

<b>Coraza Integrated Technology</b>	<b>Policy &amp; Procedures</b>	Document Number 100 – 024	Rev 0
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## **1. Introduction**

- 1.1. Directors' Fit and Proper Policy ("Policy") set out the fit and proper criteria for the appointment and re-appointment of Directors on the Boards of Coraza Integrated Technology Berhad (the "Company" or "Coraza") and its subsidiaries (the "Group").

## **2. Objectives**

- 2.1 This Policy is to ensure that each of the Directors has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director of the Group.
- 2.2 It serves as a guide to the Nominating and Remuneration Committee ("NRC") and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

## **3. Scope**

- 3.1. The Policy covers all Directors of the Group.
- 3.2. The Policy specifies the criteria to be used in assessing fitness and propriety of the Directors at the time of appointment and at any time thereafter during their tenure as a Director.
- 3.3. The NRC, the Board and Company Secretary shall be responsible for establishing and applying the Policy.

## **4. Responsibilities**

- 4.1. In the application of this Policy, the NRC and the Board are responsible for the assessment of existing Board and candidates for nomination or appointment as a Board Member.
- 4.2. The Company Secretary is responsible for making recommendations to the Board on matters pertaining to the directors' appointment to ensure compliance with Companies Act 2016.

## **5. Criteria**

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

### **5.1.1. Character and Integrity**

#### **(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 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.
- Service contract (i.e. in the capacity of management or Director) had not been terminated in the past due to concerns on personal integrity.
- Has not abused other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance.

(iii) Financial Integrity

- Manages personal debts or financial affairs satisfactorily.
- 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.
- 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.

5.1.2. Experience and Competence

(i) Qualifications, training and skills

- Possesses education qualification that is relevant to the skill set that the director is earmarked to bring to bear onto the boardroom (i.e. a match to the board skill set matrix and strategic priorities of the Company).
- Has a considerable understanding on the workings of a corporation.
- Possesses general management skills as well as understanding of corporate governance and sustainability issues.
- Keeps knowledge current based on continuous professional development.
- Possesses leadership capabilities and a high level of emotional intelligence.

(ii) Relevant experience and expertise

- 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.

(iii) Relevant past performance or track record

- Had a career of occupying a high-level position in a comparable organisation and was accountable for driving or leading the organisation's governance, business performance or operations.
- Possesses commendable past performance record as gathered from the results of the board effectiveness evaluation (applicable for re-election and re-appointment of directors).

5.1.3. Time and Commitment

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

- Able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including not-for-profit organisations).

(ii) Participation and contribution in the board or track record.

- Demonstrates willingness to participate actively in board activities.
- Demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom.
- Manifests passion in the vocation of a director.
- Exhibits ability to articulate views independently, objectively and constructively.
- Exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

**5.2. Monitoring and Review**

The NRC shall review this Policy once in two (2) years upon changes to the relevant rules and regulations, whichever is earlier and make the appropriate recommendation to the Board on any proposed amendments to the Policy. Periodic review would also be made to ensure the relevance and alignment with the Group's needs and structure as well as material changes in the business and risk profile of the Directors.

**6. Related Document**

- 6.1. Board Diversity Policy
- 6.2. Board Effectiveness Evaluation Framework
- 6.3. Board and Board Committee Evaluation Form
- 6.4. Directors' / Key Officers' Evaluation Form
- 6.5. Board Skill Matrix Evaluation Form

**7. Attachment**

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