

Ref. No.: RPA/JH/TAC/RO(hm)/LD13/23 [Sustainability Training Amendments]

6 June 2023

The Company Secretary  
(Listed Issuers)

Via email

Dear Sir/Madam,

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

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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 Main Market Listing Requirements (“**Main 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 issuer’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 issuer’s sustainability disclosures in annual reports. With the issuance of the enhanced sustainability reporting requirements under the Main 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 issuer or an applicant seeking listing on the Main 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 Main 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 MAIN MARKET LISTING REQUIREMENTS (“MAIN LR”) IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

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- (b) a new Part II 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.

**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 Practice Note 5*];
- (b) requiring a first time director of a listed issuer 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 Practice Note 5*]; and
- (c) streamlining and updating the relevant terms used in the Main LR for clarity and consistency, as well as removing operational provisions, from the Main 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 Practice Note 5*].

**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:

- 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) a director who is **appointed on or after 1 August 2023** for the first time in a listed issuer must complete MAP Part II within 18 months from the date of his/her appointment; and

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

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- (b) a director of a listing applicant which is admitted to the Main Market on or after 1 August 2023 must complete 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 issuer 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 issuers 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 Part II. Details on the MAP Part II programme are available on ICDM’s website at <https://icdm.com.my>.

**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 issuer 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/main\\_market/amendments\\_to\\_listing\\_requirements](https://www.bursamalaysia.com/regulation/listing_requirements/main_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>.

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("MAIN LR") IN RELATION TO SUSTAINABILITY TRAINING FOR DIRECTORS**

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Thank you.

Yours faithfully,



REGULATION

*Encls. (2)*

TAC/RO/hm