



KHIND HOLDINGS BERHAD
REGISTRATION NO.: 199601007964 (380310-D)
(Incorporated in Malaysia)

DIRECTORS' FIT AND PROPER POLICY

1. The Board

- 1.1 The Board of Directors of Khind Holdings Berhad ("Company" or "Khind") ("Board") has adopted this **fit and proper policy** for the appointment and re-election of Directors ("Policy") of the Company and its subsidiaries (collectively "Group").
- 1.2 This Policy will enhance the governance of the Company in relation to the Board's quality and integrity, as well as ensure that each Director has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a Director.
- 1.3 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 ("NRC") 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

The assessment procedures shall be in a form of due diligence taking into account the following fit and proper criteria conducted by the NRC and declarations by each individual candidate or Director that:

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/her professional conduct;
- Does not have a service contract (i.e. in the capacity of management or director) 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 the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years; and
- 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.

B. Experience and Competence**i) Qualification, training and skills**

- 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);
- Has a considerable understanding on the workings of a corporation;
- Possesses general management skills 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 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.

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

- 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.

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.

The Directors' Fit and Proper Policy shall be made available on the Company's website at www.khind.com.my.

This Directors' Fit and Proper Policy was adopted on 19 May 2022.