

DIRECTORS' FIT AND PROPER POLICY

1. Introduction

- 1.1 All members of the Board must have the necessary qualities, competences and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.
- 1.2 This policy sets out the minimum factors that need to be considered in assessing whether or not the fit and proper criteria for Directors have been met.
- 1.3 It serves as a guide to the Group Nomination/Remuneration Committee ("NRC") and the Board in their review and assessment of candidates that are to be appointed to the Board of Manulife Holdings Berhad ("Manulife" or the "Company") as well as Directors who are seeking re-election. The fit and proper assessment on a Director may also be conducted whenever the Company becomes aware of information that may materially compromise a Directors' fitness and propriety.

2. Fit and Proper Criteria

- 2.1 Any person to be appointed as Director or to continue holding the position as a Director of the Company must not be disqualified¹ and have been assessment to have met the fit and proper criteria set out in this policy relating to:

- 2.1.1 Probity, personal integrity and reputation
- 2.1.2 Competency and capability
- 2.1.3 Financial integrity

- 2.2 The fit and proper criteria of the Director include but not limited to the following:

2.2.1 Probity, Personal Integrity and Reputation

Probity, personal integrity and reputation are values that are demonstrated over time, these attributes demand a disciplined and on-going commitment to high ethical standards.

i. Probity

- is compliant with legal obligations, regulatory requirements, and professional standards
- has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court

ii. Personal integrity

- has not engaged in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct
- has not been dismissed, asked to resign, or has not resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about his honesty and integrity

iii. Reputation

- has not been the subject of any proceeding of a disciplinary action or criminal a nature, or has been notified of any impending proceedings or of any investigation, might lead to such proceedings
- has not contributed significantly to the failure of an organization or business unit

2.2.2 Competency and Capability

Competence and capability are demonstrated by a person who possesses the relevant knowledge, experience and ability to understand the technical requirements of the

¹ Pursuant to section 198 and 199 of the Companies Act 2016. In addition, the office of a director shall become vacant if a director ceases to be or is prohibited under any applicable law including the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.

business, the inherent risks and the management process required to perform his role as a Director effectively.

- i. Qualification, training and skills
 - has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfill the role and responsibilities of a Director
- ii. Relevant experience and expertise
 - has satisfactory past performance or expertise in the nature of the business being conducted
- iii. Time and commitment
 - Ability to discharge role as a director having regard to other commitments

2.2.3 Financial Integrity

Financial integrity is demonstrated by a person who manages his own financial affairs properly and prudently.

- i. demonstrated ability to fulfill financial obligations as and when they fall due
- ii. has not been the subject of a judgment debt which is unsatisfied, either in whole or in part

The fact that a person may be of limited financial means does not in itself, affect the person's ability to satisfy the financial integrity criteria.

3. Assessment of Fit and Properness

- 3.1 The Group NRC shall assess each person for a new appointment or re-appointment of Directors based on criteria set out in this policy before recommending to the Board for approval. Where the Board or the Group NRC assessed a person no longer meets the fit and proper criteria, the Board immediate steps to address the issue as soon as practicable.
- 3.2 The criteria shall be assessed individually, as well as collectively, taking into account their relative importance. Failure to meet one factor on its own does not necessarily mean failure to meet the fit and proper criteria. The Company should consider the specific circumstances surrounding the a person's failure to meet specific factors, including the lapse of time since the occurrence of events, other contributing factors and the significance of the event from the perspective of potential risks posed to the Company.
- 3.3 The assessment process shall involve a good measure of judgment which should be exercised objectively and always in the best interests of the Company and the sound conduct of the Company's business.