

ANNEXURE B
PROPOSED AMENDMENTS IN RELATION TO SUSTAINABILITY
REPORTING REQUIREMENTS AND OTHER ENHANCEMENTS
[DRAFT FOR CONSULTATION – 24 SEPTEMBER 2024]

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SUSTAINABILITY REPORTING REQUIREMENTS AND OTHER ENHANCEMENTS

ACE Market Listing Requirements

CHAPTER 1 DEFINITIONS AND INTERPRETATION

PART A – DEFINITIONS

1.01 Definitions In these Requirements, unless the context otherwise requires:-

Sponsorship Period	in relation to a sponsorship means the period referred to in Rule 3.21(1), or Rule 3A.05(1), <u>or such period as may be approved by the Exchange,</u> as the case may be.
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[End of proposed amendments to Chapter 1]

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CHAPTER 4 SPONSORS AND RECOGNISED APPROVED ADVISERS

PART B - DEFINITIONS

4.02 Definitions

In this Chapter, the following terms and expressions have the following meanings:

- (a) [no change];
- (b) **“Public Document”** means any announcement made by an applicant or a listed corporation to the Exchange and document issued by ~~an the~~ applicant or ~~a~~ listed corporation ~~to the public or to the holders of any class of its~~ securities holders in a listed corporation pursuant to these Requirements; and
- (c) – (d) [no change].

PART G – RULES GOVERNING SPONSORED CORPORATIONS IN DEALING WITH SPONSORS

4.27 Review of Public Document

- (1) A Sponsored Corporation must ensure that its Sponsor reviews any Public Document to be submitted or disclosed by the Sponsored Corporation to the Exchange, to ensure compliance with these Requirements, except in relation to such matters or circumstances set out in Rule 4.10(1) above.
- (2) ~~During the Sponsorship Period, a~~ Sponsored Corporation must ~~–~~
 - ~~(a) include a statement that its admission to the Official List was sponsored by~~ state the name of the Sponsor (and the Recognised Approved Adviser, where applicable) who was responsible for its admission to the Official List, in all its Public Documents. The statement must be in print no smaller than the main text and positioned on the front page of the Public Document. for –
 - ~~(i) the Sponsorship Period; or~~
 - ~~(ii) a period of 2 full financial years from the date of its admission to the Official List, if the listed corporation meets the quantitative criteria for admission to the Main Market of the Exchange and is exempted from continued compliance with Rule 3.21(1) of these Requirements; and~~
 - ~~(b) ensure that the statement is in print no smaller than the main text and displayed prominently on the front page of the Public Documents.~~

[End of proposed amendments to Chapter 4]

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CHAPTER 8 CONTINUING LISTING OBLIGATIONS

PART H – OTHERS

8.29A Mode of conducting general meetings

- (1) A listed corporation must hold its general meeting at a physical venue in Malaysia (“**Main Venue**”).
- (2) In addition to the Main Venue, if a listed corporation holds its general meeting at another physical venue concurrently or utilises virtual meeting technology for shareholders to attend the general meeting remotely, the listed corporation must -
 - (a) put in place the required processes, infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders; and
 - (b) ensure the shareholders are accorded with equitable rights to speak and vote at the general meeting without being physically present at the Main Venue.

[End of proposed amendments to Chapter 8]

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CHAPTER 9 CONTINUING DISCLOSURE

APPENDIX 9C

Part A

Contents of annual report
(paragraph 9.25)

(1) – (29) [No change].

(30) A narrative statement of the listed corporation's management of ~~material-economic, environmental and social-sustainability-related~~ risks and opportunities ("**Sustainability Statement**"), in the manner as prescribed by the Exchange.

[Cross-reference: Guidance Note 11]

(31) [No change].

[End of proposed amendments to Chapter 9]

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GUIDANCE NOTE 11

RISK MANAGEMENT AND INTERNAL CONTROL, CORPORATE GOVERNANCE AND SUSTAINABILITY STATEMENT

Details		Cross References
Effective date:	1 June 2001	Paragraphs 15.25, 15.26, 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, □	

1.0 Introduction

1.1 – 1.2 [No change].

1.2A Paragraph 30 of Appendix 9C of the Listing Requirements provide that a listed corporation must include in its annual report, a narrative statement of the listed corporation's management of ~~material economic, environmental and social sustainability-related~~ risks and opportunities ("Sustainability Statement").

1.3 [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].

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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 economic, environmental and social risks and opportunities, the listed corporation should consider the themes set out in the Sustainability Reporting Guide.~~ A listed corporation must ensure that the Sustainability Statement -
- (a) is prepared in accordance with the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and IFRS S2 Climate-related Disclosures ("IFRS S2") (collectively, the "ISSB Standards"); and
 - (b) includes the disclosure of the common sustainability-related risks and opportunities as set out in Annexure GN11-A ("common sustainability matters").
- 6.2 In addition to paragraph 6.1 above, a listed corporation must also include the following in the Sustainability Statement:
- (a) a statement on whether the listed corporation 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
 - (b) a summary of the data and performance targets disclosed in the Sustainability Statement in relation to the reported indicators, in a prescribed format.
- 6.3 A listed corporation must disclose the data and performance targets (if such targets are set) for all reported indicators in the Sustainability Statement for the last 3 financial years, 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>

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6.4 In preparing the Sustainability Statement, the listed corporation should consider the relevant resources or guidance materials as may be referred to by the Exchange from time to time.

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ANNEXURE GN11-A

Common sustainability matters
(paragraph 6.1(b))

<u>No.</u>	<u>Common Sustainability Matters</u>	<u>Common Indicators</u>
<u>1.</u>	<u>Anti-corruption</u>	<u>(a) Percentage of employees who have received training on anti-corruption by employee category</u> <u>(b) Percentage of operations assessed for corruption-related risks</u> <u>(c) Confirmed incidents of corruption and action taken</u>
<u>2.</u>	<u>Community / Society</u>	<u>(a) Total amount invested in the community where the target beneficiaries are external to the listed corporation</u> <u>(b) Total number of beneficiaries of the investment in communities</u>
<u>3.</u>	<u>Diversity</u>	<u>(a) Percentage of employees by gender, age group and ethnicity, for each employee category</u> <u>(b) Percentage of directors by gender, age group and ethnicity</u>
<u>4.</u>	<u>Energy management</u>	<u>(a) Total energy consumption</u>
<u>5.</u>	<u>Health and safety</u>	<u>(a) Number of work-related fatalities</u> <u>(b) Lost time incident rate</u> <u>(c) Number of employees trained on health and safety standards</u>
<u>6.</u>	<u>Labour practices and standards</u>	<u>(a) Total hours of training by employee category</u> <u>(b) Percentage of employees that are contractors or temporary staff</u> <u>(c) Total number of employee turnover by employee category</u> <u>(d) Number of substantiated complaints concerning human rights violations</u>

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<u>No.</u>	<u>Common Sustainability Matters</u>	<u>Common Indicators</u>
<u>7.</u>	<u>Supply chain management</u>	<u>(a) Proportion of spending on local suppliers</u>
<u>8.</u>	<u>Data privacy and security</u>	<u>(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data</u>
<u>9.</u>	<u>Water</u>	<u>(a) Total volume of water used</u>
<u>10.</u>	<u>Waste management</u>	<u>(a) Total waste generated, and a breakdown of the following:</u> <u>(i) total waste diverted from disposal</u> <u>(ii) total waste directed to disposal</u>
<u>11.</u>	<u>Emissions management</u>	<u>(a) Scope 1 greenhouse gas emissions in tonnes of CO₂ equivalent</u> <u>(b) Scope 2 greenhouse gas emissions in tonnes of CO₂ equivalent</u> <u>(c) Scope 3 greenhouse gas emissions in tonnes of CO₂ equivalent (at least for the categories of business travel and employee commuting)</u>

[END OF ANNEXURE B]