DIRECTORS' FIT AND PROPER POLICY

Table of Contents

1. **Purpose** 1
2. **Scope** 1
3. **Assessment principles and criteria** 1
4. **Assessment process** 2
5. **Declarations and information** 3
6. **Confidentiality** 3
7. **Review and updates** 3

1. Purpose

This Policy sets out the criteria and overarching process for assessing the fitness and propriety of individuals appointed or re-appointed as Directors of the Company.

It supports the Board and the Nomination and Remuneration Committee ("NRC") in ensuring that Directors possess the necessary character, integrity, experience, competence and commitment to discharge their duties effectively.

This Policy is developed in accordance with the Malaysian Code on Corporate Governance (MCCG) and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad."

2. Scope

This Policy applies to all members of the Board, including Executive Directors, Non-Executive Directors and Independent Non-Executive Directors.

It also serves as a reference for the NRC in evaluating candidates for appointment, re-appointment or continuation in office.

3. Assessment principles and criteria

The NRC and Board shall assess Directors and candidates on a holistic basis, considering both qualitative and quantitative factors, and any information declared or independently obtained.

The minimum assessment criteria include:

- Character and integrity (probity, personal integrity, financial integrity and reputation).
- Experience and competence (skills, knowledge and experience relevant to the Company's needs, and the ability to contribute effectively to the Board).
- Time and commitment (ability to devote sufficient time, attend meetings and undertake continuous development).
- Whether the individual has been subject to bankruptcy, criminal conviction, regulatory enforcement action or other matters that may adversely affect fitness and propriety.

4. Assessment process

The NRC is responsible for conducting fit and proper assessments and making recommendations to the Board. The Board retains ultimate responsibility for decisions on appointments, re-appointments and Board committee memberships.

Detailed operating steps and forms (including checklists, interview guides and background check procedures) may be maintained separately as governance practices/SOPs and updated from time to time.

4.1 New appointments

- The NRC identifies and considers potential candidates (including through sourcing as appropriate).
- The NRC assesses shortlisted candidates against the assessment criteria, including required declarations and appropriate background checks.
- For candidates proposed as Independent Directors, the NRC will require an Independence Declaration and apply the Independence of Directors Policy.
- The NRC recommends suitable candidates to the Board for deliberation and approval.

4.2 Re-election and continuation in office

- The NRC evaluates Directors proposed for re-election/continuation, having regard to contributions, attendance, performance, and ongoing suitability.
- The evaluation should take into account the results of the annual Board and Director assessment and updated declarations.
- For Independent Directors, the NRC considers continued independence in accordance with the Independence of Directors Policy.

4.3 Board committee appointments

- The NRC assesses the proposed committee composition with reference to the required skill sets, experience and applicable governance requirements.
- The NRC makes recommendations to the Board for approval.

5. Declarations and information

Candidates and Directors are required to provide complete and accurate declarations as part of fit and proper assessments, including declarations relating to probity, integrity, conflicts of interest and other matters relevant to suitability.

Where relevant, the NRC may obtain information from independent checks or other lawful sources to verify the information provided.

Such checks may include regulatory, litigation, credit or other background checks, where deemed appropriate.

6. Confidentiality

All information obtained during the assessment process shall be kept strictly confidential and used solely to determine suitability for Board appointment or continuation.

7. Review and updates

This Policy shall be reviewed annually, or earlier if there are regulatory changes affecting it, to ensure continued relevance and alignment with applicable requirements and best practices.

[End of Policy]