

**DIRECTOR'S FIT AND PROPER POLICY**

**1. OBJECTIVE**

The Directors' Fit and Proper Policy ("**Policy**") of Vanzo Holdings Berhad (the "**Company**") and its subsidiary companies ("**Group**") is to ensure a transparent and rigorous process for the appointment and re-election of Directors of the Group.

This Policy sets out the criteria for the appointment and re-election of Directors of the Group and ensure compliance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad.

This Policy serves as a guidance to the Nomination Committee of the Company and the Board of Directors ("**Board**") in their review and assessment of the potential candidates for appointment to the Board as well as the retiring Directors who are seeking re-election at the annual general meeting.

**2. FIT AND PROPER CRITERIA**

For the purpose of assessing whether a person is fit and proper to become a Director, the fit and proper criteria of a Director should include but not limited to the following:

a) Character and Integrity

- (i) Probity
  - is compliant with legal obligations, regulatory requirements and professional standards.
- (ii) Personal Integrity
  - has not perpetrated or participated in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct; and
  - has not abused other positions (i.e. political appointment) to facilitate government relations for a business or company in a manner that contravenes the principles of good governance.
- (iii) Financial Integrity
  - manages personal debts or financial affairs satisfactorily; and
  - demonstrates ability to fulfil personal financial obligations as and when they fall due.
- (iv) Reputation
  - is of good repute in the financial and business community;
  - has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years; and
  - 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.

**DIRECTOR'S FIT AND PROPER POLICY**

b) Experience and Competence

(i) Qualifications, Training, Skills and Experiences

- has demonstrated, through qualification, training, skills or experiences to effectively undertake the responsibility of the position;
- possesses general management skills as well as understanding of corporate governance and sustainability issues;
- keeps knowledge current based on continuous professional development; and
- possesses leadership capabilities and a high level of emotional intelligence.

(ii) Relevant Past Performance or Track Record

- had a career of occupying a high-level position in a comparable organization, and was accountable for driving or leading the organization's governance, business performance or operations.

c) Time and Commitment

(i) Ability to Discharge Role

- able to devote time as a director, having factored other outside obligations including concurrent board positions held by the director across listed companies and non-listed companies (including nonprofit organizations).

(ii) Participation and Contribution in the Board or Track Record

- demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- exhibits ability to articulate views independently, objectively and constructively; and
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

**3. ASSESSMENT OF FIT AND PROPER CRITERIA**

The Nominating Committee will assess each new appointment or re-election of director based on the fit and proper criteria by completing Board Assessment and Evaluation Form before recommending to the Board for approval.

**4. REVIEW OF THIS POLICY**

The Board shall review and assess the relevance and effectiveness of this Policy periodically to assess their effectiveness, and in any event, at least once every 3 year, the Board deem necessary and/or require to ensure its relevance and effectiveness in keeping with the Group's changing business environment, administrative or operational needs as well as changes to legislations.

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**5. REVISION OF THIS POLICY**

The provisions of this Policy can be amended and supplemented from time to time by a resolution of the Board.

**6. PUBLISHED AT THE WEBSITE**

This Policy is made available on the Company's website.

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