

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

### **INTRODUCTION**

The Directors' Fit and Proper Policy ("the Policy") sets out the approach for the appointment and re-election of Directors of EcoFirst Consolidated Bhd ("the Company") and its subsidiaries ("the Group").

### **PURPOSE**

The Policy serves as a guide to the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed onto the Board of the Group as well as Directors who are seeking for election or re-election at general meetings.

### **CRITERIA**

For the purpose of establishing whether a person is fit and proper to hold Directorship in the Group, the Company shall have regard to the person's:

#### **(1) Character and integrity**

- must have the personal qualities such as honesty, integrity, diligence, independence of mind and fairness.
- is compliant with legal obligations, regulatory requirements and professional standards.
- has not perpetrated or participated in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discreditation his professional conduct.
- service contract (i.e. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity.
- 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.
- demonstrates ability to fulfil personal financial obligations as and when they fall due
- is of good repute in the financial and business community.

- 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.
- able to manage personal debts and financial affairs satisfactorily.

(2) Experience and competence

- must have the necessary skills, ability, experience and competency.
- has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of the position
- possesses general management skills as well as understanding of corporate governance and sustainability issues
- keeps knowledge current based on continuous professional development
- possesses leadership capabilities and a high level of emotional intelligence
- had a career of occupying a high-level position in a comparable organization, and was accountable for driving or leading the organization's governance, business performance or operations
- possesses commendable performance record as gathered from the results of the board effectiveness evaluation

(3) Time and commitment

- Must have the commitment to carry out the role.
- able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across listed companies and non-listed companies (including not-for-profit organizations)
- demonstrates willingness to participate actively in board activities
- demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom
- manifests passion in the vocation of a director
- exhibits ability to articulate views independently, objectively and constructively
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others

**REVIEW OF THE POLICY**

The Board will review the Policy from time to time and make any necessary amendments to ensure they remain consistent with current regulatory requirements, regulations and practices.