

APPENDIX 1

AMENDMENTS TO THE MAIN MARKET LISTING REQUIREMENTS IN RELATION TO
ENHANCED SUSTAINABILITY REPORTING FRAMEWORKMain Market Listing Requirements

PRACTICE NOTE 9

RISK MANAGEMENT AND INTERNAL CONTROL, CORPORATE GOVERNANCE AND
SUSTAINABILITY STATEMENT

Details		Cross References
Effective date:	1 June 2001	Paragraphs 15.25, 15.26, paragraph 9.45(2) , and paragraph 29, Part A of Appendix 9C, paragraph 14, Part C of Appendix 9C and paragraph 15, Part E of Appendix 9C
Revision date:	3 August 2009, 29 November 2012, 3 May 2016, 31 December 2016, 31 December 2017, 19 January 2022, <u>31 December 2023, 31 December 2024, 31 December 2025</u>	

1.0 Introduction

1.1 - 1.2 [No change].

1.2A ~~Paragraph 9.45(2) and p~~Paragraph 29, in Part A, paragraph 14 in Part C and paragraph 15 in Part E, of Appendix 9C of the Listing Requirements provide that a listed issuer must include in its annual report, a narrative statement of the listed issuer's management of material economic, environmental and social risks and opportunities ("Sustainability Statement").

1.3 - 1.4 [No change].

2.0 [No change].

PART I - CORPORATE GOVERNANCE DISCLOSURES

3.0 [No change].

PART II - RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

4.0 - 5.0 [No change].

PART III - SUSTAINABILITY STATEMENT**6.0 Contents of the Sustainability Statement**

6.1 All listed issuers should ensure that the Sustainability Statement contains information that is balanced, comparable and meaningful by referring to the Sustainability Reporting Guide issued by the Exchange. In identifying the material economic, environmental and social risks and opportunities, the listed issuer should consider the themes set out in the Sustainability Reporting Guide.

6.2 In making the Sustainability Statement, a listed issuer must include disclosures on the following:

- (a) the governance structure in place to manage the economic, environmental and social risks and opportunities (“**sustainability matters**”);
- (b) the scope of the Sustainability Statement and basis for the scope;
- (c) material sustainability matters and -
 - (i) how they are identified;
 - (ii) why they are important to the listed issuer; and
 - (iii) how they are managed including details on -
 - (aa) policies to manage these sustainability matters;
 - (bb) measures or actions taken to deal with these sustainability matters; and
 - (cc) indicators relevant to these sustainability matters which demonstrate how the listed issuer has performed in managing these sustainability matters together with the data for the last 3 financial years, and performance target(s) in relation to the indicators (if such targets are set);
- (d) the climate-related disclosures which are aligned with the Recommendations of the Task Force on Climate-Related Financial Disclosures (“TCFD Recommendations”), covering all four pillars: governance, strategy, risk management, and metrics and targets, in a dedicated section within the Sustainability Statement;
- (e) a statement on whether the listed issuer has subjected the Sustainability Statement to -
 - (i) internal review by its internal auditor; or
 - (ii) independent assurance performed in accordance with recognised assurance standards,to strengthen the credibility of the Sustainability Statement, and if so, the subject matter(s) and scope covered. In addition, for independent assurance, the conclusions must also be disclosed; and
- (f) a summary of the data and performance targets disclosed in the Sustainability Statement, in a prescribed format.

APPENDIX 1
ENHANCED SUSTAINABILITY REPORTING FRAMEWORK

- 6.3 For purposes of paragraph 6.2(c) above, sustainability matters are considered material if they:
- (a) reflect the listed issuer's significant economic, environmental and social impacts; or
 - (b) substantively influence the assessments and decisions of stakeholders; and
 - (c) fall under the common material sustainability matters as set out in Annexure PN9-A.
- 6.4 ~~A listed issuer is not required to comply with paragraphs 6.1 to 6.3 above if the listed issuer prepares its Sustainability Statement in accordance with the GRI Sustainability Reporting Guidelines. [Deleted]~~
- 6.5 For purposes of paragraph 6.2(c)(iii)(cc) above, a listed issuer must disclose the data for a reported indicator in the following manner:

<u>No.</u>	<u>Reporting of new indicator</u>	<u>Minimum data disclosures</u>
<u>(a)</u>	<u>In the first year of reporting a new indicator ("said indicator")</u>	<u>Data for the financial year</u>
<u>(b)</u>	<u>In the second year of reporting the said indicator</u>	<u>Data for the financial year and the immediate preceding financial year</u>
<u>(c)</u>	<u>From the third year onwards of reporting the said indicator</u>	<u>Data for the financial year and the 2 immediate preceding financial years</u>

Notes:

1. ~~A listed issuer must ensure that its annual report contains a Sustainability Statement as follows:~~
 - ~~(a) In relation to a listed issuer with market capitalisation (excluding treasury shares) of RM2 billion and above as at 31 December 2015, or as at the date of its admission to the Official List in 2016, for annual reports issued for financial years ending on or after 31 December 2016.~~
 - ~~(b) In relation to all the other listed issuers, for annual reports issued for financial years ending on or after 31 December 2017.~~
2. ~~A listed issuer must comply with paragraphs 6.2 and 6.3 of Practice Note 9 in the manner set out in the table below:~~

<u>Listed issuers</u>	<u>Effective dates for paragraphs 6.2 and 6.3 of Practice Note 9</u>
(a) A listed issuer with market capitalisation (excluding treasury shares) of RM2 billion and above as at— <ul style="list-style-type: none"> (i) 31 December 2015 or 31 December of any subsequent calendar year; or (ii) the date of its admission to the Official List after 31 December 2015. 	Annual reports issued for financial years ending on or after 31 December 2016
(b) A listed issuer with market capitalisation (excluding treasury shares) of RM1 billion and above, but below RM2 billion as at—	Annual reports issued for financial years ending on or after 31 December 2017

APPENDIX 1
ENHANCED SUSTAINABILITY REPORTING FRAMEWORK

<i>Listed issuers</i>	<i>Effective dates for paragraphs 6.2 and 6.3 of Practice Note 9</i>
(i) 31 December 2015 or 31 December of any subsequent calendar year; or (ii) the date of its admission to the Official List after 31 December 2015.	
(c) A listed issuer other than those stated above in items (a) and (b) above.	Annual reports issued for financial years ending on or after 31 December 2018

- ~~3. A listed issuer which falls within items 2(a) or 2(b) above must comply with paragraphs 6.2 and 6.3 of Practice Note 9 even if its market capitalisation (excluding treasury shares) subsequently decreases below the prescribed threshold.~~
- ~~4. A listed issuer is strongly encouraged to make a Sustainability Statement in its annual reports, and give effect to paragraphs 6.1, 6.2 and 6.3 of Practice Note 9 early, to the extent possible, prior to the relevant effective dates.~~
- ~~5. For the avoidance of doubt, a listed issuer referred to in item 1(b) above must continue to provide a description of its and its subsidiaries' corporate social responsibility activities or practices or if there is none, a statement to that effect, in its annual report issued for the financial year ending on or after 31 December 2016, unless it has made a Sustainability Statement in its annual report.~~

ANNEXURE PN9-ACommon sustainability matters
(paragraph 6.3(c))

<u>No.</u>	<u>Common Sustainability Matters</u>	<u>Common Indicators</u>
<u>1.</u>	<u>Anti-corruption</u>	(a) <u>Percentage of employees who have received training on anti-corruption by employee category</u> (b) <u>Percentage of operations assessed for corruption-related risks</u> (c) <u>Confirmed incidents of corruption and action taken</u>
<u>2.</u>	<u>Community / Society</u>	(a) <u>Total amount invested in the community where the target beneficiaries are external to the listed issuer</u> (b) <u>Total number of beneficiaries of the investment in communities</u>
<u>3.</u>	<u>Diversity</u>	(a) <u>Percentage of employees by gender and age group, for each employee category</u> (b) <u>Percentage of directors by gender and age group</u>
<u>4.</u>	<u>Energy management</u>	(a) <u>Total energy consumption</u>
<u>5.</u>	<u>Health and safety</u>	(a) <u>Number of work-related fatalities</u> (b) <u>Lost time incident rate</u> (c) <u>Number of employees trained on health and safety standards</u>
<u>6.</u>	<u>Labour practices and standards</u>	(a) <u>Total hours of training by employee category</u> (b) <u>Percentage of employees that are contractors or temporary staff</u> (c) <u>Total number of employee turnover by employee category</u> (d) <u>Number of substantiated complaints concerning human rights violations</u>
<u>7.</u>	<u>Supply chain management</u>	(a) <u>Proportion of spending on local suppliers</u>
<u>8.</u>	<u>Data privacy and security</u>	(a) <u>Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</u>
<u>9.</u>	<u>Water</u>	(a) <u>Total volume of water used</u>
<u>10.</u>	<u>Waste management</u>	(a) <u>Total waste generated, and a breakdown of the following:</u>

APPENDIX 1
ENHANCED SUSTAINABILITY REPORTING FRAMEWORK

<u>No.</u>	<u>Common Sustainability Matters</u>	<u>Common Indicators</u>
		<u>(i) total waste diverted from disposal</u> <u>(ii) total waste directed to disposal</u>
11.	<u>Emissions management</u>	<u>(a) Scope 1 emissions in tonnes of CO₂e</u> <u>(b) Scope 2 emissions in tonnes of CO₂e</u> <u>(c) Scope 3 emissions in tonnes of CO₂e (at least for the categories of business travel and employee commuting)</u>

[End of Annexure]

[End of Appendix 1]