



## ICT ZONE ASIA BERHAD

Registration No. 201901003459 (1312785-X)  
(Incorporated In Malaysia)

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### DIRECTORS' FIT AND PROPER POLICY

#### 1. OBJECTIVE AND SCOPE

This Directors' Fit and Proper Policy ("**Policy**") set out the fit and proper criteria for the appointment and re-election of Directors of ICT Zone Asia Berhad ("**Company**") and its subsidiaries.

The Policy serves to guide the Nomination Committee ("**NC**") and the Board of Directors ("**Board**") in their review and assessment of candidates to be appointed to the Board and its subsidiaries, as well as Directors who are seeking re-election.

#### 2. FIT AND PROPER CRITERIA

For the purpose of establishing whether a person is fit and proper to hold Directorship in the Company and its subsidiaries, the Company shall have regard to the person's:

- (a) Character and integrity
- (b) Experience and competence
- (c) Time and commitment

##### (a) 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 with respect to the person's honesty, integrity or business conduct.

###### (ii) **Personal integrity**

- has not perpetrated or participated in any business practices that are deceitful, oppressive, or improper (whether unlawful or not) or that 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 about 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.
- has no concurrent responsibilities or interests 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 subsidiaries.



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### **(iii) Financial integrity**

- manages personal debts or financial affairs satisfactorily.
- demonstrates the ability to fulfil personal financial obligations as and when they fall due.
- has not been subjected to a judgment debt that is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.

### **(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 convicted for offences, nor has any public sanction or penalty been imposed by the relevant regulatory bodies, in managing or governing an entity for the past 5 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.

## **(b) Experience and competence**

### **(i) Qualifications, training and skills**

- has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of the position.
- has a considerable understanding of the workings of a corporation.
- possesses general management skills as well as an 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.
- financial literacy, especially in reading and understanding financial statements.

### **(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, 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 a commendable performance record as gathered from the results of the Board effectiveness evaluation.



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### (c) Time and commitment

#### (i) **Ability to discharge role with regard to other commitments**

- able to devote time as a Board member, having factored in other outside obligations, including concurrent Board positions held by the director across listed companies and non-listed companies (including not-for-profit organisations).

#### (ii) **Participation and contribution to the board or track record**

- demonstrates a willingness to participate actively in Board activities.
- demonstrates a 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 the ability to articulate views independently, objectively and constructively.
- exhibits open mindedness to the views of others and the ability to make considered judgments after hearing the views of others.

### 3. **NOMINATION PROCEDURES**

Step 1	<p>Candidate identified</p> <p>It can be identified based on:</p> <ul style="list-style-type: none"><li>(i) the recommendation of the existing directors, senior management staff, shareholders or third-party referrals;</li><li>(ii) the identification of internal candidates through an internal promotion and development plan; or</li><li>(iii) appropriate identification of external candidates from independent sources.</li></ul>
Step 2	<p>Assessment and evaluation to be conducted by the NC</p> <p>The assessment should be conducted based on the abovementioned criteria.</p> <p>For an independent director position, additional assessment on independence would need to be carried out.</p> <p>The NC would also need to consider the size and composition of the Board to be in compliance with ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and MCCG and to facilitate the making of informed and critical decisions.</p>



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Step 3	Recommendation to be made by NC to the Board.
Step 4	Discussion and decision to be made by the Board on the proposed new appointment.

#### 4. ASSESSMENT

- (i) The fit and proper assessments shall be conducted by the NC before recommending to the Board for approval:-
- for the initial appointment of Directors;
  - for the re-election of Directors on an annual basis; or
  - whenever the Company becomes aware of information that may materially compromise a Director's fitness and properness.
- (ii) The information gathered from the assessments shall be strictly used by the NC for the purpose of the assessment and not for public disclosure.
- (iii) The Human Resource Department of the Company shall maintain the record of the fit and proper assessment for the covered persons.

#### 5. REVIEW AND APPROVAL

- (i) The NC is responsible for the regular reviews of the Policy and making any recommended changes as and when they are deemed fit. The Policy shall be aligned with any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.
- (ii) The changes to the terms of the Policy shall be subject to the approval of the Board.

The Policy has been adopted by the Board on \_\_\_\_\_.