

DIRECTORS' FIT AND PROPER POLICY
(Pursuant to Paragraph 15.01A of Bursa Malaysia Securities Berhad
Main Market Listing Requirements)

1. Objective

- 1.1 This Policy aims to guide the Nominating Committee (“the NC”) and the Board in their review and assessment of potential candidates for appointment as Directors as well as existing Directors and Directors who are seeking for re-election in the Company and/or its subsidiaries in meeting the fit and proper criteria.
- 1.2 This Policy is to ensure that Directors should have integrity, good reputation, competence, financially solvent and time commitment to carry out their roles and responsibilities in the interest of the Company and/or its subsidiaries.
- 1.3 The fit and proper criteria apply at the time of appointment as a Director and on a continuing basis as Directors of the Company and/or its subsidiaries who are expected to conduct themselves with integrity and competence as well as to comply with all relevant legal, statutory and regulatory obligations including the Listing Requirements and the Companies Act 2016.

2. Fit and Proper Criteria

- 2.1 The NC shall, in assessing a person’s fitness and properness, take into consideration, the fit and proper criteria of Directors which include but not limited to, the following:
 - i. Reputation, character and integrity.
 - ii. Financial solvency.
 - iii. Education, or experience, having regard to the nature of the functions to be performed or the experience and expertise needed to suit the requirements of the Company and/or its subsidiaries.
- 2.2 A person meets the fit and proper criteria if that person is found to be of a good reputation, character or reliability or has not been found to be dishonest, among others, with respect to any of these events.
 - i. Convicted by a court or other competent authority for theft, fraud, dishonesty or misfeasance.
 - ii. Is convicted of a criminal offence or is the subject of unresolved criminal charges which are of direct relevance to properness.
 - iii. Found guilty of insider trading or market misconduct.
- 2.3 A person is financially solvent if the person
 - i. Is not a bankrupt or financially insolvent or is currently subject to bankruptcy proceedings.
 - ii. Is not subject to receivership or other similar proceedings.
 - iii. Has not failed to meet any judgement for debt within last five (5) years.

- 2.4 Properness is assessed with reference to the person's academic and industry qualifications together with relevant experience, knowledge and professionalism to perform their duties and display an understanding of the regulatory framework that applies to the business of the Company and/or its subsidiaries.
- 2.5 A person is considered to fail to meet the 'Proper' criteria, among others, the following:
- i. Unfit for directorship by any reason of integrity and reputation.
 - ii. Disqualified by a court of competent jurisdiction from being a director.
 - iii. Censured, disciplined or disqualified by any professional and/or regulatory body in relation to any trade, business or profession.
 - iv. Failed to abide by the rules and regulations governing the conduct of the Board, including those of conflicts of interests.
 - v. A Board director, substantial shareholder, or manager of a Company or business that:
 - a) Was wound up (otherwise than by a voluntary dissolution unrelated to solvency) or was otherwise insolvent or had a receiver or administrator appointed; or
 - b) Was found to be involved in fraudulent or illegal activities; having regard to the degree of association with the company, and the duration for which the director has served in the Board.
 - vi. Having conflicting positions/directorship held in competing businesses or institutions, where the NC considers that such conflicts are irreconcilable under the circumstances.
 - vii. There is evidence of his incompetence, negligence or mismanagement; such evidence may include the person having been disciplined by a professional, commercial or regulatory body; or is dismissed or requested to resign from any position or office for negligence, incompetence or mismanagement.

3. Continuous Requirements

The NC is to apply the fit and proper criteria in evaluating candidates for new appointment as Directors and for re-appointment of Directors and also to carry out evaluation of the Directors at least once a year to determine whether or not the existing Directors continue to meet the fit and proper criteria as set out in this Policy.

4. Review of Policy

The NC is responsible for regular reviews of this Policy and recommends changes as deemed fit to be considered and approved by the Board and the Company reserves the right to update/amend this Policy as deemed appropriate/necessary.