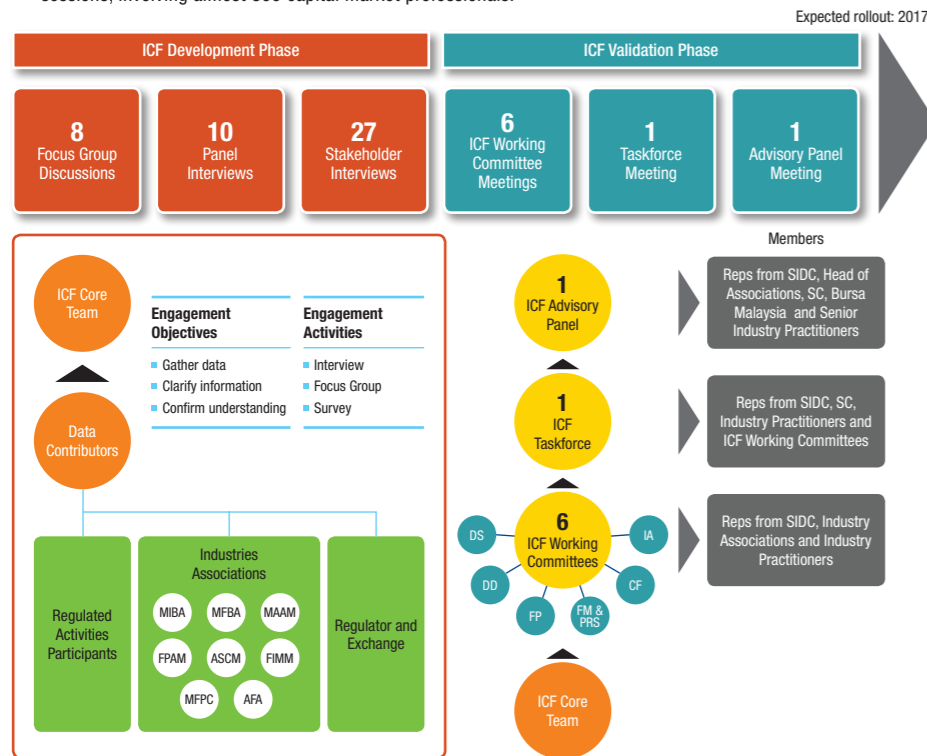


INDUSTRY COMPETENCY FRAMEWORK (ICF)

- The ICF for the Malaysian capital market serves as a guide to raise the standards in human capital development to further support the creation of competent capital market participants and facilitate the career development of capital market professionals.
- It sets out the required knowledge, skills and attributes for all seven regulated capital market activities.
- In coming up with the framework, SIDC conducted a series of data collection and industry consultation sessions, involving almost 300 capital market professionals.



CORPORATE SOCIAL RESPONSIBILITY (CSR)



As part of its CSR programme for 2016, the SIDC Family conducted a 'Kids & Cash' financial education session for children of Rumah Nur Kasih in Langkawi, and embarked on a *gotong-royong* session at the home. SIDC also contributed school bags and stationery for the children, and presented bedding sets, a computer, fan, vacuum cleaner and washing machine to the home.

PROGRAMMES FOR 2016

Training Programmes

| NO. | PROGRAMME | NO. OF PARTICIPANTS* |
|--------------|---|----------------------|
| 1 | Industry Transformation Initiative (ITI) | 1,851 |
| 2 | SCLE Preparatory Courses | 237 |
| 3 | Advanced Business Management Programme (ABMP) | 25 |
| 4 | APEC Capacity Building Programme | 53 |
| 5 | Global Emerging Markets Programme (GEMP) | 192 |
| 6 | Islamic Markets Programme (IMP) | 63 |
| 7 | Customised Programmes (CP) | 336 |
| 8 | Compliance Series | 169 |
| 9 | ASEAN Market Series | 149 |
| 10 | Shariah Professional Programme Series | 28 |
| 11 | Corporate Governance Programmes | 379 |
| 12 | Toronto Centre Partnership: Crises Management Series | 93 |
| 13 | SEBON Partnership: Development of the Primary Market | 17 |
| 14 | International Institutional Investor Series (IIS) 2016: Strategies to Navigate through Volatile Markets | 132 |
| 15 | Breakfast Talk: Driving Performance Through Human Governance | 97 |
| 16 | Creating a Better World: The Role of Corporate ASEAN in Driving the Sustainable Development Goals | 105 |
| 17 | Integrity at Work | 80 |
| 18 | Capital Market Director Programme (CMDP) | 1,351 |
| 19 | SIDC's CMDP Alumni | 97 |
| 20 | Anti-Money Laundering and Anti-Terrorist Financing (AMLATFPUAA) 2001 | 13 |
| 21 | Familiarisation Programme For Registered Representatives (FPRR) | 174 |
| 22 | Islamic Capital Market Graduate Training Scheme (ICMGTS) | 81 |
| 23 | Preparatory Grooming and Interviewing Skills (PGI) | 57 |
| TOTAL | | 5,779 |

SCLE Preparatory Courses

Designed for candidates preparing for the SC Licensing Examinations, the courses are led by experienced speakers and the topics covered are in line with the module's respective examination.

| NO. MODULE | PROGRAMME | NO. OF COURSES | NO. OF PARTICIPANTS |
|--------------|--|----------------|---------------------|
| 1 | Module 6 Malaysian Stock Market & Securities Law Preparatory Course | 2 | 31 |
| 2 | Module 7 Financial Statement Analysis and Asset Valuation Preparatory Course | 3 | 59 |
| 3 | Module 9 Funds Management Regulations Preparatory Course | 2 | 25 |
| 4 | Module 10 Asset and Funds Management Preparatory Course | 2 | 43 |
| 5 | Module 12 Investment Management and Corporate Finance Preparatory Course | 2 | 33 |
| 6 | Module 19 Advisory Services: Rules & Regulations Preparatory Course | 3 | 46 |
| TOTAL | | 14 | 237 |

Industry Transformation Initiative (ITI)

A structured continuing education programme to develop or increase the capital market knowledge, problem-solving skills and technical skills of CMSRL holders, and to broaden their professional competence, enabling them to provide better service to their clients.

| NO. MODULE | PROGRAMME | NO. OF COURSES | NO. OF PARTICIPANTS |
|--------------|--|----------------|---------------------|
| 1 | EQ01 Economics and Capital Markets I: Forces Shaping the Global Capital Markets | 5 | 487 |
| 2 | EQ02 Essential of Fundamental Analytics I: Analysing Company Performance | 6 | 404 |
| 3 | EQ03 Corporate Strategic Analytics I: Essentials of Corporate Proposal Analysis | 7 | 445 |
| 4 | EQ04 Corporate Governance and Ethics: Strengthening Professionalism Through Ethics | 5 | 443 |
| 5 | PM01 Portfolio Management: Designing an Equity Strategy | 1 | 72 |
| TOTAL | | 24 | 1,851 |

Breakdown of Customised Programmes

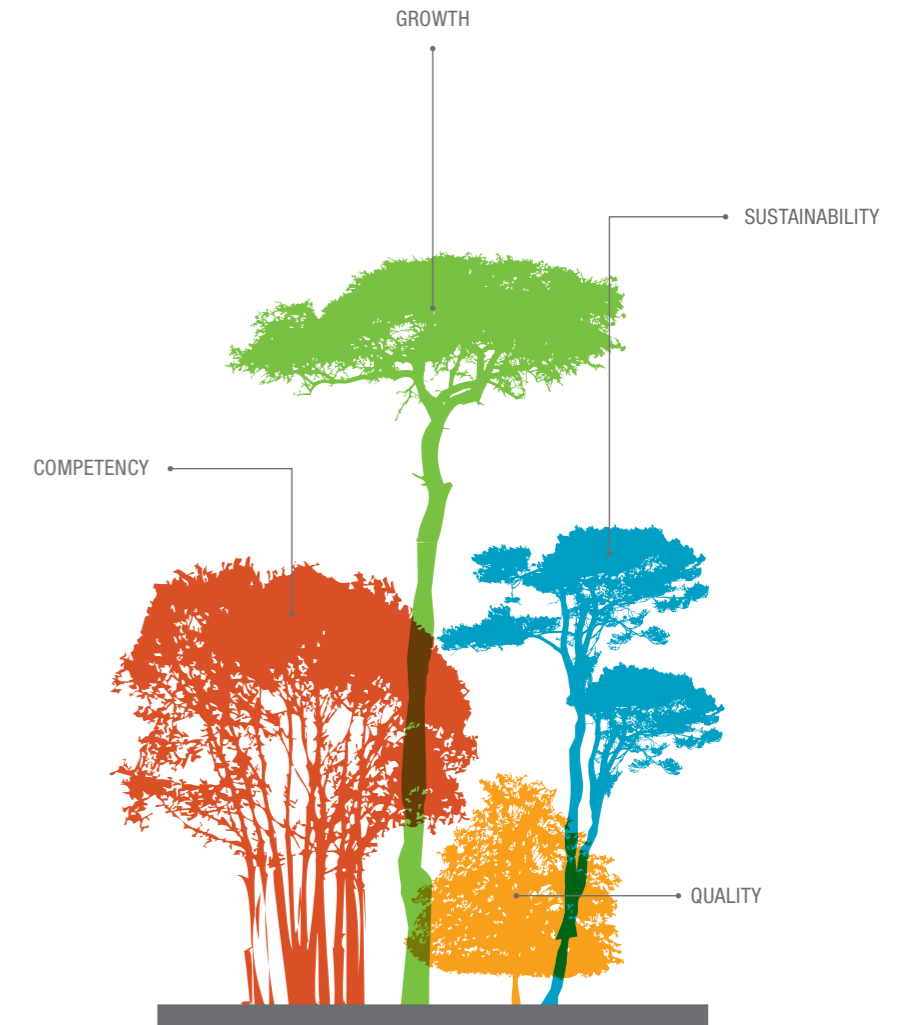
Customised programmes are designed to suit specific talent development needs of our corporate clients, providing capital market professionals with fit-for-purpose learning from beginner to advanced levels.

| NO. | PROGRAMME | NO. OF PARTICIPANTS |
|--------------|---|---------------------|
| 1 | Mastering the Boardroom Programme | 11 |
| 2 | Securities and Investment Banking – Latest Developments in Rules and Regulations & Industry Practices | 28 |
| 3 | The Malaysian Securities Market: Infrastructure and Mechanics | 18 |
| 4 | 2016: Economic and Market Outlook for Investment Strategy | 35 |
| 5 | Valuation of Equities: Concepts and Tools | 44 |
| 6 | Beginners' Workshop: Investment Management 1 | 52 |
| 7 | Wealth Creation through Mergers and Acquisitions (M&A) | 77 |
| 8 | Portfolio Management Techniques | 71 |
| TOTAL | | 336 |

INDUSTRY ENGAGEMENT INITIATIVES

During the year, SIDC undertook various industry engagement initiatives with leading professional organisations in an effort to understand different stakeholders' needs, build rapport, and identify effective ways to promote SIDC's programmes and services.

| NO. | ENGAGEMENTS/EVENTS | ORGANISER(S) | NO. OF PARTICIPANTS |
|-----|--|---|---------------------|
| 1 | Crowdfunding 101 | SIDC & CPA Australia | 150 |
| 2 | Driving Performance through Human Governance | SIDC & Putra Business School | 85 |
| 3 | Women Power Network | SIDC & Lead Women Sdn Bhd | 120 |
| 4 | The Role of Corporate ASEAN in Driving Sustainable Development Goals | SIDC, UNGC Malaysia and Nottingham University | 115 |
| 5 | Talk on Leadership in a Networked World | SC, SIDC & IMD | 80 |
| 6 | CMDP Alumni Programme on Companies Bill 2 | SIDC | 53 |
| 7 | Industry Competency Framework: HR Engagement | SIDC | 105 |
| 8 | Talk on Integrity at Work | SIDC, Help University & CISI | 70 |
| 9 | CMDP Alumni Programme on Changing Capital Markets Landscape | SIDC | 44 |



RAISING COMPETENCIES & DRIVING SUSTAINABLE VALUES

SECURITIES INDUSTRY DEVELOPMENT CORPORATION (SIDC)
ANNUAL HIGHLIGHTS 2016



KEY INITIATIVES FOR 2017

- Rolling out the Industry Competency Framework for the Malaysian capital market
- Development of a structured qualification for the Malaysian capital market
- Development of an online competency assessment portal

MARKET INTERMEDIARIES

SC LICENSING EXAMINATIONS (SCLE)

In 2016, SIDC conducted 216 examination sessions for the 13 SCLE modules. A total of 2,919 candidates sat for the examinations (2015: 3,984 candidates), of which 1,418 candidates passed, reflecting an overall passing rate of 49% (2015: 46%).

SCLE Modules Conducted in 2016

| SC LICENSING EXAMINATIONS | NO. OF CANDIDATES |
|--|-------------------|
| Module 6 Stock Market and Securities Law | 575 |
| Module 7 Financial Statement Analysis and Asset Valuation | 768 |
| Module 9 Funds Management Regulation | 197 |
| Module 10 Asset and Funds Management | 180 |
| Module 11 Fundamentals of Compliance | 63 |
| Module 12 Investment Management and Corporate Finance | 408 |
| Module 14 Futures and Options | 157 |
| Module 16 Rules and Regulations of Futures and Options | 150 |
| Module 17 Securities and Derivatives Trading (Rules and Regulations) | 15 |
| Module 18 Securities and Derivatives Trading (Products and Analysis) | 13 |
| Module 19 Advisory Services (Rules and Regulations) | 302 |
| Module 19A Advisory Services (Rules and Regulations) - Part A | 84 |
| Module 19B Advisory Services (Rules and Regulations) - Part B | 7 |
| TOTAL | 2,919 |

SIDC is the Secretariat for CPE, BTF and BDREF.

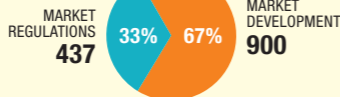
CONTINUING PROFESSIONAL EDUCATION (CPE)

CPE is a mandatory programme for all holders of the Capital Markets Services Representative's Licence (CMSRL) and the Employees of Registered Persons (ERPs) to consistently improve and acquire new technical knowledge, skills and best practices. Through CPE, it is hoped that investors will gain assurance that these capital market professionals do not only satisfy the 'fit and proper' criteria but are also capable of performing their functions effectively, efficiently and fairly.

Processed CPE-Approved Courses

96 active CPE training providers recorded in the Tracker System

Total courses approved **1,337**



Total no. of participants* **48,634**



Registered Employees of Registered Persons (ERPs)

5,466 registered ERPs from 41 RPs recorded in the Tracker System (8.8% increase from 2015)

4,316 (79% of these ERPs remain active)

BUMIPUTERA TRAINING FUND (BTF)

BTF seeks to encourage active Bumiputera participation and improve trading knowledge and skills of all employees in the stockbroking industry.

- In 2016, a total of RM500,000 was allocated, benefitting 619 participants who underwent BTF-funded courses.

BUMIPUTERA DEALER REPRESENTATIVES EDUCATION FUND (BDREF)

BDREF equips the capital market with professionally qualified Bumiputera dealer's representatives by financing relevant professional qualification courses and short courses to improve their technical knowledge and skills.

- In 2016, the BDREF Education Committee approved 67 applications to enrol into professional courses (CFA, MSTA, MIFP and CMT) and between 2003 and 2016, 181 participants have completed various professional courses.
- 794 Bumiputera remisers and dealer's representatives took part in non-examination-based programmes or short courses approved under BDREF.

DIRECTORS TRAINING

CAPITAL MARKET DIRECTOR PROGRAMME (CMDP)

CMDP is an exclusive platform for board directors and senior leaders of licensed intermediaries to obtain the knowledge, skills and attributes to influence and fully contribute to the pursuit of excellence in corporate governance.

In 2016: **14 batches with 282 participants** (523 participants completed requisite modules since May 2015)

ADVANCED BUSINESS MANAGEMENT PROGRAMME (ABMP)

Themed 'Global Trends and Value Creation in a Technologically and Socially Transformed World', the 9th ABMP focused on rapid and non-cyclical global challenges and how business leaders of best-in-class organisations manage them.

9th ABMP **11 May, Langkawi 25 participants** (comprising companies' senior management)

TALENT PIPELINE DEVELOPMENT

SIDC supports SC's ICM initiatives

ISLAMIC CAPITAL MARKET GRADUATE TRAINING SCHEME (ICMGTS)

From a total of 748 qualified applicants, 204 attended the assessment sessions, and 80 applicants were selected.

5 Aug: Batch 14 completed course

26 Nov: Batch 15 completed course

As at 30 November, 461 (80%) of the total graduates have been employed in various industries such as capital market, commercial banking and consulting companies.

SHARIAH PROFESSIONAL PROGRAMME (SPP)

SPP has been exclusively developed to integrate the theoretical and practical aspects of the industry for Shariah Advisers, academicians and Islamic Finance practitioners.

2011 – 2016: **692 participants* attended various SPP modules**

INVESTOR EDUCATION

InvestSmart

SIDC continued to be the Implementing Partner for SC's InvestSmart Initiative, the comprehensive investment literacy outreach campaign to enable more confident and informed retail participation in the capital market.

InvestSmart Seminars

Overall, SIDC reached out to a combined 14,389 participants through its seminars where prominent subject matter experts and industry practitioners shared their experience.

kids & cash **TEENS & CASH**
Kids & Cash and Teens & Cash **240 pax**

cash@campus **Cash@Campus**
1,166 pax

Unit Trust Seminar for Retail Investors
4,363 pax

Stock Market Seminar for Retail Investors
7,571 pax

bmw **Be Money Wise (B.M.W.)**
1,049 pax

invest smart
InvestSmart Seminars
14,389 pax

InvestSmart Print, Digital and Social Media Achievements Total Reach: 14.2 million



InvestSmart Fest (ISF) 2016 (23-25 September 2016, MidValley Exhibition Centre)

ISF 2016 is the third edition of InvestSmart's biggest ever retail investor event, gathering capital market institutions, associations, industry players and relevant agencies under one roof.

InvestSmart Fest 2016 Achievements



INTERNATIONAL REGULATORS PROGRAMME AND CONSULTANCY

ISLAMIC MARKETS PROGRAMME (IMP) 2016

- With the theme 'Enhancing Sustainability of Global Businesses: Role of the Islamic Capital Market', the IMP 2016 was held at SC on 10-12 September 2016.
- This SC flagship conference saw participation from 63 attendees including 10 representatives from the Securities Commission or Exchange of Indonesia, Cambodia, Kenya and Iran.

CONSULTANCY – INTERNATIONAL PROGRAMMES

APEC CAPACITY BUILDING PROGRAMME

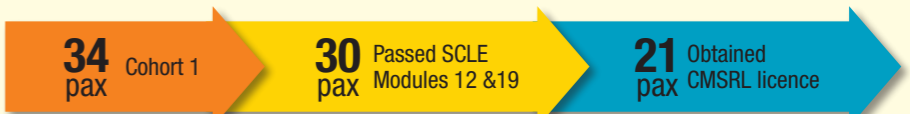
| DATE | VENUE | PROGRAMME TITLE | NO. OF PARTICIPANTS |
|-----------------|----------------|--|---------------------|
| 5-8 Apr | Kuala Lumpur | Regulation and Supervision of the Fund Management Industry in Vietnam (Part 2) | 12 |
| 5-7 Apr | Kuala Lumpur | Developing Human Capital for Vietnam's Securities Market and its Potential to Join Asia Region Funds Passport (ARFP) (Part 2) | 6 |
| 27, 28, 30 Sept | Hanoi, Vietnam | Progressing the Development of the Fund Management Industry in Vietnam for the Facilitation of Cross-Border Issuances (Part 3) | 16 |
| 27, 28, 30 Sept | Hanoi, Vietnam | Developing Human Capital for Vietnam's Securities Market and its Potential to join ARFP | 19 |
| 29 Sept | Hanoi, Vietnam | Building a Closer Relationship with the Industry We Regulate | 38 |
| 22-25 Nov | Kuala Lumpur | Progressing the Development of the Fund Management Industry in Indonesia for the Facilitation of Cross-Border Issuances | 20 |

OTHER PROGRAMMES

| DATE | VENUE | PROGRAMME TITLE | NO. OF PARTICIPANTS |
|-------------------------|--------------|--|---------------------|
| 26-28 May, 31 Oct-2 Nov | Kuala Lumpur | Crisis Preparedness Workshop – Smart Strategies for Managing Crises | 105 |
| 7-8 June | Kuala Lumpur | Securities Board of Nepal (SEBON) Development of the Primary Market: A Programme for Merchant Bankers in Nepal | 17 |
| 28 Nov | Maldives | Corporate Governance Workshop for Capital Market Development Authority (CMDA) Maldives | 50 |

CMSRL IN CORPORATE FINANCE & INVESTMENT ADVICE (CCOFIA) PROGRAMME

In partnership with Yayasan Peneraju Pendidikan Bumiputera, SIDC successfully developed and implemented the Capital Markets Services Representative's Licence (CMSRL) in Corporate Finance & Investment Advice, or CCOFIA programme. Comprising 3 cohorts, the programme aims to establish 90 qualified Bumiputera talents as CMSRL holders in Corporate Finance and/or Investment Advice.



* Where applicable, these figures include the multiple counting of participants who attended more than one course/module.