

**IOI CORPORATION BERHAD**  
Company Registration No. 196901000607 (9027-W)  
(Incorporated in Malaysia)

Minutes of the Fifty-Fifth Annual General Meeting (“55<sup>th</sup> AGM” or the “Meeting”) of IOI Corporation Berhad (the “Company”) held physically at Millennium Ballroom 1 (Level 1), Le Méridien Putrajaya, Lebuhr IRC, IOI Resort City, 62502 Putrajaya, Malaysia (“Meeting Venue”) and by way of electronic means using Remote Participation and Electronic Voting (“RPEV”) facilities hosted at <https://conveneagm.my/ioicorpagm2024> (Domain Registration No. D6A475992) on Tuesday, 5 November 2024 at 10:00 a.m. (Malaysia time)

- Present : **Board of Directors present at the Meeting Venue**  
**Tan Sri Peter Chin Fah Kui**  
**Dato’ Lee Yeow Chor**  
**Mr Lee Yeow Seng**  
**Dr Nesadurai Kalanithi**  
**Dato’ Kong Sooi Lin**  
**Mr Lim Tuang Ooi**  
**Datuk Zurinah binti Pawanteh**
- Participated via RPEV facilities at ConveneAGM Meeting Platform : **Shareholders, Corporate Representatives and Proxies**  
**As per the attendance summary**
- By invitation : **List of invitees as per attendance list**
- In attendance : **Mr Tan Choong Kiang (Company Secretary)**

## 1.0 INTRODUCTION

Tan Sri Peter Chin Fah Kui (“Tan Sri Peter Chin” or the “Chairman”), the Chairman of the Board of Directors (the “Board”) chaired the Meeting and welcomed all the shareholders, corporate representatives, proxies and invitees to the hybrid 55<sup>th</sup> AGM of the Company. The Chairman thanked them for their participation and continuous support to the Company.

The Chairman informed that the conduct of this hybrid Annual General Meeting (“AGM”) was in compliance with Section 327 of the Companies Act 2016 and Article 70 of the Company’s Constitution, as well as the Guidance Note on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia. The Board had decided hold the 55<sup>th</sup> AGM both physically and virtually to facilitate effective engagement with shareholders.

The Chairman also briefed the shareholders, corporate representatives and proxies of the conduct of the hybrid AGM.

The Chairman then introduced the members of the Board, the Group Chief Financial Officer (“Group CFO”), the Company Secretary and the representatives from the External Auditors of the Company, BDO PLT (“BDO”).

## 2.0 QUORUM

The Company Secretary advised that pursuant to the Article 65 of the Company’s Constitution, the quorum necessary for the transaction of business at a general meeting shall be 2 members present personally or by proxy or by corporate representative entitled to vote. He then confirmed the presence of the requisite quorum pursuant to the Company’s Constitution at the commencement of the Meeting.

With the requisite quorum being present, the Chairman called the Meeting to order.

### **3.0 NOTICE**

The notice convening the Meeting dated 7 October 2024, having been circulated to the shareholders and published not less than 28 days, was taken as read.

### **4.0 MEETING AND VOTING PROCEDURES**

The Chairman informed that in accordance with Paragraph 8.29A of the Listing Requirements of Bursa Malaysia, all the resolutions set out in the notice of the Meeting would be voted on by poll. He then exercised his right pursuant to Article 73 of the Company's Constitution and demanded for a poll to be taken on all the resolutions tabled.

The Chairman also informed that in his capacity as Chairman of the Meeting, he had been appointed as proxy by some shareholders and hence, would be voting in accordance with the instructions of the respective shareholders.

The Meeting noted that the Company had appointed KPMG Management & Risk Consulting Sdn Bhd as its Administration and Polling Agent to facilitate the electronic poll voting, while SKY Corporate Services Sdn Bhd had been appointed as the independent scrutineer to validate the poll results.

The representative of the Administration and Polling Agent then conducted a presentation on the polling procedure and the functions available within the ConveneAGM meeting portal. After the said presentation, the Chairman announced the commencement of the voting session to allow shareholders and proxies to cast their votes during the meeting proceedings.

### **5.0 GROUP CFO'S PRESENTATION**

At the invitation of the Chairman, the Group CFO, Mr Kong Kian Beng gave a brief presentation on the overall performance of the Company and its subsidiaries (the "Group") for the financial year ended 30 June 2024 ("FY2024") covering the following key areas, details of which were presented in Appendix I:-

- (a) Group Financial Performance Overview
- (b) Segmental Profit Breakdown
  - Plantation Segment
  - Resource-based Manufacturing Segment
- (c) Balance Sheet
- (d) Capital Expenditure
- (e) Equity Repayments

It was reported that:-

- The Group's revenue for FY2024 decreased by 17% to RM9.60 billion compared to RM11.58 billion in the financial year ended 30 June 2023 ("FY2023"), due primarily to lower selling price with stiff price competition and slower global demand.
- The Group's profit before tax ("PBT") for FY2024 decreased by 8% to RM1.40 billion as compared to RM1.53 billion in FY2023. Excluding the non-operating items, fair value adjustments or one-off items, the underlying PBT stood at RM1.38 billion, a 23% decrease from RM1.78 billion in FY2023. The decrease was mainly due to lower profit from the resource-based manufacturing segment mitigated by higher profit from the plantation segment.
- Profit after tax of the Group decreased by 1% to RM1.12 billion in FY2024 compared to RM1.13 billion in FY2023.

- Earnings per share of the Group decreased to 17.88 sen in FY2024 from 17.95 sen in FY2023.
- The plantation segment accounted for 79% of the total segment profit in FY2024, an increase from 62% in FY2023, while the resource-based manufacturing segment contributed 21%, compared to 38% in FY2023.
- Segment profit from the plantation segment decreased by 5% to RM1.21 billion in FY2024 from RM1.15 billion in FY2023, due mainly to higher fresh fruit bunch (“FFB”) production, higher oil extraction rate (“OER”) and the higher share of associate results partially offset by lower commodity prices.
  - In FY2024, average realised crude palm oil (“CPO”) price dropped to RM3,856 per metric tonne (“MT”) (FY2023: RM4,118 per MT), while average realised palm kernel (“PK”) price decreased to RM2,210 per MT (FY2023: RM2,233 per MT).
  - FFB production in FY2024 recorded an increase of 4% to 2.80 million MT (FY2023: 2.69 million MT).
  - OER production in FY2024 recorded an increase of 4% to 21.77 million MT (FY2023: 20.92 million MT).
- Segment profit from the resource-based manufacturing segment decreased by 52% to RM329.3 million in FY2024 from RM691.0 million in FY2023. Excluding the fair value adjustments, the FY2024 underlying profit for the resource-based manufacturing segment was at RM291.9 million, a 61% decrease over FY2023 underlying profits. The lower underlying profits was mainly due to lower margins from oleochemical and refining sub-segments, mitigated by higher share of associate results. The high profits in FY2023 were exceptional, driven by record margins arising from strong customer demand as a result from global supply chain disruptions. In addition, Indonesia’s policy restricting CPO exports during that period also contributed to the better margins.
- The Group’s FY2024 financial position remained strong, with high level of liquidity in cash and cash equivalents of RM2.2 billion and low net gearing ratio of 13.6%.
- Capital expenditure increased by 9% to RM677.0 million in FY2024 (FY2023: RM621.2 million), mainly due to the construction of mill project in Indonesia and increase of investment in biogas plant.
- Total dividends declared during FY2024 was 9.5 sen per share amounting to RM589.4 million.

## **6.0 SUSTAINABILITY PRESENTATION**

Upon conclusion of the Group CFO’s presentation, the Chairman invited the Chief Sustainability Officer, Dr Surina binti Ismail (“Dr Surina”) to present the Group’s sustainability initiatives, details of which were presented in Appendix II:-

- (a) Vision, Pillars and Approach to Sustainability
- (b) Decarbonisation Pathway to Net Zero by 2040
- (c) Enhanced Biodiversity and Ecosystem
- (d) Enhancing Wellbeing and Transitioning Together
- (e) Global Assessments, Ratings and Awards

The Meeting noted the following points:-

- The Sustainability Vision of the Company is to meet the needs of the present without compromising that of the future generations. The Company has adopted 6 United Nations' Sustainable Development Goals that are most relevant to the Group's businesses.
- The IOI Sustainable Palm Oil Policy had been revised and renamed as IOI Sustainability Policy to take into account the Group's expansion into non-CPO segments.
- Along the Company's decarbonisation pathway to net zero, the Company had established the Holistic Climate Transition Action Plan for 2024. This initiative had enabled the Company to achieve a 42% reduction in greenhouse gas ("GHG") emissions in 2024, ahead of the short-term target to achieve 40% GHG reduction by 2025.
- For the enhancement of biodiversity and ecosystem, the Group had embarked on regenerative and precision agriculture, while also safeguarding natural ecosystems via the circularity approach to manage non-hazardous waste. Other initiatives include collaboration with Tetra Pak to recycle used beverage cartons, fire and peat management, Bukit Leelau Mini Landscape Project, IOI-Nestle RELeaf project, as well as the Laran tree planting project.
- The Group tackles social issues from 4 perspectives as follows:-
  - Protecting Our Workforce
    - Increased housing inspections resulting in reduction of workers' complaints
    - 3<sup>rd</sup> party audit on recruitment agencies
    - ISO 45001:2018 certification for all refineries and oleochemical facilities, as well as 6 operating units in plantations
  - Uplifting Our People
    - Launching of IOI Group Women Empowerment Committee
    - IOI Urban Garden as part of the "Plant Your Own Food" project
    - Engagement with employees on risks posed by climate change
  - Expanding Our Impact
    - Final phase of IOI Pelita resolution process
    - Eradication of child labour through education
  - Sharing Prosperity through IOI Foundation
    - IOI Leadership Youth Camp
    - Bargain Basement
    - Scholarships and student adoption programme
- The Group also received several sustainability-related awards, accolades, and enhanced its sustainability ratings.

Upon conclusion of Dr Surina's presentation, the Chairman proceeded with the agenda of the 55<sup>th</sup> AGM.

**7.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024 AND THE REPORTS OF THE DIRECTORS AND AUDITORS THEREON**

The Chairman informed the Meeting that the Audited Financial Statements (“AFS”) for FY2024 and the Reports of the Directors and Auditors thereon were laid in accordance with Section 340(1) of the Companies Act 2016 for discussion only, as formal approval of shareholders was not required for the AFS.

The Chairman then directed the shareholders to the summary of the Group’s financial overview and performance highlights for FY2024 set out on pages 62 to 70 of the Annual Report 2024 (“AR2024”). Further details of the Group Financial and Business Review were outlined on pages 72 to 84 of AR2024.

**8.0 RE-ELECTION OF DIRECTORS RETIRING PURSUANT TO ARTICLE 91 OF THE COMPANY’S CONSTITUTION - ORDINARY RESOLUTIONS 1 AND 2**

The Chairman informed that the second item on the agenda was in relation to the re-election of Mr Lee Yeow Seng (“Mr Lee”) and Dr Nesadurai Kalanithi (“Dr Kalanithi”) as Directors of the Company, who retired in accordance with Article 91 of the Company’s Constitution and being eligible, had offered themselves for re-election under the following ordinary resolutions:-

- (a) Ordinary Resolution 1 – Mr Lee
- (b) Ordinary Resolution 2 - Dr Kalanithi

The Chairman further informed that Mr Lee’s and Dr Kalanithi’s profiles were set out on page 87 of AR2024 respectively. Both Mr Lee and Dr Kalanithi had undergone the relevant performance evaluation, including a “fit and proper” assessment for the financial year under review. Upon assessment by the Governance, Nominating and Remuneration Committee (“GNRC”), the Board was confident that Mr Lee’s commercial insight would support the Group’s growth, while Dr Kalanithi’s dedication to sustainability had strengthened the Group’s commitment to responsible business practices.

**9.0 DIRECTORS’ FEES FOR FINANCIAL YEAR ENDING 30 JUNE 2025 - ORDINARY RESOLUTION 3**

The third item on the agenda was to seek approval from the shareholders on the payment of Directors’ fees (*inclusive of Board Committees’ fees*) of RM1,620,000 for the financial year ending 30 June 2025 (“FY2025”), payable quarterly in arrears after each month of completed service of the Directors during the financial year.

The Meeting noted that the Board, upon the GNRC’s recommendation, had approved the adjustment to the fee structure for the Directors, details of which could be found on page 108 of the Annual Report under the Corporate Governance Overview Statement. The reason for this adjustment was to compensate the Directors for the increasing demands on their time, commitment and expertise to discharge their expanding responsibilities, given the increasing onerous and complex governance standards and regulatory environment. The revised fee structure was also benchmarked against market trends for the Company to be able to attract and retain qualified Directors on the Board.

The Chairman further informed that the updated fee structure, if approved by the shareholders at this Meeting, would take effect from FY2025 onwards.

**10.0 DIRECTORS' BENEFITS FOR THE PERIOD FROM 6 NOVEMBER 2024 UNTIL THE NEXT ANNUAL GENERAL MEETING ("AGM") - ORDINARY RESOLUTION 4**

The Chairman informed the Meeting that the fourth item on the agenda was to seek approval from the shareholders on the payment of Directors' benefits (*other than Directors' fees*) of up to RM350,000 for the period from 6 November 2024 until the next AGM of the Company. The Directors' benefits comprised mainly the meeting allowances, insurance coverage and the Non-Executive Directors' golf privilege benefit.

The Meeting also noted that the increase of quantum of the proposed Directors' benefits was mainly to cater for the increase of meeting allowance per Director per meeting, i.e. from RM1,000 to RM1,500, which had taken effect since September 2022. The meeting allowance was based on the expected frequency of meetings in FY2025, constituting a significant portion of the total benefit amount, accounting for nearly 54%. Nevertheless, the proposed quantum of Directors' benefits was merely an estimation, and that a higher amount is usually proposed for shareholders' approval in order to ensure that the actual utilisation of Directors' benefits is well within the approved limit.

**11.0 RE-APPOINTMENT OF AUDITORS - ORDINARY RESOLUTION 5**

The Chairman proceeded to the fifth item on the agenda, which was to seek approval from the shareholders on the re-appointment of BDO as Auditors of the Company for FY2025 and to authorise the Directors to fix their remuneration.

The Meeting noted that this resolution was proposed based on the Audit and Risk Management Committee ("ARMC")'s recommendation, having been satisfied with the results of the annual assessment of BDO. BDO had also expressed their willingness to continue in office.

**12.0 AUTHORITY TO DIRECTORS TO ISSUE AND ALLOT SHARES UNDER THE COMPANIES ACT 2016 - ORDINARY RESOLUTION 6**

The Chairman informed the Meeting that the proposed Ordinary Resolution 6 under item 6.1 of the agenda was to seek renewal of a general mandate, of which if passed, would empower the Directors to issue and allot shares of not more than 5% of the total number of issued shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.

The Meeting was further informed that Ordinary Resolution 6 was also to seek shareholders' approval for the Company's disapplication of statutory pre-emption rights under the Section 85 of the Companies Act 2016, to enable the Company to allot new shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

The Chairman also highlighted that the Company did not issue any new shares pursuant to Sections 75 and 76 of the Companies Act 2016 under the general mandate approved by the shareholders at the last AGM of the Company.

**13.0 PROPOSED RENEWAL OF EXISTING SHARE BUY-BACK AUTHORITY - ORDINARY RESOLUTION 7**

The Chairman informed the Meeting that the proposed Ordinary Resolution 7 under item 6.2 of the agenda was to seek renewal of the authority for the Company to purchase up to 10% of the total number of issued shares of the Company ("Proposed Renewal of Existing Share Buy-Back Authority"). The details of the Proposed Renewal of Existing Share Buy-Back Authority were stated in Part A of the Circular to Shareholders dated 7 October 2024.

The Meeting was further informed the Company did not purchase any shares under the authority given by the shareholders since the last AGM of the Company.

**14.0 PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE - ORDINARY RESOLUTION 8**

The Chairman informed the Meeting that item 6.3 of the agenda was to seek renewal of the existing shareholders' mandate for the recurrent related party transactions of a revenue or trading nature which were necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries ("Proposed Renewal of Shareholders' Mandate").

The Chairman also informed that the details of the Proposed Renewal of Shareholders' Mandate were set out in Part B, Section 12 of the Circular to Shareholders dated 7 October 2024. The interested Directors, interested major shareholders and persons connected to them as detailed therein would abstain from voting on Ordinary Resolution 8.

**15.0 ANY OTHER BUSINESS**

The Meeting noted that no notice had been received from the shareholders to transact any other business at the Meeting.

**16.0 QUESTIONS AND ANSWERS ("Q&A") SESSION**

Having tabled all the items on the agenda for consideration, the Chairman announced the opening of the Q&A session. He informed that the Company had received a letter from the Minority Shareholders Watch Group ("MSWG") prior to the 55<sup>th</sup> AGM. Dato' Lee, the GMD of the Company was then invited to present the Company's responses to MSWG's questions, as follows:-

**Questions from MSWG and the Company's Responses**

**Operational and Financial Matters**

Q1. The recent announcement of Budget 2025, which includes a minimum wage hike, new crude palm oil ("CPO") export tax structure and revised windfall profit levy, to what extent will it impact the Group's overall cost structure in the financial year ending 2025? How will it affect the Group's existing and future strategies?

**Response from the Company**

*Assuming that the minimum wage hike takes effect on 1 February 2025 and the revised windfall profit levy takes effect on 1 January 2025, and also the new CPO export tax structure is implemented on 1 November 2024, we estimate an increase in operating costs of approximately RM17 million (representing less than 1.5% of net profit) for FY2025. While the revised windfall profit levy is expected to generate savings of about RM5.7 million for FY2025, the increase in minimum wage and the new CPO export tax structure are projected to raise operating costs by RM18.5 million and RM4.2 million, respectively. Additionally, we have not included the proposed employer's share of Employees Provident Fund (EPF) contributions for foreign workers, as the timeline for when this proposal will become mandatory remains uncertain.*

*The Group's existing strategy remains intact as we pursue initiatives to reduce our reliance on manual labour. We are enhancing the land-to-worker ratio through mechanisation and digitalisation, in line with our Five-Year Plan launched in 2020. Significant progress has been made, with the mechanised mainline fresh fruit bunch evacuation system now implemented on 99% of suitable estates and approximately 700 mechanised tools deployed for field operations. Looking ahead, the Group will continue to utilise and enhance mechanisation tools while focusing on improving labour productivity to effectively manage rising operating costs.*

- Q2. India has raised the basic import tax on crude and refined edible oils, including palm oil by 20 percentage points which will effectively increase the total import duty on three oils to 27.5% from 5.5%. Imports of refined palm oil, refined soy oil and refined sunflower oil will attract 35.75% import duty against the earlier duty of 13.75%.

Has the Group experienced weak demand for its products from India customers? If yes, to what extent?

**Response from the Company**

*India was not our primary market, and we did not engage in direct sales there. However, since the increase in import duty also applies to other competing oils, we believe that demand from India remains supportive. This is particularly evident as we have observed that CPO prices have recently risen to around RM4,500 per metric tonne.*

**Sustainability Matters**

- Q3. The Group's disclosure of its sustainability performance under Bursa's prescribed format (Labour practices and standards), the number of substantiated complaints concerning human rights violations increased from two in FY2023 to eight for FY2024. (page 83 of Sustainability Report 2024)
- (a) What were the reasons for the significant increase in the number of substantiated complaints concerning human rights violations?

**Response from the Company**

*The increase in substantiated human rights complaints in 2024 could be attributed to the growing awareness and strong trust workers have in our grievance mechanisms, as evidenced by the higher number of complaints reported through our IOI Mesra mobile application compared to last year. Majority of these complaints were resolved quickly. However, the more complex cases required us to undertake more comprehensive internal investigations to confirm the facts of the case. Although we aim for zero cases of employee rights violations, we have to recognise that there are more than 120 operating units within our Group managing around 26,000 employees.*

- (b) What was the nature of these eight complaints concerning human rights violations?

**Response from the Company**

*Out of the eight complaints concerning employee rights violations, seven were received through IOI Mesra and one through the Women and Empowerment Committee (WEC). Three complaints were related to rights to dignity and respect, with workers reporting issues such as the use of harsh language, two cases of inequality treatment such as having preferred treatment of one worker over the other, one case of refusal to treat a worker who was hurt and finally, two incidences of sexual harassment that include an external party harassing one of our worker's dependents and harassment between colleagues.*



- (c) Under the Company's M3 (Human Rights and Good Labour Practices) (page 34 of Sustainability Report 2024), it was stated that the Company would monitor workers' rights through a human rights due diligence service provider. Did the service provider above highlight the issues in their assessment? If yes, was it triggered before or after the complaints were received?

**Response from the Company**

*Since 2022, we had engaged a service provider to conduct periodic surveys across six estates in Peninsular Malaysia. Through the survey, the service provider did identify potential issues. The management team then utilised the results of these surveys to address the potential human rights issues. The primary concerns raised were largely attributed to a lack of awareness regarding the company's procedures. In response to these findings, we implemented training programmes designed to educate workers about their rights and the grievance mechanisms available to them, to all our plantations in Malaysia and Indonesia, demonstrating our commitment to addressing worker rights concerns throughout the company.*

- (d) What actions have been taken by the Group to avert or mitigate such human rights violations in future?

**Response from the Company**

*Employee rights is one of the key focuses of our Board Sustainability Committee ("BSC") and the Group Sustainability Steering Committee. We constantly educate and remind our senior management and operating units' management about employee rights and welfare, and incorporate these as part of their key performance indicators for performance appraisal. At the plantation level, we had implemented the IOI Mesra application, which is widely adopted by our workers. Additionally, we conduct regular employee engagement activities to gather direct feedback from workers regarding any issues related to human rights and their overall well-being. Furthermore, as a company certified by Roundtable on Sustainable Palm Oil (RSPO) and Malaysian Sustainable Palm Oil (MSPO), we undergo annual audits by external certification bodies that assess our compliance with human rights standards and other relevant matters.*

- Q4. In the Company's Sustainability Report 2024 (page 79), it was stated that a human rights due diligence assessment was conducted independently by a service provider in selected estates, with only a 17.82% response rate and over 80% positive responses for several key indicators.

- (a) Please clarify the methodology used for the assessment. Was it conducted via employee questionnaires or interviews?

**Response from the Company**

*The assessment involved a five-minute mobile survey available in the workers' preferred language and was conducted anonymously. Workers are asked to answer twenty simple questions related to their rights and well-being by pressing 1 (Yes), 2 (No), or 3 (Neutral) on their phones.*

- (b) Was the assessment conducted in areas where human rights issues have been reported in Question 3 above?

**Response from the Company**

*Yes. The assessment questions cover accessibility to medical treatment, living conditions, discrimination, fair treatment, etc.*

- (c) We note that the Company decided not to expand this assessment to its operations in Sabah. We recommend conducting a more comprehensive assessment across all areas, as each location may face unique challenges that differ from one region or estate to another.

**Response from the Company**

*The decision not to expand this assessment was due to the poor response and enthusiasm by workers regarding the method of the survey utilising the phone. Alternatively, with the trust that has been built through our employee engagement activities, we are considering to conduct a more comprehensive survey regarding specific issues related to specific regions to be led by our human resources departments at the regional and head office.*

**Corporate Governance Matters**

- Q5. As at 30 August 2024, the Board has 43% female representation and the Board will endeavour to maintain a minimum of 30% women as members of the Board. (page 107 of AR2024)
- (a) In terms of Board diversity, what benefits has the Board experienced from the participation of women directors on board? How have these benefits impacted the Board's performance?
- (b) Are there noticeable changes in the quality or diversity of perspectives in strategic discussions?

**Combined Response from the Company**

*The representation of women on our Board is reflected in the composition of its committees. Dato' Kong Sooi Lin ("Dato' Kong") chairs the ARMC, Datuk Zurinah binti Pawanteh ("Datuk Zurinah") chairs the GNRC, and Dr Nesadurai Kalanithi ("Dr Kalanithi") chairs the BSC.*

*The participation of women directors on the Board has brought several key advantages that positively impact Board performance, as follows:-*

- (i) *They bring unique viewpoints and varied experiences, fostering a balanced and comprehensive approach to decision-making. This diversity promotes thorough discussions and enhances our Board's ability to assess risks and opportunities, leading to more informed and strategic decisions during Board Meetings and Board Retreat. We also observe that with a 43% representation of women directors on Board, an inclusive and collaborative environment is fostered. This culture further bolsters our Board's capacity to tackle challenges cohesively.*
- (ii) *Dato' Kong and Datuk Zurinah often demonstrate meticulous attention to detail and a structured, process-oriented approach within the ARMC and GNRC. Their contributions have elevated governance standards, reinforcing accountability and enhancing the Group's transparency and integrity.*
- (iii) *Under Dr Kalanithi's leadership of the BSC, there has been an increased focus on creating long-term, sustainable value. This emphasis has advanced the Group's sustainability initiatives, aligning practices with stakeholder interests and market expectations.*

The Meeting then proceeded to the questions submitted by the shareholders and proxies. Questions submitted prior to the date of the 55<sup>th</sup> AGM were addressed first, followed by questions received via the RPEV facilities and from the floor. With the Chairman's consent, the GMD addressed the questions raised and the responses were summarised as follows:-

**Questions from shareholders and proxies and the Company's responses**

**Pre-submitted questions**

- 1) How much does the Company spend on this hybrid AGM?

**Response from the Company**

*The total cost of this year's AGM had yet to be ascertained as some of the costs such as Touch 'n Go eWallet credit, service providers' engagement fees and meeting venue related costs could only be calculated and invoiced after the AGM is over. Based on previous years, the total cost to convene an AGM was approximately RM200,000.*

- 2) (a) Will the Board consider giving door gift such as e-voucher or e-wallet as a token of appreciation for those have participated in this AGM?
- (b) What is the reason for the Company giving door gifts to multiple proxyholders who attend the physical meeting while ignoring shareholders who are the attending virtual meeting?

**Response from the Company**

*The Touch 'n Go ("TNG") eWallet credit and meal vouchers are only given to eligible shareholders, proxies, and corporate representatives who attend the AGM in person, to help defray their expenses and provide dining convenience for physical attendees. The TNG eWallet reload PINs will be emailed to eligible persons within 21 business days from the AGM date once the eligibility of attendees has been ascertained.*

**Questions submitted via RPEV facilities**

- 1) How is the extent of implication due to the strengthening of the Ringgit Malaysia ("RM") against the Company's turnover?

**Response from the Company**

*The RM had been strengthening against the United States Dollar ("USD") for the past few months. Despite the notion that the strengthening of the RM puts export-oriented companies at a disadvantage, the Group's turnover was not significantly impacted given that the Group had 2 main businesses: plantation and resource-based manufacturing.*

*For the plantation segment, the Group had benefitted from rising CPO prices for the past few weeks (approximately RM4,900 per MT as at 4 November 2024). As for the resource-based manufacturing segment, the margins earned in FY2024 had improved compared to the previous 2 financial years.*

*The strengthening of RM against USD also resulted in a translation gain (a non-cash flow item) on the valuation of the Group's USD-denominated medium-term borrowings.*

- 2) Is discriminating against shareholders who cannot physically attend this IOI Corp AGM and so had to attend via RPEV in your hybrid meeting, the Board's convenient decision? Isn't this an over-compensated Board's trend? Doesn't RPEV save the Company more than the physical meeting portion in this hybrid meeting?

**Response from the Company**

*The main purpose of distributing the TNG eWallet credit to only physical attendees is to reimburse them for expenses incurred in travelling to the Meeting Venue. The meal vouchers are also given to physical attendees as a gesture of hospitality.*

*As for the AGM cost, generally hybrid AGMs are more expensive compared to purely physical or purely virtual AGM, due to the additional attendees tuning in via the RPEV facilities. In the Company's view, the additional cost of holding a hybrid AGM is worthwhile as it allows more shareholders to attend the AGM.*

- 3) The government Budget 2025 - does it impact the overall company operations? Will the operation cost be greater? Which company has the most impact?

**Response from the Company**

*Kindly refer to the Company's response to MSWG's Question 1.*

- 4) The Group has invested 20% equity interest in Rosa RE Pte Ltd ("Rosa RE"), the principal activities is in the generation of electricity by other source.

- (a) What was the total investment incurred for Rosa RE?  
(b) The rationale and prospects of Rosa RE moving forward.

**Response from the Company**

*Rosa RE is involved in the construction and operation of a solar photovoltaic plant in Johor, with the aim to supply and export solar-generated electricity to Singapore. This project is currently at the stage of obtaining the necessary approvals/permits from the Singapore Government.*

*As at to-date, the Group had invested nearly RM500,000 in Rosa RE for the purpose of engagement with consultants.. Rosa RE not only has to obtain approvals from the Singapore Government, but also engage with Tenaga Nasional Berhad.*

*The rationale for the Group to invest in Rosa RE is to gain a foothold in the renewable energy field by partnering with international players which already have experience and expertise in this field.*

- 5) (a) What is the average production cost?  
(b) What is the differential production cost between West and East Malaysia?

**Response from the Company**

*For average production cost, it amounts to approximately to RM2,500 per MT of CPO, which can be reduced to RM2,000 per MT of CPO after applying palm kernel credits.*

*As for the difference in production cost between West and East Malaysia, it depends on the CPO production level between the 2 regions. Although the West Malaysia region incurs higher total production cost compared to East Malaysia, West Malaysia also enjoys higher yields; therefore, the production cost per MT of CPO for the 2 regions are comparable.*

- 6) Why does it take 16 years (i.e. 2040) to achieve the net zero for climate change? Can the Group achieve it earlier?

**Response from the Company**

*While most public listed companies in Malaysia had set 2050 as the target year to achieve net zero, the Group had committed to achieve net zero much earlier, i.e. 2040. As an interim target, the Group had managed to reduce its carbon intensity by 40% in 2024, which was one year ahead of its original target of 2025.*

- 7) The Company's share price was traded as low as RM3.67 (as disclosed in Circular to Shareholders). What are the reason(s) for not purchasing back any shares of the Company despite the lower price and good cashflows in FY2024?

**Response from the Company**

*Management acknowledged the possibility of missing an opportunity to capitalise on a one-off attractive price event. However, the Company would continue to monitor its share price and execute share buybacks at appropriate price levels.*

- 8) For the plantation sector, what is the percentage of using artificial intelligence ("AI"), drones and machine automation for efficient solutions?

**Response from the Company**

*The use of AI is very minimal at this juncture as the Group is still focusing on mechanisation efforts. Electric vehicles with GPS functionality have been introduced. All the players in oil palm industry have been working on improving mechanisation in their estates, together with the Malaysian Palm Oil Board.*

*Meanwhile, the Group has been using drones for the past 20 years, with the dedicated team to run these drones to conduct perimeter mapping and to scan oil palms for diseases. These drones have been useful, among others, for detecting encroachment, monitoring the number of oil palms and analysing terrain for replanting projects as well.*

**Questions/comments/suggestions submitted from the floor**

- 1) (a) For registration of shareholders at the Meeting Venue, it is better to allocate more registration counters for walk-in attendees who have not conducted the pre-registration process.
- (b) The Company should also be able to estimate the number of shareholders and proxies that will be attending the AGM, in order to prepare sufficient meal vouchers for them.

**Response from the Company**

*The suggestions would be considered by the Company as part of its debrief meeting on the conduct of the 55th AGM.*

- 2) Please elaborate more on the ESG-linked key performance indicators of the GMD.

**Response from the Company**

*The ESG-linked key performance indicator of the GMD is a demerit mechanism whereby the GMD's bonus may be reduced if the Company fails to achieve the target for any of the selected third-party sustainability ratings (up to maximum 15% reduction). The 5*

*sustainability ratings involved include, among others, CDP, MSCI, Sustainalytics and SPOTT.*

*For FY2024, the Company had managed to achieve all sustainability rating targets.*

- 3) On the proposed amount of Directors' benefits under Ordinary Resolution 4, there is a discrepancy in the quantum displayed in the ConveneAGM Meeting Platform compared to the quantum informed to shareholders during the AGM proceedings.

**Response from the Company**

*For shareholders' information, the quantum of Directors' benefits proposed under Ordinary Resolution 4 had been set at a higher amount of RM350,000 in order to accommodate the increase in meeting allowance from RM1,000 to RM1,500 since September 2022, taking into account the estimated number of Board and Board Committee meetings to be held for the period from 6 November 2024 to the next AGM.*

*The Administration and Polling Agent had been tasked by the Company Secretary to rectify the error in the quantum of Directors' benefits displayed in the ConveneAGM Meeting Platform.*

- 4) CPO have been trading at a premium over soybean oil for the past few months. What is the Company's view on this trend?

**Response from the Company**

*CPO had been trading at a premium of over USD90 per MT, as opposed to soybean oil which had been trading at a discount of about USD100 - USD150 per MT. Despite this unusual trend, demand for CPO remains strong, especially from India and EU.*

*The Company viewed that the rising CPO prices were primarily driven by the expected tightening of CPO supply in the coming months as predicted by market analysts. Nevertheless, based on past experience, there would only be a slight decrease in production. While West Malaysia's production is expected to decline, this should be offset by increased production from East Malaysia.*

- 5) (a) Although CPO prices have been escalating significantly, it is expected that this trend may taper off after Chinese New Year in 2025. What is the Group's strategy for sale of CPO and are there any difficulties in selling CPO in this high CPO price environment?
- (b) What is the Group's strategy in terms of utilisation of plant capacity, as well as sales, of fatty acids and glycerine in light of rising CPO prices?
- (c) Is there still a high degree of lobbying from the European Union ("EU") to ban products made with palm oil?
- (d) In terms of exports, does the Group still concentrate on the EU market?
- (e) Please update us on the biomass (palm wood) production which the Group has embarked on.

**Responses from the Company**

(a) *In general, the Group will be more aggressive in its sale of CPO when CPO prices rise. Given that CPO prices are unpredictable, the Group's practice is to gradually increase its production and sales of CPO throughout the year.*

- (b) *As for fatty acids and glycerine, currently the Group's plants are operating at about 80% capacity. However, the demand for downstream products remains stable. The challenge is to pass on the CPO price increase to the downstream products.*
- (c) *Though the lobbying against palm oil is still present, together with the impending implementation of the EUDR, the Group as an integrated palm oil producer is well-prepared to face these challenges. The Meeting noted that the EUDR implementation date has been postponed by 1 year from its original date of 30 December 2024.*
- (d) *In regard to exports of downstream products, currently the Group exports to about 80 countries. EU constitutes 20% of the Group's exports.*
- (e) *For palm wood production, IOI Palm Wood Sdn Bhd ("IOIPW") is presently in the stage of scaling up its production as well as improving product quality. IOIPW has also been focusing on establishing its internal policies and procedures. For this purpose, IOIPW is the midst of obtaining certifications from the International Organization for Standardization ("ISO"), i.e. ISO 9001, ISO 14001 and ISO 45001.*

*As palm wood could not be classified as timber, IOIPW was looking into obtaining certification from MSPO under a new category for its products. In addition, IOIPW has been building its brand and business development model through its engagement with new and repeat customers. IOIPW could also leverage on the Group's green credentials by ensuring that its palm wood products are ESG certified. As oil palm trunks could not be stored for extended periods, the supply chain for palm wood products needed to be strengthened.*

*Finally, a centre of excellence for oil palm trunks and other related biomass materials will be established by IOIPW.*

- 6) (a) Will the Group's human rights violation incidents impact its exports to the EU?
- (b) Based on the current CPO price and monsoon season, what is the possible percentage increase in profit if production levels remain the same as last year?
- (c) Have the Directors undergone training on AI and taxation matters?
- (d) On the appointment of female Directors, the Board should look into the spirit of this recommendation by the Malaysian Code on Corporate Governance, and not merely appoint female Directors by virtue of their gender.
- (e) On the organising and conduct of AGM:-
  - The Investor Relations department should be involved in organising the AGM alongside the Company Secretarial department.
  - The Company does not seem to be adequately ready to conduct physical AGMs, given that there is no public transport from Putrajaya Sentral MRT station to the Meeting Venue except for a private bus service on an hourly frequency. In line with the Group's ESG efforts, the Company should ensure there is ample public transport provided for shareholders to travel to the Meeting Venue.

- The Administrative Guide to the AGM seems to emphasise greatly on the wearing of face masks; perhaps, complimentary face masks should be provided to shareholders in future.
- The Company can consider holding the AGM at more strategic locations in future instead of always holding AGMs in Le Méridien Putrajaya, which is owned by IOI Properties Group Berhad Group.
- There are also no signages to direct shareholders from IOI City Mall to the Meeting Venue.

#### **Responses from the Company**

- (a) *Generally, our EU customers had expressed satisfaction with the Group's handling of human rights violation incidents, provided such cases remain isolated and are not indicative of systemic issues.*
- (b) *Although the Group had been conducting intensive replanting exercises for the past 3 years, the Group had managed to achieve a single-digit percentage increase in CPO production in FY2024. The Group would be able to achieve the same for the current financial year 2025.*
- (c) *Some of the Directors do attend training on AI and taxation, the latter on which the Company had previously organised an in-house seminar attended by Directors.*
- (d) *As explained in our response to the MSWG's Question 5, appointments of women Directors were made based on their capabilities and experiences, and not merely based on their gender.*
- (e) *The Company noted the suggestion on the provision of public transport to the Meeting Venue. As for the face mask requirement, it was clarified that the Administration Guide to the 55<sup>th</sup> AGM had stated that wearing of face masks in enclosed spaces is now optional. The wearing of face masks is advisable only if any attendee is unwell with sore throat, flu, fever, cough or other common symptoms of COVID-19.*

After all questions were answered, the Chairman thanked the shareholders and declared the Q&A session closed.

#### **17.0 POLL VOTING**

The Chairman informed that additional 5 minutes would be allocated for all resolutions to be voted on by poll and another approximately 5 minutes for the Administration and Polling Agent to conduct the poll vote count and for verification of the poll results by the independent scrutineer.

#### **18.0 DECLARATION OF POLL RESULTS**

The Chairman called the Meeting to order for the declaration of the poll results. The Chairman invited the Company Secretary to read out the poll results for each ordinary resolution, as follows:-



Resolutions	Voted For		Voted Against	
	No. of Shares	%	No. of Shares	%
<b>Ordinary Resolution 1</b> Re-election of Mr Lee Yeow Seng retiring by rotation pursuant to Article 91 of the Company's Constitution	3,199,605,808	80.6727	766,549,645	19.3273
<b>Ordinary Resolution 2</b> Re-election of Dr Nesadurai Kalanithi retiring by rotation pursuant to Article 91 of the Company's Constitution	4,449,275,647	99.6230	16,837,435	0.3770
<b>Ordinary Resolution 3</b> Directors' fees of RM1,620,000 for the financial year ending 30 June 2025 payable quarterly in arrears after each month of completed service of the Directors during the financial year	4,465,835,028	99.9940	268,700	0.0060
<b>Ordinary Resolution 4</b> Directors' benefits of up to RM350,000 for the period from 6 November 2024 until the next Annual General Meeting	4,465,822,237	99.9936	287,391	0.0064
<b>Ordinary Resolution 5</b> Re-appointment of BDO PLT as Auditors for the financial year ending 30 June 2025	4,466,114,534	99.9994	25,799	0.0006
<b>Ordinary Resolution 6</b> Authority for Directors to issue allot and issue shares up to 5% of the total issued shares under the Companies Act 2016	3,182,086,450	71.2492	1,284,052,429	28.7508
<b>Ordinary Resolution 7</b> Proposed renewal of existing share buy-back authority	4,449,311,916	99.6234	16,818,817	0.3766
<b>Ordinary Resolution 8</b> Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature	1,333,977,371	99.9972	36,843	0.0028

The Chairman declared that based on the poll results, all of the following 8 Ordinary Resolutions tabled at the Meeting were duly carried:-

- 18.1 “THAT Lee Yeow Seng, retiring pursuant to Article 91 of the Company’s Constitution and being eligible, be hereby re-elected as a Director of the Company.”
- 18.2 “THAT Dr Nesadurai Kalanithi, retiring by rotation pursuant to Article 91 of the Company’s Constitution and being eligible, be hereby re-elected as a Director of the Company.”
- 18.3 “THAT the payment of Directors’ fees (*inclusive of Board Committees’ fees*) of RM1,620,000 for the financial year ending 30 June 2025 payable quarterly in arrears after each month of completed service of the Directors during the financial year be hereby approved.”
- 18.4 “THAT the payment of Directors’ benefits (*other than Directors’ fees*) of up to RM350,000 for the period from 6 November 2024 until the next Annual General Meeting be hereby approved.”
- 18.5 “THAT BDO PLT be hereby re-appointed as Auditors of the Company for the financial year ending 30 June 2025 AND THAT the Directors be authorised to fix their remuneration.”
- 18.6 “THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (the “Act”), the Board of Directors (the “Board” or the “Directors”) be hereby authorised with full powers to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issuance and allotment provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed five percent (5%) of the total number of issued shares (excluding treasury shares) [the “New Shares”] of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so allotted (the “Mandate”).

AND THAT in connection to the above, pursuant to Section 85 of the Act read together with Article 55 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emption rights to be offered New Shares and the Company be given the approval to disapply the statutory pre-emption rights conferred upon the shareholders of the Company and that the Directors are exempted from the obligation to offer such New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares ranking *pari passu* with the existing shares, pursuant to the Mandate.”

- 18.7 “THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be hereby given to the Company to utilise up to the aggregate of the Company’s latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (“Bursa Securities”) upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase (the “Proposed Purchase”).

THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares which may be distributed as dividends, resold on Bursa Securities and/or otherwise dealt with by the Directors in the manners allowed by the Companies Act 2016.

THAT the Directors of the Company be hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

AND THAT such authority shall commence immediately upon passing of this resolution until:

- (i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;
- (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authorities.”

18.8 “THAT subject always to the provisions of the Companies Act 2016 (the “Act”), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (the “Related Parties”), as detailed in Part B, Section 4 of the Circular to Shareholders of the Company dated 7 October 2024 (the “Shareholders’ Mandate”) subject to the following:

- (i) the transactions are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders’ Mandate during the financial year.

THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Act (*but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act*); or

- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting.

whichever is the earlier,

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

## **19.0 CLOSURE OF MEETING**

The Chairman thanked all present at the Meeting for their attendance and participation at the Meeting.

The Meeting concluded at 12.35 p.m. with a vote of thanks to the Chairman.

Confirmed

**Tan Sri Peter Chin Fah Kui**  
Chairman

Date: 5 November 2024



**IOI GROUP**

# 55th Annual General Meeting

*5 November 2024*

*Presented by Mr. Kong Kian Beng, Group CFO*





IOI GROUP

# Group Financial Performance Overview

	Year ended 30 June		Variances %
	FY2024 RM Million	FY2023 RM Million	
Revenue	9,603.6	11,583.8	(17)
Profit before Interest and Tax	1,535.3	1,815.5	(15)
Profit before Tax	1,398.5	1,526.0	(8)
Underlying profit before tax*	1,380.5	1,781.9	(23)
Profit after Tax	1,116.3	1,130.0	(1)
Basic EPS (sen)	17.88	17.95	

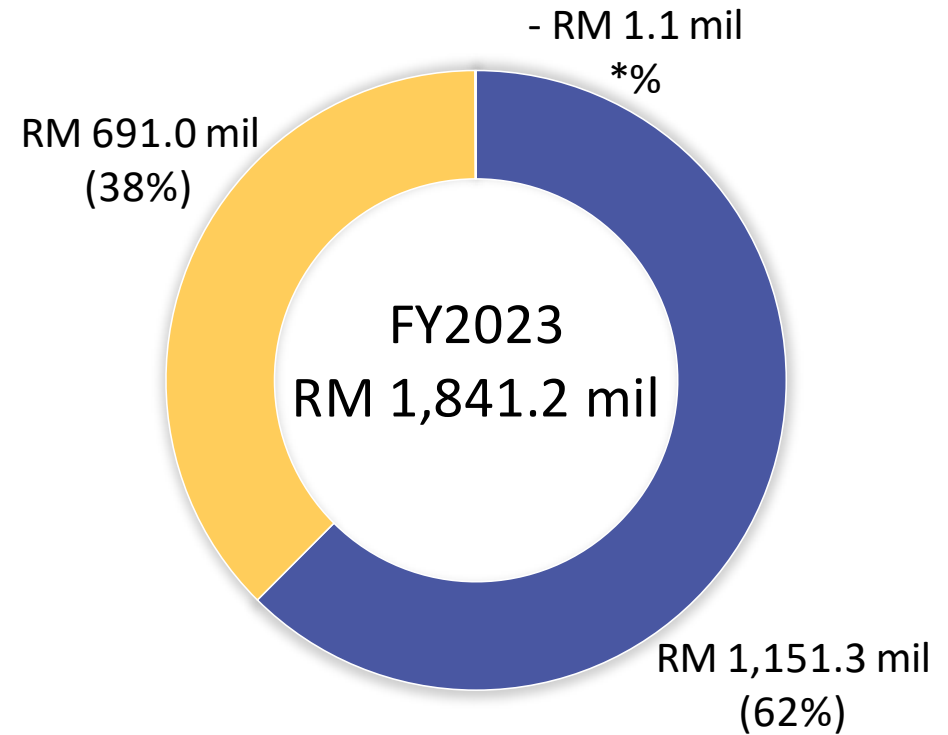
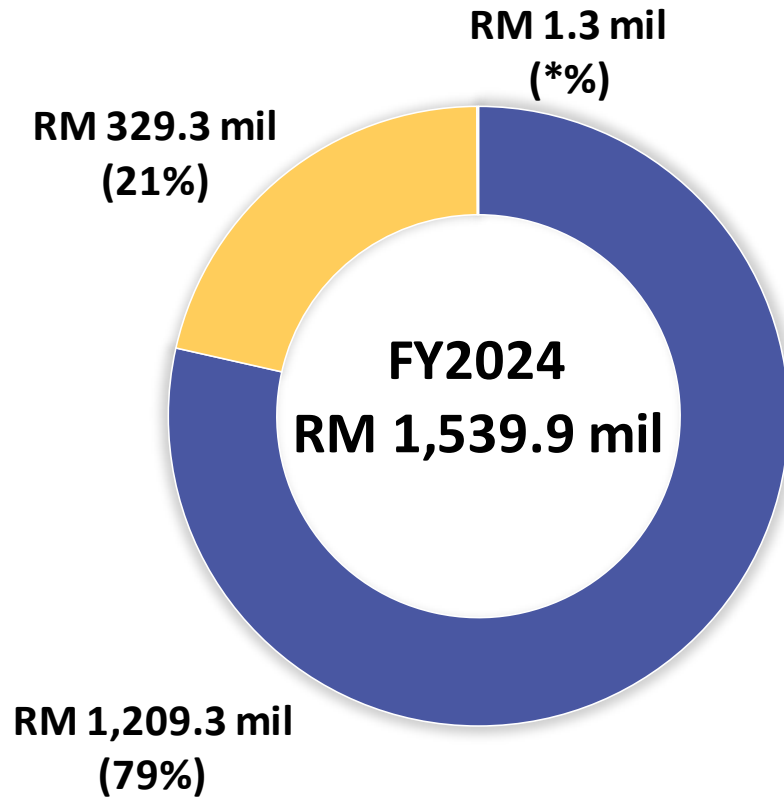
\*exclude non-operating items, fair value adjustments or one-off items

FY: Financial year



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# Segment Profit Breakdown



Plantation



Resource-based Manufacturing



Others \*



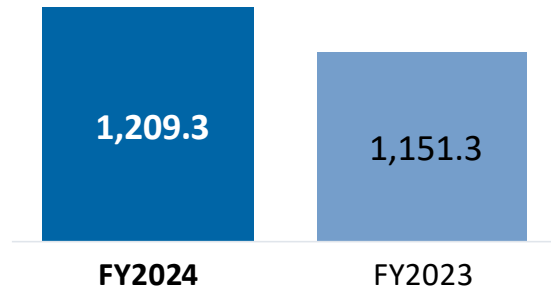


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# Segment Profit - Plantation

## Segment profit (RM Million)

↑ RM58.0 mil (5%)



## Higher profit mainly due to:

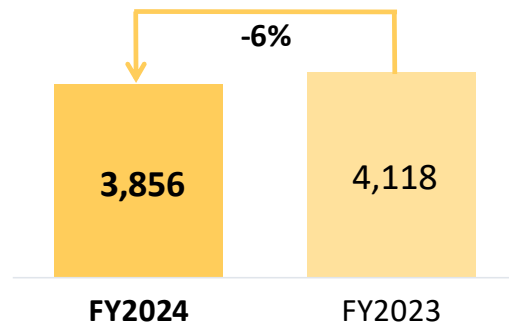
- Higher FFB production
- Higher OER
- Higher share of associate results

partially offset by:

- Lower CPO & PK price realised

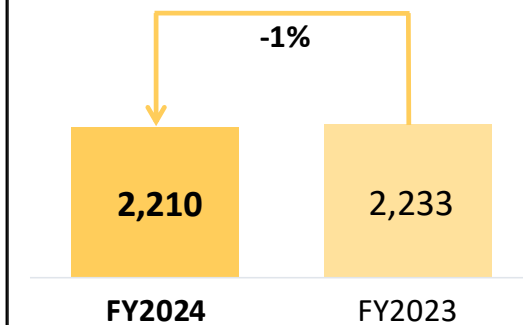
## Average CPO price (RM/MT)

-6%



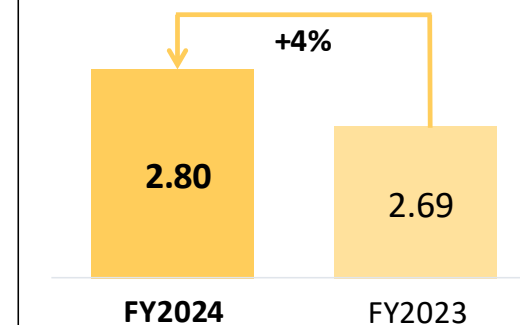
## Average PK price (RM/MT)

-1%



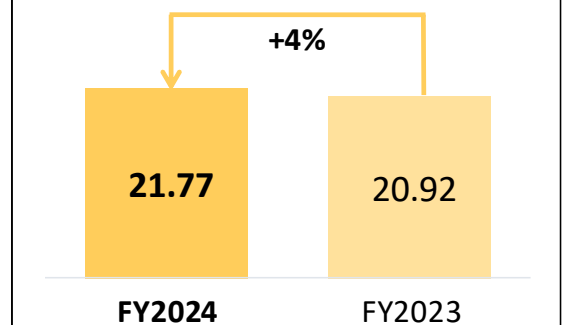
## FFB Production (Million MT)

+4%



## OER (%)

+4%





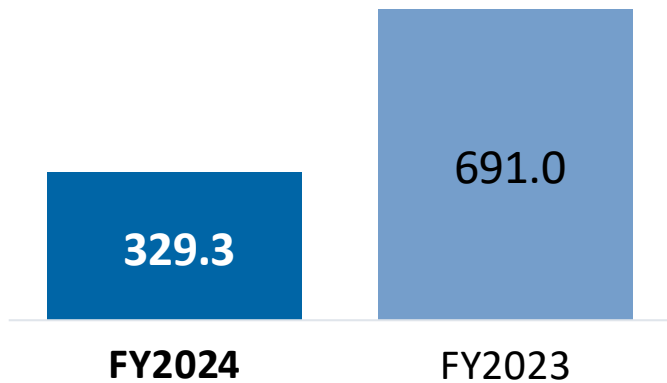


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# Segment Profit – Resource-Based Manufacturing

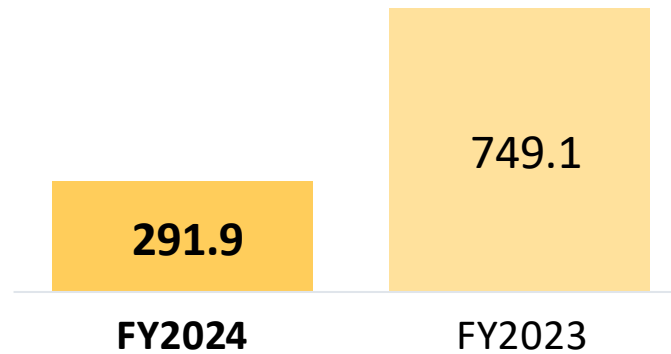
## Segment profit (RM Million)

↓ RM361.7 mil (52%)



## Underlying segment profit\* (RM Million)

↓ RM457.2 mil (61%)



## Lower underlying segment profit mainly due to:

- Lower margins from oleochemical and refining sub-segments

mitigated by:

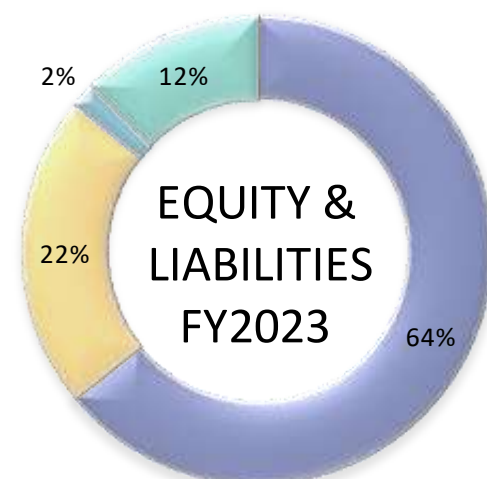
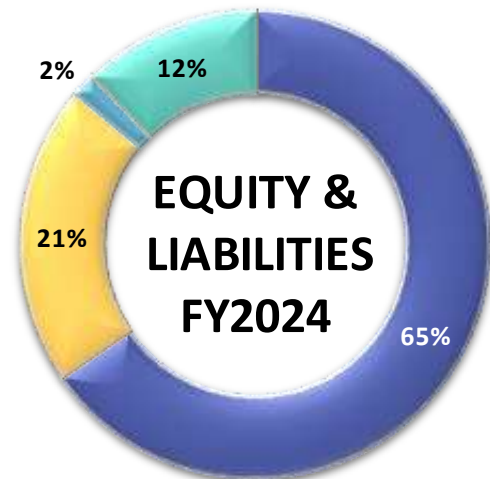
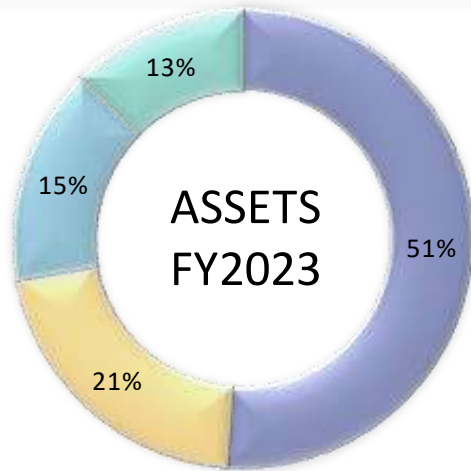
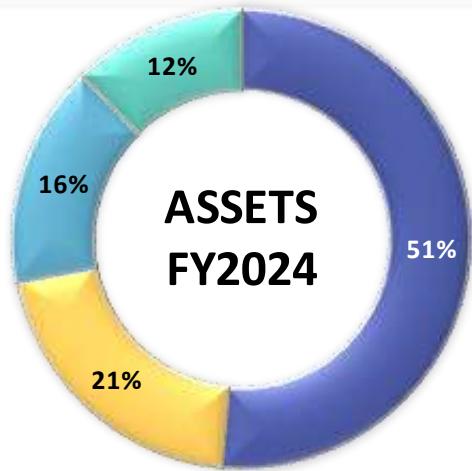
- Higher share of associate results

\*exclude fair value adjustments



IOI GROUP

# Balance Sheet



## Assets

- Property, plant and equipment
- Other long term assets
- Other short term assets
- Cash and cash equivalents

## Equity and Liabilities

- Equity
- Borrowings
- Non-controlling interests
- Other liabilities

## Net Gearing Ratio

Year ended 30 June	
FY2024	FY2023
RM Billion	RM Billion
9.2	9.0
3.7	3.7
2.8	2.7
2.2	2.2
<b>17.9</b>	<b>17.6</b>
11.7	11.3
3.7	3.8
0.3	0.3
2.2	2.2
<b>17.9</b>	<b>17.6</b>
<b>13.55%</b>	<b>13.99%</b>

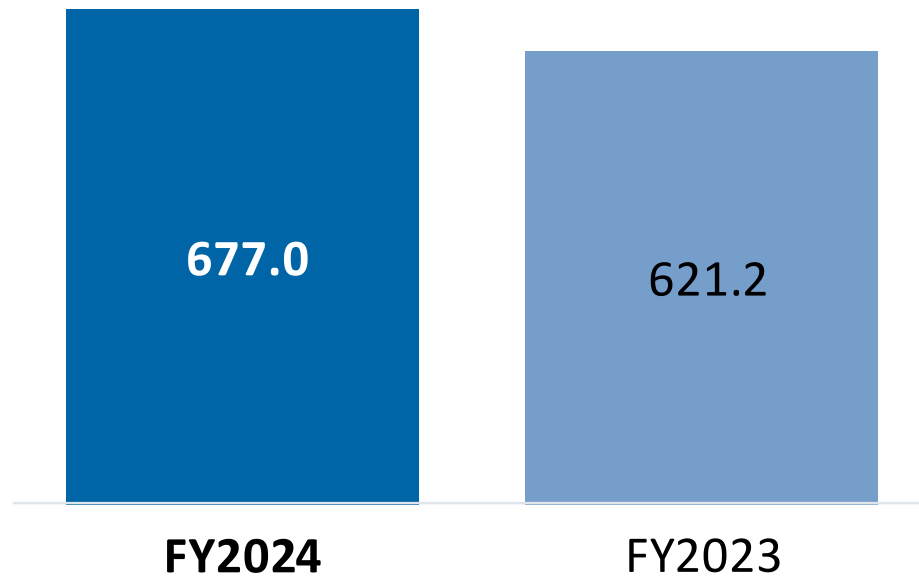


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# Capital Expenditure FY2024

## Capital Expenditure (RM Million)

↑ RM55.8 mil (9%)



## Higher capital expenditure mainly due to:

- Mill project (Indonesia), in progress
- Investment in biogas plant



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# Equity Repayments

Total Dividend declared for the financial year ended 30 June 2024 is  
**9.5 sen per share**

	<b>FY2024</b>	
	<b>Dividend RM Million</b>	<b>Dividend per share (sen)</b>
1st interim Payment on 21 March 2024	279.2	4.5
2nd interim Payment on 26 September 2024	310.2	5.0
	<hr/>	<hr/>
	589.4	9.5



**IOI GROUP**

**Thank You**





**IOI GROUP**

# IOI's Sustainability Journey Forward "Enhancing Biodiversity Transitioning Together"

*Dr. Surina Ismail,  
Chief Sustainability Officer, IOI Corporation Berhad  
November 5, 2024*



### Sustainability Vision

We should meet the needs of the present without compromising that of the future generations

Adopted 6 UNSDGs most relevant to our business



### Some key new commitments of the IOI Sustainability Policy (IOI SP) *(Previously referred as IOI Sustainable Palm Oil Policy [IOI SPOP])*



- Governance
- Compliance to Policies and Regulations
- Environment
- Social

- Additional statement on the board's direct involvement in overseeing the Group's sustainability matters through the BSC and the GSSC
- Commitment towards compliance to RSPO, MSPO, ISCC, and ISPO as well as the Supply Chain certification standards for our Resource-Based Divisions and work to strengthen these standards
- Implement decarbonisation programme to progressively reduce GHG emissions in line with IOI's Pathway to Net-Zero by 2040
- Protection of natural ecosystem and promote circularity
- Adopt environmentally friendly and energy efficient processes to ensure efficient use of natural resources and reduce environmental impact
- Practice responsible water stewardship in accordance with the IOI Group Water Policy
- Promote children's rights to ensure they are safe from harm and any form of exploitation

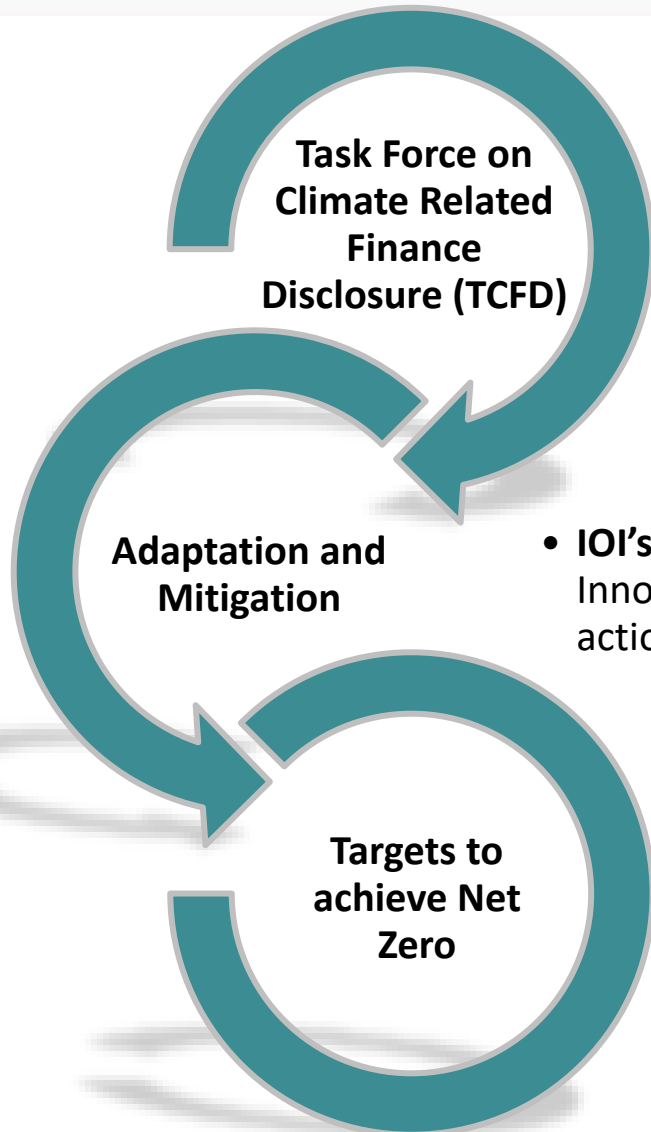




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# IOI's Corporation on Climate Change

*Decarbonization Pathway to Net Zero by 2040*



## • Governance

- Climate related matter are discussed at the BSC level
- Formation of Climate related Financial Disclosure Committee (CFDC)

## • Strategy

- Technology & Innovation
- Renewable Energy
- 7Rs of Circularity

## • IOI's Holistic Climate Transition Action Plan for 2024:

Innovation & Technology; Improved efficiency & support actions throughout our operations; Nature-based Solution

- **Achieved 42% GHG reduction ahead of short-term target (40% GHG reduction by 2025 )**

## • Some examples of how target was achieved –

- ✓ Methane captured from POME - used to run mills
- ✓ Use of Solar energy instead of fossil fuel in our operations
- ✓ Repurpose of OPT and EFB for eco-friendly products
- ✓ Recycling of effluent waste water for non-critical use
- ✓ Aligning GHG calculation to GHG Protocol







IOI GROUP

# IOI's Approach on Environment

## Enhanced Biodiversity and Ecosystem



Sustainable  
Agriculture



### REGENERATIVE & PRECISION AGRICULTURE

- Organic Palm Oil – 1,128 Ha certified
- Use of beneficial plants & animals in our estates
- Increased OER – ex. 25.2 % for Baturong Mill



### SAFEGUARDING NATURAL ECOSYSTEMS

- Circularity approach helping to manage non-hazardous waste:
  - ✓ 98% recycling rate in plantations: largely biomass in nature – OPT, EFB, PKS, etc.
  - ✓ For Oleochemical – increased recycling rate from 39% to 56% (FY2024) through the use of advanced process technologies to reduce chemical waste generation
- Collaboration with Tetra Pak to collect & recycle used beverage cartons



### ENHANCING BIODIVERSITY AND ECOSYSTEM

- Fire and Peat Management
- Bukit Leelau Mini Landscape Project – zero fires for the past 5 years
- ReLeaf Project - Reforest buffer zones within our estates for both environmental and enhance carbon sequestration
- Laran Tree Planting – setting aside 84 Ha of rehabilitated flood prone area at Syarimo estate that support biodiversity & increased carbon sequestration helping to achieve our climate goals



IOI GROUP

# IOI's Approach on Social Issues

*Enhancing our Wellbeing and Transitioning Together*

## Protecting our Workforce

- **Preventing Forced Labor**
- **Harassment Free & Grievance Mechanism**
  - ✓ Increased housing inspection from 36% to 52% resulting in reduced complaints from workers from 64% to 48%
- **Ethical Recruitment & Responsible Employment**
  - ✓ Conducting 3<sup>rd</sup> party audit on recruitment agencies
- **Occupational Safety & Health**
  - ✓ All our refineries & oleochemical facilities plus 6 of our operating units in plantations are ISO45001:2018 certified

## Uplifting our People

- **Women & Empowerment**
  - ✓ Launched IOI Group WEC
- **IOI Urban Garden**
  - ✓ Part of "Plant your own food" project
- **Just Transition**
  - ✓ Engaging employees on risks posed by climate change example on heat waves

## Expanding our Impact

- **FPIC**
  - Entered final phase of IOI Pelita resolution process
- **Eradicating Child labor through education**
  - ✓ Benefitting 4,311 our workers children in Sabah

## Sharing Prosperity through IOI Foundation

- **Community Development;**
  - ✓ IOI Leadership Youth Camp
  - ✓ Bargain Basement – contributed ~ RM1mil since 2016
- **Health & Education**
  - ✓ 348 scholarships
  - ✓ 1570 Students adopted via the student adoption program





### Sustainability-related Awards won by IOI

- 2<sup>nd</sup> consecutive Gold Award in the Plantation Sector - Edge Malaysia ESG Awards 2023
- Company of the Year (Best in Green, Education and Social Initiatives) – Plantation category at the Sustainability & CSR Malaysia Awards 2023
- National Occupational Safety & Health Awards 2022/23



### CICM Responsible Care Awards

IOI Pan-Century Oleochemicals Sdn Bhd scored Gold in the Community Awareness and Emergency Response Code as well as Employee Health and Safety Code categories



### Sustainalytics

IOI has further improved from 24.7 to 23.3 in the ESG risk Sustainalytics rating score.



### Ecovadis

IOI Oleo GmbH won fourth consecutive Gold; IOI Oleo Pan-Century won second Gold Sustainability; IOI Esterchem earned a Silver for its first participation.



### FTSE4Good

FTSE Russell ESG score of 3.6 & among the top 5 subsectors peers (farming and fishing) & achieved a perfect score for Governance & is the sole company among its top subsectors peers to achieve such standing.



### SPOTT

The percentage score of IOI has increased from 79.7% to 85.3%.



IOI GROUP

Thank You for  
your Attention

