

## **CS17 DIRECTORS' FIT AND PROPER POLICY**

### **1. The Board**

- 1.1 The Board of Directors ("**Board**") of Opcom Holdings Berhad ("**Opcom**" or "**Company**") has adopted a Fit and Proper Policy for the appointment and re-election of Directors ("**Policy**") of Opcom and its subsidiaries (collectively "**Opcom Group**").
- 1.2 This Policy will enhance the governance of Opcom Group in relation to the Board's quality and integrity, as well as ensure that each of its Directors has the character, experience, integrity, competence, time and commitment to effectively discharge his role as a Director.
- 1.3 The Board shall ensure that the fit and proper criteria on the appointment and re-election of Directors of the Group set out in Paragraph 2 are applied on a continuing basis.
- 1.4 The Board and the Nominating and Remuneration Committee ("**NRC**") shall conduct the fit and proper assessment prior to the appointment of any candidate as a Director, or making recommendation for the re-election of an existing Director.

### **2. The Fit and Proper Criteria**

- 2.1 The assessment procedures shall be in a form of due diligence taking into account the following fit and proper criteria conducted by the NRC and declarations by each individual candidate or Director that:

#### **A. Character and Integrity**

##### **i) Probity**

- he is compliant with legal obligations, regulatory requirements and professional standards; and
- he has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.

##### **ii) Personal integrity**

- he 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;
- his service contract (i.e. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity; and
- he 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.

**iii) Financial integrity**

- he manages personal debts or financial affairs satisfactorily and with good financial standing based on report from a credit rating agency; and
- he demonstrates ability to fulfil personal financial obligations as and when they fall due.

**iv) Reputation**

- he is of good repute in the financial and business community;
- he has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years; and
- he has not been substantially involved in the management of a business or Company which has failed (such as Guidance Note 3 or Practice Note 17 Company), where that failure has been occasioned in part by deficiencies in that management.

**B. Experience and Competence****i) Qualification, training and skills**

- he possesses education qualification that is relevant to the skill set that the Director is earmarked to bring to bear onto the boardroom (i.e. a match to the Board skill set matrix);
- he has a considerable understanding on the workings of a corporation;
- he possesses general management skills of at least 5 years as well as understanding of corporate governance and sustainability issues;
- he keeps knowledge current based on continuous professional development; and
- he possesses leadership capabilities and a high level of emotional intelligence.

**ii) Relevant experience and expertise**

- he 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 experience or track record**

- he had a career of a senior management or high level position in a comparable organisation for at least five (5) years, and was accountable for driving or leading the organisation's governance, business performance or operations; and

- he possesses commendable past performance record as gathered from the results of the Board Effectiveness Evaluation or based on the financial and non-financial performance of the corporation where the person identified for appointment as a director was involved.

### **C. Time and Commitment**

#### **i) Ability to discharge role having regard to other commitments**

- he is able to devote time as a Board member, having factored other outside obligations including existing board positions held by the Director in other listed issuers (in assessing his board attendance records) and non-listed entities (including not-for-profit organisations).

#### **ii) Participation and contribution in the Board or track record (Applicable for re-election of existing directors only)**

- he demonstrates willingness to participate actively in Board activities;
- he demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- he manifests passion in the vocation of a Director;
- he exhibits ability to articulate views independently, objectively and constructively; and
- he exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

### **3. The Assessment and Procedures**

- 3.1 The NRC (with the assistance of the Company Secretary) will assess each Director standing for re-election/re-appointment as well as a candidate identified for a new appointment as Director of the Company based on the criteria set under Item 3.1 above before recommending to the Board for consideration and approval. The fit and proper assessment may also be conducted whenever the Company becomes aware of information that may materially compromise a Director's fitness and propriety.
- 3.2 The Declaration of Fit and Proper Form to be completed by a person who has been identified for appointment as a Director or for re-election/re-appointment as a Director is set out in Annexure 1 or in such other form as the NRC may determine from time to time.
- 3.3 Independent check and assessment of the candidate shall be based on publicly available information and forms part of the process in determining the suitability of the person who has been identified for appointment as a Director.

### **4. REVIEW OF THE POLICY**

- 4.1 This policy shall be reviewed every three (3) years, or as and when deemed necessary to ensure the policy is updated with the relevant developments in the legislation and international standards.
- 4.2 Any changes to this policy shall be approved by the Board of Directors.

**CS17 DIRECTORS' FIT AND PROPER POLICY****Annexure 1 - Declaration of Fit and Proper Form**

*[By a New and Prospective Director]*

Date:

**BOARD OF DIRECTORS**  
**OPCOM HOLDINGS BERHAD**  
**Registration No. 199401036979 (322661-W)**  
No. 11, Jalan Utas 15/7  
40200 Shah Alam  
Selangor Darul Ehsan

Dear Sir / Madam,

**RE: DIRECTOR'S DECLARATION OF FIT AND PROPER**

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I, [name] [NRIC/ Passport No. ] of [residential address] , do hereby solemnly and sincerely AFFIRM and DECLARE the followings:

**CHARACTER AND INTEGRITY**

1. I have not been the subject of any proceedings of a disciplinary or criminal nature, or have been notified of any impending proceedings or of any investigations, which might lead to such proceedings;
2. I have not contravened any provision made by or under any written laws designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice;
3. I have not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies;
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, a court or tribunal, whether publicly or privately;
5. I have not been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on my professional conduct;
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;
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 license to conduct any trade, business or profession, or have had that registration, authorisation, membership or license revoked, withdrawn or terminated;
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 that business;

9. I have not been a director of, or have 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 license of which has been revoked under any written law;
10. In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employers, auditors and regulatory authorities;
11. I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations;
12. I have not contributed significantly to the failure of an organisation or a business unit;
13. I have not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices;
14. I am free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of my judgement when acting in the capacity as a Director of Opcom and/or Opcom Group which would be disadvantageous to the interest of Opcom and/or Opcom Group;
15. I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due;
16. 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; and
17. I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.

## **EXPERIENCE AND COMPETENCE**

1. I have the relevant qualification, knowledge, competence, experience and ability to understand the technical requirements, risk and management process of Opcom's business operations; and
2. I meet the requirements set out in Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

## **TIME AND COMMITMENT**

1. I am and will be able to devote sufficient time and expertise in discharging my duties and responsibilities as a Director of Opcom and/or Opcom Group; and
2. I have provided the Company a full list of my mandates and positions, the committed time dedicated to each mandate or position, directorship in other corporations (both listed and non-listed entities incorporated in and outside Malaysia) and any additional responsibilities such as membership of committees, a copy of which is annexed hereto.

*# Delete as appropriate and provide explanation(s) for such deletion(s)*



*Remark / Explanation:*

Thank you.

Yours faithfully,

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Name :  
Date :