



MARINE & GENERAL
BERHAD

DIRECTORS' FIT AND PROPER POLICY

As at 1 July 2022

1.0 Application and Interpretation

- 1.1 The Directors' Fit and Proper Policy (the "Policy") shall be applicable to all existing Directors or candidates for nomination, appointment or reappointment as a Director of Marine & General Berhad ("M&G" or "the Company") and its subsidiaries.
- 1.2 The term Director or Directors, unless the context states otherwise, shall mean the members of the Board of M&G and its subsidiaries.
- 1.3 The term "Group", shall mean Marine & General Berhad and its group of companies.
- 1.4 The word "he" shall also mean "she" unless the context states otherwise. Where the context so admits, words imparting any singular number shall include the plural number and vice- versa.

2.0 General Guidelines

- 2.1 Individuals acting as Directors of the Group are expected to possess the competence, character, diligence, honesty, integrity and judgement to perform properly the duties of that position, in tandem with good corporate governance practices.
- 2.2 The purpose of the Policy, is to set out the Group's approach to the assessment of the fitness and propriety of persons who hold, or who are to be appointed or elected to the position of Director in the Group.
- 2.3 In addition, the Policy should be read together with:
 - a) M&G's Constitution, specifically Paragraph 24.11; and
 - b) M&G's Board Charter.

3.0 The Board's Responsibility

- 3.1 In the application of this Policy, the Board of M&G is primarily responsible for ensuring that all persons being considered for appointment, and/or re-election as Director to the Board of M&G and/or its subsidiaries fulfil the prevalent fit and proper requirements for that position.
- 3.2 The Board must ensure that each person who holds a Director position has the appropriate skill and experience commensurate with the role that they hold and will make all final determinations on their fitness and propriety.

4.0 The Nomination & Remuneration Committee's Responsibility

- 4.1 The Nomination & Remuneration Committee ("NRC") of M&G is responsible for the assessment of existing Directors or candidates for nomination or appointment as a Director of the Company and making recommendations to the Board on these matters.

5.0 The Director's/Candidate's Responsibility

- 5.1 All persons being considered for appointment as Director to the Board of M&G and/or its subsidiaries must fill up the "Declaration from Candidates Being Considered for Appointment as Directors" form (as provided in Appendix 1 of this Policy) and return it to the Corporate Services Department of M&G as per request.
- 5.2 All Directors seeking re-election as Director to the Board of M&G and/or its subsidiaries must fill up the "Declaration from Directors Seeking Re-election" form (as provided in Appendix 2 of this Policy) and return it to the Corporate Services Department of M&G as per request.

6.0 Fit and Proper Criteria

- 6.1 For the purpose of establishing whether a person is fit and proper to hold the position of a Director, the Company shall have regard to the person's:
 - a) **Personal integrity and reputation** – the person must have the personal qualities such as honesty, integrity, diligence, independence of mind and fairness.
 - b) **Competency and capability** – the person must have the relevant knowledge, skills, experience and ability to understand the technical requirements of the

business, the inherent risks and the management process required to perform his/her roles .

- c) ***Time and commitment*** – the person must be able to commit sufficient time to ensure effective discharge of his/her duties.

6.2 ***Personal integrity and reputation***

6.2.1 In assessing a person's personal integrity and reputation to hold a position of Director, the NRC should consider matters including, but not limited to the following:

- i. whether the person has been convicted for any registrable offence under the Registration of Criminals and Undesirable Persons Act 1969 or such similar offences under any other jurisdiction;
- ii. whether the person has been disqualified as a director under sections 198 or 199 of the Companies Act 2016, or ceases to be or is prohibited from being a director by virtue of the Companies Act 2016;
- iii. whether the person has been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately;
- iv. whether the person has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while the person was connected with that business; and
- v. 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 of M&G and/or its subsidiaries which would be disadvantageous to M&G or its interest.

6.3 ***Competency and capabilities***

6.3.1 In assessing a person's competence and capability, the NRC should consider matters including, but not limited to the following:

- i. whether the person has a considerable understanding on the workings of a corporation;
- ii. whether the person possesses general management skills as well as understanding of corporate governance and sustainability issues;
- iii. whether the person has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of the position, having regard to their other commitments; and
- iv. whether the person has satisfactory past performance or expertise in the nature of the business being conducted.

6.4 *Time and commitment*

6.4.1 Any person appointed or being considered for appointment to the Board must be able to commit to attend at least 50% of the total Board (if so convened) and Committee (if so appointed) meetings held during the financial year.

6.4.2 Candidates and appointees to the Board M&G and/or its subsidiaries are also required to devote additional time in preparing for meetings. They may also be required to attend ad-hoc meetings from time to time. There may be further time commitments if they agree to serve as a member or chairman of a Board Committee.

**Declaration from Candidates
Being Considered for Appointment as Directors**

| Personal Details | |
|--|--|
| Full name | |
| Date of birth | |
| Educational qualifications <i>(Note: Respondent may attach as separate list if space is insufficient)</i> | |
| Membership of any professional, trade or industrial association/body <i>(Note: Respondent may attach as separate list if space is insufficient)</i> | |
| Relevant experience <i>(Note: Respondent may attach as separate list if space is insufficient)</i> | |
| Directorships in other public companies <i>(Note: Respondent may attach as separate list if space is insufficient)</i> | |

| | |
|--|--|
| Present address | |
| Telephone number | |
| E-mail address | |
| Declaration | |
| Have you ever been convicted for any registrable offence under the Registration of Criminals and Undesirable Persons Act 1969 or such similar offences under any other jurisdiction? | |
| Have you been disqualified as a director under sections 198 or 199 of the Companies Act 2016, or ceases to be or is prohibited from being a director by virtue of the Companies Act 2016 or under such similar prohibition under any other jurisdiction? | |
| Have you been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately? | |
| Have you held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while you were connected with that business? | |

| | |
|---|--|
| Are you free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of your judgement when acting in the capacity of a Director of the Company which would be disadvantageous to the Company or it's interest? | |
| Do you have the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of a Director, having regard to your other commitments? | |
| Will you be able to commit to attend at least 50% of the total Board (if so convened) and Committee (if so appointed) meetings held during the financial year? | |
| Have you been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere? | |
| Have you ever made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered, whether in Malaysia or elsewhere? | |
| Undertaking | |
| I confirm that the above information is to the best of my knowledge and belief, true and complete. I undertake to keep the Company fully informed, as soon as possible, of all events which take place subsequent to my appointment which are relevant to the information provided above. | |
| Signature | |
| Date | |

**Declaration from Directors
Seeking Re-election**

| Personal Details | |
|---|--|
| Full name | |
| Date of birth | |
| Directorships in other public companies <i>(Note: Respondent may attach as separate list if space is insufficient)</i> | |
| Present address | |
| Telephone number | |
| E-mail address | |

| Declaration | |
|---|--|
| Do you continue to qualify to act as a Director of M&G and/or its subsidiaries under the Companies Act 2016 and the Constitution of the company? | |
| Are you free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of your judgement when acting in the capacity of a Director of the Company which would be disadvantageous to the Company or it's interest? | |
| Will you be able to commit to attend at least 50% of the total Board and Committee (if so appointed) meetings held during the financial year? | |
| Undertaking | |
| I confirm that the above information is to the best of my knowledge and belief, true and complete. I undertake to keep the Company fully informed, as soon as possible, of all events which take place subsequent to my appointment which are relevant to the information provided above. | |
| Signature | |
| Date | |