

Ref. No.: RPA/JH/TAC/RO(hm)/LD14/23 [Sustainability Training Amendments]

6 June 2023

The Company Secretary  
(Listed Corporations)

Via email

Dear Sir/Madam,

**AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

---

1. **INTRODUCTION**

1.1 Pursuant to section 9 of the Capital Markets and Services Act 2007 (“**CMSA**”), Bursa Malaysia Securities Berhad (“**the Exchange**”) has amended the ACE Market Listing Requirements (“**ACE LR**”) in relation to sustainability training for directors.

2. **BACKGROUND**

2.1 As the sustainability space continues to evolve and develop, directors are now expected to possess current and essential sustainability knowledge to facilitate the effective discharge of their roles, particularly in setting the listed corporation’s sustainability strategies, priorities and targets. This is important as effective integration and implementation of sustainability practices start at the top.

2.2 Additionally, the board of directors is also responsible for a listed corporation’s sustainability disclosures in annual reports. With the issuance of the enhanced sustainability reporting requirements under the ACE LR on 26 September 2022, it is imperative for directors to equip themselves with more in-depth knowledge of sustainability matters to facilitate their compliance with the enhanced reporting requirements.

2.3 As such, the Exchange is requiring directors of a listed corporation and an applicant seeking listing on the ACE Market (“**listing applicant**”) to attend a tailored programme on sustainability to build their capabilities and competency in this evolving area (“**Amendments**”).

2.4 For this purpose, the Exchange has reviewed and enhanced the scope of the Mandatory Accreditation Programme (“**MAP**”) for directors under the ACE LR. The MAP will now be conducted in 2 parts as follows:

- (a) the existing training for directors in relation to corporate governance and a director’s roles, duties and liabilities will remain as Part I (“**MAP Part I**”); and

**AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS (“ACE LR”) IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

---

- (b) a new Part which will focus substantively on sustainability will be introduced (“MAP Part II”).

This targeted approach will ensure that adequate emphasis is also given to sustainability matters to aid directors in discharging their roles.

- 2.5 The Amendments are also in line with one of the strategic initiatives under the Securities Commission Malaysia (“SC”)’s Corporate Governance Strategic Priorities 2021-2023 which aims to provide directors with the foundational knowledge and practices to address sustainability matters effectively through the Leading for Impact Programme.

- 2.6 In addition to the above, in light of the introduction of the transfer framework to facilitate the transfer of listing of a LEAP Market listed corporation (“transfer applicant”) to the ACE Market, the Exchange is also requiring a director of a transfer applicant to attend both MAP Part I and MAP Part II. This is to ensure that the director has the necessary knowledge and understanding of his or her obligations as a director of a corporation listed on the ACE Market, after the transfer of listing. This also ensures parity in approach for all directors.

### **3. KEY AMENDMENTS AND MISCELLANEOUS CHANGES**

- 3.1 The key Amendments and miscellaneous changes are as follows:

- (a) expanding the MAP to 2 parts, comprising MAP Part I and MAP Part II [*paragraph 1.3 of Guidance Note 10*];
- (b) requiring a first time director of a listed corporation and a director of a listing applicant, to complete MAP Part II within the prescribed timeframe [*paragraphs 1.3(b) and 2.2(b) of Guidance Note 10*];
- (c) requiring a director of a transfer applicant to attend similar trainings like a director of a listing applicant i.e. MAP Part I and MAP Part II, within the prescribed timeframe [*paragraphs 1.1, 1.3 and 2.2(b)(ii) of Guidance Note 10*]; and
- (d) streamlining and updating the relevant terms used in the ACE LR for clarity and consistency, as well as removing operational provisions, from the ACE LR [*paragraphs 1.1, 2.1, 2.2(a), 2.2(b)(ii), 2.2(b)(ii)(aa), 2.2(c) and 2.3 of Guidance Note 10*].

### **4. FULL TEXT OF THE AMENDMENTS**

- 4.1 The full text of the Amendments is attached in **Appendix 1**. For ease of reference, the amendments are reflected in the following manner:

**AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS (“ACE LR”) IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

---

- portions underlined are text newly inserted / added onto the existing rules; and
- portions struck through are text deleted.

**5. IMPLEMENTATION**

5.1 The Amendments take effect as follows:

- a director who is **appointed on or after 1 August 2023** for the first time as director of a listed corporation must complete MAP Part II within 18 months from the date of his/her appointment;
- a director of a listing applicant which is **admitted to the ACE Market on or after 1 August 2023** must complete MAP Part II within 18 months from the date of admission; and
- a director of a transfer applicant which is **admitted to the ACE Market on or after 1 August 2023** must complete MAP Part I prior to the date of admission, and MAP Part II within 18 months from the date of admission.

***Existing directors***

5.2 In addition to the above, we take cognisance that there is a need to foster collective understanding amongst directors in the area of sustainability, partly through the sharing of relevant knowledge, experiences and expectations pertaining to sustainability practices as well as disclosures. Hence, it is also important for existing directors of a listed corporation to attend MAP Part II, to equip themselves with the necessary knowledge on sustainability matters and enhance their collective understanding in this area. As such, existing directors of listed corporations who are appointed prior to 1 August 2023 must complete MAP Part II **on or before 1 August 2025**.

***Other directors***

5.3 With regard to other directors not specified under paragraphs 5.1 and 5.2 above, they must complete MAP Part II within 18 months from the date of their appointment.

5.4 The Institute of Corporate Directors Malaysia (“ICDM”) has been appointed as the organiser for MAP. Details on the MAP programme are available on ICDM’s website at <https://icdm.com.my>.

**AMENDMENTS TO BURSA MALAYSIA SECURITIES BERHAD ACE MARKET LISTING REQUIREMENTS (“ACE LR”) IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

---

**6. ADDITIONAL INFORMATION**

- 6.1 In addition, we have also provided “Questions and Answers” in relation to the Amendments as set out in **Appendix 2** to facilitate a listed corporation and its directors’ better understanding of, and compliance with, the Amendments.
- 6.2 This letter as well as Appendices 1 and 2 are also available at Bursa Malaysia Berhad’s website at:  
[https://www.bursamalaysia.com/regulation/listing\\_requirements/ace\\_market/amendments\\_to\\_listing\\_requirements](https://www.bursamalaysia.com/regulation/listing_requirements/ace_market/amendments_to_listing_requirements)
- 6.3 If you have any queries on the above, please do not hesitate to contact Listing Advisory & Development, Listing Division at 03-20347766 or submit your enquiry via <https://asklisting.bursamalaysia.com>.

Thank you.

Yours faithfully,



REGULATION

Encls. (2)

TAC/RO/hm