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SGX RegCo, SID, CSIS Jointly Issue Standard for Providers of Virtual/Hybrid General Meeting Systems for SGX-listed Issuers

Introduction

On 24 November 2022, the Singapore Exchange Regulation ("**SGX RegCo**"), the Singapore Institute of Directors (SID), and the Chartered Secretaries Institute of Singapore (CSIS) jointly issued a standard to help issuers listed on the Singapore Exchange Securities Trading Limited ("**SGX-listed Issuers**") choose service providers for their virtual and hybrid general meetings ("**GMs**") so as to meet SGX RegCo's expectations regarding live engagement and voting at GMs that were set out in its [Regulator's Column dated 23 May 2022](#), as well as the requirements of the relevant laws.¹

The document titled [Standard for Vendors of Virtual/Hybrid General Meeting Systems](#) ("**Standard**") sets out the requirements and recommendations for the design, implementation, provision, maintenance, and continual improvement of systems that enable the holding of virtual and hybrid GMs by SGX-listed Issuers. They are particularly meant for the systems that support shareholders' rights to attend, participate in, ask questions at, and vote at, such GMs ("**Virtual/Hybrid GM Systems**").

This Update outlines the key aspects of the Standard, and talks about the relevance to SGX-listed Issuers and how SGX-listed Issuers can ensure that their service providers of the Virtual/Hybrid GM Systems comply with the Standard.

Applicability and Nature of the Standard

The Standard applies to vendors of the Virtual/Hybrid GM Systems and adoption of the Standard is voluntary. Although it is not compulsory for SGX-listed Issuers to only use vendors that comply with the Standard, SGX-listed Issuers are encouraged to take into account the Standard when they are selecting service providers for the Virtual/Hybrid GM Systems. Service providers who comply with the provisions of the Standard should be able to fulfil the typical requirements of enabling shareholders to vote and engage issuers effectively at virtual or hybrid GMs.

¹ Please refer to our Legal Update [here](#) where we discussed SGX RegCo's key expectations and requirements for physical, virtual and hybrid formats of GMs.

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Service providers for the Virtual/Hybrid GM Systems who do not comply with the Standard are not subject to any penalty. However, service providers who choose to comply with the Standards will be perceived as meeting a certain level of reliability and therefore preferred by the SGX-listed Issuers.

Key Components of the Standard

The Standard covers:

- **Functional capabilities of the Virtual/Hybrid GM Systems.** The Standard highlights some baseline features of these Virtual/Hybrid GM Systems which include, among other things:
 - ways for members of the SGX-listed Issuers to register their attendance at the GMs and to verify the members' identities against the SGX-listed Issuers' records;
 - individualised means for members and authorised non-members to access the GMs virtually or physically;
 - ability for members of the SGX-listed Issuers to submit questions to the SGX-listed Issuers, vote on resolutions put before the GMs and the votes to be accounted for accurately and made available to the SGX-listed Issuers' scrutineer in real-time; and
 - ability to handle personal data of members of the SGX-listed Issuers in compliance with the requirements of the applicable laws, etc.
- **Technological risk management.** Among other things, the service providers for the Virtual/Hybrid GM Systems are required to conduct comprehensive testing of the stability and availability of the Systems and make provisions for back-ups/fail-over Systems for use in the event of a failure of the System during a GM.
- **Measurement, analysis and improvement.** The service providers for the Virtual/Hybrid GM Systems will be required to put in place the necessary monitoring, measurement, analysis and improvement processes to assess the reliability and usability of the Systems. The service providers will also need to improve their Systems on a continuous basis, taking into account feedback from the SGX-listed Issuers.

How to Make Sure that Service Providers Comply with the Standard

SGX-listed Issuers may include in the engagement contract with the service providers for the Virtual/Hybrid GM Systems that the Systems provided to the Issuers must comply with the Standard. With the proper agreements in place, SGX-listed Issuers will be able to have contractual remedies against any service providers who fall short of the Standard where it is so provided in the contract between the service provider and the SGX-listed Issuer.

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Further Information

Please click on the links below for the following materials made available on the SGX website (www.sgx.com):

- [Standard for Vendors of Virtual/Hybrid General Meeting Systems](#) (November 2022)
- SGX RegCo press release on "[SGX RegCo, SID and CSIS map out service standards for companies' virtual general meetings](#)" dated 24 November 2022

If you have any queries, please feel free to contact our team members below who would be happy to assist.

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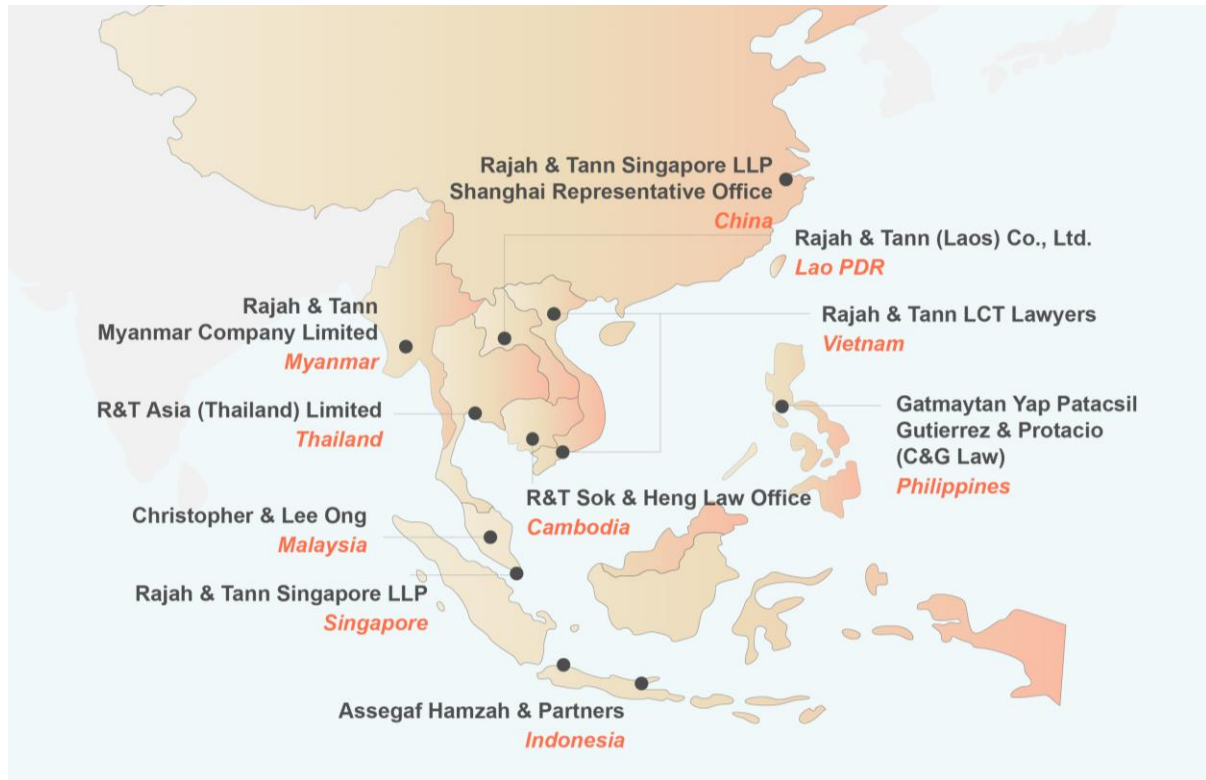
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