

TANCO HOLDINGS BERHAD
Registration No.: 195801000190 (3326-K)

DIRECTORS' FIT AND PROPER POLICY

1.0 PURPOSE

The Board of Directors (“the Board”) of Tanco Holdings Berhad (“Tanco” or “the Company”) has established this Directors’ Fit and Proper Policy (“Policy”) for the purposes stated below:

- 1.1 to set out the fit and proper criteria for the appointment and re-appointment/re-election of Directors on the Boards of Tanco and its subsidiaries (or “Tanco Group”).
- 1.2 to ensure that each of the Directors has the necessary quality, character, experience, integrity, competency and time to effectively perform his/her duties and to carry out the responsibilities as a Director of Tanco and its subsidiaries.
- 1.3 to serve as a guide to the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

2.0 CRITERIA

The fit and proper criteria of a Director include but not limited to the following:

2.1 Character and integrity

(a) Probity

- is compliant with legal obligations, regulatory requirements and professional standards;
- has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court in the past 5 years.

(b) 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 as a Director) had not been terminated in the past due to concerns on personal integrity;
- has not abused other positions (that he/she has held) in a manner that contravenes the principles of good governance.

(c) Financial integrity

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

(d) 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;
- 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.

2.2 Experience and competence

(a) Qualifications, training and skills

- possesses education qualification that is relevant to the skill set that the Director is earmarked to bring or 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;
- possesses leadership capabilities and a high level of emotional intelligence.

(b) 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.

(c) Relevant past performance or track record

- 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;
- possesses commendable past performance record as gathered from the results of the Board Effectiveness Evaluation.

2.3 Time and commitment

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

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

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

3.0 FIT AND PROPER DECLARATION

A person who has been identified for appointment as a Director or for re-appointment/re-election as a Director shall be required to make the fit and proper declaration in the form as set out in Appendix 1 of this Policy or in such other forms as the Nomination Committee may from time to time prescribe or approve.

4.0 REVIEW OF THIS POLICY

The Nomination Committee shall with the assistance of the Management review the adequacy of this Policy on a regular basis and may from time to time recommend the proposed changes to the Board as it deems appropriate to reflect new best practices and new legal or regulatory requirements.

This Policy was approved and adopted by the Board of Tanco on 25 May 2022.

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Appendix 1

DIRECTORS' DECLARATION OF FIT AND PROPER

Name:.....

NRIC/Passport No.:

do hereby solemnly affirm and declare the following:-

No.	Criteria	YES	NO
Probity, Personal Integrity and Reputation			
1.	I have not been the subject of any proceedings of a disciplinary or criminal nature, or has 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, whether publicly or privately;		
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 have resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions on 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 have been 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;		

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No.	Criteria	YES	NO
10.	In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employer, auditors and regulatory authorities;		
11.	I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure 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; and		
14.	I am free from 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 of a Director of Tanco and/or Tanco Group which would be disadvantageous to Tanco or Tanco's interest.		
Financial Integrity			
15.	I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due;		
16.	To my knowledge, I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.		
17.	I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.		

* Where you have not ticked 'YES', please explain and/or provide the relevant documents

Explanation for items not ticked 'YES'	
No.	Explanation

.....
 (Signature)

Name:

Date: