

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 5288  
**COMPANY NAME** : SIME DARBY PROPERTY BERHAD  
**FINANCIAL YEAR** : December 31, 2022

## OUTLINE:

### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board of Directors ("the Board") of Sime Darby Property Berhad ("Sime Darby Property" or "the Company") is responsible to ensure sustainable long-term performance, creation of positive economic value and growth for the Group as well as maximise returns for shareholders.</p> <p>The Board is consistently steadfast to anticipate and analyse governance trends to enhance board effectiveness and future-proof the organisation against unforeseeable vulnerabilities, such as labour-related challenges and escalating material prices as well as market challenges and headwinds, with measures to ensure sustainable growth and business continuity, while enhancing resilience and adaptability to numerous market opportunities.</p> <p>The Board's oversight role will focus on continuing to build a resilient organisation while also laying the foundations for the Group's future success. The Board has a responsibility to drive the long-term success of Sime Darby Property, by constructively challenging and supporting the development of the Sime Darby Property Group's ("the Group") strategy, for the benefit of the broader group of stakeholders, consumers, society and shareholders, and at the same time, instil a culture of continuous change and developing talent to drive organisational transformation.</p> <p>The Board is guided by its Board Charter to ensure that it effectively discharges its duties and responsibilities. The Board Charter is available at the Group's website. The Board has put in place a robust Corporate Governance Framework where specific powers of the Board are delegated to the relevant Board Committees and the Group Managing Director ("GMD").</p>

The Board is assisted by the following Board Committees during the financial year under review:

- 1) Audit Committee (“AC”)
- 2) Nomination and Remuneration Committee (“NRC”)
- 3) Risk Management Committee (“RMC”)
- 4) Board Tender Committee (“BTC”)
- 5) Board Sustainability Committee (“BSC”)

The Terms of Reference (“TOR”) of the AC, NRC, RMC and BSC are available on the Group’s website at [www.simedarbyproperty.com/who-we-are/corporate-governance](http://www.simedarbyproperty.com/who-we-are/corporate-governance).

The Board has clearly demarcated the day-to-day operational functions of the Management and the overall responsibilities of the Board through the Board Charter, Board Committees’ TOR, Group Policies and Limits of Authority, TORs and other governance documents.

As guided by the Board Charter, the Board assumes, among others, the following seven (7) principal responsibilities:

**1) Promoting Good Corporate Governance Culture**

The Board, together with Management, is committed to continuously promote a good corporate governance culture within the organisation. In discharging its duties and responsibilities, the Group’s business activities are governed by a set of high-level Group policies, known as the Group Policies and Authorities (“GPA”), which is a key component of Sime Darby Property’s corporate governance framework as they serve as a tool by which the Board formally delegates functions and powers to the Management. It clearly defines relevant matters and applicable limits, including those reserved for the Board’s approval, and those which the Board may delegate to the Board Committees, GMD and Management.

Sime Darby Property had completed a two-year analysis of its operations to redefine its new purpose, vision, mission and values (“PVMV”) statement, which was launched in June 2022. The new PVMV was established to drive the direction and behaviour expected from the Group’s employees, as follows:

- **Purpose** : To be a Value Multiplier for people, businesses, economies and the planet.
- **Vision** : Advancing real estate as a force for collective progress, in harmony with the planet’s resources.
- **Mission** : To develop, own and manage a thriving asset portfolio that creates value for all stakeholders.
- **Values** : **‘TEAM’**
  - **T** – Together we do what’s right
  - **E** – We lead with **Excellence**
  - **A** – We embrace new **Approaches**
  - **M** – We **Make** things happen

**2) Reviewing and Adopting a Strategic Plan for the Group**

The Board plays an active role in the development of the Group's strategy and monitoring its performance and implementation.

- i) Sime Darby Property has an annual business plan process in place whereby the Board meets with the Management to discuss on the recommended corporate and operational strategies together with the proposed financial targets, investments and budgeted capital expenditures of the Group.
- ii) As part of the strategic planning process, for the financial year 2023 ("FY2023"), the Board Strategy Session was held from 21 to 23 October 2022 for the Board to deliberate and provide feedback on the proposed Annual Operating Plan ("AOP") for Financial Years ("FY") 2023 to 2025, together with the proposed financial targets, investments and budgeted capital expenditure of the Group. These engagements also strengthen the working and personal relationship between the Board and Management as well as drive collaborative efforts and, promote trust within the organisation.

A Mid-Year Review exercise was conducted from 1 to 3 August 2023 to stock-take and review the Company's performance in the first half of FY2022, forecast and align with the FY2022 full-year financial results and corporate scorecard performance, discuss on key challenges and brainstorm solutions and support required, pulse-check on People-related priorities and kick-start pre-emptive planning for the FY2023 AOP.

- iii) A Pre-Board Strategy session was held on 6 October 2022 to discuss on the current industry problem statements in navigating a volatile post-pandemic year and seed ideas in setting the basis for the FY2023 Corporate Direction and to obtain feedback from the Board on the proposed Annual Operating Plan for FY2023 to FY2025 and Financial Budget for FY2023. Sharing sessions from both local and international industry experts were also held as part of the Pre-Board Strategy session.
- iv) In November 2022, the Board approved the proposed Annual Operating Plan for FY2023 to FY2025 with some suggested improvements / refinements. These would be tracked and reported to the Board every quarter. Subsequently, a 2-day Annual Management Dialogue for the top 350 leaders (Assistance Management seniority and above) of the Group was held in February 2023 to review Sime Darby Property's full-year 2022 performance, discuss and align key strategic plans to achieve the Group's goals and spearhead its transformation journey. This platform enabled participants to learn, discuss and evaluate the strategic plans put forward by various operating units within the Group.

	<p>The Management gained constructive input / guidance from the Board on the way forward with its AOP as well as the regulatory landscapes and challenges of the property and real estate industries in Malaysia.</p> <p>The Board continues to provide its guidance, views and feedback to ensure that the strategies are well implemented and the business of the Group is properly managed to safeguard the shareholders' interest in its journey towards becoming a real estate company by 2025, producing sustainable, impactful value to customers and stakeholders.</p> <p><b>3) <u>Overseeing Conduct of the Group's Business</u></b></p> <p>The Board monitors the conduct of the Group's business via the report by GMD presented at quarterly Board meetings. The Board, on a continuous basis, is well informed of the progress of the Group's strategic initiatives and critical operational issues as well as its performance based on the approved Key Performance Indicators ("KPIs").</p> <p>The Board, comprising members with diversified knowledge and skills, are accessible and acts as a sounding board to the GMD and the Management team to bounce ideas and obtain views.</p> <p><b>4) <u>Identifying Principal Risks and Ensuring the Implementation of Appropriate Internal Controls and Mitigation Measures</u></b></p> <p>A Risk Management Framework is in place to enable the Group to identify, assess and manage / mitigate risks. The Board, through RMC, assists the Board to fulfil its responsibilities relating to risk governance and risk management to manage the overall risk exposure of the Group to the acceptable level. The Group Risk Management ("GRM") department is responsible to assist the Management, RMC and the Board in the coordination and implementation of the Risk Management Framework across the Group.</p> <p>The RMC reviews in detail the key risk profile of the Group on a quarterly basis. An update on the Group's key risks, which include an overview of its impact to the Group in the form of a heat map is presented to the Board at its quarterly meetings to give a snapshot of the key risks impacting the Group. The RMC advises the Board on measures taken by Management and advice given by RMC to manage these key risks.</p> <p>The Board, through the AC, reviews the systems of internal controls of the Group to ensure, as far as possible, the protection of its assets and shareholders' investments. The Group Corporate Assurance ("GCA") department is responsible to assist the AC and the Board in undertaking regular and systematic reviews of the Group's internal control systems so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively in the Company and the Group.</p>
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The GCA has the authority to audit and review projects and systems at any time and report its findings directly to the AC. Any significant audit findings are reported and deliberated by the AC at its meetings, and subsequently reported to the Board.

The Governance Oversight Management Committee ("GOMC"), a management-level governance committee, continues to drive, manage and monitor the implementation of Governance, Risk and Compliance Framework within the Group. The GOMC met four (4) times during the financial year under review.

**5) Succession Planning**

The Board, through the NRC, is responsible to ensure that there is effective succession planning in place for Sime Darby Property. The NRC ensures that there is an appropriate dynamic of skills, experience and diversity on the Board, as well as a steady pool of talent for selection purposes.

In addition to the succession plan for the Board, the NRC also reviews the succession planning for senior critical roles (including GMD) and talent pool demographics, with the view of enhancing the Group's Succession Planning Framework, including talent management and human capital development for key critical management positions. The framework focuses on, amongst others, the determination of the criticality of positions, identification and selection of talents based on pre-defined competency profiles and drawing up individual development plans to bridge any competency gap. The NRC had, in May and November 2022, reviewed the Company's succession planning for senior critical roles (including the GMD) and talent pool demographics with the assistance of an external consultant.

During the financial year under review, the NRC ensured that appropriate assessment was conducted on key critical positions in the Group, which included the review and evaluation of the identified candidates for Senior Management promotion recommendation to the Board and renewal of GMD's contract, all of whom are critical, to ensure the continuity of the Group's SHIFT25 transformation plan and the various initiatives under it. The NRC ensured that the said promotions and contract renewal were based on the criteria, merit, performance and key achievements during their tenure and with due regard for diversity in skills, experience, age and cultural background. A robust review process was undertaken to consider GMD's contract renewal, including gathering feedback from all Board Members and selected Senior Management.

During the financial year under review, the NRC reviewed the composition of the Board and Board Committees taking into consideration the mix of skills, competencies, industry

experience, integrity, personal attributes and time commitment required of a Director to effectively fulfil his or her role as a Director and Chairman / Member of the respective Board Committees. This included succession planning to ensure a smooth transition in the Board's succession process. The NRC will continue to leverage on various sources, such as referrals from existing Directors and other leadership development and consulting organisations to identify potential candidates for nomination as Directors.

No new Director was appointed to the Board, during the financial year under review.

**6) Overseeing the Development and Implementation of a Stakeholder Communications Policy for Sime Darby Property**

Sime Darby Property believes in building investor confidence through good corporate governance practices and communication with the stakeholders. The Group carried out its Investor Relations ("IR") activities in accordance with its policy in order to create and enhance shareholders' value.

The Board is apprised of IR activities as well as analysts' recommendations and market consensus of the Group's performance against the KPIs on a quarterly basis. Reports on movements of the share price of Sime Darby Property and Total Shareholders' Returns against indices and peers were also reported to the Board on a quarterly basis.

The IR Framework for FY2022 provides proactive and effective IR engagement with various investors / stakeholders of the investment community, through targeted IR activities throughout the year. The Public Relations Framework for 2022 would also support IR efforts through multiple channels and methods to enhance share of voice.

**7) Reviewing the Adequacy and Integrity of the Management Information and Internal Control Systems of Sime Darby Property Group**

The Board is ultimately responsible for the adequacy and integrity of the Group's management information and internal control systems. Details pertaining to the Company's internal control systems and its effectiveness are provided in the Statement on Risk Management and Internal Control on pages 192 to 200 of the Annual Report 2022.

The Board is guided by its Board Charter which outlines the duties and responsibilities of the Board.

The Board Charter is published on the Group's website at [www.simedarbyproperty.com/who-we-are/corporate-governance](http://www.simedarbyproperty.com/who-we-are/corporate-governance).

	<p>All Board members exercise their powers for a proper purpose and in good faith in the best interests of the Group. In directing or managing the Group's business and affairs they exercise reasonable care, skill and diligence by applying their knowledge, skill and experience.</p> <p>The Board ensures that key transactions or critical decisions are deliberated and decided by the Board in a meeting. The Board also ensures that decisions and basis for those decisions, including any dissenting views are made known and properly minuted in the minutes of meetings.</p> <p>The Directors are aware of their collective and individual responsibilities to all shareholders for the way the affairs of the Company are managed and operated. The Board is satisfied that it has fulfilled these duties and obligations during the financial year under review.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board is chaired by Encik Rizal Rickman Ramli, representing Permodalan Nasional Berhad ("PNB"), a major shareholder of Sime Darby Property. He is currently the Chief Investment Officer, Private &amp; Strategic Investments for PNB, who oversees all activities related to PNB's real estate portfolio including land banking, strategic development, domestic and international property investments, hospitality and affordable housing.</p> <p>Encik Rizal Rickman Ramli was appointed as Chairman of Sime Darby Property on 7 May 2021, following the retirement of Tan Sri Dr. Zeti Akhtar Aziz upon the conclusion of the Company's 48th Annual General Meeting ("AGM"). Prior to his appointment, he had served as a Director of the Company since 5 April 2018 and is familiar with the background and operations of the Group. Coupled with his experience in the property and real estate industries, as well as experience in other public and public listed companies, his appointment provides effective and seamless continuity in leading and addressing the legacy issues confronting the corporation, strengthening the financial position of the corporation and transforming the corporation towards a new direction.</p> <p>The roles of the Chairman of the Board are clearly specified in the Board Charter, which is available on Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p> <p>The responsibilities of the Chairman, among others, are as follows:</p> <ol style="list-style-type: none"><li>1) Setting the values and ethical standards of the Group, instilling good corporate governance practices, leadership and effectiveness of the Board.</li><li>2) Ensures that procedures and processes are in place to facilitate effective conduct of the business of the Board.</li><li>3) Presides over Board meetings, stimulates debates on issues and encourages positive contributions from each Board member.</li></ol>

	<p>4) Ensures that Directors are properly briefed on issues arising at Board meetings and there is sufficient time allowed for discussion on complex or critical issues and where appropriate, arranges for informal meetings beforehand to enable thorough preparation so that ultimately, decisions can be made on a sound and well-informed basis.</p> <p>5) Leads the Board in setting key policies and directions and ensures that the Board fulfils its obligations under the Board Charter.</p> <p>Based on the findings of the Board Effectiveness Evaluation (“BEE”) exercise conducted in the financial year under review, Encik Rizal Rickman Ramli had shown positive leadership in managing Boardroom dynamics effectively by providing an open and transparent environment that encourages participation and active debate amongst Directors.</p> <p>The Chairman also ensured that there was continued focus on addressing critical matters and issues, as well as strategic issues through excellent stewardship and guidance throughout the year to navigate the challenges faced by the Company. Directors cited that the Chair's leadership style works well with the Company and he reaches out and encourages discourse.</p> <p>During the financial year under review, the Non-Executive Directors (“NEDs”) had, at least one discussion held without the presence of Executive Director / Management via various platforms.</p> <p>The Chairman, being a PNB representative, had abstained from the deliberation and voting on resolutions / proposals deemed interested in (related party transactions) during the financial year under review.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The roles and responsibilities of the Chairman and the GMD are separated, clearly defined and documented in the Board Charter, which is available on Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p> <p>The positions of Non-Executive Chairman and GMD are held by different individuals to ensure optimal balance, resulting in accountability and enhanced decision-making at Board level.</p> <p>The hierarchical structure with a focused approach and a distinct division of responsibilities ensures a balance of power and authority, such that no one individual has unfettered powers of decision-making. Separation in the role of the Chairman and GMD is also imperative as both roles have different expectations and serve distinct primary audiences.</p> <p>The Chairman primarily presides over meetings of Directors and is responsible for instilling good corporate governance practices, leadership and the effectiveness of the Board. The GMD is responsible for the execution of the Group's strategies in line with the Board's direction, oversees the operations of the Company and drives the Group's businesses and performance towards achieving the Group's vision and goals.</p> <p>Sime Darby Property is led by Dato' Azmir Merican as the GMD since April 2020. The GMD is presently the sole Executive Director on the Board. He is responsible for the overall operations of the business, its day-to-day management, organisational effectiveness and the implementation of the Group's strategies and policies. As at 31 December 2022, the GMD is not a member of any Board Committees of the Company. In June 2022, the GMD was redesignated from a BTC member to a permanent invitee, which is in line with good governance.</p> <p>The GMD is assisted by the following Management Committees in the management of the Group's business to achieve its corporate targets and plans:</p> <ol style="list-style-type: none"><li>1) Group Management Committee</li><li>2) Governance Oversight Management Committee</li><li>3) Group Tender Committee</li><li>4) Group Investment Committee</li><li>5) Management Sustainability Committee <i>(set-up formalised in August 2022)</i></li></ol>

	<p>Roles and responsibilities:</p> <ul style="list-style-type: none"> <li>• Develops and implements the Group’s long-term strategy and vision leading to the creation of long-term profitability and stakeholder value;</li> <li>• Accountable to the Board for the financial management and reporting, including forecasts and budgets of the Group;</li> <li>• Promotes a corporate culture entrenched in core ethical values of individual as well as collective responsibility, integrity and accountability, and implements the Group’s corporate social responsibilities;</li> <li>• Formulates and oversees the implementation of major corporate policies;</li> <li>• Develops the business direction of the Group and ensures that the business strategies are effectively executed in line with the Board’s direction; and</li> <li>• Recommends suitable management structures and operating authority levels.</li> </ul> <p>Dato’ Azmir Merican continues to drive the Group to explore emerging trends, manage disruptions and capitalise on opportunities to enable greater experience for its customers, streamline collaboration tools for greater efficiency and explore further market demands and trends impacting the business sector of housing construction through new technologies.</p> <p>Notwithstanding the labour shortage challenges, rise in material prices, as well as market challenges and headwinds during the financial year under review, the Group has to-date improved its financial performance as well as won numerous achievements and recognition under various categories among others, industry, sustainability, marketing and governance.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Chairman of the Board, Encik Rizal Rickman Ramli is a Non-Independent Non-Executive Director ("NINED") and does not hold any position on any Board Committees in the Company since his appointment as Chairman on 7 May 2021. He had relinquished his role as a member of the NRC, RMC and BTC on the same date.</p> <p>The Board Charter and TOR of the NRC had been revised on 25 November 2021 which clearly stipulates that the Chairman of the Board shall not be a member of any Board Committees of the Company.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Group Company Secretary of Sime Darby Property is qualified to act as company secretary under Section 235 of the Companies Act 2016.</p> <p>The Group Company Secretary plays an advisory role to the Board particularly with regard to Sime Darby Property's Constitution, Board policies and procedures as well as its compliance with regulatory requirements and legislations.</p> <p>On 17 August 2021, Cik Noreen Melini Muzamli was appointed as a Group Company Secretary of Sime Darby Property. Her profile is available on page 152 of the Annual Report 2022.</p> <p>The Group Company Secretary is responsible for facilitating effective information flows within the Board and Board Committees and between Senior Management and NEDs. All Directors have unrestricted direct access to the advice and services of the Group Company Secretary to facilitate the discharge of their duties.</p> <p>The Group Company Secretary attends all Board and Board Committees meetings and ensures that discussions and deliberations of the Board and Board Committees are properly documented and recorded in a timely manner, and subsequently communicated to the Management for appropriate actions. The Group Company Secretary further ensures that outstanding action items are properly tracked and monitored until such items are addressed and where necessary, reported to the Board.</p> <p>As part of good governance, pertinent comments and observations of each Director are also recorded in the minutes of meetings. The minutes of Board and Board Committees meetings are circulated to all Directors / Board Committee members for their perusal and comments. The Directors / Board Committee members may request further clarification or raise any comments on the minutes prior to the minutes being confirmed as a correct record of the proceedings of the Board / Board Committees at the subsequent meeting.</p>

	<p>The Group Company Secretary is also tasked with organising and facilitating the induction programme or onboarding session for new Directors and the ongoing professional development of all Directors.</p> <p>The Group Company Secretary keeps herself abreast of the evolving regulatory changes and developments in corporate governance through continuous training.</p> <p>Based on the findings of the BEE exercise conducted for the financial year under review, the Board is satisfied with the level of service provided by the Group Company Secretary.</p> <p>Based on a survey conducted with internal stakeholders (Board and Management) of the Company, the Group Company Secretarial was rated at “4” (Stretch target). The areas of assessment under the survey included advisory and consultancy, internal processes, communication and overall assessment.</p> <p>The roles and responsibilities of the Group Company Secretary are clearly specified in the Board Charter, which is available on the Group’s website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Group Company Secretary tables the annual meeting calendar to the Board in advance of each new year to facilitate the Directors' time planning. The calendar provides all meetings scheduled for the Board and Board Committees including AGM and Board Strategy Retreat.</p> <p>The annual agenda outline of the Board and Board Committees for 2023 was also prepared in advance at the end of 2022, setting out the tentative agenda items for each scheduled Board and Board Committee meetings during the year. It also serves to facilitate the Board and Management in planning the preparation of matters for discussion at the meetings scheduled during the year.</p> <p>The "Guidelines on Submission of Papers to the Board and Board Committees" assists the Management team in preparing papers and provide clarity in the process of submitting papers for the Board of Directors, Board Committees and Group Management Committee to the Group Company Secretarial in a timely manner. Following an annual review, the said guideline was updated to include the MSC and BSC.</p> <p>The Board meets at least once every quarter to review the financial, operational and business performances. Notices and agenda of meetings, duly endorsed by the Chairman, together with the draft minutes of the previous meeting which had been circulated for comments earlier on and relevant meeting papers are normally distributed at least several days working days before the meetings to ensure the Directors have sufficient time to review the papers and seek clarifications from Management before each meeting. Occasionally, the Board or Board Committee meetings may be called at shorter notice when critical and urgent decisions need to be made or when the Board's expeditious review or consideration is necessary. Urgent matters or papers may be presented for tabling or deliberation at Board meetings under 'Any Other Business' subject to the approval of the Chairman and GMD.</p>



Sime Darby Property had maintained its paperless meeting practice whereby meeting materials are distributed to the Directors via an electronic meeting management application, as part of its sustainability initiative to reduce paper usage and to minimise leakage of sensitive and confidential information. The Directors are provided with an electronic device for this purpose, enabling the Directors to access the meeting materials in a timely and secured manner.

Directors have direct access to the Management and unrestricted access to any information relating to the Group to enable them to discharge their duties.

In ensuring effective conduct of Board and Board Committee meetings, matters for approval are prioritised in the meeting agenda. Time allocation is also determined for each agenda item to manage the timing of the meetings efficiently.

Key decisions are always made at Board meetings while Directors' Written Resolutions are reserved for administrative matters or to formalise matters that have been deliberated at Board meetings. All Directors' Written Resolutions are supported with sufficient information to enable the Directors to make informed decisions. Should any Directors have any queries regarding the proposal, they are able to contact Management for clarification. Directors' Written Resolutions passed by the Board are thereafter tabled at the next Board meeting for notation.

Where a potential conflict of interest arises, the Directors are required to make an immediate declaration to the Board if they have any interest in transactions to be entered into directly or indirectly with the Group. Such Director is required to abstain from participating in the deliberation and decision of the Board on all matters in which he / she has an interest.

The deliberations and decisions at the Board and Board Committee meetings are well documented in the minutes of meeting including matters where Directors abstained from voting or deliberations. After each Board meeting, a post-Board meeting will be held for both the GMD and the Group Company Secretary to cascade the decisions of the Board to the Management team for further action. The minutes of meetings will normally be circulated for comments and for follow-up action by Management within two (2) weeks from the date of each meeting. This is to ensure that matters arising from the Board or Board Committees meetings are acted upon effectively and efficiently.

The duly commented minutes of the meetings are subsequently tabled for confirmation at the next meeting. The minutes of the Board Committees are also presented to the Board for notation.

Upon confirmation by the Board or Board Committees at the following meetings, the minutes will be signed by the Chairman of the said meeting as a correct record of the proceedings of the meeting. Actionable items will be recorded in the minutes as matters arising until they are resolved.

<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board Charter was adopted by the Board in August 2017 prior to the listing of Sime Darby Property on 30 November 2017. It clearly defines the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management as well as matters reserved for the Board.</p> <p>The Board Charter is reviewed periodically to ensure that it is up to date with changes in the relevant regulations and best practices, so that it remains relevant and consistent with the Board's objectives and responsibilities.</p> <p>The Board Charter was last reviewed in March 2022 and published on the Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p> <p>As stated in the Board Charter, the Board is in charge of leading and managing the Company in an effective and responsible manner. Each Director has a legal duty to act honestly, in good faith and shall use his / her reasonable care and skills in discharging his / her duties in the best interest of the Company.</p> <p>As for the day-to-day management of the Sime Darby Property Group, it is delegated to the GMD. This formal structure of delegation is further cascaded by GMD to the Management team. The GMD and Management team, collectively remain accountable to the Board for the performance of the Group.</p> <p>The Board, however, takes full responsibility for the oversight and overall performance of the Group. Matters reserved for the Board include:</p> <ol style="list-style-type: none"><li>1) Group strategy, plans and budget.</li><li>2) Acquisitions and disposals and transactions exceeding authority limits.</li><li>3) Approval of financial statements.</li><li>4) Changes to the GMD and Senior Management.</li><li>5) Changes in the key policies, procedures and delegated authority limits of the Group.</li></ol>

<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <u>Code of Business Conduct</u> <p>The Group's Code of Business Conduct ("COBC") encapsulates its beliefs, values and commitment to high standards of integrity and good governance. It is also the Group's testament to its commitment to various areas such as workplace, preservation and protection of the Group's assets and information, fostering an open and honest communication, ethical conduct, interaction with counterparties, business partner, customers, environment and communities, working with Joint Venture partner &amp; business alliances and when the Group deals with Government, regulators, political parties and non-government organisations.</p> <p>In discharging its functions, the Board adheres strictly to the COBC, which outlines the standards of behaviour expected from the Board of Directors, as well as employees of the Group. It also applies to all businesses and countries in which the Group operates.</p> <p>The COBC has been in place since prior to Sime Darby Property's listing, revised and updated in FY2018 and FY2019, and will be reviewed from time to time to ensure it remains current and relevant. The Group Compliance Office is responsible for coordinating and periodically reviewing and updating the COBC to ensure continuing relevance.</p> <p>All employees are expected to understand the principles and standards stipulated and must comply with it not only based on its form but also on the substance of the ethical principles and conduct stated in the COBC. Given that organisational integrity is imperative towards establishing a culture that supports long-term success, all employees are expected to conduct themselves professionally with the COBC in mind.</p>

In November 2022, the Board reviewed and provided feedback to the proposed revisions to the Group's COBC prior to its finalisation. An external consultant was also appointed to provide an independent view of the Group's COBC (including the proposed revisions) as additional assurance that the COBC are up to date with current practices and expectation imposed by external stakeholders such as regulators, investors, and the market / industry.

The proposed changes to the COBC as recommended by Management and the external consultant was deliberated and approved for implementation by the Board in their meeting held in February 2023.

#### Vendor COBC

The Group recognises that the values and business practices of counterparties may vary and will significantly impact the Group. As such, the Group's Vendor COBC and Vendor Integrity Pledge was developed in 2020 to set out the expected standard of behaviours of its vendors and counterparties, covering compliance requirements, governance and management systems, ethical practices, protection of assets and information, environmental protection and employment practice. It is a step up and improvement to the previous practices, which required the Group's vendors and counterparties to comply with its employee's COBC and Vendor's Letter of Declaration.

#### No Gift Policy

The 'No Gift Policy' effective 30 January 2018 was implemented across the organisation, which prohibits the Directors, Management and employees of Sime Darby Property Group from offering, giving, soliciting or accepting any form of gifts to avoid creation of perception of bribery in the Group's business dealings. The said policy is in line with Sime Darby Property's commitment to achieve the highest standard of ethics and integrity.

#### Anti-Bribery Management System Manual

The Company also took cognisance of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009"), which came into effect on 1 June 2020, that stipulates a corporate liability principle that imposes liability on a commercial organisation for corruption committed by persons associated with the organisation to obtain a business advantage ("Corporate Liability provision").

The Company had taken proactive actions since 2019 to prepare the Group for the Corporate Liability provision and ensure that it has adequate procedures in place designed to prevent associated persons from undertaking conduct that would be in breach of the newly enforced provision. In 2020, the Board adopted the Anti-Bribery Management System Manual ("ABMS"), guided by the requirements and principles articulated in the ISO37001 : 2016 Anti-Bribery Management System.

	<p><u>Other Related Policies</u></p> <p>The Board has approved the following policies as part of the Group's efforts to support the implementation of the anti-bribery and corruption and ethical principles articulated in the Group's COBC and to uphold the highest standards of good governance:</p> <ol style="list-style-type: none"> <li>1) Anti-Bribery and Corruption Policy, which covers facilitation payment;</li> <li>2) Whistleblowing Policy;</li> <li>3) Anti-Money Laundering Policy;</li> <li>4) Conflict of Interest Policy;</li> <li>5) Gift, Entertainment and Travel Policy; and</li> <li>6) Sponsorship and Donation Policy, including political contribution.</li> </ol> <p>Various engagement activities were conducted to spread awareness of the policies and address any concerns. Employees of Sime Darby Property Group are required to attest to an Integrity and Compliance Pledge on annual basis to confirm their understanding and continued compliance with all laws and regulations, and Group's policies and procedures, including the COBC.</p> <p>The COBC is made available to the employees through SharePoint and is accessible to the public for reference on the Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

## Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All Sime Darby Property employees are expected to operate with the highest standard of integrity as they work with the Group's business partners who share the same views and principles. Any breach of such principles and any offence committed against the Group's interest is viewed seriously by the Group, which will result in immediate action against the parties responsible.</p> <p>The Board has put in place a Whistleblowing Policy and Procedures ("WPP") that provides a transparent mechanism and avenue for employees or any external party to report any breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines or raise concerns on any misconduct, in a safe and confidential manner.</p> <p>Examples of such misconduct include, but are not limited to the following:</p> <ol style="list-style-type: none"><li>1) Fraud;</li><li>2) Misappropriation of assets;</li><li>3) Sexual harassment;</li><li>4) Criminal breach of trust;</li><li>5) Illicit and corrupt practices;</li><li>6) Questionable or improper accounting;</li><li>7) Misuse of confidential information;</li><li>8) Acts or omissions which are deemed to be against the interest of the Company, laws, regulations or public policies;</li><li>9) Giving false or misleading information (including suppression of any material facts or information);</li><li>10) Breaches of Group Policies and / or COBC; or</li><li>11) The deliberate concealment of any of the above matters or other acts of wrongdoings.</li></ol> <p>The AC is responsible for overseeing the implementation of the WPP for the Group whilst duties relating to the day-to-day administration of the WPP are performed by the Group Corporate Assurance ("GCA"), while Group Compliance Office ("GCO") manages the WB policy, training and communication requirements. The GCA will investigate each claim independently.</p>



	<p>Upon completion of each investigation, a report will be prepared to the Chairman of AC and is made available to other AC members. The GCA shall prepare a summary report on the status of the investigation and present it to the AC on a quarterly basis.</p> <p>During the financial year under review, several complaints channelled through the Whistleblowing channels had been considered, addressed and dealt with in the strictest confidence by the GCA in consultation with the Chairman of the AC.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Sime Darby Property is principally responsible for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets, as stipulated in the Board Charter:</p> <p>1) <u>Board</u></p> <p>i) In reviewing and adopting the strategic plan for the Group, the Board must ensure that the plan supports long-term value creation and includes strategies on environmental, social and governance ("ESG"), economic as well as safety and health considerations underpinning sustainability.</p> <p>ii) In identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures, the Board must also review, approve and monitor the Group's governance of sustainability including setting the Company's sustainability strategies, priorities and targets.</p> <p>2) <u>BSC and Management</u></p> <p>A Management Sustainability Committee ("MSC"), chaired by the GMD, which set-up was formalised in August 2022, assists the Board and the Board Sustainability Committee ("BSC") (effective 1 January 2023) in ensuring integration of sustainability considerations into the Group's corporate strategy, priorities and targets, governance and decision-making, in line with Sime Darby Property's new PVMV. The MSC also ensures oversight of the implementation of the Company's Sustainability Policy and material issues pertaining to ESG, and monitors the execution of Sustainability Strategy.</p>

Prior to the establishment of BSC, a joint meeting platform between Management and several Board members was also formed to oversee the overall ESG framework and strategy, including tracking and prioritisation of ESG initiatives. The Board was previously assisted by the RMC since 2021, in overseeing the Group's objectives, strategy, policies and practices of sustainability, which comprise contributing to a better society, combating climate change and delivering sustainable development. The RMC reviewed and provided feedback on the periodic updates and progress reports of the Group's Sustainability strategy and plans.

In November 2022, the Board as recommended by the NRC, approved the establishment of the BSC effective 1 January 2023 to further strengthen the Board's oversight on the sustainability agenda, including ESG strategy and framework for the Sime Darby Property Group and regularly assess the adequacy and effectiveness of such strategy and framework. The objectives of the BSC are as follows:

- i) To review and recommend Sime Darby Property's ESG strategy and goals to the Board towards integration of sustainability considerations into the Group's corporate strategies, priorities and targets, governance and decision-making, in line with Sime Darby Property's PVMV.
- ii) To ensure oversight of the implementation of the Sime Darby Property's Sustainability Policy and material issues pertaining to ESG.
- iii) To oversee monitoring, reporting and verification of sustainability KPIs of the Group.
- iv) To guide the MSC in recommendations on ESG strategy and plans for Sime Darby Property Group.

The BSC consists of members who are experts / experienced in different aspects of sustainability, which are appropriate for the oversight of the Group's ESG strategies.

The BSC, through its Chairman, shall update the Board on the activities undertaken by the BSC at each quarterly Board meeting. The reports and minutes of the BSC shall also be tabled and presented to the Board during the subsequent Board meeting to keep them informed and updated on the key issues deliberated by the BSC, clearly demonstrating the BSC's decisions, which necessitates Board's approval.

The RMC will continue to review and monitor sustainability risks if they are identified as material risks of the Group.

	<p>During the financial year under review, the Board and Senior Management held robust discussions and constructive challenge sessions to refine the Sustainability Strategy, Priorities and Framework (including the ESG – 10 Priorities and key initiatives) to achieving carbon negative status, which was being developed and finalised.</p> <p>The Board Charter and TOR of the BSC are available on the Group’s website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>. The Sustainability Report 2022 is available on the Group’s website <a href="http://www.simedarbyproperty.com/sustainability">www.simedarbyproperty.com/sustainability</a>.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

## Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>In 2019, Sime Darby Property embarked on an assessment of the many facets of sustainability in relation to its business to determine the most impactful contributions that can be made in delivering a greater purpose tied to the United Nations' Sustainable Development Goals ("SDGs") and the emerging climate crisis. As a result of that process, the Board had, in March 2020, approved the Sime Darby Property 2030 Sustainability Goals ("2030 Goals"). In 2021, a Sustainability Strategy was developed whereby the strategy tied 2030 Goals, to the Group's four (4) imperatives, and an aspiration to decarbonise its products and operations. This strategy was also endorsed by the Board in the fourth quarter of 2021. The Group's sustainability strategy is based on the four (4) strategic Sustainability Imperatives, as follows:</p> <ol style="list-style-type: none"><li>1) Decarbonisation Sime Darby Property's Operations and Products;</li><li>2) Implement Good Biodiversity Practices;</li><li>3) Shaping Inclusive and Resilient Communities; and</li><li>4) Being a Socially Responsible Organisation.</li></ol> <p>Strategic Sustainability Imperatives are measured through the lens of ESG performance. The Company's sustainability focus is in line with the Group's corporate strategy that includes identifying key priorities that will impact Sime Darby Property and its stakeholders. At the same time, ESG opportunities are also identified to be included as part of the strategy towards achieving sustainable development.</p> <p>The 2030 Sustainability Goals, consists of eighteen (18) goals that support the SDGs, based on the Group's ability to deliver impact in these areas. A systematic and highly customised approach was taken to identifying the goals to ensure alignment to the organisation while also contributing to selected goal indicators.</p> <p>Based on the yearly targets in the 2030 Sustainability Goals, the Group established sustainability-linked green sustainability KPI in 2020 to 2022. The GMD and the relevant personnel in Senior Management are accountable for the Green Sustainability KPI.</p>

	<p>This serves as the starting point to catalyse organisational transformation, and to tie in sustainability with the work scope and day-to-day functions of its people.</p> <p>The Group is cognisant of the fact that stakeholders are internal and external parties whose actions and decisions can impact or who can be impacted by the Group’s activities, products or services. The Group regularly engage with stakeholder groups (i.e. Investors &amp; Analysts, Media, Debt Providers, Existing and Potential Customers, Suppliers/ Contractors/ Strategic Partners, Employees and Regulators &amp; Industry Affiliates) to develop a holistic understanding of the Group’s Sustainable Goals and Progress, Sustainability Material Matters, value proposition in order to meet their needs and expectations while also identifying opportunities and mitigating risks, through various platforms such as the AGM, Annual Reports, meetings, briefings, site visits, interviews, press releases, email communications, website updates, community activities, audits, townhalls, focus group discussions, advisory groups, consultations and forums.</p> <p>During the financial year under review, Sime Darby Property had organised, among others, the following sustainability-related awareness programme:</p> <ol style="list-style-type: none"> <li>1) Elmina Rainforest Knowledge Centre (“ERKC”) launched in May 2022 by DYMM Sultan Selangor.</li> <li>2) Annual Sustainability Day, themed “It’s Time to Act!” on 6 July 2023 with around 500 employees assembled physically in nine (9) different locations together. The event calls on all of Sime Darby Property employees to align their daily roles, responsibilities and operations to sustainable practices guided by the four (4) strategic imperatives.</li> <li>3) Partners Dialogue in September 2022.</li> <li>4) Safety Day, themed “Enforce &amp; Record” on 28 November 2022.</li> </ol> <p>Details on Sime Darby Property’s sustainability journey, as well as reports and analysis of the Group’s stakeholder engagements, are available in its annual Sustainability Report on the Group’s website at <a href="http://www.simedarbyproperty.com/sustainability">www.simedarbyproperty.com/sustainability</a>.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>During the financial year under review, the progress updates on Sustainability were presented at the quarterly RMC meetings and thereafter to the meeting platform between Management and several Board Members. Subsequently, the progress updates were briefed to the Board at its quarterly meetings. This includes updates and briefings by external consultants on Net Zero Carbon Commitment, Science Based Targets initiative (“SBTi”), Embodied Carbon Baseline and, Group’s Enterprise Risk Management and Practices Alignment with Material ESG Risks.</p> <p>Two (2) Sustainability Leadership Workshops was conducted for the Board of Directors on 6 January and 4 August 2022 by the Institute of Corporate Development Malaysia (“ICDM”) in collaboration with Russell Reynolds Associates. The workshops were part of the 2021 BEE exercise to examine sustainable leadership, beyond the typical parameters of governance. The objective and intent for the second workshop was also to strengthen strategic alignment between the Board and Management in rolling out the relevant sustainability initiatives.</p> <p>Sime Darby Property is a member of Climate Governance Malaysia and Malaysia Green Buildings Council. Further to this, the Board would receive regular updates, newsletters, invitation to trainings / events and other communication materials relating to sustainability, e.g. BURSA Sustain, Minority Shareholders Watch Group (“MSWG”) and ICDM.</p> <p>The Group Company Secretary will continue to share sustainability-related training programmes / webinars / dialogues relevant to the company and its business, including climate-related risks and opportunities by external / professional bodies for Directors’ consideration.</p> <p>Details of training / seminars / conferences / site visits attended and participated by the Directors during the financial year under review are set out below. The categorisation of the trainings attended by Directors is provided in the Corporate Governance Overview Statement on page 167 of the Annual Report 2022.</p>

Director	Training/ Seminar/ Conference
<b>Rizal Rickman Ramli</b>	<ol style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1)</li> <li>2) Sime Darby Property: Tax Audit for Property Developers</li> <li>3) Public Markets Dialogue 2022 by PNB PCGE</li> <li>4) PNB Integrity Talk 2022: Section 17A MACC Act on Corporate Liability, Adequate Procedures and ISO 37001 ABMS</li> <li>5) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront</li> <li>6) Bain Senior Executive Conversations 2022 Visionary Pragmatism: Redefining Full Potential with ESG</li> <li>7) PNB Knowledge Forum: ESG Strategies for Board of Directors and Leadership Team</li> <li>8) PNB Knowledge Forum: Tall Buildings and Living in the Space Age: The Enigma and Convergence of Science and Art</li> <li>9) Understanding the Regulatory Landscape between Malaysia and the UK by PNB Research Institute</li> <li>10) 2022 Milken Institute Asia Summit, Singapore</li> <li>11) Sime Darby Property's Pre-Board Engagement on: <ol style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ol> </li> <li>12) Site visit to Battersea Power Station Development</li> </ol>
<b>Dato' Azmir Merican</b>	<ol style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)</li> <li>2) BOOMGROW Farm Learning Visit</li> <li>3) Sime Darby Property: Tax Audit for Property Developers</li> <li>4) CEO Series 2022: Annual Property Developers Conference by REHDA Institute</li> <li>5) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront</li> <li>6) Sustainable Brands Kuala Lumpur 2022 Conference</li> <li>7) Sime Darby Property: Sustainability Day</li> <li>8) PNB Knowledge Forum: Tall Buildings and Living in the Space Age: The Enigma and Convergence of Science and Art</li> <li>9) CEO Action Network: Social Mixer Event for Sustainability Chiefs and Heads on: <ol style="list-style-type: none"> <li>i) Sustainability, Beyond Tree Planting</li> <li>ii) Biodiversity and Conservation</li> <li>iii) Supply Chain Sustainability Management</li> <li>iv) Guided tour of Elmina Loving Collection Nursery and Forest Trails</li> </ol> </li> <li>10) CIMB Cooler Earth Summit: The Business Transition to a Low-Carbon Economy</li> <li>11) International Director Summit by ICDM on: <ol style="list-style-type: none"> <li>i) The Five ESGT Megatrends into 2023</li> <li>ii) The Metaverse, The Next Universe</li> <li>iii) ASEAN Boards – Are You Ready for a More Intense and Borderless World</li> </ol> </li> <li>12) Sime Darby Property: Pre-Board Engagement on: <ol style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> </ol> </li> </ol>



Director	Training/ Seminar/ Conference
<p>(cont'd)  <b>Dato' Azmir Merican</b></p>	<ul style="list-style-type: none"> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> <li>13) Malaysian Rating Corporation Berhad: Property Outlook 2023</li> </ul>
<p><b>Dato' Jaganath Derek Steven Sabapathy</b></p>	<ul style="list-style-type: none"> <li>1) Sime Darby Property: Tax Audit for Property Developers</li> <li>2) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront</li> <li>3) Sime Darby Property: Sustainable Leadership Workshop (Part 2)</li> <li>4) PNB Knowledge Forum: Tall Buildings and Living in the Space Age: The Enigma and Convergence of Science and Art</li> <li>5) Sime Darby Property's Pre-Board Engagement on: <ul style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ul> </li> <li>6) PNB Knowledge Forum: Decarbonised Economy, Accelerating The Net Zero Transition</li> <li>7) Sime Darby Property: Training and Updates on Cybersecurity</li> </ul>
<p><b>Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj</b></p>	<ul style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)</li> <li>2) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront</li> <li>3) PNB Knowledge Forum: Tall Buildings and Living in the Space Age: The Enigma and Convergence of Science and Art</li> <li>4) Sime Darby Property's Pre-Board Engagement on: <ul style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ul> </li> <li>5) Site visit to Battersea Power Station Development</li> <li>6) Sime Darby Property: Training and Updates on Cybersecurity</li> </ul>
<p><b>Dato' Seri Ahmad Johan Mohammad Raslan</b></p>	<ul style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)</li> <li>2) Sime Darby Property: Tax Audit for Property Developers</li> <li>3) ICDM Masterclass: Climate Governance from a Risk Viewpoint</li> <li>4) HSBC Outreach: Climate Governance Malaysia (Panellist)</li> <li>5) S&amp;P Seminar: ESG Evaluation on HSBC Holdings Plc</li> <li>6) ICAEW ESG in the Construction Industry</li> <li>7) Bursa Mandatory Accreditation Programme</li> <li>8) ICDM Emerging Trends Talk #1: Integrated Reporting but Disintegrated Thinking Trending &amp; Skills</li> <li>9) Audit Committee Dialogue and Networking by ICDM</li> <li>10) ICDM FCD Series: Stakeholder Voice in the Boardroom</li> <li>11) PricewaterhouseCoopers PLT ("PwC") Webinar: Sustainable Future</li> </ul>

Director	Training/ Seminar/ Conference
<p>(cont'd)  <b>Dato' Seri Ahmad Johan Mohammad Raslan</b></p>	<p>12) Securities Commission Malaysia: Audit Oversight Board Conversation with Audit Committees</p> <p>13) BNRC Dialogue &amp; Networking – Session #1 Webinar Series by ICDM</p> <p>14) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront</p> <p>15) CEO Action Network: Exploring a Low-Emission Pathway for Malaysia</p> <p>16) CEO Action Network: Climate Governance Malaysia Roundtables</p> <p>17) Asia School of Business: Sustainability and Its Impact on Organisations - What Directors Need to Know by</p> <p>18) S&amp;P: Asia-Pacific Financial Institutions</p> <p>19) ICDM Power Talk: Talent Uprising – How Boards Should Rethink Their Talent Strategy in this Ear of Opportunity</p> <p>20) EU-Malaysian Dialogue: Fighting Climate Change with Market Mechanisms (Panellist)</p> <p>21) Malaysian Institute of Accountants Corporate Board Leadership Symposium</p> <p>22) S&amp;P Global: Southeast Asia Property Update – Post Pandemic Recovery Continues</p> <p>23) Asia School of Business: Governance in Group</p> <p>24) Malaysian Accounting Standards Board and International Sustainability Standards Board: Outreach Session on IFRS Sustainability Disclosure Exposure Drafts</p> <p>25) Financial Times Webinar: Improving the Accuracy of ESG Reporting</p> <p>26) ASEAN Climate Governance Network Webinar: Climate Change - Directors' Duties and Governance</p> <p>27) Brunei Institute of Leadership &amp; Islamic Finance: Boards' Executive Education Programme</p> <p>28) SSM National Conference : Leading Climate Action from the Boardroom (Panellist)</p> <p>29) ICDM: Section 17A MACC Act &amp; Adequate Procedures</p> <p>30) ASEAN Climate Governance Network / Sustainable Finance Institute Asia: Conversations on Climate Governance (Panelist)</p> <p>31) PNB Knowledge Forum: Tall Building and Living in the Space Age: The Enigma and Convergence of Science and Art</p> <p>32) Climate Governance Malaysia: The Extractive Industries in Transition (Panellist)</p> <p>33) INSEAD: Board Impacts Forum Rising to the ESG Challenge</p> <p>34) ICDM International Directors Summit</p> <p>35) Sime Darby Property's Pre-Board Engagement on:</p> <ul style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ul> <p>36) Sime Darby Property Site Visit: Battersea Power Station Development (General Tour of Power Station and Lift 109 Experience)</p> <p>37) Understanding the Requirements in Bursa Malaysia's Enhanced Sustainability Reporting Framework by KPMG Board Leadership Center Exclusive</p> <p>38) ICDM : Audit Committee -The Megatrends and Priorities for Board by ICDM</p>

Director	Training/ Seminar/ Conference
<p><b>(cont'd)</b>  <b>Dato' Seri</b>  <b>Ahmad Johan</b>  <b>Mohammad</b>  <b>Raslan</b></p>	<p>39) Sime Darby Property: Training and Updates on Cybersecurity  40) ICDM: Becoming a Future-Focused Risk Management Committee  41) Asia School of Business: Fundamentals and Application of the Taskforce on Climate-Related Financial Disclosure (TCFD)  42) Sime Darby Property: Site visit to KL East Mall and Elmina City  43) ICDM Advocacy Dialogue on the Enhanced Sustainability Reporting Framework by Bursa Malaysia</p>
<p><b>Datin Norazah</b>  <b>Mohamed</b>  <b>Razali</b></p>	<p>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)  2) Sime Darby Property: Tax Audit for Property Developers  3) ICDM Emerging Trends Talk: Integrated Reporting but Disintegrated Thinking  4) Sime Darby Property: Site visit to Putra Heights and Serenia City Developments  5) Securities Commission Malaysia: Audit Oversight Board Conversation with Audit Committees  6) ICDM BNRC Dialogue &amp; Networking #1 (Panel Speaker)  7) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront  8) MISC Berhad's Market Outlook Series 2022 on:  i) Gas and LNG Carrier Market Outlook  ii) Offshore Production Market Outlook  iii) Special Focus: Russia Sanctions &amp; Potential Implications  iv) Oil &amp; Tanker Market Outlook  v) The Future of Seafarers in the Decade of Transformation  9) Willis Towers Watson: ESG Roundtable Discussion  10) Malaysian Prop Tech Association's Tech Talk on 5G: Empowering Digitalisation for Smart Estate  11) ASEAN CGN's Climate Change: Directors' Duties &amp; Governance (Panel Speaker)  12) Chartered Accountants for Australia, New Zealand: Board Benchmarking for Sustainability  13) Asia School of Business: Values as a Source of Competitive Advantage  14) Securities Industries Development Corporation: ESG Strategies for Board of Directors &amp; Leadership Team  15) PNB Knowledge Forum: Tall Building and Living in the Space Age: The Enigma and Convergence of Science and Art  16) Institute of Enterprise Risk Practitioner ("IERP"): Directors' Guide to the Risk Maturity Framework (Series 11)  17) ICDM International Directors Summit 2022  18) Sime Darby Property's Pre-Board Engagement on:  i) Macroeconomic Outlook  ii) Investment and Asset Management  iii) Disruption Through Tech and Innovation  iv) Geographical Expansion – Opportunities in the UK  v) Fireside Chat with PNB PGCE  19) PNB Knowledge Forum: Sustainability  20) Sime Darby Property: Training and Updates on Cybersecurity  21) IERP: Directors' Guide to RMIT (Series 18)</p>

Director	Training/ Seminar/ Conference
<b>(cont'd)</b> <b>Datin Norazah Mohamed Razali</b>	22) PNB: Cybersecurity Awareness Programme for Board of Director and Leadership Team 23) Sime Darby Property: Site visit to KL East Mall and Elmina City
<b>Dato' Soam Heng Choon</b>	1) REHDA Institute: Regional Housing Conference 2) PNB Knowledge Forum: Sustainable Investing ESG at the Forefront 3) REHDA Institute: Marketing Luxury Malaysia Properties Overseas 4) Sime Darby Property: Sustainable Leadership Workshop (Part 2) 5) PNB Knowledge Forum: Tall Building and Living in the Space Age: The Enigma and Convergence of Science and Art 6) Sime Darby Property's Pre-Board Engagement on: i) Macroeconomic Outlook ii) Investment and Asset Management iii) Disruption Through Tech and Innovation iv) Geographical Expansion – Opportunities in the UK v) Fireside Chat with PNB PGCE 7) Sime Darby Property: Training and Updates on Cybersecurity
<b>Mohamed Ridza Mohamed Abdulla</b>	1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2) 2) Terengganu Inc's Group Corporate Directors' Conference: i) Section 17A, MACC Act ii) Pandemic Impact on the Business iii) Enhancing Governance & Leadership: Post Environment 3) Sime Darby Property: Tax Audit for Property Developers 4) Messrs Mohamed Ridza & Co: Guide to Understand Financial Statements for Non-Accounting Professionals 5) Malaysian Institute of Corporate: Training on Related Party Transaction 6) Bank Islam Malaysia Berhad: Fundamental Disruption of Asset Management and Securities 7) CEO Action Network: Exploring a Low Emissions Pathway for Malaysia 8) Asia School of Business: Sustainability and Its Impact on Organisations: What Directors Need to Know 9) Bank Islam Malaysia Berhad: Training on ESG Risk Assessment for Lenders and Asset Managers 10) Messrs Mohamed Ridza & Co: i) My Digital ii) 5G iii) Digital Marketing and Immerse Technology 11) Sime Darby Property's Pre-Board Engagement on: i) Macroeconomic Outlook ii) Investment and Asset Management iii) Disruption Through Tech and Innovation iv) Geographical Expansion – Opportunities in the UK v) Fireside Chat with PNB PGCE 12) Sime Darby Property: Site visit to Battersea Power Station Development 13) KMPG Board Leadership Center Exclusive: Understanding the Requirement in Bursa Malaysia's Enhance Sustainability Reporting Framework 14) Sime Darby Property: Training and Updates on Cybersecurity

	<b>Director</b>	<b>Training/ Seminar/ Conference</b>
	<b>Dato' Hamidah Naziadin</b>	<ol style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)</li> <li>2) Sime Darby Property: Tax Audit for Property Developers</li> <li>3) Sime Darby Property: Site visit to Putra Heights and Serenia City Developments</li> <li>4) ICDM: Talent Uprising - How Boards Should Rethink Their Talent Strategy in this Era of Opportunity</li> <li>5) ICDM FCD Series Module D: Financial Essentials for Non-Finance Directors</li> <li>6) Sime Darby Property's Leadership Series 2022 (Speaker)</li> <li>7) Navigating the New World of Work</li> <li>8) Khazanah Megatrends Forum 2022</li> <li>9) Sime Darby Property's Pre-Board Engagement on:               <ol style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ol> </li> <li>10) Sime Darby Property: Site visit to Battersea Power Station Development (General Tour of Power Station and Lift 109 Experience)</li> <li>11) 30% Club Malaysia: Climate Action Powered by Diversity, Equity and Inclusion</li> <li>12) KPMG: Understanding the Requirements in Bursa Malaysia's Enhanced Sustainability Reporting Framework</li> <li>13) Securities Commission Malaysia: Audit Oversight Board's Conversation with Audit Committees</li> <li>14) Sime Darby Property: Training and Updates on Cybersecurity</li> <li>15) Sime Darby Property: Follow-Up site visit to Serenia City Development</li> <li>16) Sime Darby Property: Site visit to KL East Mall and Elmina City Development</li> </ol>
	<b>Dr. Lisa Lim Poh Lin</b>	<ol style="list-style-type: none"> <li>1) Sime Darby Property: Sustainable Leadership Workshop (Part 1 and Part 2)</li> <li>2) Sime Darby Property: Tax Audit for Property Developers</li> <li>3) Sime Darby Property Site Visit: Battersea Power Station Development</li> <li>4) Sime Darby Property's Pre-Board Engagement on:               <ol style="list-style-type: none"> <li>i) Macroeconomic Outlook</li> <li>ii) Investment and Asset Management</li> <li>iii) Disruption Through Tech and Innovation</li> <li>iv) Geographical Expansion – Opportunities in the UK</li> <li>v) Fireside Chat with PNB PGCE</li> </ol> </li> <li>5) Sime Darby Property: Training and Updates on Cybersecurity</li> </ol>
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Sime Darby Property's Corporate Scorecard for FY2022 was developed based on 3Ps namely, Profit (Deliver Sustainable Value), People (Contribute to a Better Society) and Planet (Minimise Environmental Harm and across 7 Focus Areas).</p> <p>Safety and Sustainability is one of the seven (7) Focus Areas of the scorecard carrying a weightage of 10% of the overall score, which is targeted towards championing a 'Force for Good'. The KPIs for FY2022 are a follow-through from FY2021 KPIs to continuously reinforce carbon sequestration and reduction practices across the Group. FY2022 KPIs comprised the following:</p> <ol style="list-style-type: none"><li>1) <u>Journey Towards Operational Carbon Negative</u> Reduction of operational carbon emission towards 2030 Carbon Negative.</li><li>2) <u>Sustainability Playbook</u> This KPI was introduced to establish and drive the Sustainability Playbook - sustainability elements implementation in all Sime Darby Property projects through incorporating a set of minimum green elements for different tier of products. E.g. minimum tree replacement ratio, sustainable materials sourced, embedding recycling, etc.</li><li>3) <u>Safety Observation / Concern Reporting</u> Reporting on safety observation / concern reporting aimed at improving the culture of reporting within the organisation.</li></ol> <p>The respective KPIs for Safety &amp; Sustainability were developed based on a thorough analysis / review of key challenges and issues, which were discussed and monitored extensively throughout the calendar year via various internal management platforms and quarterly updates to / discussions with the Board of Directors. These KPIs are also cascaded to the business segments / operations team.</p> <p>Upon the recommendation of the NRC, the Board had deliberated and approved a KPI rating of 4.0 (exceed expectation) and above for these KPIs.</p>

	<p>In 2021, Directors had conducted a self-assessment of their skills matrix which included their experience in sustainability. The Board is of the view that sustainability should be embedded within the culture of the boardroom, whereby each member of the Board should be able to view the organisation and its operations through the lens of sustainability. Such ‘Sustainable Mindset’ is also vital to ensure the Board’s continued commitment and focus on sustainability and climate-related matters.</p> <p>The BEE for FY2022 embedded relevant sustainability-related performance measures and questions, which had been incorporated for evaluation in accordance to Practice 4.4 of the Malaysian Code on Corporate Governance (“MCCG”). This was a separate exercise with new dimensions. As such, no comparison could be made from the previous year’s questionnaire.</p> <p>During the financial year under review, Management and Board had robust discussions to refine the sustainability strategy and prioritisation of goals, this includes monitoring the progress of sustainability targets.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: Sustainability of Sime Darby Property is led by the GMD and driven via a dedicated functional department, namely the Safety & Sustainability Department is led by Encik Mohd Razif Mohd Yusoff, General Manager of Safety & Sustainability and overseeing sustainability matters.  The key responsibilities of the Sustainability Department are as follows:  1) Sustainability Strategy Management  Formulate the Group's Sustainability Strategy and Roadmap as well as lead the integration of sustainability / ESG considerations in business operations, decision making and risk management.  2) Sustainability Implementation and Integration  Lead the implementation of sustainability policies and procedures, drive and consider sustainability improvement plans in collaboration with businesses and functions, and elevate the efficacy of sustainability programmes.  3) Stakeholder Management and Communications Plan  Support the engagement to advance the Group's sustainability goals by leading the articulation of sustainability messages to internal and external stakeholders.  4) Build a Sustainability Culture  Lead internal sustainability culture building, by introducing management tools, creating awareness, and where necessary, training and providing the environment for employees to be motivated to implement the sustainability plans.



	<p>5) Governance</p> <p>Manage the overall governance (policies, procedures, manuals, etc) and administration (business plan, budget, etc) for the sustainability function.</p> <p>Work with the relevant Board and Management Sustainability Committee to support the Board on its oversight of ESG matters.</p>
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## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	: Applied				
<b>Explanation on application of the practice</b>	<p data-bbox="555 674 1316 707"><u>Refreshment of Board and Board Committee Composition</u></p> <p data-bbox="555 745 1401 808">The main functions and duties of the NRC include, but not limited to:</p> <ol data-bbox="555 846 1401 1144" style="list-style-type: none"> <li>1) Annual evaluation, review and recommend to the Board the appropriate size of the Board, required mix of skills, experience and other qualities, including core competencies which NEDs shall bring to the Board to ensure that they are in line with Sime Darby Property's requirements.</li> <li>2) Period review of the term of office of all Board Committees.</li> <li>3) Ensure appropriate assessment of Directors on an ongoing basis.</li> </ol> <p data-bbox="555 1182 1401 1384">The Board, through the NRC, will regularly review the Board and Board Committees compositions and ensure their continuing effectiveness that fits the Company's objectives and strategic goals. The tenure of Independent Directors had also been limited to nine (9) years without further extension, to ensure continued effective functioning and progressive refreshing of the Board.</p> <p data-bbox="555 1422 1401 1518">As of the date of this report, the Board had, upon the recommendation of the NRC, approved the following changes in the composition of the Board Committees:</p> <table border="1" data-bbox="560 1552 1407 1935"> <thead> <tr> <th data-bbox="560 1552 751 1619">Board Committee</th> <th data-bbox="751 1552 1407 1619">Director</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 1619 751 1935"><b>BTC</b></td> <td data-bbox="751 1619 1407 1935"> <ul style="list-style-type: none"> <li data-bbox="767 1626 1401 1798">• Dato' Azmir Merican <i>(redesignated from a member to permanent invitee on 24 June 2022 in line with good governance that board committees comprised exclusively of NEDs)</i></li> <li data-bbox="767 1816 1401 1921">• Dato' Seri Ahmad Johan Mohammad Raslan <i>(resigned effective 1 January 2023 following his appointment as Chairman of the BSC)</i></li> </ul> </td> </tr> </tbody> </table>	Board Committee	Director	<b>BTC</b>	<ul style="list-style-type: none"> <li data-bbox="767 1626 1401 1798">• Dato' Azmir Merican <i>(redesignated from a member to permanent invitee on 24 June 2022 in line with good governance that board committees comprised exclusively of NEDs)</i></li> <li data-bbox="767 1816 1401 1921">• Dato' Seri Ahmad Johan Mohammad Raslan <i>(resigned effective 1 January 2023 following his appointment as Chairman of the BSC)</i></li> </ul>
Board Committee	Director				
<b>BTC</b>	<ul style="list-style-type: none"> <li data-bbox="767 1626 1401 1798">• Dato' Azmir Merican <i>(redesignated from a member to permanent invitee on 24 June 2022 in line with good governance that board committees comprised exclusively of NEDs)</i></li> <li data-bbox="767 1816 1401 1921">• Dato' Seri Ahmad Johan Mohammad Raslan <i>(resigned effective 1 January 2023 following his appointment as Chairman of the BSC)</i></li> </ul>				

Board Committee	Director
<b>BSC</b>	Appointments following its establishment on 1 January 2023: <ul style="list-style-type: none"> <li>• Dato' Seri Ahmad Johan Mohammad Raslan (<i>Chairman</i>)</li> <li>• Datin Norazah Mohamed Razali</li> <li>• Dato' Hamidah Naziadin</li> <li>• Dr. Lisa Lim Poh Lin</li> </ul>
<b>RMC</b>	Changes effective 23 March 2023: <ul style="list-style-type: none"> <li>• Encik Mohamed Ridza Mohamed Abdulla (<i>redesignated from a member to a Chairman</i>)</li> <li>• Dato' Jaganath Derek Steven Sabapathy (<i>redesignated from a Chairman to a member</i>)</li> </ul>

In respect of the size and composition of the Board, based on the 2022 BEE results, the NRC had ensured that the Board of Sime Darby Property had the right mix in relation to skills, expertise and experience. The NRC will regularly review the Board and Board Committees' composition and ensure their continuing effectiveness throughout the year.

Retirement and Re-election of Directors

Pursuant to Rule 111 of the Constitution, at least one-third (1/3) of the Directors for the time being shall retire from office at each AGM. Rule 112 of the Constitution states that all Directors shall retire from office once in each three (3) years. A retiring Director shall be eligible for re-election.

Based on the schedule of retirement by rotation determined by the NRC, Encik Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon are due to retire at the 49th AGM in accordance with Rule 111 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 50th AGM, the Board through the NRC, had assessed each of the retiring Directors, and considered the following:

- 1) The Directors' performance and contribution, based on the Self and Peer Assessment results of the BEE 2022.
- 2) The Directors' level of contribution to the Board deliberations through his / her skills, experience and strength in qualities as well as their effective leadership as chairperson of respective Board Committees.
- 3) The level of independence demonstrated by the Independent Director and his ability to act in the best interests of the Company in decision-making.

	<p>4) The Directors have the character, integrity, experience and competence, as well as fit and properness to discharge their role effectively.</p> <p>5) The Directors' ability to commit and devote adequate time to fulfil their responsibilities effectively.</p> <p>Based on the aforesaid assessment, the Board and the NRC are satisfied that the individual Directors (including the retiring Directors) of the Company 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. Accordingly, the Board recommends the re-election of Encik Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon to the shareholders at the 50th AGM.</p> <p>Encik Rizal Rickman Ramli, Dato' Azmir Merican and Dato' Soam Heng Choon who are due to retire at the 50th AGM in accordance with Rule 111 of the Company's Constitution, being eligible, have offered themselves for re-election at the 50th AGM.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>As at financial year ended (“FYE”) 31 December 2022, the Board comprises ten (10) Directors out of which 70% are Independent Directors:</p> <ul style="list-style-type: none"><li>(a) Seven (7) Independent NEDs (“INED”);</li><li>(b) Two (2) NINEDs including Chairman; and</li><li>(c) GMD.</li></ul> <p>Based on the above, the Board has complied with the requirement to have more than 50% INEDs on its Board during the financial year under review, which is higher than the 1/3 requirement of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).</p> <p>Sime Darby Property has a Board Composition Policy in place since 26 July 2017 prior to the Company’s listing on 30 November 2017, which sets out the approach of the Board regarding the composition of the Board and also, addresses specific requirements of the Listing Requirements of Bursa Securities and the MCCG. Based on the principles of the Board Composition Policy, the Board acknowledges that a Board comprising a majority of Independent Directors allows more effective oversight of Management.</p> <p>During the financial year under review, Dato’ Jaganath Derek Steven Sabapathy, the Senior Independent Director (“SID”) acts as a sounding board for the Chairman and serves as an intermediary for the other NEDs where necessary and on matters that are deemed sensitive. He also provides an alternative avenue of communication for shareholders and stakeholders to convey their concerns and raise any issues so these can be channelled to and addressed by the relevant parties. The SID, in common with the other NEDs, has the same legal responsibilities to the Group as all other Directors.</p> <p>The Board also assessed the independence of the INEDs during the financial year under review. The Board was satisfied with the level of independence demonstrated by all the INEDs and was of the view that they could continue to bring sound independent and objective judgement to Board deliberations. Each INED also provided his / her declaration of independence to the Company in compliance with the criteria set out in the Listing Requirements.</p>

	<p>Dato' Jaganath's nine-year tenure as an Independent Director expired on 27 March 2023. The Board, upon the recommendation of the NRC, had approved the redesignation of Dato' Jaganath to a NINED effective 23 March 2023 as his skills, expertise and experience are still required and is expected to continue to contribute to the organisation as a NINED. Further to Dato' Jaganath's appointment as Chairman of Battersea Project Holding Company Limited ("BPHCL"), as a representative of Sime Darby Property, for three (3) years commencing from 1 October 2021 until 30 September 2024, it is also critical that he remains on the Board of Sime Darby Property until completion of this Chairmanship tenure.</p> <p>Dato' Jaganath has been involved with the Battersea Power Station project and his deep industry knowledge is key in ensuring that there is continued leadership in following through with the completion of the remaining phases of the project. His property development and industry background and experience, including in the international market qualify him as a suitable representative of Sime Darby Property. His involvement to date has been valuable to the Battersea team in aligning their deliveries to the expected return on investment for the shareholders.</p> <p>Further to the above, the Board upon the recommendation of the NRC had appointed Dato' Soam Heng Choon as the SID effective 23 March 2023. As SID, Dato' Soam will serve as a sounding Board for the Chairman and an intermediary for other Directors when necessary.</p> <p>The role of the SID is clearly specified in the Board Charter, which is available on the Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p>
<b>Explanation for departure</b>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	
<b>Timeframe</b>	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.4 - Step Up**

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: As of 31 December 2022, none of the Independent Directors have served the Company beyond nine (9) years in line with Practice 5.3 of the MCGG.  In line with Step-Up Practice 5.4 of the MCGG, the Board had also approved the revised Board Charter and TOR of the NRC on 25 November 2021, which includes the limit on the tenure of its Independent Directors to nine (9) years without further extension.



### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p><b><u>Appointment of Directors</u></b></p> <p>The Board is committed to ensuring diversity and inclusiveness in its composition and deliberations and it recognises that a diversified Board would contribute to give a positive and valuable impact on Sime Darby Property Group. In line with this, the Board considers all elements of diversity, i.e. skill set, experience, age, ethnicity, nationality and gender in the nomination, selection, and appointment of candidates to the Board.</p> <p>There is a clear and transparent process for the nomination, selection and appointment of suitable candidates to the Board of Sime Darby Property and achieving Board balance through diversity in skillset, experience, age, ethnicity, nationality and gender. The principle is encapsulated in the Board Composition Policy Framework and TOR of NRC.</p> <p>The formal process involves the NRC first identifying the gaps in the Board composition before sourcing, screening, conducting the initial selection of potential candidates and assessing the ability to perform effectively on those who have been identified. During the selection process, all candidates are considered taking into account the following criteria:</p> <ol style="list-style-type: none"><li>1) Required skills, knowledge, expertise and experience;</li><li>2) Time commitment, character, professionalism and integrity;</li><li>3) Fit and properness;</li><li>4) Ability to work cohesively with other Board members;</li><li>5) Specialist knowledge or technical skills in line with the Company's strategy;</li><li>6) Diversity in age, gender and experience / background; and</li><li>7) Number of directorships in companies outside the Group, including on boards of non-listed companies.</li></ol> <p>During the financial year under review, no new Director was appointed to the Board.</p>

The Board comprises Directors with diverse demographics, skills and experience, all of whom contribute diverse perspectives and insights on Board decisions. The findings of the BEE conducted in 2022 showed that the Board has the right mix of Directors with good balance of skills and background. The Board size and composition was viewed appropriate.

The current Board's diversity (total of 10 directors) is depicted as follows:

<b>Independence</b>	70% Independent Director		30% Non-Independent Director	
<b>Gender</b>	70% Male		30% Female	
<b>Ethnicity</b>	70% Malay	20% Chinese	10% Indian	
<b>Age Band</b>	20% 50 years below	40% 51 – 60 years	40% Above 60 years	
<b>Tenure</b>	50% Less than 3 years	30% 3 to 6 years	10% 7 to 9 years	10% More than 12 years
<b>Experience and Skills</b>	Talent Development			10%
	Sustainability			20%
	Real Estate & Property			40%
	Management			30%
	Consultancy			40%
	Accounting, Corporate Finance and Investment & Asset Management			40%

A more detailed description of the diverse background, experience and composition of the Board are made available in the Board of Directors' Profile contained in the Annual Report 2022.

All members of the Board and Board Committees achieved more than 85% rate of attendance for meetings held in 2022. There was also engagement between the Board members and Management, both formally and informally throughout the year. These demonstrate the Directors' ability to commit and devote adequate time to fulfil their responsibilities effectively. Although some Directors hold multiple directorships within the Listing Requirements' limit on directorship, they managed to commit and devote their time to the Board / Board Committee meetings. The Board is satisfied that each Director has devoted sufficient time to effectively discharge his / her responsibilities.

	<p><b><u>Appointment of Key Senior Management</u></b></p> <p>For the appointment of Key Senior Management, the NRC will consider and review the candidates based on objective criteria, merit, and with due regard for diversity in skills, competencies, experience, age, gender, cultural background and other qualities prior to recommendation to the Board for approval.</p>	
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.6**

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC of Sime Darby Property reviews the composition of the Board and Board Committees, and considers the gaps in the composition and requirements before sourcing, screening and conducting the initial selection of potential candidates.</p> <p>In the last appointment of directors in 2021, the NRC had sourced for suitably qualified candidates to be considered for appointment as INED through the recommendations of existing Board members, the database of its major shareholder and an independent source, namely the ICDM. This was to facilitate the NRC in identifying the most suitable and qualified candidate, with appropriate diversity in terms of ethnicity, age and gender, to complement and further strengthen the current Board.</p> <p>In its selection of suitable candidates, the NRC adheres to the guidelines stipulated in the Board selection criteria set out in the Board Appointment Process as mentioned above under Practice 4.5 and on page 174 of the Annual Report 2022.</p> <p>The NRC will continue to leverage on various sources, such as referrals from existing Directors and other leadership development and consulting organisations to identify potential candidates for nomination as Directors.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profiles of Directors are published in the Annual Report and Group's website. These include their age, gender, tenure of service, directorship in other companies (listed and non-listed), working experience and any conflict of interest as well as their shareholdings in Sime Darby Property, if any.</p> <p>The Board and NRC's assessment and recommendations on the proposed re-election of Directors retiring pursuant to Rule 111 of the Constitution of the Company are set out in Practice 5.1 of this report and the Explanatory Notes to the Notice of 50th AGM to ensure shareholders have sufficient information to make an informed decision on the proposed re-election of Directors retiring.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.8**

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The NRC is chaired by Datin Norazah Mohamed Razali, an INED.  The details of the NRC's activities for the FYE 31 December 2022 are set out in the NRC Report on pages 170 to 179 of the Annual Report 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board comprises three (3) women Directors, namely Datin Norazah Mohamed Razali, Dato' Hamidah Naziadin and Dr. Lisa Lim Poh Lin constituting 30% of the Board's composition of ten (10) Directors, since 1 October 2021.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.10**

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Composition Policy of Sime Darby Property was first adopted by the Board on 26 July 2017. The policy ensures that the mix and profiles of Board members in terms of age and gender provide the necessary range of perspectives, experience and expertise required to achieve effective stewardship and management. The policy on gender diversity is set out under the NRC Report on page 173 of the Annual Report 2022.</p> <p>The TOR of the NRC, last reviewed in November 2021, also includes gender diversity in its selection criteria for new appointments on the Board and Senior Management of Sime Darby Property Group. The updated TOR also indicates that the NRC shall consider and recommend to the Board the composition of the Board, which must comprise a majority of Independent Directors and at least 30% women Directors. The participation of women in Senior Management shall also be reviewed to ensure a sustainable talent pipeline in Sime Darby Property. The TOR of the NRC is available on Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Board, through the NRC, conducts an annual review and assessment on the effectiveness of the Board, the Board Committees, the individual Directors and Board Committee members of Sime Darby Property. This assessment for the financial year under review, covers the performance of individual Directors, Board Committees and Board as a whole. It is especially important in deciding whether a Director who is subject to re-election can be recommended accordingly at the next AGM.</p> <p>In line with the best practices of the MCCG, the NRC had engaged PwC to conduct the BEE of the Company for the FYE 30 June 2018 to FYE 31 December 2020. Whilst in 2021, the NRC had engaged another independent third-party consultant namely, the ICDM led by an experienced international facilitator to facilitate an objective and candid BEE in a different approach and methodology, with specific focus on board dynamics and sustainability (pursuant to the updated MCCG), to address underlying challenges and align the Board on its priorities and discuss on emerging opportunities and challenges in the current and desired future states.</p> <p>During the financial year under review, ICDM was engaged to conduct and facilitate the BEE through a questionnaire approach by way of self and peer assessment to identify key themes of strengths and areas for improvement. The questionnaires were largely similar to the questionnaires from 2021 BEE exercise with additional sustainability-related questionnaires, for easy comparison of the results and monitoring the progress of areas of improvement. During the evaluation exercise, in addition to the areas of improvement, Board members and selected Senior Management also provided feedback on areas of improvement moving forward.</p>

	<p>The overall results of the BEE were positive on five (5) key components of the evaluation, namely the Basic Ingredients, Strategy, Managing Risks, Dynamics &amp; Information, and Sustainability. The Board is cohesive, professional and diverse with complementary skillsets and is able to provide the necessary guidance to management, as well as have open and transparent discussions that are led well by the Chairman.</p> <p>Upon completion of the assessment process, ICDM presented its BEE report to the NRC and Board, which sets out the detailed findings from the BEE, all of which have been benchmarked against corporate governance best practices. Subsequently, one-on-one session was arranged for the Chairman to go through the Individual BEE Report with each Director.</p> <p>Based on ICDM's observation on the Board, the Board is cognisant of what it can do better and improve on. Management had also rated the Board highly across all five (5) components.</p> <p>The areas for enhancement for 2022 as highlighted below have recorded an improvement following the 2021 BEE results:</p> <ol style="list-style-type: none"> <li>1) Strategy on emerging issues such as technology, people strategy (e.g. remuneration, performance management, succession planning and culture) and ESG.</li> <li>2) Risk management on cybersecurity review and how the Company responds to IT challenges.</li> </ol> <p>Whilst the Board was satisfied with the 2022 BEE results that trended positively, it also noted the areas of enhancement for 2023, which included the following:</p> <ol style="list-style-type: none"> <li>1) The impact of technology on strategy.</li> <li>2) Adequate crisis preparation and reliable crisis recovery.</li> <li>3) More Board participation in initiatives that shapes culture in the organisation.</li> </ol> <p>The respective plans to address the above are being reviewed and finalised and its progress would be regularly monitored by the Board and respective Board Committees.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>Sime Darby Property recognises that to attract and retain Directors, it is important to have a fair and competitive remuneration package that commensurate with their experience, skills, responsibilities, performance, contribution as well as industry benchmark.</p> <p>The Board has delegated to the NRC the responsibility to set the principles, parameters and governance framework relating to the Group's remuneration matters. The NRC is authorised to formulate, develop and implement formal and transparent procedures for the Group's NEDs and Senior Management ensuring that their compensation remains competitive and consistent with industry standards as well as commensurate with their experience, skills, level of responsibilities and complexity of the business.</p> <p><b><u>Non-Executive Directors</u></b></p> <p>The Board has established a remuneration policy for the NEDs that aligns remuneration with strategy to drive the long-term success of the Company together with a comprehensive and fair remuneration package to continue to attract, retain and motivate Directors.</p> <p>The level of remuneration reflects their experience, level of responsibilities and industry's benchmark as well as the complexity of business. The remuneration of NEDs consists of fixed Directors' fees per annum for Board and Board Committees.</p> <p>The Board as a whole resolves on the fees for NEDs. The fees payable to the NEDs are subject to the approval of the shareholders at the AGM.</p>

Key details of the Remuneration Framework of NEDs for the financial year under review (which remains unchanged from FY2021) are set out below:

Fees / Benefits	Amount / Description		
Non-Executive Directors' Fees		<b>Board (RM/Year)</b>	<b>Board Committees (RM/Year)</b>
	<b>Chairman</b>	540,000	70,000
	<b>Member</b>	220,000	40,000
Per diem allowance	Claims to be based on "reasonable amount for reimbursables". <i>(on official events and Government related matters within Malaysia or overseas)</i>		
Transportation	Business class air travel <i>(official business assignments)</i>		
Accommodation <i>(on official duty)</i>	Group designated hotels. <b>Unreceipted Local Business Travel</b>		
	<b>Region</b>	<b>Meals</b>	<b>Accommodation</b>
	Malaysia	RM200 / day	RM200 / day
	<b>Unreceipted Overseas Business Travel</b>		
	<b>Continent</b>	<b>Meals</b>	<b>Accommodation</b>
	Asia (including Oceania)	USD80	USD100
	United Kingdom	€100	€200
	Europe	€100	€200
	America	USD150	USD200
Entertainment	Reasonable entertainment expenses for the promotion of the Group's interest will be reimbursed against receipts.		
Club Membership / Privileges	Honorary membership at Kuala Lumpur Golf & Country Club ("KLGCC")/ other clubs owned by Sime Darby Property Group with free monthly subscription fees.  NED who becomes President of the KLGCC will be made a lifetime honorary member of the Club.		

Insurance	<table border="1"> <thead> <tr> <th data-bbox="715 210 995 253">Description</th> <th data-bbox="995 210 1410 253">Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="715 253 995 353">i) Group Personal Accident Policy</td> <td data-bbox="995 253 1410 353">RM1,000,000</td> </tr> <tr> <td data-bbox="715 353 995 521">ii) Directors and Officers Liability Insurance</td> <td data-bbox="995 353 1410 521">Cover limit of USD30 million, including an Employment Practices Liability cover of USD1 million.</td> </tr> <tr> <td data-bbox="715 521 995 936">iii) Medical &amp; Security Assistance Programme</td> <td data-bbox="995 521 1410 936">Medical &amp; Security Assistance Programme with International SOS provides pre-travel and destination services including immunisation recommendations, travel and visa information, 24/7 telephone medical and security assistance, etc. in case of emergency when travelling abroad.</td> </tr> </tbody> </table>	Description	Amount	i) Group Personal Accident Policy	RM1,000,000	ii) Directors and Officers Liability Insurance	Cover limit of USD30 million, including an Employment Practices Liability cover of USD1 million.	iii) Medical & Security Assistance Programme	Medical & Security Assistance Programme with International SOS provides pre-travel and destination services including immunisation recommendations, travel and visa information, 24/7 telephone medical and security assistance, etc. in case of emergency when travelling abroad.
Description	Amount								
i) Group Personal Accident Policy	RM1,000,000								
ii) Directors and Officers Liability Insurance	Cover limit of USD30 million, including an Employment Practices Liability cover of USD1 million.								
iii) Medical & Security Assistance Programme	Medical & Security Assistance Programme with International SOS provides pre-travel and destination services including immunisation recommendations, travel and visa information, 24/7 telephone medical and security assistance, etc. in case of emergency when travelling abroad.								
Medical and Hospitalisation	<p><b>For NEDs:</b></p> <p>Free medical treatment (excluding major surgeries), dental and optical subject to treatment being given by the:</p> <ul style="list-style-type: none"> <li>i) Group / Company's Panel of Doctors.</li> <li>ii) Physician referred to by the Group / Company's Panel of Doctors.</li> </ul> <p>The Company will also cover the cost of Annual Health Screening ("AHS") by any medical provider.</p> <p><b>For NEDs' Spouse and Dependent Children:</b></p> <p>Medical treatment (excluding AHS and major surgeries) subject to the treatment given as stated in items no. (i) and (ii) above.</p>								
Purchase of Group/Company Products	This entitlement is available only for products of Sime Darby Property Group.								

The remuneration of the NEDs consisting of fixed directors' fees and other benefits, is subject to the approval of shareholders at the AGM. The fees of the NEDs for their services to the Board and Board Committees are paid to all NEDs on a monthly basis.

The NRC had, during the FY2019, engaged an external international consultant to review the NED Remuneration Framework based on the results of the market survey on the remuneration and benefits received by the NEDs. The survey also considered other major factors such as including the revenue / size of the group against its peers as well as the fiduciary duties and time commitments expected of the NEDs and the Board Committee members.

The NRC had, in February 2023, reviewed the NED Remuneration Framework and opined that it was still current and relevant to attract and retain Directors. The Company's healthy financial and operational performance maintained despite the economic and market uncertainties, as well as sustainability risks and opportunities were also taken into consideration.

Approval will be sought from the shareholders at the 50th AGM for the amount of benefits to be provided to the NEDs of up to RM500,000. The Company is not seeking any increase in the approval limit in respect of the amount of benefits payable to the NEDs from that approved in the 49th AGM.

Details of the said proposal are provided in the Notice of 50th AGM on pages 358 to 359 of the Annual Report 2022.

### **Senior Management Remuneration**

The NRC, in its TOR, is responsible:

- 1) To set the policies and procedures on the remuneration framework, including reviewing and making recommendations to the Board on all elements relating to remuneration, terms of employment, reward structure and fringe benefits for Executive Directors, the GMD and key pivotal positions.
- 2) To set the policies and / or guideline on the remuneration framework including reviewing and making remuneration recommendations relating to remuneration, to the Board for employees of the Group.

### **Rewards Management**

#### **Base Salary and Annual Increment**

Sime Darby Property maintains market-competitive salary ranges for different level of employees in the Company, which are tied to the Performance Management Framework.

The Management considers the economic outlook, market benchmark against both comparable companies within the industry as well as Company's affordability for the annual review exercise.

Salary increments were based on employees' performance and the salary position within their job grade, i.e. using the comparative-ratio approach. The increment framework was designed to accelerate salary growth for performing employees to be within market reference range.

#### **Benefits Management**

The Employee Handbook for the different job categories and job levels outlines the employment terms and conditions including compensation, leaves, education assistance and other benefits.

	<p><u>Bonus Framework</u></p> <p>1) Guiding Principles</p> <p>i) Bonus is a form of short-term incentive to reward past performance and a motivator for future performance. It is an important enabler in the Group’s journey to become a high-performing organisation.</p> <p>ii) Bonus payout must be directly aligned and commensurate with the Group, Company, Department / Business Units and individual performance. There must be a clear differentiation in the bonus quantum awarded between the high-performing organisations / individuals and the others.</p> <p>2) The fundamental design principles of the approved Short-term Incentive Plan (Annual Bonus) are as follows:</p> <p>i) Performance measures aligned to employees’ line-of-sight.</p> <p>ii) Performance factors to facilitate the achievement of the objectives and goals of the Group, Company and Department/ Business Unit.</p> <p>iii) Bonus payments are both a reward for past performance and a motivator for future performance. It is an important enabler in the Group’s journey to become a high-performing organisation.</p> <p>iv) Bonus payout must be directly related to the Group, Company, Department/ Business Unit and individual performance. There must be a clear differentiation in the bonus quantum awarded between the high-performing organisations / individuals and the others.</p> <p><u>Long-Term Variable Compensation</u></p> <p>A long-term variable compensation has been designed based on Sime Darby Property’s 3-year business plan from FY2023 to FY2025, which takes into consideration global and local macroeconomic headwinds as well as longer-term risks and opportunities, and alignment with stakeholders’ interests. This is to ensure the continued strength and resilience of Sime Darby Property for the longer term. Together with an independent compensation and benefits consultant, a cash-based long-term variable compensation plan has been devised to retain key Senior Management who will be driving and delivering on the 3-year plan.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The NRC is responsible to formulate and review the remuneration policies and packages for the Directors as well as the Senior Management to ensure that they remain competitive, appropriate and commensurate with their experience, skills, level of responsibilities, industry benchmark as well as the complexity of business.</p> <p>Based on the BEE conducted for year 2022, the Board is satisfied that the NRC has effectively discharged its roles and responsibilities and provided strong support with respect to its nomination and remuneration functions, which include, among others, review the remuneration framework for the Board and key management personnel.</p> <p>The TOR of the NRC delineates the roles and responsibilities in relation to the nomination and remuneration matters, as provided in the TOR of the NRC which is available on Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p> <p>The NRC's TOR had been revised on 24 March 2022 to include the Fit and Proper Policy of the Group.</p> <p>The TOR shall be reviewed and updated where necessary, i.e. when there are changes to the MCGG, Listing Requirements, any other regulatory requirements or changes to the direction or strategies of the Group that may affect the NRC's role.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the best corporate governance practice, the disclosure of Directors' remuneration on a named basis has been made since the Company's first Annual Report in year 2018.</p> <p>The remuneration received by each of the NEDs (as approved by the shareholders at the 49th AGM held on 24 May 2022) and GMD in 2022 is set out in the table below. Detailed remuneration breakdown for all Directors is set out on page 66 of this report.</p> <p>The fees for Encik Rizal Rickman Ramli, a nominee Director representing PNB, were paid to PNB.</p> <p>The GMD does not receive any fees in his capacity as Executive Director.</p> <p>For the purpose of disclosure in this report pertaining to the remuneration paid to / utilised by each individual director in FY2022 (Sales and Service Tax of 6% charged by applicable Directors are excluded from the disclosure):</p> <ol style="list-style-type: none"><li>1) The benefits for the NEDs as set out in the table below comprises discount on the purchase of Company / Group's product, per diem allowances, parking fees, as well as insurance, medical and hospitalisation coverage.</li><li>2) The amount of GMD's salary as set out in the table below includes the employer's contribution to the Employees Provident Fund ("EPF") and benefits comprises petrol claims, parking fees, medical and insurance coverage.</li></ol>

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Rizal Rickman Ramli	Non-Executive Non-Independent Director	540	0	0	0	22	0	562	540	0	0	0	22	0	562
2	Dato' Azmir Merican	Executive Director	0	144	2,415	1,552	23	0	4,134	0	144	2,415	1,552	23	0	4,134
3	Dato' Soam Heng Choon	Independent Director	490	0	0	0	4	0	494	490	0	0	0	4	0	494
4	Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj	Non-Executive Non-Independent Director	330	0	0	0	17	0	347	330	0	0	0	17	0	347
5	Dato' Jaganath Derek Steven Sabapathy	Independent Director	520	0	0	0	82	0	602	520	0	0	0	84	0	602
6	Dato' Seri Ahmad Johan Mohammad Raslan	Independent Director	370	0	0	0	2	0	372	370	0	0	0	2	0	372
7	Datin Norazah Mohamed Razali	Independent Director	330	0	0	0	24	0	354	330	0	0	0	24	0	354
8	Mohamed Ridza Mohamed Abdulla	Independent Director	300	0	0	0	5	0	305	300	0	0	0	5	0	305
9	Dato' Hamidah Naziadin	Independent Director	260	0	0	0	160	0	420	260	0	0	0	160	0	420
10	Dr. Lisa Lim Poh Lin	Independent Director	260	0	0	0	2	0	262	260	0	0	0	2	0	262
11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	--

14	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-	Choose an item.	-	-	-	-	-	-	-	-	-	-	-	-	-	-

### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure																
<b>Explanation on application of the practice</b>	:																	
<b>Explanation for departure</b>	:	<p>The NRC and the Board are of the view that disclosure on a named basis of the top five (5) Senior Management's remuneration components in bands of RM50,000 as being disadvantageous to the Group given the competitiveness in the property industry for talent due to confidentiality of remuneration packages.</p> <p>The Board will continuously undertake a robust internal process to ensure that the remuneration of Senior Management commensurate with their experience, skills, roles, level of responsibilities, accountability and complexity of the business.</p> <p>As an alternative to the recommended practice and in order to achieve the intended outcome, the Board has opted to disclose the remuneration of Senior Management paid for the FYE 31 December 2022 on a group basis as follows:</p> <table border="1"><thead><tr><th>Remuneration (Top 5 Senior Management)</th><th>RM</th></tr></thead><tbody><tr><td>Salary</td><td>3,767,112</td></tr><tr><td>Allowance</td><td>459,360</td></tr><tr><td>Bonus</td><td>2,437,626</td></tr><tr><td>Company's contribution to provident fund, pension fund or other retirement benefit scheme and leave pay</td><td>1,066,272</td></tr><tr><td>Benefits-in-kind</td><td>83,219</td></tr><tr><td>Other emoluments</td><td>437,930</td></tr><tr><td><b>Total</b></td><td><b>8,251,519</b></td></tr></tbody></table> <p>The remuneration of top five (5) Senior Management personnel has been benchmarked against the industry and is aligned with the market.</p>	Remuneration (Top 5 Senior Management)	RM	Salary	3,767,112	Allowance	459,360	Bonus	2,437,626	Company's contribution to provident fund, pension fund or other retirement benefit scheme and leave pay	1,066,272	Benefits-in-kind	83,219	Other emoluments	437,930	<b>Total</b>	<b>8,251,519</b>
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<b>Total</b>	<b>8,251,519</b>																	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:	The Board will continuously monitor the matter and consider the appropriateness of such disclosure in the future.	
<b>Timeframe</b>	:	Others	-

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	-	-	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	-	-	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	-	-	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	-	-	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	-	-	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	-	-	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The AC Chairman, Dato' Seri Ahmad Johan Mohammad Raslan is a Fellow Member of the Institute of Chartered Accountants of England and Wales, a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. Dato' Seri Ahmad Johan Mohammad Raslan is an INED and is appointed as the AC Chairman since 12 July 2017. He is not the Chairman of the Board.</p> <p>The TOR of the AC has reflected the requirements in Practice 9.1 of the MCCG that "<i>The AC Chairman is not the Chairman of the Board</i>".</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Sime Darby Property has always recognised the need to uphold independence. None of the AC members were former key audit partners within the cooling-off period of three (3) years.</p> <p>The recommendation under Practice 9.2 has been adopted in the TOR of the AC in November 2021.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to ensuring that a clear, balanced and meaningful assessment of Sime Darby Property Group's financial performance and prospects through the audited financial statements and quarterly announcement of results are provided to the shareholders and regulatory bodies. In view thereof, the Board, through the AC, oversees the process and the integrity and quality of reporting, annually and quarterly. The AC assists the Board by reviewing the financial statements and quarterly announcements of results to ensure completeness, accuracy and adequacy in the presence of external auditors and internal auditors prior to recommending the same to the Board for approval.</p> <p>The AC manages the relationship with its external auditors on behalf of the Board. The AC considers the re-appointment, remuneration and terms of engagement of the external auditors annually.</p> <p>The AC had, in March 2023, undertaken an annual assessment of the overall performance of PwC, which covers seven key dimensions:</p> <ol style="list-style-type: none"><li>1) Calibre of External Auditor Firm</li><li>2) Quality Processes / Performance</li><li>3) Audit Team</li><li>4) Independence and Objectivity</li><li>5) Audit Scope and Planning</li><li>6) Audit Fees</li><li>7) Audit Communication</li></ol> <p>The AC also took into account the openness in communication as well as access and interactions with key leadership partners of PwC Malaysia including the Executive Chairman, Managing Partner, Head of Assurance and Head of Tax. These interactions were over and above the regular meetings and engagement with the Audit Partner and her audit team.</p>

	<p>In addition, the AC also considered the comparison between three (3) big accounting firms, namely PwC, Ernst &amp; Young PLT and KPMG PLT based on their key Audit Quality Indicators and Annual Transparency Report findings and disclosures.</p> <p>The AC recommended the re-appointment of PwC based on the following justifications:</p> <ol style="list-style-type: none"> <li>1) PwC's service quality during FY2022.</li> <li>2) Adequacy of experience and resources, in terms of capacity, qualification and competencies of the audit partners and team.</li> <li>3) Independence of PwC and the level of non-audit services rendered by PwC.</li> <li>4) Comparison of sixteen (16) key statistics of the top three (3) auditors' Annual Transparency Report.</li> </ol> <p>PwC, in March 2023, had provided a written assurance that they are independent throughout the audit engagement in accordance with the terms of all relevant professional and regulatory requirements in respect of the audited financial statements of the Group for the FYE 31 December 2022.</p> <p>The AC was satisfied with the quality of audit, performance, competency and sufficient resources provided to the Group. The AC was also satisfied in its review that the provision of the non-audit services by PwC to Sime Darby Property during the FYE 31 December 2022 did not impair their objectivity and independence as external auditors of Sime Darby Property.</p> <p>Having considered the outcome of the annual assessment of external auditors, the Board had, in March 2023, approved the AC's recommendation for the shareholders' approval to be sought at the forthcoming 50th AGM on the re-appointment of PwC as external auditors of the Company.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted															
<b>Explanation on adoption of the practice</b>	:	<p>As of 31 December 2022, the AC comprised four (4) members, all of whom were Independent NEDs, who have satisfied the independence test under the Listing Requirements of Bursa Securities, as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Director / Designation</th><th>Membership</th></tr></thead><tbody><tr><td>1</td><td>Dato' Seri Ahmad Johan Mohammad Raslan</td><td>Chairman</td></tr><tr><td>2</td><td>Dato' Jaganath Derek Steven Sabapathy</td><td>Member</td></tr><tr><td>3</td><td>Datin Norazah Mohamed Razali</td><td>Member</td></tr><tr><td>4</td><td>Encik Mohamed Ridza Mohamed Abdulla</td><td>Member</td></tr></tbody></table> <p>In March 2023, the Board as recommended AC, approved the revised TOR for majority of the AC members to be Independent NEDs. This enabled Dato' Jaganath Sabapathy, a member of the AC, who was redesignated to a Non-Independent Director on 23 March 2023, to remain as a member.</p> <p>The Board and AC was of the view that Dato' Jaganath Sabapathy would be able to continue contributing to AC discussions based on his deep experience and insights in property industry and international market knowledge.</p>	No.	Director / Designation	Membership	1	Dato' Seri Ahmad Johan Mohammad Raslan	Chairman	2	Dato' Jaganath Derek Steven Sabapathy	Member	3	Datin Norazah Mohamed Razali	Member	4	Encik Mohamed Ridza Mohamed Abdulla	Member
No.	Director / Designation	Membership															
1	Dato' Seri Ahmad Johan Mohammad Raslan	Chairman															
2	Dato' Jaganath Derek Steven Sabapathy	Member															
3	Datin Norazah Mohamed Razali	Member															
4	Encik Mohamed Ridza Mohamed Abdulla	Member															

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The members of the AC, collectively, have a wide range of relevant skills, knowledge and industry experience. They are capable of providing sound advice to the Board not only in terms of financial reporting but also on internal audit and the state of the Group's risk and internal control environment.</p> <p>All Directors including the AC members had during the financial year under review, attended / participated in various training programmes and seminars organised by the relevant regulatory authorities and professional bodies to broaden their knowledge and to keep abreast with the relevant changes in law, regulations, risk management and business environment. Details of the trainings or seminars attended by the members during the financial year under review are set out under Practice 4.3 of this report.</p> <p>The Group Company Secretary facilitated the Directors' external training programmes, workshops and seminars covering areas that were considered useful and relevant to the Directors in the effective discharge of their duties. Following the individual and collective assessment of the Directors, a list of training programmes was recommended to the Board for its endorsement. An online virtual training for the Board on Tax Audit for Property Developers was organised in January 2022.</p> <p>All AC members are aware of the need to continuously develop and enhance their knowledge in accounting and auditing standards considering the frequent change and development in the aforesaid areas. The members of the AC had continuously been briefed on the relevant changes in the financial reporting standards by the Group Chief Financial Officer and External Auditors at the AC quarterly meetings.</p>

	<p>Based on the results of the BEE exercise for the financial year under review, the Board was generally satisfied that the AC collectively and its members individually, had discharged their functions, duties and responsibilities effectively in accordance with the TOR of the AC.</p> <p>The details of the AC's activities during the FYE 31 December 2022 are set out in the AC Report on pages 180 to 181 of the Annual Report 2022.</p>	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is responsible for effective risk management and internal control of Sime Darby Property Group. The Board embeds risk management practices into activities, initiatives and processes of the Group. The risk management framework has been set in place by the Board to identify, evaluate, mitigate and monitor key risks faced by the Group.</p> <p>The Board recognises that the framework is designed to mitigate rather than eliminate risks or events with significant adverse impact on the achievements of the Group's objectives and strategies.</p> <p>The Board, through the RMC, reviews the risk management framework and processes to ensure they remain relevant for use and monitors the effectiveness of risk treatment / mitigation action plans for the management and control of the key risks. The RMC deliberated the Group's quarterly risk report which identified principal risks of the Group and the corresponding rating for each risk. The appropriate risk tolerance will depend on the nature of the projects undertaken and the objectives pursued. The risk appetite will be reviewed periodically by the RMC in response to the operating environment.</p> <p>The Statement on Risk Management and Internal Control which provides an overview of the state of internal controls within the Group is provided on pages 192 to 200 of the Annual Report 2022.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company’s objectives is mitigated and managed.

**Practice 10.2**

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The Board has disclosed the key features of its risk management and internal control system in detail in the Statement on Risk Management and Internal Control (“SORMIC”) on pages 194 to 195 of the Annual Report 2022.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	: Adopted																		
<b>Explanation on adoption of the practice</b>	<p>As at 31 December 2022, the RMC consists of five (5) members, majority of whom were INEDs, who have satisfied the independence test under the Listing Requirements of Bursa Securities, to oversee the Company's Risk Management Framework and policies.</p> <p>The composition of the RMC during the financial year under review are as follows:</p> <table border="1"><thead><tr><th>No.</th><th>Director / Designation</th><th>Membership</th></tr></thead><tbody><tr><td>1</td><td>Dato' Jaganath Derek Steven Sabapathy (SID)</td><td>Chairman</td></tr><tr><td>2</td><td>Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj (NINED)</td><td>Member</td></tr><tr><td>3</td><td>Dato' Soam Heng Choon (INED)</td><td>Member</td></tr><tr><td>4</td><td>Encik Mohamed Ridza Mohamed Abdulla (INED)</td><td>Member</td></tr><tr><td>5</td><td>Dr. Lisa Lim Poh Lin (INED)</td><td>Member</td></tr></tbody></table> <p>On 23 March 2023, Encik Mohamed Ridza was designated RMC Chairman, whilst Dato' Jaganath Sabapathy was re-designated to a RMC Member following his redesignation from SID to NINED. The basis of the latter's re-designation is stipulated in Practice 5.2 above.</p> <p>The Board has adopted the TOR of RMC which is available on the Group's website at <a href="http://www.simedarbyproperty.com/who-we-are/corporate-governance">www.simedarbyproperty.com/who-we-are/corporate-governance</a>.</p> <p>The RMC Report is presented on pages 184 to 189 of the Annual Report 2022.</p>	No.	Director / Designation	Membership	1	Dato' Jaganath Derek Steven Sabapathy (SID)	Chairman	2	Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj (NINED)	Member	3	Dato' Soam Heng Choon (INED)	Member	4	Encik Mohamed Ridza Mohamed Abdulla (INED)	Member	5	Dr. Lisa Lim Poh Lin (INED)	Member
No.	Director / Designation	Membership																	
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2	Tengku Datuk Seri Ahmad Shah Alhaj ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj (NINED)	Member																	
3	Dato' Soam Heng Choon (INED)	Member																	
4	Encik Mohamed Ridza Mohamed Abdulla (INED)	Member																	
5	Dr. Lisa Lim Poh Lin (INED)	Member																	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Group Corporate Assurance (“GCA”) is an in-house internal audit function which is led by a Chief Assurance Officer (“CAO”) who reports functionally to the Audit Committee (“AC”) and administratively to the GMD to ensure independence.</p> <p>As guided by the Group Audit Charter approved by the AC, the GCA is an independent and objective function that supports the:</p> <ol style="list-style-type: none"><li>1) Organisation in achieving its defined strategic, operational, financial and compliance objectives; and</li><li>2) Board of Directors and its Committees in discharging their governance responsibilities.</li></ol> <p>The CAO functions include, among others, as follows:</p> <ol style="list-style-type: none"><li>1) Provides regular assessment on the adequacy and effectiveness of the Group’s processes for controlling its activities and managing its risks in the areas set forth under the mission and scope of work;</li><li>2) Report significant issues related to the processes for controlling the activities of the company, including potential improvements to those processes and provide information concerning such issues through resolution;</li><li>3) Periodically provide information on the status and results of the annual GCA plan as well as the adequacy of resources; and</li><li>4) Design, maintain and resource an effective and efficient internal audit organisation in GCA.</li></ol> <p>To ensure that the responsibilities of GCA are fully discharged, the AC:</p> <ol style="list-style-type: none"><li>1) Recommends to the Board the appointment, transfer or dismissal of the CAO;</li><li>2) Assesses and reviews the performance and effectiveness of the CAO; and</li><li>3) Performs appraisal or assessment of the performance of the GCA function.</li></ol>

	<p>The GCA engagements were carried out based on the audit plan for the FYE 31 December 2022 as approved by the AC. The results of the audits as disclosed in the GCA reports were reviewed by AC and discussed at quarterly AC meetings. The relevant Management members were made responsible for ensuring corrective actions on reported weaknesses were taken within the required timeframes. GCA conducted follow-up audits on key engagements to ensure that the corrective actions were implemented appropriately.</p> <p>A summary of the GCA's activities during the FYE 31 December 2022 is set out in the AC Report on pages 183 to 183 in the Annual Report 2022.</p>	
<b>Explanation for departure</b> :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In accordance with the Group Corporate Assurance (“GCA”) Charter, the GCA acts as an independent and objective function that supports Sime Darby Property Group in achieving its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.</p> <p>The GCA is spearheaded by the Chief Assurance Officer (“CAO”), Encik Aravindan K. Devapalan who is a Fellow Member of the Chartered Association of Accountants and a member of the Malaysian Institute of Accountants.</p> <p>The GCA department is staffed by fourteen (14) internal auditors including the CAO, with relevant experience and qualifications and all of which are free from any relationship or conflicts of interest, which could impair their objectivity and independence.</p> <p>As per the Group Audit Charter, the GCA activities are governed by adherence to the Institute of Internal Auditors’ mandatory guidance including the Definition of Internal Auditing, the Code of Ethics and the International Standards for the Professional Practice of Internal Auditing (“Standards”). This mandatory guidance constitutes principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the corporate governance activity’s performance.</p> <p>The Institute of Internal Auditors’ Practice Advisories, Practice Guides and Position Papers will be adhered to as applicable to guide operations. In addition, the GCA activities will adhere to the Group’s relevant policies and procedures and the assurance activity’s standard operating procedures manual which has been drawn up with reference to the Standards.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board acknowledges the importance of effective, regular and transparent communications with the Group's stakeholders, institutional investors and investing public at large to provide clarity of the Group's performance and position. Sime Darby Property is committed to maintain high standards in the dissemination of relevant and material information on the Group in order to maintain effective, comprehensive and timely disclosure of information. Amongst the Company's key stakeholders are the Investors &amp; Analysts, Media, Debt Providers, Existing and Potential Customers, Suppliers/ Contractors/ Strategic Partners, Regulators &amp; Industry Affiliates and Employees.</p> <p>1) The Group values constant dialogue and is committed to clear communications with its shareholders and investors. Continuous engagement is maintained with the investing community through a planned Investor Relations ("IR") programme managed by the IR unit under the patronage of the Chief Corporate Development Officer.</p> <p>Communication and feedback from investors can also be directed to <a href="mailto:investor.relations@simedarbyproperty.com">investor.relations@simedarbyproperty.com</a> or :</p> <p>Sime Darby Property Berhad Level 7, Block G No. 2, Jalan PJU 1A/7A Ara Damansara, PJU 1A 47301 Petaling Jaya Selangor Darul Ehsan Malaysia Tel: +603-7849 5000</p> <p>Sime Darby Property provides a section for "Investor Relations" on its website at <a href="http://www.simedarbyproperty.com">www.simedarbyproperty.com</a> which publicises the latest information on the Group such as quarterly financial results, Bursa Securities' announcements, Board Charter, TOR for Board Committees, stock performance, shareholder and dividend information, investor presentations and investor calendar.</p>

	<p>The Group also embraces social media, apart from its website, as an important communication channel with stakeholders as these channels allow immediate and easy access to information, as well as providing a platform to gain feedback from stakeholders.</p> <p>In 2022, the quarterly financial results were announced via Bursa LINK immediately after the Board’s approval between 12.30 p.m. and 1.30 p.m. or after 5.00 p.m. on the same day and analysts and media briefings are conducted a day after the announcement of financial result. This ensures equal and fair access to information is provided to the investing public, so that they can make informed decisions.</p> <p>2) The 49th AGM of Sime Darby Property was conducted on a fully virtual basis on 24 May 2022. Active participation by the shareholders was encouraged during the AGM in which an online platform was made available to the shareholders to raise questions relevant to the AGM agenda and appropriate responses and clarification were promptly provided by the Board / Management to the shareholders.</p> <p>Sime Darby Property will continue to leverage on technology to broaden its channels to disseminate information, enhance the quality of engagements with its shareholders and facilitate further participation of shareholders at the Company’s general meetings as well as promote environmental sustainability and cost-efficiency.</p> <p>In line with the Securities Commission Malaysia’s Guidance and Frequently Asked Questions on the Conduct of General Meetings for Listed Issuers, Sime Darby Property will continue to implement remote shareholders’ participation and online remote voting (or voting in absentia) at the 50th AGM by leveraging on technology in accordance with the Companies Act 2016 and the Company’s Constitution.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises that the integrated reporting process is an ongoing journey to improve the quality of information disclosures to stakeholders in order to promote greater transparency and accountability.</p> <p>Sime Darby Property has adopted integrated reporting since its first Annual Report in year 2018 for the FYE 30 June 2018.</p> <p>This is the sixth (6th) Annual Report that Sime Darby Property has adopted the International Integrated Reporting Framework issued by the International Integrated Reporting Council.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	



**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.1**

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Sime Darby Property dispatches the notice of its 49th AGM to its shareholders at least 28 days before the AGM, well in advance of the 21-day requirement under the Companies Act 2016 and the Listing Requirements of Bursa Securities.</p> <p>The additional time given to the shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies. More importantly, it enables the shareholders to read the Annual Report, consider the resolutions and make an informed decision in exercising their voting rights at the General Meeting.</p> <p>The notice is also published in a nationally circulated newspaper as required under the Listing Requirements of Bursa Securities and is made available on Group's website.</p> <p>The explanatory notes to the Notice of the AGM had provided detailed explanations for each resolution proposed to enable shareholders to make informed decisions in exercising their voting rights.</p> <p>Administrative Details which furnished useful information regarding the conduct of the AGM together with the explanatory guide on remote participation and voting were circulated to the shareholders together with the Notice of the AGM.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the Government's initiative and the Securities Commission Guidance Note, the 49th AGM of Sime Darby Property was conducted on 24 May 2022 via a fully virtual basis through live streaming and online remote voting via Remote Participation &amp; Voting ("RPV") facilities which are available on Tricor Investor &amp; Issuing House Services Sdn Bhd's ("Tricor") TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>.</p> <p>All Directors, Group Company Secretary and selected Senior Management together with external auditors were present at the 49th AGM broadcast venue in order to provide responses to questions raised by the shareholders.</p> <p>Attendance of the shareholders and proxies at the 49th AGM was encouraging as evidenced by a total of 1,117 shareholders registered through the RPV facilities at Tricor's TIIH Online website, which represented 4,954,243,252 ordinary shares, constituting 72.85% of the total issued shares of the Company.</p> <p>The proceedings of the 49th AGM included the GMD presentation of the Company's overall performance and the moving forward plan of the Sime Darby Property Group. Subsequently, the GCFO also shared with the shareholders the Company's responses to the questions submitted in advance by the Minority Shareholders Watch Group ("MSWG").</p> <p>In order to enhance the efficiency of the proceedings of the 49th AGM, shareholders were encouraged to submit the questions to the Board in advance via Tricor's TIIH Online website or write directly to the Company. During the proceedings of the 49th AGM, shareholders are encouraged to post their queries in the query box to transmit their questions online.</p> <p>All queries raised were responded to by the Board during the 49th AGM.</p>
<b>Explanation for departure</b>	:	

*Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.*

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In line with the Government's initiative and the Securities Commission Guidance Note, the 49th AGM of Sime Darby Property was conducted on 24 May 2022 via a fully virtual basis through live streaming and online remote voting via Remote Participation &amp; Voting ("RPV") facilities which were available on Tricor Investor &amp; Issuing House Services Sdn Bhd's ("Tricor") TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>.</p> <p>Administrative Details which furnished useful information regarding the conduct of the AGM together with the explanatory guide on remote participation and voting were circulated to the shareholders together with the Notice of the AGM.</p> <p>The remote voting at the 49th AGM commenced from the start of the 49th AGM until the time the Chairman announced the completion of the voting session at the 49th AGM. The representative from Tricor briefed the shareholders on the online remote voting procedure.</p> <p>The Scrutineers, Coopers Professional Scrutineers Sdn Bhd, upon verification of the poll results, announced the results for each resolution, which included votes in favour and against, upon which the Chairman of the Meeting declared whether the resolutions were carried. The poll results were also announced by Sime Darby Property via Bursa LINK on the same day for the benefit of all shareholders. Minutes of the 49th AGM were also made available on Group's website a month after the meeting.</p> <p>Sime Darby Property will continue to leverage on technology to enable remote shareholders' participation and online remote voting (or voting in absentia) at the 49th AGM in accordance with Section 327 (1) and (2) of the Companies Act 2016 and Rule 72 of the Company's Constitution. Shareholders who attended the 49th AGM via remote participation were encouraged to submit their questions to the Board in advance via Tricor's TIIH Online.</p>

	<p>In line with the MCGG, Tricor had, in April 2021 assured that their in-house developed platform, TIIH Online has been able to support a large volume of users at the same time as proven in their past experience. Tricor has been constantly upgrading their system to provide more comprehensive services to its clients and shareholders. As part of Tricor's objective to provide a higher level of confidence on TIIH Online, Tricor hosted on a secured cloud platform and the data is ISO27001 certified. A dry run was conducted a day before the AGM to ensure everything was in place for a smooth 49th AGM.</p>	
<p><b>Explanation for departure</b></p>	<p>:</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	<p>:</p>	
<p><b>Timeframe</b></p>	<p>:</p>	

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Chairman had, at the commencement of the 49th AGM of Sime Darby Property, briefed the shareholders, corporate representatives and proxies present virtually of their right to exercise their rights to vote and pose questions on the resolutions set out in the Notice of the 49th AGM dated 28 April 2021.</p> <p>The GMD took the opportunity to engage with the shareholders by giving a brief presentation on the following:</p> <ol style="list-style-type: none"><li>1) Key Highlights of Sime Darby Property in 2021, which includes, among others, the Key Milestones, Sustainability Highlights, Financial and Operational Performance, and Battersea Power Station Updates.</li><li>2) Total Shareholder Return and Dividend Payout Trend.</li><li>3) Strategy Moving Forward guided by four (4) Corporate Priorities (Broaden Income Streams, Deeping Competencies, Initiate Digital Transformation and Develop New Capabilities) to pivot the Group's business, underpinned by seven (7) Focus Areas (Operational Excellence, Organisational Excellence, Safety &amp; Sustainability, Customer First, Tech &amp; Innovation, Branding &amp; Communication, and New Revenue Streams).</li></ol> <p>All the 10 Directors and selected Senior Management were present at the 49th AGM, physically and virtually, to provide responses to the questions posed by the shareholders via TIH Online website at <a href="https://tiah.online">https://tiah.online</a> in relation to the agenda items of the 49th AGM, prior to and during the AGM.</p> <p>The questions posed by shareholders were displayed on the screen for the participants of the meeting whilst the questions were read by the GMD and responded to accordingly.</p>

	<p>The questions raised and responses given for the 49th AGM of the Company were uploaded to <a href="http://www.simedarbyproperty.com/investor-relations/shareholders">www.simedarbyproperty.com/investor-relations/shareholders</a>. Questions that were received after the Q&amp;A session ended were responded to by the Company via e-mail after the 49th AGM.</p> <p>Whilst the AGM is one of the platforms where shareholders can raise issues or seek explanation from the Board or Management, they are free to share their feedback and questions at <a href="mailto:investor.relations@simedarbyproperty.com">investor.relations@simedarbyproperty.com</a> at any time, outside the AGM.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The 49th AGM held on 24 May 2022 was conducted on a fully virtual basis through live streaming and online remote voting via Remote Participation &amp; Voting (“RPV”) facilities, which were available on Tricor Investor &amp; Issuing House Services Sdn Bhd’s (“Tricor”) TIIH Online website at <a href="https://tiih.online">https://tiih.online</a>. Above Creative Events (M) Sdn Bhd was engaged to provide audio and visual support services to broadcast the proceedings of the AGM.</p> <p>The questions posed by Shareholders had been captured and transmitted to the Company for action and response, prior to and during the 49th AGM. During the 49th AGM, shareholders submitted their questions in real-time (in the form of typed text) through the Query Box provided in the RPV facilities. The questions posed and responded to were made visible to all participants during the meeting.</p> <p>The RPV facilities allow shareholders to vote on the proposed Resolutions on the Agenda and submit their votes at any time from the commencement of the AGM and before the end of the voting session. The Poll Administrator also briefed the shareholders through its video presentation on the e-voting procedures to facilitate the e-voting process at the start of the AGM. The poll results were verified and announced by the Independent Scrutineers, Coopers Professional Scrutineers Sdn Bhd (“Coopers”). Coopers also provide a factual finding report of the AGM to the Company and confirmed that they have obtained and validated the Final Proxy Listing, Final Remote Participation &amp; Voting Listing and Final Poll Results (“all Final Reports”). All the Final Reports did not contain any errors, exceptions or irregularities.</p> <p>A post-mortem report, which included inputs from the AGM working committee was also prepared and circulated to the respective parties, particularly on action plan for improvement.</p>



<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Minutes of 49th AGM held on 24 May 2022 was published on the Group's website together with the following documents at <a href="https://www.simedarbyproperty.com/investor-relations/shareholders">https://www.simedarbyproperty.com/investor-relations/shareholders</a> on 24 June 2022:  1) Presentation deck by the GMD on the FY2021 Highlights, Shareholders' Returns and Moving Forward Strategy. 2) Reply Letter to MSWG dated 26 April 2021. 3) Post-Meeting Response to Questions Raised by Shareholders.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT  
CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

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