



CARLSBERG BREWERY MALAYSIA BERHAD  
[Co. No. 196901000792 (9210-K)]  
(Incorporated in Malaysia)

## BOARD CHARTER

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## **CARLSBERG BREWERY MALAYSIA BERHAD**

### **BOARD CHARTER**

#### **A. BOARD ROLES AND RESPONSIBILITIES**

The Board of Directors ("**Board**") is fully committed to ensuring that high standards of corporate governance including accountability and transparency are practised by the Company and throughout its group of subsidiaries ("**Group**") as a fundamental part of discharging its responsibilities to protect and enhance shareholders' value and the financial performance of the Group.

To this end, the Board continues to adopt the following principal responsibilities, which facilitate the discharge of the Board's fiduciary and leadership functions in the pursuit of the best interest of the Group:-

1. Reviewing and adopting a strategic plan for the Group;
2. Overseeing the conduct of the Group's business;
3. Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures to manage these risks;
4. Oversee succession planning for the Board;
5. Overseeing the development and implementation of a shareholder communications policy for the Group; and
6. Reviewing the adequacy and integrity of the Group's management information and internal control systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The matters listed in **Appendix A** are reserved for the collective decision of the Board.

The Board has delegated specific responsibilities to the following committees ("**Committees**"):-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee

The powers delegated to the Committees are set out in the Terms of Reference of each of the Committees as approved by the Board and set out in **Appendices B, C and D**.

The Board adopts and is committed to the 'Code of Ethics & Conduct' (the "**COEC**"); particularly relevant is the Business Ethics Policy which covers whistleblowing. The COEC was introduced by the Carlsberg Group to help its employees to make the right choices and to act appropriately in response to ethical dilemmas in their daily work. The COEC are available on the corporate website - <http://www.carlsbergmalaysia.com.my>.

#### **B. BOARD MEMBERSHIP GUIDELINES**

##### **1. Composition and Board Balance**

- 1.1 The Board, together with the Nomination and Remuneration Committee, determines the size and composition of the Board subject to the terms of the Constitution of the

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Company. At least two (2) Directors or one third of the Board, whichever is higher, shall be Independent Directors as defined in the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) Main Market Listing Requirements (“**Bursa Listing Requirements**”).

- 1.2 The presence of Independent Directors ensures that issues of strategies, performance and resources proposed by the management are objectively evaluated, taking into consideration the long-term interests of shareholders, employees, customers, suppliers and other communities in which the Group conducts its business. The Independent Directors also ensure that the investment of minority shareholders is fairly reflected through Board representation.
- 1.3 The Board shall undertake an annual assessment of the independence of its Independent Directors.
- 1.4 The tenure of an Independent Director shall not exceed a cumulative term of nine (9) years.
- 1.5 At least one-third of the Directors is subject to re-election by rotation at each Annual General Meeting (“**AGM**”) in accordance with the Constitution of the Company.
- 1.6 On boardroom diversity, the Board is supportive of the gender boardroom diversity recommended by the Malaysian Code on Corporate Governance.
- 1.7 The roles and responsibilities of the Chairman and Managing Director are made clearly distinct to further enhance the existing balance of power and authority. The Chairman holds a Non-Executive position and is primarily responsible for matters pertaining to the Board and the overall conduct of the Group. The Managing Director oversees the day-to-day management and running of the Group and implementation of the Board’s decisions and policies.

**2. Appointment to the Board**

- 2.1 The Nomination and Remuneration Committee, all of whom are Non-Executive Directors, is charged with the responsibility of, amongst others, recommending the appointment of new Directors to the Board.
- 2.3 On the appointment of a new Director to the Board, the new Director shall be required to commit sufficient time to attend to the Company’s meetings/matters before accepting his/her appointment to the Board.
- 2.4 The Company has an induction and education programme for new Board members, which includes a visit to the Company’s brewery and discussions with the Managing Director, Department Heads and Key Section Heads to better understand the operations, business and policies of the Group, which will allow new Board members to contribute effectively from the outset of their appointment. The relevant sections of the Bursa Listing Requirements, particularly in relation to their responsibilities as Directors,

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shall also be conveyed to them.

- 2.5 All new Directors are subject to election at the next AGM after their appointment in accordance with the Constitution of the Company.

**3 Fit and Proper Policy**

- 3.1 All Directors are required to have the necessary qualities, competencies and experience that allow them to perform their duties and carry out the responsibilities required of the position in an effective manner.

- 3.2 The fit and proper assessment on any person identified to be appointed as a Director or to continue holding the position as a Director within the Group shall be conducted prior to the initial appointment or proposed re-election/re-appointment as a Director. The fit and proper assessment on a Director may also be conducted whenever the Group becomes aware of information that may materially compromise a Directors' fitness and propriety.

- 3.3 The Board delegates to the Nomination and Remuneration Committee the conduct of the fit and proper assessment guided by the Directors' Fit and Proper Policy as described in Paragraphs 3.4, 3.5 and 3.6 below.

- 3.4 Firstly, any person to be appointed as a Director or to continue holding the position as a Director within the Group must not be disqualified or deemed to be disqualified or vacated his/her office pursuant to Paragraph 3.6 below.

- 3.5 In assessing a person's fitness and propriety, the Nomination and Remuneration Committee shall consider all relevant factors based on the following criteria:

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

- 3.6 The Nomination and Remuneration Committee shall determine the specific factors for its consideration in a fit and proper assessment, having regard to the circumstances and requirements relevant to the Group. Amongst the key factors that underpin the above overarching criteria are as outlined below, which shall be assessed by the Nomination and Remuneration Committee taking into account their relative importance.

**(a) Character and Integrity;**

**(i) Probity**

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

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**(ii) Personal Integrity**

- The person has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on the person's professional conduct;
- The person's service contract (i.e. in the capacity of management or as a director) had not been terminated in the past due to concerns on the person's personal integrity;
- The person has not abused other positions (that the person has held) in a manner that contravenes the principles of good governance;

**(iii) Financial integrity**

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

**(iv) Reputation**

- The person is of good repute in the financial and business community;
- The person has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years;
- 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;

**(b) Experience and competence;**

**(i) Qualifications, training and skills**

- The 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 person has a considerable understanding on the workings of a corporation;
- The person possesses general management skills as well as understanding of corporate governance, and appreciation of sustainability issues;
- The person keeps knowledge current based on continuous professional development;
- The person possesses leadership capabilities and a high level of emotional intelligence.

**(ii) Relevant experience and expertise**

- The 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;

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#### **(iii) Relevant past performance or track record**

- The person had a career of occupying a high level position in a relevant organization, and was accountable for driving or leading the organisation's governance, business performance or operations;
- The person possesses commendable past performance record as gathered from the results of the Board Effectiveness Evaluation.

#### **(c) Time and commitment**

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

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

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

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

3.7 A person who has been identified for appointment as a Director or for re-appointment/re-election as a Director within the Group shall be required to make the fit and proper declaration in the form as set out in **Appendix E** of this Board Charter or in such other form as the Nomination and Remuneration Committee may from time to time prescribe or approve.

## **C. BOARD PROCEDURES**

### **1. Board Meetings**

The Board shall meet at least four (4) times a year, with additional meetings convened where necessary. Minutes of Board meetings are duly recorded by the Company Secretary. In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, Board approvals are obtained via circular resolutions which are supported with information necessary for an informed decision.

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**2. Access to Information & Independent Advice**

- 2.1 All Directors shall be furnished with a comprehensive Board File including the meeting agenda usually seven (7) days before each Board meeting. Sufficient time is to be given to enable the Directors to obtain further explanations and/or information, where necessary, so that deliberations at the meeting are focused and constructive.
- 2.2 The Board File includes, amongst others, sales and marketing development and strategies, financial results and forecasts, status of major projects, minutes of meetings of the Board, the Audit Committee, the Risk Management Committee and Nomination & Remuneration Committee and other major operational, financial, compliance, strategic planning, succession planning and legal issues. In addition, there shall be a schedule of matters reserved specifically for the Board's decision.
- 2.3 All Directors shall have access to the advice and services of the Company Secretary as well as to all information within the Group.
- 2.4 There is also a formal procedure sanctioned by the Board of Directors, whether as a full board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group's expense.

**D. DIRECTORS REMUNERATION**

1. The objective of the Group's remuneration policy is to attract and retain the Directors required to lead and control the Group effectively. In the case of Executive Directors, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, the level of remuneration shall be reflective of their experience and level of responsibilities.
2. The Nomination and Remuneration Committee recommends for the Board's approval, the framework of executive remuneration of the Executive Directors' remuneration package.
3. Non-Executive Directors' fees are to be determined by the Board as a whole with the Director concerned abstaining from deliberations and voting on decisions in respect of his/her fee.
4. The remuneration payable to Non-Executive Directors in respect of Directors' fees are paid to Independent Directors only and also includes fees for Chairmanship and membership of each Board committee.
5. The remuneration for Non-Executive Directors, who are Non-Independent and are representatives of the Carlsberg Group in Denmark are paid by the Carlsberg Group.

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**E. INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION**

1. The Board recognises the importance of an effective communications channel between the Board, shareholders and general public. The annual reports, press releases, quarterly results and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance.
2. The Board may approve the appointment of a Senior Independent Non-Executive Director ("**SID**") from amongst its members, who shall have specific responsibilities which include as follows:
  - (a) Acting as a sounding board to the Board Chairman;
  - (b) Serving as an intermediary for other Board members when necessary;
  - (c) Acting as point of contact for shareholders and other stakeholders, particularly on concerns which they may have; and
  - (d) Providing leadership support and advice to the Board and Board members when required.
3. The AGM represents the principal forum for dialogue and interaction with shareholders. At every meeting, the Board shall set out the progress and performance of the Group since the last meeting held. Shareholders are encouraged to participate in the question and answer session wherein the Directors, Company Secretary, Heads of Department as well as the Group's External Auditors are available to respond to any queries raised. In the event that an answer cannot be readily given at the meeting, the Chairman will undertake to upload a summarised and compiled list of questions and answers from shareholders on the corporate website.
4. Each item of special business included in the notice of meeting will be accompanied by a full explanation of the effects of a proposed resolution.
5. During the year, the Managing Director and/or key management personnel shall hold discussions with the press and analysts when necessary, to provide information on the Group's strategy, performance and major developments. A press briefing is also held after each AGM.
6. In addition, the Group maintains a website at [www.carlsbergmalaysia.com.my](http://www.carlsbergmalaysia.com.my) for shareholders and the public to access information on, amongst others, the Group's background and products, financial performance, frequently-asked questions (FAQs) and updates on its various sponsorships and promotions.

**F. REVIEW OF THE BOARD CHARTER**

1. The Board Charter has been adopted by the Board on **27 August 2013** and any subsequent amendment to the Charter can only be approved by the Board. The Board Charter would be periodically reviewed and updated in accordance with the needs of

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the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

2. This Board Charter was reviewed and approved by the Board on 29 June 2022.

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**APPENDIX A**  
**MATTERS RESERVED FOR THE COLLECTIVE DECISION OF THE BOARD**

The authorities of the Board are specified below. The authorities may be varied from time to time as determined by the Board.

**Conduct of the Board**

1. Appointment and removal of Directors.
2. Appointment and removal of Company Secretaries.
3. Appointment and removal of Board Committees and members.
4. Approval of terms of reference of Board Committees and amendments to such terms.
5. Appointment of Managing Director and Executive Directors of the Company and their duties and the continuation (or not) of their service.

**Remuneration**

1. Approval of the Directors' fees/remuneration arrangements for Non-Executive Directors.
2. Approval of the remuneration structure and policy for the Managing Director and Executive Directors.
3. Approval of remuneration packages for the Managing Director and Executive Directors.
4. Approval of any proposed employees' share option scheme and/or amendments to the scheme, subject to other approvals that may be required by law or regulations.

**Operational**

1. Approval of the Group's business strategy and operational plan and annual budget.
2. Review of the Group's performance against the business strategy and operational plan, including monitoring of key risks and risk management policies and actions.
3. Approval of capital expenditure above the prescribed amount as may be determined from time to time.
4. Approval of bad debts write-off in excess of the prescribed amount as may be determined from time to time.
5. Approval of investment or divestment in a company / business / property / undertaking.
6. Approval of investment or divestment of a capital project which represents a significant diversification from the existing business activities.
7. Approval of changes in the major activities of the Group.
8. Approval of Group's treasury policies and bank mandate.
9. Approval of the Chart of Authority for the Group.

**Financial**

1. Approval of interim and annual financial statements.
2. Approval for the release of financial announcements.
3. Approval of the Annual Directors' Report and Statutory Accounts.

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4. Approval of interim dividends, the recommendation of final dividends and the making of any other distribution.
5. Adoption of accounting policies.
6. Review of the effectiveness of the Group's system of internal control which is delegated to the Audit Committee which will in turn report to the Board on its findings.

**Other Matters**

1. The granting of powers of attorney by the Company.
2. The entering into of any indemnities or guarantees.
4. Alteration of the accounting reference date, registered office and name of the Company.
5. Purchase of own shares by the Company.
6. Issue of any debt instruments.
7. Scheme of reconstruction or restructuring.
8. Any other significant business decision.
9. Any other matter requiring the convening of a general meeting of shareholders or any class of shareholders.
10. Any other matters of a material nature as may be required by the laws or the governing authorities.
11. Any other matters requiring the Board's approval under the Chart of Authority of the Company.

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**APPENDIX B**  
**TERMS OF REFERENCE OF AUDIT COMMITTEE**

**1. TERMS OF MEMBERSHIP**

- 1.1 The Audit Committee shall be appointed by the Board from amongst their members and shall consist of not less than three (3) members comprising exclusively Non-Executive Directors, which shall include one majority shareholder Board representative, and the majority of whom shall be independent Directors.
- 1.2 The members of the Audit Committee shall elect a Chairman from amongst their members who shall be an Independent Non-Executive Director.
- 1.3 At least one (1) member of the Audit Committee must be or have the following:
- i. a member of the Malaysian Institute of Accountants; or
  - ii. at least three (3) years' working experience and have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967 or be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
  - iii. fulfills such other requirements as prescribed or approved by the Bursa Securities.
- 1.4 In the event of any vacancy in the Audit Committee, the Board shall within three (3) months of that event, appoint such new members to make up the minimum number of three (3) members.
- 1.5 No alternate director can be appointed as a new member of the Audit Committee.
- 1.6 The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once in every three (3) years.
- 1.7 The Audit Committee requires that a former key audit partner observes a cooling off period of at least 3 years from his/her last engagement before being appointed as a member of the Audit Committee.

**2. AUTHORITY**

The Audit Committee is authorised by the Board to perform the following:

- 2.1 To review any matter within its terms of reference. It shall have full and unrestricted access to any information pertaining to the Group, both the internal and external auditors and to all employees of the Group. It shall have the resources required to perform its duties.
- 2.2 To obtain external legal or other professional advice and secure the attendance of outsiders with relevant experience to attend, if necessary.

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- 2.3 To promptly report to the Bursa Securities, any matter reported by it to the Board which has not been satisfactorily resolved resulting in a breach of the Bursa Listing Requirements.
- 2.4 The Head of Internal Audit shall report directly to the Audit Committee and shall have direct access to the Chairman of the Audit Committee on all matters of control and audit.

**3. FUNCTIONS**

The functions of the Audit Committee shall be as follows:

- 3.1 To review the following and report the same to the Board of Directors:
- i. with the external auditor, the audit plan;
  - ii. with the external auditor, the evaluation of the system of internal controls;
  - iii. with the external auditor, the audit report, including the management letter and management's response;
  - iv. with the external auditor, any other matter it may wish to discuss (in the absence of management where necessary);
  - v. the appointment of the external auditors, the audit fee and any question of resignation or dismissal;
  - vi. the assistance given by the Company's officers to the external auditor;
  - vii. the Internal Audit Charter of the internal audit function;
  - viii. the adequacy of the scope, functions and resources of the internal audit function and to ensure internal audit has full and unrestricted access to all records, activities, property and personnel necessary to perform its duties;
  - ix. the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
  - x. any appraisal or assessment of the performance of members of the internal audit function;
  - xi. any appointment or termination of senior staff members of the internal audit function;
  - xii. any resignations of internal audit staff members and provide the resigning staff member an opportunity to submit his/her reasons for resigning;
  - xiii. the quarterly results and year end financial statements of the Company and of the Group, prior to the approval by the Board, focusing particularly on :-
    - changes in or implementation of major accounting policy and practices;
    - significant and unusual events;
    - compliance with accounting standards and other legal requirements;
    - significant adjustments arising from the audit;
    - going concern assumption;
  - xiv. any related party transactions and/or conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.

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3.2 To consider any other functions as may be agreed to by the Audit Committee and the Board of Directors.

**4. MEETINGS**

4.1 Meetings shall be held not less than four (4) times a year.

4.2 The quorum for each meeting shall be two (2) Members of the Audit Committee.

4.3 The Managing Director, the Head of Internal Audit and the external auditor shall normally attend meetings. Other Board members and employees may attend meetings only upon the invitation of the Audit Committee.

4.4 At least twice a year, the Audit Committee shall meet with the external auditor without Executive Board members present. The external auditor may also request a meeting if they consider that one is necessary.

4.5 The Company Secretary shall be the Secretary of the Audit Committee.

**5. REPORTING PROCEDURES**

The Secretary shall circulate the minutes of meetings of the Audit Committee to all members of the Board.

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**APPENDIX C**

**TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

**1. TERMS OF MEMBERSHIP**

- 1.1 The Nomination and Remuneration Committee shall be appointed by the Board from amongst its members and shall consist of not less than three (3) members comprising exclusively Non-Executive Directors and one majority shareholder Board representative, the majority of whom shall be independent Directors.
- 1.2 In the event of any vacancy in the Nomination and Remuneration Committee resulting in the non-compliance of the above, the Company must fill the vacancy within three (3) months.
- 1.3 The Board shall review the term of office and performance of the Nomination and Remuneration Committee and each of its members at least once every three (3) years to determine whether such Nomination and Remuneration Committee and members have carried out their duties in accordance with their terms of reference.

**2. CHAIRMAN**

The Chairman shall be elected by the Nomination and Remuneration Committee from among its members.

**3. FUNCTIONS**

The Nomination and Remuneration Committee shall:

- i. recommend to the Board, the candidates for all directorships. In making its recommendations, the Nomination and Remuneration committee shall consider the candidate's:-
- skills, knowledge, expertise and experience;
  - professionalism;
  - integrity; and
  - in the case of candidates for the position of Independent Directors, the Nomination and Remuneration Committee shall also evaluate the candidate's ability to discharge such responsibilities/functions as expected from Independent Directors;
- ii. consider, in making its recommendations, candidates for directorships proposed by the Managing Director and, within the bounds of practicability, by any other senior executive or any Director or shareholder;
- iii. recommend to the Board, Directors to fill the seats on Board Committees;

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- iv. recommend to the Board, the remuneration of the Executive Directors in all its forms, drawing from outside advice as necessary and the Executive Directors shall play no part in decisions on their own remuneration;
- v. recommend to the Board the remuneration packages of the Non-Executive Directors, including the Non-Executive Chairman,;
- vi. determine the Managing Director's perks and benefits;
- vii. determine the succession planning of the Managing Director, Management Team and Company Secretary;
- viii. assess annually the effectiveness of the Board as a whole, the Committees of the Board and the contribution of each existing individual Director and thereafter, recommend its findings to the Board;
- ix. determine the Managing Director's, Management Team's and Company Secretary's key performance objectives and review their performance;
- x. ensure that all Directors undergo appropriate induction programs and receive continuous training;
- xi. review Management Trainees' development and progress;
- xii. review annually the required mix of skills and experience and other qualities, including core competencies which Non-Executive Directors should bring to the Board and thereafter, recommend its findings to the Board;
- xiii. apply the process as determined by the Board, for assessing the effectiveness of the Board as a whole, the Committees of the Board, and for assessing the contribution of each individual Director, including Independent Directors, as well as the Managing Director and ensure that all assessments and evaluations carried out by the Nomination and Remuneration Committee in the discharge of all its functions be properly documented;
- xiv. review the tenure and performance of each Director, where annual re-election of a Director shall be contingent on satisfactory evaluation of the Director's performance and contribution to the Board; and
- xv. conduct the fit and proper assessment on any person identified to be appointed as a Director and for Directors who are proposed for re-election/re-appointment at the AGM.

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**4. STRUCTURES AND PROCEDURES**

- 4.1 The Nomination and Remuneration Committee shall meet regularly, with due notice of issues to be discussed and record its conclusion in discharging its duties and responsibilities. The Nomination and Remuneration Committee shall disclose the number of Nomination and Remuneration Committee meetings held in a year and the details of attendance of each individual member in respect of meetings held. The quorum shall be two (2) members with majority of independent Directors.
- 4.2 The Nomination and Remuneration Committee shall be entitled to the services of a secretary who must ensure that all appointments are properly made, all necessary information is obtained from Directors, for the Company's own records and for the purposes of meeting statutory requirements, as well as obligations arising from the Bursa Listing Requirements and/or other regulatory authorities.
- 4.3 The Company Secretary shall be the secretary of the Nomination and Remuneration Committee.

**5. ACCESS TO ADVICE**

In furtherance to their duties as the Nomination and Remuneration Committee's members of the Company, there should be an agreed procedure for the members, whether as a full Nomination and Remuneration Committee or in their individual capacity, to take independent professional advice at the Company's expense, if necessary.

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**APPENDIX D**  
**TERMS OF REFERENCE OF RISK MANAGEMENT COMMITTEE**

**1. TERMS OF MEMBERSHIP**

- 1.1 The Risk Management Committee shall be appointed by the Board and shall consist of not less than three (3) members, the majority of whom are independent.
- 1.2 In the event of any vacancy in the Risk Management Committee, the Board shall within three (3) months of that event, appoint such new members to make up the minimum number of three (3) members.
- 1.3 No alternate director can be appointed as a new member of the Risk Management Committee.
- 1.4 The term of office and performance of the Risk Management Committee and each of its members shall be reviewed by the Board at least once in every three (3) years.

**2. CHAIRMAN**

The Chairman shall be elected by the Risk Management Committee from among their members.

**3. FUNCTIONS**

**3.1 Risk Management**

The Risk Management Committee shall:

- i. oversee the development and review of a policy for risk management for the approval of the Board;
- ii. oversee the development and review of a risk management plan;
- iii. review and provide recommendations to the Board concerning the monitoring of principal risks, proper risk mitigation and regular risk scanning for potential new risks;
- iv. make recommendations to the Board concerning risk appetite and risk tolerance, and that risks are monitored and managed within the tolerance levels approved by the Board;
- v. review and report to the Board any significant issues arising from the existing risk management programmes and corresponding remedial actions, and

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- vi. review the quarterly reports relating to risk management activities including the effectiveness and relevance of the current risk registers and the overall Risk Management Framework.

3.2 Anti-Bribery and Anti-Corruption (“**ABAC**”) Compliance

The Risk Management Committee shall:-

- i. assist the Board to oversee the effective implementation of the ABAC Compliance programme;
- ii. oversee the identification and assessment of key bribery and corruption and ABAC compliance risks, and monitor the adequacy and effectiveness of appropriate policies, procedures and mitigation controls; and
- iii. review reports from the Compliance Officer on a regular basis and oversee the periodic review of the adequacy of the ABAC Compliance programme.

**4. STRUCTURES AND PROCEDURES**

4.1 The Risk Management Committee shall meet regularly, with due notice of issues to be discussed and record its conclusion in discharging its duties and responsibilities. The Risk Management Committee shall disclose the number of Risk Management Committee meetings held in a year and the details of attendance of each individual member in respect of meetings held. The quorum shall be not less than three (3) members, a majority of whom are independent.

4.2 The Company Secretary shall be the secretary of the Risk Management Committee.

**5. ACCESS TO ADVICE**

In furtherance to their duties as the Risk Management Committee, there shall be an agreed procedure for the members, whether as a full Risk Management Committee or in their individual capacity, to take independent professional advice at the Company’s expense, if necessary.

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**CARLSBERG BREWERY MALAYSIA BERHAD  
BOARD CHARTER**

**APPENDIX E**

**DIRECTORS' FIT AND PROPER DECLARATION**

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 the subject of any proceedings of a disciplinary or criminal nature, or has 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 been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a licence to conduct any trade, business or profession, or has had that registration, authorisation, membership or licence revoked, withdrawn or terminated.		

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8.	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.		
9.	I have not been a director of, or have been 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, or of any licensed institution, the licence of which has been revoked under any written law.		
10.	In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employer, auditors and regulatory authorities.		
11.	I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations.		
12.	I have not contributed significantly to the failure of an organisation or a business unit.		
13.	I have not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices.		
14.	I am free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of my judgement when acting in the capacity of a Director of the Group which would be disadvantageous to the Group's interest.		
<b>Financial Integrity</b>			
15.	I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due.		
16.	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.		
17.	I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.		

**CARLSBERG BREWERY MALAYSIA BERHAD**  
**BOARD CHARTER**

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

**Explanation for items not ticked 'YES'**

No.	Explanation

.....

(Signature)

Name of Director:

Date: