



DIRECTORS' FIT AND PROPER POLICY

(Adopted on 26 April 2022)

CYCLE & CARRIAGE BINTANG BERHAD



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DIRECTORS' FIT AND PROPER POLICY

1. The Board

- 1.1 The Board of Directors of the Company ("**Board**") has adopted a **fit and proper policy** for the appointment and re-election of Directors ("**Policy**") of the Company and its subsidiaries ("Group").
- 1.2 The objective of this Policy is to enhance the governance 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 Nomination and Remuneration Committee as well as 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 Nomination and Remuneration Committee 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 Assessment

The fit and proper assessment shall be conducted by the Nomination and Remuneration Committee ("NRC") in a form of due diligence (such as conducting bankruptcy credit and background check) taking into account the following fit and proper criteria set out in this Policy and the declarations made by each individual candidate or existing Director who is up for re-election in the form attached as Appendix I of this Policy.

2. The Fit and Proper Criteria

A. Character and Integrity

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i) Probity

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

ii) Personal integrity

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

iv) Reputation

- He/she is of good repute in the financial and business community;
- He/she 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/she has not been substantially involved in the management of a business or company which has failed (including a GN3 or PN17 company), where that failure has been occasioned in part by deficiencies in that management.

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B. Experience and Competence

i) Qualification, training and skills

- He/she 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/she has a considerable understanding on the workings of a corporation;
- He/she possesses general management skills of at least 5 years as well as understanding of corporate governance and sustainability issues;
- He/she keeps knowledge current based on continuous professional development; and
- He/she possesses leadership capabilities and a high level of emotional intelligence.

ii) Relevant experience and expertise

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

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C. Time and Commitment

i) Ability to discharge role having regard to other commitments

- He/she 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 and non-listed entities (including non-profit organisations).
- He/she is able to fulfil the minimum required board attendance as per the Bursa Securities' Main Market Listing Requirements.

ii) Participation and contribution in the Board or track record (applicable for re-election of exiting directors only)

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

D. Review of the Policy

The NRC shall recommend any change to the Policy as it deems appropriate to the Board for approval. The terms of the Policy shall be assessed, reviewed and updated where necessary i.e. when there are changes to the Malaysian Code on Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements relating to appointment and/or re-election of directors.

APPENDIX I

CYCLE & CARRIAGE BINTANG BERHAD

(Company Registration No. 196701000428 (7378-D))

Directors' Declaration of Fit and Proper

I, (Name)

NRIC No./Passport No.:

do hereby solemnly affirm and declare the following:

| No. | Criteria | Yes | No |
|---|--|-----|----|
| Probity, Personal Integrity and Reputation | | | |
| 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 law 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; | | |
| 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 has resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about 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, | | |

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 (Company Registration No. 196701000428 (7378-D))
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| | membership or a licence to conduct any trade, business or profession, or has had that registration, authorisation, membership or licence 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 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 licence of which has been revoked under any written law; | | |
| 10. | I have not in the past, acted unfairly or dishonestly in my dealings with my customers, employer, auditors and regulatory authorities; | | |
| 11. | I have not at any time fail 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 do not have 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 of a director of Cycle & Carriage Bintang Berhad which would be disadvantageous to Cycle & Carriage Bintang Berhad or Cycle & Carriage Bintang Berhad's interest; | | |
| Financial Integrity | | | |
| 15. | I am and will be able to fulfill my financial obligations, whether in Malaysia or elsewhere, as and when they fall due; and | | |
| 16. | I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or outside Malaysia. | | |

If you have tick "No" in any of the criteria above, please provide detailed explanation on each of the criteria.

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(signature)

Name:

Date: