



THE SECURITIES AND EXCHANGE COMMISSION, GHANA

GUIDELINES ON HOLDING OF ELECTRONIC OR VIRTUAL ANNUAL GENERAL MEETINGS BY ISSUERS AND OTHER CAPITAL MARKET OPERATORS

SEC/GUI/003/05/2020

1.0 Preamble

These Guidelines are issued by the Securities and Exchange Commission (hereinafter referred to as “SEC”) pursuant to Sections 3 and 209 of the Securities Industry Act, 2016 (Act 929) to allow Issuers and other Capital Market Operators to hold Electronic or Virtual Annual General Meetings (AGMs) with no physical meeting location.

2.0 Background

2.1 The World Health Organisation (WHO) declared the Corona Virus Disease of 2019 (Covid19) a Public Health Emergency of International Concern on 30th January, 2020.

3.0 Legal Basis

3.1 The President of the Republic of Ghana pursuant to paragraphs c, d and e of clause 4 of Article 21 of the 1992 Constitution of the Republic of Ghana caused to be enacted the Imposition of Restrictions Act, 2020 (Act 1012) to provide powers to impose restrictions on persons, to give effect to Article 21 in the event or imminence of an emergency, disaster or similar circumstance to ensure public safety, public health and protection by Executive Instrument.

- 3.2 The President via Imposition of Restrictions Coronavirus Disease (COVID-19) Pandemic Instrument, 2020 (E.I. 64) and Imposition of Restrictions Coronavirus Disease (COVID-19) Pandemic (No. 2) Instrument, 2020 (E.I. 65) which locked down portions of the Republic and instituted social distance measures barring meetings of more than 25 people violation of which came with criminal consequences.
- 3.3 As a consequence of these restrictions holding traditional physical or face-to-face Annual General Meetings (AGMs) of Issuers of securities and other capital market operators with more than 25 members have been impossible and illegal with no certainty of the restrictions being lifted anytime soon.
- 3.4 These Guidelines are hereby made to enable Issuers and other capital market operators to continue to fulfil their corporate governance and statutory obligations of holding Annual General Meetings (AGMs) for their members in the light of the above restrictions.

4.0 Application

- 4.1 These Guidelines are in addition to the Guidelines by the Registrar-General Department dated the 14th May, 2020 on holding of Virtual Annual General Meetings of Companies contained in the Companies Bulletin No. 1 of 2020 pursuant to section 378(2) of the Companies Act, 2019 (Act 992) to allow Issuers and other Capital Market Operators to hold Electronic or Virtual Annual General Meetings instead of the face-to-face meetings where necessary.

5.0 Technology Medium, platform or system requirements for Electronic or Virtual AGMs

- 5.1 Issuers and other Capital Market Operators may hold Annual General Meetings via technology that allows members to participate remotely by online or other electronic means (virtual technology) to ensure continued investor engagements and the fulfilment of corporate governance requirements while restrictions on movement and large gatherings remain in place.
- 5.2 The meeting shall be held through a technology medium or platform that has audio-visual capacity, can accommodate large numbers and provides reasonable and fair opportunities to engage with members.

- 5.3 The technology medium or platform shall be compatible with android, iOS or web based and shall allow members the right to vote in real time during the AGM on devices such as desktops, laptops, palmtops or smart mobile phones through an app or software to be provided for by the Issuer or capital market operator.
- 5.4 The technology medium or platform shall contain modules for authentication of members for registration purposes, voting, proxy voting and reporting results of voting
- 5.5 The technology medium or platform shall allow for the submission of questions and responses and the collation of votes in real time with the necessary audit trails while providing members with the opportunity to see results on his page only.
- 5.6 The technology medium or platform shall have the capacity to provide live updates and announcements during meetings.
- 5.7 The technology medium or platform shall make provision for those with hearing impairments by providing for a sign language interpreter who should be visible to members during the meeting.
- 5.8 The technology medium or platform shall contain specific security protocols to prevent the manipulation of the transmission of the meeting's content, prevent interference in the voting process and shall generally prevent any form of intrusion or cyber-attacks.
- 5.9 The technology medium or platform shall also provide for voting via online or other means for the convenience of members who do not otherwise intend to participate
- 5.10 The technology medium or platform shall guarantee all the rights of members acquired pursuant to the Companies Act, 2019 (Act 992) and the Constitution of the Issuer or capital market operator

6.0 Events prior to the Annual General Meeting

- 6.1 The Notice of meeting shall contain clear, detailed, effective and concise explanations on how to use the technology medium or platform to observe, vote, make comments and ask questions during proceedings at the meeting. It shall also detail how the reasonable opportunity to vote, comment and ask questions will be provided to those participating virtually.

- 6.2 Issuers and capital market operators shall specify an email address (or other online submission facility) in the notice of meeting for the service of proxy appointments and proxy appointment authorities.
- 6.3 Issuers and other capital market operators shall put in place measures including but not limited to rehearsals or dry runs to iron-out potential complications or technical issues and consider backup solutions and plans to overcome technical challenges.
- 6.4 A full audio-visual demonstration of the technology platform or medium to be used for the meeting shall be placed on the Issuer or capital market operator's website and or a link to the technology platform or medium shall be sent to members via their emails or WhatsApp at least 14 days prior to holding of the meeting.
- 6.5 Issuers or capital market operators shall amend their Constitutions to accommodate electronic or virtual Annual General Meetings where necessary.

7.0 Conduct and Procedure during Electronic or Virtual AGMs

- 7.1 The chairman, all board members, the company secretary and the sign language interpreter should be visible through the camera that is webcasting proceedings at the meeting.
- 7.2 Members present at the meeting shall be able to see and hear the chairman and other members at the meeting during proceedings. For the purposes of quorum a member is deemed present when he votes or establishes a communication link to the meeting.
- 7.3 The Issuer or capital market operator shall appoint an impartial individual as "shareholder rights manager" (SRM) to manage the questions put forward online to ensure that questions by member participants are not ignored.
- 7.4 The SRM shall be responsible for designing and monitoring the exercise of all web-based member rights.
- 7.5 The Issuer or capital market operator shall provide the Securities and Exchange Commission access to plug in, interface or login into the meeting without let or hindrance.

7.6 The issuer or capital market operator shall record proceedings at the meeting, a copy of which shall be sent to the SEC within 7 days after the meeting and same shall be made available to any member upon request.

7.7 The record of the AGM shall be made available to members on the website of the Issuer or capital market operator within 7 days after the meeting and same shall be preserved for a minimum period of 7 years in accordance section 30 of Act 929.

8.0 Hybrid AGM's

8.1 These guidelines may be integrated with the traditional or normal physical face-to-face AGM elements to produce a hybrid Annual General Meeting (AGMs) as may become necessary in the future. This shall allow members to decide whether they would prefer to attend the meeting in person or online from the comfort of their homes.

9.0 Revocation, Variation and Revision of these Guidelines

9.1 The SEC may revise, amend, vary or revoke these guidelines.

10.0 Interpretation

10.1 Where any doubt arises about the meaning of any provision contained in these Guidelines, the same shall be referred to the SEC and the interpretation provided by the SEC shall be final.

11.0 Commencement of these Guidelines

11.1 These Guidelines shall take effect on the date of its issue and shall remain in force until otherwise revised, varied, amended or revoked.

ISSUED BY ORDER OF

**THE DIRECTOR-GENERAL OF THE SECURITIES & EXCHANGE
COMMISSION (SEC)**

DATED: MAY 22, 2020