



## **CITRA NUSA HOLDINGS BERHAD**

Registration No. 198901004452 (181758-A)

## **DIRECTORS' FIT AND PROPER POLICY**

**1. OBJECTIVE AND APPLICATION**

- 1.1 The Board of Directors ("Board") of Citra Nusa Holdings Berhad ("CNH" or "Company") is committed to ensuring that the Directors of CNH Berhad and its subsidiaries (collectively, "Group") have the character, experience, integrity, competence, time and commitment to effectively discharge their role as Director.
- 1.2 The Directors' Fit and Proper Policy ("Policy") shall serve as a guide to the Nomination and Remuneration Committee ("NRC") and the Board in the review and assessment of candidates that are to be appointed as Directors as well as Directors who are seeking election or re-election.

**2. PROCESS FOR EVALUATION**

- 2.1 The NRC shall conduct interview, obtain relevant declaration and undertaking to ascertain suitability on the basis of the criteria set out in Section 3 of this Policy.
- 2.2 The NRC shall review each declaration and undertaking received. After considering the result of the due diligence and the information provided in the signed declaration and undertaking, the NRC shall decide on and recommend to the Board, the acceptance or rejection of the appointment of new Directors or the re-election of existing Directors, as the case may be.

**3. FIT AND PROPER CRITERIA**

- 3.1 The following broad parameters and criteria shall be considered when assessing the suitability of a person for appointment or re-election as a Director

- 3.1.1 Character and Integrity

- (i) Probity
- (ii) Personal integrity
- (iii) Financial integrity
- (iv) Reputation

- 3.1.2 Experience and Competence

- (i) Qualifications, 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 of the workings of a corporation;
  - He/she possesses general management skills 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 performance or track record

### 3.1.3 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 (taking into consideration his/her board attendance records) and non-listed entities (including not-for-profit organisations).
- (ii) Participation and contribution in the board or track record (applicable for re-election of existing directors only)
- He/she demonstrates willingness to participate actively in board activities;
  - He/she demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
  - He/she manifests passion in the vocation of a director;
  - 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.

- 3.2 The NRC may, at its discretion, apply additional or different criteria as it may deem fit while considering or assessing the suitability of a person for appointment or re-election as a Director.

## 4. REVIEW OF THIS POLICY

The Policy shall be periodically reviewed and updated. Any requirement for amendment shall be deliberated upon the NRC and any recommendations for revisions shall be highlighted and proposed to the Board for approval.

This Policy was adopted by the Board on 24 June 2022 and is made available on the Company's website, <https://www.citranusaholdings.com>.