

MAIN MARKET AND ACE MARKET

ISSUERS COMMUNICATION CORPORATE WEBSITE FOR LISTED ISSUERS (ICN 1/2018)

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1. Introduction

- 1.1 In this digital age, a majority of research and information gathering are done online. From searching for a prospective supplier or customer, to purchasing a property or a particular service or investing in a promising business or company, more and more business or investment decisions begin and end on the internet. As a result, a website has become an essential component for any business to provide information on your company.
- 1.2 A corporate website is one of the most cost-efficient way to reach out to shareholders and has the ability to influence the way stakeholders view your company and business operations. A well designed website with useful information would enable current and potential stakeholders, in particular customers, suppliers, shareholders and potential investors, to find out more about the company and its business as well as its products and services offered in an effective and efficient manner. At the same time, a corporate website would enable you to determine the type and amount of information to be disclosed about your company and allows you to set the method of communication with your various stakeholders, i.e. determine the form of contact whether via email or by phone.
- 1.3 A good corporate website for a listed issuer thus comes with many benefits and plays a crucial role in providing useful information to various stakeholders to promote the growth and sustainability of the company. The Malaysian Code on Corporate Governance issued by the Securities Commission in 2017 further encouraged the use of electronic means including website as a communication tool with your stakeholders as dialogue with stakeholders is a necessary and beneficial process as it enables companies to understand stakeholders' concerns and to take these concerns into account when making decisions.

2. Regulatory requirements and compliance

- 2.1 Taking cognisance of the importance of corporate website as a key stakeholder management/communication tool, pursuant to Paragraph 9.21 of the Main Market Listing Requirements and Rule 9.21 of the ACE Market Listing Requirements (collectively defined as "**Paragraph/Rule 9.21 of the LR**"), listed issuers are required to comply with the following requirements:
 - (i) every listed issuer must have its own website.

- (ii) a listed issuer must publish the following information on its website:
 - (a) all announcements made to Bursa Malaysia Securities Berhad (“**Bursa Securities**”) pursuant to these requirements, as soon as practicable after the same are released on Bursa Securities’ website; and
 - (b) a summary of the key matters discussed at the annual general meeting (“**AGM**”), as soon as practicable after the conclusion of the AGM.
- (iii) a listed issuer must ensure that its website contains the email address, name(s) of designated person(s) and their contact numbers to enable the public to forward queries to the listed issuer.
- (iv) a listed issuer should ensure that its website is current, informative and contains all information which may be relevant to the listed issuer’s shareholders including analyst’s briefings.

3. Observation on level of compliance and gaps

- 3.1 On 20 January 2016, Bursa Securities had issued a reminder to all listed issuers on their obligation to maintain a corporate website that is up-to-date as it was noted that there had been non-compliance by listed issuers in relation to Paragraph/Rule 9.21 of the LR. Since then, Bursa Securities has observed improvements in compliance with the website requirements under the LR.
- 3.2 Whilst there have been promising improvements, there is still room for further improvements, particularly in the following areas:

- (i) **Timely publication of released announcements onto listed issuers’ corporate website**

Bursa Securities has observed that certain listed issuers tend to delay publication of their announcements on the corporate website, usually between 3 days to more than 1 week from the date the announcement was released to Bursa Securities. As more shareholders are now relying on the listed issuer’s corporate website for information pertaining to its latest developments, Bursa Securities strongly encourages listed issuers to upload their released announcements immediately onto their corporate website, and in any event no later than 1 day after the announcement has been released on Bursa Securities. This ensures that shareholders are able to promptly and efficiently access information which is current and up-to-date.

- (ii) **Timely uploading of key matters discussed at AGM onto listed issuers’ corporate website**

Discussions at AGM’s mostly involve significant matters regarding the listed issuer’s current and future activities. Key matters discussed at AGMs are crucial for all shareholders, in particular those who are unable to attend the AGM, as these matters surrounding the company’s affairs and businesses may affect the shareholders’ investment decision. As such, publication of key matters discussed at the AGM (which includes a summary of the discussions or explanations on the matters set out in the agenda, substantial or pertinent comments or queries from shareholders relating to the agenda and responses from the board and management) onto the listed issuer’s corporate website should be undertaken as soon as practicable after the conclusion of the AGM.

It is noted that certain listed issuers take a considerably longer time to upload the key matters discussed onto its corporate website, some to the extent of more than 1 month from the date of the general meeting. Whilst Bursa Securities acknowledges that listed issuers will need to observe certain administrative steps before posting the key matters onto their website, there should not be undue delay in doing so. As such, listed issuers are advised to publish/upload the key matters discussed at the AGM onto its corporate website as soon as practicable and in any event, within 30 days⁽¹⁾ from the date of the AGM. We believe that this gives listed issuers sufficient time to prepare and seek approval for the key matters and at the same time, ensures that shareholders are provided with information relating to the AGM in a timely manner.

3.3 In addition to the above, Bursa Securities also observes that certain listed issuers do not undertake the following in accordance with Paragraph/Rule 9.21 of the LR:

- (i) Disclose the names of designated person(s) to forward queries to;
- (ii) Ensure the corporate website is current and up-to-date; and
- (iii) Upload analyst's briefings onto the corporate website.

All listed issuers are reminded to fully comply with the requirements of Paragraph/Rule 9.21 of the LR.

(1) Section 4.2 of the Best Practice Guide on AGMs for Listed Issuers issued on 23 November 2016 states that for best practice, minutes of the AGM should be published on the company's website within 30 days from the AGM to enhance transparency. Disclosure of such AGM minutes should include the key matters on the conduct of the AGM.

4. Recommended best practice on contents of listed issuers' corporate website

4.1 In addition to the above, it is recommended that the following contents be included in the listed issuers' corporate website. Whilst the recommended list is not mandatory, it is encouraged for the following information to be included as it will enhance the value of information to stakeholders, elevates the profiling and investor relations and advocates a higher standard of transparency by the listed issuer. The list is not exhaustive and some of the information are required to be announced first to Bursa Securities or simultaneously with the disclosure in the listed issuers' corporate website.

- (i) Corporate history of the listed issuer and an overview of the listed issuers' current business;
- (ii) Description of the corporate structure of the listed issuer;
- (iii) Description of the organisational structure of the listed issuer;
- (iv) Its constitution, board charter and Code of Conduct and Ethics for the listed issuer;
- (v) Policies and procedures to determine the remuneration of directors and senior management, terms of references of the audit committee, nomination committee and remuneration committee;
- (vi) The listed issuer's corporate governance policies and sustainability strategies;
- (vii) Information on its board of directors and senior management including name and a brief biography for each of its board of directors and senior management;
- (viii) Financial information of the listed issuer including annual reports and quarterly reports;
- (ix) Summary of the listed issuer's historical performance including financial highlights for the past 5 years and historical share price performance of the listed issuer's securities;
- (x) Description of the listed issuer's dividend or distribution policy;
- (xi) Information on the listed issuer's dividend or distribution history;
- (xii) Notices and agenda of general meetings of security holders and any accompanying documents including circulars;
- (xiii) Minutes of general meetings (which should include substantial and pertinent comments or queries from shareholders relating to the agenda of the meeting, and responses from the board and management);
- (xiv) Contact details on its security registrar;
- (xv) If available, webcasts on financial performance briefings, external meetings and general meetings;
- (xvi) Materials when conducting meetings with journalists, fund managers, institutional investors or other persons outside the listed issuer (such as slides, speeches, questions and answers);
- (xvii) Copies of media releases on the listed issuer and its group of companies;
- (xviii) A calendar on material events by the listed issuer including dates on release of quarterly financial results, date of general meetings, books closure dates as well as ex-dividend or payment dates;
- (xix) Brief description on the different classes of securities as well as the rights attached to these securities; and
- (xx) Details of foreign shareholdings based on latest available information.

- 4.2 Apart from ensuring compliance with Paragraph/Rule 9.21 of the LR, listed issuers are also reminded to ensure that all information posted on their website complies with the LR including standard of disclosure set out under Paragraph/Rule 9.16² of the LR.

² Paragraph/Rule 9.16 of the LR states amongst others the following -
The content of a press or other public announcement is as important as its timing. A listed issuer must ensure that each announcement –

- (a) is factual, clear, unambiguous, accurate, succinct and contains sufficient information to enable investors to make informed investment decisions;*
- (b) is not false, misleading or deceptive, and does not contain any language which is inflammatory, defamatory or scandalous of another person;*
- (c) is balanced and fair.*