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# Independent moderators needed for virtual meetings

## MSWG says Q&As must be conducted objectively

### CORPORATE

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**PETALING JAYA:** As public listed companies (PLCs) begin to embrace virtual general meetings post-Covid-19, the Minority Shareholders Watch Group (MSWG) has called for the appointment of independent moderators.

This is necessary to conduct the question and answer (Q&A) sessions during the virtual meetings in an objective manner, and at the same time, ensure that all relevant questions are answered.

According to MSWG chief executive officer Devanesan Evanson, the body has noticed certain shortcomings in the way the Q&A sessions were handled at general meetings.

This included instances whereby questions raised by shareholders during live streaming were not addressed by the board of directors during the meeting.

“Corporate representatives of MSWG have encountered cases of PLCs skipping questions posed to the PLC via the query box during the live streaming process of the virtual general meetings.

“Subsequent to the general meeting, shareholders may sometimes get feedback from the PLC that the PLC was not able to address

**“This will prevent incidents of questions being conveniently overlooked by the board.”**

*Devanesan Evanson*

the question during the virtual general meeting due to ‘lagging’ or ‘buffering’. As such, shareholders questions risk not seeing the light of day during the virtual general meeting,” he said.

Devanesan raised concern that some PLCs may “conveniently overlook” questions posed by shareholders, especially if they are hard-hitting, sensitive or controversial questions.

Alternatively, Devanesan also suggested that all questions posed during the virtual general meeting should appear on the screen for absolute transparency.

“Shareholders will then be aware of the questions raised by other shareholders and the questions which are not answered by the board. This will prevent incidents of questions being conveniently overlooked by the board,” he said.

He added that a number of listed companies have appointed independent moderators for their virtual general meetings, which he described as a “welcome and commendable initiative”.

Moving forward, MSWG foresees virtual meetings being the preferred choice of the PLC and no longer a choice by necessity.

This is in line with the Practice 12.3 of the Malaysian Code of Corporate Governance, which encourages PLCs to leverage technology to facilitate remote shareholders’ participation at general meetings and to provide the option of voting in absentia.

With the continued adoption of virtual meetings, Devanesan said the transparency of the Q&A sessions becomes essential.

“It continues to encourage vibrant shareholders’ activism even in a virtual meeting environment,” he said.