

## ANNEXURE B

PROPOSED AMENDMENTS RELATING TO  
SUSTAINABILITY STATEMENT IN ANNUAL REPORTS

ACE MARKET LISTING REQUIREMENTS

## APPENDIX 9C

Contents of annual report  
(Rule 9.25)

(1) – (29) [No change].

(30) ~~A brief description of the corporate social responsibility activities or practices undertaken by the listed corporation and its subsidiaries or if there are none, a statement to that effect. A narrative statement of the listed corporation's management of material economic, environmental and social risks and opportunities (“Sustainability Statement”).~~

*[Cross-reference: Guidance Note 11]*

(31) [No change].

*The proposed revised Guidance Note 11 is as follows:*

## GUIDANCE NOTE 11

### INTERNAL CONTROL AND CORPORATE GOVERNANCE STATEMENT

Details	Cross References
Effective date: 3 July 2006, [ ]	Rules 15.25, <del>and</del> 15.26 <u>and paragraph 30 of Appendix 9C</u>
Revision date: 3 August 2009, 29 November 2012, [ ]	

#### 1.0 Introduction

- 1.1 Rule 15.25 of the Listing Requirements provides that a listed corporation must include in its annual report, a narrative statement of its corporate governance practices (“**Corporate Governance Statement**”) with reference to the Malaysian Code on Corporate Governance 2012 (“**Code**”). In making the Corporate Governance Statement, the listed corporation must include the following information:
- (a) how the listed corporation has applied the Principles set out in the Code (“**Principles**”) to its particular circumstances, having regard to the Recommendations stated under each Principle (“**Recommendations**”); and
  - (b) any Recommendation which the listed corporation has not followed, together with the reasons for not following it and the alternatives adopted by the listed corporation, if any.
- 1.2 Rule 15.26(b) of the Listing Requirements requires a listed corporation to ensure that its board of directors make a statement in its annual report about the state of internal control of the listed corporation as a group (“**Internal Control Statement**”).
- 1.2A Paragraph 29, Part A of Appendix 9C of the Listing Requirements provides 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 This Guidance Note clarifies the obligation of the listed corporations in making the Corporate Governance Statement, ~~and~~ the Internal Control Statement and the Sustainability Statement.

ANNEXURE B  
PROPOSED AMENDMENTS RELATING TO  
SUSTAINABILITY STATEMENT IN ANNUAL REPORTS  
Draft for Public Consultation – 27 July 2015

---

- 2.0 Location of the Corporate Governance Statement, ~~and~~ the Internal Control Statement and the Sustainability Statement in the annual report**
- 2.1 A listed corporation may combine both the Corporate Governance Statement and the Internal Control Statement (both statements are collectively referred to as “**said Statements**”).
- 2.2 A listed corporation must set out the said Statements and the Sustainability Statement prominently and clearly in its annual report. The said Statements and the Sustainability Statement must not be incorporated into the Chairman’s statement in the annual report as referred to in paragraph 8 of Part A in Appendix 9C of the Listing Requirements.

### **PART I – CORPORATE GOVERNANCE STATEMENT**

**3.0 Contents of the Corporate Governance Statement General**

[No change].

### **PART II – INTERNAL CONTROL STATEMENT**

**4.0 Contents of the Internal Control Statement**

[No change].

**5.0 The said Statements**

[No change].

### **PART III – SUSTAINABILITY STATEMENT**

**6.0 Contents of the Sustainability Statement**

- 6.1 All listed corporations 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 sustainability matters, the listed corporation should consider the themes set out in the Sustainability Reporting Guide.
- 6.2 A listed corporation may issue its Sustainability Statement in a separate report but must ensure that the report is issued as soon as practicable after the issuance of the annual report, and in any event no later than the date of annual general meeting. In such a case, the listed corporation must also ensure that the information set out in the report covers the same financial year as the annual report.

**[End of Annexure B]**