



FIT AND PROPER POLICY

1.0.0 PURPOSE

- 1.1.0 The Board of Directors of United Malacca Berhad (UMB) and its subsidiaries (UMB Group) provide leadership and are responsible for UMB Group's strategic direction, performance, and corporate responsibilities. The Board is responsible for ensuring that UMB Group operates following any duties and obligations imposed on the Board. The respective Directors are responsible for fulfilling their duties to UMB Group, its shareholders, stakeholders, and the Board through exercising their accountabilities in tandem with good corporate governance practices. Therefore, the Directors are required to be competent and honest, to have integrity and the relevant expertise to act reasonably in the best interests of UMB Group.
- 1.2.0 The Policy sets out the fit and proper criteria based on which new directors are proposed to be appointed, and existing directors whose appointment is intended to be continued can be evaluated.
- 1.3.0 The Policy serves to guide the Nomination and Remuneration Committee (NRC) and the Board in their review and assessment of candidates for appointment to the Board of UMB Group and Directors seeking re-election.

2.0.0 APPLICABILITY

- 2.1.0 This Policy shall apply to all the directors of UMB Group.

3.0.0 FIT AND PROPER

- 3.1.0 A person is considered fit and proper if he or she is qualified, competent, has integrity, is honest, reputable, reliable, and discharges and/ or is likely to discharge his or her responsibilities diligently and fulfils the criteria set under this Policy.

4.0.0 **FIT AND PROPER CRITERIA**

4.1.0 In assessing a person's fitness and propriety, the Board, through the NRC, shall consider the relevant factors based on the following overarching criteria:-

- Character and integrity;
- Experience and competence; and
- Time and commitment.

4.1.1 **Character and Integrity**

Persons who are honest, diligent and independent-minded, who act ethically and with integrity and fairness.

The NRC may consider, among other things, whether the applicant/key person has been convicted, on indictment, of dishonesty, fraud, money laundering, theft, or financial crime.

4.1.2 **Experience and Competence/Capability**

Persons with the necessary skills, experience, ability, and commitment to carry out their role.

In determining a person's competence and capability, the NRC shall have regard to matters including, but not limited to:

- (a) the person has satisfactory past performance or expertise;
- (b) the person has an appropriate range of skills and experience;
- (c) the person has the relevant qualifications;
- (d) the person has knowledge current based on continuous professional development.

4.1.3 **Time and Commitment**

The NRC shall consider whether the prospective directors/directors have sufficient time to carry out their responsibilities fully and whether they can promote smooth interactions between other board members and members of senior management. The NRC shall regard the prospective directors/directors' participation and contribution to the Board or track record.

5.0.0 **EVALUATION OF FIT AND PROPER CRITERIA**

- 5.1.0 Before appointing any person as a director on the Board or re-appointing any such director, the NRC shall undertake adequate due diligence in respect of such individuals to ascertain suitability based on the fit and proper criteria and other information in the Declaration and Undertaking form.
- 5.2.0 The Company shall, before appointing any person as a director on the Board, obtain necessary information and declaration from the proposed/existing directors in the Declaration and Undertaking form.
- 5.3.0 The NRC shall scrutinize each Declaration and Undertaking form. The NRC shall undertake adequate due diligence in respect of such individuals to ascertain suitability based on the fit and proper criteria and other information in the Declaration and Undertaking form.
- 5.4.0 After considering the result of its due diligence (based on the Declaration and Undertaking form and Evaluation of Fitness and Propriety form), the NRC shall recommend to the Board to accept the prospective new directors or existing directors whose appointment is to be continued or renewed, or otherwise as the case may be.
- 5.5.0 The Company shall require every director on the Board to annually sign a simple declaration that either confirms that the information already provided to the Board, in the Declaration and Undertaking form, has not undergone any change or where there is any change, specifies the requisite details are furnished to them.

6.0.0 **REVIEW AND APPROVAL**

- 6.1.0 The Committee shall, as and when required, assess the adequacy of this Policy and make any necessary amendments to ensure it remains consistent with the Board's objectives, current law, and best practices. The NRC shall recommend any amendments/revisions required to the Policy to the Board for approval.
- 6.2.0 This Policy was approved by the Board on 28 June 2022.
- 6.3.0 This Policy is available for reference on the Company's website at www.unitedmalacca.com.my.