

**KEYNOTE SPEECH FOR TAN SRI ABDUL WAHID OMAR**  
*“Investor Relations (IR) Awards 2021”*

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**OPENING**

Ladies and Gentlemen,

Assalamu’alaikum warahmatullahi wabarakatuh

1. Let me begin by congratulating MIRA for hosting this 11th Malaysian Investor Relations (IR) Awards 2021. I would like to take this opportunity to commend MIRA for their ongoing commitment to advancing and promoting good investor relations practices among PLCs in Malaysia.

2. At a time when ESG and sustainability issues are major concerns, I can attest to MIRA’s efforts in intensifying their engagement programmes to encourage listed companies to pursue excellence and best practices in their IR engagements within the said space.

3. In alignment with this year’s theme “Reinvigorating Investor Relations in the New Normal”, please allow me to cover three areas in my address today;

i. First: Recalibrating Investor Relations Role and Bursa’s Initiative in Enhancing its PLCs’ Investor Relations Capabilities in the Post-Pandemic Era;

ii. Second: The need to be technologically adept in Investor Relations Practices Moving Forward;

iii. Third: The Need for Investor Relations Officers to embrace ESG and Bursa Malaysia’s Role in Championing ESG And Climate Aspirations.

## *RECALIBRATING INVESTOR RELATIONS ROLE AND BURSA'S INITIATIVE IN ENHANCING PLCs INVESTOR RELATIONS CAPABILITIES IN THE POST-PANDEMIC ERA*

Ladies and Gentlemen,

4. The onset of COVID-19 pandemic has drastically altered the practice of Investors Relations. For instance, IR officers have had to deal with incredible volatility and uncertainty while their companies faced difficult decisions about layoffs and cost reduction.
5. However, in the face of these difficulties, investor relations has emerged as a key element to a company's ability to weather the storm. In fact, effective shareholder communications and the role of the IR professionals, have never been more important. And, while the role will remain critical after the pandemic, it will change dramatically in the post-pandemic era.
6. Quite fittingly, as investor attention shifts, it is critical that your Investor Relations narrative recognises the need to evolve. Companies must now consider how to bring certain underlying company fundamentals to the forefront, rather than focusing solely on earnings highlights.
7. This would include highlighting the company's financial flexibility, balance-sheet strength, business model resilience, and management team experience. Additionally, they need to communicate effectively their COVID-19 action plans to protect their core assets and be prepared to discuss how to position the company to thrive when social and economic health recover.
8. Recognising the critical importance of investor relations among companies in the post-pandemic era, Bursa Malaysia has undertaken several initiatives to enhance the visibility and accessibility of its PLCs to the investment community through more active investor relations engagements.
9. More recently, the Exchange launched an Investor Relations & Public Relations Incentive Programme. PLCs selected to participate in this pilot programme will receive a one-year training to improve their in-house Investor Relations capabilities in order to engage in more effective Investor Relations engagements.
10. The Investor Relations & Public Relations programme's scope includes, among others, assisting PLCs and their senior management with the preparation of corporate presentation slides and factsheets, planning, and organising investor briefings with analysts and fund managers, as well as assisting with Public Relations engagements such as press releases and media interviews.
11. We believe that such an initiative will not only assist PLCs in recognising the value of investor relations but will also assist in promoting their attractiveness as a viable investment, potentially raising their profile, valuations, and liquidity.

## *THE NEED TO BE TECHNOLOGICALLY ADEPT IN IR PRACTICES MOVING FORWARD*

12. This brings me to my second point of being technologically adept. The COVID-19 crisis has become a catalyst for digitalisation and technology adoption. Businesses that were previously slow to embrace technology must now embrace these digital enablers in order to remain relevant and ensure business continuity in the post-pandemic era.
13. Leveraging the most recent technological advancements, such as big data, the internet of things and artificial intelligence, will not only spur a company's innovation, but will also increase their productivity.
14. According to the Malaysian Department of Statistics, the digital economy is expected to continue its significant contribution to the country in 2021. This estimation was based on its 20% contribution to Gross Domestic Product in 2020. Against this outlook, innovation will no longer be an option, but rather a necessity for business survival.
15. It is critical for companies to ensure that their in-house capacity and capabilities grow in tandem with today's digital age advancements.
16. Further, the pandemic has resulted in a significant increase in the use of technology amongst IR officers who sought new ways to stay connected and engaged with investors and key stakeholders. What was once an uncharted territory, the digitalisation of IR practices is gaining traction and becoming more prominent.
17. Over the last year and a half, we have observed that the Virtual Investor Relations model, particularly videoconference calls, works better than many could have imagined. Even from home, the quality is excellent, and the cost – often free – is hard to beat, not to mention the ability to schedule meetings on-the-go.
18. Additionally, company websites, social media and online business reports are now commonplace, and the use of digital distribution channels for company investor communications has become essential. And through the use of such technology, IR officers can now predict events and even communicate in real-time with a larger investment community.
19. Moving forward, as we enter the fourth industrial revolution, or "IR4.0," technology is expected to further revolutionise the Investor Relations industry, as with any other industry. Therefore, businesses must be technologically adept and agile to embrace innovation, in order to compete in today's tech-enabled and tech-centric markets.

## **NEED FOR IR PERSONNEL TO EMBRACE ESG AND BURSA MALAYSIA'S ROLE IN CHAMPIONING ESG AND CLIMATE ASPIRATIONS**

Ladies and gentlemen,

20. Aside from the technology impact, COVID-19 has shown us the importance of balancing ESG and profitability. Over the years, investors and fund managers have become more aware of the value proposition of incorporating ESG considerations in asset allocation and recognised the potential in the growing client demand for values-based investing.
21. To date, more than 4,000 fund managers and asset owners with total assets under management in excess of USD120 trillion are signatories to the UN Principles for Responsible Investments. These investors have pledged eventually not to invest in companies that do not subscribe to ESG. They include our EPF that has committed to invest only in sustainable investments by 2030.
22. In light of these developments, IR officers must become increasingly knowledgeable about issues other than traditional financial metrics. In this context, they can communicate to their C-Suite the importance of a clear and well-defined ESG strategy to the company from an investor standpoint. Companies that do not engage investors on sustainability strategy are passing up an opportunity to attract and retain long-term value investors.
23. As strong proponents of sustainability, Bursa Malaysia leverages on its unique role as a frontline regulator and market operator to provide an environment which encourages sustainable practices among market participants. We strive to achieve this through continued guidance, advocacy, and engagements within the marketplace.
24. Additionally, we see climate change as a serious threat to our capital market. Therefore, Bursa Malaysia has pledged to be carbon neutral by 2022 and plans to achieve net zero GHG emissions by 2050. As announced by the Government recently, Bursa Malaysia has started collaborating with the Environment and Water Ministry and the Finance Ministry to develop a domestic emission trading scheme.
25. This is a significant nation-building project that will assist Malaysia in meeting its climate ambitions while also creating an ecosystem that is transparent, rule-based, and meets the needs of intended market participants.
26. We hope that through these efforts, our PLCs will recognise importance of ESG and the dire consequences of ignoring climate change warning signals and reconsider business strategies beyond the typical 5-year strategic planning cycles to consider longer term horizons.
27. Ultimately, as ESG practises mature, we hope to see a gradual shift toward greater self-regulation amongst our PLCs. All of these developments are essential building blocks that will make our market more appealing to ESG investors around the world.

## *CLOSING*

Ladies and Gentlemen,

28. In times of uncertainty, the role of investor relations has never been more important. Regardless of the challenges that post-pandemic era presents to IR professionals, they can earn the trust of the investment community by staying informed about the impact of events and industry drivers that present both opportunities and risks for their business.
29. In other words, IR officers are expected to function as industry experts, which necessitates a broad understanding of industry-related changes and a constant awareness of the industry's pulse and market sentiment.
30. Before I end, I would like to convey my heartiest congratulations to all Awards winners. I hope the winning today would encourage you to strive for greater achievements in the future and would serve as an inspiration to other PLCs to do even better.

Thank you.