



MISC BERHAD

**DIRECTORS' FIT AND PROPER
POLICY**

1. POLICY OBJECTIVE

- 1.1. MISC Berhad (“MISC”) Directors’ Fit and Proper Policy (“Policy”) is set to require all members of the Board to have the necessary qualities, competencies and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.
- 1.2. The fit and proper assessment on any person identified to be appointed as a Director or to continue holding the position as a Director within MISC shall be conducted prior to the initial appointment or proposed re-election/re-appointment as a Director. The fit and proper assessment on a Director may also be conducted whenever MISC becomes aware of information that may materially compromise a Directors’ fitness and propriety.
- 1.3. The Nomination and Remuneration Committee (“NRC”) and the Board, in conducting the above fit and proper assessment, shall be guided by the Policy as described in Paragraph 2.

2. FIT AND PROPER CRITERIA

- 2.1. Any person to be appointed as a Director or to continue holding the position as a Director within MISC must not be disqualified or deemed to be disqualified or vacated his office pursuant to the Companies Act 2016.
- 2.2. In assessing a person’s fitness and propriety, the Board through its NRC, shall consider all relevant factors based on the following overarching criteria:
 - a. Character and Integrity;
 - b. Experience and Competence; and
 - c. Time and Commitment.
- 2.3. The NRC shall determine the specific factors for its consideration in a fit and proper assessment, having regard to the circumstances and requirements relevant to MISC. Amongst the key factors that underpin the above overarching criteria are as outlined below, which would be assessed by the NRC taking into account their relative importance:

a. Character and Integrity

i.	Probity	<ul style="list-style-type: none">• The person is compliant with the legal obligations, regulatory requirements and professional standards, where applicable.• The person has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.
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ii.	Personal integrity	<ul style="list-style-type: none"> • The person has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on their professional conduct. • The person's service contract (i.e. in the capacity of management or as a director) had not been terminated in the past due to concerns on their personal integrity. • The person has not abused other positions (that they have held) in a manner that contravenes the principles of good governance.
iii.	Financial integrity	<ul style="list-style-type: none"> • The person manages personal debts of financial affairs satisfactorily. • The person demonstrates the ability to fulfil personal financial obligations as and when they fall due. • The fact that the person may be of limited financial means does not in itself, affect the person's ability to satisfy the financial integrity criteria.
iv.	Reputation	<ul style="list-style-type: none"> • The person is of good repute in the financial and business community. • The person has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years. • The person 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"> • The person possesses education qualification that is relevant to the skill set that such director is earmarked to bring or to bear onto the boardroom (i.e. a match to the Board skill set matrix). • The person has considerable understanding on the workings of a corporation. • The person possesses general management skills as well as an understanding of corporate governance, and appreciation of sustainability issues. • The person keeps knowledge current based on continuous professional development. • The person possesses leadership capabilities and a high level of emotional intelligence.
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ii.	Relevant experience and expertise	<ul style="list-style-type: none"> The person 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 or track record	<ul style="list-style-type: none"> The person had a career of occupying a high-level position in a relevant organisation and was accountable for driving or leading the organisation's governance, business performance or operations. The person possesses commendable past performance record as gathered from the results of the Board Effectiveness Evaluation.

c. Time and Commitment

i.	Ability to discharge role having regard to other commitments	<ul style="list-style-type: none"> 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 (including not-for-profit organisations).
ii.	Participation and contribution in the Board or track record	<ul style="list-style-type: none"> The person demonstrates willingness to participate actively in Board activities. The person demonstrates willingness to devote time and effort to understand the business and exemplifies readiness to participate in events outside the Boardroom. The person manifests passion in the vocation of a director. The person exhibits ability to articulate views independently, objectively and constructively. The person exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

3. THE ASSESSMENT

- 3.1. A person who has been identified for appointment as a Director or for re-appointment/re-election as a Director shall be required to make the fit and proper declaration in the form as set out in Appendix A of this Policy or in such other forms as the NRC may from time to time prescribe or approve.
- 3.2. The results of the assessment are part of MISC's internal documents and shall not be disclosed or provided to any other party.

4. REVIEW

- 4.1. The NRC shall recommend any change to the Policy as the NRC deems appropriate to the Board for approval. The policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.

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DIRECTOR'S FIT AND PROPER DECLARATION FORM

Full Name			Citizenship	
NRIC/Passport No.			Date of Birth	
Permanent Address				
Correspondence Address (leave blank if similar to the above)				
Telephone Number			Phone Number	
Email Address				
No.	Criteria	Yes	No	
Probity, Personal Integrity and Reputation				
1.	I have not been the subject of any proceedings of a disciplinary or criminal nature under the Laws of Malaysia, or have been notified of any impending proceedings or of any investigations, which might lead to such proceedings.			
		Where you have ticked "No", please explain and/or provide the relevant documents.		
2.	I have not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice which shall include but not be limited to the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, the Malaysian Anti-Corruption Commission Act 2009, the Companies Act 2016 and the Capital Markets and Services Act 2007.			
		Where you have ticked "No", please explain and/or provide the relevant documents.		

No.	Criteria	Yes	No
3.	I have not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies including but not limited to the Securities Commission of Malaysia and Companies Commission of Malaysia.		Where you have ticked "No", please explain and/or provide the relevant documents.
4.	I, or any business in which I have a controlling interest or exercise significant influence, have not been investigated, disciplined, suspended or reprimanded by a regulatory or professional body such as the Securities Commission of Malaysia Companies Commission of Malaysia, a court or tribunal, whether publicly or privately.		Where you have ticked "No", please explain and/or provide the relevant documents.
5.	I have not been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflects or discredits my professional conduct.		Where you have ticked "No", please explain and/or provide the relevant documents.
6.	I have not been dismissed, asked to resign or have resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions on my honesty and integrity.		Where you have ticked "No", please explain and/or provide the relevant documents.

No.	Criteria	Yes	No
7.	I have not been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a licence to conduct any trade, business or profession, or have had that registration, authorisation, membership or licence revoked, withdrawn or terminated.		Where you have ticked "No", please explain and/or provide the relevant documents.
8.	I have not held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while I was connected with the business referred in Item 7 above.		Where you have ticked "No", please explain and/or provide the relevant documents.
9.	I have not been a director of, or neither have I been directly concerned in the management of, any corporation which is being or has been wound up by a court or other authority competent to do so within or outside Malaysia, or of any licensed institution, the licence of which has been revoked under any written law.		Where you have ticked "No", please explain and/or provide the relevant documents.
10.	In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employer, vendors, employees, auditors and regulatory authorities such as, Securities Commission of Malaysia and Companies Commission of Malaysia.		Where you have ticked "No", please explain and/or provide the relevant documents.

No.	Criteria	Yes	No
11.	I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities such as, Securities Commission of Malaysia and Companies Commission of Malaysia and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations.		Where you have ticked "No", please explain and/or provide the relevant documents.
12.	I have not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices.		Where you have ticked "No", please explain and/or provide the relevant documents.
13.	I am free from any business or other relationship which could materially pose a direct or indirect conflict of interest or interfere with the exercise of my judgement when acting in the capacity of a Director of MISC which would be disadvantageous to MISC or its group of companies' interest.		Where you have ticked "No", please explain and/or provide the relevant documents.
Financial Integrity			
14.	I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due.		Where you have ticked "No", please explain and/or provide the relevant documents.

No.	Criteria	Yes	No
15.	To my knowledge, I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.		
		Where you have ticked "No", please explain and/or provide the relevant documents.	
16.	I have not made arrangements with creditors, filed for bankruptcy or have been adjudicated a bankrupt or have assets sequestered in any jurisdiction.		
		Where you have ticked "No", please explain and/or provide the relevant documents.	
17.	I have not held a position of responsibility in the management of any company which during my tenure has defaulted in payment of any judgment sum against it, or has suspended payment or compounded with its creditors, or has had a receiver or manager appointed in respect of its property.		
		Where you have ticked "No", please explain and/or provide the relevant documents.	
18.	I have not been prohibited from being a director of a company or in any way, whether directly or indirectly, be concerned or take part in the management of a company in Malaysia and/or other jurisdictions pursuant to a court order made under Section 199 of the Companies Act 2016 (Power of Court to disqualified persons from acting as director or promoter) and/or any relevant laws outside the jurisdiction of Malaysian courts and has not obtained any leave of the court under the same section.		
		Where you have ticked "No", please explain and/or provide the relevant documents.	

No.	Criteria	Yes	No
19.	To my best conscience, I believe that I possess the necessary skills, knowledge, expertise, diligence and soundness of judgment that is required undertake and fulfil and discharge my duties and responsibilities as a Director of MISC.		Where you have ticked "No", please explain and/or provide the relevant documents.
20.	I have not been directly linked to any political parties, activities and/or figures which may impair my judgment or interfere with my exercise and capacity as a Director of MISC.		Where you have ticked "No", please explain and/or provide the relevant documents.

I,
(NRIC/Passport No:) hereby declare that the above responses are true and correct, as to the best of my knowledge. I further authorise MISC to conduct background checks, if necessary, which may include but not be limited to prior employment verification, professional reference checks, education confirmation and/or criminal record and credit checks for the purpose of my appointment/re-appointment as a Director of MISC.

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Name :

Date :