



Programme:	<b>Directors' Liability and D&amp;O Insurance: Governance, Exposure and Boardroom Protection</b>
Date:	<b>10 September 2026</b>
Duration:	<b>09:00am - 01:00pm</b>
Director level:	<b>All Levels</b>
Programme category:	<b>Corporate Governance</b>
Programme mode:	<b>In-Person</b>
CPD:	<b>4</b>
RCH:	<b>9</b>
Price:	<b>RM 1,320,00 (members) / RM 1,650,00 (Standard) (*excluding SST)</b>
Venue:	<b>ICDM Penta Training Room</b>
Speaker:	<b>Devakumaran Palnisamy Managing Director, FINPRO &amp; Placement, Marsh Malaysia</b>

## Programme Description

### Programme Overview

Directorship today carries a far wider liability lens than simple compliance with meeting formalities or approval processes. Under the Companies Act 2016, the business and affairs of a company are managed by, or under the direction of, the board, and directors are required to act for a proper purpose, in good faith and in the best interest of the company, while also exercising reasonable care, skill and diligence. A breach of these core duties can carry serious consequences, including imprisonment of up to five years, a fine of up to RM3 million, or both.

For listed issuers, director liability must also be understood through the lens of corporate governance disclosure and market accountability. The Malaysian Code on Corporate Governance has been effective since 28 April 2021, and while the MCCG itself is principles-based, Bursa Malaysia Listing Requirements require listed companies to

provide the board's overview statement on the application of the MCCG principles and to disclose the application of each practice in the Corporate Governance Report. The MCCG further emphasises that governance disclosures should be meaningful, informative and capable of giving stakeholders confidence in the stewardship of management and the board.

This programme is designed to help directors understand where liability most often crystallises in practice: weak challenge, insufficient inquiry, overreliance on management, poor handling of conflicts, and inadequate documentation of board judgment. The Companies Act 2016 gives directors some protection through the business judgment rule, but only where the decision is made for a proper purpose, in good faith, without material personal interest, on an informed basis, and with a reasonable belief that the decision is in the company's best interest. The Act also makes clear that reliance on expert advice and delegation do not eliminate responsibility unless directors have acted in good faith, made an independent assessment, and satisfied themselves that the delegate is reliable and competent.

A particularly important boardroom issue is the position of nominee and representative directors, especially in GLC, PLC, investment-holding and shareholder-influenced environments. Section 217 of the Companies Act 2016 expressly states that a nominee director must act in the best interest of the company and must not subordinate that duty to the interests of the nominator. The Act also prohibits improper use of company property, information, position or corporate opportunity for personal benefit or to the detriment of the company. This makes directors' liability not only a legal topic, but a governance discipline tied closely to judgment, independence, conflicts management and board culture.

The D&O insurance segment is therefore essential, but it must be addressed carefully. Malaysian law allows a company, with prior board approval, to effect insurance for certain civil liabilities and defence costs, and requires particulars of indemnity or insurance to be recorded in board minutes and disclosed in the directors' report. However, the law also draws a firm boundary: D&O protection does not apply to civil or criminal liability arising from breach of the core duty under section 213, and it does not protect against fines, regulatory penalties, or defence costs where the director is convicted or loses in civil proceedings brought by the company. This is especially relevant in a climate where enforcement remains active: the SC enforcement dashboard recorded 125 sanctions in 2024 and 101 in 2025, while Bursa Malaysia has continued to publicly reprimand and fine issuers and directors, including cases involving ANNUM in March 2025, ZETRIX AI in July 2025 and RENEUCO in January 2026. Globally, regulatory risk also remains a leading D&O concern, with the 2025 WTW/Clyde & Co survey ranking it the number four risk overall, and the number one risk for organisations with revenue above US\$5 billion.

### **Learning outcome**

By the end of this programme, participants will be able to:

1. Distinguish between directors' fiduciary, statutory and governance-related liabilities at board level
2. Understand how the business judgment rule, reliance on advice, delegation and nominee director obligations operate in practice
3. Identify the main boardroom exposure points linked to disclosure, conflicts of interest, misuse of position, oversight failures and decision-making processes
4. Evaluate what D&O insurance can and cannot cover under Malaysian law, including key exclusions and governance implications
5. Strengthen board practices on inquiry, challenge, documentation, escalation and record-keeping to better evidence sound oversight
6. Approach liability not as a technical legal issue alone, but as part of a broader governance architecture that protects the company, the board and stakeholder trust.

### Who Should Attend

- Sitting Directors and Senior Directors of PLCs, GLCs, financial institutions, private and family-owned companies.
- Board Chairs, Committee Chairs and Lead/Senior Independent Directors who play a key role in shaping the board-management relationship.
- Executive Directors and CEOs who also sit on boards and wish to sharpen the way they engage with their own boards and leadership teams.
- Nominee and representative directors of GLICs, institutional investors or strategic shareholders who must balance multiple expectations in the board-management interface.

## Trainer Profile



### **Devakumaran Palnisamy**

#### **ICDM Facilitator**

Managing Director, FINPRO & Placement, Marsh Malaysia

Deva, or Mr D as he is fondly known, graduated from Universiti Sains Malaysia with an Honors Degree in Electrical & Electronics Engineering (Telecommunications Major) in 1999 and in 2003 he graduated with an honors degree in Law from the University of London.

He has an illustrious career starting off as a Loss Adjuster in an international adjusting firm then moving on into underwriting and ultimately finding peace at a multinational insurance broking house.

His forte is liability insurance with a keen interest in Directors' & Officers' Liability insurance, professional liability insurance, medical malpractice insurance and crime insurance.

He is a keen speaker and has presented in a multitude of platforms both local and regional.

Visit our website to register.



Become an ICDM member to enjoy a 20% discount. Find out [MORE!](#)

For further information or enquiries, please reach out to:

Nisa' | +6011 3356 5185  
Latha (HRDC matters) | +6012 612 9541  
or email to [development@icdm.com.my](mailto:development@icdm.com.my)

ICDM is the one-stop centre for all board and director needs, dedicated to empowering boards and directors with the right skills, knowledge and mindset as well as digital competencies to enhance their professionalism and effectiveness. Spearheaded by the Securities Commission Malaysia and supported by Bank Negara Malaysia, Bursa Malaysia and the Capital Market Development Fund, ICDM serves as the to be the leading influence of excellence in governance.

[www.icdm.com.my](http://www.icdm.com.my)

**Institute of Corporate Directors**

Malaysia Level 9, Mercu 2, KL Eco City,  
59200, Kuala Lumpur, Malaysia