

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the 40<sup>th</sup> Annual General Meeting (**AGM**) of the Company will be held virtually via live streaming from the broadcast venue at Menara UMW, Jalan Puncak, Off Jalan P. Ramlee, 50250 Kuala Lumpur, Malaysia, on Thursday, 26 May 2022 at 10.00 a.m. to transact the following businesses:

## ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2021 together with the Reports of the Directors and Auditors thereon.
2. To re-elect Dato' Azmi bin Mohd Ali who retires pursuant to Article 112 of the Company's Constitution and being eligible, offer himself for re-election. **Resolution 1**
3. To re-elect the following Directors who retire pursuant to Articles 126 and 128 of the Company's Constitution and being eligible, offer themselves for re-election:
  - (a) Dato' Eshah binti Meor Suleiman **Resolution 2**
  - (b) Razalee bin Amin **Resolution 3**
  - (c) Dato' Seri Prof. Dr. Ir. Zaini bin Ujang **Resolution 4**
4. To approve the payment of the following Directors' fees for the period from 27 May 2022 until the next AGM of the Company: **Resolution 5**
  - (a) RM28,900 per month for the Non-Executive Chairman and RM14,500 per month for each Non-Executive Director of the Company; and
  - (b) RM10,500 per annum for each Non-Executive Director who is the Chairman on the board of subsidiaries and RM8,400 per annum for each Non-Executive Director who is a director on the board of subsidiaries.
5. To approve the payment of benefits payable to the Non-Executive Directors up to an amount of RM1,980,000 for the period from 27 May 2022 until the next AGM of the Company. **Resolution 6**
6. To re-appoint Ernst & Young PLT as Auditors of the Company for the financial year ending 31 December 2022 and to authorise the Directors to fix their remuneration. **Resolution 7**

## SPECIAL BUSINESS

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

7. Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature (**Proposed Shareholders' Mandate**). **Resolution 8**

"THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, and subject to the Companies Act 2016 (**CA 2016**), the Constitution of the Company, other applicable laws, guidelines, rules and regulations, and the approvals of the relevant governmental and/or regulatory authorities, approval be given to the Company and/or its subsidiaries (**UMW Group**) to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in Section 2.3(b) of the Circular to Shareholders dated 26 April 2022 (**Circular**), which are necessary for the day-to-day operations in the ordinary course of business of the UMW Group, on normal commercial terms, which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company.

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THAT the Shareholders' Mandate shall continue to be in force and effect until:

- (a) the conclusion of the next AGM of the Company, at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;
- (b) the expiration of the period within which the Company's next AGM is required to be held, pursuant to Section 340(1) and (2) of the CA 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the CA 2016); or
- (c) the Shareholders' Mandate is revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earliest;

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

8. To transact any other business for which due notice has been given.

**FURTHER NOTICE IS HEREBY GIVEN THAT** for the purpose of determining a member who shall be entitled to attend the 40<sup>th</sup> AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd pursuant to Article 76(2) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors (**ROD**) as at 19 May 2022. Only a depositor whose name appears on the ROD as at 19 May 2022 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

**By Order of the Board**

**RAJA NORAKMAR BINTI RAJA MOHD ALI**

(LS0005749) (SSM PC No. 201908002126)

Joint Group Secretary

Kuala Lumpur, Malaysia.

26 April 2022

## NOTICE OF ANNUAL GENERAL MEETING

### NOTES:

#### 1. Mode of Meeting

The 40<sup>th</sup> Annual General Meeting (**AGM**) will be held virtually via live streaming and online remote voting from the broadcast venue using the Remote Participation and Voting (**RPV**) facilities provided by SS E Solutions Sdn Bhd (**SSES**) via the Securities Services e-Portal platform (**SS e-Portal**) at <https://sshb.net.my/>. Members/proxies are advised to follow the procedures provided in the Administrative Guide for this AGM in order to register, participate and vote remotely via the RPV facilities.

The broadcast venue is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016 (**CA 2016**) and Article 84(2) of the Company's Constitution which require the Chairman of the meeting to be present at the main venue of the meeting. Members/proxies will not be allowed to be physically present at the broadcast venue on the day of the AGM.

#### 2. Proxy and/or Authorised Representatives

- i) A member of the Company entitled to attend and vote at the meeting is entitled to appoint any person as proxy to attend, participate, speak and vote in his/her stead. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
- ii) A member of the Company who is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, is allowed to appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account. Where a member is an exempt authorised nominee, who holds ordinary shares of the Company for multiple beneficial owners in one (1) security account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- iii) The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or signed by an officer or attorney duly authorised.
- iv) The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be deposited not less than 24 hours before the time appointed for the taking of the poll or at any adjournment thereof:

#### Lodgement in hardcopy form

To be deposited at the SSES's office at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

#### Lodgement via electronic means

To be lodged electronically via the SS e-Portal, by fax to +603-2094 9940 or by email to [eservices@sshb.com.my](mailto:eservices@sshb.com.my).

- v) A member who has appointed a proxy/proxies to participate in this AGM must request his/her proxy/proxies to register himself/herself for the RPV facilities at the SS e-Portal.
- vi) Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolutions set out in the Notice will be put to vote by poll.

#### 3. Audited Financial Statements for the financial year ended 31 December 2021

The Audited Financial Statements are laid out for discussion only pursuant to Section 340(1)(a) of the CA 2016 and will not be put forward for voting.

#### 4. Ordinary Resolutions 1 to 4: Re-election of Directors who retire pursuant to Articles 112, 126 and 128 of the Company's Constitution

- i) Article 112 of the Company's Constitution provides that Directors appointed by the Board shall hold office until the conclusion of the next AGM following their appointment and shall be eligible for re-election.

Accordingly, Dato' Azmi bin Mohd Ali, who was appointed Director on 1 April 2022, will retire and being eligible, has offered himself for re-election at this AGM.

- ii) Article 126 of the Company's Constitution provides that at least one-third (1/3) of the Directors are subject to retirement by rotation at each AGM while Article 128 of the Company's Constitution further provides that the Directors shall be eligible for re-election.

Accordingly, Dato' Eshah binti Meor Suleiman, Razalee bin Amin and Dato' Seri Prof. Dr. Ir. Zaini bin Ujang, being eligible, have offered themselves for re-election at this AGM.

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For the purpose of determining the eligibility of Directors standing for re-election at this AGM, all Directors with the exception of Dato' Azmi, had undergone a comprehensive Board Effectiveness Evaluation (BEE) to assess the performance and contribution of each individual Director, taking into consideration among others, character, integrity, professionalism and competency, as well as the level of independence and effectiveness demonstrated by the Independent Directors.

Based on the overall results of the BEE, the individual Directors met the performance criteria required of an effective and a high-performance Board. Given the relative recency of Dato' Azmi's tenure as Director, a comprehensive performance evaluation on him as Director will only be carried out for 2022.

The Board recommends the re-election of all retiring Directors.

### 5) Ordinary Resolution 5: Payment of Directors' Fees to the Non-Executive Directors

A formal review of Directors' remuneration is to be undertaken once in every two (2) years in accordance with the Board Charter. The last review on Non-Executive Directors' (NEDs) remuneration was approved by shareholders at the 37<sup>th</sup> AGM of the Company held on 23 May 2019.

The Board is proposing a review of the existing Directors' fees for NEDs in 2022 in view that fair remuneration is critical to attract, retain and motivate Directors with strong credentials and high caliber to drive the Company's long-term objectives. The review in NEDs' remuneration package takes into account the complexity of the Company's businesses and the individual Directors' level of expertise, commitment and responsibilities. In addition, the remuneration of NEDs is also to be set at a competitive level for similar roles within comparable market to commensurate with the NEDs' responsibilities, commitments and contributions.

In reviewing the Directors' fee, a comprehensive benchmarking exercise was carried out with several comparable public listed companies.

In addition, there is also a need to review the existing Directors' fees paid to NEDs serving as Chairman and Directors at the board of subsidiaries in the Group, in view that the exercise was last review in 2019.

The proposed review was comprehensively deliberated by the NRC and was duly approved by the Board for tabling at this AGM for shareholders' approval. The proposed increase in Directors' fee for NEDs, which is to be effective for the period from 27 May 2022 until the next AGM of the Company, is as follows:

#### Board of the Company:

	Monthly (RM)
Chairman	28,900
Member	14,500

#### Board of subsidiaries:

	Monthly (RM)
Chairman	10,500
Member	8,400

The Board is of the view that the proposed increase of Directors' fees is reasonable, fair and within the market range.

### 6) Ordinary Resolution 6: Payment of benefits payable to the Non-Executive Directors

The benefits payable to NEDs, comprising meeting allowance, benefits and other emoluments, are as follows:

#### Meeting Allowance

As part of the review exercise on NEDs' remuneration, the Board is also proposing for an increase in meeting allowance (per meeting) as follows:

Description	Chairman	Member
Board of the Company	2,400	1,600
Board Committees of the Company	2,100	1,600
Board of subsidiaries/ Board Committees of Subsidiaries	2,100	1,600

In determining the proposed increase in meeting allowances, the Board took into consideration among others, the number of meetings of the Board and Board Committees as well as the need for NEDs to dedicate more time, focus and commitment with reference to their statutory duties, the complexity of the Group's businesses and the increased expectations from the various stakeholders. A benchmarking exercise was also carried out with several comparable public listed companies.

The Board is also recommending a differentiation in meeting allowance to be paid to the Non-Executive Chairman of the Company in view of the bigger role and responsibility, and leadership as Chairman of the Board.

The Board is of the view that the proposed increase in meeting allowance for NEDs is fair and equitable.

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### Other benefits and emoluments

Customary benefits and other emoluments payable to the NEDs comprising the following:

Non-Executive Chairman	Non-Executive Directors
<ul style="list-style-type: none"> <li>• Leave passage;</li> <li>• Medical and insurance coverage;</li> <li>• Car, petrol/toll charges and driver;</li> <li>• Club memberships;</li> <li>• Telecommunication/electronic devices;</li> <li>• Per diem allowance;</li> <li>• Security services;</li> <li>• Claimable benefits; and</li> <li>• Others</li> </ul>	<ul style="list-style-type: none"> <li>• Medical and insurance coverage;</li> <li>• Car and petrol;</li> <li>• Electronic devices;</li> <li>• Per diem allowance;</li> <li>• Claimable benefits; and</li> <li>• Others</li> </ul>

Payment of fees and benefits will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred.

The estimated amount of benefits payable to NEDs for the period from 27 May 2022 until the next AGM of the Company is up to RM1,980,000. In determining the estimated amount of benefits payable, the Board considered various factors including the number of scheduled meetings for the Board, Board Committees and Board of subsidiaries, as well as the number of NEDs involved in these meetings.

The Board is of the view that it is equitable and fair for the NEDs to be paid such payment upon them discharging their responsibilities and rendering their services to the Company and its subsidiaries.

### **7) Ordinary Resolution 7: Re-appointment of Ernst & Young PLT as Auditors of the Company**

The Audit Committee (AC) has carried out an annual assessment on the external auditors, Ernst & Young PLT (EY) to evaluate their

suitability, effectiveness and independence as recommended under Principle B of the Malaysian Code on Corporate Governance 2021. The annual evaluation provides the AC with the disciplined approach for maintaining effective oversight of the external auditors' overall performance, covering among others, the adequacy of the audit team, degree of independence, performance level and audit scope. Based on the evaluation conducted, the AC is satisfied with the quality of EY's performance, technical competency and audit independence.

### **8) Ordinary Resolution 8: Proposed Renewal of Shareholders' Mandate for Existing Recurrent Related Party Transactions and Proposed New Shareholders' Mandate for Additional Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Shareholders' Mandate)**

The Board proposes to seek a mandate for recurrent related party transactions (RRPT) of a revenue or trading nature. The Proposed Shareholders' Mandate, if passed, will enable the UMW Group to enter into RRPT of a revenue or trading nature, which are necessary for the day-to-day operations in the ordinary course of business of the UMW Group, on normal commercial terms, which are not more favourable to the related parties than those generally available to the public, undertaken on an arm's length basis, and are not detrimental to the minority shareholders of the Company.

Details of the Proposed Shareholders' Mandate are set out in Section 2.3 of the Circular to Shareholders dated 26 April 2022. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

### **ABSTENTION FROM VOTING**

1. All Directors standing for re-election, who may also be the shareholders of the Company (direct or indirect), will abstain from voting on Resolutions 1 to 4 in respect of their re-elections at this AGM.
2. All NEDs, who are also the shareholders of the Company (direct or indirect), will abstain from voting on Resolutions 5 and 6 in respect of the approval of Directors' fees and benefits payable to NEDs at this AGM.

## STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

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

The profiles of Directors who are standing for re-election at this AGM and details of any interest held in the securities of the Company and its related corporations are set out in the Directors' Profile on pages 77, 82, 83 and 84 of the Integrated Annual Report 2021.