



NWP HOLDINGS BERHAD

[Registration No.: 199901020576 (495476-M)]

DIRECTORS' FIT AND PROPER POLICY

(Adopted by the Board on 28 June 2022)

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1. OBJECTIVE

- 1.1 This Policy set out the fit and proper criteria for the appointment and re-appointment of Directors on the Boards of NWP Holdings Berhad and its subsidiary companies.
- 1.2 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 NWP Holdings Berhad and its subsidiary companies.
- 1.3 Serve as a guide to the Nomination Committee ("NC") 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.

2. CRITERIA

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

2.1.1 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
 - Has not been reprimanded or disqualified or removed by a professional or regulatory body in relation to matters in respect to the person's honesty, integrity or business conduct
- (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 no concurrent responsibilities or interest which would contribute to a conflict of interest situation or otherwise impair the ability to discharge duties and responsibilities as Director of the Company and/or its subsidiary companies
 - 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
 - Has not been subjected to a judgement debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere
- (iv) Good 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

2.1.2 Competence and capability

- (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)
 - Has a considerable understanding on the business and 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

2.1.3 Time and commitment

- (i) Ability to discharge role having regard to other commitments
 - (i)
 - 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
 - Manifest passion in the vocation of a Director
 - Exhibit ability to articulate views independently, objectively and constructively
 - Exhibit open mindedness to the views of others and ability to make considered judgement after hearing the views of others

3. ASSESSMENT

- 3.1 The NC will assess candidates for a new appointment of Directors based on the criteria set under item 2.1 before recommending to the Board for approval.
- 3.2 For re-appointment of Directors, the Directors will be evaluated based on the Board Evaluation Form. The NC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet the policy requirements.
- 3.3 For the new appointments, the candidates are required to complete the Directors Information Form.
- 3.4 The information or 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 OF THE POLICY

- 4.1 The NC shall regular review and making any recommend change to the Policy as the NC deems appropriate to the Board for approval. The terms of the Policy shall be assessed, reviewed and updated where necessary to align with the any changes on Malaysian Code on Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements.

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