

DIRECTORS' FIT AND PROPER POLICY

1. The Board

- 1.1 The Board of Directors of the Company ("the 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 This Policy has been prepared to ensure compliance with the relevant provisions in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Malaysian Code on Corporate Governance, in order that each of its Directors has the character, experience, integrity, competence, time and commitment to effectively discharge the role as a Director.
- 1.3 Nomination and Remuneration Committee ("NRC") shall assess the candidates as per this Policy and make the relevant recommendation to the Board on the appointment and re-election of Directors of the Group.
- 1.4 The Board shall decide on such proposal from the NRC and where relevant, make a recommendation to the shareholders of the Company for approval.

2. The Fit and Proper Criteria

The Fit and Proper criteria of a Director include but not limited to the following:

A. Character and Integrity

i) Probity

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

ii) Personal integrity

- 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;
- 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
- 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

- manages personal debts or financial affairs satisfactorily; and
- demonstrates ability to fulfil personal financial obligations as and when they fall due.

iv) Reputation

- is of good repute in the financial and business community;
- has not been convicted in the Court of law for criminal proceedings for the past 10 years; and
- has not contributed directly to the failure of an organisation or a business unit.

B. Experience and Competence

i) Qualification, training and skills

- possesses education qualification or practical experience 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);
- has a considerable understanding on the workings of a corporation;
- possesses general management skills of at least 5 years as well as understanding of corporate governance and sustainability issues;
- keeps knowledge current based on continuous professional development; and
- 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 experience or track record

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

C. Time and Commitment

i) Ability to discharge role having regard to other commitments

- 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 not-for-profit organisations).

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

- 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; and
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

4. Review of the Policy

The NRC reserves the right to review this Policy periodically to assess their effectiveness, and in any event, to maintain the compliance with applicable laws and regulations or accommodate organisation changes within the Group and shall recommend any change to this Policy to the Board for approval.

This **Policy** was adopted by the Board on 13 June 2022 and is made available on the Company's website, www.mkland.com.my