

# CEPATWAWASAN GROUP BERHAD

Registration No. 200101000743 (536499-K)

(Incorporated in Malaysia)

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## BOARD OF DIRECTORS' FIT AND PROPER POLICY

### 1. OBJECTIVE AND SCOPE

- a) This Fit and Proper Policy ("Policy") is designed to:-
- i. Establish a set of formal and transparent fit and proper criteria for appointment and reappointment of Directors to the Board of Directors ("Board") of Cepatwawasan Group Berhad and its subsidiaries ("Group").
  - ii. To guide the Board and the Nomination Committee ("NC") in the assessment and evaluation of:-
    - (a) any candidate to be appointed as a new Director to the Board; and
    - (b) any existing Director who is seeking for re-appointment.

### 2. FIT AND PROPER CRITERIA

- a) The following are the fit and proper criteria of a Director:-
- i. Character and integrity
    - Probity
      - The Director is compliant with legal obligations, regulatory Requirements and professional standards.
      - The Director has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.
    - Personal integrity
      - The Director 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 or her professional conduct.
      - The past service contract(s) of the Director in the capacity of management or Director had not been terminated due to concerns on personal integrity.
      - The Director has not abused other positions (i.e:- political appointment) to facilitate government relations for the Group in a manner that contravenes the principles of good governance.
    - Financial integrity
      - The Director manages personal debts or financial affairs satisfactorily.
      - The Director demonstrates ability to fulfill personal obligations as and when they fall due.

- Reputation
  - The Director is of good repute in the financial and business community.
  - The Director has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years.
  - The Director 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.
  
- b) Experience and competence
  - i. Qualifications, training and skills
    - The Director 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).
    - The Director has a considerable understanding on the workings of a corporation.
    - The Director possesses general management skills as well as understanding of corporate governance and sustainability issues.
    - The Director keeps knowledge current based on continuous professional development.
    - The Director possesses leadership capabilities and a high level of emotional intelligence.
  - ii. Relevant experience and expertise
    - The Director 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.
  
- c) Time and commitment
  - i. Ability to discharge role having regard to other commitments
    - The Director is able to devote time as a Board member, having factored other outside obligations including concurrent Board positions held by the Director across public listed companies and non-listed companies (including non-profit organisations).

ii. Participation and contribution in the Board or track record

- The Director demonstrates willingness to participate actively in Board activities.
- The Director demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the Boardroom.
- The Director manifests passion in the vocation of a Director.
- The Director exhibits ability to articulate views independently, objectivity and constructively.
- The Director exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

d) Independence (applicable to appointment and re-appointment of Independent Director)

The Director meets the criteria of an Independent Director as specified in Item 1.1 of Practice Note 13 of Main Market Listing Requirements of Bursa Securities Malaysia Berhad

### **3. ASSESSMENT AND EVALUATION**

- a) The NC will assess each person for a new appointment or re-election of Directors based on the criteria set under item 2.1 before recommending to the Board for approval. The Board Evaluation Form is set out in Annexure 1 (The questionnaires are based on the Corporate Governance Guide 4th Edition).
- b) For the appointment of new Director, the person is required to complete the Prospective Directors Information as set out in Annexure 2.
- c) The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

### **4. REVIEW AND APPROVAL**

The NC will review this Policy and recommend it to the Board for approval as and when necessary. The terms of this Policy shall be updated whenever there are changes to the Malaysian Code on Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad, and any other relevant regulatory requirements.

# DIRECTORS' EVALUATION FORM

Annexure 1

The Evaluation Form provides ratings from One (1) to four (4), or 'yes' and 'no' with indicators illustrated below, to be responded in relation to the nature of the questions:

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Yes, always	Yes, most of the time	Yes, but seldom	No
or			
4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Above average	Average	Below average	Poor
or			
Yes <input type="checkbox"/>			No <input type="checkbox"/>
Yes			No

Where a particular criterion is deemed not applicable, it shall be indicated as "Not Applicable" in the comment box.

Name of the director: \_\_\_\_\_

## Section A: Fit and Proper

- Has not been questioned, publicly or privately, on integrity, professional conduct or business ethics/ practices which are deceitful, oppressive or improper.

Yes <input type="checkbox"/>		No <input type="checkbox"/>
Comment:		

- Has shown willingness to maintain effective internal control system and risk management practices.

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

# DIRECTORS' EVALUATION FORM

Annexure 1

3. Possesses relevant qualifications, knowledge, experience and ability to understand the technical requirements, risk and management of the company's business.

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

## Section B: Contribution and Performance

4. Probes management to ensure management has taken, and suggests management to take, into consideration the varying opportunities and risks whilst developing the strategic plan (this plan may or may not be in writing as long as minutes of meeting provide a discussion of such strategy).

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

5. Provides logical honest opinions on issues presented and is not afraid of expressing disagreement on matters during the meeting, if any.

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

6. Receives feedback from board and/ or committee and incorporates feedback obtained into the decision-making process in an objective manner.

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

# DIRECTORS' EVALUATION FORM

Annexure 1

7. Defends stand through constructive deliberations at board and/ or committee meetings, where necessary

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

8. Tackles conflicts and takes part in proposing solutions

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

9. Offers practical and realistic advice to board and/ or committee discussions

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

10. Takes initiative to demand for additional information, where necessary.

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

11. Tests quality of information and assumptions

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

12. Reviews and relates short-term concerns to long-term strategy

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

# DIRECTORS' EVALUATION FORM

Annexure 1

13. Contributes to risk management initiatives

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

14. Contributes personal knowledge and experience into the consideration and development of strategy

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

15. Facilitates objective-oriented decision-making process

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

16. Prioritises context of issues to be in line with objectives

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

17. Effectively and proactively follows up on areas of concern

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

18. Demonstrates willingness to devote time and effort to understand the company and its business and readiness to participate in events outside the boardroom, such as site visits

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

# DIRECTORS' EVALUATION FORM

Annexure 1

## Section C: Calibre and personality

19. Acts in good faith and with integrity

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

20. Well prepared at meetings and adds value to board and/ or committee meetings

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

21. Works constructively with peers, the company secretary and senior management

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

22. Offers insight to matters presented with requisite knowledge and skills, and shares information

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

23. Encourages others to get things done, is decisive and action-oriented

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

24. Articulates in a non-confrontational and comprehensible manner

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			



# DIRECTORS' EVALUATION FORM

Annexure 1

25. Understands individual roles and responsibilities and ensures contribution is contemporary with developments

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

26. Behaviour engenders mutual trust and respect within the board and other key officers

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

27. Communicates effectively with shareholders

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

28. Constructively challenges and contributes to the development of strategy

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

29. Scrutinises the performance of management in meeting based on agreed goals and objectives, and monitors reporting of performance

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

# DIRECTORS' EVALUATION FORM

Annexure 1

30. Satisfies himself/herself that financial information is accurate and financial controls and systems of risk management are robust and defensible

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Comment:			

Checked and compiled by:

.....  
Name:

Designation:

Part A: Personal Details

1	Full Name	
2	Date of Birth	
3	NRIC No/Passsport	
4	Citizenship	
5	Permanent Address	
6	Correspondence Address	
7	Telephone No	
8	Email address	

Part B: Education Background and Work Experience

1	Education Qualification	
2	Work Experience	
3	Area of Expertise	

Prospective Directors Information

Annexure 2

Part C: Directorship

1	List of Current and Past Directorship	
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Part D: Declaration

1	Do you have any relationship with any Directors of Cepatawasan Group Berhad?(If Yes, Please provide details)	
2	Do you have nay interest, both direct and indirect in Cepatawasan Group Berhad? (If Yes, Please provide details)	
3	Do you have any relative currently working in Cepatawasan Group Berhad? (If Yes, Please provide details)	

Prospective Directors Information

Annexure 2

4	Have you ever committed any commercial and criminal crimes under the Laws of Malaysia? (If Yes, Please provide details)	
5	Are you currently and/or the company where you are a director being notified of any impending disciplinary or criminal proceedings or of any investigations, which might lead to such proceedings? (If Yes, Please provide details)	
6	Have you or the company where you are a director contravene any provision made by or under any written law such as the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, the Malaysian Anti-Corruption Commission Act 2009, the Companies Act 2016, Capital Markets and Services Act 2007 and any other applicable laws? (If Yes, Please provide details)	
7	Have you or the company where you are a director been reprimanded by the regulators namely, Securities Commission Malaysia and Suruhanjaya Syarikat Malaysia? (If Yes, Please provide details)	
8	Have you been involved in any business or relationship which could materially pose a conflict of interest or interfere with your judgment when acting as a director which is disadvantageous to the company? (If Yes, Please provide details)	

Prospective Directors Information

Annexure 2

9	Are you currently a bankrupt?	
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I, ..... (NRIC/Passport No: .....) hereby declare that the above responses are true and correct, as to the best of my knowledge. I further authorise the Company to conduct background check, if necessary, which may consist of prior employment verification, professional reference checks, education confirmation and/or criminal record and credit checks for the purpose of my appointment as a Director of Cepatwawasan Group Berhad.

.....  
Signature:

.....  
Name:

.....  
Date: