



7-ELEVEN MALAYSIA HOLDINGS BERHAD
Registration No.: 201301028701 (1058531-W)
(Incorporated in Malaysia)

FIT AND PROPER POLICY

Adopted on 30 June 2022

FIT AND PROPER POLICY

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1.0 INTRODUCTION

1.1 Overview

7-Eleven Malaysia Holdings Berhad (hereinafter referred to as "**SEM**" or "**the Company**") is committed in meeting its obligation in complying with Paragraph 15.01A of the Main Market Listing Requirements ("**MMLR**") that a listed issuer must have a Fit and Proper policy for the appointment and re-election of directors of the listed issuer and its subsidiaries, to ensure the policy addresses board quality and integrity, will aid the listed issuer to comply with paragraph 2.20A of the MMLR and to make available the policy on its website.

The purpose of adopting this fit and proper policy is to guide the Company and Nominating Committee ("**NC**") to ensure all the individuals in SEM who are acting as "**Key Responsible Persons**" possess the competence, character, diligence, honesty, integrity and judgement in performing their duties in the best interests of the Company and its stakeholders.

This policy is designated to mitigate the risks posed to SEM from having individuals who are not fit and proper to act in the position of a responsible person. It acts as a good guide for the Company and its subsidiaries in the selection, appointment and re-election of directors.

2.0 DEFINITION

"**Key Responsible Persons**" refers to the Directors or any person performing a senior management function who has primary or significant responsibility for the management. Key Responsible Persons also can be defined as any person who has primary or significant responsibility for key control functions.

"**Directors**" includes Independent Non-Executive Directors, Non-Independent Non-Executive Director, Executive Directors and Group Managing Director of the Company.

3.0 RESPONSIBILITY

3.1 The Board's Commitment and Responsibility

In the application of this Policy, the Board of Directors of the Company ("**the Board**") is primarily responsible for ensuring that all Key Responsible Persons fulfill the fit and proper requirements and to conduct assessments for fitness and propriety of all Key Responsible Persons.

The Board is committed in ensuring that each Key Responsible Person has the appropriate skills and experience commensurate with the role that they hold and will make all final determinations on the fitness and propriety of Key Responsible Persons.

The Board shall be responsible for making decisions on the appointment and the remuneration packages for all Key Responsible Persons after considering the recommendations of the Nominating Committee and Remuneration Committee. Meanwhile, the Board should take reasonable steps to remove the Key Responsible Persons if he/she is no longer fit and proper for the particular position.

3.2 The Nominating Committee's Responsibility

The NC is responsible for the fit and proper assessment of the existing Key Responsible Persons or candidates to be appointed as Key Responsible Persons based on the fit and propriety standards and make recommendations to the Board on these matters.

The NC is also responsible in addressing the gaps in the assessment process and ensuring that information and documents obtained and collected for fit and proper assessments are kept confidential.

4.0 FIT AND PROPER CRITERIA

For the purpose of establishing whether the Directors of SEM are fit and proper, the Company shall have regard to the person's:

- (a) Character and Integrity
- (b) Experience and Competence
- (c) Time and Commitment

The assessment of the above criteria shall have regard to the considerations set out below in Clauses 4.1 to 4.3 of this policy. In assessing the person's fit and proper criteria as a Key Responsible Person, the NC and the Board should consider matters including, but not limited to the following:-

4.1. Integrity Characteristics

Probity

- (a) The person is compliant with legal obligations, regulatory requirements and professional standards; and
- (b) The person has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.

Personal Integrity

- (a) The person has not engaged and participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;
- (b) The person in the past has not acted unfairly or dishonestly in his dealings with his customers, employers, auditors and regulatory authorities; and
- (c) The person has not abused other positions to facilitate government relations for the company in a manner that contravenes the principles of good governance.

Financial Integrity

- (a) The person is able to manage personal debts or financial affairs satisfactorily;
- (b) The person is able to demonstrate ability to fulfil personal financial obligations as and when they fall due; and
- (c) The person is not an undischarged bankrupt or been a subject of a judgement debt which has not been satisfied in whole or in part and demonstrates the ability to fulfil personal financial obligations as and when they fall due, whether in Malaysia or elsewhere.

Reputation

- (a) The person has a good reputation in such community or industry;
- (b) The person has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past ten (10) years; and
- (c) The 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.

4.2 Experience and Competence

Qualifications, training and skills

- (a) The person possesses the appropriate qualifications and functional and technical expertise that are relevant to the skill set that the Director is earmarked to bring to bear onto the Group;
- (b) The person has a considerable understanding of the Company's businesses;
- (c) The person possesses general management skills as well as understanding of good corporate governance practices and sustainability issues;
- (d) The person keeps knowledge current based on continuous professional development; and
- (e) The person possesses leadership capabilities and a high level of emotional intelligence.

Relevant experience

- (a) The person has 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.

Relevant Past Performance or track record

- (a) The person had a career of occupying a high-level position in a comparable organization, and was accountable for driving or leading the organisation's governance, business performance or operations; and
- (b) The person possesses a commendable past performance record as gathered from the results of the board effectiveness evaluation.

4.3 Time and Commitment

Ability to discharge role having regard to other commitments

- (a) The person is able to devote time as requisite by his/her positions, having factored in other outside obligations including other board positions/executive duties held by the Key Responsible Persons across other organizations (including not-for-profit organizations).

Participation and contribution in the board or track record

- (a) The person demonstrates willingness to participate actively in board activities;
- (b) The person demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- (c) The person manifests passion in the vocation of his/her position as Key Responsible Persons;
- (d) The person exhibits the ability to articulate views independently, objectively and constructively; and
- (e) The person exhibits open mindedness to the views of others and the ability to make considered judgement after hearing the views of others.

Directorship in other companies

- (a) The directorships held by any Director at any one time shall not exceed five (5) listed companies.

5.0 REVIEW OF POLICY

The NC shall review and recommend to the Board any change to the Policy as and when necessary. The terms of Policy shall be aligned to the Malaysian Code on Corporate Governance, MMLR of Bursa Malaysia Securities Berhad or any other regulatory requirements.

This Policy is adopted and approved by the Board of Directors on 30 June 2022.

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