



Fit and Proper Policy

1. PURPOSE

The purpose of this Fit and Proper Policy (“**Policy**”) is to set out the requirements on the appointment and re-election/reappointment of directors of Fraser & Neave Holdings Bhd (“**F&NHB**” or “**Company**”) and its subsidiaries, to ensure that each director has the character, experience, integrity, competence and time to effectively discharge his/her role as a director.

2. SCOPE

This Policy serves as a guideline to the Nominating Committee and the Board of Directors (“**Board**”) of F&NHB and its subsidiaries in their review and assessment of candidate(s) who is (are) to be appointed onto the Board as well as directors who are seeking for re-election (“**Responsible Person**”).

3. FIT AND PROPER CRITERIA

In reviewing and assessing of candidates that are seeking appointment or re-election onto the Board, the Nominating Committee and the Board in considering whether a Responsible Person is fit and proper shall take into account the following criteria, which shall include but are not limited to the following:

3.1 Character and integrity

(i) Probity

- The Responsible Person is compliant with legal obligations, regulatory requirements and professional standards, where applicable.
- The Responsible Person has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.

(ii) Personal integrity

- The Responsible Person has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect on or discredit his/her professional conduct.
- His/ Her service contract (i.e. in the capacity of management or as a director) had not been terminated in the past due to concerns on personal integrity.
- The Responsible Person has not abused other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance.

(iii) Financial integrity

- The Responsible Person manages personal debts or financial affairs satisfactorily.
- The Responsible Person demonstrates the ability to fulfill personal financial obligations as and when they fall due.

(iv) Reputation

- The Responsible Person is of good repute in the financial and business community.
- The Responsible Person has not been subject to civil or criminal proceedings or enforcement action, in managing or governing an entity for the past ten (10) years.

- The Responsible Person has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.

3.2 **Experience and competence**

(i) Qualifications, training and skills

- The Responsible Person possesses education qualification that is relevant to the skill set that such director is earmarked to bring or to bear onto the boardroom (i.e. a match to the Board skill set matrix).
- The Responsible Person has a considerable understanding on the workings of a corporation.
- The Responsible Person possesses general management skills as well as understanding of corporate governance and sustainability issues.
- The Responsible Person keeps knowledge current based on continuous professional development.
- The Responsible Person possesses leadership capabilities and a high level of emotional intelligence.

(ii) Relevant experience and expertise

- The Responsible Person possesses relevant experience and expertise with due consideration given to past length of service, nature and size of business, responsibilities held, number of subordinates as well as reporting lines and delegated authorities.

(iii) Relevant past performance or track record

- The Responsible Person had a career of occupying a high level position in a comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations.
- The Responsible Person possesses commendable past performance record as gathered from the results of the Board effectiveness evaluation.

3.3 **Time and commitment**

(i) Ability to discharge role having regard to other commitments

- The Responsible Person is able to devote time as a Board member, having factored other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including not-for-profit organisations).

(ii) Participation and contribution in the Board or track record

- The Responsible Person demonstrate willingness to participate actively in Board activities.
- The Responsible Person demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the Boardroom.
- The Responsible Person manifests passion in the vocation of a director.
- The Responsible Person exhibits ability to articulate views independently, objectively and constructively.
- The Responsible Person exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.

4. ASSESSMENT AND EVALUATION OF A CANDIDATE FOR DIRECTORSHIP OR RE-ELECTION/ RE-APPOINTMENT OF DIRECTOR

4.1 Appointment of new director

- 4.1.1 The Responsible Person is required to –
- (a) provide a resume or curriculum vitae detailing his/her work experience, particulars of any other directorships of public companies/ public listed companies, particulars relating to the shares, participatory interests, debenture, rights, options and contracts, and additional relevant information relating to himself/ herself which are necessary for the purposes of compliance with the requirements of the Companies Act, 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other rules and regulations; and
 - (b) complete the fit and proper declaration in the form as set out in “**Appendix A**”.
- 4.1.2 The Nominating Committee will evaluate the Responsible Person’s skills, knowledge, expertise and experience, professionalism, independence and qualification for office based on paragraph 4.1.1 and conducting legal and other background searches as well as a formal or informal interview.
- 4.1.3 The Nominating Committee will make recommendation to the Board for consideration for appointment should the Responsible Person fulfill the criteria set out in paragraph 3 above.

4.2 Re-election/ Reappointment

- 4.2.1 To ensure that the Board composition meets the needs of the Company, the Nominating Committee reviews and recommends to the Board for approval on the re-election/ reappointment of director(s), having regard to his/ her performance and ability to continue contributing to the Board in light of his/ her skills, expertise and experience based on the annual Board evaluation.
- 4.2.2 A director who seeks for re-election or reappointment is required to complete the fit and proper declaration.
- 4.2.3 If the assessment and evaluation result is satisfactory, the Nominating Committee will make appropriate recommendations in respect of the re-election/ reappointment of director(s) to the Board for approval by the Company’s shareholders at the AGM.
- 4.3 The Nominating Committee or the Board of subsidiary shall be entitled to take reasonable steps within permissible laws to verify the information against independent sources, if deemed necessary, that the Responsible Person provides in the fit and proper declaration.
- 4.4 All information gathered shall be strictly used for the Board and Nominating Committee related for the purpose of fit and proper assessment of a Responsible Person, and shall not be disclosed or provided to any other party.

4.5 Applicability

- 4.5.1 The above paragraphs 4.1 and 4.2 shall be applicable to F&NHB only

4.5.2 The procedures relating to the assessment of appointment and re-election/reappointment of director of the Company's subsidiaries are subject to the provisions contained in the Constitution of the respective companies.

5 REVIEW OF THIS POLICY

The Nominating Committee shall with the assistance of Management review the adequacy of this Policy on a regular basis and may from time to time recommend the proposed changes to the Board as it deems appropriate to reflect new best practices and new legal or regulatory requirements.

6 DISCLOSURE OF THIS POLICY

This Policy will be published on the Company's corporate website.

(End of Policy)



**FRASER & NEAVE HOLDINGS BHD
AND ITS SUBSIDIARY COMPANIES**

Director's Declaration of
Fit and Proper

DIRECTOR'S DECLARATION OF FIT AND PROPER

Name: _____ NRIC/ Passport No.: _____

do hereby solemnly affirm and declare the following:

No.	Criteria	YES	NO
Probity, Personal Integrity and Reputation			
1.	I have not been subject to any proceedings of a disciplinary or criminal nature nor have been notified of any impending proceedings or of any investigations, which might lead to such proceedings.		
2.	I have not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice.		
3.	I have not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies.		
4.	I or any business in which I have a controlling interest or exercise significant influence, have not been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately.		
5.	I have not been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on my professional conduct;		
6.	I have not been dismissed, asked to resign or have resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions on my honesty and integrity.		
7.	I have not held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while I was connected with that business.		
8.	I have not been a director of, or directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia for which exemption in writing has not been obtained from the relevant authorities.		
Financial Integrity			
9.	I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due.		
10.	To my knowledge, I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.		
11.	I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.		

Fraser & Neave Holdings Bhd and its subsidiary companies

- Director's Declaration of Fit and Proper

* Where you have not ticked 'YES', please explain and/or provide the relevant documents

Explanation for items not ticked 'YES'	
No.	Explanation

Signature of Director: _____

Date: