

## KECK SENG (MALAYSIA) BERHAD GROUP

<b>Subject:</b> Directors' Fit and Proper Policy ("Policy")	<b>Policy No:</b> 09-00
<b>Applies to:</b> Directors	<b>Page:</b> 1 of 5
<b>Date:</b> 27 May 2022	<b>Approved by:</b> Dato' Ho Cheng Chong @ Ho Kian Hock

### Objective:

1. To have in place proper criteria to assess the suitability of a person for the appointment or re-election as a Director of Keck Seng (Malaysia) Berhad ("KSM") and its subsidiaries ("Group");
2. To ensure that each Director understands the fit and proper criteria and their obligation to meet the requirements stated in this Policy on a continuing basis; and
3. To enhance the governance of the Company in relation to the Board's quality and integrity, as well as ensure that each of its Director has the character, experience, integrity, competence, time and commitment to effectively discharge his role as a Director.

### INTRODUCTION

The Nominating Committee ("NC") of KSM has been established to consider the size, quality and composition of the KSM Board and Board Committees. Apart from the NC Charter and Diversity Policy, this Policy serves as a guide to the NC and Board in their assessment of candidates for appointment and also re-election of Directors to the Board.

The factors which may be considered by the NC in implementing this Policy are not exhaustive and the NC reserves the right to take into account any other factors or impose any other additional requirements in its fit and proper assessment.

When a fit and proper assessment is carried out by the NC, the onus is on the candidate / Director to prove that they are fit and proper.

### SELECTION AND APPOINTMENT PROCESS

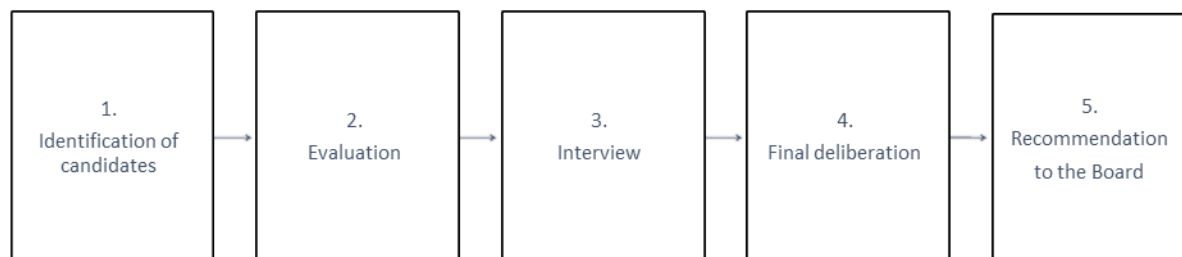
Candidates for the Board can be sourced from various channels, i.e., recommendations through existing Board members, Management, advisors, business associates and other external parties / professional bodies.

To be eligible to be appointed as a director, the cooling-off period for an officer, adviser or transacting party of prescribed transactions of the Company or its related parties is three (3) years.

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The nomination process involves the following 5 stages:



Newly appointed Directors are to undergo induction programmes which may include site visits to key locations and meetings with Key Senior Management and/or attend suitable training programmes.

### THE FIT AND PROPER CRITERIA

The NC will assess the fitness and propriety of a candidate for appointment or re-election as Director of the Board based on the following criteria:

a) **Probity, Character and Integrity** - *A person must have the personal qualities such as honesty, integrity, diligence, independence of mind and fairness.*

In assessing the probity, character and integrity of a candidate/Director, the NC should consider matters including but not limited to whether the person:

- has been refused the right or restricted in any trade, business or profession;
- has been subjected to any investigations or disciplinary proceedings or been issued a warning or reprimanded by any regulatory authorities;
- has been convicted of any offence or any on-going proceedings which may lead to any conviction by any Court for fraud or dishonesty under any jurisdiction;
- has been obstructive, misleading or untruthful in dealings with customers, employer, auditors, regulatory bodies or a court of law;
- has been dismissed, asked to resign or has resigned from employment or holding office as a director of a company because of fraud or dishonesty;

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- has engaged in business practices that are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;
- has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while still connected with that business;
- has contributed significantly to the failure in the management of a business of an organisation or business unit, where that failure has been occasioned in part by deficiencies in that management;
- has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 5 years;
- has at any time shown strong objection or lack of willingness to maintain an effective internal control system and risk management practices;
- has any business or other relationship which could pose a conflict of interest or interfere with the exercise of judgement;
- has abused other positions to facilitate government relations for the company in a manner that contravenes the principles of good governance;
- has not complied with legal obligations, regulatory requirements and professional standards; and
- has a good reputation in the financial and business community.

b) **Experience and Competency** – *A person must have the necessary skills, experience and ability to carry out the role.*

In assessing the experience and competency of a candidate/Director, the NC should consider matters including but not limited to whether the person:

- possesses educational qualification or experience, relevant skills and knowledge in relation to the nature and responsibilities of the position;

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- has sound knowledge of the Group's business;
- has a good understanding of corporate governance and sustainability issues; and
- has kept knowledge up to-date through continuous professional development.

c) **Time and commitment** – *A person must have the time and commitment to carry out the role.*

In assessing the time and commitment of a candidate/Director, the NC should consider matters including but not limited to whether the person:

- is able to devote sufficient time as Board and/or Board Committee Member, having factored other outside obligations including existing board positions held by the Director in other listed issuers (taking into consideration his board attendance records) and non-listed entities (including not-for-profit organisations);
- is able to demonstrate willingness to devote time and effort to understand the Group's business and readiness to participate in events outside the boardroom;
- participates actively in board discussions; and
- is able to present independent, objective and constructive views.

d) **Financial integrity** – *A person must be able to manage his debts and financial affairs prudently.*

In assessing the financial integrity of a candidate/Director, the NC should consider matters including but not limited to whether the person:

- has been able to fulfil any of his/her financial obligations as and when they fall due;
- has been subjected to any judgement debt which is unsatisfied, whether in whole or in part; and
- has entered into a compromise or scheme of arrangement with any creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.

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### ASSESSMENT DECISION

The result of the Fit and Proper Criteria Assessment shall be disclosed to the candidate/Director, if the result of the assessment is unfavourable. Such information shall not be disclosed to any other party.

### DECLARATION

The NC, shall at the time of appointment or re-election obtain from the Director a duly filled fit and proper declaration and undertaking form as set out in Appendix A of this Policy or in such other forms as the NC may from time to time prescribe or approve.

### REVIEW OF THE POLICY

This Policy will be reviewed periodically, as and when appropriate, to ensure its effectiveness. The NC will discuss any revisions that may be required and recommend any such revisions to the Board for approval (if any).

This Policy was adopted by the Board on 27 May 2022 and is made available on the Company's website at <https://my.keckseng.com>.

**KECK SENG (MALAYSIA) BERHAD GROUP**  
**FIT AND PROPER DECLARATION AND UNDERTAKING FORM**

Declaration and undertaking by Director as of [ Date ]

<b>1</b>	<b>Personal Details of Director</b>		
	a)	Full Name (as per NRIC or Passport) <i>[enclose a copy of NRIC or Passport]</i>	
	b)	Date of Birth	
	c)	Educational Background	
	d)	Relevant Background and Experience	
	e)	Residential Address	
	f)	Service Address	
	g)	Email address	
	h)	Mobile Phone number	

Please ✓ under “Yes” or “No”.

<b>2</b>	<b>Probity, Character and Integrity</b>		<b>Yes</b>	<b>No</b>
	a)	I have not been refused the right to, or been restricted from any trade, business or profession.		
	b)	I have not been subjected to any investigations or disciplinary proceedings or been issued a warning or reprimanded by any regulatory authorities.		
	c)	I have not been convicted of any offence or am involved in any on-going proceedings which may lead to any conviction by any Court for fraud or dishonesty under any jurisdiction.		
	d)	I have not obstructed, misled or been untruthful in dealings with customers, employer, auditors, regulatory bodies or a court of law.		
	e)	I have not been dismissed, asked to resign or have resigned from employment or holding office as a director of a company because of fraud or dishonesty.		
	f)	I have not engaged in business practices that are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on my professional conduct.		
	g)	I have not held a position of responsibility in the management of a business that has gone into receivership, insolvency or involuntary liquidation while still connected with that business.		

**KECK SENG (MALAYSIA) BERHAD GROUP**  
**FIT AND PROPER DECLARATION AND UNDERTAKING FORM**

<b>2</b>	<b>Probity, Character and Integrity (Cont'd)</b>		<b>Yes</b>	<b>No</b>
	h)	I have not contributed significantly to the failure in the management of a business of an organisation or business unit, where that failure has been occasioned in part by deficiencies in that management.		
	i)	I have not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 5 years.		
	j)	I have not shown at any time strong objection to or a lack of willingness to maintain an effective system of internal control and risk management practices.		
	k)	I do not have any business or other relationship which could pose a conflict of interest or interfere with the exercise of my judgement.		
	l)	I have not abused other positions to facilitate government relations for the company in a manner that contravenes the principles of good governance.		
	m)	I have complied with all relevant legal, regulatory and professional requirements or standards.		
<b>3</b>	<b>Financial Integrity</b>		<b>Yes</b>	<b>No</b>
	n)	To my knowledge, I have not been subject to judgement debt which is unsatisfied, whether in whole or in part.		
	o)	I have not entered into a compromise or scheme of arrangement with any creditors, filed for bankruptcy or been adjudicated a bankrupt or had my assets sequestered in any jurisdiction.		

Where you have indicated ✓ under "No", please explain and provide the relevant documents.

<b>4</b>	<b>Explanation for items indicated under "No"</b>	
	No.	Explanation

I solemnly declare that the above information is made to the best of my knowledge and is believe to be true and complete. I undertake to keep Keck Seng (Malaysia) Berhad fully informed, as soon as possible, of all events which take place subsequent to my appointment / re-election, which are relevant to the information provided above.

.....

Signature

[Name]

[Date]