

GUIDE ON BEST PRACTICES FOR SHAREHOLDER MEETINGS OF LISTED COMPANIES

The information contained in this Guide is correct to the best of our knowledge and belief at the time of writing. The contents above are intended to provide a general guide to the subject matter and should not be treated as a substitute for specific professional advice for any particular course of action as the information above may not necessarily suit your specific business and operational requirements. It is to your advantage to seek your legal advice for your specific situation.

FOREWORD

When the Securities Investors Association (Singapore), Singapore Institute of Directors and Singapore Exchange Regulation came together in the preparation of this guide, we did so with the primary purpose of encouraging a positive climate for robust and open discussions between the board and shareholders during shareholder meetings.

Shareholders and management share a symbiotic relationship. Responsible companies should view shareholder meetings as valuable avenues to understanding investor expectations. Likewise, shareholders should exercise their responsibilities by familiarising themselves with relevant reading materials and to respect fellow shareholders by keeping their queries relevant and concise. Above all, this exchange should be conducted in a decorum marked by common courtesy and respect.

This guide complements the suite of investor education material available today. We hope both companies and shareholders will endeavour to raise the quality of interactions at shareholder meetings and contribute towards an engaged marketplace undergirded by open communication and trust.

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Best Practices For Shareholders Meetings Of Listed Companies

1. SUMMARY

It is best practice for Shareholders:

- To prepare for shareholders meetings by reading relevant materials like annual reports and recent company announcements, analysing the information and formulating key questions before the meeting.
- To address the Chairman respectfully and ask questions or make comment only on relevant issues pertaining to the business of the company and to the resolution being considered in order that the meeting can proceed in an orderly and expeditious manner.
- To respect other shareholders by keeping comments and questions brief so that other shareholders have the opportunity to speak.
- To conduct themselves with courtesy and moderation.

It is best practice for the Chairman:

- To be fully knowledgeable of the rules of conduct for meetings so that he can conduct an orderly and expeditious meeting.
- To be fully familiar with the agenda and the business at hand so that he is in a better position to respond to queries and control the meeting.
- To commence the meeting with a short audio-visual presentation of business and financial highlights for the past year and prospects for the future. The company may use this opportunity to present a balanced appraisal of the performance and prospects of the company that will set the stage for a meaningful discussion on the topic.
- To provide adequate opportunity for all shareholders who wish to speak to do so. This might require limiting the speaking time for a person so that the meeting does not become unreasonably long.
- To assure shareholders that their views have been registered and will be taken into consideration even if the Chairman may not personally agree with them.

- To explain the effect and purpose of the resolution before a resolution is put to a vote.
- To take questions not relevant to a resolution, after conclusion of the meeting.

It is best practice for the Company:

- To provide sufficient notice of the matters to be tabled at the meetings.
- To engage in an active policy of communication with all shareholders and to look upon the shareholders meeting as an excellent opportunity to interact with shareholders.
- To take into consideration the convenience of shareholders when arranging the time and venue for the meeting.
- To maintain minutes of meeting which include, in summary, substantive comments and queries by shareholders and the responses given. This would reflect proper respect for shareholders and be in line with good corporate governance which includes greater shareholder participation at meetings and better transparency and accountability.
- To publish minutes of general meetings of shareholders on its corporate website as soon as practicable.
- To report to shareholders on actions taken to solicit and understand the views of the shareholders, and to actively engage and promote regular, effective and fair communication with shareholders.
- To have its board of directors, management, external auditors and relevant professionals attend the meeting, and to be available to answer questions and address shareholder concerns.

2. SCOPE

- (a) While this guide may have general applicability, it pertains to companies listed on the Singapore Exchange (“SGX”) which are incorporated in Singapore. In addition to the Companies Act (Cap. 50) (“Companies Act”) and the listing rules of SGX (“SGX Listing Rules”), the company’s constitution may also contain other specific provisions. If the company is not incorporated in Singapore, the specific requirements will also be dependent on the relevant corporation law of the country of incorporation.

- (b) In law, shareholders of a company represent the collective will of the company. This collective will is expressed by shareholders in a general meeting of the company. Under the Companies Act, the company is required to hold at least one general meeting, called an annual general meeting (“AGM”) within 4 months after the end of each financial year. Any other general meeting of the company is referred-to as an extraordinary general meeting – this is an ad hoc meeting of shareholders typically to pass a special and / or ordinary resolution. The extraordinary general meeting can be called by the company through its Board of Directors.
- (c) Whilst the rights of shareholders are set out under the Companies Act and the company’s constitution, they may not set out the details regarding the manner in which meetings should be conducted and the expected decorum of the meeting participants. These include areas such as how they should maintain themselves, how they should be asking questions, what they should do if they wanted to put forth their own resolutions and whether they can demand to amend resolutions that are open for consideration and voting. This Guide on Best Practices for Shareholders Meetings (“Guide”) seeks to address these and other issues that shareholders and the Board of Directors, particularly, the Chairman of the meeting, should be aware of. The primary aim is to ensure a smoother and more conducive meeting where the divergent interests of the various stakeholders can be addressed, and a common ground found for the objective of enhancing shareholder value.
- (d) This Guide also include a number of suggestions that represent best practices in the view of the Singapore Exchange Regulation (“SGX RegCo”), Securities Investors Association (Singapore) (“SIAS”) and Singapore Institute of Directors (“SID”). This Guide is not meant to be exhaustive and does not represent legal advice.

3. BEFORE THE MEETING

- (a) As a precursor to the meeting, certain key matters should be thoroughly dealt with to ensure minimal disruption at the meeting itself. Two concerns are discussed here: the issuance of an appropriate notice and planning the practical issues surrounding the holding of the meeting.

3.1 Notice

- (a) Notice of the meeting must be sent to all shareholders. The notice must specify the place, day and time of the meeting. In addition, the business to be transacted at the meeting should be set out in the notice as well. If there is any special business to be considered at the meeting, the notice should be accompanied by a statement regarding the effect of any proposed resolutions in respect of such business, as required by the Listing Rules. If special resolutions are being proposed at the meeting, the notice must include the full text of the resolution.

- (b) The notice should specify that any shareholder who is not a relevant intermediary (as defined in Section 181 of the Companies Act), entitled to attend, speak and vote at a meeting is entitled to appoint not more than 2 proxies to attend, speak and vote instead of him, and that proxy need not be a shareholder or member of the company. The proxy form should be designed in a manner that will allow shareholders appointing proxies to indicate how they would like the proxies to vote in relation to each resolution.
- (c) The company should ensure that the notice is sent out in sufficient time before the specified date of the meeting. As a matter of best practice and to ensure fairness to its shareholders, the company is encouraged, where possible, to provide notice beyond the notice period prescribed by law. The Companies Act requires notice of at least 14 days for ordinary resolutions, and notice of at least 21 days for special resolutions. The company's constitution may specify a longer notice period.
- (d) Although a company's constitution usually provides that the company may give a notice to any shareholder either personally or by sending it by post, the Companies Act permits the companies to send notices of meeting via electronic communications (e.g. email), or, where agreed upon by shareholders, by posting the notice on a website and sending to shareholders a notification of the publication of the notice of the website and details on how to access the notice.

3.2 Practical Arrangements For The Meeting

- (a) Most companies will provide that proxy forms should be sent in 72 hours prior to the commencement of the meeting. In the case of a shareholder whose shares are entered in the Depository Register, the company may reject the proxy form of the shareholder, being the appointor, if it is not shown to have shares entered against his name in the Depository Register 72 hours before the time appointed for holding the meeting. Proxy forms received in good order and time should be properly collated in preparation for the meeting. Additionally, the following key points should be considered:
 - (i) Whether the selected venue, time, date and day of the meeting are convenient to the shareholders – For example, it has been reported that companies tend to cluster their AGMs around the same handful of days a year, particularly the last two business days of April, which may prevent shareholders from attending meetings and voting at meetings;
 - (ii) Whether security arrangements are necessary – If it is intended to carry out searches to remove dangerous objects;

- (iii) Whether the layout and capacity of the meeting room is appropriate;
 - (iv) Whether writing pads, pencils as well as refreshments such as drinking water have been prepared;
 - (v) Whether the consent of the shareholders have been obtained to collect, use and / or disclose their personal data for the purpose of the meeting. Ideally, the power to do this should already be provided for in the company's constitution;
 - (vi) Whether there is effective and appropriate use of technology (e.g. voting devices);
 - (vii) Whether overflow rooms should be provided for in the event of a larger than expected turnout;
 - (viii) Whether appropriate visual aids (e.g. powerpoint presentations) have been prepared to enable a better understanding of the company's performance and other matters by shareholders; and
 - (ix) Whether the seating positions of the Board of Directors, the Chairman of the meeting and other professional advisers likely to be called to answer questions have been properly organised.
- (b) As the meeting of shareholders is a good opportunity for directors and management to interact with shareholders, the Board of Directors and management should make an attempt to be present and interact with shareholders before and after the meeting. This is an appropriate courtesy as they are viewed as the hosts and the opportunity for interaction is always appreciated by shareholders.

4. RIGHTS OF SHAREHOLDERS

- (a) A shareholder has a number of fundamental rights that are spelt out by the Companies Act as well as by common law, regardless of the number of shares he holds in the company. The rights that a shareholder has in relation to meetings are set out here:
- (i) Right to have the company's constitution observed;
 - (ii) Right to attend and participate at general meetings;

- (iii) Right to obtain relevant information that are to be discussed at a meeting in a timely fashion;
- (iv) Right to speak and vote at general meetings;
- (v) Right to elect the Board of Directors, external auditors and to modify the constitution as the need arises, in accordance with the Companies Act;
- (vi) Right to convene or requisition a meeting, or requisition a resolution to be discussed and if possible to be carried at general meetings, subject only to compliance with the relevant requirements under the company's constitution or the Companies Act;
- (vii) Right to appoint up to two proxies to attend, speak and vote on its behalf;
- (viii) Right to demand for a poll on any question or matter other than, if the company's constitution so provides, the election of the Chairman of the meeting or the adjournment of the meeting;
- (ix) Right to inspect the minute books of the company's general meetings without charge, or alternatively, entitlement to be furnished, within 14 days after he has made a request in writing to the company, with a copy of any general meeting minutes of the company at a charge not exceeding S\$1 per page; and
- (x) Right to inspect the register of members at no charge.

5. RULES OF ETIQUETTE APPLICABLE TO SHAREHOLDERS

5.1 Attendance At Meetings And Proxies

- (a) A registered shareholder is entitled to attend and speak and vote at the company's general meeting. If a shareholder (who is not a relevant intermediary) is unable to be personally present but wants to be represented at the meeting, other than relevant intermediary, a shareholder should properly appoint not more than 2 proxies to act on his behalf. Normally the proxy form has to be submitted to the Company or its Share Registrar 72 hours before the commencement of the meeting.
- (b) Unless the constitution otherwise provides, where a shareholder appoints 2 proxies, the appointments shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.

- (c) In a situation where the shareholder has appointed a proxy but also attends the meeting, the shareholder has the choice to exercise his rights as shareholder which prevails over the proxy or allow the proxy to continue exercising his rights. Unless a proxy is appointed irrevocably and for valuable consideration, the appointment of the proxy can be revoked. Revocation can be made by the unilateral voluntary act of the appointor, at any time prior to the commencement of the meeting. The most effective way for an appointing shareholder to revoke a proxy is to attend a meeting and vote on his own behalf. This implicitly revokes the proxy, regardless of whether written notice of revocation is required under a company's constitution. If a shareholder attends a meeting and votes personally, any vote tendered by the proxy must be rejected. In addition, if a shareholder chooses to attend a meeting whereby he has also appointed a proxy, the company has the right to refuse to admit such proxy to the meeting.
- (d) Only persons whose names appear on the Depository Register 72 hours before the general meeting are entitled to attend, speak and vote. A shareholder who has only recently purchased shares, but whose name does not appear on the Depository Register has no legal right to be present at the meeting, but may be admitted as an observer without the right to vote at the indulgence of the Chairman of the meeting. As the Chairman can refuse entry to such a person, it is best to ensure that shares purchased have been registered with the Depository Register so that an individual gains the right to speak at a meeting.

5.2 Preparing For The Meeting

- (a) Shareholders should take the following preparatory steps before attending a general meeting. This will ensure that their questions, views and comments are considered appropriately by the Chairman of the meeting and other shareholders as well.
 - (i) Shareholders should familiarise themselves with the agenda and the order of business and read relevant materials like the annual reports, circulars to shareholders and recent company announcements. This will enable informed questions to be formulated and asked at the appropriate time during the meeting. If a shareholder is not able to fully understand the preliminary materials, he should consider getting professional assistance to explain the same to him.
 - (ii) Questions should be prepared by shareholders before the meeting to enable shareholders to think through their questions. Shareholders may also send the company a list of prepared questions ahead of the meeting, so that the company has sufficient time to prepare responses to the questions. Shareholders may, of course, have questions about the matters raised at the meeting itself.

- (iii) Shareholders should arrive early for the meeting to enable the proceedings to begin on time. The meeting can begin as soon as a quorum is formed and the time for the meeting has begun. The Chairman of the meeting is not obliged to wait for all shareholders to be present before commencing the meeting.

5.3 Speaking At The Meeting

- (a) The meeting is an opportunity for the Board of Directors to report on the financial health of the company, to explain various activities that the company has undertaken over the past year, and to provide an insight into the future plans and strategies of the company. Shareholders can take this opportunity to clarify decisions about certain business activities, query the financials, query the performance of directors and senior management, understand the risk management concerns, and if lacking, to probe the gaps and to ascertain the future plans of the company.
- (b) To ensure that the meeting is fruitful, shareholders raising queries or making comments should act with decorum and be professional at all times. Being abusive (for example, hurling vulgarities or shouting unnecessarily) or overtly demanding does not assist the company in holding a constructive meeting.
- (c) The following are suggestions as to the decorum that shareholders should adopt when seeking to speak at meetings:
 - (i) Courtesy and respect should be shown by shareholders to their fellow shareholders, the Board members and to the Chairman.
 - (ii) A shareholder who intends to speak should first ask for permission to speak. He can do this by putting up his hand when the Chairman calls for comments from the floor.
 - (iii) A shareholder should not interrupt when another person is speaking, including another shareholder, a Board member, a member of the management or the Chairman himself.
 - (iv) It is good practice for shareholders to introduce themselves by stating their name before making comments or asking questions. All comments should be directed to the Chairman. It is not proper protocol to direct comments or questions to fellow shareholders at the meeting or directly to any other Board member at the meeting. If a specific question or comment is to be directed to a member of the Board other than the Chairman, then this should be done through the Chairman himself.

- (v) When speaking at the meeting, shareholders should refrain from being antagonistic, belligerent, insulting or aggressive. Shareholders should also avoid tedious repetition and objectionable language, such as offensive remarks or vulgarities.
- (vi) Questions asked and comments made by shareholders should be relevant to the issue being discussed; for instance, those pertaining to the resolutions, financials or the business of the company. The meeting is not the appropriate forum to air personal grievances, complain about the conduct of other companies, or complain about matters in the capacity of a consumer or client of the company. Shareholders should also confine their comments to issues rather than personalities.
- (vii) The order for asking questions or making comments should follow the order in which resolutions are being discussed. For instance, all issues pertaining to the financials of the company or the annual report should be discussed at the time that the Chairman calls for a motion to adopt the directors' statement and audited financial statements. After the Chairman of the meeting declares the resolution carried, shareholders should not go back to comment on, or raise queries pertaining to the directors' statement and audited financial statements.
- (viii) The number and length of any comments by and or questions from shareholders should be kept short to enable other shareholders to have a chance to speak without the meeting getting unduly long.
- (ix) While a shareholder may express his view and try to persuade the meeting, he should not insist that the Chairman agree with his opinion, as the Chairman may not be in a position to do so.
- (x) Shareholders should not attempt to engage in obstructive questioning in an aggressive or belligerent manner, which may disrupt the flow of the meeting. This may fall within the meaning of disorderly conduct and result in the shareholder being expelled from the meeting.

5.4 General Decorum At The Meeting

- (a) Shareholders have an important role to play in ensuring that the meeting proceeds smoothly and without disruption. The following are guidelines on what shareholders can do to assist in this regard:
 - (i) Shareholders should ensure that their hand-phones and other electronic devices are turned off or are in silent mode during meetings to avoid disrupting the proceedings.

- (ii) When others are speaking, including the Chairman and other shareholders, shareholders should avoid carrying on conversations with others to avoid disrupting the meeting.
 - (iii) If food is provided, it is common courtesy to refrain from rushing for it, leaving the meeting mid-way to consume it, consuming excessive amounts of food or packing away food without the invitation of the company.
 - (iv) Shareholders should not record the proceedings of the meeting with their mobile phones and upload on their own social media. The proceedings in the meeting are for shareholders, and preservation of confidentiality and privacy of the discussions and persons (Board of Directors including Chairman and other shareholders) in the meeting should be observed.
- (b) A shareholder who behaves disruptively at a meeting such that the meeting cannot be conducted conductively, may be expelled from the meeting. This is a power that the Chairman can exercise. Shareholders should therefore ensure that they do not become boisterous or be unreasonably persistent with questions or comments that they have. Once they have utilised their opportunity to speak and a reasonable response has been provided, they should stop speaking. If a shareholder continues, and the Chairman eventually warns the shareholder to tone down his behaviour and to take his seat or be removed from the room, the shareholder should comply. A failure to do so may result in him being expelled from the room so that the meeting can continue on smoothly.

5.5 Proposing Shareholder Resolutions and Amendment To Tabled Resolutions

5.5.1 Distinguishing Between Ordinary And Special Resolutions

- (a) There are two types of resolutions that can be proposed; ordinary resolutions and special resolutions. An ordinary resolution can be carried by a simple majority whilst a special resolution can be carried by a 75% majority.
- (i) Examples of matters that can be proposed by an ordinary resolution include appointment and removal of directors and external auditors; adopting the report of directors' statements and the financial statements; and approving the quantum of dividends to be paid.
 - (ii) Examples of matters that can be proposed only by a special resolution include amendments to the constitution; change of company name; capital reduction, voluntary winding up; and substantial disposition of company's assets.

- (b) For ordinary resolutions, 14 days' notice should be given. For special resolutions, 21 days' notice should be given.

5.5.2 *Normal Procedure For Tabled Resolutions*

- (a) Normally a resolution is a proposed and then seconded, although the latter is sometimes not necessary. The resolution may be proposed by the Chairman or another shareholder attending the meeting in person, by proxy or by corporate representative.
- (b) After the resolution has been proposed and seconded, the Chairman should ask whether there are any questions and comments.
- (c) After shareholders have had sufficient opportunity to clarify or comment on the proposed resolution, the Chairman then calls for a vote. While the proposer should vote in favour of the resolution, the seconder is not similarly obliged.

5.5.3 *New Resolutions*

- (a) The following are entitled to propose resolutions to be moved at general meetings of the company:
 - (i) Any number of shareholders representing at least 5% of the total voting rights;
or
 - (ii) Not less than 100 shareholders holding shares in the company on which there has been paid up an average sum, per shareholder, of not less than S\$500.
- (b) When the company receives a resolution from the requisite number of shareholders, and the procedural requirements as spelt out in the Companies Act have been complied with, it should give shareholders notice of the resolution together with a statement with respect to the matter in the proposed resolution.
- (c) Shareholders cannot propose the passing of a fresh resolution for which no requisition as stated in the preceding paragraph has been provided.

5.5.4 *Amendments To Tabled Resolutions*

- (a) A special resolution cannot be amended except in very limited ways. It is a statutory requirement that at least 21 days' notice should have been given of a special resolution specifying the intention to propose the resolution as such.
- (b) The principles applicable to amendments to ordinary resolutions are less strict. For such ordinary resolutions:
 - (i) Amendments should be within the scope of the notice of meeting;
 - (ii) Amendments should not be onerous on the company; and
 - (iii) Amendments should not have the effect of negating the substantive resolution.
- (c) A proposed amendment to a resolution can only be raised at the meeting and before the resolution is put to a vote. The proper approach is to propose a resolution to amend the resolution being discussed. A seconder should support the proposal, at which time, the Chairman should open discussion as to whether the amendment should be carried. After discussions have concluded, the proposal to amend should be put to a vote, and if carried, the original resolution should be amended as per the proposal and then opened for discussion and eventual voting.

5.6 Voting and Polls

- (a) The SGX Listing Rules provide that all resolutions must be voted on by poll.
- (b) Proxy voting ensures that all eligible shareholders of a listed company have an opportunity to vote on matters for decision proposed to at an AGM or an EGM. Proxy voting works by enabling shareholders, who are entitled to vote but are not able to attend the AGM in person, to appoint the Chairman of the AGM / EGM or individual(s) as their proxy to vote on their behalf. Proxies can either be instructed on how to vote on particular resolutions, or be left to decide how to cast the vote(s) themselves (the shareholder appointing a proxy indicates which of these routes to take). It is usual for shareholders to appoint the Chairman as their proxy, because his or her presence at the meeting is guaranteed, but a shareholder may appoint any other individual who is eligible to vote as their proxy at their discretion. If a shareholder's proxy does not attend the meeting, the shareholder's votes will not be cast. Notifying the company of a proxy nomination is not equivalent to casting a vote. The votes are cast at the meeting and if a shareholder does attend the meeting, their proxy nomination can be rescinded in order for the shareholder to vote

in person. The total number of votes cast on a resolution will be the number of votes cast by shareholders at the meeting on their own behalf added to those cast by proxies appointed by other shareholders. For shareholders who hold shares under the Central Provident Fund Investment Scheme ("CPF Investor") and / or the Supplementary Retirement Scheme ("SRS Investors") (as may be applicable), proxy forms are not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.

- (c) CPF and SRS Investors (as may be applicable) may attend and cast his / her vote(s) at the AGM or EGM in person. CPF and SRS Investors who are unable to attend the AGM or EGM but would like to vote, may inform their CPF and / or SRS Approved Nominees to appoint the Chairman of the AGM or EGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM / EGM.
- (d) When a vote has been closed, the shareholder cannot call for the issue to be discussed again.

5.7 Adjournment Of The Meeting

- (a) The Chairman may adjourn the meeting subject to the company's constitution:
 - (i) For an appropriate duration if requested to do so by the shareholders at the meeting and a resolution to that effect has been carried out;
 - (ii) With the consent of the shareholders of the meeting; and
 - (iii) If, in his opinion, it is not practicable to obtain the consent of the meeting, but it appears necessary to him to adjourn to facilitate the business of the meeting.
- (b) A company's constitution will often specify the circumstances under which the Chairman may adjourn the meeting and the length of notice required for the adjourned meeting. The requirements of any such provisions should be strictly adhered to.
- (c) If consent of the shareholders is required, a vote on an adjournment is decided by the simple majority.

6. RULES OF ETTIQUETTE APPLICABLE TO CHAIRMAN

6.1 General Rules Applicable To The Chairman

- (a) The Chairman's general role is to preserve order and ensure that the business of the meeting is conducted in a proper and efficient manner. The Chairman is to ensure that there is no disruption to the meeting. The Chairman is also to ensure that the proceedings are properly conducted according to law and according to the company's constitution. He should act impartially in the discharge of these duties.

6.2 Preparing For The Meeting

- (a) A Chairman should familiarise himself with the agenda items and the procedural rules. The Chairman should study the subjects to be discussed and all background papers so that he will be in a position to lead the meeting to a conclusion on each item. He should also ensure that a list of 'FAQs' is put together and possible answers are prepared. This will ensure that the Chairman is able to succinctly respond to any query that is asked of him and the other Board shareholders.

6.3 Starting The Meeting

6.3.1 Attendance At Meetings

- (a) The Chairman has a duty to ensure that only authorised persons are present at the meeting. In this regard, persons entitled to attend, speak and vote at the meeting are, generally, the company's directors, shareholders, the properly appointed proxies of such shareholders and the appointed representative of corporate shareholders. For listed companies, only persons whose names appear on the Depository Register 72 hours before the general meeting are entitled to attend, speak and vote.
- (b) In addition, auditors and such other persons who are so authorised in the company's constitution (for example, directors, usually) will be entitled to attend the meeting. Indeed, the Chairman should take a positive step to ensure that all key officers are present to assist in responding to specific queries that may be raised during the meeting discussions.
- (c) Finally, the Chairman has discretion to invite other parties such as the press to attend the meeting.

6.3.2 *Quorum*

- (a) The Chairman has a duty to ensure that a quorum is present before commencing the meeting. This is governed by the constitution, and is usually two shareholders present in person and entitled to vote when the meeting proceeds to business.

6.3.3 *Commencement of Meeting*

- (a) The Chairman should not delay starting the meeting once the quorum has been formed and the time of the meeting has been crossed. It is good practice to start meetings on time out of courtesy to the audience already present. In addition, if the meetings are not started on time, shareholders will assume that late starts are normal and adopt the practice of deliberately arriving late.
- (b) This is subject to the qualification that the general duty of the chairman requires him to act impartially to enable a meeting to proceed in an orderly manner. In such an instance, the Chairman can exercise his discretion to delay the starting of the meeting for a reasonable period, which should not be more than 10 minutes or so, to allow more shareholders to be present, if this is thought to be necessary.
- (c) Late shareholders should not revisit issues and resolutions that have been discussed earlier. However, the Chairman should advise such shareholder that he cannot revisit issues and resolutions that have been earlier discussed and for which the motions have been concluded.

6.3.4 *Order of Business*

- (a) The first order of business is normally to receive and adopt the directors' statement and the financial statement. The Chairman, Chief Executive Officer and / or Chief Financial Officer should consider whether to make a short audio-visual presentation, as is often done at analyst briefings, of business and financial highlights for the past year and prospects for the future. This will help to refresh the memory of shareholders who have read the annual report and to focus on the main developments and trends. The company can use this opportunity to present a balanced appraisal of the performance and prospects of the company that will set the stage for a meaningful discussion on this topic. In addition to the presentation, the Chairman of the meeting may exercise his discretion to respond to questions sent in before the AGM by various stakeholders, such as shareholders, media, analysts, advocacy groups (e.g. environmental bodies) or investor bodies.

6.4 During The Meeting

6.4.1 Preservation Of Order

- (a) The Chairman has a duty to ensure that the meeting flows smoothly and that there are no undue disruptions, whether from an irate shareholder or otherwise:
- (i) The Chairman should stop any side discussions by sub-groups in corners of the meeting while a speaker officially has the floor. If contributions by these sub-groups seem relevant to the debate, the Chairman could invite them to address the meeting at an appropriate time.
 - (ii) Alternatively, the Chairman could suggest that the debate be adjourned so that the persons concerned can confer with each other outside the room with a view to their considered conclusions being reported to the meeting in due course.
 - (iii) If a shareholder is being obstructive or disorderly as to interfere with the proper conduct of the meeting, the Chairman can proceed in the following manner:
 - Ask the shareholder to refrain from such action and to ask any question that he may have;
 - Offer the shareholder a separate discussion and a chance to air his grievances outside the meeting; or
 - Consider adjourning the meeting for a short period to try and establish a basis for continuing the meeting in good order. If an adjournment is sought, it is desirable that any adjournment has the consent of the meeting. If this is impossible because of unruly behaviour, the Chairman may adjourn the meeting himself. In each case, the period of adjournment should be stated unless the meeting is to be adjourned to another day.
 - (iv) If the shareholder continues to act in a disorderly manner, he should be asked to leave the meeting voluntarily. If he refuses, he may be expelled using reasonable force.

6.4.2 *Proper Conduct Of The Meeting*

- (a) One of the key duties of the Chairman is to ensure that the meeting is conducted in a fair and orderly manner, as follows:
- (i) No person should unreasonably be denied an opportunity to be heard by the Chairman.
 - (ii) The Chairman will give rulings on points of order or other questions of procedure and do so with patience and courtesy, giving explanations where appropriate.
 - (iii) Shareholders should be called to speak one at a time and in an appropriate sequence by the Chairman.
 - (iv) A Chairman should ensure all remarks are addressed to him.
 - (v) If the Chairman does not agree with the views of the shareholder, he should assure the shareholder that his view has been registered and taken into consideration.
 - (vi) The Chairman should allow debate on resolutions under discussion. The Chairman has a duty to ascertain the views of the meeting on the matters under consideration and to ensure that all shades of opinion are given a fair hearing, as far as practicable. The discussion should be kept within reasonable bounds and may be stopped after the issue has been fully debated or if the discussion is heading nowhere. Where the query relates to a matter specific to that shareholder or not relevant to the agenda, the Chairman may elect to respond to the query after the close of the meeting.
 - (vii) In attempting to keep the debate within reasonable grounds, the Chairman might:
 - Require full debate on one topic at one time and refuse to take questions on that topic at any other times;
 - Limit the right of shareholders to speak, for example, by limiting the time allowed to any speaker; or
 - End the debate by exercising his inherent right to keep any discussion within reasonable bounds
 - (viii) The Chairman should be careful not to stifle discussion or prevent the views of a shareholder from being effectively expressed.

- (ix) The Chairman should not interrupt a speaker for reasons unconnected with procedural aspects; for instance, simply because the Chairman happens to know more about the subject matter than the speaker.
- (x) The Chairman should encourage new, shy or inexperienced shareholders to express their views and discourage any particularly garrulous shareholders from monopolizing or unduly dominating any discussion.

6.4.3 *Amendment Of Resolutions*

- (a) An important consideration where it is proposed to amend a substantive resolution is that if the amendment is improperly refused to be submitted to the meeting, the resolution actually carried will be invalidated. Accordingly, it is important that the Chairman errs on the side of caution, accepting for consideration any valid amendment to a resolution.
- (b) A Chairman can reject proposed amendments on the grounds of redundancy (seeking to re-open business already settled by the meeting), inconsistency (incompatible with a previous decision of the meeting), on the grounds that the proposed amendment changes the substance of the original resolution or on the more difficult grounds that the proposed amendments are obstructive, vexatious, dilatory or irrelevant.

6.4.4 *Voting*

- (a) Where the Chairman feels that there has been adequate discussion on a matter, it is appropriate for him to bring the discussion to a close. The following provides guidance on what a Chairman should do when it is time to vote on a resolution:
 - (i) The Chairman may remind the meeting that certain persons or category of persons are required to abstain from voting. For example, in a meeting to obtain shareholder approval, an interested person and his associate (if any) must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.
 - (ii) The Chairman should read out a summary of the resolution and highlight (where appropriate) that the full text of the resolutions can be found in the notice of AGM, before putting it to the vote to ensure that the meeting knows the precise question being decided and in order to refresh shareholders' memory to the exact wordings.
 - (iii) All amendments should also be checked by the Chairman to see that they are relevant to the resolution and are not direct negatives of it.

- (iv) A Chairman, subject to the provisions of the constitution, may have a casting vote in the event that a motion has equal number of votes for and against it.

6.4.5 *Recording Of The Meeting*

- (a) As the company has a statutory obligation to keep minutes of all meetings, the Chairman should ensure that such minutes are indeed kept. The minutes should be signed by the Chairman who conducted the meeting or by the Chairman of the next succeeding meeting.
- (b) The minutes of the meeting should include substantive comments and queries by shareholders and the responses by the Chairman, Board of Directors, other Professionals and management relating to the agenda of the general meeting. Such minutes would reflect proper respect for shareholders and enhance corporate transparency and accountability.
- (c) The company may record the proceedings of a meeting by means of a video or other recording, except where that is expressly prohibited by its constitution or by a direction of the meeting itself. The equipment should be openly in view or an appropriate announcement of the practice should be made. Taping of the proceedings would assist the company secretary in preparing the minutes.
- (d) The company should seek the consent of its shareholders to collect, use and / or disclose the individual's personal data at a meeting, and should not go beyond what is reasonable in the given circumstances. Examples of personal data could include names, identification numbers, contact information, photographs and video images of the shareholders. A shareholder should also be given the option to withdraw his consent, subject to reasonable notice being given to the company. Upon the withdrawal of consent, the company must cease collecting, using and / or disclosing the individual's personal data. When collecting individuals' personal data, the company should also inform them of the purposes for which their personal data is being collected, used and / or disclose (e.g. to record the proceedings). The company should ensure that all personal data protections laws and regulations are complied with.
- (e) Minutes are available to any shareholder who requests for them. While the company is permitted to charge for a copy of the minutes, it is suggested that this charge be waived in the interest of good investor relations.
- (f) Provision 11.5 of the Code of Corporate Governance 2018 provides that the company should publish minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board

and Management. This Provision underpins the Principle that the company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. Variations from the Provisions are acceptable to the extent that companies explicitly state and explain, in a comprehensive and meaningful manner, how their practices are consistent with the aim and philosophy of the Principle in question.