



## DIRECTORS' FIT & PROPER POLICY

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### 1. Purpose

- 1.1 This Policy sets out the fit and proper criteria for the appointment and re-appointment of Directors to the Boards of Directors of Lingkaran Trans Kota Holdings Berhad and its subsidiaries ("LITRAK Group").
- 1.2 To ensure that each of the Directors has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director of Lingkaran Trans Kota Holdings Berhad and its subsidiaries.
- 1.3 Serve as a guide to the Nomination Committee ("NC") and the Board of Directors of Lingkaran Trans Kota Holdings Berhad ("Board") in their review and assessment of candidates who are to be appointed to the Board as well as Directors who are seeking election or re-election.

### 2. Criteria

- 2.1 The fit and proper criteria of a Director includes but not limited to the following:
  - 2.1.1 Character and Integrity
    - (i) Probity
      - is compliant with legal obligations, regulatory requirements and professional standards;
      - has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.
    - (ii) Personal integrity
      - has not perpetrated, participated or involved in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on 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;

- have no concurrent responsibilities or interest which would contribute to a conflict of interest situation or otherwise impair the ability to discharge duties and responsibilities as a Director of the Company and/or its subsidiaries;
  - has not abused other positions that he holds or has held in a manner that contravenes principles of good governance and professional ethics.
- (iii) Financial integrity
- manages personal debts or financial affairs satisfactorily;
  - demonstrates ability to fulfil personal financial obligations as and when they fall due;
  - have not been subjected to a judgment debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere.
- (iv) Reputation
- is of good repute in the financial and business community;
  - has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity;
  - has not been directly involved in the management of a business or company which has failed, where that failure has been occasioned in part by the deficiencies in that management.

#### 2.1.2 Experience and competence

- (i) Qualifications, trainings and skills
- 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);
  - have considerable understanding on the business and workings of a corporation;
  - financial literacy especially able to read and understand financial statements;

- 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.
- (ii) Relevant experience and expertise
- 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
- had careers of occupying high-level positions in comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations;
  - possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.

### 2.1.3 Time and commitment

- (i) Ability to discharge role having regard to other commitments
- 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
- 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.

### **3. Assessment of Board Candidate**

- 3.1 The NC will assess each person for a new appointment or re-appointment of Directors based on the criteria set under paragraph 2.1 before recommending to the Board for approval. The NC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet the requirements as stated in this policy.
- 3.2 For the appointment of new Director, the person shall be required to complete the Prospective Directors Information as set out in Annexure 1.
- 3.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

### **4. Review of Policy**

- 4.1 The NC is responsible for regular reviews of the Policy and making any recommended changes as and when it deemed fit. The Policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.
- 4.2 The changes to the terms of the Policy shall be subject to the approval of the Board.

**DECLARATION BY A PERSON BEFORE APPOINTMENT AS DIRECTOR,  
OR BY A PROMOTER BEFORE INCORPORATION OF CORPORATION**

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NAME :

I/C NO. :

CITIZENSHIP :

RESIDENTIAL ADDRESS<sup>Note 1</sup> :

SERVICE ADDRESS<sup>Note 2</sup> :  
*(If there is a Service Address other than the residential address), please write down the address*

DATE OF BIRTH :

NATIONALITY/RACE :

**RE : APPOINTMENT AS DIRECTOR**

In respect of my proposed appointment as a Director on the Board of \_\_\_\_\_ (“Company”), I hereby solemnly and sincerely declare as follows:

- |  |   |   |
|--|---|---|
| 1) Other Directorship of Public Companies or subsidiaries of Public Companies  | : | *YES / NO<br>(If yes, please complete Part A of Appendix A) |
| 2) Family relationship with any director and/or major shareholder of the Company or in a related corporation <sup>Note 3</sup> | : | *YES / NO   |
| 3) Details of interest in the securities of the Company or in a related corporation  | : | *YES / NO<br>(If yes, please complete Part B of Appendix A) |
| 4) Business Occupation / Qualifications & Profession   | : | Please complete Parts C and D of Appendix A                 |

5) The details provided herein are true and accurate;

6) I have not been convicted whether within or outside Malaysia of any offence:

- (a) in connection with the promotion, formation or management of a corporation;
- (b) involving fraud or dishonesty punishable on conviction with imprisonment for three months or more;
- (c) under sections 213, 217, 218, 228 or 539 of the Companies Act 2016<sup>Note 4</sup> within a period of five (5) years preceding the date of this declaration;

- (d) any conviction of an offence under securities law; or
- (e) any actions taken against him/her and/or any compound for an offence under section 318 of the Capital Market & Services Act 2007<sup>Note 5</sup>; or
- (f) any conviction for offences within the past five (5) years other than traffic offences (if any);
- 7) I am not an undischarged bankrupt and there is no bankruptcy petition, pending or threatened against me;
- 8) I am a politician: YES  NO  Details:
- 9) I am a person connected to a politician: YES  NO  Details:
- 10) I am holding an important position in the Government: YES  NO  Details:

I further authorised the Company Secretaries to submit my particulars and information to the Companies Commission of Malaysia to facilitate my appointment as a Company Director pursuant to Section 201 of the Companies Act 2016.

A copy of my National Registration Identification Card (NRIC) is attached for this purpose.

I hereby consent to act as a Director of \_\_\_\_\_

In the event of any change to the information provided herein, I undertake to inform the Company on an immediate basis.

\_\_\_\_\_  
Name :

Date :

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**Notes:**

\* Delete where applicable.

<sup>1</sup> Please write down the residential address if differs from NRIC.

<sup>2</sup> If there is a Service Address other than the residential address, please write down the address. If none or same as residential address, please state "Same as above".

<sup>3</sup> Related corporations are any Parent, Subsidiary and any business, corporation or other entity in which the Company, a Parent or a Subsidiary holds a substantial ownership interest, directly or indirectly.

<sup>4</sup> Please click the link to Companies Act 2016:  
[https://www.ssm.com.my/Pages/Legal\\_Framework/Document/Act%20777%20Reprint.pdf](https://www.ssm.com.my/Pages/Legal_Framework/Document/Act%20777%20Reprint.pdf)

<sup>5</sup> Pls click the line to Capital Market & Services Act 2007:  
<https://www.sc.com.my/api/documentms/download.ashx?id=d15d8121-57ce-44f9-a3e1-36da0191b965>

**Appendix A**

A) Directorships in listed and non-listed companies as at date of appointment:

No.	Directorships in Public Listed Companies	Directorships in Public Non-Listed Companies	Directorships in Private Companies (i.e. Subsidiaries of Public Companies)

B) Shareholdings held in \_\_\_\_\_ or related corporation as at date of appointment :

Name of Company	No. of Securities Held			
	Direct	%	Indirect	%

C) Business Occupation:

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D) Qualifications & Profession:

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