

## B. EXPLANATORY NOTES ON ORDINARY BUSINESS

### 1. Audited Financial Statements for the financial year ended 31 December 2019

The Audited Financial Statements for the financial year ended 31 December 2019 and the Directors' and Auditors' Reports thereon are laid before the shareholders pursuant to the provision of Section 340 (1)(a) of the Companies Act 2016 and are for discussion only. Hence, this item will not be put for voting.

### 2. Directors' Remuneration for Non-Executive Directors (excluding Nominee Directors of Allianz SE)

Section 230 (1)(b) of the Companies Act 2016 requires fees and any benefits payable to the Directors of listed company and its subsidiaries to be approved at a general meeting. The proposed payment of Directors' fees and Directors' benefits to the Non-Executive Directors (excluding Nominee Directors of Allianz SE) under Ordinary Resolutions 1 and 2 include remuneration payable to Non-Executive Directors of the Company's insurance subsidiaries, namely Allianz Life Insurance Malaysia Berhad ("Allianz Life") and Allianz General Insurance Company (Malaysia) Berhad ("Allianz General").

(a) Directors' fees for the financial year ended 31 December 2019

The Directors' fees for the financial year ended 31 December 2019 are made up of the following components and are only payable to Non-Executive Directors (excluding Nominee Directors of Allianz SE):-

(i) Fees for acting as a Director

A fixed fee is allocated to each member of the Board, a fee premium is allocated to the Chairman of the Board in view of additional accountabilities and responsibilities assumed by the Chairman.

(ii) Fees for assuming additional responsibilities

Additional fees are allocated to Directors who assumed more responsibilities via their appointments in various Board Committees. A fee premium is allocated to the Chairman of the respective Board Committees in view of additional accountabilities and responsibilities assumed by them.

The respective Boards of the Company and its insurance subsidiaries having reviewed the recommendations of the Nomination and Remuneration Committee, recommended the following Directors' fees payable to the Non-Executive Directors (excluding Nominee Directors of Allianz SE) for the financial year ended 31 December 2019, for the shareholders' approval:-

	Company	Allianz Life	Allianz General	Grand Total
Directors' Fees*	RM719,781 (2018: RM719,134)	RM603,119 (2018: RM723,587)	RM713,294 (2018: RM837,854)	RM2,036,194 (2018: RM2,280,575)

\* Excluding Service Tax.

The proposed Directors' fees for the financial year ended 31 December 2019 are detailed in the 2019 Corporate Governance Report of the Company.

(b) Directors' benefits for the period from 1 July 2020 to the next Annual General Meeting of the Company

The Directors' benefits comprise allowances and benefits payable to the Chairman and members of the Board of the respective companies as well as Board Committees. The Directors' benefits structure is as set out below:-

Description	Year	Company		Insurance Subsidiaries	
		Chairman	Board Members	Chairman	Board Members
Monthly Fixed Allowance	2020	RM12,000	Nil	RM12,000	Nil
	2021	RM12,000	Nil	RM12,000	Nil
Meeting Allowance - Board - Board Committees	2020	RM2,645 (per meeting)		RM2,645 (per meeting)	
	2021	RM2,645 (per meeting)		RM2,645 (per meeting)	
Insurance*	2020	Insurance*, company car and driver	Insurance*	Insurance*	
	2021	Insurance*, company car and driver	Insurance*	Insurance*	

\* Medical, personal accident and Directors' and Officers' Liability.

The monthly fixed allowance is given to the Chairman in view of the Chairman's significant role in leadership and oversight as well as her/his wide range of responsibilities, amongst others, providing guidance on strategy and supporting Management in engaging with stakeholders.

Payment of the Directors' benefits will be made by the respective companies on a monthly basis and/or as and when incurred if the proposed Ordinary Resolution 2 is passed at the 46th AGM. In determining the estimated total amount payable to the Chairman and the Directors for the period from 1 July 2020 to the next Annual General Meeting of the respective companies, the Company took into consideration, amongst others, the number of scheduled meetings for the Board and Board Committees and the number of Non-Executive Directors (excluding Nominee Directors of Allianz SE) involved in these meetings.

### 3. Re-election of Directors who retire in accordance with Clause 19.1 and Clause 19.7 of the Company's Constitution

Clause 19.1 of the Company's Constitution provides that an election of Directors shall take place each year at the Annual General Meeting of the Company where one-third (1/3) of the Directors for the time being, or if their number is not three (3) or a multiple of three (3), then the number nearest one-third (1/3), shall retire from office and be eligible for re-election provided always that all Directors shall retire from office once at least in each three (3) years. A retiring Director shall retain office until the close of the meeting at which he retires.

Clause 19.7 of the Company's Constitution provides that the Board shall have the power at any time, and from time to time, to appoint any other qualified person as a Director, either to fill a casual vacancy or as an addition to the existing Board, but the total number of Directors shall not at any time exceed the maximum number fixed in accordance with the Constitution. Any Director so appointed shall hold office only until the next following Annual General Meeting of the Company, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

Dato' Dr. Thillainathan A/L Ramasamy and Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz will retire at the 46th AGM pursuant to Clause 19.1 of the Company's Constitution.

Dato' Dr. Thillainathan A/L Ramasamy had expressed his intention to retire at the conclusion of the 46th AGM and therefore he will not seek for re-election.

Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz had indicated his willingness to seek for re-election and has abstained from the deliberation and voting of his re-election at the Nomination and Remuneration Committee Meeting and Board Meeting.

Claudia Salem and Peter Ho Kok Wai were appointed in year 2019, accordingly, they are standing for re-election pursuant to Clause 19.7 of the Company's Constitution at the 46th AGM. They had indicated their willingness to seek for re-election and have abstained from the deliberation and voting of their respective re-election at the Board Meeting.

The Nomination and Remuneration Committee having assessed and satisfied with the performance of Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz, Claudia Salem and Peter Ho Kok Wai, recommended their re-election for the Board's approval.

The Board having reviewed the performance evaluations of Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz, Claudia Salem and Peter Ho Kok Wai, and the recommendation of the Nomination and Remuneration Committee, recommended the re-election of the said three (3) retiring Directors for the shareholders' approval.

The profile of Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz, Peter Ho Kok Wai and Claudia Salem, are detailed in pages 14, 15 and 17 of the Company's Annual Report 2019 respectively, which is available on the Company's website at [www.allianz.com.my/investor-updates](http://www.allianz.com.my/investor-updates).

### 4. Re-appointment of Auditors

The Audit Committee reviewed the proposed re-appointment of Messrs PricewaterhouseCoopers PLT ("PwC PLT") (including the engagement partner and concurring partner) as Auditors for the Company and its insurance subsidiaries for the financial year ending 31 December 2020 and concluded that PwC PLT met all the evaluation criteria as prescribed by the relevant authorities. The Audit Committee recommended the proposed re-appointment of PwC PLT to the respective Boards of the Company and its insurance subsidiaries for consideration.

The Board having satisfied that PwC PLT met the evaluation criteria as prescribed by the relevant authorities, recommended the proposed re-appointment of PwC PLT as Auditors of the Company for the financial year ending 31 December 2020, for the shareholders' approval.

## C. EXPLANATORY NOTES ON SPECIAL BUSINESS

### Proposed Shareholders' Mandate for Recurrent Related Party Transactions

The Company is principally engaged in investment holding whilst the principal activities of its subsidiaries are underwriting of all classes of general insurance business, life insurance and investment-linked businesses.

It is anticipated that the Company and its insurance subsidiaries will, in the ordinary course of business, enter into recurrent related party transactions with classes of related parties as set out in Section 2.2 of the Company's Circular to Shareholders dated 1 June 2020.

In view of time sensitivity and the frequent nature of such related party transactions, the Directors of the Company are seeking shareholders' approval for the proposed Ordinary Resolutions 7 and 8, to allow the Company and its insurance subsidiaries in its ordinary course of business, to enter into recurrent related party transactions with the respective related parties as detailed in Section 2.2 of the Company's Circular to Shareholders dated 1 June 2020, provided that such transactions are made on arm's length basis and are on terms not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders.

Detailed information in relation to the proposed shareholders' mandate for recurrent related party transactions are set out in the Company's Circular to Shareholders dated 1 June 2020 which is available on the Company's website at [www.allianz.com.my/investor-updates](http://www.allianz.com.my/investor-updates).

### D. ABSTENTION FROM VOTING

1. Non-Executive Directors (excluding Nominee Directors of Allianz SE) who are shareholders of the Company will abstain from voting on Resolutions 1 and 2.

2. Directors referred to in Resolutions 3 to 5, who are shareholders of the Company will abstain from voting on resolution with regard to their respective re-election at the 46th AGM.

### E. NOTE TO THE HOLDERS OF IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")

The holders of ICPS shall be entitled to attend the 46th AGM via RPV but have no right to vote at the 46th AGM. The voting rights of the ICPS holders are detailed in the Constitution of the Company published on the Company's website at [www.allianz.com.my/corporate-profile](http://www.allianz.com.my/corporate-profile).

# Notice of 46th Annual General Meeting

**NOTICE IS HEREBY GIVEN** that the 46th Annual General Meeting ("46th AGM") of Allianz Malaysia Berhad ("Company") will be conducted fully virtual from the broadcast venue at Ballroom B, Level 2, Aloft Kuala Lumpur Sentral, 5 Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur ("Broadcast Venue") on Tuesday, 30 June 2020 at 11.00 a.m. via Remote Participation and Voting facilities ("RPV") which are available at Tricor Investor & Issuing House Services Sdn Bhd ("Tricor")'s TIH Online website at <https://tjih.online>, for the following purposes:-

## AGENDA

### Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2019 and the Directors' and Auditors' Reports thereon.

2. To approve the following payments to Non-Executive Directors of the Company and its insurance subsidiaries:-

(a) Directors' fees of RM2,036,194 for the financial year ended 31 December 2019.

(b) Directors' benefits of up to an amount of RM1,140,860 from 1 July 2020 until the next Annual General Meeting of the Company.

3. To re-elect Tunku Zain Al-'Abidin Ibtu Tuanku Muhriz, who retires by rotation in accordance with Clause 19.1 of the Constitution of the Company and being eligible, offer himself for re-election.

4. To re-elect the following Directors who were appointed to the Board during the year and retire in accordance with Clause 19.7 of the Constitution of the Company and being eligible, offer themselves for re-election:-

(a) Claudia Salem

(b) Peter Ho Kok Wai

5. To re-appoint Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2020 and to authorise the Directors to fix their remuneration.

### Special Business

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

#### 6. Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Allianz SE Group

"THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Allianz SE Group as specified in Section 2.2 (A) of the Company's Circular to Shareholders dated 1 June 2020, provided that the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:-

(a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or

(b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

#### 7. Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Rapidpro Consulting Sdn Bhd

"THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Rapidpro Consulting Sdn Bhd as specified in Section 2.2 (B) of the Company's Circular to Shareholders dated 1 June 2020, provided that the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:-

(a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or

(b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or

(c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

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

### By Order of the Board

NG SIEW GEK  
MAICSA 7001251  
CCM PC No. 201908001053  
Company Secretary

Kuala Lumpur  
1 June 2020

## NOTES TO MEMBERS AND PROXIES

1. The Broadcast Venue is strictly for the purpose of complying with Section 327 (2) of the Companies Act 2016 and Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 18 April 2020 (including any amendment that may be made from time to time) which require the Chairman of the Meeting to be present at the main venue of the Meeting.

2. Members/proxies WILL NOT BE ALLOWED to attend the 46th AGM in person at the Broadcast Venue on the day of the Meeting.

3. Members are to attend, speak (posing questions to the Board via real time submission of typed texts) and vote (collectively, "participate") remotely at the 46th AGM via the RPV provided by Tricor through its TIH Online website at <https://tjih.online>. Please follow the Procedures for RPV provided in the Administrative Details for the 46th AGM in order to participate in the Meeting remotely via RPV for the 46th AGM.

4. Members may submit questions to the Company prior to the 46th AGM via email to [InvestorRelations@allianz.com.my](mailto:InvestorRelations@allianz.com.my) or Tricor's TIH Online website at <https://tjih.online> by selecting "e-Services" to login. Questions shall be submitted via email or TIH Online website no later than Monday, 29 June 2020 at 11.00 a.m. Alternatively, Members may use the query box to transmit questions to the Chairman/Board via RPV during live streaming.

### A. APPOINTMENT OF PROXY/PROXIES

1. For the purposes of determining a Member who shall be entitled to participate in the forthcoming 46th AGM of the Company, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 22 June 2020. Only a depositor whose name appears in the Record of Depositors as at 22 June 2020 shall be entitled to participate in the 46th AGM or appoint proxy/proxies to participate on his/her behalf.

2. Every Member including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991, and Exempt Authorised Nominees which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account, is entitled to appoint one (1) or more proxy to exercise all or any of his rights to participate instead of him at the 46th AGM, and that such proxy need not be a Member.

3. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

4. The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or if the Member is a corporation, shall either be executed under its common seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.

5. The instrument of proxy shall be deposited at the Registered Office of the Company at Level 29, Menara Allianz Sentral, 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur. The instrument of proxy can also be submitted through Tricor's TIH Online website at <https://tjih.online>. Please refer to the Administrative Details for the 46th AGM for further information on proxy form submission. All proxy forms submitted must be received by the Company no later than Monday, 29 June 2020 at 11.00 a.m., being twenty-four (24) hours before the appointed time for holding the 46th AGM.

6. A Member who has appointed a proxy or attorney or authorised representative to participate in the 46th AGM via RPV must request his/her proxy or attorney or authorised representative to register himself/herself for RPV at Tricor's TIH Online website at <https://tjih.online>. Please follow the Procedures for RPV registration in the Administrative Details for the 46th AGM.