

# PROTASCO BERHAD

## Directors' Fit and Proper Policy

### **Objective**

The objective of this Directors' Fit and Proper Policy ("the Policy") is to set out the criteria for selection of candidates that are proposed to be appointed as Directors of Protasco Berhad ("Company") and its subsidiaries as well as Directors who are seeking for re-election to continue to hold the position as directors on the Board of the Company.

The Policy serves to guide the Nominating & Remuneration Committee ("NRC") and the Board of Directors in their review and assessment of candidates that are to be appointed onto the board as well as directors who are seeking for re-election.

### **Fit and Proper Criteria**

The Board and the NRC shall assess any person to be appointed or re-elected as a Director of the Company and its subsidiaries based on among others the following criteria:

#### 1. Character and Integrity

##### (i) Probity

- 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 (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 fulfill personal financial obligations as and when they fall due.

(iv) Reputation

- Having good repute in the financial and business community.
- Has not been the subject of criminal proceedings or enforcement action, in managing an entity for the past 5 years; or
- Has not been involved in fraud or dishonesty punishable on conviction with imprisonment for three months or more; and
- Has not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies both local or abroad.

2. Experience and Competence

(i) Qualification, training and skills

- Possesses education qualification that is relevant to the skills that 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, sustainability as well as Environment, Social & Governance (ESG) issues.
- Keeps knowledge current based on continuous professional development.

(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.

3. Time and Commitment

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

(ii) Participation and contribution in the Board or track record (applicable to re-election of existing Directors).

- Demonstrate willingness to participate actively in Board activities.
- Demonstrate willingness to devote time and effort to understand the businesses and exemplify readiness to participate in events outside the boardroom.
- Manifest passion in the vocation of a Director.
- Exhibit ability to articulate views independently, objectively and constructively.

Protasco Berhad  
Directors' Fit and Proper Policy

- Exhibit open mindedness to the views of others and ability to make considered judgment after hearing the views of others.