

SARAWAK PLANTATION BERHAD
REGISTRATION NO. 199701035877 (451377-P)
DIRECTORS' FIT AND PROPER POLICY

INTRODUCTION

1. This Directors' Fit and Proper Policy sets out the criteria for the appointment and re-appointment of Directors on the Board of Sarawak Plantation Berhad (the Company) and its subsidiaries.
2. With this Policy in place, the Company has the assurance that each of its Director has the character, integrity, experience, competence, time and commitment to effectively discharge his / her duties.
3. Further, the Nomination Committee and the Board of Directors can be guided in their review and assessment of candidates nominated for appointment as Directors and also for Directors seeking election or re-election.

SCOPE AND APPLICATION

In assessing whether a candidate meets the fit and proper criteria of the Company, factors including but not limited to the ones set out below shall be taken into consideration:

1. CHARACTER AND INTEGRITY

A. Probity

- (i) Is compliant with legal obligations, regulatory requirements and professional standards;
- (ii) Has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.

B. Personal and Integrity

- (i) Has not perpetrated or participated in any business practice which is deceitful, oppressive (whether unlawful or not) or which otherwise reflects discredit on his / her professional conduct;
- (ii) In the matter of service contract (ie. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity;
- (iii) Has not abused other positions in a manner that contravenes the principles of good governance.

C. Financial Integrity and Solvency

- (i) Manages personal debts or financial affairs satisfactorily;
- (ii) Demonstrates ability to fulfil personal financial obligations as and when they fall due.

D. Reputation

- (i) Is of good repute in the financial and business community;
- (ii) Has not been the subject of civil or criminal proceedings or enforcement action in managing or governing an entity for the past 10 years;
- (iii) 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 the deficiencies of that management.

2. EXPERIENCE AND COMPETENCE

A. Qualification, Training and Skills



- (i) Possesses education qualification that is relevant to the skill set that he / she is earmarked to bring to bear onto the boardroom, ie. a match to the board skill set matrix;
 - (ii) Has a considerable understanding of the workings of a corporation;
 - (iii) Possesses general management skills as well as understanding of corporate governance and sustainability issues;
 - (iv) Keeps knowledge current based on continuous professional development;
 - (v) Possesses leadership capabilities and a high level of emotional intelligence.
 - B. Relevant Experience and Expertise
 - (i) 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.
 - C. Relevant Past Performance or Track Record
 - (i) Had a career of occupying high level position in a comparable organization and was accountable for driving or leading the organisation's governance, business performance or operations;
 - (ii) Possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.
3. TIME AND COMMITMENT
- A. Ability to Discharge Role having regard to other Commitments
 - (i) Able to devote time as a board member, having factored other outside obligations including concurrent board positions held by he / she across listed issuers and non listed issuers, including not-for-profit organization.
 - B. Participation and Contribution to the Board of Directors
 - (i) Demonstrates willingness to participate actively in board activities;
 - (ii) Demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
 - (iii) Manifests passion in the vocation of a director;
 - (iv) Exhibits ability to articulate views independently, objectively and constructively;
 - (v) Exhibits open mindedness to the views of others and the ability to make considered judgement after hearing the views of others.

THE ASSESSMENT

1. The Nomination Committee shall assess each candidate for a new appointment or re-appointment as a Director based on the fit and proper criteria outlined above.
2. The results of the assessment are confidential. It shall form part of the internal documents of the Company and shall not be divulged to any person(s) or party(s).

REVIEW

1. This Policy shall be reviewed periodically by the Board of Directors and revised as and when deemed necessary.
2. Any changes to the terms of this Policy must be approved by the Board of Directors.

