



## **Good Governance Guide: No. 1.1.5**

**Category: Meetings**

**Subject: During the Annual General Meeting**

**Source: Chartered Secretaries Malaysia**

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### **1. Attendance by Directors**

- Directors should attend all Annual General Meetings to answer any question shareholders may have in relation to the activities of the company.
- Attendance at Annual General Meetings by directors is to fulfil their obligations to account to members for their stewardship of the company.

### **2. Attendance by other professionals**

- Audit Committee members, who may or may not be directors of the company should be invited to attend the annual general meeting
- External auditors should be invited to attend the annual general meeting to answer any questions relating to the financial statements

### **3. Sitting Arrangements**

- All the directors of the company, together with the Chairman, should sit at the front table and face members present at an Annual General Meeting.

### **4. Chairing the Annual General Meeting**

- The Chairman of the Board should preside as the Chairman of Annual General Meetings and Extraordinary General Meetings.
- To allow the Chairman to receive timely advice, the Company Secretary and Chief Executive Officer/Managing Director respectively should be appropriately seated beside the Chairman.
- The Chairman of the meeting should introduce the members of the Board and the Company Secretary and Chief Executive Officer/Managing Director to all who are present at the Annual General Meeting before the start of the meeting.



## **5. Quorum**

- The Chairman or Company Secretary should confirm whether a quorum is present for the meeting to proceed.
- A brief summary of the proxies received by the company should be announced before the start of the meeting.

## **6. Reading the Notice of the Annual General Meeting**

- The reading of the Notice of the Annual General Meeting is a standard practice. The Chairman should call upon the Secretary to either:
  - read the Notice of the meeting; or
  - seek members' approval to take the Notice as read.
- It is good practice to have a ceremonial beginning of the meeting proper to bring the meeting to focus.

## **7. Mode of Voting**

- The Chairman of the meeting should explain the mode of voting to be adopted for the entire meeting.
- The various forms of voting whether by a show of hands or voting by ballot should be explained to the meeting including when a poll may be demanded.
- The seating arrangements for those who are entitled to vote at the meeting should be segregated to facilitate the counting of votes by show of hands.

## **8. Late members**

- Members who arrive late for meetings should be allowed entry to the meeting room and not left out.

## **9. Proposing and Seconding of Motions**

- During a meeting, the Chairman should ask for a proposer and seconder of the motion from the floor.
- If the Chairman himself moves a motion where he is interested, it is best practice that he abstains from voting and vacate the Chair until the resolution has been decided.



- The Listing Requirements of Bursa Malaysia Securities Berhad prevents a director or a substantial shareholder from voting in a transaction where they may be an interested party.
- The Chairman should draw the attention of all members present to the parties interested in the matter at hand before the motion is put to vote.

#### **10. Tabling Financial Statements, Directors' and Auditors' Report**

- The tabling of the financial statements at an Annual General Meeting implies that there should be discussions on the financial statements so that shareholders are given the opportunity to express their concerns about the governance of the company.
  - The Chairman could invite a representative from the company's audit firm to read out the Auditor's Report before opening the item to the floor for discussion.
  - The Chairman of the meeting should allow for adequate discussion on the financial statements and reports.
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