

# Sime Darby Plantation Berhad (Company No. 647766-V)

## NOTICE OF ANNUAL GENERAL MEETING



**NOTICE IS HEREBY GIVEN** that the Sixteenth Annual General Meeting (AGM) of Sime Darby Plantation Berhad (SDP or Company) will be held at the Grand Ballroom, First Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia on Thursday, 23 May 2019 at 10.00 a.m. for the following businesses:

### AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial period ended 31 December 2018 together with the Reports of the Directors and the Auditors thereon.  
*Refer to Explanatory Note 1*
- To approve the payment of Directors' remuneration to the Non-Executive Directors as disclosed in the Audited Financial Statements for the financial period ended 31 December 2018.  
*Refer to Explanatory Note 2*
- To approve the payment of benefits payable to the Non-Executive Directors based on the remuneration structure as disclosed in Explanatory Note 2 from 24 May 2019 until the next AGM of the Company to be held in 2020.  
*Refer to Explanatory Note 2*
- To re-elect Dato' Henry Sackville Barlow who was appointed during the year and retires pursuant to Rule 81.2 of the Constitution of the Company and who being eligible, offers himself for re-election.  
*Refer to Explanatory Note 3*
- To re-elect the following Directors who retire pursuant to Rule 103 of the Constitution of the Company and who being eligible, offer themselves for re-election:
  - Tan Sri Datuk Dr Yusof Basiran
  - Datuk Zaiton Mohd Hassan
  - Dato' Mohd Nizam Zainordin
  - Dato' Mohamad Nasir Ab Latif*Refer to Explanatory Note 3*
- To appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to determine their remuneration.  
*Refer to Explanatory Note 4*

(RESOLUTION 1)

(RESOLUTION 2)

(RESOLUTION 3)

(RESOLUTION 4)  
(RESOLUTION 5)  
(RESOLUTION 6)  
(RESOLUTION 7)

(RESOLUTION 8)

### AS SPECIAL BUSINESS

- To consider and, if thought fit, pass the following Ordinary Resolution:
 

**Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature**

"THAT, in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act, 2016 (CA 2016), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant government and/or regulatory authorities, approval be and is hereby given to the Company and/or its subsidiary companies to enter into recurrent related party transactions of a revenue or trading nature, as set out in Section 2.3 of the Circular to Shareholders dated 24 April 2019 uploaded together with the 2018 Annual Report, which are entered into in the ordinary course of business which are necessary for the day-to-day operations of the Company and/or its subsidiary companies on normal commercial terms which are not more favourable to the related parties than those generally available to the public, undertaken on arm's length basis, and are not detrimental to the minority shareholders of the Company (Mandate);

THAT the Mandate is subject to annual renewal and shall continue to be in force until:

  - the conclusion of the next Annual General Meeting (AGM) of the Company following this AGM at which such Mandate is passed, at which time it will lapse, unless by an ordinary resolution passed at the next AGM the Mandate is renewed; or
  - the expiration of the period within which the next AGM is required to be held pursuant to Section 340(2) of CA 2016, (but shall not extend to such extensions as may be allowed pursuant to Section 340(4) of CA 2016); or
  - the Mandate is revoked or varied by ordinary resolution passed by shareholders in a general meeting of the Company,

whichever is the earlier;

AND THAT the Directors of the Company and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the Mandate."  
*Refer to Explanatory Note 5*
- Allotment and Issuance of New Ordinary Shares in the Company (SDP Shares) in relation to the Dividend Reinvestment Plan that provides Shareholders of the Company with an Option to Elect to Reinvest their Cash Dividend in New SDP Shares (DRP)**

"THAT pursuant to the DRP approved by the Shareholders at the Extraordinary General Meeting held on 21 November 2018, approval be and is hereby given to the Company to allot and issue such number of new SDP Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting (AGM), upon such terms and conditions and to such persons as the Directors of the Company may, in their sole and absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said new SDP Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5) market days volume weighted average market price (VWAMP) of SDP Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of SDP Shares and that such authority to allot and issue SDP Shares shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to give full effect to the DRP, with full powers to assent to any conditions, modifications, variations and/or amendments (if any) including amendments, modifications, suspension and termination of the DRP as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities."  
*Refer to Explanatory Note 6*
- To transact any other business for which due notice shall have been given in accordance with the Companies Act, 2016 and the Constitution of the Company.

(RESOLUTION 9)

(RESOLUTION 10)

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend this Sixteenth Annual General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Rule 63 of the Constitution of the Company and Section 341(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 10 May 2019. Only a depositor whose name appears on the Record of Depositors as at 10 May 2019 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

### By Order of the Board

  
**Norzilah Megawati Abdul Rahman** (LS0009247)  
 Company Secretary  
 Selangor Darul Ehsan, Malaysia  
 24 April 2019

  
**Mazlina Mohd Zain** (LS0008287)  
 Company Secretary

### NOTES:

#### Proxy and/or Authorised Representative

- A member of the Company entitled to attend and vote at the Sixteenth Annual General Meeting (AGM) is entitled to appoint not more than two (2) proxies to exercise all or any of his/her rights to attend, participate, speak and vote at the Sixteenth AGM on his/her behalf. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy. A proxy may, but need not, be a member of the Company.
- A member of the Company may appoint any person to be his/her proxy without any restriction as to the qualification of such person.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the Sixteenth AGM of the Company shall be put to vote by way of a poll.
- Where a member of the Company is an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), he/she may appoint not more than two (2) proxies in respect of each Securities Account he/she holds with ordinary shares of the Company standing to the credit of the said Securities Account to attend and vote at a meeting of the Company instead of him/her.
- Where a member of the Company is an Exempt Authorised Nominee as defined under SICDA which holds ordinary shares in the Company for multiple beneficial owners in one (1) Securities Account (Omnibus Account), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds PROVIDED THAT each beneficial owner of ordinary shares, or where the ordinary shares are held on behalf of joint beneficial owners, such joint beneficial owners, shall only be entitled to instruct the Exempt Authorised Nominee to appoint not more than two (2) proxies to attend and vote at a general meeting of the Company instead of the beneficial owner or joint beneficial owners.
- The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or signed by an officer or attorney so authorised, or in any other manner authorised by the Constitution of the Company. Any alteration to the instrument appointing a proxy must be initialled.

- The appointment of proxy(ies) may be made in a hardcopy form or by electronic means as follows:

#### (i) In Hardcopy Form

The Form of Proxy or the Power of Attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the office of the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn Bhd, at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, no later than Wednesday, 22 May 2019 at 10.00 a.m.

#### (ii) By Tricor Online System (TIH Online)

The Proxy Form can be electronically lodged with the Share Registrar of the Company via TIH Online (applicable to individual shareholder only). The website to access TIH Online is <https://tiah.online> (Kindly refer to the Annexure to the Proxy Form - Electronic Lodgement of Proxy Form for General Meeting).

### Explanatory Notes

#### 1. Audited Financial Statements for the Financial Period Ended 31 December 2018

The Audited Financial Statements are laid in accordance with Section 340(1)(a) of Companies Act, 2016 (CA 2016) for discussion only. The Audited Financial Statements do not require shareholders' approval and as such, will not be put forward for voting.

#### 2. Directors' Remuneration - Fees and Benefits Payable to the Non-Executive Directors

Rule 81.1 of the Constitution of the Company provides that the fees and benefits payable to Directors shall be subject to annual shareholders' approval at a general meeting. Pursuant to Section 230 of CA 2016, fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The fees and benefits payable to Directors shall not be increased except pursuant to a resolution passed at a general meeting. There was no increase in the quantum of fees and benefits payable to Directors in the financial period ended 31 December 2018. In this respect, the Board agreed that shareholders' approval be sought on the Directors' remuneration in two (2) separate resolutions as follows:

#### (i) Resolution 1 - Payment of Directors' Remuneration to the Non-Executive Directors for the Financial Period Ended 31 December 2018

Please refer to page 162 of the Notes to the Financial Statements for the amount of Directors' Remuneration at the Sime Darby Plantation Berhad (SDP) and the Group levels, to be approved at the Sixteenth Annual General Meeting (AGM) comprising fees and benefits amounting to RM2.261 million. The remuneration of each Director is set out in the Corporate Governance Overview Statement on page 81 of the Company's 2018 Annual Report.

#### (ii) Resolution 2 - Payment of Directors' Benefits Payable to the Non-Executive Directors from 24 May 2019 until the next AGM of the Company to be held in 2020

The benefits payable to the Non-Executive Directors (NED) comprise allowances and other emoluments payable to the Chairman and members of the Board.

The Company is seeking shareholders' approval for benefits payable to the NEDs from 24 May 2019 until the next AGM to be held in 2020 in accordance with the benefits structure set out below, as and when incurred:

Description	Company	Amount
Meeting Allowance	Sime Darby Oils Zwijndrecht Refinery B.V. (formerly known as Sime Darby Unimills B.V.)	€800 per meeting
	Sime Darby Oils South Africa (Pty) Ltd (formerly known as Sime Darby Hudson & Knight (Pty) Ltd)	ZAR800 per meeting
	Sime Darby Oils Liverpool Refinery Limited (formerly known as New Britain Oils Limited)	£200 per meeting
	PT Minamas Gemilang/PT Anugerah Sumbermaktur	
Other Benefits	(i) Board of Commissioners (BOC)	RM1,000 per day
	(ii) BOC Committee	RM1,000 per day
Other Benefits	Company car, petrol and driver for Non-Executive Chairman	
	Telecommunication devices/facilities, medical and insurance coverage	

#### 3. Resolutions 3 to 7 - Re-election of Directors Pursuant to Rule 81.2 and Rule 103 of the Constitution

- Rule 81.2 of the Constitution stipulates that a Director appointed by the Board either to fill a casual vacancy or as an addition to the existing Board, shall hold office until the conclusion of the next AGM of the Company and shall be eligible for re-election at such meeting.

Dato' Henry Sackville Barlow who was appointed during the financial year ending 31 December 2019, being eligible, has offered himself for re-election at the Sixteenth AGM pursuant to Rule 81.2 of the Constitution of the Company.

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

Tan Sri Datuk Dr Yusof Basiran, Datuk Zaiton Mohd Hassan, Dato' Mohd Nizam Zainordin and Dato' Mohamad Nasir Ab Latif being eligible, have offered themselves for re-election at the Sixteenth AGM pursuant to Rule 104 of the Constitution.

The Board recommends the re-election of the above Directors standing for re-election. Justifications on the appointment of Dato' Henry Sackville Barlow pursuant to Rule 81.2 of the Constitution and the key contributions of the Directors seeking re-election pursuant to Rule 103 of the Constitution are set out in the Nomination & Remuneration Committee (NRC) Report on pages 92 to 94 of the Company's 2018 Annual Report. All Directors standing for re-election have abstained from deliberation and decision on their own eligibility to stand for re-election at the relevant NRC and Board meetings and will continue to abstain from deliberations and decisions on their own eligibility to stand for re-election at this AGM.

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

The Governance & Audit Committee (GAC), at its meeting held on 23 May 2018, approved the adoption of an assessment methodology to appraise the performance, suitability, objectivity and independence of the external auditors, PricewaterhouseCoopers PLT (PwC). The GAC, at its meeting held on 2 April 2019, undertook an annual assessment of the suitability and independence of the external auditors, PwC, in accordance with the policy on External Auditor Appointment & Selection. The GAC considered the following factors in its assessment:

- Governance and independency;
- Communication of audit planning/audit strategy, and communication of audit findings/audit finalisation and completion with the GAC; and
- Quality of services and resources of the firm, processes and the audit team, and fees.

The GAC was satisfied with the suitability of PwC based on the quality of audit, performance, competency and sufficiency of resources provided by PwC to the SDP Group as prescribed under Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The GAC was also satisfied in its review that the provision of non-audit services by PwC to the Group and the Company for the financial period ended 31 December 2018 did not in any way impair their objectivity and independence as the external auditors of the Company.

The Board had, at its meeting held on 5 April 2019, approved the GAC's recommendation that shareholders' approval be sought at the Sixteenth AGM on the appointment of PwC as the external auditors of the Company for the financial year ending 31 December 2019, as set out under Resolution 8. The present external auditors, PwC, have indicated their willingness to continue their services for the financial year ending 31 December 2019.

### Explanatory Notes on Special Business

#### 5. Resolution 9 - Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolution 9, if passed, will enable the Company and/or its subsidiary companies to enter into recurrent transactions involving the interests of the Related Parties, which are of a revenue or trading nature and necessary for the Group's day-to-day operations, subject to the transactions being carried out in the ordinary course of business on terms not more favourable than those generally available to the public and are not detrimental to the minority shareholders of the Company.

Detailed information on the Proposed Renewal of Shareholders' Mandate is set out in Section 2.3 of the Circular to Shareholders dated 24 April 2019 published on the Company's website together with the Notice of Annual General Meeting and the 2018 Annual Report of the Company.

#### 6. Resolution 10 - Allotment and Issuance of New Ordinary Shares in the Company (SDP Shares) in relation to the Dividend Reinvestment Plan that provides Shareholders of the Company with an Option to Elect to Reinvest their Cash Dividend in New SDP Shares (DRP)

The proposed Resolution 10, if passed, will give authority to the Directors of the Company to allot and issue new SDP Shares pursuant to the DRP, and such authority shall expire at the conclusion of the next AGM of the Company.

### STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

The profile of the Directors who are standing for re-election as enumerated in Resolutions 3 to 7 above at the Sixteenth AGM of Sime Darby Plantation Berhad are set out in the "Our Board of Directors" section on pages 64 to 69 of the Company's 2018 Annual Report.

The details of any interest in securities held by the said Directors are set out in the "Directors' Report" section on page 114 of the Company's 2018 Annual Report.