EGH INTERNATIONAL BERHAD

REGISTRATION NO. 202501050529 (1651937-K)

DIRECTORS' FIT AND PROPER POLICY

Directors' Fit and Proper Policy			
Ref No.:			
Effective Date:		**Revision No.:**	
Content Owner:			

EGH™ INTERNATIONAL

TABLE OF CONTENTS

1. INTRODUCTION 3

2. OBJECTIVE 3

3. SCOPE 3

4. FIT AND PROPER CRITERIA 4

4.1 Character and Integrity 4

4.2 Experience and Competence 5

4.3 Time and Commitment 6

5. ASSESSMENT PROCESS 6

5.1 Assessment Process 7

5.2 Fit and Proper Criteria and Prudent Judgement 8

5.3 Failure to be Fit and Proper 8

5.4 Disclosure of Information relevant to a Fit and Proper Assessment 8

6. GOVERNANCE AND RESPONSIBILITIES 9

6.1 Board of Directors 9

6.2 Nomination Committee 9

7. DOCUMENT RETENTION AND REPORTING 10

8. REVIEW OF THE POLICY 10

1. INTRODUCTION

EGH International Berhad ("EGH" or "the Company") and its subsidiaries (collectively referred to as the "Group") are committed to maintaining high standards of integrity, competency, and professionalism in the governance of its operations. The Fit and Proper Policy ("Policy") establishes the framework and criteria for assessing the suitability of individuals serving as directors, key management personnel, or in other critical roles within The Group.

2. OBJECTIVE

The objectives of this Policy are to:

- To ensure that individuals appointed to key roles possess the necessary character, experience, integrity, competence and commitment of time to effectively discharge their roles and responsibilities effectively.
- To safeguard the integrity and reputation of The Group by establishing a robust selection process.
- To align the Group's governance practices with regulatory requirements and industry standards.
- To act as a guide for the Nomination Committee ("NC"), the Board of Directors ("Board") and Management of the Group in conducting the necessary assessment on candidates before appointment, or on existing Directors of the Group seeking for re-appointment and/or re-election ("Responsible Persons").

3. SCOPE

This Policy applies to:

- Directors (executive and non-executive).
- Senior management, including key decision-makers.

  Any individual identified as holding a significant influence over the governance or operations of the Group.

4. FIT AND PROPER CRITERIA

The NC shall periodically propose potential/new candidates to the Board and for the assessment of all Responsible Persons, the NC shall be using the principles underpinning the criteria listed below to assess the suitability of the candidates prior to recommending to the Board for the appointment and reappointment as well as the fitness and propriety of the Responsible Persons.

The assessment shall have regard to the considerations set out below in paragraphs 4.1 to 4.3 of this Policy.

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

4.1 Character and Integrity

In assessing character and integrity, consideration may be given to whether the person:

Probity

- Compliance with legal obligations, regulatory requirements and professional standards, either in Malaysia or elsewhere;
- No obstructive, misleading or untruthful in dealing with regulatory bodies or a court.

Personal Integrity

- No perpetrate or participate in any business practices which are deceitful, oppressive improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct.
- No termination of service contract in the past due to concerns on personally integrity.
- No abuse other positions (i.e. political appointment) to facilitate government relations for the company in a manner that contravenes the principles of good governance.

Financial Integrity

- No history of bankruptcy or financial misconduct.
- Demonstrated ability to manage personal financial affairs responsibly.
- Compliance with financial obligations.

Reputation

- Good repute in the society, financial and business community.
- Absence of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past ten (10) years.
- No history of substantial involvement in the management of a business or company which has failed, where that failure has been occasioned in part by deficiencies in that management.
- No adverse findings from regulatory or professional bodies.

4.2 Experience and Competence

Qualification, training and skills

- Possession of the appropriate education qualification that is relevant to the skill set that the director is earmarked to bring onto the boardroom (i.e. a match to the board skill set matrix).
- Possession of considerable understanding on the workings of a corporation.
- Possession of general management skills as well as understanding of corporate governance and sustainability issues.
- Keeps knowledge current based on continuous professional development.
- Possession of leadership capabilities and a high level of emotional intelligence.

Relevant experience and expertise

- Possession of 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.

Relevant past performance or track record

- 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.
- Possession of commendable past performance record as gathered from the results of the board effectiveness evaluation.

4.3 Time and Commitment

In assessing the person's time and commitment, the NC and the Board should consider matters including, but not limited to the following:

Ability to discharge role having regard to other commitments

- Devoted sufficient time as board members, having factored other external obligations including concurrent board positions held by the director across the company and other listed or non-listed companies (including not-for-profit organisation).

Participation and contribution in the board or track record

- Demonstrated willingness to participate actively in board activities.
- Manifests passion in the vocation of a director.
- Exhibits ability to articulate view independently, objectively and constructively.
- Exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.

5. ASSESSMENT PROCESS

The fit and proper assessment shall be undertaken in a fair, objective and consistent manner by the Nomination Committee ("NC"), having regard to the needs of the Group and the responsibilities of the position.

5.1 Assessment Process

	Appointment of New Director	**Existing Director**	**Additional Director**
Step 1 Initiation	- Identification of skills applicable/ required for new candidates; - Selection of candidates;	- Re-appointment and/or evaluation of existing directors, as the case maybe;	- Additional Director requested by shareholder or shareholders collectively not less than 10% of the paid-up share capital of the Company as at the date of the requisition for the sole purpose of Board representation for their interest in the voting shares of the Company
Step 2 Assessment	- "Fit and Proper" assessment by the NC based on the criteria in paragraph 4 above; - The NC's evaluation, deliberation and confirmation that the Responsible Person is fit and proper for the Board and the Group's purposes.		
	- Interaction with the new candidate(s), if required;	- Interaction between existing directors	- If the situation permit and provided that the nominated candidate is accessible, interaction with the candidate, if required.
Step 3 Recommendation	- Recommendation by NC for the Board's approval		
Step 4 Decision	- Decision by the Board on the recommended appointment of the new director.	- Decision by the Board on the recommended re-appointment/ evaluation of the existing director, as the case may be.	- Decision by the Board on the recommended appointment of the new director

All Responsible Persons (and potential Responsible Persons) will be provided with a copy of this Policy prior to their appointment and at the commencement of any further assessment.

5.2 Fit and Proper Criteria and Prudent Judgement

The Company shall exercise its assessment objectively and will make its decision based on the provision of information as outlined within this Policy. The Company will also make reasonable enquiries to obtain relevant information that can be taken into account in making a fit and proper assessment, in addition to the self-assessment forms completed by the Responsible Persons and potential Responsible Persons. The information can include a person's formal qualifications and attainments, curriculum vitae, referee reports obtained as part of a recruitment process, and any other publicly available information that is relevant to the fit and proper criteria.

All information provided by or on the Responsible Persons shall be assessed individually, as well as collectively, taking into account their relative importance and its merits. Failure to meet or non-compliance with one factor on its own does not necessarily mean failure to meet the fit and proper criteria. The Company will consider specific circumstances surrounding a director's failure or non-compliance to meet specific factors, such as the lapse of time since the occurrence of events, other contributing factors and the significance of the event from the perspective of potential risks posed to the Company.

5.3 Failure to be Fit and Proper

Where a person is found to be not fit and proper due to lack of character, diligence, honesty, integrity or judgement, or is found to be misleading on deceptive, the Board has power to take appropriate action.

5.4 Disclosure of Information relevant to a Fit and Proper Assessment

All Responsible Persons are required to disclose to the Company all information that may be relevant to a fit and proper assessment. The Company will take all reasonable steps to ensure compliance with Personal Data Protection Act in collecting and using the information about Responsible Persons collected as part of the assessment process. The information gathered from the assessments shall be strictly for the NC's use for the purpose of the assessment and not for public disclosure.

Conflict of interest situations and potential conflict of interest situation are required to be disclosed by all Responsible Persons on appointment and ongoing basis, or for directors, being provided with the opportunity to declare any interests at each Board meeting.

All information provided by the Responsible Person is required to be true, accurate and complete for submission to the NC/Company.

6. GOVERNANCE AND RESPONSIBILITIES

6.1 Board of Directors

- The Board has ultimate responsibility for the implementation and oversight of this Policy.
- Approval of appointments to key positions will be made by the Board based on recommendations from the Nomination Committee.

6.2 Nomination Committee

- The assessment of existing directors or candidates for nomination or appointment as a director of the Company and make recommendations to the Board on these matters;
- Ensuring that appropriate fit and proper assessments are carried out for each Responsible Person;
- Reporting to the Board about any matters that are relevant to a particular assessment of a Responsible Person's fitness and propriety;
- Providing information to the Board on matters concerning the criteria and procedure for fit and proper assessments including addressing any gaps in the assessment; and
- Ensuring that the Group takes all reasonable steps to protect the information and documents, which are collected for fit and proper assessments from misuse, unauthorised access, modifications or disclosure.

7. DOCUMENT RETENTION AND REPORTING

The Company will maintain on file information related to the fit and proper assessment of all current and recently past Responsible Persons.

8. REVIEW OF THE POLICY

The NC will review this Policy, as appropriate, periodically, to ensure its effectiveness. The NC will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval. This Policy will be published on the Company's website for public information.