

MEDIA RELEASE

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SC, Bursa Roll Out Mandatory Sustainability Onboarding Programme for Directors of PLCs

The Securities Commission Malaysia (SC) and Bursa Malaysia today announced the roll out of a new mandatory onboarding programme on sustainability for directors of Public Listed Companies (PLCs) on Bursa Malaysia.

The Mandatory Accreditation Programme (MAP) Part II: Leading for Impact (LIP) is an extension to the existing MAP, now known as MAP Part I under the Bursa Malaysia Main Market and ACE Market Listing Requirements (collectively, the LR).

MAP's main focus is on corporate governance, including director's roles, duties and liabilities as well as other obligations under the LR.

The development of LIP is in line with the SC's Corporate Governance Strategic Priorities 2021-2023, which is aimed at strengthening the ability of boards to address sustainability considerations effectively.

The SC Chairman, Dato' Seri Dr. Awang Adek Hussin said it is important for boards to stay on top of sustainability-related developments so they can effectively manage sustainability risks while capitalising on new opportunities.

"This is especially important where stakeholders are becoming increasingly concerned about environmental, social and governance (ESG) issues," he said. "LIP further underpins the SC's focus on supporting sustainability-conscious and effective leadership of PLCs."

"We believe the introduction of LIP for PLC directors is timely, as it is a significant step towards strengthening the commitment towards ESG practices among boards," said Datuk Muhamad Umar Swift, CEO of Bursa Malaysia.

"Bursa Malaysia will provide the necessary support and resources to assist our PLC directors in fostering sustainable growth within their organisations to ensure long-term value creation for their stakeholders."

The LR has been amended to require all first-time directors of PLCs on the Main and ACE Market of Bursa Malaysia as well as directors of listing or transfer applicants to attend LIP.

The requirement will come into effect on 1 August 2023 (effective date). First-time directors and directors of listing and transfer applicants must complete the programme within 18 months from the date of appointment or admission, respectively.

Existing directors of PLCs on the Main and ACE Market of Bursa Malaysia must complete LIP within 24 months from the effective date.

The Institute of Corporate Directors Malaysia (ICDM) has been appointed as the knowledge partner to conduct LIP, in line with their mandate to enhance the overall effectiveness of boards and to promote excellence in sustainability-driven governance. ICDM is also the knowledge partner for MAP Part I.

LIP has been carefully curated to focus on the baseline knowledge and key considerations surrounding sustainability, including questions which boards should direct towards management in the effort to ensure a more robust and effective oversight of sustainability risks and opportunities of the company. LIP will also provide directors with a platform to engage and learn from their peers.

For further details on LIP or LR amendments, please refer to the following:

- Details on LIP will be made available on ICDM's website at <https://lip.icdm.com.my/>.
- Details on the LR amendments are available at https://www.bursamalaysia.com/regulation/listing_requirements/main_market/amendments_to_listing_requirements for the Main Market Listing Requirements and https://www.bursamalaysia.com/regulation/listing_requirements/ace_market/amendments_to_listing_requirements for the ACE Market Listing Requirements.

SECURITIES COMMISSION MALAYSIA

BURSA MALAYSIA BERHAD

About Securities Commission Malaysia

The Securities Commission Malaysia (SC), a statutory body reporting to the Minister of Finance, was established under the Securities Commission Act 1993. It is the sole regulatory agency for the regulation and development of capital markets. The SC has direct responsibility for supervising and monitoring the activities of market institutions, including the exchanges and clearing houses, and regulating all persons licensed under the Capital Markets and Services Act 2007. More information about the SC is available on its website at www.sc.com.my. Follow the SC on twitter at @SecComMy for more updates.

About Bursa Malaysia

Bursa Malaysia is an approved Exchange holding company under Section 15 of the Capital Markets and Services Act 2007. A public company limited by shares under the Companies Act 2016, Bursa Malaysia operates a fully-integrated exchange, offering equities, derivatives, offshore, bonds as well as Islamic products, and provides a diverse range of investment choices globally.

For more information on Bursa Malaysia, visit www.bursamalaysia.com

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