



MUDAJAYA GROUP BERHAD

Registration No. 200301003119 (605539-H)

DIRECTORS' FIT AND PROPER POLICY

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1. OBJECTIVE

The objective of this Policy is to guide the Combined Nomination and Remuneration Committee (“**CNRC**”) and the Board of Directors (“**Board**”) of Mudajaya Group Berhad (“**MGB**”) in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election.

This Policy is to ensure that Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of MGB and its stakeholders.

The fit and proper criteria will be applicable at the time of appointment as a Director and on a continuing basis as all Directors are expected to conduct themselves with highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

2. FIT AND PROPER CRITERIA

Any person to be appointed as a Director or continuing to hold the position as a Director must not be disqualified pursuant to the Companies Act 2016 and the Listing Requirements of Bursa Malaysia Securities Berhad and has been assessed based on the following overarching fit and proper criteria:

- (a) Character and Integrity;
- (b) Experience and Competence; and
- (c) Time and Commitment.

The CNRC shall determine the specific factors for its consideration in a fit and proper assessment, taking into account their relative importance and having regard to the circumstances and requirements relevant to MGB. The factors to be considered in assessing the fit and proper criteria include, but are not limited to the following:

(a) Character and Integrity

(i)	Probity	<ul style="list-style-type: none">• complies with legal obligations, regulatory requirements and professional standards, where applicable.• has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.• 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.
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(ii)	Personal Integrity	<ul style="list-style-type: none"> • 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/her professional conduct. • service contract (i.e. in the capacity of management or Director) has not been terminated in the past due to concerns on his/her personal integrity. • have 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. • has not abused other positions (that he/she has held) in a manner that contravenes the principles of good governance and professional ethics.
(iii)	Financial Integrity	<ul style="list-style-type: none"> • 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 which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.
(iv)	Reputation	<ul style="list-style-type: none"> • is of good repute in the financial and business community. • has not been the subject of any civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years. • has not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities, both local or abroad. • 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	<ul style="list-style-type: none"> • possesses education qualification that is relevant to the skill set that the Director is earmarked to bring to the boardroom (i.e. a match to the board skill set matrix). • has a considerable understanding on the business and the workings of a corporation. • possesses general management skills as well as understanding of corporate governance best practices and appreciation of sustainability issues. • financial literacy especially able to read and understand financial statements. • keeps knowledge current based on continuous professional development.
(ii)	Relevant experience and expertise	<ul style="list-style-type: none"> • 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 and track record	<ul style="list-style-type: none"> • has/had a career of occupying high level positions in organisations 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 Evaluation.

(c) Time and Commitment

(i)	Ability to discharge role having regard to other commitments	<ul style="list-style-type: none"> • able to devote time as a Director, having factored other outside obligations including concurrent board positions held across listed issuers and non-listed entities (including not-for-profit organisations).
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(ii)	Participation and contribution in the Board or track record	<ul style="list-style-type: none">• demonstrates willingness to devote time and effort to understand the businesses and to participate actively in board activities.• manifest passion in the vocation of a Director.• exhibits ability to articulate views independently, objectively and constructively.• exhibit open mindedness to the views of others and ability to make considered judgment after hearing the views of others.
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3. EVALUATION OF CANDIDATE FOR DIRECTORSHIP OR RE-ELECTION OF DIRECTOR

The CNRC will evaluate candidates for new appointment as Directors based on the fit and proper criteria as set out in Section 2 above before recommending to the Board for approval.

For re-election of Directors, the Directors will be evaluated based on the Board Evaluation Form. The CNRC has the power not to recommend to the Board the re- election of retiring Directors who do not meet the fit and proper criteria.

Any person to be appointed as a Director or Directors who are continuing to hold office shall be required to complete a fit and proper declaration form or such other form(s) as the CNRC may from time to time prescribe or approve.

The information gathered from the assessments shall be for the CNRC's strict use for the purpose of the assessment and not for public disclosure.

4. PERIODICAL REVIEW OF THE POLICY

The CNRC is responsible for regular review of the Policy and making any recommended changes as and when it deems fit. The Policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.

The changes to the terms of the Policy shall be subject to the approval of the Board.

This Directors' Fit and Proper Policy was approved and adopted by the Board on 27 May 2022.