



Opening Address
Dato' Mohammad Faiz Azmi
Chairman, Securities Commission Malaysia
Institutional Investors Council Corporate Governance
Conference 2026
2 July 2026, 9.15 am
Securities Commission Malaysia

Yang Berbahagia Dato' Jay Khairil Jeremy Abdullah, Chairman,
Institutional Investors Council Malaysia (IICM) and Chief Executive
Officer, KWAP,
Yang Berbahagia Datuk Wira Ismitz Matthew De Alwis, Vice Chairman,
IICM,
Yang Berbahagia Dato' Fad'l Mohamed, Chief Executive Officer, Bursa
Malaysia Berhad,
Yang Berbahagia Tan Sri Abdul Wahid Omar, Chairman, IOI Corporation
Berhad,
IICM Board and Advisory Council members,
Members of the media,
Ladies and gentlemen.

Assalamualaikum warahmatullahi wabarakatuh. Good morning and welcome to the Securities Commission Malaysia (SC).

1. An important lesson I have learnt from the corporate world is that turning ambition into tangible outcomes is rarely a linear undertaking. Much like the teams competing in the FIFA World Cup, we must always keep our eyes on the ball and focus on what truly matters.
2. As we position Malaysia's capital market for the opportunities and challenges ahead, it is instructive to remember the outcomes that we seek.
3. Rather than highlighting various targets under the Capital Market Masterplan 2026–2030 (CMP), let me instead focus on the market attributes required to reshape and recalibrate Malaysia's attractiveness and investability for the better. This is critical as today's investors have more choices than before and can therefore be selective in their allocations.
4. And therein also lies the challenge: realising the CMP aspirations requires a whole-of-nation approach. So, much more will be expected of key stakeholders including our Boards and in particular large institutional investors.

Raising Malaysia's Investability

Ladies and gentlemen,

5. Good corporate governance alone does not beget investability. It is also about liquidity and free float which encourage better price discovery. Altogether, these and other factors affect how investors assess a market's investability.
6. Therefore, enhancing the domestic capital market's investability requires coordinated action across the entire ecosystem.
7. Firstly, one of the things we are trying to do with Bursa is to ensure better quality listings that expand the investable universe. It also calls for a deep and sustainable pipeline of IPO-ready companies which we are prioritising through the CMP's Inclusivity pillar.
8. To provide a more seamless funding escalator for companies, the corporate bond and sukuk ecosystem must also be strengthened to encourage more issuances and investment choices. At the other end of the spectrum, it is also important to accelerate the growth of private markets. These include venture capital, private equity and also private credit. All these initiatives will collectively strengthen Malaysia's overall value proposition and market vibrancy.
9. Second, Boards and controlling shareholders must take a long-term view and not just focus on control, stability, and pricing.

10. Today, investors are asking a more fundamental question: How does governance translate into long-term value creation?
11. This is the direction for the ongoing review that we have now on the Malaysian Code on Corporate Governance (MCCG).
12. The core objective is to strengthen board focus on long-term value creation, capital allocation discipline, resilience and oversight of emerging risks including technology and artificial intelligence (AI). This will help reinforce corporate sustainability in the long run.
13. In essence, governance must improve outcomes, not only for the company itself but also for its employees, shareholders, suppliers and customers. It must truly matter in all sense of the word.
14. Finally, we need Corporate Malaysia to be better salespersons to investors. Companies must improve their investor engagement and communication.
15. This thinking is reflected in the recently launched MY Value Up Programme which was jointly launched by the SC and Bursa Malaysia, a key initiative under the CMP's market vibrancy pillar.
16. MY Value Up can be regarded as a tool to shift the present mindset. It encourages companies to articulate clearly how they create value, allocate capital, measure success and communicate their strategy to the market.

17. MY Value Up will only succeed if investors respond in the affirmative. Disclosure alone does not create better and more vibrant markets. Market discipline does.

18. Therefore, the SC hopes that investors, in particular institutional funds, will undertake their role responsibly and seriously to ensure corporate strategies are credible and management deliver on their commitments.

19. This is stewardship. Not passive ownership but active accountability. Without it, even the best laid plans lose impact.

Stewardship is Market Power

Ladies and gentlemen,

20. The concept of stewardship has existed in Islam for many centuries and it is essential to *Maqasid al-Shariah*. As *khalifah*, we are entrusted to act as responsible custodians of resources, institutions and communities under our care. This trust carries with it the duty to act with integrity, to safeguard long-term interests and to deliver positive outcomes for society as a whole.

21. Stewardship is often described as a governance responsibility. It is more than that. It is a form of market power; determining which companies grow, which strategies succeed, and which behaviours will be rewarded.

22. As I have indicated earlier, our institutional investors cannot be passive participants. As a group, they account for about 43%¹ of equity market trading this year, and they are also substantial owners and shareholders of listed companies. This gives you a powerful voice in the boardroom and at shareholder meetings. It also makes you instrumental in shaping corporate culture through engagement, voting, escalation and capital allocation.

23. It boils down to this reality, that is, stewardship is central to market outcomes. This means institutional investors must play a more active role not only as allocators of capital, but also as stewards of market quality. In a way that ties into the way we think at the SC. We do not believe that we encourage the market just through regulatory discipline - it is important that market discipline in the form of institutional investors play their role too.

24. I would even go as far as to say that this additional role and responsibility must be reflected in the Malaysian Code for Institutional Investors.

25. When stewardship is strengthened, governance improves and capital is allocated more efficiently. Markets also become more investable. This is the virtuous cycle that we must retain and grow for Malaysia.

Closing

¹ As at 29 May 2026.

26. Before I conclude, I would like to record the SC's appreciation of the hard work and efforts of the organisers, the Institutional Investors Council Malaysia (IICM) and also Securities Industry Development Corporation (SIDC). Please give them a round of applause.

27. In summary, there are two key imperatives moving forward.

28. First, it is essential for Boards and companies to focus on creating value, communicating it clearly and to be accountable for delivering it.

29. Second, institutional investors need to steward capital actively, engage constructively, reward good performance and challenge underperformance when necessary.

30. Ultimately, investability is not mandated. It must be earned through performance, discipline, trust and through the collective actions of all market stakeholders.

31. Like football, this is a team effort. So we must each play our part and together build a capital market that is vibrant, inclusive, sustainable and attractive.

Thank you.

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