

Pasukhas Group Berhad

Registration No.200501009342 (686389-A)

Directors' Fit and Proper Policy

(Adopted on 24th July 2022)

1. INTRODUCTION

Pasukhas Group Berhad (“PGB”) or the “Company” has adopted the Directors’ Fit and Proper Policy to ensure a formal, rigorous and transparent process for the appointment and re-election of Directors and senior management of the Company and its subsidiaries.

In formulating this policy, the Company is obliged to comply with the requirements contained in the Ace Market Listing Requirements of Bursa Malaysia Securities Berhad and other applicable rules and regulations in the prevailing country to ensure compliance with the obligations imposed.

2. POLICY OBJECTIVE

The objective of this Policy is to guide the Nomination & Remuneration Committee (“the NRC”) and the Board in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election in PGB.

This Policy is to ensure that Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interests of the Company and its stakeholders.

The fit and proper criteria will be applicable at the time of appointment as a Director and on a continuing basis as all Directors of PGB are expected to conduct themselves with highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

3. FIT & PROPER CRITERIA

3.1 Any person to be appointed or re-elected as a Director of the Company or its subsidiaries or a nominee director on the boards of joint venture companies and associate companies must not be disqualified and has been assessed to have met all the fit and proper criteria based on, at minimum, the following:

- (a) character and integrity;
- (b) experience and competence; and
- (c) time and commitment.

3.1.1 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 of 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.

3.1.2 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)

3.1.3 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.

4. POLICY SUBJECT TO PERIODICAL REVIEW

- 4.1 The NRC is responsible for regular reviews of the Policy and making any recommended changes as and when it deems fit. The Policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.

- 4.2 The changes to the terms of the Policy shall be subject to the approval of the Board.
A copy of the Fit and Proper Policy is available on the Company's website.