and businesses; and
4. Pursue and propagate good corporate governance in a more holistic basis.

DRIVING BUSINESSES BEYOND PROFITABILITY

Towards driving businesses to operate beyond profitability, SSM has carried out several CR-related initiatives since the launch of the SSM CR Agenda in 2009:

I N I T I A T I V E S	Creation of an Internal Dedicated Driver	Establishment of the CR Unit
	Formation of Strategic Alliances	UKM
		IIM
		UNICEF
	Advocacy: Sharing of Knowledge	Advocacy to SSM's staff
		Training for staff & stakeholders
		Provision platform to strategic partners
Promotional Drive	Engagement with media	

CREATION OF AN INTERNAL DEDICATED DRIVER

The CR Unit has been established and placed under the Corporate Development and Policy Division, consisting of two officers. The CR Unit is generally tasked to strategize and implement CR-related initiatives in furtherance to the SSM CR Agenda.

FORMATION OF STRATEGIC ALLIANCES

Since the launch of the SSM CR Agenda, SSM has formed strategic alliances with three dynamic partners:

UKM:

- To collaborate in the area of CR, mainly focusing on research and advocacy.

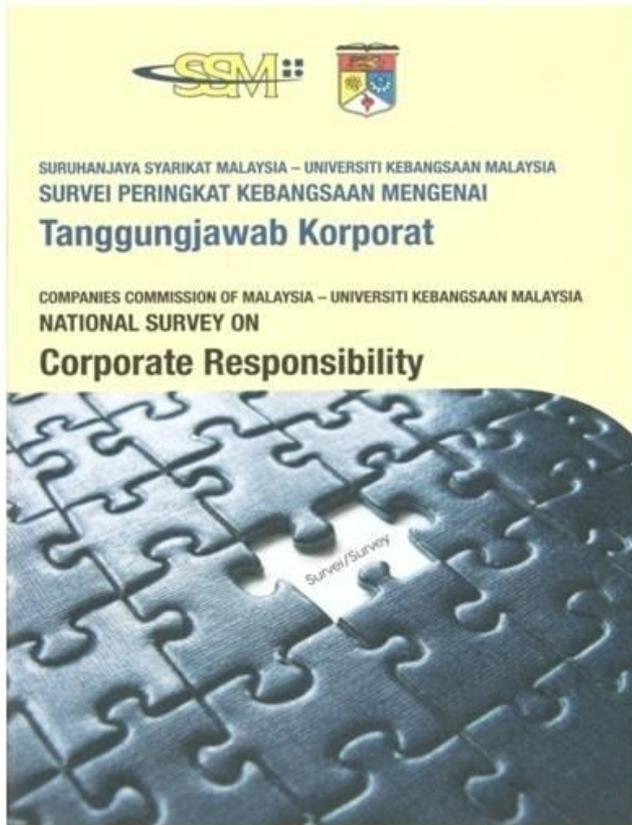
IIM:

- To collaborate in the area of CR and corporate integrity.

UNICEF:

- To collaborate towards enhancing the well-being of children through the practice of CR.

SSM – UKM NATIONAL SURVEY ON CR



- Signed an MOU and undertook a national survey on Corporate Responsibility for the companies and businesses in Malaysia
- The survey is aimed to determine the level of understanding, awareness and practice of corporate responsibility in Malaysia .
- SSM had received approximately 10% responses of the surveys issued.
- The results of this survey will be jointly analysed by SSM and UKM and is expected to be released and published in 2013.

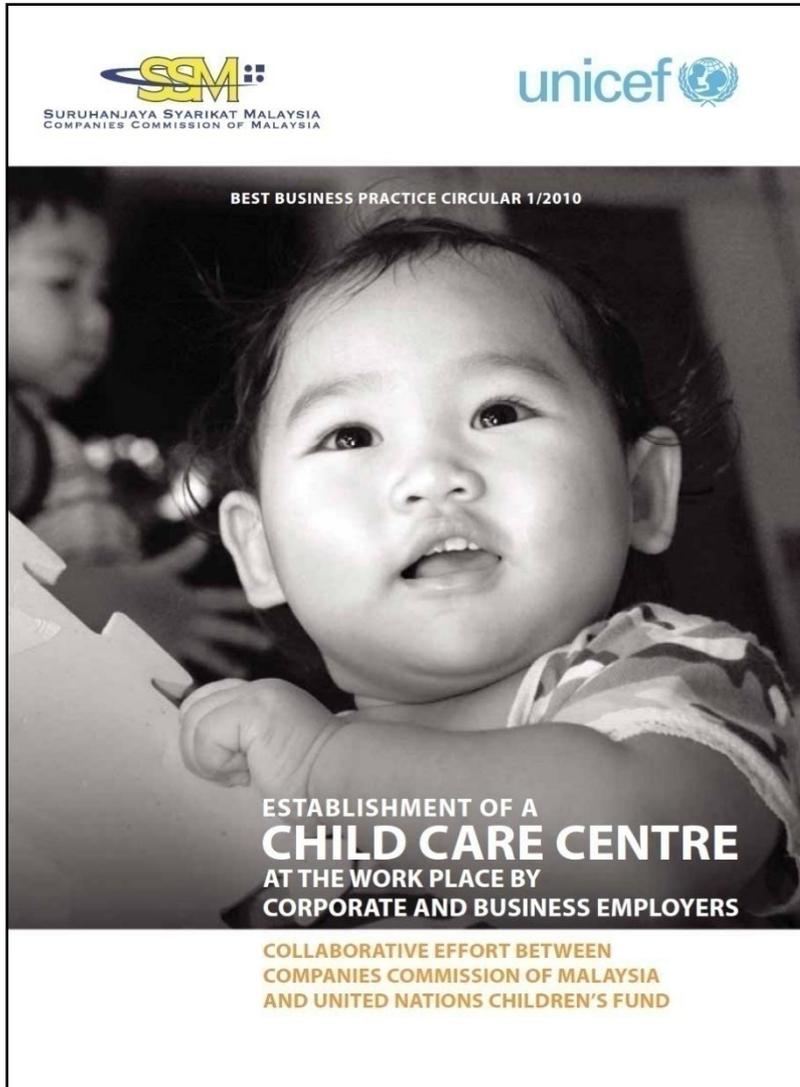
FORMATION OF STRATEGIC ALLIANCES

CR-related Initiatives	Partner	Triple Bottom Line
Best Business Practice Circular 1/2010 (BBPC 1/2010) titled “Establishment of a Child Care Centre at the Work Place by Corporate & Business Employers”.	UNICEF	Social Element
Tool Kit to Complement BBPC 1/2010 on “How to set up a Child Care Centre at the Work Place”.	UNICEF	Social Element
Organization of the IIM-SSM CR & Corporate Integrity Forum Series	IIM	Economy Element
Organization of the Tuanku Ja’afar Law Conference on CR & CG	UKM	Economy Element

FORMATION OF STRATEGIC ALLIANCES

CR-related Initiatives	Partner	Triple Bottom Line
Best Business Practice Circular 2/2011 (BBPC 2/2011) titled “Establishing a Conducive Working Environment for Women: Nursing Mothers Programme at the Workplace”.	UNICEF	Social Element
Best Business Practice Circular 3/2012 (BBPC 3/2012) titled “Achieving Corporate Integrity”.	UNICEF	Economy Element
Best Business Practice Circular 4/2013 (BBPC 4/2013) titled “Education For Sustainable Development: Promoting Technical And Vocational Training (Tevt)”	UNICEF	Social Element

BEST BUSINESS PRACTICE CIRCULAR (BBPC) 1/2010



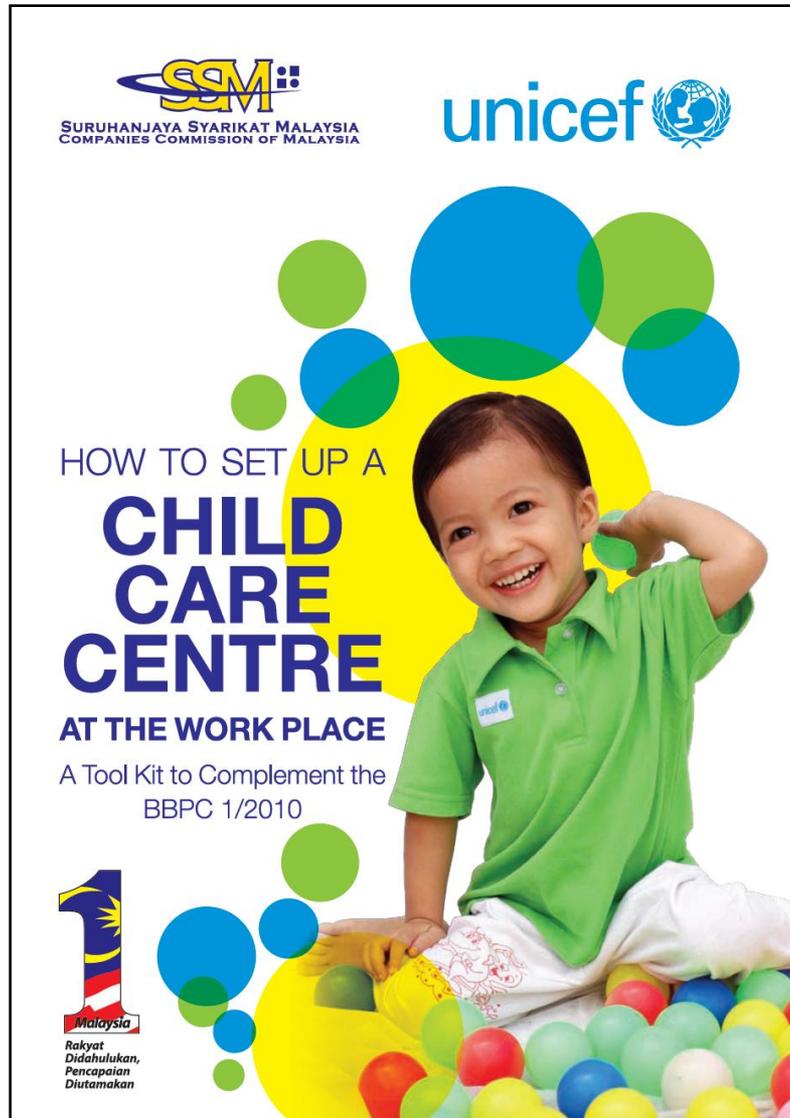
Launched by YB Dato' Sri Ismail Sabri Yaakob, Minister of Domestic Trade, Co-operatives & Consumerism, on 28 January 2010

Serves as a general guideline to facilitate employers in setting up child care centres at the work place for their employees.

Touches on:

- I. The general legal and regulatory framework;**
- II. The general procedures for the registration of child care centres; and**
- III. The main principles of child care.**

TOOL KIT ON HOW TO SET UP A CHILD CARE CENTRE AT THE WORK PLACE



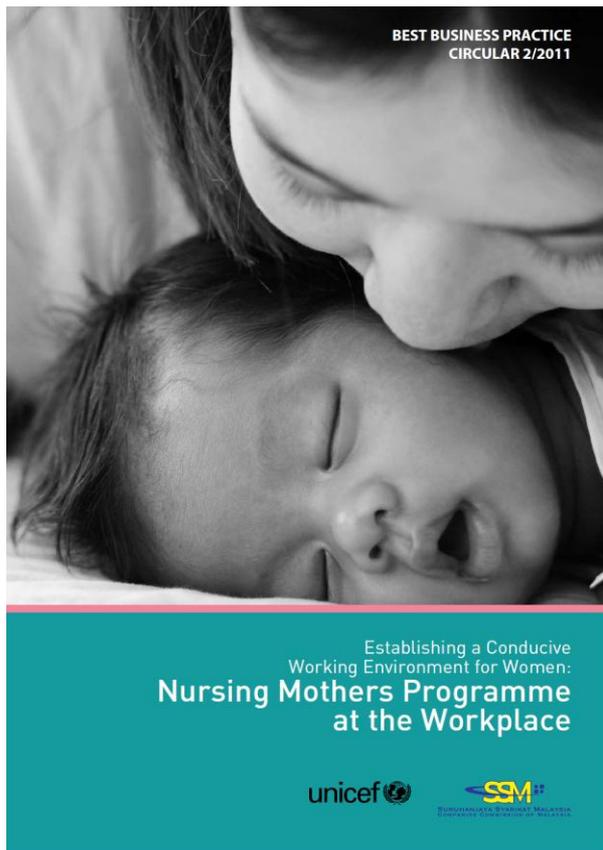
Launched by YABhg. Datin Paduka Seri Rosmah Mansor on 9 November 2010

Complements the Best Business Practice Circular 1/2010 on the Establishment of Child Care Centres at the Work Place by Corporate and Business Employers

Touches among others, on the following:

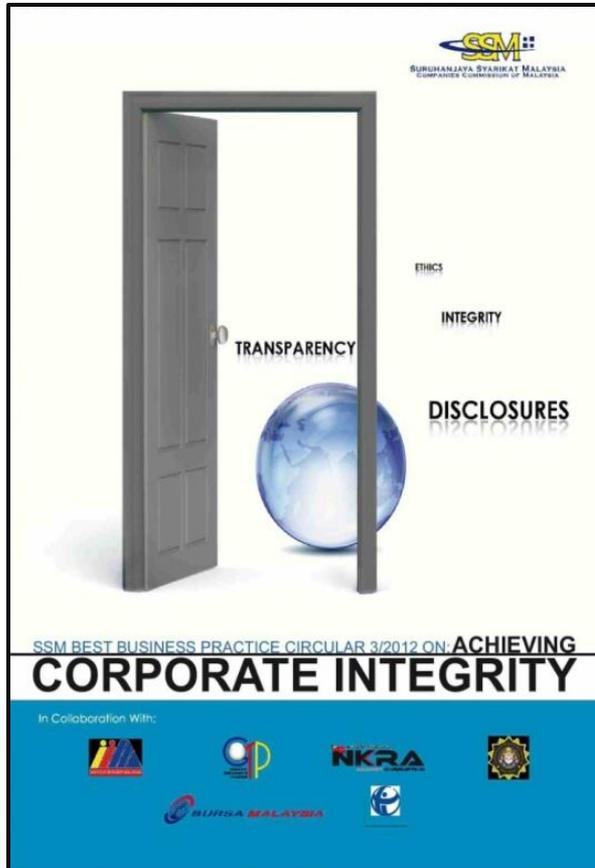
- I. The application of the principle of best interest of the child;
- II. Recruitment of qualified staff;
- III. The importance of having child centred programmes and curriculum;
- IV. The need for staff performance monitoring;
- V. The need for human resource management;
- VI. Financial resources; and
- VII. Registration procedures.

BBPC 2/2011 ENTITLED “ESTABLISHING A CONDUCIVE WORKING ENVIRONMENT FOR WOMEN: NURSING MOTHERS PROGRAMME AT THE WORKPLACE”



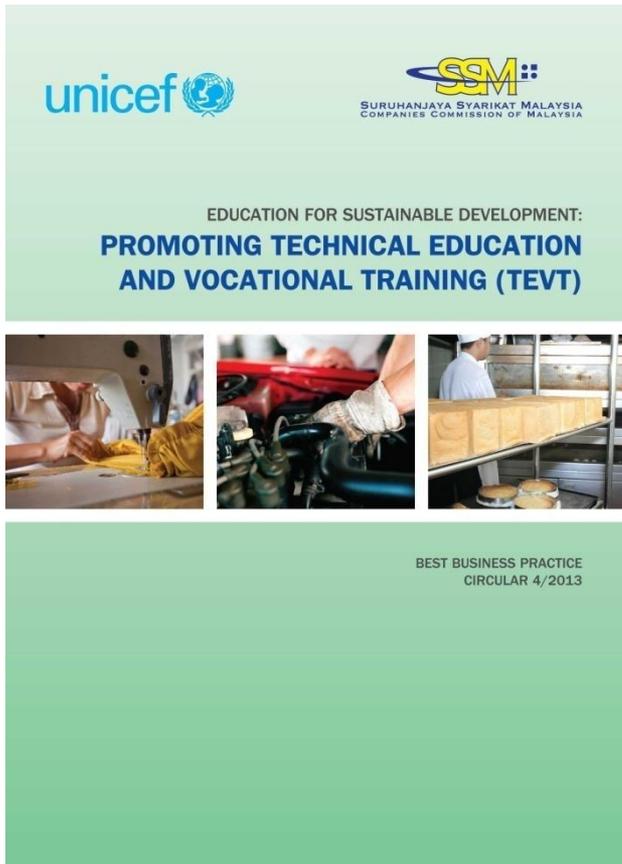
- This BBPC was launched on 24th November 2011 in Kota Kinabalu at SSM’s Annual Dialogue Sabah 2011 by Puan Hajah Rokiah Mohd Noor, Deputy Chief Executive Officer (Operations) and Mr. Hans Olsen, UNICEF’s Representative to Malaysia and Special Representative to Brunei Darussalam.
- This BBPC highlights the role that companies and businesses can play in supporting family and child-friendly environment at the workplace by endorsing a nursing mother’s programme.
- The BBPC lists the basic components for a nursing mother’s programme and guides on establishing a nursing room.
- It lists the tremendous implementation benefits that employers will gain from contributing to a nursing mother’s programme at the workplace.

BBPC 3/2012 ACHIEVING CORPORATE INTEGRITY



1. This BBPC was launched on 27th January 2012 by YB Dato' Sri Ismail Sabri bin Yaakob, Minister of Domestic Trade, Co-operatives and Consumerism at Menara SSM@Sentral, KL.
2. Collaborative effort of the Corporate Integrity Roundtable Members (SSM, IIM, PEMANDU, SPRM, TI MALAYSIA, BURSA and SC)
3. It promotes the Corporate Integrity Pledge (CIP) and Corporate Integrity System Assessment and Questionnaire (CISAQ), both are formal commitments by companies to uphold ethical business practices and to support the national campaign against corruption.
4. It provides a guideline on aspects of the CIP and CISAQ and the benefits that companies and businesses may derive once the CIP and CISAQ are implemented.
5. CIP and CISAQ are voluntary in nature which businesses and companies are encouraged to adopt towards ensuring business viability and sustainability.

“Education For Sustainable Development: Promoting Technical And Vocational Training (TEVT)”



1. This BBPC was launched on 5th March 2013 by YBhg. Prof Dato’ Dr. Aishah Bidin, Commission Member of SSM at Menara SSM@Sentral, KL.
2. The objectives of this BBPC are :
 - To promote and support public-private partnership (PPP) in providing technical education and vocational training (TEVT), as an alternative to mainstream education especially for school dropouts; and
 - To provide the corporate sector with guidance on responsible employment of young workers who come from TEVT programmes, and respecting and supporting children’s rights based on the Children’s Rights and Business Principles that was launched in Malaysia on 11th September 2012.

TUANKU JA'AFAR LAW CONFERENCE

The Tuanku Ja'afar Law Conference was jointly organized by SSM and UKM on 19 & 20 Oct 2010 at Menara SSM@Sentral, Kuala Lumpur.

The theme of this conference was CR & CG, where more than 30 papers were presented by presenters from local and International jurisdictions on these two subject matters.

The conference was a beneficial platform as it had provided people from different backgrounds i.e from the industry, the regulator and academia, to discuss, exchange views and share knowledge & experiences pertaining to CR & CG.

IIM-SSM CR & CORPORATE INTEGRITY FORUM SERIES



The IIM-SSM CR & Corporate Integrity Forum Series was a jointly organized by SSM and IIM.

The main objective was to create awareness and enhance the understanding of the concept of CR and corporate integrity among the corporate and business community, especially the SMEs, noting that the SMEs in Malaysia form 99.2% from the total number of business establishments.

Thus far, two series have been conducted, one in Kuala Lumpur on 18 March 2010 and one in Penang on 16 July 2010.

Breakfast Dialogue on Corporate Integrity System of Malaysia (CISM)



As a member of the Corporate Integrity Roundtable Members, SSM participates in the roadshows (Penang, Ipoh, Alor Setar and Kuching) organised by IIM to promote SSM Best Business Practice Circular on “Achieving Corporate Integrity” which is aimed at :

- inculcating integrity practices in the corporate sector
- cultivating the creation of ethical environment in the workplace
- promoting the Corporate Integrity Pledge and the Corporate Integrity System Assessment



Breakfast Dialogue on Corporate Integrity System Malaysia
21 June 2012 (Thursday)
TaHa D'Mutiara, Bayan Lepas, Pulau Pinang

PROMOTIONAL DRIVE

SMM has engaged the media to promote its CR-related initiatives, as part of its effort to create awareness among the public generally, and the business and corporate community specifically.

SMM has featured articles on its initiatives in the media and has also invited the media to cover the events relating to the CR-related initiatives.

Pusat penjagaan kanak-kanak sangat relevan

Oleh DYANA ROSE KAMALUDDIN

MENUBUHKAN pusat penjagaan kanak-kanak di tempat kerja merupakan salah satu tanggung jawab sosial korporat yang relevan dengan prinsip amaran tanggung jawab korporat. Ia dicover dalam pelbagai rangka kerja agenda seperti termasuk Visiwan 2020, Rancangan Malaysia Keenam (RMK-6), Bajet 2010 dan Rancangan Malaysia Keenam (RMK-6) yang sedang dijalankan.

Dalam RMK-6, sektor awam dan swasta digalakkan untuk memulakan penjagaan kanak-kanak melalui pemberian insentif seperti lesen dan rebat cukai.

Dalam ucapan Bajet 2010, Perdana Menteri menyeru semua kementerian dan jabatan menyediakan pusat jajan dan pusat penjagaan kanak-kanak, kata Ketua Pegawai Eksekutif Syarikat Syarikat Malaysia (SSM), Datuk Azmi Ariffin.

Jenayah laka, SSM memulakan program penelantaran dengan Tabung Kanak-Kanak Pertubuhan Bangsa-Bangsa Bersatu (UNICEF), kemudiannya ditubuhkan semula.



AZMI ARIFIN

kanak-kanak, garis panduan perubahan pusat jajan dan budaya yang baik diperlukan seperti insentif dan rebat cukai.

"Pembinaan pusat jajan kanak-kanak di tempat kerja sangat relevan dalam skema penelantaran kerja hari ini, kerana bilangan bilah-bilah malar ini juga telah bekerja."

"Bagi membina budaya menyediakan pendidikan kanak-kanak, kami harus anak-anak, mengumpul dan bertukar dengan mereka - pusat jajan adalah jalan penyelesaian," ujar beliau.

Di samping itu, ia juga mengemulakan projek awal memulakan projek pendidikan kerja masa sebelum sekolah yang memulakan tahap pembangunan anak dapat dipelajari.

Selain itu, SSM dan UNICEF membuat tempaan kepada kanak-kanak lebih malar terhadap isu hak kanak-kanak, menggalakan aktiviti kemasyarakatan pendidikan dan pembangunan ke arah itu berkaitan.

NST 10/11/10



ALL FOR THE KIDS

Datin Seri Rosmah Mansor visiting the childcare centre at the Malaysia (SSM) premises in Kuala Lumpur yesterday. With her are the Minister of Cooperatives and Consumerism Datuk Seri Ismail Sabri and Datuk Tan Lian Hoe. The prime minister's wife had earlier lauded on how to set up a Child Care Centre at the Workplace, an initiative which focuses on quality care and education for children below 5 years old. — NST picture by Hasriyasyah Sabudin



Sinar Harian 23/10/10

Yang Dipertuan Besar Negeri Sembilan, Tuanku Muhriz Tuanku Munawir yang juga Canselor Universiti Kebangsaan (UKM) tiba pada majlis perasmian The Tuanku Ja'afar Law Conference 2010 di Auditorium Dr Siti Hasmah, di Menara Suruhanjaya Syarikat Malaysia (SSM), KL Sentral, baru-baru ini. Turut serta Menteri Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan, Datuk Seri Ismail Sabri Yaakob (kanan) dan Naib Canselor UKM, Tan Sri Hapsah Syed Hasan Shahabudin (kiri).



Sabri mawlat pusat jajan kanak-kanak milik SSM di sini, semalam.

at disaran sediakan pusat asuhan

Organisasi ini dimintakan untuk menyediakan makanan dan pakaian. "Pembagi aspek perlu diambil kira mengenai perubahan pusat penjagaan kanak-kanak termasuk kos, kemudahan dan pengikliran dan daripada pihak berwajib atau etal. Dengan demikian, Menteri, Datuk Seri Najib Razak ketika membentangkan Bajet 2011 apabila meminta semua kementerian dan agensi kerajaan memulakan pusat jajan kanak-kanak di tempat kerja boleh membawa kepada keseimbangan pembangunan ekonomi dan keperluan sosial dalam masyarakat."

"Apabila ini berlaku, majikan memangkir kerugian kerana kehilangan pekerja sedangkan masalah ini boleh diatasi dengan adanya pusat penjagaan kanak-kanak di premis masing-masing," katanya.

"Pusat jajan seperti ini meningkatkan lesan positif terhadap produktiviti pekerja, selain meningkatkan imej organisasi itu," katanya.

"Anak-anak anugerah Tuhan yang perlu dilindungi dan disayangi, justeru, penjagaan mereka tidak boleh dipandang ringan walaupun pada aspek yang mudah seperti makanan dan pakaian."

Haqir sama, Menteri Perdagangan Dalam Negeri, Koperasi dan Kepenggunaan, Datuk Seri Ismail Sabri Ya-

PROMOTIONAL DRIVE

SSM organises the Corporate Responsibility Seminar Series (CRSS) which is a half (1/2) day seminar which aims to create awareness and promote Corporate Responsibility (CR) and to inspire small and medium private sector to practice good corporate governance which is the foundation of CR.

CRSS which is held twice annually cover topics which highlight SSM's CR framework and promotes SSM as the driver to inculcate CR amongst the corporate and business communities in Malaysia.

To date SSM has organised CRSS in Kuala Lumpur (2011), Johor Bahru and Kota Kinabalu (2012), Kuching (2013) and in Penang will be on 2 July 2013.



**Overview on
Best Business Practice Circular (BBPC) 5/2013
“Corporate Responsibility:
Guidance to Disclosure and Reporting”**

BBPC 5/2013



BEST BUSINESS PRACTICE CIRCULAR 5/2013

Corporate Responsibility: Guidance to Disclosure and Reporting



OBJECTIVES

- Promote the importance and relevance of corporate responsibility (CR) disclosure among companies and businesses in Malaysia.
- Raise awareness on disclosure in line with societal need and to provide understanding on the new non-financial reporting under the new Companies Act.
- Provide an overview of available approaches, tools and resources and standards to facilitate an accurate and reliable disclosure.

BBPC 5/2013



BEST BUSINESS PRACTICE CIRCULAR 5/2013

Corporate Responsibility: Guidance to Disclosure and Reporting



WHAT IS CR DISCLOSURE?

- CR disclosure enables companies and businesses to have a stakeholder dialogue and stimulate internal improvements.
- Companies and businesses should not only disclose the 'good' issue, "bad" issues should also be disclosed; "What happened?" and "Why it happened?" together with countermeasures to address the issue; "What measures did the company take to ensure it does not happen again?"
- Some companies disclose annually, some bi-annually and some decide to take a 'vacation from reporting' if status quo of project remains unchanged.

BBPC 5/2013

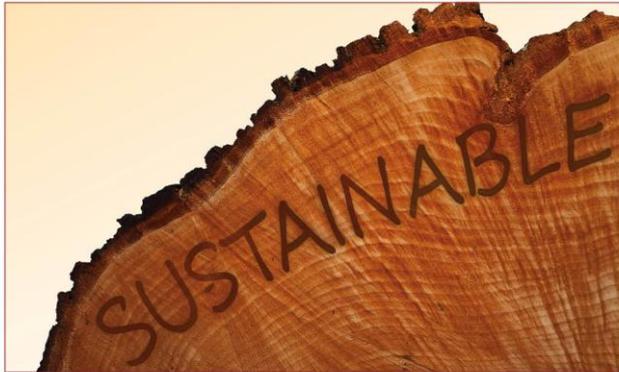
GENERAL OVERVIEW

40. The different methods highlighted below further elaborate on the issues that should also be considered in deciding on the best medium:

1. PRODUCT LABELS AND PACKAGING	<ul style="list-style-type: none"> Utilising product labels or packaging is an excellent approach to inform customers that you are committed to responsible business and may set your products apart from those of your competitors. Customers are usually interested to know if the product is biodegradable, made with recycled materials, organic or free range; made locally, made abroad with fair trade labour; proportion of the profit supports community charities or non-profit organisations.
2. THE INTRANET	<ul style="list-style-type: none"> This approach makes use of the intranet (controlled access website for internal use) to inform and update employees about corporate responsibility initiatives. An intranet encourages two-way communication between the employer and the employee allowing for employee feedback and participation.
3. CORPORATE WEBSITE	<ul style="list-style-type: none"> Disclosure on the corporate website are extremely useful as it offers information to every target audience and it is easy and cheap to update. The disclosure using this approach could be minimal or maximal and segmented where possible, depending on the initiative.
4. STAND-ALONE WEBSITE	<ul style="list-style-type: none"> Disclosure on a stand-alone website is maximal with the whole website dedicated to information relating to corporate responsibility initiatives. Expertise on designing and maintaining the website is crucial as accessibility and readability (available in different languages, where appropriate) should be valued into the consideration. Facilities should also be included to encourage stakeholder dialogue e.g. feedback mechanisms including contacts for further information or chat forums.
5. CORPORATE ANNUAL REPORT	<ul style="list-style-type: none"> Most listed companies in Malaysia are adopting this approach in line with the requirement of Bursa Malaysia. The initiative is usually found in a whole page or a section of a page in this Report. The disclosure is minimal and the highlight is shared with the financial reporting of the Annual Report.
6. ENVIRONMENTAL REPORT	<ul style="list-style-type: none"> Report on issues relating to environmental performance in production and services; environmental performance in production (waste, energy consumption); environmental performance of how the organisation is operated (transport, energy usage). Environmental disclosure is convenient than the other sole reporting as the parameters are clearly defined and the metrics are straightforward. An explanation to stakeholders is advantageous when disclosure is made solely with highlights on efforts for the environment.
7. SOCIAL REPORT	<ul style="list-style-type: none"> Report on issues relating to equality for women, minorities or indigenous population; industrial health and safety; community engagement and development; employment issues such as turnover training opportunities. A social report can draw highlight on the involvement and contributions to projects of value to the greater community. An explanation to stakeholders is advantageous when disclosure is made solely with highlights on efforts in the social context.
8. ECONOMIC REPORT	<ul style="list-style-type: none"> Report on issues relating to direct and indirect local/regional/national economic impacts (wages, investments, purchasing); economic value added to various stakeholders through operations. An economic report can also include corporate responsibility initiatives by businesses under the supply chain which has an indirect economic impact to the company. An explanation to stakeholders is advantageous when disclosure is made solely with highlights on efforts in the economic context.
9. SUSTAINABILITY REPORT	<ul style="list-style-type: none"> A sustainability report highlights the economic, environmental and social performance of an organization and can be made available in hard (published) or soft (CD-ROM, PDF copies available for download from the corporate website) copy. This approach is an excellent initial reporting and should be progressive when produced for the second time as the level of reporting increases and initiatives are multiplied.
10. SUSTAINABILITY REPORT WITH GRI C+ (conforming to GRI Guideline 3.1)	<ul style="list-style-type: none"> This Report is aligned at GRI Level C+ which includes a minimum of ten (10) performance indicator including at least one (1) from economic, social or environmental. Level C+ Report is externally assured either by the GRI, certification firm (e.g. SIRIM), CSR consultancy firm, individual business unit or internal auditors.
11. SUSTAINABILITY REPORT WITH GRI A+ (conforming to GRI Guideline 3.1)	<ul style="list-style-type: none"> This Report is aligned at GRI Level A+ which includes report on each core and sector supplement indicator with due regard to materiality principle by either reporting the indicator or explaining reason for its omission. Level A+ Report is externally assured and verified either by the GRI, certification firm (e.g. SIRIM), CSR consultancy firm or stakeholder panel.

- Explains the Malaysian context on CR disclosure e.g. Bursa Malaysia Securities Berhad Main Market Listing Requirement and new provision in the new Companies Act.
- Provides the fundamentals of CR disclosure in terms of (1) who the disclosure should address, (2) what the disclosure should be and (3) how/method to disclose.
- Provides an understanding on the trend of CR disclosure for the GRI, UNGC, ISO 26000, integrated reporting and supply chain reporting.

BBPC 5/2013



IMPLEMENTATION BENEFITS

76. By disclosing and reporting on CR initiatives through any of the mediums available, companies and businesses stand to gain many advantages and create a direct and positive impact on their overall business objectives. In the current global trend, companies and businesses that disclose and report demonstrate better governance and transparency.
77. SSM encourages companies and businesses in Malaysia to carry out and integrate CR initiatives into their business strategies and operations. The possible internal and external benefits for companies that disclose and report their CR initiatives are as follows: -
- a) **Demonstrate transparency**
Companies that disclose make a commitment to manage its environmental, social and economic impacts and in doing so demonstrate greater transparency and accountability establishing firm basis for stakeholder dialogue.
 - b) **Create financial value**
Disclosure process involves the collection, collation and analysis of data on resource and materials usage, and the assessment of business processes. This process in turn helps companies to better identify opportunities for cost savings and revenue generation through efficient use of resources and materials.
 - c) **Increase competitive advantage**
Corporate responsibility related performances are increasingly being used by companies to distinguish their brands, products and services from other companies. There is a growing awareness among consumers, for instance, that the products have been manufactured under responsible conditions.

BUSINESS CASE

- Facilitate engagement with stakeholders
- Receive external recognition for performance
- Include into sustainability indices e.g. Dow Jones Sustainability Index

IMPLEMENTATION BENEFITS

- Demonstrate transparency
- Create financial value
- Increase competitive advantage
- Encourage innovation
- Motivate and align existing staff and attract new talent
- Enhance reputation
- Reduce corporate risk
- Attract favourable financing conditions



SURUHANJAYA SYARIKAT MALAYSIA
COMPANIES COMMISSION OF MALAYSIA

THANK YOU