



# IJM CORPORATION BERHAD

## CORPORATE DISCLOSURE POLICY

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### 1. INTRODUCTION

Timely disclosure of material information is critical towards building and maintaining corporate credibility and investor confidence. The **Corporate Disclosure Policy** (“the CDP”) of IJM Corporation Berhad (“IJM” or the “Company”) and its group of companies (collectively referred to as the “Group”) is formulated to provide shareholders and investors with comprehensive, accurate and quality corporate information on a timely and even basis.

### 2. PURPOSE AND OBJECTIVE

- (1) The purposes of the CDP are as follows:-
  - (a) to raise the awareness among the Directors, Management and employees of the Company on the disclosure requirements and practices;
  - (b) to reinforce the Company’s commitment in compliance with legal and regulatory requirements on disclosure; and
  - (c) to provide guidance and structure in disseminating corporate information to, and in dealing with shareholders, stakeholders, analysts, media, regulators and the investing public.
- (2) With the CDP in place, the Company is confident that the following objectives can be achieved:-
  - (a) the quality and timeliness of the Company’s disclosures are improved and there is greater parity in the standards of disclosure in the marketplace;
  - (b) the Company will have in place efficient procedures for management of information which at the same time, promotes accountability for the disclosure of material information; and
  - (c) the Company will build good investor relations with the investing public that inspires trust and confidence.

### 3. APPLICABILITY AND COMPLIANCE

#### 3.1 **Applicability**

The CDP applies to all employees (including full time, probationary, contract and temporary staff) (“Employees”) and Directors of the Group, and covers all disclosure made by the Group, including but not limited to:-



- (a) documents filed with the regulators, written statements, annual reports, quarterly and/or interim reports, news releases, letters to shareholders, speeches by senior management, e-mail communication and the information on the Company's website; and
- (b) oral statements made in group and individual meetings, telephone conversations, interviews and press conferences.

### **3.2 Compliance**

Each Employee has a duty to read and understand the CDP. Violation of the CDP can result in disciplinary action, including termination of employment. The violation of the CDP may also violate certain securities laws, and if a Director or Employee has violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities.

## **4. INTERNAL STRUCTURE & SYSTEM FOR CORPORATE DISCLOSURE**

### **4.1 Corporate Disclosure Committee**

- (1) The Board of Directors ("the Board") is ultimately responsible for ensuring that the Company's disclosure requirements are fulfilled. The Board delegates the implementation and adherence of the CDP to the Corporate Disclosure Committee ("the Committee"), which consists of:-
  - (a) Chief Executive Officer ("CEO") & Managing Director ("MD");
  - (b) Chief Financial Officer;
  - (c) Head, Corporate Strategy & Investment ("Head of CSI"); and
  - (d) Company Secretary.
- (2) The CEO&MD will serve as the primary contact person for the Committee and will engage the Committee as and when necessary and appropriate. In the absence of the CEO&MD, any other members of the Committee may be contacted on matters referred in the CDP.
- (3) The functions and responsibilities of the Committee include the following:-
  - (a) maintaining an awareness and understanding of the disclosure rules and guidelines;
  - (b) ascertaining whether corporate developments constitute material information, and if so, ensuring the procedures outlined in the CDP are fully adhered;
  - (c) implementing and monitoring of compliance with the CDP and undertaking reviews of any violations, including assessment and implementation of appropriate consequences and remedial actions; and
  - (d) reviewing and updating the CDP from time to time to ensure compliance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and other regulatory requirements.



## **4.2 Authorized Spokesperson**

- (1) The authorized spokespersons for the Company are the Chairman of the Board (“Chairman”) and the CEO&MD and any other officers as may be authorized by the CEO&MD.
- (2) Authorized spokespersons shall not disclose any material information that has not been previously made public.
- (3) The Employee or Director, other than authorized spokesperson, should not respond to requests for Company’s information from the investing public unless specifically authorized to do so by an authorized spokesperson. Any such requests should be referred to an authorized spokesperson.
- (4) The Head of Investor Relations (“IR”) and the Head of Corporate Communications will be involved in communication and presentation for all meetings with the investment community and media.
- (5) If there is any doubt about the appropriateness of supplying information to an outside party, an Employee should contact the authorized spokesperson for advice.
- (6) It is not the purpose of this Policy to restrain Employees from speaking to outside parties where doing so serves a legitimate business purpose. However, when doing so, Employees must ensure that any Company’s information so provided is in compliance with this Policy and should contact any one (1) of the authorized spokespersons if in doubt about the appropriateness of supplying certain information.

## **5. CORE AREAS**

- (1) The six (6) specific core areas concerning disclosure are as follows:-
  - (a) immediate disclosure of material information;
  - (b) thorough public dissemination;
  - (c) clarification, confirmation or denial of rumours or reports;
  - (d) response to unusual market activity;
  - (e) unwarranted promotional disclosure activity; and
  - (f) insider trading.
- (2) The guidance for disclosure for the six (6) specific core areas is provided under Clauses 5.1 to 5.6 of this Policy.

### **5.1 Immediate Disclosure of Material Information**

#### **5.1.1 Disclosure of Material Information**

- (1) Material information is any information which is expected to have a material effect on the following:-



- (a) the price, value or market activity of any of the securities of the Company; or
- (b) the decision of a holder of securities or an investor in determining his choice of action,

and may include information which –

- (i) concerns the Company's assets and liabilities, business, financial condition or prospects;
  - (ii) relates to proposed corporate exercises;
  - (iii) relates to dealings with Employees, suppliers, customers and others;
  - (iv) relates to any events affecting the present or potential dilution of the rights or interests of the Company's securities; or
  - (v) relates to any event materially affecting the size of the public holding of its securities.
- (2) The following guidelines will be followed by the Company to fulfill its obligation to make immediate announcement of material information:-
- (a) for the prescribed events as set out in Paragraph 9.19 of the Listing Requirements of Bursa Securities, the Company will immediately announce the event upon its occurrence;
  - (b) where the materiality for an event or transaction can be quantified, the decision on materiality will be in accordance with the threshold of the percentage ratio as set out under the Listing Requirements of Bursa Securities. An announcement will be made if the transaction triggers the prescribed percentage ratio applicable for that type of transaction; and
  - (c) where the materiality for an event or transaction cannot be quantified, the Company will undertake a materiality assessment of the information before making an announcement. In making the assessment of whether an event of information is material for the purpose of an announcement, the Company will take into account the relevant factors as follows:-
    - (i) the anticipated impact of the information on the Group's entire scope of activities;
    - (ii) the anticipated impact of the information on the Group's financial position or performance; or
    - (iii) the relevance of the information on the factors that determine the price of the listed securities of the Company.

#### 5.1.2 Responsibilities and Procedures

- (1) An announcement to Bursa Securities will be prepared and/or reviewed by the Company Secretary, or the Head of CSI or the appointed merchant bank in accordance with the applicable securities law and Listing Requirements and the announcement shall then be approved by the CEO&MD.



- (2) The Chief Financial Officer or the Senior Managers of the Accounts & Finance Department will review and validate all financial data contained in the announcement to ensure that disclosures are consistent with the prevailing accounting standards and guidelines.
- (3) The IR Department will ensure the content of the announcement clearly and effectively communicates the intended substance and meaning of the information to the public.
- (4) The Company Secretary or the appointed merchant bank shall release the announcement to Bursa Securities once the announcement is approved by the CEO&MD.
- (5) After the release of the announcement to Bursa Securities, the Corporate Services Department or the IR Department will use the “IJM e-mail alert” to disseminate and notify the release of the announcement to all those registered under the email notification service of IJM. In addition, the announcement will be made available on the website of the Group.

#### 5.1.3 Withholding and Maintaining Confidentiality of Material Information

There are exceptional circumstances when the Company can withhold or delay disclosure of material information temporarily, provided that complete confidentiality is maintained. Some exceptional circumstances where disclosure may be temporarily withheld are as follows:-

- (a) when disclosure will prejudice the ability of the listed issuer to pursue its corporate objectives; or
- (b) when the facts are in a state of flux; or
- (c) where company or securities laws restrict such disclosures.

#### 5.1.4 Responsibilities and Procedures

- (1) If the material information is being withheld, the Company has or will take the following precautions and measures to maintain the confidentiality of the information to minimize leakage of information:-

- (a) Document Management

Having and/or putting in place a reliable document management by: -

- (i) ensuring physical copies of confidential documents are securely stored in locked cabinets when not in use, with access restricted to authorized Employees only; and
- (ii) reminding Employees regularly not to read confidential documents or have discussion in public places.



(b) Secured Information Technology (“IT”) System

Having and/or putting in place a secured IT system for communication and document management purposes by: –

- (i) using private fax lines, dedicated printers and email accounts;
- (ii) keeping confidential information on protected drives and tightly controlling access through password protection and blocking mechanism; and
- (iii) installing password protection mechanisms for electronic equipment such as desktops, laptops and other storage media containing confidential information, and activating automatic locking system on these equipment after a stipulated period.

(c) Internal Control Policies

Having and/or putting in place internal control policies on confidentiality as follows:-

- (i) implementation of the “Code of Ethics and Conduct” to ensure Employees exercise caution and due care to safeguard any confidential information;
- (ii) dissemination and access of price-sensitive information to a limited number of people, such as the Board of Directors, Senior Management, advisors, credit rating agencies, External Auditors and the controlling shareholders, in the necessary course of business, and on a “need to know” basis;
- (iii) Confidentiality Agreements may be used to ensure protection and confidentiality of the information by third parties;
- (iv) reminding all Directors and Principal Officers on the restriction on dealings pursuant to the Listing Requirements;
- (v) regularly reminding all parties involved on the importance of maintaining confidentiality of the information; and
- (vi) implementation of the “Whistle-blowing Policy” to facilitate Employees to report misconduct or wrongdoings.

- (2) If, at any time or any circumstance, confidential material information is inadvertently divulged in a way that results in selective disclosure to any individual member of the investing public, the Company will immediately announce the information to Bursa Securities.

## **5.2 Thorough Public Dissemination**

### **5.2.1 Equal Access to Material Information**

- (1) The Company shall release material information to the public in a manner designed to obtain its fullest possible public dissemination.





- (2) No disclosure of material information is made on an individual or selective basis to journalists, analysts, fund managers or other persons unless such information has previously been fully disclosed and disseminated to the public.
- (3) Any public disclosure of material information must be made by an announcement first to Bursa Securities or simultaneously to Bursa Securities, the press and the newswire services.

#### 5.2.2 Communicating with Journalists, Analysts and Fund Managers

- (1) The Company may provide information relating to the business, operations or financial performance of the Company and/or Group to the journalists, analysts and/or fund managers provided that such information is not undisclosed material information.
- (2) Similarly, when responding to questions from journalists, analysts and fund managers, or when commenting on their reports, the Company can provide any information, as long as it does not include any undisclosed material information.
- (3) In the event that the non-public material information has been inadvertently disclosed when responding to questions or commenting on the reports, the Company shall immediately announce to Bursa Securities.

#### 5.2.3 Electronic Communication

##### 5.2.3.1 Electronic Mail System and Internet Access

- (1) The Company uses the “IJM e-mail alert” to disseminate and notify the release of the announcement to all those registered under the email notification service of IJM, including but not limited to journalists, analysts and fund managers.
- (2) The Company ensures the appropriate use of the e-mail facility by all Employees through the Group IT Policy, which prohibits the Employees to:-
  - (a) submit, publish or transmit information or data that contain false, abusive, discriminatory, obscene or illegal material;
  - (b) distribute or propagate unsolicited or unauthorized messages, whether voluntary or involuntary; and
  - (c) intercept, disclose or view e-mail messages that are not addressed to them.
- (3) The Group IT Policy also provides that access to internet via the IJM’s networking infrastructure is confined to Employees whose duties require it for their normal business activities. At all times, the Employees are prohibited to disclose or disseminate any sensitive information of the Company over the network, whether voluntary or involuntary.



### 5.2.3.2 Website

- (1) The Company has a website (www.ijm.com) which acts as a channel to disseminate information and to allow access to information about the Group by the shareholders and public. The website also distinguishes an “Investor Relations” section containing disclosure and information of interest to the investors.
- (2) The contents of the “Investor Relations” section of the website shall include but not limited to the following:-
  - (a) announcement to Bursa Securities including periodic financial statements and annual reports;
  - (b) circulars to shareholders;
  - (c) minutes of general meetings;
  - (d) financial calendar;
  - (e) podcasts and presentations;
  - (f) financial highlights for the past five (5) years;
  - (g) dividend policy;
  - (h) shareholding structure; and
  - (i) information which may be relevant and useful to the shareholders including the analyst briefings.
- (3) Besides that, the website also contains the email address, names of the designated persons and their contact numbers to enable the public to forward queries to the Company.

### **5.3 Clarification, Confirmation or Denial of Rumours or Reports**

- (1) Whenever the Company becomes aware of a rumour or report (true or false) that contains material information, the Company will make due enquiry and immediately publicly clarify, confirm or deny the rumour or report, which is in any form including by word-of-mouth and by publishing in a newspaper, newswire, magazine, a broker’s market report or any other publication.
- (2) All announcements made contain sufficient facts to support the clarification, confirmation or denial of the rumour or report.
- (3) Any follow-up notifications to the regulatory authorities will be circulated to the Board, if deemed necessary.

### **5.4 Response to Unusual Market Activity (“UMA”)**

- (1) Where unusual trading activity, price movement, or both occurs on the securities of the Company, the Company will immediately undertake a due enquiry to seek the cause of the UMA.





- (2) If the Company determines that the UMA results from material information that has already been publicly disclosed pursuant to the Listing Requirements, no further announcement is required. However, if the UMA indicates that such material information may have been misinterpreted, the Company will issue a clarifying announcement to the Bursa Securities. Appropriate measures will be taken to inform the Board, if deemed necessary, on such further clarifications.
- (3) If the UMA results from a “leak” of previously undisclosed information, the information in question will be publicly disclosed in accordance with the Listing Requirements.
- (4) If the Company is unable to determine the cause of the UMA, the Company will announce that there have been no undisclosed developments which would account for the UMA.

## **5.5 Unwarranted Promotional Disclosure Activity**

The Company will refrain from any form of promotional disclosure activity which may mislead investors or cause unwarranted price movement and trading activity in the Company’s securities. Such activity includes news releases, public announcements, predictions, reports or advertisements, which are unjustifiable, exaggerated, flamboyant, overstated or over-zealous.

## **5.6 Insider Trading**

- (1) Pursuant to the Capital Markets and Services Act 2007 (“CMSA”), a person is an “insider” if that person:-
  - (a) possesses information that is not generally available which on becoming generally available a reasonable person would expect it to have a material effect on the price or value of the securities; and
  - (b) knows or ought reasonably to know that the information is not generally available.
- (2) The restriction of insider trading is governed by Section 188 of CMSA and Paragraph 9.14 and 9.15 of the Listing Requirements. An insider must not:-
  - (a) acquire or dispose of the securities of the Company, or enter into an arrangement for or with a view to the acquisition or disposal of the securities of the Company, on the basis of the material information which is not known to the investing public; or
  - (b) procure, directly or indirectly, an acquisition or disposal of, or the entering into an agreement for or with a view to the acquisition or disposal of the securities of the Company, on the basis of the material information which is not known to the investing public; or
  - (c) inform or tip any other person of undisclosed material information unless the sharing of that information is in the necessary course of business.



- (3) Employees or Directors who possess undisclosed material information are prohibited from dealing directly or indirectly in the Company's securities unless the information has been publicly disclosed at least one (1) full market day from the date of the announcement of material information.

#### **6. REVIEW OF THE CDP**

- (1) The CDP has been adopted by the Board on 28 May 2013. Any subsequent amendment to the CDP can only be approved by the Board.
- (2) The CDP will be periodically reviewed by the Board to ensure that it remains current and effective in accordance with the needs of the Company and any new regulations that may have an impact on the disclosure obligations and practices.
- (3) The CDP is made available for reference in the Company's website at [www.ijm.com](http://www.ijm.com).

