

PERAK CORPORATION BERHAD
[Company No 199101000605 (210915-U)]

DIRECTORS' FIT AND PROPER POLICY

APPROVED BY BOARD ON 29th AUGUST 2022

POLICY

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1. INTRODUCTION

- 1.1 Perak Corporation Berhad ("**PERAK CORP**" or the "**Company**") is committed to meeting its obligations towards ensuring compliance with the relevant provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and other relevant regulatory requirements.
- 1.2 As such, pursuant to the Main Market Listing Requirements ("**MMLR**") of Bursa Securities vide enhanced MMLR dated 19 January 2022, the Board of Directors of PERAK CORP ("**Board**"), has adopted the PERAK CORP Group Policy on Fit and Proper ("**Policy**") which sets out the fit and proper criteria for the appointment and re-election of directors on the Boards of PERAK CORP and its subsidiaries.

2. SCOPE AND APPLICATION

- 2.1 This Policy shall apply to the Board of PERAK CORP and its subsidiaries ("**PERAK CORP Group**") in respect of appointment of directors, re-election of directors as well as existing directors, appointments are intended to be continued on the boards of PERAK CORP Group.
- 2.2 Where there is a conflict between the contents of this Policy and the authoritative promulgations, the relevant enumerations contained in the said authoritative promulgations or the Company's Constitution shall prevail.
- 2.3 This Policy shall be read together with the relevant enumerations encapsulated in the following authoritative promulgations: -
- a) Malaysian Code of Corporate Governance ("**MCCG**");
 - b) Corporate Governance Guide by Bursa Malaysia Securities Berhad ("**CG Guide**"); and
 - c) Main Market Listing Requirements of Bursa Malaysia Securities Berhad.
- 2.4 The internal reference documents which are to be referred to for this Policy, include but are not limited to the following: -
- a) Board Charter;
 - b) Terms of Reference ("**TORs**") of Board Committees; and
 - c) Anti-Bribery & Corruption Policy.

3. OBJECTIVE

- 3.1 This Policy serves as a guide to the Company's Nomination Remuneration Committee ("**NRC**") and the Board in their review and assessment of candidates for appointment onto the Board as well as Directors who are seeking for re-election.

3.2 This Policy sets out the fit and proper criteria for the appointment and re-election of Directors for PERAK CORP Group. The general criteria in relation to the Policy are outlined below:

- A) Character and integrity;
- B) Experience and competence; and
- C) Time and commitment

4. FIT AND PROPER CRITERIA

The fit and proper criteria include but not limited to the following:

A. CHARACTER AND INTEGRITY

- i. the director is compliant with legal obligations, regulatory requirements and professional standards.
- ii. the director has not been obstructive, misleading, or untruthful in dealings with regulatory bodies or a court of law.
- iii. the director 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.
- iv. the director has not been the subject of any criminal proceedings or has been notified of any impending criminal proceedings.
- v. the director's service contracts (i.e., in the capacity of management or director) have not been terminated in the past due to concerns on personal integrity.
- vi. the director has not abused other positions (i.e., that he or she have held) in a manner that contravenes principles of good governance and professional ethics.
- vii. the director is of good repute in the financial and business community.
- viii. the director has not been the subject of criminal proceedings for the past 5 years.
- ix. the director has not been reprimanded and fined by the Securities Commission Malaysia, Bursa Securities, Suruhanjaya Syarikat Malaysia.

B. EXPERIENCE AND COMPETENCY

Competency and capability are demonstrated by a director who possesses the relevant knowledge, experience and ability to understand the technical requirements of the business, the inherent risks and the management process required to perform their role in a key function in the relevant capacity effectively:

i. Qualifications, Training and Skills

- (a) the director possesses education qualification that is relevant to the skill set that the Director is earmarked to bring or to bear onto the boardroom.
- (b) the director has a considerable understanding on the business and workings of PERAK CORP and its subsidiaries.
- (c) the director possesses general management skills as well as understanding of corporate governance and sustainability issues.
- (d) the director possesses leadership capabilities.

ii. Relevant Past Performance and Past Experience / Track Record

- (a) the director 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.
- (b) the director possess commendable past performance record as gathered from the results of the board effectiveness evaluation.

C. TIME AND COMMITMENT

i. Ability to Discharge his/her Role by Having Regard to Other Commitments:

- (a) the director is 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 (applicable for re-election of existing directors):

- (a) the director demonstrates willingness to participate actively in board activities.
- (b) the director demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate

in events outside the boardroom.

- (c) the director manifests passion in the vocation of a director.
- (d) the director exhibits ability to articulate views independently, objectively and constructively.
- (e) the director exhibits open mindedness to the views of others and ability to make a considered judgement after hearing the views of others.

5. ASSESSMENT OF CANDIDATE FOR APPOINTMENT AS DIRECTOR OR RE-ELECTION OF DIRECTOR

- 5.1 NRC shall assess each candidate for new appointment as director based on the fit and proper criteria as spelt out in Clause 4 above, before recommending to the Board for approval.
- 5.2 For the re-election of director, the annual evaluation of the director based on the individual director self/peer evaluation form shall include the fit and proper criteria to ensure the director meets the criteria on a continuing basis. NRC shall make recommendation to the Board on the re-election of the director based on the results of the evaluation. The assessment on a director may also be conducted whenever PERAK CORP becomes aware of information that may materially compromise a director's fitness and propriety.

6. DELEGATION

- 6.1 NRC shall be responsible for conducting assessments on the fitness and propriety of directors seeking appointment or re-election as a director of PERAK CORP Group and making recommendations on their appointments.
- 6.2 The respective boards of subsidiary-level and joint venture ("Entities Boards") shall be directly responsible for conducting assessments on the fitness and propriety of directors seeking appointment or re-election as directors of the Entities Boards and making decisions on their appointments.
- 6.3 NRC or the respective Entities Boards shall undertake due diligence in respect of such directors to ascertain the suitability based on the qualification, expertise, track record, integrity of such director and also such other factors in respect of which information is obtained in the Fit and Proper Declaration (**refer to Appendix A**) form or such other format which may be prescribed by PERAK CORP from time to time.
- 6.4 PERAK CORP shall have regard to the factors set out in the Declaration (as shown in Appendix 1 below) in assessing a director's fitness and propriety. The factors shall be assessed individually, as well as collectively, considering their relative

importance. Failure to meet one factor does not necessarily mean failure to meet the FAP criteria. PERAK CORP should consider the specific circumstances surrounding a director's failure to meet specific factors, including the lapse of time since the occurrence of events, other contributing factors, and significance of the event from the perspective of potential risks posed to the Group. Considerations relevant to the assessment of the fitness and propriety of the directors may vary depending on the degree of their influence and responsibilities in the affairs of the Group. The assessment process will involve a good measure of judgement, which should be exercised objectively and always in the best interests of the Group and the sound conduct of the Group's business.

7. POLICY AWARENESS

7.1 A copy of this Policy will be provided to all current directors and to any director who is nominated, appointed or intended to be appointed to the role of director. A copy of this Policy is available on the Company's website.

8. REVIEW OF THE POLICY

8.1 NRC shall review this Policy on a regular basis to ensure its effectiveness and recommend to the Board for approval on any changes which it may deemed necessary in compliance with the requirements of PERAK CORP Group, Bursa, MMLR and/or any other regulatory requirements.

This Policy has been approved by the Board on 29th August 2022.

**FIT AND PROPER
DECLARATION**

Appendix A

Notes:

- (a) This fit and proper declaration (Declaration) is to be completed by directors seeking appointment or re-election as a director of PERAK CORP Group.
- (b) The completed Declaration (with enclosures as appropriate) is to be returned to the Company Secretary Office.
- (c) This Declaration will be kept securely and in confidence. Access to this information will be restricted to designated directors within PERAK CORP who are authorised to view it as a necessary part of their work.

Section 1: Notification Type

Please tick (/) the relevant box.

New Appointment <input style="float: right; margin-left: 20px;" type="checkbox"/>	Re-election <input style="float: right; margin-left: 20px;" type="checkbox"/>
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Section 2: Profile

Section 2: Profile	
Personal Details	
Name (as per NRIC)	
Date of birth	
Gender	
Nationality	
Residential Address	
Present Occupation	
Email and Contact Number	

Section 3: Academic and Professional Qualification

School/College/University/Others	Year	Certificate/Degree/Masters/Others
Other qualification (please provide details)		

Section 4: FAP Assessment

Probity, Integrity and Reputation	YES	NO
1. Have you in Malaysia or elsewhere – (a) been convicted of any offence, or are you currently involved in any proceedings which may lead to a conviction of any offence involving fraud, dishonesty or bribery?		
(b) had judgment involving findings of fraud or other dishonesty, bribery, misrepresentation, breach of fiduciary duty or professional negligence against you, as the case may be in any civil or criminal proceedings, or are you currently involved in any proceedings now pending that may lead to a conviction against you?		
(c) the director has not been reprimanded and fined by the Securities Commission Malaysia, Bursa Securities, Suruhanjaya Syarikat Malaysia.		
(d) engaged in any business practices which is deceitful, oppressive or otherwise improper or which otherwise reflect discredit on your professional conduct?		
(e) have been dismissed, asked to resign or have resigned from employment or from a position of trust, fiduciary appointment or similar position arising from questions involving honesty and integrity?		

*** Where you have ticked 'YES,' please explain and/or provide the relevant documents, (i.e., nature of the offence, the circumstances in which the offence was committed and the time elapsed since the offence was committed):**

Explanation for items ticked 'YES'	
No.	Explanation

Section 4: FAP Assessment

Probity, Integrity and Reputation			YES	NO										
2. Have you been involved in the management of a corporation in Malaysia or elsewhere which at the time of your involvement in the corporation –														
(a) been convicted of any offence, or is subject to any proceedings which may lead to a conviction of any offence involving fraud or dishonesty or bribery?														
(b) had judgment involving findings of fraud or other dishonesty, or bribery, misrepresentation, breach of contract, breach of fiduciary duty or professional negligence given against it in any civil or criminal proceedings, or are there any current proceedings that may lead to such a conviction?														
(c) had a receiver and/or manager been appointed in respect of any of the assets of the said corporation?														
(d) entered into a compromise or arrangement with creditors or members?														
(e) had a petition presented in a court for its winding up?														
<p>* Where you have ticked 'YES,' please explain and/or provide the relevant documents, (i.e., nature of the offence, the circumstances in which the offence was committed and the time elapsed since the offence was committed):</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th colspan="2">Explanation for items ticked 'YES'</th> </tr> <tr> <th>No.</th> <th>Explanation</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>					Explanation for items ticked 'YES'		No.	Explanation						
Explanation for items ticked 'YES'														
No.	Explanation													
3. Have you at any time been prohibited from one or more of the following under an order made, or a notice given, under Malaysia law or the law of an overseas jurisdiction:														
(a) being a director of an entity; or														
(b) being a promoter of an entity														
If YES, please specify details:														
Competence and Capability			YES	NO										
4. I have –														
(a) the appropriate qualifications, training, skills and experience required to satisfactorily discharge the responsibilities of director I hold or seek appointment to.														

(b) commitment to effectively fulfil the role and responsibilities as a director having regard to my other commitments.		
(c) no conflict or potential conflict of interest (direct or indirect) that affects, or may affect, my proper performance of the duties of this position.		
Financial Integrity	YES	NO
5. I have -		
(a) not been the subject of a judgment debt which is unsatisfied, whether in Malaysia or elsewhere.		
(b) not been subject of a bankruptcy petition, whether in Malaysia or elsewhere.		
(c) I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due.		
Time and Commitment	YES	NO
6. Are you able to commit and devote time as needed to discharge the duties and responsibilities as a director?		

Others:-						YES	NO
(i) Interest in Securities:- Have you purchased/sold PERAK CORP Berhad securities, whether directly or indirectly (which includes purchases/sales through your own nominees for/on behalf of your relatives) for your own account during the 12 months immediately preceding the date of this Declaration? If YES, please select one of the options below: a) Information is attached as supporting document(s) with this Declaration. b) Information is outlined in the table below:							
Name of Securities	No. of Securities	Price	Acquisition/ Disposal	Other Consideration	Date of Contract		

Others:-					YES	NO
(ii) Directorship:- Are you a director of any public listed company, wherever incorporated? If YES, please select one of the options below: a) Information is attached as supporting document(s) with this Declaration. b) Information is outlined in the table below:						
Name of Corporation	Nature of Business	Place of Incorporation	Date of Appointment as director	Nature of Appointment (Executive or Non-Executive)		

**TRUE AND CORRECT
INFORMATION**

I hereby -

- (a) declare that the information provided in this Declaration and its annexures (if any) are true and correct;**
- (b) undertake to immediately inform PERAK CORP in writing upon any change in circumstances, that would affect the correctness and completeness of any information in which I have provided in this Declaration; and**
- (c) acknowledge that PERAK COPR may conduct checks and obtain references to establish that I am a FAP director and I provide my consent to PERAK COPR to perform any relevant checks, and that any false statement I make in this Declaration may lead to dismissal or removal from the board or from the position I have been appointed to.**

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Name:
Date: