

# OCB BERHAD

Registration No. 195901000114 (3465-H)

## DIRECTORS' FIT AND PROPER POLICY

### 1. Purpose

1.1 The Directors' Fit and Proper Policy ("**Policy**") serve to guide the Nomination Committee ("**NC**") and the Board of Directors ("**Board**") of OCB Berhad ("**OCB**" or "**the Company**") and its subsidiaries in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for re-election. This Policy is to be practiced in conjunction with the Company's Policy on Nomination and Assessment Process of Board Members.

### 2. Objectives

2.1 The Policy ensures that the Board demonstrates clear commitment to developing a corporate culture that thrives on objectivity, transparency, meritocracy and diversity.

### 3. Fit and Proper Criteria

3.1 The fit and proper criteria of a Director include but not limited to the following:

#### Character and Integrity

##### 3.1.1 Probity

- (a) Is compliant with legal obligations, regulatory requirements and professional standards.
- (b) Has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.

##### 3.1.2 Personal integrity

- (a) 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 professional conduct.
- (b) Service contract (i.e. in the capacity of management or Director) had not been terminated in the past due to concerns on personal integrity.
- (c) Has not abused other positions (i.e. political appointment) to facilitate government relations for the Company in a manner that contravenes the principles of good governance.

##### 3.1.3 Financial integrity

- (a) Manages personal debts or financial affairs satisfactorily.
- (b) Demonstrates ability to fulfil personal financial obligations as and when they fall due.

#### 3.1.4 Reputation

- (a) Is of good repute in the financial and business community.
- (b) 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.

#### Experience and Competence

##### 3.1.5 Qualifications, training and skills

- (a) Possesses education qualification that is relevant to the skill set that the Director is earmarked to bring to bear onto the Board.
- (b) Has a considerable understanding on the business and workings of a corporation.
- (c) Possesses general management skills as well as understanding of corporate governance and sustainability issues.
- (d) Keeps knowledge current based on continuous professional development.
- (e) Possesses leadership capabilities and a high level of emotional intelligence.

##### 3.1.6 Relevant experience and expertise

- (a) 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.

##### 3.1.7 Relevant past performance or track record

- (a) Had a career of occupying a high-level position in a comparable organisation, and was accountable for driving or leading the organisation's governance/business performance or operations.
- (b) Possesses commendable past performance record as gathered from the results of the board effectiveness evaluation

#### Time and Commitment

##### 3.1.8 Ability to discharge role having regard to other commitments

- (a) 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).

3.1.9 Participation and contribution in the board or track record

- (a) Demonstrates willingness to participate actively in Board activities.
- (b) Demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom.
- (c) Manifests passion in the vocation of a Director.
- (d) Exhibits ability to articulate views independently, objectively and constructively.
- (e) Exhibits open mindedness to the views of others and ability to make considered judgement after hearing the view of others.

**4. Assessment**

- 4.1 The NC will conduct an annual evaluation of the individual Directors of the Company and the Board as a whole using the Directors' Evaluation Form and Board & Board committee Evaluation Form.
- 4.2 For the appointment of new Director, the person is required to provide his/her Curriculum Vitae and complete the Due Diligence Checklist for Candidates for Directorship.
- 4.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

**5. Review**

- 5.1 The NC shall, from time to time and at any time that it deems necessary, review this Policy to ensure that it continues to remain relevant and appropriate.
- 5.2 The NC shall discuss any revisions that may be required and recommend the revisions to the Board for approval.

**History**

<b>Date</b>	<b>Description</b>
30 May 2022	Establishment