



**GHL SYSTEMS BERHAD** (199401007361)

Incorporated in MALAYSIA

# **DIRECTOR'S FIT AND PROPER POLICY**

26 May 2022 (Version 1)

## **1. POLICY OBJECTIVES**

- 1.1 The objective of this Policy is to guide the Nomination & Remuneration Committee (“**the NRC**”) and the Board in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election in GHL Systems Berhad and/or its subsidiaries.
- 1.2 This Policy is to ensure that Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of GHL Systems Berhad and/or its subsidiaries and its stakeholders.
- 1.3 The fit and proper criteria will be applicable at the time of appointment as a Director and on a continuing basis as all Directors of GHL Systems Berhad and/or its subsidiaries. are expected to conduct themselves with highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

## **2. FIT AND PROPER CRITERIA**

- 2.1 In determining whether a candidate met the criteria outlined in this policy, the board and NRC shall consider the “fit and proper” criteria of a Director which include but are not limited to the following:

### **2.1.1 Probity, Personal Integrity and Reputation**

- i. has not been the subject of any proceedings of a disciplinary or criminal nature, or has not been notified of any impending proceedings or of any investigations, which might lead to such proceedings;
- ii. has not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice;
- iii. has not contravened any of the requirements and standards of a regulatory body and professional body;
- iv. the person and also the business in which the person has a controlling interest or exercises significant influence, must not has been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately;

- v. has not been dismissed, asked to resign or has resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about the person's honesty or integrity;
- vi. has not been a Director or has held a position of responsibility of, or directly related 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;
- vii. has not been a director of, or directly related in the management of any company or any entity where the license has been revoked;
- viii. is not involved in any business or in any other relationship which could materially pose a conflict of interest or interfere with the exercise of his judgment when acting in the capacity of a key responsible person which would be disadvantageous to the interest of the company.

#### 2.1.2 Competency and capability

- i. has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of the position, having regard to their other commitments in which the person should only be a Director on the number of Boards of Companies as that specify and in compliance with the Bursa Main Market Listing Requirements; and
- ii. preferably has a satisfactory past performance and experience as a Director in a Malaysia public listed company.

#### 2.1.3 Financial Integrity

- i. has been and/or has the ability to fulfil his or her financial obligations, whether in Malaysia or elsewhere, as and when they fall due; and
- ii. has not been the subject of any judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.

Notwithstanding the above, the fact that a person may be of limited financial means does not in itself, affect the candidate's ability to satisfy the financial integrity criteria.

### **3. ASSESSMENT**

- 3.1 The person must complete the Director's Self Declaration Form, which can be found in **Appendix A herein**.
- 3.2 The assessment results are part of the Company's internal documents and will not be disclosed to any third party.

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

- 4.1 The NRC shall recommend to the Board for approval of any changes to this policy that it deems appropriate. The Policy's terms will be assessed, reviewed, and updated as and when is needed, such as when the Malaysian Code on Corporate Governance, the Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements change.

Approved by the Board on **26 May 2022**

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