

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Seventeenth Annual General Meeting (**AGM**) of Sime Darby Berhad (Sime Darby or Company) will be held virtually through live streaming from the broadcast venue at Function Room, Ground Floor, Menara Sime Darby, Oasis Corporate Park, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Thursday, 16 November 2023 at 10.00 a.m. for the following businesses:

## AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2023 together with the Reports of the Directors and the Auditors thereon.  
*Refer to Explanatory Note 1*
2. To approve the payment of fees to the Non-Executive Directors up to an amount of RM4,600,000 from the Seventeenth AGM until the next AGM of the Company. **(Resolution 1)**  
*Refer to Explanatory Note 2*
3. To approve the payment of benefits to the Non-Executive Directors up to an amount of RM1,500,000 from the Seventeenth AGM until the next AGM of the Company. **(Resolution 2)**  
*Refer to Explanatory Note 2*
4. To elect the following Directors who retire pursuant to Rule 82.2 of the Constitution of the Company and who being eligible, offer themselves for election:
  - (i) Scott William Cameron **(Resolution 3)**
  - (ii) Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz **(Resolution 4)***Refer to Explanatory Note 3*
5. To re-elect the following Directors who retire pursuant to Rule 103 of the Constitution of the Company and who being eligible, offer themselves for re-election:
  - (i) Dato' Jeffri Salim Davidson **(Resolution 5)**
  - (ii) Dato' Dr Nirmala Menon **(Resolution 6)**
  - (iii) Tan Sri Ahmad Badri Mohd Zahir **(Resolution 7)***Refer to Explanatory Note 3*
6. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 30 June 2024 and to authorise the Directors to determine their remuneration. **(Resolution 8)**  
*Refer to Explanatory Note 4*

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### AS SPECIAL BUSINESS

7. To consider and, if thought fit, pass the following Ordinary Resolutions:

- (i) **Proposed Renewal of Existing Shareholders' Mandate for the Company and/or its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of AmanahRaya Trustees Berhad - Amanah Saham Bumiputera (ASB)**

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (Act), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with the related parties involving the interest of ASB, as set out in Section 2.3 of the Circular to Shareholders dated 18 October 2023, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm's length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act, (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the Mandate is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate."

**(Resolution 9)**

*Refer to Explanatory Note 5*

(ii) **Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for the Company and/or its Subsidiaries to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature with Related Parties Involving the Interest of Bermaz Auto Berhad (Bermaz)**

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (Act), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature with the related parties involving the interest of Bermaz, as set out in Section 2.3 of the Circular to Shareholders dated 18 October 2023, which are necessary for the day-to-day operations in the ordinary course of business of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm's length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting whereby the Mandate is renewed; or
- (b) the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of the Act, (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of the Act); or
- (c) the Mandate is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate."

**(Resolution 10)**

*Refer to Explanatory Note 5*

8. To transact any other business for which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

**By Order of the Board**



**Noor Zita Hassan**  
Group Secretary  
(MIA 15073)  
(SSM PC No. 202008002513)

Petaling Jaya,  
Selangor Darul Ehsan  
18 October 2023

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### Notes:

1. The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 which requires the Chairperson of the meeting to be present at the main venue of the meeting. Members and proxies WILL NOT BE ALLOWED to attend this AGM in person at the broadcast venue on the day of the AGM. Members and proxies are advised to participate and vote remotely at this AGM using the Remote Participation and Voting (RPV) facilities provided by the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (Tricor) through its TIIH Online website at <https://tiih.online>. Members are advised to read the Administrative Guide carefully and follow the procedures in the Administrative Guide for this AGM in order to participate remotely.
2. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 64 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA), to issue to the Company, a Record of Depositors as at 7 November 2023. Only a Member whose name appears on this Record of Depositors as at 7 November 2023 shall be entitled to attend this AGM or appoint a proxy to attend, participate, speak and vote on his/her behalf.
3. A Member entitled to attend and vote at this AGM is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to attend, participate, speak and vote at this AGM on his/her behalf. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a Member of the Company. A Member may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
4. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Listing Requirements), all resolutions set out in the Notice of the Seventeenth AGM of the Company shall be put to vote by way of a poll.
5. Where a Member of the Company is an Authorised Nominee as defined under SICDA, he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.
6. Where a Member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.
7. The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised. Any alteration to the instrument appointing a proxy must be initialled.
8. The Form of Proxy and power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, must be deposited with Tricor not less than 24 hours before the time appointed for the taking of the poll or no later than Wednesday, 15 November 2023 at 11.00 a.m. The Form of Proxy can be submitted through either one of the following avenues:
  - (i) Lodgement of Form of Proxy in hard copy To be deposited at Tricor's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at Tricor's Customer Services Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) Electronic lodgement of Form of Proxy The Form of Proxy can be lodged electronically via Tricor's TIIH Online website at <https://tiih.online>. Please follow the procedures for electronic lodgement of Form of Proxy in the Administrative Guide for this AGM.
9. A Member who has appointed a proxy to participate in this AGM must request his/her proxy to register himself/herself for the RPV at Tricor's TIIH Online website at <https://tiih.online>. Please follow the procedures in the Administrative Guide for this AGM.
10. The Administrative Guide on the conduct of a virtual AGM of the Company is available at the Company's website at <https://www.simedarby.com/investor/agmegm>.

## Explanatory Notes

### 1. Audited Financial Statements for the financial year ended 30 June 2023

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of the Act. There is no requirement to seek shareholders' approval and hence, this agenda item is meant for discussion only and will not be put forward for voting.

### 2. Resolutions 1 and 2 – Directors' Fees and Benefits

Section 230(1) of the Act provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

On 24 November 2022, the Board approved the establishment of the Investment Committee (IC) to assist the Board in reviewing major business proposals which include mergers and acquisitions, new partnerships, disposals, capital expenditure and monitoring the implementation of the Group's strategic blueprint as approved by the Board and ensure that they remain robust and relevant. The Risk Management Committee was also renamed as the Risk Management & Sustainability Committee on 24 November 2022 to reflect its oversight of the sustainability agenda, strategy and other economic, environmental and social risks. The IC was formally formed on 23 February 2023.

Having considered the responsibilities undertaken by the Nomination & Remuneration Committee (NRC) and the IC, the Board has proposed that the annual fees of both Committees be revised from RM60,000 to RM70,000 for the Chairman and from RM35,000 to RM40,000 for the members.

The shareholders' approvals are hereby sought for the payment of Directors' fees and benefits up to an amount of RM4,600,000 and RM1,500,000 respectively, to the NEDs with effect from the Seventeenth AGM until the next AGM of the Company.

(i) The payment of Directors' fees for the NEDs is based on the revised fee structure:

Board/Board Committee	NED Fees (RM/Year)	
	Chairman	Member
Board	560,000	240,000 <sup>1</sup> 380,000 <sup>2</sup>
<ul style="list-style-type: none"> <li>• Governance &amp; Audit Committee</li> <li>• Risk Management &amp; Sustainability Committee</li> </ul>	80,000	50,000
<ul style="list-style-type: none"> <li>• Nomination &amp; Remuneration Committee</li> <li>• Investment Committee</li> </ul>	70,000	40,000
Board of Subsidiaries	150,000	100,000

**Notes:**

<sup>1</sup>: Fee for Resident Director

<sup>2</sup>: Fee for Non-Resident Director

(ii) The benefits payable for the NEDs comprising the following:

- (a) Company car, petrol and driver for the Non-Executive Chairman
- (b) Telecommunication devices/facilities
- (c) Club membership subscription
- (d) Medical and insurance coverage
- (e) Discount on purchases of Group/Company products on terms not more favourable than those given to the public/employees
- (f) Other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors

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In determining the estimated total amount of Directors' fees and benefits payable for the NEDs, the Board has considered various factors including the number of scheduled and special meetings for the Board, Board Committees and Boards of subsidiaries, based on the current number of NEDs including a provisional sum as a contingency for future appointment of NEDs on the Board, Board Committees and Boards of subsidiaries.

The proposed Resolutions 1 and 2, if passed, will give authority to the Company to pay the Directors' fees and benefits on a monthly basis and/or as and when incurred. The Board is of the view that it is just and equitable for the NEDs to be paid the Directors' fees and benefits on a monthly basis and/or as and when they are incurred, particularly after the Directors have discharged their responsibilities and rendered their services to the Company and its subsidiaries.

Any NEDs who are shareholders of the Company will abstain from voting on Resolutions 1 and 2 concerning the remuneration to the NEDs at the Seventeenth AGM.

The remuneration of each Director for the financial year ended 30 June 2023 is set out on page 204 of this Annual Report 2023.

### 3. Resolutions 3 to 7 – Election and re-election of Directors

- (i) Rule 82.2 of the Constitution of the Company expressly states that a Director appointed by the Board shall hold office until the conclusion of the next AGM of the Company and shall be eligible for election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Mr Scott William Cameron and Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz were appointed during the year, being eligible, have offered themselves for election at the Seventeenth AGM pursuant to Rule 82.2 of the Constitution of the Company. Both Mr Cameron and Tengku Dato' Sri Azmil have completed their Mandatory Accreditation Programme pursuant to the provision of the Listing Requirements.

- (ii) Rule 103 of the Constitution of the Company expressly states that at every AGM, at least one-third (1/3) of the Directors for the time being shall retire from office at each annual general meeting. A Director retiring at a general meeting shall retain office until the conclusion of the meeting. In addition, Rule 104 of the Constitution of the Company states that all Directors shall retire from office at least once every three (3) years. A retiring Director shall be eligible for re-election.

The Directors who are subject to re-election at the Seventeenth AGM of the Company are Dato' Jeffri Salim Davidson, Dato' Dr. Nirmala Menon and Tan Sri Ahmad Badri Mohd Zahir. All of them, being eligible, have offered themselves for re-election at the Seventeenth AGM pursuant to Rule 104 of the Constitution of the Company.

For the purpose of determining the eligibility of the Directors to stand for re-election at the Seventeenth AGM, the Board through its NRC, had assessed each of the retiring Directors, and considered the following:

- (i) The Director's performance and contributions as determined by the Self and Peer Assessment conducted during the Board Effectiveness Assessment 2023;
- (ii) The Director's level of contribution to Board discussions through his/her skills, experience and strength in qualities;
- (iii) The level of independence demonstrated by the Independent Director and his/her ability to act in the best interests of the Company in decision-making;
- (iv) The evaluation of Director's character, integrity, competence and experience as well as fit and properness to discharge his/her role effectively; and
- (v) The Director's commitment and time allocation to ensure effective fulfilment of his/her responsibilities.

Based on the aforesaid assessment, the Board and the NRC are satisfied that the performance of each of the retiring Directors have met the performance criteria required of an effective and high-performance Board and the Board's expectations by continuously discharging their duties diligently as Directors of the Company.

#### 4. Resolution 8 – Re-appointment of Auditors

The Governance & Audit Committee (GAC) at its meeting held on 18 September 2023 undertook the annual assessment of the suitability and effectiveness of the external audit process, and the performance, suitability and independence of the external auditors, PricewaterhouseCoopers PLT (PwC). The following factors were taken into consideration:

- (i) Dissemination of information about policies and processes for maintaining independence, objectivity and the monitoring of PwC's compliance with professional ethical standards;
- (ii) Communication of audit strategy and current developments in relation to accounting and auditing standards relevant to the Group's financial statements and the potential impact on the audit;
- (iii) Timeliness and quality of communications with regard to significant audit, accounting, related risks and control weaknesses and recommendations as well as effective use of meetings with the GAC without management presence;
- (iv) Competency in the coordination of resources and technical knowledge, and expertise in managing its engagement; and
- (v) Reasonableness of the audit fees charged.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance, competency and sufficiency of resources that the external audit team had provided to the Sime Darby Group as prescribed under Paragraph 15.21 of the Listing Requirements.

The Board at its meeting held on 25 September 2023, approved the GAC's recommendation that the shareholders' approval be sought at the Seventeenth AGM on the re-appointment of PwC as external auditors of the Company for the financial year ending 30 June 2024, under Resolution 8. The present external auditors, PwC, have indicated their willingness to continue their services for the next financial year.

### Explanatory Notes on Special Business

#### 5. Resolutions 9 and 10 – Proposed Shareholders' Mandate

The proposed Resolutions 9 and 10, if passed, will respectively renew the existing shareholders' mandate and grant a new mandate for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for the Group's day-to-day operations and are on normal commercial terms not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Detailed information on the Proposed Shareholders' Mandate is set out in Section 2.3 of the Circular to Shareholders dated 18 October 2023.

# STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The profile of the Directors who are standing for election and re-election (as per Resolutions 3 to 7 as stated above) at the Seventeenth AGM of Sime Darby are set out in the "Board of Directors" section on pages 174 to 179 of the Company's Annual Report 2023.

The details of any interest in securities held by the said Directors are set out in the "Directors' Report" section on pages 234 to 239 of the Company's Annual Report 2023.