

CORPORATE GOVERNANCE REPORT

STOCK CODE : 4197
COMPANY NAME : Sime Darby Berhad
FINANCIAL YEAR : June 30, 2025

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.

Application	:	Applied
Explanation on application of the practice	:	The Board of Directors ("Board") of Sime Darby Berhad ("Sime") is entrusted with the responsibility of safeguarding the interest of the shareholders and stakeholders while steering Sime Group to achieve long term profitability and sustainability. In fulfilling this role, the Board is committed to upholding the highest standards of corporate governance across the Group ensuring robust accountability and enabling Management to execute its duties effectively. The Board in discharging its fiduciary responsibilities to oversee the overall management of Sime Group has undertaken the following: Reviewing and adopting a strategic plan for the Group; The Board plays a key and active role in shaping the Group's strategic direction. It brings objectivity, commercial experience and sound judgment to ensure that the strategic plan for the Group supports long-term value creation. The plan also considers economic, environmental, safety & health, social and governance initiatives underpinning sustainability. The Board reviews, guides, provides input and monitors the execution of the Group's strategic plan which includes addressing the Group's business strategies on growth, operations, cost management, sustainability and setting of financial goals. The Board oversees the Group's sustainability efforts, which encompass environmental sustainability, sustainable partnerships, employee engagement and technology & innovation. The active role and commitment undertaken by the Board in the development of Company's strategies and execution of the business plan is detailed as follows: (a) Before the start of the new financial year, a strategy retreat with Senior Management and Board members is scheduled to

	deliberate on the Group's 5-Year Strategy Blueprint and Budget as well as priorities for implementation in the forthcoming year. This year, the Strategy Retreat was conducted physically and fostered robust and strategic discussions between the Board and Management, which was important as Management updated on the progress of the Group's Next 5 Year Strategy Blueprint which was approved in 2023. (b) The Strategy Retreat is a challenge session attended by Management and the Board to: • provide input and guidance on the strategies to be developed, in light of the current and future operating landscape; • test Management's assumptions and forecasts; • advise on potential challenges as well as develop strategies to overcome such challenges; • consider the economic and market forecasts for the coming years along with the proposed risk appetite to ensure that the strategies are robust and within acceptable boundaries; • evaluate the proposed capital and operational expenditures, and human resource requirements of each division and ensure that Management would have sufficient resources to execute their respective strategies. (c) During the financial year under review, key subject matter experts (economists, management consultants, investment bankers, research analysts, venture capitalists) were invited to provide their views on market conditions, key trends and future disruptions that will impact our core businesses. (d) Management will take in the comments, suggestions and guidance from the Board and incorporate them into the final Group Strategy Blueprint and Budget. (e) Thereafter, in the beginning of the new financial year, the Board will review and approve the Group's Strategy Blueprint and Budget for annual implementation. (f) Once the Group Strategy and Budget have been approved for execution by Management, the financial performance and progress of strategies employed by each Division are then monitored and supervised throughout the year by the Board. Overseeing the conduct and managing performance of the Group's businesses; The Board oversees the conduct of the Group's businesses, including the execution of strategic plans, achievement of performance objectives against approved budgets and targets, governance framework, risk management practices and human capital management.
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	The Board also supervises and evaluates the performance of Management against appropriate measures. It also evaluates and ensures that the Group's businesses are being managed according to "best-in-class" standards as benchmarked against leading multinational companies. Compliance is monitored with established policies and procedures. The Board's responsibilities also include reviewing, evaluating and approving investment and capital expenditure proposals by Management and monitoring the implementation of the strategic plan by Management. The Board will deliberate on all proposals presented and recommended by Management, including those proposed by its Board Committees to ensure they are commercially viable and allow us to achieve our strategic objectives and meet the requisite target returns. The Board has also approved a Capital Allocation Framework that guides investment decisions in terms of business areas, geographical focus and target returns. Promoting corporate governance culture within the Group; The Board continues to promote good corporate governance culture. Employees and partners are guided by policies and procedures that ensure compliance with applicable laws and regulations, including the Anti-Trust/Competition Laws and Anti-Bribery and Corruption Policies, Anti-Money Laundering and Anti-Terrorism Financing laws. Further, the Sime Code of Business Conduct ("COBC") sets out the standards of behaviour expected of all directors and employees of the Group, and where applicable, counterparts and business partners. Following the acquisition of UMW Holdings Berhad ("UMW") in March 2024, the Risk Management and Sustainability Committee ("RMSC") oversaw the establishment of a compliance function in UMW, now managed by UMW's Risk and Integrity department. Identifying principal risks that applies to the Group and ensuring adequate process to address the risk; The Board, supported by RMSC, is responsible and accountable for Group's system of risk management and internal control. The RMSC assists the Board in fulfilling its key responsibilities, including identifying principal risks, analyzing emerging trends, and deliberating on strategic action plans to mitigate the impact of these risks. Additionally, the Committee monitors the effectiveness of the Group's sustainability strategy. The Chairman of the RMSC shall report and update the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board.
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	In discharging its responsibilities, the RMSC is assisted functionally by both Group Risk & Compliance, Group Safety, and Group Sustainability departments. The Board is also supported by the Investment Committee (“IC”) which has the objective of reviewing major business proposals including mergers and acquisitions, new partnerships, disposals, capital expenditure and to monitor the implementation of the Group’s approved strategic blueprints and ensure that they remain robust and relevant. The IC engages in ongoing discussions on key strategic risks and opportunities impacting the Group to ensure responsiveness to evolving operating environment. The Chairman of the IC shall report and update the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board. Ensure effective, transparent and regular communication with its stakeholders to facilitate understanding of the Company’s objectives and strategies; The Company has a sound Investor Relations programme which reaches out to the investing community and other stakeholders through continuous engagement via one-on-one meetings, quarterly analyst briefings and regional investor roadshows and conferences to explain our business performance, strategies and plans. We also have a comprehensive, informative website for our shareholders with regularly updated information. Ensure that Senior Management has the necessary skills and experience and there are measures in place to provide the orderly succession of board and Senior Management; and The Nomination & Remuneration Committee (“NRC”) is established to support the Board in overseeing succession planning for Directors and Senior Management, reviewing the required mix of skills and experience as well as undertaking the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director. The Chairman of the NRC shall report and update the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board. The NRC also reviews and recommends to the Board appropriate remuneration frameworks to attract and retain talents. Reviewing the adequacy and the integrity of the management information and internal control systems of the Group The Governance & Audit Committee (“GAC”) supports the Board in overseeing the Group’s financial reporting, internal controls, and audit functions. It reviews quarterly financial reports for recommendation to the Board before they are released to Bursa Malaysia Securities Berhad
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	to ensure integrity and transparency of disclosure. The Board affirms that the financial statements give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year. The Chairman of the GAC shall report and update the Board on significant issues and concerns discussed and where appropriate, make the necessary recommendations to the Board.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board has appointed a Chairman who is responsible for promoting high standards of corporate governance, providing leadership to the Board, and ensuring its effectiveness. Tan Sri Samsudin Osman, a Non-Executive Director is the current Chairman of the Board. He has assumed this role since 16 July 2020. His profile can be found on page 92 of the Annual Report. The Chairman sets the tone from the top, facilitates constructive discussions, and ensures that all Directors contribute effectively to Board deliberations. The roles and responsibilities of the Chairman are clearly outlined in Paragraph 5.2 of the Board Charter, and include the following: (a) Managing Board meetings to ensure robust decision-making by: (i) Setting the agenda for each Board meeting together with the Group Secretary and the Group Chief Executive Officer. Other Directors and key members of Management may also be consulted to ensure comprehensive coverage; (ii) Ensuring the timely provision of accurate, complete, and clear information to the Directors; (iii) Leading Board meetings and discussions; (iv) Managing Boardroom dynamics by promoting a culture of openness and debate; encouraging active participation and allowing dissenting views to be freely expressed; and (v) Ensuring all Directors are properly briefed on issues arising at Board meetings promptly. (b) Building a high-performance Board by: (i) Providing effective leadership to the Board to enable the Board to perform its responsibilities effectively; (ii) Taking a proactive role in establishing and maintaining an effective corporate governance system and practices. This encompasses the development and oversight of the Board

	Charter and the Terms of Reference of the Board Committees. Additionally, ensuring that comprehensive induction and ongoing education programmes for Directors are in place to enhance their skills and knowledge. (iii) Arranging the regular evaluation of the performance of the Board, its Committees and individual Directors. Following these assessments, engaging in discussions with individual Directors and Committee Chairpersons to provide feedback; and (iv) Ensuring the implementation of appropriate actions to facilitate effective communication with stakeholders and the conveyance of their views to the Board. The Board Charter is available on Sime's website at https://www.sime.com/sustainability/governance/.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The roles of Chairman and the Group Chief Executive Officer ("GCEO") are held by separate individuals to ensure a clear division of responsibilities. This deliberate separation enhances accountability and foster robust, well-informed decision-making in Sime. • Tan Sri Samsudin Osman has served as Chairman of Sime since 16 July 2020. In his capacity, he plays a pivotal role in shaping the Group's key policies and direction, overseeing the Board's operation, and representing the Board as its spokesperson. His leadership is widely regarded as effective and is valued by both Board members and Management team. • Dato' Jeffri Salim Davidson was appointed the GCEO of Sime on 21 November 2017. As the sole Executive Director on the Board, he holds primary responsibility for implementing the Group's strategies in alignment with the Board's directives. His role includes overseeing the Group's operations, steering its businesses, and actively driving performance towards achieving the Group's vision and objectives. The key roles of the GCEO include displaying ethical conduct while overseeing the day-to-day business operations, ensuring Board's decision are executed in alignment with the Group's health, safety and sustainability considerations, and providing strong leadership by effectively communicating the Group's vision, management philosophy and business strategy. The roles of Chairman and the GCEO are clearly defined in the Board Charter, which is available on Sime's website at https://www.sime.com/sustainability/governance/.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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>		
Application	:	Applied
Explanation on application of the practice	:	Tan Sri Samsudin Osman, the Chairman of the Board, is not a member of the Governance & Audit Committee and Nomination & Remuneration Committee or any other Board Committees of Sime Board, namely the Risk Management & Sustainability Committee and the Investment Committee. He does not attend nor participate in any meetings of these Committees, whether by invitation or in any other capacity. This strict separation ensures the independence of these Committees and reinforces the integrity of their oversight functions.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board is supported by a qualified and competent Group Secretary, Junaidah Abdul Rahim, appointed on 3 March 2025. She holds a Bachelor of Laws (Hons) from Bond University, Australia, and is admitted as an Advocate & Solicitor to the High Court of Malaya and a Solicitor to the Supreme Court of New South Wales, Australia, with over 26 years of experience in the corporate and financial sectors. She is a member of the Malaysian Association of Company Secretaries, and is qualified to act as company secretary under Section 235(2) of the Companies Act ("CA") 2016 and is registered pursuant to Section 241 of the CA 2016. Her key responsibilities include the following: • Board logistics: Manages meeting arrangements record attendance and minutes, and ensures timely follow-up on action items. • Governance advisory: Provides guidance on the Company's Constitution, Board policies, regulatory compliance, and corporate governance best practices. • Stakeholder engagement: Acts as liaison between regulators, the Board, and Senior Management on governance matters. • Directors' induction: Coordinates onboarding programmes for new Directors with relevant Management teams. • Professional development: Actively engages in continuous learning to stay abreast of governance trends and regulatory changes. The roles and responsibilities of the Group Secretary are specified in Paragraph 13 of the Board Charter, which is available on Sime's website at https://www.sime.com/operating-responsibly/governance.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	To support Directors in effective time management and decision-making, an annual meeting calendar is prepared and circulated in advance of each financial year. This calendar outlines scheduled dates for Board and Board Committee meetings and the Annual General Meeting. Notifications on closed periods for dealings in securities by Directors and Senior Management are issued to Directors and Senior Management one month prior to the targeted dates of quarterly results announcements. The Group has implemented standardised guidelines and formats for Board papers across all business units to ensure consistency, clarity, and completeness. Following the outcome of the Board Effectiveness Assessment 2025, an improvement area identified was the need to enhance the presentation of Board papers to ensure greater conciseness and focus on key issues. This has been prioritised by Management and will be addressed as an actionable item to improve the quality of Board deliberations. Sime utilises Diligent Boards, an electronic meeting management system, to distribute meeting materials efficiently. Each Director is equipped with a tablet/electronic device, enabling secure and timely access to notices, agendas, and materials anytime and anywhere. The system also allows retrieval of archived documents and past records. Notices and agendas for Board and Board Committee meetings are circulated via email at least seven days prior to the meeting. Upon receipt of materials from Management, the Group Secretary ensures prompt uploading to the Diligent Boards platform. Deliberations and decisions are minuted clearly, accurately, and circulated in a timely manner. The minutes record key discussions, decisions, dissenting views, and instances of abstention or recusal. Where relevant, declarations of conflict of interest made by Directors and their recusal from decision making process are also formally recorded in the minutes. The Group Secretary communicates Board and Board Committee decisions and recommendations to relevant members of Management through draft minutes and follows up on action items. Updates are

	tracked and presented in the “Matters Arising” paper at subsequent meetings.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board has adopted a Board Charter that is reviewed periodically and published on Sime's website. The Board Charter outlines the roles and responsibilities of the Board, Board Committees and individual Directors as well as matters reserved for the Board's decision. Key provisions of the Board Charter include:- (a) Roles and responsibilities of the Board collectively and individually including: (i) Identification and management of principal risks of the Group's businesses (ii) Oversight of the Group's sustainability risks and opportunities (iii) Oversight of the Group's business conduct and programme (iv) Succession planning and talent management. (b) Matters reserved for the Board's decisions such as: (i) Approval of Group's strategic plans and budgets (ii) Approval of changes to key policies and delegated authority limits. The last review of the Board Charter was conducted on 24 February 2025, and the updated Charter is available on Sime's corporate website at https://www.sime.com/sustainability/governance/.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	Sime's commitment to foster a culture of integrity and ethical conduct is anchored in the Group's Code of Business Conduct ("COBC") first launched in June 2011 and subsequently reviewed and approved by the Board in February 2018. In August 2023, the Group introduced a refreshed set of core values which sets out the expected behaviours for Directors and employees of the Group. These values have been reflected in the COBC as well. The COBC provides guidance on the standards of behaviour expected of all Directors and employees of the Group, and where applicable, counterparties and business partners. A copy of the COBC is available on the Group's corporate website at www.sime.com/wp-content/uploads/2025/04/Sime_COBC.pdf The key chapters of COBC include: (a) Responsibility and Compliance with the COBC; (b) Working with One Another; (c) Conflicts of Interest; (d) Gifts, Entertainment & Travel; (e) Bribery and Corruption; (f) Donation and Sponsorship; (g) Protecting the Group and Shareholders; (h) Dealing with Counterparties and Business Partners; (i) Dealing with Government Authorities and Political Parties; and (j) Raising a Concern or Reporting a Violation. To complement the COBC, Sime has established additional policies, namely:- (a) The Anti-Bribery and Anti-Corruption ("ABC") Policy and Anti-Money Laundering and Anti-Terrorism Financing Policy ("AML") in May 2018 articulating Sime zero tolerance stance on bribery, corruption, money laundering and terrorism financing.

	(b) The Conflict of Interest ("COI") Guideline, established in February 2024, providing a well-defined framework for identifying, managing, and mitigating actual, potential, or perceived conflicts of interest. It outlines a structured approach to ensure business decisions remain objective and impartial, while protecting the Group's reputation and credibility. (c) The Vendor COBC established in February 2018, describes the vendor's expected standards of behaviour when engaging with the Sime Group. The Vendor COBC outlines the following key areas: (a) Labour & Human Rights; (b) Environment, Safety & Health; and (c) Ethics & Management Practice Vendors are required to sign a Vendor Letter of Declaration affirming their compliance to the Vendor COBC and relevant anti bribery and corruption laws. Since the launch of COBC, Group Risk & Compliance conducts regular awareness programme and trainings through e-learning modules and face-to-face training sessions to educate the employees on the compliance obligations, the consequence of non-compliance, and updates to relevant policies. Feedback mechanisms are in place where input are regularly sought from various stakeholders, including Senior Management and the Board to evaluate the effectiveness of the compliance programmes.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	Sime expects the highest standards of integrity from all our Directors, employees, counterparties and business partners (collectively, “the Parties”). Sime takes a serious view on any wrongdoings particularly those that compromise the interests of Sime Group. Sime has established its Whistleblowing (“WB”) Policy and channels in 2010 to enable the Parties, including members of the public, to report, without fear of retaliation, any observed or experienced wrongdoings. In 2023, the WB Policy was enhanced in line with ISO 37002 best practices, and renamed as the Whistleblowing Charter & Framework (“WCF”). The WCF allows Parties to report a wide range of wrongdoings, including, but not limited to the following: • Fraud • Misappropriation of assets • Conflict of Interest • Sexual harassment • Criminal breach of trust • Illicit and corrupt practices • Questionable or improper accounting • Misuse of confidential information • Acts or omissions which are deemed to be against the interest of the Company, law, regulations or public policies • Giving false or misleading information (including suppression of any material facts or information) • Breaches of Group Policies and Code of Business Conduct (COBC); or • the deliberate concealment of any of the above matter or other acts of wrongdoing. Sime expects all whistleblowers to act in good faith and have reasonable grounds when reporting a WB complaint.

	Retaliation against whistleblowers acting in good faith is strictly prohibited and may result in appropriate disciplinary or legal action, where applicable. Reporting may be done through the following Sime WB channels:- • Email :whistleblowing@sime.com • Email to the Senior Independent Director: senior.director@sime.com • Whistleblowing e-Form which is available on the Sime website (www.sime.com); • Write to Whistleblowing Unit: Sime Darby Berhad P.O. Box 03187 47500 Subang Jaya, Selangor Malaysia. • Contact Whistleblowing Unit: ○ Malaysia (Toll-free) : 1 800 18 5008 ○ Other Countries : (6019) 2688 295 Group Risk & Compliance is entrusted by the Board to administer the end-to-end process of a WB complaint in collaboration with Group Human Resources and Group Corporate Assurance, where applicable. All complaints including the identities of the whistleblowers, are handled with highest level of confidentiality at all times. Regular updates on WB cases are provided to the Senior Independent Director and the Board, ensuring transparency and accountability in the handling of such WB cases. In compliance with the Governance, Integrity and Anti-Corruption Commission's directive, Sime also reports whistleblowing statistics and case management of WB to the Agency Integrity Management of Malaysian Anti-Corruption Commission on a half yearly basis.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board of Sime is responsible to oversee the Sustainability Risk and Opportunities of the Group. This responsibility is formally embedded in the Board Charter which outlines the Board's role in setting the Group's sustainability strategies, priorities and targets. The refreshed Sustainability Blueprint for Sime Group was tabled and approved by the Board of Sime on 27 August 2025 with new broader thematic targets aligned with 2030 horizon. In FY2024, the Board of Sime approved a Net Zero Statement that was issued in FY2025, committing the Group to achieve net zero carbon emissions across its portfolio, including supply chains by 2050. As part of the Group's 5-year Strategy launched in FY2024, a 30% reduction in emissions by 2030 was reinforced as a financial target underscoring the integration of sustainability into core business objectives. To ensure relevance, the Group undertook a material assessment process in FY2025 to re-evaluate its Material Sustainability Matters. This process involved a review by the Group Management Committee, followed by recommendation from the Risk Management & Sustainability Committee for Board approval. To further enhance integration, all Group Policies and Authorities were reviewed and updated in February 2025 to ensure sustainability considerations are embedded across all activities.
Explanation for departure	:	

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

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.

Application	:	Applied
Explanation on application of the practice	:	The Annual Report 2025 includes both the Material Matters and the Sustainability Blueprint, outlining the strategy, the priorities and three overarching medium-term targets. These targets are structured around the themes of People, Planet, and Profit, and are supported by sustainability metrics relating to Energy Management, Labour Practices, Health & Safety, Diversity, Community & Society, Anti-Corruption, Supply Chain Management and Data Privacy & Security. A biennial Materiality Assessment was conducted in FY2025. This exercise refined the listing, scope and definitions of our material matters reducing the number from 17 to 15. Materiality Assessments have been conducted biennially since 2019, with reviews occurring in the intermittent years. This ensures our material matters remain current, reflect our priorities and internal perspectives, aligned with our operations and market changes, and are reviewed by Group Management Committee before recommendation by the Risk Management & Sustainability Committee for Board approval. Sustainability performance is disclosed in the Annual Report 2025 and is publicly accessible at https://www.sime.com/investor-relations/annual-reports/. In FY2025, an independent internal review was undertaken, covering all common Material Matters required under Bursa Malaysia's reporting framework.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The refreshed Sustainability Blueprint for Sime Group was tabled and approved by the Board of Sime on 27 August 2025 with new broader thematic targets and aligned with 2030 horizon. These targets reflect the Group's evolving priorities under the People, Planet, and Profit framework. The Risk Management & Sustainability Committee ("RMSC") plays an important role in overseeing the implementation of the Group's sustainability strategy. The RMSC receives quarterly updates from Group Sustainability. The Chairman of the RMSC reports to and updates the Board on any significant issues and concerns discussed and where appropriate, makes the necessary recommendations to the Board. In discharging its responsibilities, the RMSC is assisted functionally by the Group Sustainability department. In FY2025, the Group advanced its climate-related commitments with the issuance of the Sime Group Net Zero Statement, which was approved in FY2024. Work is actively underway to complete a Climate Scenario Analysis based on identified risks and opportunities across the Group's operations. The RMSC is kept updated on the progress of the emissions reduction strategy at its quarterly meetings including ongoing initiatives and high level opportunities for further decarbonisation.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	Performance evaluations of the Board and Senior Management incorporate a review of their effectiveness in addressing the Group's material sustainability risks and opportunities. The Board Effectiveness Assessment 2025 ("BEA") facilitated by the Institute of Corporate Directors of Malaysia (ICDM) included targeted questions to assess how well the Board and individual Directors understand and oversee sustainability matters. Based on the BEA outcome, several areas for improvement were identified: (i) Enhance sustainability-related awareness across all levels within the Group; (ii) Revisit and refresh, where necessary, the Group's sustainability strategies, priorities, and targets; and (iii) Regularly review and update sustainability-related targets and Key Performance Indicators ("KPIs") to enable effective tracking and accountability. The Board is responsible for monitoring the development of the Group's sustainability strategies and priorities, including the setting of associated goals and metrics, and the identification and integration of non-financial KPIs. Sustainability-related KPIs have been embedded in the scorecards of the Group Chief Executive Officer, Group Chief Corporate Services Officer, and Divisional Managing Directors. These KPIs reflect the execution of sustainability initiatives, including progress against targets set out in the Group's Sustainability Blueprint. These evaluations are conducted annually and are used to inform succession planning, training needs, and strategic alignment. The Nomination & Remuneration Committee reviews the BEA outcomes and makes recommendations to the Board for continuous improvement, while the Risk Management & Sustainability Committee reviews the Group's sustainability strategies and priorities and provides recommendations to the Board.
Explanation for departure	:	

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

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.

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.

Application	:	Adopted
Explanation on adoption of the practice	:	The Group Chief Corporate Services Officer (“GCCSO”) was appointed on 1 October 2024 to lead the sustainability function for the Sime Group. The GCCSO is supported by the Group Sustainability team. In FY2025, the refreshed Sustainability Blueprint for Sime Group was tabled and approved by the Board of Sime on 27 August 2025 introducing new broader thematic targets and aligned with 2030 horizon. Sustainability briefing sessions to the Group Management Committee and Risk Management & Sustainability Committee continued throughout FY2025. This included the review of Material Matters in alignment with Bursa Malaysia Main Market Listing Requirements common material matters. The GCCSO’s role includes:- (a) leading the execution of the Sustainability Blueprint, including evaluating and analysing progress; (b) ensuring alignment of sustainability disclosures with regulatory expectations; and (c) facilitating assurance processes for sustainability metrics and targets.

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.

Application	:	Applied
Explanation on application of the practice	:	The Board, through the Nomination & Remuneration Committee ("NRC"), has established a formal and transparent procedure for the appointment and re-appointment of Directors. All potential nominees are initially assessed by the NRC, taking into account the required mix of skills, knowledge, experience, and other qualities before a recommendation is made to the Board. The NRC is empowered to undertake screening, initial selection, and evaluation of candidates prior to making its recommendation. During the year, Puan Hanizan Hood was appointed as a Non-Independent Non-Executive Director on 1 July 2025, replacing Encik Mohamed Idros Mosin, who resigned on the same date. Pursuant to Rule 82.2 of Sime's Constitution, Puan Hanizan will retire at the forthcoming 19th Annual General Meeting ("AGM") and, being eligible, has consented to stand for a re-election. As Puan Hanizan Hood was appointed after the commencement of the Board Effectiveness Assessment 2025 ("BEA"), she was not included in the assessment cycle. Her nomination and suitability were evaluated by the NRC based on her professional background, leadership experience, and alignment with strategic needs. In accordance with Rule 103 of the Constitution, one-third of the Directors shall retire from office at each AGM. Rule 104 of the Constitution further provides that all Directors shall retire at least once every three years, with eligibility for re-election. Based on the retirement schedule, the following Directors are due to retire at the 19th AGM: • Mr Thayaparan Sangarapillai • Dato' Dr. Nirmala Menon • Tan Sri Muhammad Shahrul Ikram Yaakob • Dato' Jeffri Salim Davidson The Board has approved the proposed re-election of the above Directors at the 19th AGM, as recommended by the NRC.

	To determine the eligibility of Directors for re-election, the NRC conducted a comprehensive assessment of their performance, contribution, and independence, based on the following criteria: • Performance and contributions as reflected in the BEA results; • Level and quality of participation in Board deliberations; • Degree of independence demonstrated by Independent Directors; • Character, integrity, experience, competence, and overall fitness and propriety; • Commitment and ability to devote sufficient time to discharge their responsibilities effectively. The NRC and the Board are satisfied that the retiring Directors have met the performance criteria expected of an effective and high-performing Board. The NRC also reviews the tenure of each Director to ensure that Board composition remains aligned with the Company’s strategic direction and governance needs. The table below outlines the tenure of each Director as of 30 September 2025: <table><tr><th>No.</th><th>Name</th><th>Years of Service</th></tr><tr><td>1.</td><td>Tan Sri Samsudin Osman</td><td>16 years and 9 months</td></tr><tr><td>2.</td><td>Thayaparan Sangarapillai</td><td>7 years and 10 months</td></tr><tr><td>3.</td><td>Tan Sri Ahmad Badri Mohd Zahir</td><td>5 years and 1 month</td></tr><tr><td>4.</td><td>Dato’ Dr Nirmala Menon</td><td>5 years and 10 months</td></tr><tr><td>5.</td><td>Dato’ Lee Cheow Hock Lawrence</td><td>7 years and 7 months</td></tr><tr><td>6.</td><td>Moy Pui Yee</td><td>7 years and 3 months</td></tr><tr><td>7.</td><td>Tan Sri Muhammad Shahrul Ikram Yaakob</td><td>3 years and 4 months</td></tr><tr><td>8.</td><td>Scott William Cameron</td><td>2 years and 9 months</td></tr><tr><td>9.</td><td>Tengku Dato’ Sri Azmil Zahrudin Raja Abdul Aziz</td><td>2 years and 2 months</td></tr><tr><td>10.</td><td>Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir</td><td>1 year and 6 months</td></tr><tr><td>11.</td><td>Hanizan Hood</td><td>3 months</td></tr><tr><td>12.</td><td>Dato’ Jeffri Salim Davidson</td><td>7 years and 10 months</td></tr></table>	No.	Name	Years of Service	1.	Tan Sri Samsudin Osman	16 years and 9 months	2.	Thayaparan Sangarapillai	7 years and 10 months	3.	Tan Sri Ahmad Badri Mohd Zahir	5 years and 1 month	4.	Dato’ Dr Nirmala Menon	5 years and 10 months	5.	Dato’ Lee Cheow Hock Lawrence	7 years and 7 months	6.	Moy Pui Yee	7 years and 3 months	7.	Tan Sri Muhammad Shahrul Ikram Yaakob	3 years and 4 months	8.	Scott William Cameron	2 years and 9 months	9.	Tengku Dato’ Sri Azmil Zahrudin Raja Abdul Aziz	2 years and 2 months	10.	Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir	1 year and 6 months	11.	Hanizan Hood	3 months	12.	Dato’ Jeffri Salim Davidson	7 years and 10 months
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Explanation for departure :																																								
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>																																								
Measure :																																								
Timeframe :																																								

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.

Application	:	Applied
Explanation on application of the practice	:	As at 30 September 2025, the Board comprises 12 Directors, with a majority being Independent Non-Executive Directors in line with Practice 5.2 of MCG 2021 and Paragraph 15.02 of Bursa Malaysia's Main Market Listing Requirements. The composition is as follows:- (a) Seven (7) Independent Non-Executive Directors ("INEDs") (b) Four (4) Non-Independent Non-Executive Directors ("NINEDs") (c) One (1) Executive Director ("ED"). This composition ensures that Independent Directors form more than half of the Board, thereby supporting objective and independent oversight of Management and Board deliberations. The Board believes that the current structure provides a balanced mix of independence, experience, and industry knowledge to effectively discharge its fiduciary duties.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

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

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>									
Application	: Adopted								
Explanation on adoption of the practice	: The Board has adopted a policy limiting the tenure of Independent Non-Executive Director ("INED") to nine (9) years, as set out in the Board Charter. This policy promotes Board independence and renewal. As at 30 September 2025, none of the INEDs have exceeded the nine (9) years threshold. This reflects the Board's commitment to maintaining objectivity, independence, and effective governance. The tenure of the INEDs are as follows: <table><tr><th>Years of Service</th><th>Number of INEDs</th></tr><tr><td>Less than 3 years</td><td>3</td></tr><tr><td>3 years to 6 years</td><td>2</td></tr><tr><td>6 years to 9 years</td><td>2</td></tr></table> The Nomination & Remuneration Committee continues to monitor and review tenure of each INED to ensure that the Board remains aligned with the Company's strategic direction and supports succession planning and Board refreshment, where appropriate. The Board Charter is available on Sime's website at https://www.sime.com/operating-responsibly/governance.	Years of Service	Number of INEDs	Less than 3 years	3	3 years to 6 years	2	6 years to 9 years	2
Years of Service	Number of INEDs								
Less than 3 years	3								
3 years to 6 years	2								
6 years to 9 years	2								

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.

Application	:	Applied																
Explanation on application of the practice	:	The Board, through the Nomination & Remuneration Committee (“NRC”), places strong emphasis on diversity in its composition and in Senior Management appointments. Diversity is considered across multiple dimensions including skills, experience, age, cultural background, and gender, with the aim of fostering balanced perspectives and innovative insights. While the ultimate responsibility for appointing new Directors rests with the Board, the NRC plays a pivotal role in screening and conducting the initial selection process. All nominees are assessed based on their ability to contribute effectively to the Board, fulfil their fiduciary duties, and devote sufficient time to discharge their responsibilities. In evaluating candidates, the NRC considers the number and nature of directorships held, including those on non-listed entities, to ensure that each Director can serve the Board effectively without compromising governance standards. During the year, Puan Hanizan Hood was appointed as a Non-Independent Non-Executive Director (NINED), replacing Encik Mohamad Idros Mosin. As at 30 September 2025, the diversity profile of the Board is as follows: Board Diversity <table><tr><th>Race/Ethnicity</th><th>Malay</th><th>Chinese</th><th>Indian</th><th>Others</th></tr><tr><td>Number of Directors</td><td>7</td><td>1</td><td>2</td><td>2</td></tr></table> <table><tr><th>Nationality</th><th>Malaysian</th><th>Foreigner</th></tr><tr><td>Number of Directors</td><td>10</td><td>2</td></tr></table>	Race/Ethnicity	Malay	Chinese	Indian	Others	Number of Directors	7	1	2	2	Nationality	Malaysian	Foreigner	Number of Directors	10	2
Race/Ethnicity	Malay	Chinese	Indian	Others														
Number of Directors	7	1	2	2														
Nationality	Malaysian	Foreigner																
Number of Directors	10	2																

Age Group	40–49	50–59	60–69	70–79
Number of Directors	0	3	6	3

Gender	Male	Female
Number of Directors	8	4

The NRC also oversees appointments to Senior Management, particularly for key leadership roles. Appointments are made based on merit, with consideration given to the individual's qualifications, experience, and ability to support the Group's strategic objectives.

As at 30 September 2025, the diversity profile of Senior Management (other than the GCEO who is the Executive Director as he has been accounted for in the profile of the Board above) is as follows:

Senior Management Diversity

Race/Ethnicity	Malay	Chinese	Indian	Others
Number of Executives	4	0	0	6

Nationality	Malaysian	Foreigner
Number of Executives	5	5

Age Group	40–49	50–59	60–69
Number of Executives	2	6	2

Gender	Male	Female
Number of Executives	7	3

The NRC continues to review the composition of the Board and Senior Management to ensure alignment with the Group's evolving strategic direction and governance priorities. The Board remains committed to enhancing diversity and inclusion as a key pillar of its leadership framework.

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

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.

Application	:	Applied
Explanation on application of the practice	:	The Board delegates to the Nomination & Remuneration Committee ("NRC") the responsibility of establishing a formal and transparent procedure for the nomination and appointment of new Directors. This includes screening, conducting initial selection, performing evaluations and assessing the candidate's ability to effectively discharge their duties before making recommendations to the Board for approval. The NRC ensures candidates possess the requisite skills, core competencies, experience and integrity needed to fulfil their roles effectively. The assessment process is guided by the following established policies:- (i) Director Appointment and Re-appointment Process; (ii) Fit and Proper Policy; and (iii) Board Composition Policy. The NRC is authorised to engage professional recruitment firms or seek independent professional advice when necessary to identify suitable candidates. While these candidates are often identified through recommendations by existing Directors, the GCEO or major shareholders, the NRC may also utilise independent sources such as recruitment agencies, industry networks, and principal/partner referrals. This approach allows the appointment process to remain merit-based, inclusive, and aligned with the Company's governance standards and strategic direction.
Explanation for departure	:	

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

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.

Application	:	Applied
Explanation on application of the practice	:	The profiles of all Directors including their age, gender, tenure of service, directorships in other companies, working experience, conflict of interest (if any) and shareholdings in Sime are disclosed in the Annual Report 2025 and made publicly available on Sime's official website. The views of the Nomination & Remuneration Committee ("NRC") on the proposed re-election of the following Directors are set out in Practice 5.1 of this CG Report: (i) Puan Hanizan Hood (ii) Mr Thayaparan Sangarapillai (iii) Dato' Dr. Nirmala Menon (iv) Tan Sri Muhammad Shahrul Ikram Yaakob (v) Dato' Jeffri Salim Davidson The Board and NRC's assessment and recommendations on the proposed re-election of Directors retiring pursuant to Rules 82.2 and 103 of the Constitution of the Company are set out in Practice 5.1 of this CG report and further elaborated in the Explanatory Notes to the Notice of 19th AGM.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied																							
Explanation on application of the practice	:	The Nomination & Remuneration Committee (“NRC”) is chaired by Dato’ Dr. Nirmala Menon, Independent Non-Executive Director of the Company. She was re-designated as Chairperson of the NRC with effect from 1 July 2025, succeeding Tan Sri Muhammad Shahrul Ikram Yaakob, who continues to serve as a member of NRC.																							
		As at 30 September 2025, the NRC comprises the following members:-																							
		<table><tr><th>No.</th><th>Member</th><th>Directorship</th><th>Designation</th></tr><tr><td>1.</td><td>Dato’ Dr Nirmala Menon</td><td>Independent Non- Executive Director</td><td>Chairperson</td></tr><tr><td>2.</td><td>Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir</td><td>Independent Non-Executive Director</td><td>Member</td></tr><tr><td>3.</td><td>Tan Sri Muhammad Shahrul Ikram Yaakob</td><td>Independent Non- Executive Director</td><td>Member</td></tr><tr><td>4.</td><td>Hanizan Hood</td><td>Non- Independent Non-Executive Director</td><td>Member</td></tr></table>				No.	Member	Directorship	Designation	1.	Dato’ Dr Nirmala Menon	Independent Non- Executive Director	Chairperson	2.	Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir	Independent Non-Executive Director	Member	3.	Tan Sri Muhammad Shahrul Ikram Yaakob	Independent Non- Executive Director	Member	4.	Hanizan Hood	Non- Independent Non-Executive Director	Member
	No.	Member	Directorship	Designation																					
	1.	Dato’ Dr Nirmala Menon	Independent Non- Executive Director	Chairperson																					
2.	Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir	Independent Non-Executive Director	Member																						
3.	Tan Sri Muhammad Shahrul Ikram Yaakob	Independent Non- Executive Director	Member																						
4.	Hanizan Hood	Non- Independent Non-Executive Director	Member																						
		The composition of the NRC reflects a majority of Independent Directors, consistent with the Company’s governance framework and regulatory expectations. The NRC continues to play a critical role in overseeing Board appointments, succession planning, and performance evaluations.																							
Explanation for departure	:																								

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

Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	As at 30 September 2025, Sime Board comprises four (4) women Directors, namely Dato’ Dr Nirmala Menon, Moy Pui Yee, Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir and Hanizan Hood. This represents 33% of the Board’s total composition of twelve (12) Directors meeting the recommended women representation under this Practice 5.9. The Company’s Board Composition Policy outlines its commitment to diversity in Board appointments. The Nomination & Remuneration Committee considers all levels of diversity including gender when evaluating potential candidates for Board nomination and succession planning.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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.

Application	:	Applied	
Explanation on application of the practice	:	Sime has established a Board Composition Policy that outlines the Board’s approach to shaping its composition in support of the Company’s strategic direction and governance objectives. The Policy also guides the Nomination & Remuneration Committee (“NRC”) in evaluating Board composition to ensure it remains fit for purpose and responsive to the evolving needs of the Group. The Board Composition Policy is disclosed in the NRC report within the Annual Report 2025, and is publicly accessible on Sime’s website at Governance - Sime.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

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>	
Application	: Applied
Explanation on application of the practice	The Board, through the Nomination & Remuneration Committee ("NRC"), conducts an annual evaluation of the effectiveness of the Board, its Committees, and individual Directors to ensure continuous improvement and effective oversight. For 2025, the Institute of Corporate Directors Malaysia ("ICDM") was engaged as an independent external party to conduct the Board Effectiveness Assessment ("BEA"). The assessment covered ten key parameters, including crisis management, sustainability oversight, stakeholder engagement, Board dynamics, governance processes, and leadership. The evaluation process comprised structured Board and Committee surveys, self and peer assessments, and interviews with Directors and Management. ICDM concluded that the Board met the standards of a high-performing board, with no major concerns raised. All ten parameters scored above 4.00 out of 5.00, reflecting strong overall performance. Although no immediate gaps were identified, the NRC continues to leverage the BEA outcome to guide Board composition decisions, including succession planning and skills enhancement. The insights from the BEA support the Board's strategic alignment with the Group's evolving needs and ensure future appointments complement existing strengths. In line with its commitment to continuous improvement, the Board has identified the following priorities: • Information Flow: Enhance the clarity and focus of Board papers and allocate additional time for Committee Chairs to address priority and strategic matters during meetings.

	• Succession Planning: Strengthen the structure and transparency of succession planning for both Board and key management roles. • Board Training and Skillset Oversight: Adopt a more deliberate approach to Director development, guided by a comprehensive Board competency matrix.			
Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

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.

Application	:	Applied
Explanation on application of the practice	:	The Board, through the Nomination & Remuneration Committee ("NRC"), has established and periodically reviews the Remuneration Policies for the Non-Executive Directors ("NEDs"), Executive Director/Group Chief Executive Officer ("GCEO"), and Senior Management. These policies are designed to attract, retain, and incentivise individuals with the necessary calibre to drive the Group's long-term strategic objectives and sustainable value creation. The policies are reviewed as needed, to ensure continued alignment with evolving market practices and governance expectations. <u>Remuneration of NEDs</u> The NRC has adopted a structured NED Remuneration Framework, which is benchmarked against peer companies within the Group's local and regional landscape, taking into account the Group's size and revenue. The framework ensures that remuneration is commensurate with the responsibilities and time commitment of NEDs, and does not include performance-based elements to preserve independence. To ensure competitiveness and fairness, the NRC reviews the framework regularly with the aim of aligning the Chairman's remuneration to approximately the 75th percentile and other NEDs' remuneration to around the 50th percentile of appropriate peer groups. This approach supports the Group's ability to attract and retain experienced and qualified Board members. For the financial year ended 30 June 2025, the NED Remuneration Framework is as follows:

	Board/Committee	Chairman (RM/year)	Member (RM/year)
	Board	560,000	240,000 ¹ / 380,000 ²
	Governance & Audit Committee	80,000	50,000
	Risk Management & Sustainability Committee	80,000	50,000
	Nomination & Remuneration Committee	70,000	40,000
	Investment Committee	70,000	40,000
¹ Fee for Resident Director ² Fee for Non-Resident Director The Board Remuneration Policy is publicly accessible on the Company's website at Governance - Sime . <u>Remuneration of the GCEO</u> The GCEO's remuneration is structured to align with the Group's remuneration philosophy to drive both short and long-term strategic goals. It comprises both fixed and variable components, including: • Basic Salary • Benefits • Short-Term Bonus • Long-Term Cash Incentive Plan A significant portion of the GCEO's remuneration is performance-based and tied to a Board-approved scorecard of key performance indicators, which include financial, customer & stakeholder, operational, people & culture and sustainability metrics. The NRC conducts an annual performance review of the GCEO and submits its recommendations to the Board. The GCEO recuses himself from all deliberations and decisions relating to his own remuneration.			

	<u>Remuneration of Senior Management</u> The remuneration of Senior Management is governed by principles similar to those applied to the GCEO. It is determined based on individual performance, role complexity, market competitiveness, and alignment with the Group's strategic priorities. The NRC oversees the remuneration framework and compensation scales to ensure that remuneration outcomes are fair, competitive, and support long-term value creation. This includes regular benchmarking against relevant peer groups and periodic reviews to ensure continued alignment with the Group's evolving business needs and talent strategy.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board has established a combined Nomination & Remuneration Committee ("NRC"), which is responsible for implementing policies and procedures relating to the nomination and remuneration of Directors and Senior Management. The NRC is comprises solely of Non-Executive Directors ("NEDs") with a majority being Independent Directors, in line with MCGG 2021's practices. The Terms of Reference ("TOR") of NRC clearly delineates its roles and responsibilities, including oversight of remuneration matters such as Long Term Cash Incentive Plan. The TOR of the NRC is reviewed periodically and is publicly accessible at Governance - Sime. During FY2025, the NRC undertook the following key activities in relation to remuneration: (a) Reviewed the Directors' fees and benefits for NEDs of Sime; (b) Reviewed and recommended to the Board the total rewards, including the salary increments and bonus payouts for employees across the Group; (c) Reviewed and recommended to the Board the renewal of fixed-term contracts of key management positions; (d) Reviewed the vesting and granting of the Long-Term Cash Incentive Plan to selected employees of the Group; (e) Reviewed and recommended to the Board the UMW Mutual Separation Scheme exercise; (f) Reviewed and recommended to the Board the harmonisation plan for employees benefits between UMW Holdings Berhad and Sime; and (g) Reviewed the employee benefits for the Motors and Industrial Divisions in Australia.

	These activities reflect the NRC's commitment to ensuring that remuneration practices are fair, performance-linked, and aligned with the Group's strategic objectives and talent retention goals.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Board is committed to transparency in disclosing the remuneration of Directors in accordance with the MCG2021 and Paragraph 11, Part A of Appendix 9C of Bursa Malaysia's Main Market Listing Requirements. The table below sets out the detailed of the remuneration of each Director of Sime for FY2025. The disclosure includes fees, salary, and benefits and other emoluments.

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	Tan Sri Samsudin Osman	Non-Executive Non-Independent Director	560	0	0	0	4	19	583	560	0	0	0	4	19	583
2	Dato' Lawrence Lee Cheow Hock	Non-Executive Non-Independent Director	470	0	0	0	7	57	534	470	0	0	0	7	57	534
3	Dato' Dr Nirmala Menon	Independent Director	460	0	0	0	1	28	489	460	0	0	0	1	28	489
4	Scott William Cameron	Independent Director	470	0	0	0	5	0	475	470	0	0	0	5	0	475
5	Thayaparan Sangarapillai	Independent Director	370	0	0	0	11	35	416	370	0	0	0	11	35	416
6	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	Independent Director	340	0	0	0	3	58	401	340	0	0	0	3	58	401
7	Tan Sri Muhammad Sharul Ikram Yaakob	Independent Director	360	0	0	0	7	0	367	360	0	0	0	7	0	367
8	Mohamad Idros Mosin	Non-Executive Non-Independent Director	350	0	0	0	1	0	351	350	0	0	0	1	0	351
9	Tan Sri Ahmad Badri Mohd Zahir	Non-Executive Non-Independent Director	320	0	0	0	2	0	322	320	0	0	0	2	0	322
10	Moy Pui Yee	Independent Director	290	0	0	0	4	5	299	290	0	0	0	4	5	299

11	Professor Datuk Ts. Ir. Dr. Siti Hamisah Tapsir	Independent Director	280	0	0	0	1	0	281	280	0	0	0	1	0	281
12	Edree Ahmad	Non-Executive Non-Independent Director	0	0	0	0	1	0	1	0	0	0	0	1	0	1
13	Dato' Jeffri Salim Davidson	Executive Director	0	0	0	0	0	0	0	0	2	2,520	630	92	3,444	6,688
14			Input info here							Input info here						
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

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.

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Board is of the view that disclosing the detailed remuneration of Senior Management on a named basis may give rise to talent retention risks and could potentially affect the Company's ability to attract and retain key executives, particularly in a competitive market environment. The Board also recognises the need to balance transparency with the confidentiality and sensitivity of individual remuneration packages. To uphold the principles of transparency and accountability, the Company has adopted the following alternative measures: • Disclosure of GCEO Remuneration: The Group Chief Executive Officer (GCEO), who is also an Executive Director, has his full remuneration disclosed on a named basis under Practice 8.1 in the Directors' remuneration table. • Aggregate Disclosure: Shareholders are provided with visibility of key management compensation components through aggregate disclosures. The total remuneration of Directors and key management personnel is presented in the Audited Financial Statements in item (d) of Note 47 at page 265. • Remuneration Governance: The Nomination & Remuneration Committee oversees the remuneration framework and ensures that compensation is aligned with individual performance, role complexity, market benchmarks, and the Group's strategic priorities. • Performance Linkage: A significant portion of Senior Management's remuneration is performance-based and tied to key performance indicators that include financial, operational, and sustainability metrics.

			• Periodic Review: The remuneration framework is reviewed regularly to ensure it remains competitive and aligned with market practices and stakeholder expectations. These measures collectively support the intended outcome of Practice 8.2 by ensuring that Senior Management remuneration is fair, performance-driven, and aligned with the long-term interests of the Company and its stakeholders. The Board remains committed to enhancing transparency in line with evolving governance expectations. As part of this commitment, the Company will continue to monitor market developments, regulatory trends, and stakeholder expectations regarding the disclosure of named Senior Management remuneration. The Board will consider adopting this practice in the future when it is assessed to be appropriate and in the best interest of the Company and its stakeholders.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Board will monitor the market practice in respect of such disclosure.	
Timeframe	:	Others	As and when appropriate.

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

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	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	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	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	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	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.

Application	:	Applied
Explanation on application of the practice	:	The Governance & Audit Committee ("GAC") of the Company comprises exclusively Independent Non-Executive Directors. The GAC is chaired by Mr Thayaparan Sangarapillai, who is also the Senior Independent Director of the Company. He was appointed as Chairman of the GAC on 1 December 2017 and is not the Chairman of the Board, thereby ensuring an appropriate separation of roles and responsibilities. Mr Thayaparan is a Fellow of the Institute of Chartered Accountants in England & Wales and a member of both the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. He brings with him over 35 years of experience from his tenure with PricewaterhouseCoopers (PwC), where he provided audit and business advisory services to a wide range of clients across industries including power, telecommunications, automotive, property development, plantation, manufacturing, and trading. His portfolio includes leadership of cross-border assignments and advisory engagements such as financial due diligence, mergers and acquisitions, initial public offerings, finance function effectiveness reviews, and other strategic advisory work. His extensive experience and financial expertise enable him to effectively lead the GAC in discharging its oversight responsibilities, particularly in areas of financial reporting, internal controls, and audit matters.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied
Explanation on application of the practice	:	The Company has adopted a policy requiring a cooling-off period of at least three (3) years before a former key audit partner of the external audit firm can be appointed as a member of the Governance & Audit Committee ("GAC"). This requirement is clearly stipulated under Clause 2.5 of the Terms of Reference of the GAC, which is publicly accessible on the Company's website at https://www.sime.com/sustainability/governance/. Prior to the issuance of the revised Malaysian Code on Corporate Governance (MCCG) on 28 April 2021, the prevailing best practice recommended a two-year cooling-off period. The Company had adopted and applied this two-year requirement in line with the regulatory expectations at the time. In accordance with this earlier requirement, Mr Thayaparan Sangarapillai, the Senior Independent Director and Chairman of the GAC, had observed a two-year cooling-off period before his appointment to the Board and the GAC. Mr Thayaparan is a former Partner of PricewaterhouseCoopers (PwC), and his appointment was made in full compliance with the governance standards applicable at that time. Following the introduction of the enhanced three-year requirement under the 2021 MCCG, the Company has updated its policy accordingly to reflect this change, reinforcing its commitment to audit independence and strong governance practices.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	As part of its core responsibilities, the Governance & Audit Committee ("GAC") is tasked with assessing the suitability, objectivity, and independence of the external auditor. This responsibility is clearly outlined in the GAC's Terms of Reference ("TOR") under Clause 4.4 – Dealing with External Auditors, specifically sub-clause 4.4.2, which states: "Assess and monitor the performance, suitability, objectivity and independence of the external auditor annually. The assessment is to be based on established policies and procedures that consider, among others: (a) the competence, audit quality and resource capacity of the external auditor in relation to the audit; (b) the nature and extent of the non-audit services rendered and appropriateness of the level of fees; and (c) obtaining written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements." In addition, the TOR also covers: (i) 4.4.1: The appointment of the external auditor, audit fees, and any resignation or dismissal of the external auditor; and (ii) 4.4.3: The scope of the external audit and the audit plan, including coverage of both local and overseas operations. In line with Paragraph 15.21 of the Main Market Listing Requirements of Bursa Malaysia, the GAC also considers the following factors when evaluating the appointment or reappointment of the external auditor: (i) The adequacy of the experience and resources of the audit firm; (ii) The qualifications and experience of the audit engagement team; (iii) The audit firm's existing audit engagements;

	(iv) The size and complexity of the Group; and (v) The number and experience of supervisory and professional staff assigned to the audit. The assessment process incorporates: • The GAC's own evaluation; and • Feedback from key stakeholders including the Divisional Chief Financial Officers, the Group Chief Executive Officer, the Group Chief Financial Officer, and the Head of Group Finance, focusing on audit quality, responsiveness, and value-added insights. The Company also has in place a policy that governs the engagement of the external auditor for non-audit services. This policy includes pre-approval requirements and fee thresholds to ensure that the provision of such services does not impair the auditor's independence. Based on the assessment for the financial year ended 30 June 2025, the GAC concluded that the external auditor demonstrated a high standard of audit quality throughout the engagement. The GAC also noted that the external auditor had provided a written confirmation of their independence as part of the formal audit report tabled to the GAC. This confirmation affirmed that the external auditor was, and had been, independent throughout the conduct of the audit engagement in accordance with all relevant professional standards. In view of the satisfactory assessment outcome, the GAC recommended the re-appointment of the external auditor for the financial year ending 30 June 2026.
Explanation for departure :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure :	
Timeframe :	

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.

Application	:	Adopted															
Explanation on adoption of the practice	:	The Governance & Audit Committee ("GAC") consists exclusively of Independent Non-Executive Directors. The composition of the GAC as at 30 September 2025 is as follows: <table><tr><th>No.</th><th>Member</th><th>Designation</th></tr><tr><td>(i)</td><td>Thayaparan Sangarapillai (Chairman)</td><td>Senior Independent Non-Executive Director</td></tr><tr><td>(ii)</td><td>Tan Sri Muhammad Shahrul Ikram Yaakob</td><td>Independent Non-Executive Director</td></tr><tr><td>(iii)</td><td>Scott William Cameron</td><td>Independent Non-Executive Director</td></tr><tr><td>(iv)</td><td>Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz</td><td>Independent Non-Executive Director</td></tr></table> The composition above ensures the GAC maintains the necessary independence and objectivity in discharging its responsibilities.	No.	Member	Designation	(i)	Thayaparan Sangarapillai (Chairman)	Senior Independent Non-Executive Director	(ii)	Tan Sri Muhammad Shahrul Ikram Yaakob	Independent Non-Executive Director	(iii)	Scott William Cameron	Independent Non-Executive Director	(iv)	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	Independent Non-Executive Director
No.	Member	Designation															
(i)	Thayaparan Sangarapillai (Chairman)	Senior Independent Non-Executive Director															
(ii)	Tan Sri Muhammad Shahrul Ikram Yaakob	Independent Non-Executive Director															
(iii)	Scott William Cameron	Independent Non-Executive Director															
(iv)	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	Independent Non-Executive Director															

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.

Application	:	Applied
Explanation on application of the practice	:	The Governance and Audit Committee ("GAC") comprises exclusively Independent Non-Executive Directors, as disclosed under Practice 9.4 of this CG Report. The GAC is chaired by Thayaparan Sangarapillai, a qualified accountant, ensuring leadership with relevant financial expertise. GAC members bring diverse qualifications and experience from accountancy, finance, audit, public service, and management. This diversity enables the GAC to effectively oversee financial reporting, internal and external audit matters, and provide sound, independent advice to the Board. The Board, with the support of the Nomination and Remuneration Committee ("NRC"), reviews the terms of office of the GAC members and assesses their performance through an annual Board Committee effectiveness evaluation. Based on the outcome of the latest Board Effectiveness Assessment, the NRC recommended the continuation of the current composition, and the Board is satisfied with the GAC's performance and its ability to discharge its responsibilities effectively. All GAC members are aware of the need to continuously enhance their knowledge, particularly in accounting and auditing standards, given the evolving regulatory landscape. In line with this, the GAC members have actively pursued relevant training programmes to stay abreast of developments and discharge their duties effectively. During the financial year ended 30 June 2025, GAC members attended the following training programmes, including those specifically related to accounting and auditing standards:

	GAC Member	Training attended
	Thayaparan Sangarapillai	• TEF Portfolio Rationalization • Vantage Towers Monetization • Transformative One-Day Hybrid Seminar: Incorporating ESG into Business, Real Estate and Intangibles Valuation Models • Global Activity and Operating Environment • AI Leadership Conference • In House Training on Conflict of Interest by Zaid Ibrahim & Co
	Tan Sri Muhammad Shahrul Ikram Yaakob	• Global Activity and Operating Environment • In House Training on Conflict of Interest by Zaid Ibrahim & Co
	Scott William Cameron	• Global Activity and Operating Environment • In House Training on Conflict of Interest by Zaid Ibrahim & Co • Ethics for Professionals in Business • Introduction to AI • Essential Directors Update • What's New in Sustainability
	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz	• IASB-MASB Outreach on IFRS 18 Presentation and Disclosure in Financial Statements • Awareness Training on Cybersecurity • Islamic Finance for Board of Directors • Board Ongoing Education – Insider Threats • Data, AI and Cybersecurity – a Trinity to Enable Business Success • PwC Corporate Directors' Survey – Discussion of Findings • AI Training for Board of Directors • Risk Management in IT – Cloud Services • Ethical Decision Making • Board Leadership in Industry Disruption: Steering Companies Through Market Shifts • Climate Risk Management • Global Activity and Operating Environment • Carbon Markets: What Directors Need to Know • Conflict of Interest: Latest Update on the Main Market Listing Requirements • Carbon Markets & Pricing: Insights from the Value Chain • Cloud Security Management & Regulatory Expectations

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

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.

Application	:	Applied
Explanation on application of the practice	:	The Board maintains a sound risk management framework and system of internal control to safeguard shareholders' investment and the Group's assets. To ensure effective oversight, the Board has established a governance structure supported by two Board committees, namely: (a) The Risk Management and Sustainability Committee ("RMSC") oversees the Group's enterprise risk management and sustainability strategies, and compliance matters. (b) The Governance and Audit Committee ("GAC") oversees the Group's internal control framework and governance matters. The RMSC is responsible for setting and reviewing the Enterprise Risk Management Policy and Framework of Sime Group ensuring its adequacy and effectiveness. The RMSC assists the Board to identify principal risks and emerging trends, deliberate strategic mitigation plans, and monitor the implementation of the sustainability strategy across the Group. In discharging its responsibilities, the RMSC is functionally supported by the Group Risk & Compliance ("GRC") Department led by Mr. Richard Ong Aik Jin. GRC implements systems, programmes and initiatives to manage the Group's overall risk exposure and compliance obligations. GRC reports functionally to the RMSC, with administrative reporting to the Group Chief Financial Officer. The dual reporting line promotes a level of independence and objectivity in discharging of responsibilities. The GAC plays a central role in overseeing the Group's internal control framework, which is designed to ensure integrity of financial reporting, accounting and internal control system effectiveness. The GAC is functionally supported by the Group Corporate Assurance Department led by Mr Ramesh Ramanathan. The Statement on Risk Management and Internal Controls ("SORMIC") which provides an overview of the state of risk management and internal controls within the Group is set out on pages 136 to 143 of the Company's Annual Report 2025.

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

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.

Application	:	Applied	
Explanation on application of the practice	:	The Board has disclosed the key features of its risk appetite, risk management framework and internal control system as well as its adequacy and effectiveness in the Statement on Risk Management and Internal Control on pages 136 to 143 in the Company's Annual Report 2025.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Adopted															
Explanation on adoption of the practice	:	As of 30 September 2025, the Risk Management & Sustainability Committee ("RMSC") comprises five (5) members, three (3) of whom are Independent Non-Executive Directors. The composition of the RMSC is as follows: <table><tr><td>Chairman</td><td>:</td><td>Tan Sri Ahmad Badri Mohd Zahir (Non-Independent Non-Executive Director)</td></tr><tr><td>Member</td><td>:</td><td>Dato' Lee Cheow Hock Lawrence (Non-Independent Non-Executive Director)</td></tr><tr><td>Member</td><td>:</td><td>Moy Pui Yee (Independent Non-Executive Director)</td></tr><tr><td>Member</td><td>:</td><td>Thayaparan Sangarapillai (Senior Independent Non-Executive Director)</td></tr><tr><td>Member</td><td>:</td><td>Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (Independent Non-Executive Director)</td></tr></table> The profile of each member can be found on pages 92 to 96 and their meeting attendance can be found on page 127 of the Company's Annual Report 2025. The Board, with the support of the Nomination & Remuneration Committee, has assessed the RMSC's performance. The Board is satisfied with the RMSC's performance and its ability to discharge its responsibilities effectively.	Chairman	:	Tan Sri Ahmad Badri Mohd Zahir (Non-Independent Non-Executive Director)	Member	:	Dato' Lee Cheow Hock Lawrence (Non-Independent Non-Executive Director)	Member	:	Moy Pui Yee (Independent Non-Executive Director)	Member	:	Thayaparan Sangarapillai (Senior Independent Non-Executive Director)	Member	:	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (Independent Non-Executive Director)
Chairman	:	Tan Sri Ahmad Badri Mohd Zahir (Non-Independent Non-Executive Director)															
Member	:	Dato' Lee Cheow Hock Lawrence (Non-Independent Non-Executive Director)															
Member	:	Moy Pui Yee (Independent Non-Executive Director)															
Member	:	Thayaparan Sangarapillai (Senior Independent Non-Executive Director)															
Member	:	Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz (Independent Non-Executive Director)															

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.

Application	:	Applied
Explanation on application of the practice	:	Sime maintains an independent and effective internal audit function through its Group Corporate Assurance ("GCA") department, which serves as an integral part of the Group internal control system. The function is led by Mr Ramesh Ramanathan, the Group Chief Assurance Officer ("GCAO"), who reports functionally to the Governance & Audit Committee ("GAC") and administratively to the GCEO. GCA is independent from the activities or operations of other operating units in the Group. GCA's primary role is to provide independent, reasonable and objective assurance, as well as consulting services that add value and improve operational efficiency. GCA employs a risk-based approach to internal auditing, ensuring the annual audit plan focuses on the Group's principal risks and critical areas aligned with the Group's strategic objectives. The audit plan is developed using inputs from a variety of sources, including business strategies and objectives, the materiality and criticality of operations, the maturity of internal controls in auditable areas and feedback from stakeholders. The GAC reviews, challenges, and approves the annual GCA audit plan ensuring alignment with business priorities and robustness in audit methodology. At each of its quarterly meetings held in FY2025, the GAC receives the GCA Report, which serves as a platform for on-going performance review of the internal audit function. This ensures that the GCA remains effective and independent in providing independent assessment of the internal controls. To ensure effective management and independence of GCA, the GAC is empowered by its Terms of Reference to: (a) Convene meetings with the GCAO without the attendance of any executive members, and if appropriate, the Group Secretary, whenever deemed necessary; (b) Appraise and recommend to the Board the appointment, transfer, or termination of the GCAO; and (c) Review and assess the performance of the GCAO.

	The GAC meet with GCA without Management's presence but with Group Secretary's presence four (4) times in FY2025.			
Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td> <td></td> </tr> </table>		

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.

Application	:	Applied
Explanation on application of the practice	:	<u>Overview</u> The Group has an in-house internal audit function which is carried out by Group Corporate Assurance Department (“GCA”) led by Mr Ramesh Ramanathan, the Group Chief Assurance Officer (“GCAO”). Mr Ramesh is a Chartered Accountant (ACCA) with more than 25 years of experience from two prominent Big 4 accounting firms i.e. Ernst & Young and Deloitte. He is a member of the Malaysian Institute of Accountants. GCA operates as a centralised department with regional Corporate Assurance teams in Malaysia, Australia, and China, providing direct oversight of audit services across the Group. GCA is guided by its Group Corporate Assurance Charter, which specifies that GCA reports functionally to the GAC and administratively to the GCEO to allow an appropriate degree of independence from the operations of the Group. To uphold independence and objectivity, internal auditors declare annually that they are free from any relationships or conflicts of interest that could compromise their objectivity. GCA’s principal responsibility is to undertake regular and systematic reviews of the Group’s internal control systems to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. The GAC reviews, challenges and approves the GCA audit plan annually with periodic reviews to ensure robustness in the audit planning process. The GAC also oversees the appointment or termination of the GCAO and Heads of GCA Divisional Teams. There was one outsourced audit assignment during the year under review. The Quality Assurance & Improvement Programme (QAIP), which focuses on the efficiency and effectiveness of audit processes,

	continues to be applied to assess the quality of audit processes adopted. It is an ongoing internal assessment that covers key activities within GCA. Through the QAIP, opportunities for improvements are identified and appropriate recommendations made. These are carried out in the form of annual internal team validations. In FY2021, a Self-Assessment with Independent Validation was carried out by KPMG on GCA's function. GCA was found to generally conform to the International Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors, in respect of its positioning, people, and processes. Independent validations are conducted once every five years, with the next cycle scheduled for FY2026. Preparatory work for the upcoming validation will commence in November 2025. <u>Activities</u> In FY2025, the GCA undertook the following key activities: • Revised its audit methodology and practices for risk assessment. • Established a Group Corporate Assurance Plan for FY2025, mapping risk exposure against the Divisional Enterprise Risk Management Risk Register to ensure key risks are considered. • Audited key areas including: ○ Business Centre/Branch Operations ○ Inventory and Warehouse Management ○ Service Management ○ Procurement ○ Project Management ○ Human Resources and Payroll ○ Used Car Operations ○ Privilege Access Management ○ Cybersecurity Incidents Response Readiness • Conducted investigations into activities or matters channelled via the Whistleblowing Case Management System managed by GRC or as requested by Management, with outcomes tabled to the GAC. • Followed-up on Management Action Plans to ensure that necessary actions have been taken/are being taken to remedy any significant internal control gaps identified.
Explanation for departure	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
Measure	:

Timeframe	:		
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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.

Application	:	Applied
Explanation on application of the practice	:	The Board recognises the importance of effective dialogue with shareholders and investors. The Company believes that communication with the shareholders is a two-way process. The Company takes into consideration views and feedback it receives from all the stakeholders. The Company has an Investor Relations Unit that facilitates communication between the Company and the investment community to brief them on financial performance, strategies moving forward and updates on deals and transactions to ensure that capital markets are well informed of our plans. The unit also monitors share price performance and changes in shareholding to determine the key areas of concern for our shareholders. Senior Management of the Company actively engages with the investment community, and the Board is periodically briefed on these interactions and feedback from the investment community. The Investor Relations Unit has an extensive programme that involves the holding of regular meetings, conference calls and site visits, all intended to keep the investment community abreast of the Company's strategic developments and financial performance. In addition, participation in regional investment road shows and conferences are held to engage with shareholders and potential investors across the globe. Every quarter, the Investor Relations Unit organises Analyst Briefing to provide the investment community with an up-to-date view of the Group's financial performance and operations and are held concurrently with the release of the quarterly financial results to Bursa Securities. Press conference on the Group's financial results are held half yearly. The analysts' briefing sessions are also broadcast live via webcast to members of the investment community who are overseas or unable to participate in person, to ensure a wider reach of our messages. In addition, the Company actively updates its official website, www.sime.com with the latest information on corporate and business

	aspects of the Group. All press releases, announcements to Bursa Securities, analyst briefings presentation and quarterly results are also made available on the websites to promote accessibility of information to the Company's shareholders and all stakeholders. Shareholders are welcomed to raise queries by contacting the Company at any time throughout the year. The contact information is available on https://www.sime.com/investor/investor-centre and at the Contact Us section of the Company's website at www.sime.com.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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.

Application	:	Applied	
Explanation on application of the practice	:	The 2025 Annual Report reflects the Group's approach towards more robust integrated reporting ("IR"). As we continue aligning with the core principles of IR, we remain committed to refining how we communicate our progress in ensuring greater transparency, relevance and value for our stakeholders. This reflects not only global best practices but also our dedication to meaningful, stakeholder-centric reporting.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

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.

Application	:	Applied
Explanation on application of the practice	:	The Company is committed to ensuring that shareholders are provided with sufficient time and information to make informed decisions at general meetings. The Notice of the 18th Annual General Meeting (“AGM”) was issued to shareholders on 16 October 2024, providing a 28-day notice period prior to the AGM, in accordance with Practice 13.1 of the MCCG 2021. For the forthcoming 19th AGM scheduled to be held on 13 November 2025, the Notice will be issued on 15 October 2025, again ensuring a 28-day notice period to facilitate meaningful shareholder engagement and voting. To enhance transparency and provide shareholders with clear guidance, the Company will publish an Administrative Guide together with the Notice of the 19th AGM on its website. This guide will outline: • Procedures for attending the AGM, • Entitlement to participate, • Rights to appoint a proxy, and • Eligibility criteria for proxies. The Company allows members to appoint a proxy who need not be a member of the Company. In addition, the Explanatory Notes accompanying the Notice of the 19th AGM dated 15 October 2025 will provide detailed justifications for each proposed resolution, including: • Re-election of Directors, • Directors’ fees and benefits, • Re-appointment of auditors, • Authority to purchase the Company’s own shares, • Proposed renewal of existing shareholders’ mandate, and Proposed new shareholders’ mandate for recurrent related party transactions. These disclosures are intended to support shareholders in making informed decisions when exercising their voting rights.

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

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.

Application	:	Applied
Explanation on application of the practice	:	The Company's 18th Annual General Meeting ("AGM") was conducted virtually via live streaming from the Function Room, Ground Floor, Menara Sime, Oasis Corporate Park, Jalan PJU 1A/2, Ara Damansara, 47301 Petaling Jaya, Selangor Darul Ehsan. All Directors, the Group Chief Executive Officer ("GCEO"), Group Chief Financial Officer ("GCFO"), and the Company Secretary were present at the 18th AGM, ensuring full Board representation and accountability to shareholders. The External Auditors, PricewaterhouseCoopers PLT (PwC), were also in attendance to respond to any queries raised by shareholders regarding the Company's financial statements and audit matters. Key Senior Management participated remotely to provide operational support and respond to relevant matters during the AGM proceedings. For the forthcoming 19th AGM scheduled to be held on 13 November 2025, the Company will adopt a hybrid format, allowing physical attendance in addition to virtual participation. All Directors will attend the 19th AGM, reaffirming the Company's commitment to shareholder engagement and transparency. The GCEO, GCFO, Company Secretary, External Auditors, and Key Senior Management will also attend, either physically or virtually, to provide the necessary support and respond to shareholders' queries, consistent with the approach taken at the 18th AGM. This inclusive and accessible format reflects the Company's ongoing efforts to facilitate meaningful participation and uphold high standards of corporate governance.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	

Timeframe	:		
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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.

Application	:	Applied
Explanation on application of the practice	:	Sime has leveraged technology to facilitate greater shareholder participation at its general meetings. The 18th Annual General Meeting ("AGM") was conducted virtually, with remote voting enabled from the commencement of the meeting until the conclusion of the voting session. To ensure the integrity and transparency of the voting process, Sime appointed Tricor Investor & Issuing House Services Sdn Bhd as the Poll Administrator to manage the electronic polling and Coopers Professional Scrutineers Sdn Bhd ("CPS") as the Independent Scrutineers to verify the poll results. CPS verified and subsequently announced the results for each resolution, including the breakdown of votes cast in favour and against. The Chairman of the Meeting then officially declared the outcome of each resolution. The poll results were disseminated via Bursa Link on the same day for the benefit of all shareholders. Additionally, the minutes of the 18th AGM were subsequently made readily accessible on Sime's corporate website. For the upcoming 19th AGM scheduled on 13 November 2025, the Company will continue to adopt technology-enabled solutions, including remote voting, while also allowing physical attendance. The same polling and verification arrangements will be maintained, with Tricor and CPS appointed to administer and scrutinize the voting process respectively. This approach reflects Sime's ongoing commitment to transparency, inclusivity, and shareholder empowerment.
Explanation for departure	:	

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

Measure	:		
Timeframe	:		

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.

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.

Application	:	Applied
Explanation on application of the practice	:	At the commencement of the 18th Annual General Meeting ("AGM"), the Chairman, Tan Sri Samsudin Osman, briefed members, corporate representatives, and proxies on their rights to ask questions and vote on the resolutions set out in the Notice of the 18th AGM dated 16 October 2024. The key proceedings of the 18th AGM were as follows: 1. Opening remarks by the Chairman 2. Pre-recorded video presentation on poll voting procedures 3. Presentation by the Group Chief Executive Officer 4. Questions and Answers (Q&A) session with Minority Shareholders Watch Group (MSWG) 5. Approval of Resolutions 6. General Q&A session 7. Voting and announcement of poll results. During the AGM, shareholders were provided with opportunities to pose questions. Responses were duly provided by the Board and Management, ensuring that shareholders' queries were addressed transparently and constructively. The minutes of the 18th AGM were subsequently uploaded and made accessible to the public on Sime's official website. For the upcoming 19th AGM scheduled on 13 November 2025, the Company will continue to uphold shareholders' rights and engagement. All Directors will be present, and the meeting will be conducted in a hybrid format to allow both physical and virtual participation. The Chairman will again brief attendees on their rights to participate and vote, and the meeting will follow a similar structure to the 18th AGM, including presentations, Q&A sessions, and transparent disclosure of poll results.

	This approach reflects Sime's commitment to meaningful shareholder engagement, transparency, and good governance practices.			
Explanation for departure	:			
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
Measure	:			
Timeframe	:	<table border="1"> <tr> <td></td><td></td></tr> </table>		

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.

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.

Application	:	Applied
Explanation on application of the practice	:	The 18th Annual General Meeting (“AGM”) of Sime was conducted virtually via live streaming and online remote voting through the Remote Participation & Voting (RPV) facilities made available by Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”). Shareholders and proxies were given the opportunity to: • Participate in the live webcast of the AGM proceedings, • Pose questions to the Board and Management, and • Cast their votes in real-time while the meeting was in progress. The procedures for accessing and using the RPV facilities were comprehensively explained in the Administrative Guide issued to shareholders on 16 October 2024. At the start of the AGM, Tricor, the appointed Poll Administrator, briefed shareholders and proxies via a video presentation on the e-voting procedures. Following the voting session, Coopers Professional Scrutineers Sdn Bhd (“CPS”), the appointed Independent Scrutineers, verified and announced the poll results for each resolution, including the breakdown of votes cast in favour and against. For the upcoming 19th AGM scheduled on 13 November 2025, which will be conducted in a hybrid format, Sime will continue to adopt a similar approach. Shareholders attending physically or virtually will be provided with equal opportunity to participate in the proceedings, pose questions, and vote in real-time. The RPV facilities will remain available via Tricor’s online platform, and the same polling and verification arrangements will be maintained with Tricor and CPS appointed as Poll Administrator and Independent Scrutineers respectively.

	This approach reflects Sime's ongoing commitment to inclusivity, transparency, and the use of technology to enhance shareholder engagement and governance.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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>		
Application	:	Applied
Explanation on application of the practice	:	The minutes of the 18th Annual General Meeting (“AGM”) were confirmed by the Chairman of the Meeting and published on Sime’s official website at AGM 2024 - Sime within 30 business days from the date of the meeting, in accordance with the expectations under Practice 13.6 of the MCCG 2021. For the upcoming 19th AGM scheduled to be held on 13 November 2025, the Company will continue this practice by uploading the confirmed minutes on its website within the stipulated timeframe, thereby maintaining its commitment to good governance and shareholder engagement.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

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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