

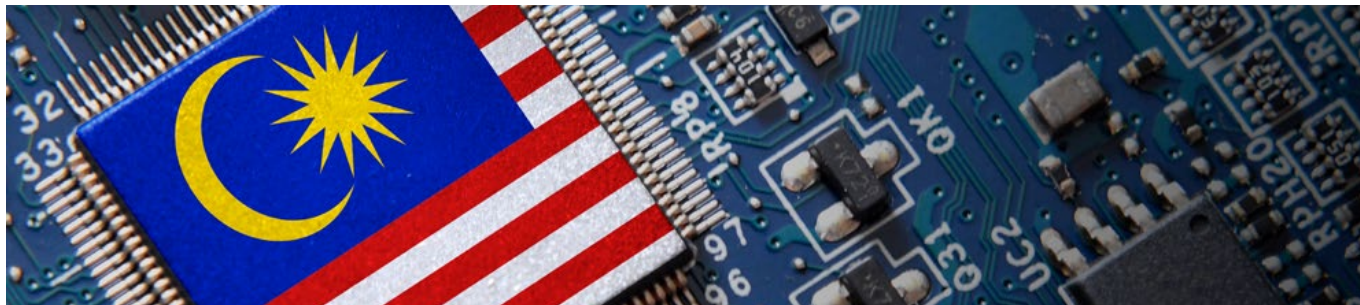
# Luther.

## **Tax update: Malaysia's new tax incentive framework**



# Tax update: Malaysia's tax new incentive framework

In February 2026, Malaysia published the long-awaited guidelines on an updated tax incentives framework for the manufacturing sector. This article outlines the application procedure, the available tax incentives, and how the NIF interacts with other tax laws.



## I. Long history of Malaysian tax incentives

Malaysia introduced tax incentives (i.e. tax holidays) nearly sixty years ago under the Income Tax Act 1967, later complemented by the *Promotion of Investment Act 1986* ("PIA"). The Malaysian Investment Development Authority ("MIDA") was created to administer applications and monitor compliance.

Only companies undertaking promoted activities or producing promoted products specified in the PIA could obtain one of the two key incentives, Pioneer Status ("PS") or Investment Tax Allowance ("ITA"). Investors had to negotiate the incentives with MIDA, which had discretion to decide on a case-by-case basis whether to grant an incentive, and if yes, on what conditions. The incentives were generally granted for five years, and could be extended by another five years.

Although additional incentives such as the Green Technology Tax Allowance were introduced over time, PS and ITA remained the principal schemes for foreign direct investment into Malaysia.

## II. Now: Shift to the NIF

Malaysia's government released its New Industrial Master Plan 2030 ("NIMP") in 2023. In 2024, it announced the introduction of a tiered, outcomebased tax incentives framework. This New Incentives Framework ("NIF") has now been partially implemented, beginning with guidelines for manufacturing sector investments ("NIF guidelines") issued on 29 January 2026, effective from 1 March 2026.

Previously approved incentives remain applicable, and applications submitted before 1 March 2026 will be assessed under the old regime.

The framework for the services industry is expected to follow in Q2 2026.

### Quick summary

- From 1 March 2026, new manufacturing projects fall under the New Incentives Framework; existing Pioneer Status and Investment Tax Allowance approvals continue.
- Each project can obtain only one tax incentive: A Special Tax Rate or an Investment Tax Allowance, potentially for up to 15 years, based on a scorecard and tiering.
- The NIF covers 15 manufacturing industries with certain excluded activities; companies must test whether their activities fit within these broad industry categories.
- Projects must meet prequalification and potentially sectorspecific requirements (e.g. manufacturing license, eligible subsector, capital investment per employee, automation, sustainability and Malaysian workforce thresholds).
- The tax incentive tiering and ongoing entitlement depend on scorecard performance and annual compliance.
- Large groups must also consider interaction with the Global Minimum Tax from 2025.

### Action list for the NIF

- Engage early with MIDA and advisors
- Map your projects against the NIF industry list and exclusions
- Check prequalification and sectorspecific requirements early
- Decide between STR and ITA using tax modelling
- Prepare a robust NIF scorecard strategy and documentation
- Align project timing with NIF application requirements
- Set up systems for separate accounts, annual conditions monitoring, and compliance filings
- Consider Global Minimum Tax implications

### III. Details of the NIF for the manufacturing sector

#### 1. Choice between Special Tax Rate or ITA

The NIF introduces two tax incentives:

- A **Special Tax Rate (“STR”)** between 15% and 0% as compared to Malaysia’s general company tax rate of 24% (similar to the previous PS), or
- An **ITA**, providing for additional tax deductions for qualifying capital expenditure on top of regular tax depreciation rates (similar to the previous ITA).

Each tax incentive can be granted for up to 15 years in total, and tiers tailored to the commitment of the applicant will apply - please refer to [Appendix 1](#) for the tiering.

The tax incentives are applicable to new and existing companies in specified industries (see [III.2](#) below). The regime is no longer limited to the narrow lists of products and activities under the PIA. Instead, the tiering, level and duration of a tax incentive will depend on the company’s commitments, assessed under a scorecard (see [III.4](#)).

The ITA appears to be preferable for projects that require a high capital investment and are not expected to generate high profits for a few years; in other circumstances, the STR is likely to be more beneficial. STR and ITA are mutually exclusive.

#### 2. Industries covered

The following manufacturing industries<sup>1</sup> are included in the NIF:

1. Electrical and Electronics;
2. Chemical and Chemical Products;
3. Pharmaceuticals;
4. Medical Devices;
5. Aerospace;
6. Machinery and Equipment,
7. Automotive;
8. Petroleum Products and Petrochemicals;
9. Oleochemicals and their derivatives;
10. Food Production and Processing;

11. Wood, Paper, and Furniture;
12. Textile, Apparel, and Footwear;
13. Strategic minerals-based products;
14. Rubber-based Products; and
15. Metal.

The NIF guidelines refer to the NIMP for further guidance, such as what the specific sectors may entail. As an example, in the NIMP, the “Electrical & Electronics” industry is divided into four sub-sectors (i.e. electronic components, consumer electronics, industrial electronics and electrical products), which are further split into products / activities.



<sup>1</sup> It should be noted that some sectors mentioned in the NIMP are not reflected in the industries covered by the NIF, for example rail; halal sector; mineral (except strategic minerals-based products, where it is undefined in the NIMP what that is); palm-oil based products (except oleochemicals); shipbuilding and ship repair; digital and Information and communication technology; global services, professional services; and manufacturing related services. It remains to be seen whether any incentives will be made available for these industries under other frameworks. For example, the NIF framework for services may cover global services and professional services.

### 3. Pre-qualifiers for a tax incentive

Generally, it is a prerequisite to obtain a manufacturing license. However, if the companies' shareholders' funds are not exceeding MYR 2.5 million (approx. EUR 500,000) and the company does not employ more than 75 full-time employees, it can obtain an exemption letter from the requirement to have a manufacturing license in place. This exemption letter would then be submitted instead of the manufacturing license.

Further pre-qualifiers are prescribed for certain industries only, which then are specific to that industry. As an example, a company in the food production and processing industry has to (i.) commit to a capital investment per employee of MYR 140,000; and (ii.) prove the adoption of automation, Industrial Revolution 4.0 or smart application or system in the manufacturing process. The full list of pre-qualifiers is replicated in [Appendix 2](#).

Certain products and activities are excluded from the scope of eligible activities for incentives. To remain with the food industry as example, the production of liquor and alcoholic beverages is excluded. Please refer [Appendix 3](#) for a replication of all exclusions.

### 4. Scorecard

Under the NIF, the level of tax incentive is linked to a scorecard. The scorecard has six pillars, which are:

1. Increasing economic complexity;
2. Creating high-value job opportunities;
3. Strengthening domestic linkages;
4. Developing new and existing clusters;
5. Improving inclusivity; and
6. Enhancing sustainability practices.

The scorecard then looks at several indicators - refer [Appendix 4](#) for all indicators.

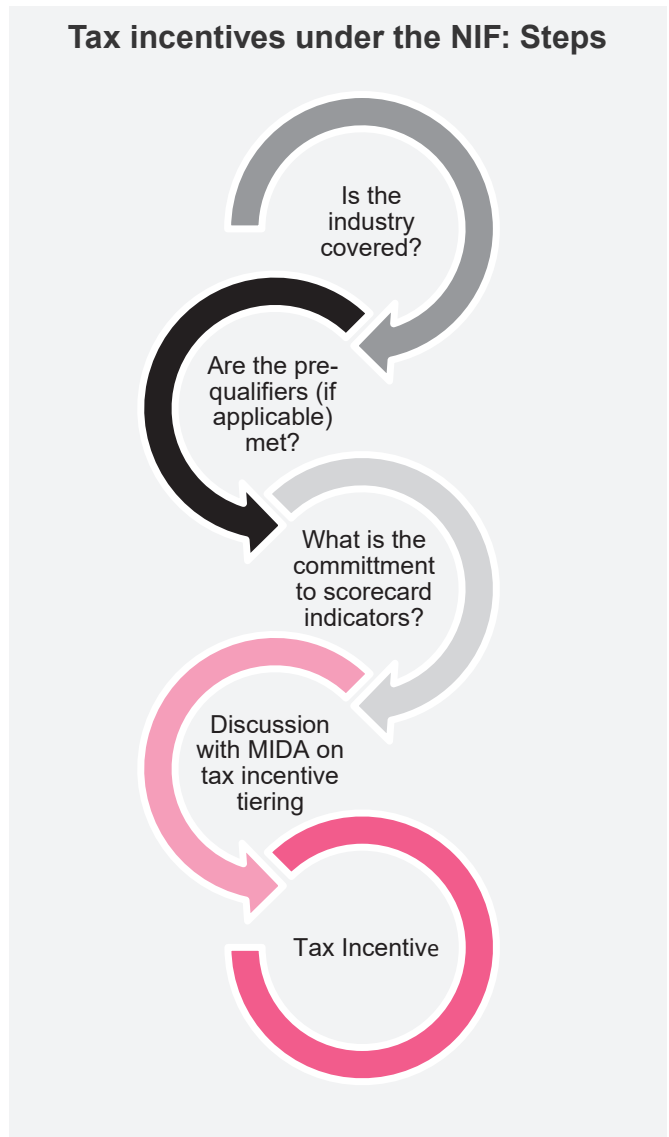
MIDA has not given detailed guidance on how these scorecard indicators may be achieved. MIDA representatives, however, have mentioned in public briefings<sup>2</sup> that there are no specific thresholds, and the proposed investment commitment will be measured against the norms, averages, and ranges of the

industry<sup>3</sup>. It would not be necessary for a company to provide a commitment to all scorecard indicators.

MIDA will evaluate a company's commitment and group it into three tiering quality levels:

- **High quality:** Above both industry and Malaysian averages<sup>4</sup>
- **Medium quality:** Above the industry average, or above the Malaysian average
- **Baseline:** Below both industry and Malaysian average.

Refer to [Appendix 1](#) for further details on the tiering and associated tax incentives.



<sup>2</sup> AMCHAM Briefing: Update on New Incentive Framework, held on 13 February 2026

<sup>3</sup> The previous focus on value added (product price minus cost of raw materials) is no longer decisive.

<sup>4</sup> MIDA refers companies to the official portal of the Department of Statistics (<https://www.dosm.gov.my>), under the Ministry of Economy. Companies are expected to use this source to determine the relevant industry and Malaysia averages when assessing eligibility for a tax incentive.



## 5. Application process

Once a company has firmed up its investment commitment and assessed that it meets the relevant pre-qualification requirements, it can submit its application via the official InvestMalaysia portal<sup>5</sup>.

MIDA assesses the application against the scorecard, and may propose a tax incentive tiering to the National Committee on Investment. If approved, MIDA issues a principle approval letter. This letter will set out:

- the type of tax incentive (STR or ITA);
- the tiering levels; and
- the conditions that the company must meet.

After the company has provided its feedback and confirmed the commencement date of the tax incentive, MIDA will issue the final approval letter.

## 6. Compliance

Tax incentives would be subject to conditions agreed with the applicant. The recipient must show that it complies with the tax incentive conditions and submit an annual return to MIDA.

Under the previous framework, failure to meet any condition at any time during the incentive period could trigger a clawback process across all incentivised years. Under the NIF, the consequences are more targeted: Non-compliance affects only the year in which the condition is not met – the company would be subject to the statutory corporate tax rate of 24% for that year only.

## 7. BEPS

The NIF guidelines state that Malaysia has committed to the OECD/G20 initiative on Base Erosion and Profit Shifting (“BEPS”). As part of this, effective 1 January 2025, Malaysia had implemented a Global Minimum Tax (“GMT”). This GMT applies to (groups of) companies with an annual global revenue of EUR 750 million and above, and would provide for a top-up tax of 15% in case their effective tax rate in Malaysia is below 15%.

However, the NIF guidelines do not explain in detail how the NIF tax incentives interact with the GMT. Further guidance is expected.

## IV. Our observations

- The NIF may open access to tax incentives for projects that did not previously fit within the promoted activities or products under the previous system.
- The list of covered industries in the NIF guidelines still lacks detail on the precise activities that fall under each industry. The NIMP gives broad guidance, but uncertainties remain.
- The scorecard does not set clear thresholds or minimum scores for obtaining a tax incentive. Companies will need robust statistical data on industry and national benchmarks to assess whether their project is likely to qualify.
- Further guidance and practice notes from MIDA will be important.

<sup>5</sup> <https://investmalaysia.mida.gov.my>

## Appendix 1: Tiering

Tier 2 will apply where minimal conditions as stipulated in the approval are complied with. Where further additional conditions from the approval letter are fulfilled, Tier 1 will apply. This would allow companies to gradually comply with the conditions. Where in a specific year tax incentive conditions are not met, the default regime would apply (e.g. the statutory tax rate of 24% instead of an STR).

Tiering for STR						
Quality	Baseline		Medium		High	
Tiering	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
STR	No incentive		5% for 5 years	10% for 5 years	0% for 10 years	5% for 10 years
STR for Less Developed Areas <sup>6</sup>	10% for 5 years	15% for 5 years	5% for 10 years	10% for 10 years	0% for 15 years	5% for 15 years
STR for small companies <sup>7</sup>	12% for 5 years		8% for 10 years	10% for 10 years	3% for 15 years	5% for 15 years

Tiering for ITA						
Quality	Baseline		Medium		High	
Tiering	Tier 1	Tier 2	Tier 1	Tier 2	Tier 1	Tier 2
ITA	No incentive					
ITA for Less Developed Areas	60% Qualifying capital expenditure ("QCE") for 3 years offset up to 70% statutory income ("SI")	30% QCE for 3 years offset up to 70% SI	60% QCE for 5 years offset up to 100% SI	30% QCE for 5 years offset up to 100% SI	100% QCE for 10 years offset up to 100% SI	70% QCE for 10 years offset up to 100% SI
ITA for small companies	60% Qualifying capital expenditure ("QCE") for 3 years offset up to 70% statutory income ("SI")	30% QCE for 3 years offset up to 70% SI	60% QCE for 5 years offset up to 100% SI	30% QCE for 5 years offset up to 100% SI	100% QCE for 10 years offset up to 100% SI	70% QCE for 10 years offset up to 100% SI

<sup>6</sup> Less Developed Areas as determined by the Ministry of Economy

<sup>7</sup> Small company is defined as a company with

- (i) Shareholder's funds of up to MYR 500,000 and at least 60% Malaysian equity; or
- (ii) Shareholder's funds of over MYR 500,000 and not exceeding MYR 2,500,000 with 100% Malaysian equity; and
- (iii) Less than 20% of the paid-up capital in respect of ordinary shares of the company directly or indirectly held by a company having shareholder's funds of MYR 500,000 / MYR 2,500,000, as applicable.

## Appendix 2: Pre-qualifiers to avail tax incentives under the NIF

No	Description	Additional comments
<b>General Criteria</b>		
1.	<p>Manufacturing Licence (“ML”) under Industrial Co-ordination Act, 1975.</p> <p><u>Note:</u></p> <ul style="list-style-type: none"> <li>▪ The ML requirement is not applicable for IC design and testing activities.</li> <li>▪ A company with shareholders’ funds not exceeding MYR2.5 million and employing not more than 75 full-time paid employees, require to submit or possess the Confirmation Letter for exemption from Manufacturing Licence (i.e. ICA 10 letter).</li> </ul>	<p>Companies are required to apply for or having the ML prior to the incentive application and the ML must remain valid throughout the incentive period.</p>
<b>Key sector-specific requirements</b>		
2.	<p>Capital Investment Per Employee (“CIPE”) of MYR140,000</p> <p><u>Note:</u> CIPE is measured by capital investments (fixed assets investments including rental payment of 10 years for land and building) divided by the total number of full-time employees</p>	<p>The CIPE of MYR140,000 to be complied by the following sectors, namely:</p> <ul style="list-style-type: none"> <li>▪ Petrochemicals Products;</li> <li>▪ Oleochemicals and their derivatives;</li> <li>▪ Food Production and Processing;</li> <li>▪ Wood / Paper and Furniture;</li> <li>▪ Textiles, Apparel and Footwear;</li> <li>▪ Strategic minerals-based products;</li> <li>▪ Rubber-based products; and</li> <li>▪ Metal.</li> </ul>
3.	<p>Adoption of Automation / IR4.0 or smart application or system in the manufacturing process</p>	<p>Requirement for adoption of automation / IR4.0 or smart application / system in the manufacturing process for subsectors of:</p> <ul style="list-style-type: none"> <li>▪ Petrochemicals Products;</li> <li>▪ Food Production and Processing;</li> <li>▪ Oleochemicals and their derivatives;</li> <li>▪ Wood, Paper and Furniture;</li> <li>▪ Textiles, Apparel and Footwear;</li> <li>▪ Rubber-based products; and</li> <li>▪ Metal.</li> </ul>
4.	<p>Sustainable Practices</p>	<p>Mandating sustainable practices in relation to waste management, sustainable raw materials, water consumption, energy consumption for:</p> <ul style="list-style-type: none"> <li>▪ Petrochemicals Products;</li> <li>▪ Oleochemicals and their derivatives;</li> <li>▪ Wood, Paper and Furniture;</li> <li>▪ Textiles, Apparel and Footwear;</li> <li>▪ Strategic minerals-based products;</li> <li>▪ Rubber-based products; and</li> <li>▪ Metal.</li> </ul>

No	Description	Additional comments
5.	Workforce Requirement	<p>Having at least 80% Malaysian workers from the total workforce for sub-sectors:</p> <ul style="list-style-type: none"> <li>▪ Wood, Paper and Furniture;</li> <li>▪ Textile, Apparel and Footwear;</li> <li>▪ Strategic minerals-based products;</li> <li>▪ Rubber-based products; and</li> <li>▪ Metal</li> </ul> <p><u>Note:</u> Malaysian workers refer to workers with Malaysian citizenship.</p>
6.	Design & development expenditures of at least 1% of annual gross sales	Wood & Furniture

### Appendix 3: Products/activities excluded from the scope of eligible for incentives

No	Types of product(s) / activity(ies)	Sub-sectors
1.	Mixing and blending activity	Chemical and Chemical Products
2.	Fill and finish activity	Pharmaceuticals
3.	Glove products and passenger vehicles tyre	Rubber-based products
4.	Upstream segment i.e. mining and quarry	Strategic mineral-based products
5.	<p>All types of paper</p> <p><u>Note:</u> The exclusion for paper is not applicable for security paper and company is not allowed to import waste raw materials.</p>	Paper
6.	<p>All petroleum products</p> <p><u>Note:</u> The exclusion for petroleum products is not applicable for:</p> <ul style="list-style-type: none"> <li>▪ Production of petroleum products located at the Refinery and Petrochemical Integrated Development Project (“<b>RAPID</b>”) Complex.</li> <li>▪ Integrated projects which also involve the production of petrochemicals products.</li> </ul> <p>Both categories can be considered for incentive.</p>	Petroleum products
7.	Liquor and alcoholic beverages	Food Production and Processing
8.	e-Cigarette & vape products	Electrical and Electronics
9.	Weapons and ammunition	Metal

## Appendix 4: NIF Scorecard

Pillar	Indicator	Explanatory
1. Increase Economic Complexity	A. Product Complexity (Index)	Reference made from the Harvard Growth Lab's Atlas of Economic Complexity
	B. Percentage of R&D expenditure to sales revenue*	<ul style="list-style-type: none"> <li>▪ Research and Development (“R&amp;D”) refers to any systematic, investigative and experimental study that involves novelty or technical risk carried out in the field of science or technology with the object of acquiring new knowledge or using the results of the study for the production or improvement of materials, devices, products, produce, or processes, but does not include: <ul style="list-style-type: none"> <li>a) quality control or routine testing of materials, devices or products;</li> <li>b) research in the social sciences or the humanities;</li> <li>c) routine data collections;</li> <li>d) efficiency surveys or management studies;</li> <li>e) market research or sales promotion;</li> <li>f) routine modifications or changes to materials, devices, products, processes or production methods; or</li> <li>g) cosmetic modifications or stylistic changes to materials, devices, products, processes or production methods.</li> </ul> </li> <li>▪ R&amp;D expenditure refers to Section 34A Income Tax Act 1967 expenditures, includes: <ul style="list-style-type: none"> <li>a) raw materials used in the research project;</li> <li>b) technical services;</li> <li>c) travelling and transportation costs;</li> <li>d) salary and allowances of research personnel;</li> <li>e) maintenance costs of research buildings and equipment; and</li> <li>f) rental of equipment, machinery or buildings used for research.</li> </ul> </li> </ul>
	Sales revenue refers to the company's gross sales revenue.	
	C. Level of Technology	<p>Level of technology refers to the usage of:</p> <ul style="list-style-type: none"> <li>▪ Fully automatic machinery / equipment; or</li> <li>▪ Semi-automatic machinery / equipment; or</li> <li>▪ Manual</li> </ul>
D. Meet 4IR Adoption of Technology	4IR adoption of technology refers to big data analytics, cloud computing, augmented reality, cybersecurity, artificial intelligence, additive manufacturing, system integration, simulation, internet of things (“IoT”), autonomous robots and advanced materials.	
2. Create High-Value Job Opportunities	A. Percentage of high-skilled workers with university diploma, degree and above, or with technical certificates	Number of workers with diploma, degree and above, or with technical certificates.
	B. Median salary per worker, per year	Median salary per worker is the midpoint of all the salaries earned in the company.
	C. Percentage of workers earning MYR10,000 and above	Basic income of MYR10,000 excluding allowance and overtime of workers.
	D. Percentage of Malaysian workers in Managerial, Technical & Supervisory (“MTS”) level from overall MTS employment	<p>MTS refers to workers at the Managerial, Technical and Supervisory level.</p> <p><u>Note:</u> Malaysian workers refer to workers with Malaysian citizenship.</p>

Pillar	Indicator	Explanatory
3. Extend Domestic Linkages	A. Percentage of local input, per year	Local input consists of raw materials / components used in the manufacturing process only. This shall exclude the machinery & equipment for the manufacturing activity.
	B. Percentage of training expenditure out of total salary	The percentage of training expenditure from the company's total salary.
	C. Collaboration with local academia and industry	Type of collaborations: a) Education - partnership between academic and industry to support learning programme for instance curriculum collaboration, resource sharing etc however shall not include internship programme. b) Research and development - Collaborative research between higher education / research institution and industry including Collaborative Research Centres (“ <b>CRCs</b> ”). c) Commercialisation - translating the outcome of R&D into marketable product, services, licenses, commercial exploitation. d) Staff professional development - Lifelong learning of academics and industry professionals provided to company's employees. e) Technology Transfer Offices (“ <b>TTOs</b> ”), University Incubators (“ <b>UIs</b> ”) - to facilitate the knowledge exchange and research collaboration between universities and industry.
	D. Engagement in Vendor Development Programme (Number of Vendors)	<ul style="list-style-type: none"> <li>▪ A program to encourage Multinational Companies (“<b>MNCs</b>”) and Local Large Companies (“<b>LLCs</b>”) (as an anchor) to expand their local sourcing activities and create more opportunities for domestic players to mitigate the gaps in the industry ecosystems.</li> <li>▪ Vendor Development Programme (“<b>VDP</b>”) activities include:                             <ol style="list-style-type: none"> <li>a) activities in relation to human capital namely hard skill training or capacity upgrading including Factory auditing to certify the local vendor;</li> <li>b) activities in relation to product development namely product quality upgrading and product innovation; and</li> <li>c) activities in technology collaboration or assistance.</li> </ol> </li> </ul>
	E. Establish a regional and / or global treasury and / or finance centre conducting cash pooling activities in Malaysia.	Cash pooling or treasury management activities must be undertaken via onshore intermediaries in Malaysia. For clarity, cash pooling or treasury management activities undertaken in Malaysia only on a notional or book-keeping basis does not qualify. Where the company charges their overseas affiliate or subsidiary companies for the services provided, these proceeds / revenues must be repatriated into Malaysia.
4. Develop New and Existing Industrial Cluster	A. The produced product has a patent, or is a patent application in progress	Company develops / files / registers patent in Malaysia / outside Malaysia.
	B. The product is within the targeted sectors under the National Investments Aspiration (“ <b>NIA</b> ”) OR core sectors under the New Industrial Master Plan 2030 (“ <b>NIMP</b> ”).	Targeted sectors as listed in 3.5 of the guidelines (refer above <a href="#">section II.2</a> ).
	C. Commercialisation of R&D findings from local institutions	Company undertakes manufacturing activity through commercialisation of R&D findings from public / private institutes of higher learning or public research institutes.

Pillar	Indicator	Explanatory
<p><b>5. Improve Inclusivity</b></p>	<p>A. Opportunity for non-employee (Internship and apprenticeship / employ fresh graduate with less than 3 years' experience)</p>	<p><u>Internship Program</u></p> <ul style="list-style-type: none"> <li>i. Malaysian Citizen currently studying on full-time basis at a recognised institution in Malaysia or abroad;</li> <li>ii. Pursuing a qualified course programme of either master's degree, bachelor's degree, diploma, professional certificate, Malaysian Skills Certificate ("SKM") Level 1 to Level 3, Diploma Kemahiran Malaysia ("DKM"), Advanced Skill Diploma ("DLKM") or equivalent under Technical and Technical and Vocational Education and Training ("TVET") programmes.</li> </ul> <p><u>Apprenticeship Program</u></p> <ul style="list-style-type: none"> <li>i. Malaysian Citizen currently studying on full-time basis at a recognised institution in Malaysia or abroad;</li> <li>ii. Employers employ a person and train for a specific period of a minimum of six months and a maximum of twenty-four months; and</li> <li>iii. As defined in the Employment Act 1955.</li> </ul> <p><u>Fresh Graduates</u></p> <p>A fresh graduate with a university degree, diploma or technical certificates and has less than 3-year full-time work experience.</p>
	<p>B. Percentage share of Women in Top Management</p>	<p>Women holding decision-making positions which provide leadership and commitment to implement the organisation's vision and mission.</p>
	<p>C. Percentage share of Workers in Vulnerable Group out of Total Workers</p>	<p>Vulnerable groups mean:</p> <ul style="list-style-type: none"> <li>a) citizen of Malaysia and resident in Malaysia;</li> <li>b) senior citizen who shall be sixty years and above;</li> <li>c) disabled person defined as individual who has been: <ul style="list-style-type: none"> <li>i. certified in writing by the Department of Social Welfare to be a disabled person; or</li> <li>ii. certified by the Social Security Organization ("SOC-SO") as a disabled person that is capable to work within his/her capabilities;</li> </ul> </li> <li>d) ex-convict who is a person who had been convicted for any offence by a court and had served his sentence of imprisonment;</li> <li>e) parolee as defined in the Prison Act 1995; or</li> <li>f) supervised person who is a prisoner directed by an Officer in Charge to work at such labour under subparagraph 47(1)(b)(iii) of the Prison Act 1995; or</li> <li>g) ex-drug dependant who: <ul style="list-style-type: none"> <li>i. had undergone treatment and rehabilitation pursuant to the Drug Dependants (Treatment and Rehabilitation) Act 1983;</li> <li>ii. had undergone supervision pursuant to paragraph 6(1)(b) of the Drug Dependants (Treatment and Rehabilitation) Act 1983 or subsection 38B(1) of the Dangerous Drugs Act 1952; or had been placed under supervision pursuant to paragraph 8(3)(b) of the Drug Dependants (Treatment and Rehabilitation) Act 1983, and is registered with the National Anti-Drugs Agency (MyAADK system).</li> </ul> </li> </ul>
	<p>D. Percentage share of Malaysian workers out of total workers</p>	<p>Number of Malaysian workers from the total number of workers.</p> <p><u>Note:</u> Malaysian workers refer to workers with Malaysian citizenship.</p>

Pillar	Indicator	Explanatory
<b>6. Enhance Sustainability Practices<sup>8</sup></b>	A. Sustainable Materials / Services	<p>Undertake any of the following sustainable practices as follows:</p> <ul style="list-style-type: none"> <li>▪ Adopt renewable and sustainable materials for products, packaging, and office supplies;</li> <li>▪ Incorporate recycled materials into products and packaging;</li> <li>▪ Adopt circular economy principles to design products, processes, and systems that minimize waste and promote resource efficiency, reuse, and recycling;</li> <li>▪ Implement sustainable supply chain practices.</li> </ul>
	B. Sustainable Waste Management	<p>Undertake any of the following sustainable practices as follows:</p> <ul style="list-style-type: none"> <li>▪ Develop a wastewater management plan covering treatment, discharge, and monitoring;</li> <li>▪ Implement a waste minimisation program;</li> <li>▪ Invest in innovative waste treatment technologies for reduced environmental impact.</li> </ul>
	C. Sustainable Water Consumption	<p>Undertake any of the following sustainable practices as follows:</p> <ul style="list-style-type: none"> <li>▪ Utilisation of alternative water sources for supplementation or replacement;</li> <li>▪ Install water-efficient equipment and processes to reduce water consumption.</li> </ul>
	D. Sustainable Energy Consumption	<p>Undertake any of the following sustainable practices as follows:</p> <ul style="list-style-type: none"> <li>▪ Minimise energy consumption through component selection, power-saving mode, and insulation;</li> <li>▪ Utilisation of renewable energy from process residues (waste materials, waste heat or solid waste), or from auxiliary facilities (solar, wind or equivalent);</li> <li>▪ Application of waste-to-energy technologies;</li> <li>▪ Installation of solar panel for energy supply to reduce electricity consumption.</li> </ul>

<sup>8</sup> Reference: Green Practices for Manufacturing published by MGTC <https://mgtc.gov.my/green-practices-guidelines/ebook/Manufacturing.php>

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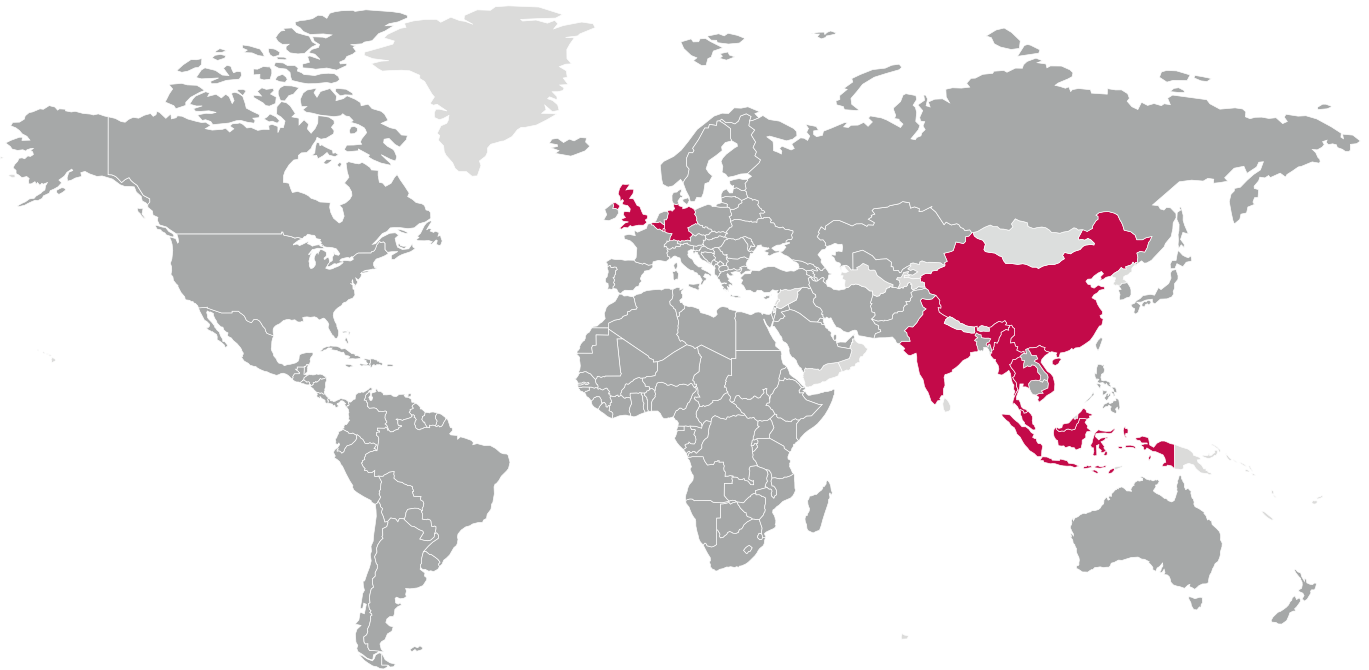


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Luther has been named “Law Firm of the Year: Germany 2024” by The Lawyer, one of the most well-known legal magazines worldwide.



### JUVE

In the JUVE Guide of Commercial Law Firms 2024/2025, 58 lawyers from Luther were recommended, and eleven of these were also listed as “leading advisors” and three as “up and coming”. The legal publisher JUVE ranked Luther in 33 areas of law. In 2024, Luther won the JUVE Award “Law Firm of the Year - Regulatory Law”. Luther was also nominated as ‘Law Firm of the Year for M&A’. In 2019, Luther received the highest award from JUVE as ‘Law Firm of the Year 2019’.



### Chambers

In 2025, Luther was recognised by Chambers Europe for 17 practice areas in Germany as well as in two practice areas in Luxembourg. In addition, 20 partners were included in the Individual Ranking. Moreover, in 2025, Luther was recognised by Chambers Global in five practice areas in Germany and in one each in Luxembourg and Myanmar, while nine partners were also included in the Individual Ranking.



### The Legal 500

The Legal 500 Germany 2025 recommends Luther in 38 areas of law, with “Top Tier” rankings in two of these areas. 73 lawyers are being recommended, 19 of whom have been specially recognised as “Leading Individual” or “Next Generation Partner”. “The Legal 500 EMEA 2024” recommends Luther for seven areas of law in Luxembourg, and nine lawyers are also recommended, two of whom have been specially recognised as “Leading Individual”. “The Legal 500 Asia Pacific 2024” recommends Luther and two of its lawyers for one area of law in Myanmar.



### The Legal 500 Green Guide EMEA 2025

Two Luther lawyers have been included in the recommendations for Germany in the Green Ambassadors Europe Guide 2025. This guide, published by Legal 500, recognises lawyers who are particularly committed to sustainability and the green transition - both in their client work and beyond.



### Kanzleimonitor

Kanzleimonitor 2025/2026 recommends Luther in 20 areas of law. In addition, five Luther lawyers were listed in the individual recommendations, two of whom were even included in the top 100 lawyers.



### Best Lawyers in Germany 2026

For the year 2026, 127 lawyers have been recommended by Luther as “Best Lawyers in Germany 2026”, an award presented by the US publisher “Best Lawyers” in cooperation with the German Handelsblatt, including two partners as “Lawyer of the Year” for his area of law, and 43 colleagues who have received the recommendation “Best Lawyers - Ones to Watch”.



### Lexology Index

Lexology Index (formerly: WWL - Who's Who Legal) recommends a total of 27 lawyers in its June 2025 publications, nine of whom received the highest accolade of Thought Leader and two of whom were recognised as Future Leaders.

## Imprint

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