



Guidance to Directors on Dealings in Securities

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1. GUIDANCE FOR DIRECTORS' COMPLIANCE

1.1 *Introduction*

This Guidance sets out the requirements that must be complied in relation to dealings in securities of Bursa Malaysia Berhad (Bursa Malaysia) by directors and principal officers of Bursa Malaysia. These requirements impose a personal obligation on directors and principal officers.

1.2 *Objective*

The objective of this Guidance is to help the directors of Bursa Malaysia:-

- (a) Minimise the risk of contravening the laws against insider trading;
- (b) Meet their disclosure obligations under the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities); and
- (c) Comply with the general duty to make disclosure to Bursa Malaysia in respect of particulars of his/her shareholdings, whether direct or indirect/deemed interest, and changes thereto upon the directors' dealing in securities of Bursa Malaysia, as required under the Companies Act 2016 (CA) and the Capital Markets and Services Act 2007 (CMSA).

This Guidance also serves its objectives for the principal officers in respect of (a) and (b) above.

1.3 *General Information*

Directors are encouraged to conduct their dealings in securities during trading window period and recommended to refrain from dealing during closed period. However, if an exceptional situation arise that compels the director to deal during closed period, strict observance of the procedures as detailed in Sections 5.1 and 5.2 of this Guidance is mandatory.

2. DEFINITION

[Paragraph 14.02 of the MMLR]

- 2.1 “**closed period**” means a period commencing 30 calendar days before the targeted date of announcement up to the date of the announcement of the quarterly results to Bursa Securities via Bursa LINK.
- 2.2 “**dealing**” includes any one or more of the following actions, whether undertaken as principal or as agent -
 - (a) acquiring or disposing (including transfer) of securities or any interest in securities; or
 - (b) subscribing for or underwriting securities;
 - (c) making or offering to make with any person, or inducing or attempting to induce any person to enter into or to offer to enter into:-

- (i) any agreement for or with a view to acquiring or disposing of securities or any interest in securities;
 - (ii) any agreement for or with a view to subscribing for or underwriting securities; or
 - (iii) any agreement the purpose or avowed purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the values of securities; and
- (d) granting, accepting, acquiring, disposing of, exercising or discharging an option (whether for the call or put or both) or any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities or any interest in securities.

2.3 “**price-sensitive information**” means information that is not generally available but which on becoming generally available would or would tend to have a material effect on the price or value of securities - as referred to in Section 185 of the CMSA¹.

Section 185 of the CMSA also includes information that on becoming generally available would or would tend to influence reasonable persons who invest in securities in deciding whether or not to acquire or dispose of such securities, or enter into an agreement with a view to acquire or dispose such securities.

2.4 “**principal officers**” in relation to Bursa Malaysia include company secretary as defined under Section 235 of the CA or any employee of Bursa Malaysia or its major subsidiary who may have access or is privy to price-sensitive information of Bursa Malaysia, as may be determined by the Executive Director/Chief Executive Officer from time to time, and who is required to comply with Chapter 14 of the MMLR of Bursa Securities or any policy as may be imposed by Bursa Malaysia.

3. **INSIDER TRADING**

[Section 188 of the CMSA]

3.1 **Meaning of Insider**

A director is considered an ‘insider’ pursuant to Section 188(1) of the CMSA, if he/she -

- (a) is in possession of price-sensitive information which is not generally available; and
- (b) knows or ought reasonably to know that the information is not generally available.

3.2 **Prohibition from Trading**

All directors should take note of the prohibition on insider trading set out in the Part V Subdivision 2 of the CMSA with regards to dealing in securities whilst in possession of price-sensitive information.

¹ In relation to material information that has not been announced or disseminated to the public

Pursuant to Section 188(2) of the CMSA, directors are prohibited from trading either by themselves or through an agent while in possession of unpublished price-sensitive information. The prohibition is as follows:-

An insider shall not, whether as principal or agent, in respect of any securities relating to unpublished price-sensitive information –

- (a) acquire or dispose of, or enter into an agreement for or with a view to acquisition or disposal of such securities; or
- (b) procure, directly or indirectly, an acquisition or disposal of, or the entering into an agreement for or with a view to the acquisition or disposal of such securities.

3.3 Prohibited to Communicate

Pursuant to Section 188(3) of the CMSA, the insider is prohibited to directly or indirectly communicate, or cause such price-sensitive information to be communicated, to another person, if the insider knows, or ought reasonably to know, that the other person would or would tend to –

- (a) acquire, dispose of, or enter into an agreement with a view to acquisition or disposal of, any securities which is unpublished price-sensitive information; or
- (b) procure a third person to acquire, dispose of or enter into an agreement with a view to the acquisition or disposal of, any securities which is unpublished price-sensitive information.

4. DEALINGS BY DIRECTORS

4.1 Types of Dealings *[Paragraph 14.03 of the MMLR]*

The requirements apply to dealings in securities of Bursa Malaysia by the following categories of persons:-

- (a) a director of Bursa Malaysia or its major subsidiary; and
- (b) a principal officer of Bursa Malaysia or its major subsidiary.

4.2 General Restriction on Dealings *[Paragraphs 14.04 and 14.05 of the MMLR]*

The directors and principal officers of Bursa Malaysia **MUST NOT** deal in securities of Bursa Malaysia or of other listed issuers as long as they are in possession of price-sensitive information relating to such listed securities.

If the director of Bursa Malaysia **IS NOT** in possession of any price-sensitive information relating to securities of Bursa Malaysia, he/she may engage in dealings with securities of Bursa Malaysia during closed period provided he/she complies with the procedures as set out in Sections 5.1 and 5.2 of this Guidance.

The Securities Transaction Policy (STP) totally prohibits employees, including principal officers from dealings in securities of Bursa Malaysia during closed period. In this respect, the stricter STP for employees would apply to the executive director(s) and principal officers who are employees of Bursa Malaysia.

The company secretary of Bursa Malaysia (Company Secretary) will notify the directors of Bursa Malaysia on the commencement of closed period relating to the issuance of quarterly results prior to the commencement of such closed period. The principal officers will be informed by Group Human Resources through internal communication via e-mail.

4.3 Exemptions and Subsequent Dealings *[Paragraphs 14.06 and 14.07 of the MMLR]*

The categories of dealings that are exempted from the restrictions are:-

- (a) the acceptance or exercise of options or rights under an employee share or share option scheme;
- (b) the exercise of warrants;
- (c) the conversion of convertible securities;
- (d) the acceptance of entitlements under an issue or offer of securities where such issue or offer is made available to all holders of a public listed company's securities (including Bursa Malaysia) or to all holders of a relevant class of its securities, on the same terms;
- (e) the undertaking to accept, or the acceptance of a take-over offer; and
- (f) the undertaking to accept, or acceptance of securities as part of a merger by way of a scheme of arrangement.

Subsequent dealings in securities obtained as a result of the abovementioned exemption, are not exempted from the restriction.

5. PROCEDURES FOR DEALINGS IN SECURITIES

5.1 Clearance for Dealings during Closed Period

Directors must not, during the closed period, deal in any securities, unless under exceptional circumstances as deemed acceptable by the Chairman of the Board or in his absence the Audit Committee (AC) Chairman.

Should a Director intend to deal during closed period, he/she must observe the clearance procedure as follows:-

- (a) A director must obtain approval from the Chairman of the Board, or in his absence, the AC Chairman, of his/her intention to deal. The notification must be made at least 2 full market days prior to the likely dealing date and shall include a declaration that the director is not in possession of unpublished price-sensitive information (refer **Appendix DS-1**);

- (b) In the case of intention to deal by the Chairman of the Board, the notification is to the AC Chairman, or in his absence, one of the Public Interest Directors; and
- (c) The Chairman of the Board (or the AC Chairman) shall either give permission to deal or, if circumstances preclude dealing, he/she will advise the director concerned not to deal.

5.2 Procedures for Dealings during Closed Period *[Paragraph 14.08 of the MMLR]*

The procedures for dealings during closed period are as follows:-

- (a) subject to the observance of the clearance procedures as set out in Section 5.1 of this Guidance, the director concerned must give notice of intention to deal in writing by submitting **Appendix DS-1** to the Company Secretary 2 full market days prior to the dealing. Upon receipt of Appendix DS-1, the Company Secretary shall make an immediate announcement via Bursa LINK, which include the following:-
 - (i) the director's intention to deal in securities of Bursa Malaysia during closed period; and
 - (ii) the director's current holdings of securities in Bursa Malaysia whose securities are the subject of the proposed dealing;
- (b) the dealing can only be effected after 1 full market day from the date of the announcement;
- (c) the director concerned must also give notice of the dealing in writing by submitting **Appendix DS-2** to the Company Secretary immediately after the dealing has occurred, i.e. not later than 5.30 p.m. on the day the dealing is executed. Upon receipt of Appendix DS-2, the Company Secretary shall make an immediate announcement via Bursa LINK within 1 full market day following the dealing, stating:-
 - (i) the date on which the dealing occurred;
 - (ii) the consideration for the dealing; and
 - (iii) the number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in Bursa Malaysia;
- (d) the Company Secretary shall maintain a proper record of all notices received; and
- (e) the Company Secretary shall table a summary of dealings notified to Bursa Securities since the last Board meeting, at each meeting of the Board.

5.3 Procedures for Dealings outside Closed Period *[Paragraph 14.09 of the MMLR]*

Directors and principal officers are encouraged to deal in securities outside closed period, hereafter referred as "**trading window**". For dealings during the

trading window period or outside closed period, the directors and principal officers of Bursa Malaysia and the Company Secretary must comply with the following requirements:-

- (a) the directors and principal officers must, within 3 market days after the dealings has occurred, give notice of the dealing in writing by submitting **Appendix DS-2** to the Company Secretary. The Company Secretary shall make an immediate announcement through Bursa LINK of such dealing, with the following details:-
 - (i) the date on which the dealing occurred;
 - (ii) the consideration for the dealing; and
 - (iii) number of securities involved in the dealing, both in absolute terms and as a percentage of all issued securities of that class in Bursa Malaysia;
- (b) the Company Secretary shall maintain a proper record of all notices received; and
- (c) the Company Secretary shall table a summary of dealings notified to Bursa Malaysia since the last Board meeting at each meeting of the Board.

5.4 Guidance on Trading Window Period

The **trading window** period shall commence from the next market day following the release of the quarterly results till 30 calendar days prior to the tentative next quarterly result release date.

The Company Secretary will make an announcement via Bursa LINK on the targeted date of release of Bursa Malaysia’s quarterly results as soon as practicable after the end of each financial period of 3 months.

A schedule detailing the trading window periods for the year shall be prepared by the Company Secretary and submitted to all directors and principal officers of Bursa Malaysia together with the schedule of Board meetings for the year at the beginning of each year.

A sample of the trading window schedule is as given below:-

Quarter	Trading Window	
	Start Date	End Date
First		
Second		
Third		
Fourth		

5.5 Electronic Notification Process

In situation where it is not possible to complete the notification form as per Appendix DS-2 on the day of dealing, an electronic notification, for example, in the form of short messaging service (sms) or e-mail to the Company Secretary is acceptable. Nevertheless, the completed form as per Appendix DS-2, should be

submitted to the Company Secretary not later than 3 market days from the date of dealing for record and retention purpose.

When using the electronic media for transmission without the completed form as per Appendix DS-2, the following information should be included in the notification:-

- (a) The date of dealing;
- (b) The number of securities involved, and
- (c) The consideration.

6. GENERAL DUTY TO MAKE DISCLOSURE

This Guidance also describes the policies and procedures in relation to the directors' personal obligations and general duty to make disclosure to Bursa Malaysia and Securities Commission (SC) on changes to their direct and indirect shareholdings in Bursa Malaysia.

6.1 Under Companies Act 2016

[Section 219(1)(a) and (b) and Section 59(11)(c) of the CA]

A director of a company shall give notice in writing to the company in respect of particulars of his/her shareholdings and changes thereto within 14 days after the occurrence of the event giving rise to change, which includes the following:-

- (a) his/her interest in securities of Bursa Malaysia (direct interest); and
- (b) interest of his/her spouse and child (including adopted child or stepchild) in securities of Bursa Malaysia (indirect/deemed interest).

Notification with Appendix DS-2 as set out in Sections 5.2(c) and 5.3(a) of this Guidance will also constitute a notice by director pursuant to Section 135(1)(a) and (b) of the CA.

In this respect, the same announcement will be made via Bursa LINK as set out in Sections 5.2(c) and 5.3(a) of this Guidance and as required under Paragraph 9.19(18) of the MMLR of Bursa Securities.

6.2 Under Capital Markets and Services Act 2007

[Section 317(1), (2) and (5)(a) of the CMSA]

It is the duty of the chief executive and director of Bursa Malaysia to make disclosure to the SC on changes in interest in securities of Bursa Malaysia, which shall also include interests of their spouse, child or parent in securities of Bursa Malaysia.

The requirement under the CMSA is more stringent as it extends to interest of chief executive and director's parent as deemed interest.

6.3 Register of Directors' Shareholdings

[Section 59(4) and (5) of the CA]

Bursa Malaysia shall within 3 days after receiving notice from a director under Section 219(1)(a) and (b) enter in its register, the particulars of his/her shareholdings and changes thereto in Bursa Malaysia.

7. APPENDICES

The Company Secretary of Bursa Malaysia maintains a proper record of all notices received in accordance with Sections 5.2(d) and 5.3(b) of this Guidance. The notification forms are provided on Pages 9 and 10 of this Guidance as follows:-

Appendix DS-1: Prior Notification of Intention to Deal
Appendix DS-2: Notification After Dealing

8. APPLICABILITY OF THIS GUIDANCE TO PRINCIPAL OFFICERS

With the STP for the time being in force, Sections 5.1 and 5.2 of this Guidance are not applicable to principal officers who are prohibited from dealings in securities of Bursa Malaysia during closed period.

With regard to Section 5.3 of this Guidance on the procedures for dealings outside closed period, the principal officers are also required to comply with the approval and notification process on dealings in securities as stipulated in the STP. The STP is available on Employee Information Site at <http://eis.bursamalaysia.com>

Section 6 of this Guidance with regard to general duty to make disclosure under the provisions of CA and CMSA are also not applicable to principal officers.

Particulars

Name:	
Contact No:	

Particulars of the proposed dealing

Name of the listed issuer or public listed company (PLC), the securities of which are intended to be dealt with:	Bursa Malaysia Berhad
Type of dealing:	Acquisition or Disposal or Transfer*
Type/class of securities proposed to be dealt with:	Ordinary shares
No of securities proposed to be dealt with:	
Proposed date of dealing:	

*Delete as appropriate

Particulars of existing securities holdings in the PLC the securities of which are intended to be the subject of the dealing**Shares**

Direct interest#		Indirect interest#	
No of shares in PLC	% of issued shares	No of shares in PLC	% of issued shares

Other securities

Direct interest#		Indirect interest#	
No of securities in PLC by class/type		No of securities in PLC by class/type	

Please refer to Section 8 of the Companies Act 2016 (CA) [and Section 59(11) of the CA which is applicable to directors]

Confirmation: I confirm that I had obtained approval to deal in securities from the Chairman of the Board* / Audit Committee Chairman*.

Declaration: I declare that I am not in possession of unpublished price-sensitive information.

Signature :

Date :

Particulars

Name:	
Contact No:	

Particulars of the dealing

Name of the listed issuer or public listed company (PLC), the securities of which were the subject of the dealing:	Bursa Malaysia Berhad
Type of dealing:	Acquisition or Disposal or Transfer*
No of securities dealt with in absolute terms and as a % of all issued securities of that class in the PLC:	
Date of dealing:	
The price per share/security:	

*Delete as appropriate

Particulars of shareholdings in Bursa Malaysia Berhad**Shares**

Direct interest#		Indirect interest#	
No of securities held BEFORE the dealing	No of securities held AFTER the dealing	No of securities held BEFORE the dealing	No of securities held AFTER the dealing

Please refer to Section 8 of the Companies Act 2016 (CA) [as well as Sections 219(1)(a) and (b), and 59(11)(c) of the CA which are applicable to directors]

Signature :

Date :