

MORE BITE FOR MALAYSIAN CODE ON CORPORATE GOVERNANCE 2026?

28 July 2025

The Chairman of the Securities Commission Malaysia, Dato' Mohammad Faiz Azmi, in his Opening Address at the ASEAN Corporate Governance Conference 2025 held in Kuala Lumpur on 24 July 2025, disclosed that the Securities Commission Malaysia ("SC") is currently undertaking a review of the Malaysian Code on Corporate Governance issued on 28 April 2021¹ ("MCCG 2021") and that the revised version of the MCCG 2021 is expected to be published in 2026 ("MCCG 2026").²

According to Dato' Faiz, the SC will be engaging with stakeholders later this year through targeted discussions and consultations to ensure that revisions to the MCCG 2021 remain relevant and impactful. The SC Chairman added that "I am prepared to make some of what matters in the upcoming MCCG mandatory, if we believe it will help corporates to demonstrate better governance and better results."

The focus of the MCCG 2026, said Dato' Faiz, will be to revisit matters that help with board quality and effectiveness, as well as strengthening the board's role in long-term value creation.

While noting that other ASEAN countries are also embarking on similar exercises this year, and the importance of aligning corporate governance with global standards and investor expectations, the SC Chairman acknowledged that each ASEAN jurisdiction is unique and the governance codes must be tailored to reflect each jurisdiction's unique context, market maturity, and strategic priorities. According to Dato' Faiz, "(t)here is no one-size-fits-all approach in governance. Local relevance ensures the principles we adopt are effective, practical and transformative."

It will be interesting to see whether, and the extent to which, the upcoming MCCG 2026 will impose enforceable obligations on companies that will be subjected to its provisions.

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¹ Our article on the MCCG 2021 can be accessed [here](#).

² The full text of the SC Chairman's Opening Address can be accessed [here](#).





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