

# PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)

## DIRECTORS' FIT AND PROPER POLICY

### 1. INTRODUCTION

Perak Transit Berhad ("**PTRANS**" or "**Company**") has adopted this Directors' Fit and Proper Policy ("**Policy**") to ensure there are formal and transparent procedures for the appointment and re-election of directors of the Company and its subsidiaries ("**PTRANS Group**") in accordance with Paragraph 15.01A of the Main Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

### 2. OBJECTIVES

This Policy serves as a guide to the Nomination and Remuneration Committee ("**NRC**") and the Board of PTRANS ("**Board**") in their review and assessment of candidates for appointment onto the Board as well as directors who are seeking for re-election in PTRANS. In order to ensure a proper downstream of governance, this Policy also serves as a guide for the Company in determining the right candidates to be appointed to the boards of PTRANS Group.

This Policy is to ensure that the directors possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively within PTRANS Group.

### 3. FIT AND PROPER CRITERIA

The fit and proper criteria of a director of PTRANS Group include but not limited to the following:

#### 3.1 Character and Integrity

##### (a) Probity

- (i) is compliant with legal obligations, regulatory requirements and professional standards;
- (ii) has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court; and
- (iii) has not been reprimanded or disqualified or removed by a professional or regulatory body in relation to matters pertaining to the person's honesty, integrity or business conduct.

##### (b) Personal integrity

- (i) 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/her professional conduct;
- (ii) 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
- (iii) has not abused other positions (i.e. that he/she has held) in a manner that contravenes the principles of good governance and professional ethics.

##### (c) Financial integrity

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

**(d) Reputation**

- (i) is of good repute in the financial and business community;
- (ii) has not been the subject of criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years;
- (iii) has not been reprimanded by the Securities Commission Malaysia, Bursa Securities, Companies Commission of Malaysia or any other regulatory authorities for the past 10 years; and
- (iv) has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.

**3.2 Experience and competence**

**(a) Qualifications, training and skills**

- (i) 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);
- (ii) has a considerable understanding on the business and workings of a corporation;
- (iii) possesses general management skills as well as understanding of corporate governance and sustainability issues;
- (iv) keeps knowledge current based on continuous professional development;
- (v) possesses leadership capabilities and a high level of emotional intelligence; and
- (vi) financial literacy especially able to read and understand financial statements.

**(b) Relevant experience and expertise**

- (i) 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.

**(c) Relevant past performance or track record**

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

**3.3 Time and commitment**

**(a) Ability to discharge role having regard to other commitments**

- (i) able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across public listed companies and non-listed entities (including not-for-profit organisations).

**(b) Participation and contribution in the board or track record**

- (i) demonstrates willingness to participate actively in board activities;
- (ii) demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- (iii) manifests passion in the vocation of a Director;
- (iv) exhibits ability to articulate views independently, objectively and constructively;
- (v) exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others;
- (vi) values board and team performance and demonstrates respect for others to foster a dynamic and effective working relationship; and
- (vii) able to develop a good working relationship with other directors and contribute to the board's working relationship with the Company's management.

**4.0 ASSESSMENT OF CANDIDATE FOR APPOINTMENT AS DIRECTOR OR RE-ELECTION OF DIRECTOR**

- 4.1 For new appointment of directors of PTRANS, the NRC will assess the candidates based on the fit and proper criteria as set out in Section 3 above, the resumes provided as well as the fit and proper declaration submitted before recommending to the Board for deliberation and approval.
- 4.2. For re-election of directors of PTRANS, the NRC will assess the retiring directors based on the annual board assessments as well as the fit and proper criteria as set out in Section 3 above before recommending to the Board for deliberation and approval.
- 4.3 For new appointment of directors and/or re-election of directors of PTRANS Group, the Managing Director shall conduct the assessment in accordance to the fit and proper criteria as set out in Section 3 above, the resumes provided (for new appointment) as well as the fit and proper declaration submitted, before recommending to the respective subsidiary boards for deliberation and approval.
- 4.4 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party without the written consent of the Board.
- 4.5 The Board shall include the application of this Policy in the statement about the activities of the NRC in the discharge of its duties for the financial year in the annual report of the Company.

**5.0 REVIEW OF THE POLICY**

This Policy has been approved by the Board on 16 August 2022. This Policy is subject to be reviewed periodically by the NRC and recommended to the Board for approval on any changes as it may deemed necessary in compliance with the needs of the Company, the Listing Requirements and/or any other regulatory requirements.

**PERAK TRANSIT BERHAD**

Registration No.: 200801030547 (831878-V)

**DIRECTOR' S DECLARATION OF FIT AND PROPER**

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

NRIC/Passport No.: \_\_\_\_\_

do hereby solemnly affirm and declare the following:

No.	Criteria	Yes	No
<b>Probity, Personal Integrity and Reputation</b>			
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, 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;		

No.	Criteria	Yes	No
<b>Probity, Personal Integrity and Reputation</b>			
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 as a director of PTRANS which would be disadvantageous to PTRANS or PTRANS' interest;		
<b>Financial Integrity</b>			
15.	I am and will be able to fulfil 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: