

SUMMARY OF AMENDMENTS
REVISED GUIDELINES ON SUSTAINABLE AND RESPONSIBLE INVESTMENT FUNDS

(Issued: 17.2.2023)

The following table provides a summary of key amendments to the revised *Guidelines on Sustainable and Responsible Investment Funds (Guidelines)* issued on 17.2.2023

A. Overview	
1.	The Guidelines were revised to provide a comprehensive framework on the SC’s regulatory requirements on sustainable funds. The revised Guidelines have been re-arranged and will consist of three parts namely: <ul style="list-style-type: none"> (i) Part A: Sustainable and Responsible Investment (SRI) Fund (ii) Part B: ASEAN Sustainable and Responsible Fund Standards (ASEAN SRF Standards) (iii) Part C: Application to Qualify as an SRI Fund and an ASEAN Sustainable and Responsible Fund
2.	The key amendments include enhancing the disclosure and reporting requirements for a fund seeking to qualify as an SRI Fund. Additional amendments to facilitate the implementation of the ASEAN SRF Standards in Malaysia by incorporating the requirements to qualify as an ASEAN Sustainable and Responsible Fund. Housekeeping amendments throughout the Guidelines to provide greater clarity and consistency. These amendments include stylistic or formatting changes and necessary changes of an editorial nature such as renumbering and rephrasing of certain requirements and contents, standardisation of terminology, updating of information, grammatical corrections and alphabetical order.

B. Amendments to specific paragraphs			
No.	Prior to 17 February 2023	Issued on 17 February 2023	Comments
Chapter 1 Introduction			
	Paragraph 1.02	Paragraph 1.02	Consequential amendments to facilitate the implementation of the ASEAN SRF Standards in Malaysia.

Applicability			
	Paragraph 1.03(a)	Paragraph 1.04(a)	Consequential amendments to incorporate the ASEAN Sustainable and Responsible Fund as a fund that may seek qualification under the ASEAN SRF Standards.
	Paragraph 1.03(b)	Paragraph 1.04(b)	Amended 'fund manager' to 'fund management company'.
Chapter 2: Definitions			
	Paragraph 2.01	Paragraph 2.01	<p>Inserted new definitions of 'ACMF', 'ESG', 'issuer', 'net asset value', 'offering documents', 'registered corporation'.</p> <p>Amended definitions of 'fund management company' to include registered corporation and 'existing fund' to include private retirement scheme (PRS).</p>
PART A: SUSTAINABLE AND RESPONSIBLE INVESTMENT (SRI) FUND			
Chapter 3: General SRI Fund Requirements			
Scope of SRI Fund			
	Paragraph 3.01(a) Paragraph 3.03	Paragraph 3.01(a) Paragraph 3.03(b)	Inserted item (vii) and (b) respectively to incorporate PRS as a type of fund that may seek qualification as an SRI Fund.
	Paragraph 3.02	Paragraph 3.02	Amended referencing to existing paragraphs and inserted additional paragraphs for the compliance of a target fund.

Name of Fund			
	-	Paragraphs 3.04 and 3.05	New paragraphs inserted to prescribe requirements on the name of the fund.
	Paragraph 3.08	Paragraph 3.06	Amended paragraph in relation to the definition of 'offering documents'.
Policies and Strategies			
	Paragraph 3.05	Paragraph 3.07	Inserted item (c) to provide clarity on an SRI Fund's policy and strategies.
	-	Paragraph 3.08	New paragraph inserted to prescribe requirements on the type of strategies to be adopted by an SRI Fund to achieve its policy.
	Guidance to paragraph 3.05	Guidance to paragraph 3.08	Amended guidance to provide better clarity on SRI strategies.
	-	Paragraph 3.09	New paragraph inserted to introduce a minimum asset allocation threshold for an SRI Fund.
	-	Guidance to paragraph 3.09	New guidance inserted to provide better clarity on SRI strategies.
Chapter 4: Disclosure And Reporting Requirements of SRI Fund's Investments			
	Paragraph 3.04	Paragraph 4.01 Paragraph 4.02	Consequential amendments in relation to the term 'offering documents'.

Reference Benchmarks and Indices			
	-	Paragraphs 4.03 and 4.04	New paragraphs inserted to prescribe requirements on the disclosure of reference benchmarks and indices.
Sustainability Risk Considerations			
	-	Paragraph 4.05	New paragraph inserted to prescribe requirements on sustainability risk considerations.
Use of Third-Party Verification			
	-	Paragraphs 4.06 and 4.07	New paragraphs inserted to prescribe requirements on the use of a voluntary third-party verifier.
Obligations of Issuer			
	-	Paragraphs 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14, 4.15 and 4.16.	New paragraphs and guidance inserted to prescribe requirements on obligations of an issuer.
Reporting Requirements of SRI Fund's Investments			
	Paragraph 3.10(a), (b), (c) Paragraph 3.11	Paragraph 4.17, 4.18, 4.19 and 4.20	New paragraphs and guidance inserted to prescribe the reporting requirements of an SRI Fund.
PART B: ASEAN SUSTAINABLE AND RESPONSIBLE FUND STANDARDS			
Chapter 6: Requirements to Qualify As An ASEAN Sustainable And Responsible Fund			
	-	Chapter 6	New chapter inserted to prescribe the requirements for new or existing funds to seek qualification as an ASEAN Sustainable and Responsible Fund.

PART C: APPLICATION TO QUALIFY AS A SUSTAINABLE AND RESPONSIBLE INVESTMENT FUND AND AN ASEAN SUSTAINABLE AND RESPONSIBLE FUND

Chapter 7: Application and Submission

	Paragraphs 4.01, 4.02, 4.03, 4.04, 4.05, 4.06, 4.07, 4.08 and 4.09	Paragraph 7.01, 7.02, 7.03, 7.04, 7.05, 7.06, 7.07, 7.08 and 7.09	Amended paragraphs in relation to the application, submission and notification procedures for new and existing fund to seek qualification as an SRI Fund.
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