

VIRTUAL GENERAL MEETINGS – MALAYSIA’S EXPERIENCE

The health crisis had accelerated the use of digital tools to facilitate the conduct of general meetings, leading to a growing number of fully virtual and hybrid meetings being held. This experience offers a good opportunity to learn and make improvements to this important part of corporate governance.

The SC carried out a survey on the conduct of fully virtual general meetings. Feedback was gathered from 29 listed issuers, which conducted fully virtual general meetings during the first MCO and CMCO period (18 April to June 2020). A total of 309 individual shareholders also responded to the survey.

KEY FINDINGS



Out of 29 listed issuers, 17 responded that they will continue to offer the option for remote shareholder participation in future general meetings.

While shareholder participation was generally lower in fully virtual general meetings, 31% of listed issuers responded that shareholders posed more questions in a fully virtual general meeting compared to a physical meeting. Using the number of questions posed by shareholders as a gauge, we may conclude that the level of engagement between the board and shareholders at fully virtual general meetings has been encouraging.



Several listed issuers highlighted substantial cost-saving from conducting a fully virtual general meeting compared to a physical meeting as large venues are not required to conduct the meeting.



Preference for remote participation was higher among shareholders in the younger age group, while majority of those in the senior age group preferred physical participation. Although more than half of the shareholders age 60 years and above preferred physical participation in AGMs, a significant number of them would still like to have the option to participate in the meeting remotely (online), as highlighted in Table 1.

TABLE 1

Preferred mode of participation in a general meeting

Participation preference / Age	30 and below	Between 31 and 40	Between 41 and 50	Between 51 and 60	Between 61 and 70	71 and above
Online	48%	45%	38%	40%	21%	30%
Physical	52%	55%	62%	60%	79%	70%
<ul style="list-style-type: none"> Would like to also have the option to participate in the meeting remotely (online) 	82%	65%	69%	71%	56%	43%