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# **GUH Holdings Berhad**

## **Fit and Proper Policy**



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## Part 1 Introduction

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### 1A Policy Statement

The adoption of this Fit and Proper Policy by the Board of Directors (“Board”) and Nomination Committee (“NC”) is to:

- a) ensure that the overall quality and integrity of Directors are up to expectations;
- b) promote greater transparency on the criteria for the appointment of Board members; and
- c) ensure compliance with the relevant provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance 2021.

### 1B Objectives

- a) Set out the fit and proper criteria pertaining to the appointment or re-appointment of Directors;
- b) Ensure that the Company’s Directors possess the required integrity, competency and commitment to effectively discharge their roles; and
- c) Act as a guide to the Board and NC in assessing the candidates prior to the appointment or re-appointment of Directors onto the Board.

### 1C Responsibility of Board and NC

- a) The NC is primarily responsible to ensure that the fit and proper assessments set out in this policy are carried out effectively for all Board members. The Board shall review the NC’s assessment to ensure that all Directors are fit and proper and have the necessary integrity, competency and commitment to effectively execute his or her roles.
- b) The NC is responsible to lead the review of the appropriate skills, experience and characteristics required of Board members.

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## Part 2 Fit and Proper Criteria and Assessment

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### 2A Character and Integrity

In evaluating the personal qualities of Directors, the matters that need to be considered are including, but not limited to the following:

#### a) Probity

- whether the person is in compliance with legal obligations, regulatory requirements and professional standards;
- whether the person has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court; and
- whether the person is free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of his judgement when acting in the capacity of a Director which would be disadvantageous to the Company.

#### b) Personal Integrity

- whether the person has not been committed or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), which otherwise reveal discredit on his professional conduct;
- whether the person's service contract(s) have not been terminated in the past due to concerns on personal integrity; and
- whether the person has not been contravened any requirements imposed by authorities or bodies or failed to uphold any professional or ethical standards issued.

#### c) Financial Integrity

- whether the person has demonstrated ability to fulfill personal financial obligations as and when they fall due;
- whether the person has satisfactorily managed personal debts or financial affairs; and
- whether the person has not filed for bankruptcy and has not had any bankruptcy petition against him allowed.

#### d) Reputation

- whether the person has a good repute in the financial and business community;
- whether the person has not been subjected in civil or criminal proceedings or enforcement action, in managing or governing an entity in the past; and
- whether the person has not been involved in the management of a business or company has failed whereby the failure is originated in part of deficiencies of its management.

## **2B Experience and Competence**

In evaluating the competency of Directors, the matters that need to be considered are including, but not limited to the following:

### **a) Qualifications, Training and Skills**

- whether the person has possessed relevant education and qualification to fulfill the function and responsibility of the role;
- whether the person has relevant practical experience and commitment of the position in the case of directors;
- whether the person has the appropriate level of physical and mental fitness;
- whether the person has possessed general management skills, understanding of corporate governance and sustainability issues of a corporation; and
- whether the person has kept on updating knowledge based on market developments.

### **b) Relevant Past Performance or Track Record**

- whether the person has sufficient achievements or demonstrated performance in the Company's nature of business; and
- whether the person has a career of occupying high-level positions in a comparable organization and was accountable for driving and leading the organization's governance, business performance or operations.

## **2C Time and Commitment**

In evaluating the commitment of Directors, the matters that need to be considered are including, but not limited to the following:

- whether the person is 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;
- whether the person exhibits open mindedness to the views of others and ability to make considered judgements after hearing the views of others; and
- whether the person exhibits ability to articulate views independently, objectively and constructively.

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## **Part 3 Review of the Policy**

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### **3A General**

The Board reserves the right to review the Fit and Proper Policy as and when it is necessary to, inter alia, ensure its effectiveness, accommodate organization changes within the Group and maintain the compliance with applicable laws and regulations.