



**YKGI HOLDINGS BERHAD**  
Reg. no. 1977 0100 1682 (032939-U)  
(Incorporated in Malaysia)

Directors'  
Fit & Proper  
Policy

# **YKGI HOLDINGS BERHAD**

## **DIRECTORS'**

### **FIT AND PROPER POLICY**

This Policy is approved by the Board of Directors on 30 June 2022.



## **1.0 INTRODUCTION**

YKGI Holdings Berhad (“**YKGI**” or “**Company**”) is committed in meeting its obligation under Directors’ Fit and Proper criteria of the Main Market Listing Requirements.

Individuals appointed as Directors of YKGI or its Subsidiaries (“**Directors**”) are required to possess the competence, character, diligence, honesty, integrity and judgement to perform properly the duties of that position, in tandem with good corporate governance practices. Accordingly, only individuals meeting the criteria of this Policy are considered for appointment as Directors.

The Directors’ Fit and Proper Policy (“**Policy**”) is to set out the Company’s approach to the assessment of the fitness and propriety of persons who hold, or who are to be appointed or elected to, as a Director of YKGI Group of companies.

## **2.0 DEFINITION**

A Director is an individual elected or to be appointed as a member of the Board of Directors of YKGI or any of its Subsidiary companies.

This Policy is extended to cover key responsible persons holding the position of Chief Executive Officer (CEO), Chief Operation Officer (COO), Chief Financial Officer (CFO) and Director of Finance (DOF) in managing YKGI Group of Companies.

## **3.0 RESPONSIBILITY**

### **3.1 The Board’s Commitment and Responsibility**

In the application of this Policy, Board of Directors and the Nomination Committee are primarily responsible for ensuring that all Directors fulfil Fit and Proper Requirements; and for conducting assessments of the Fitness and Propriety of Directors of subsidiary companies.

### **3.2 Nomination Committee’s Responsibility**

The Nomination Committee (“**NC**”) is responsible for the assessment of existing Directors or candidates for nomination or appointment as a Director, and making recommendations to the Board on these matters.

### **3.3 Legal, Secretarial and Compliance Responsibility**

The Company Secretary is responsible for applying this Policy. The Company Secretary is responsible for:



- a) Ensuring that appropriate Fit and Proper assessments are carried out for each individual;
- b) Providing information to the NC on matters concerning the procedure for Fit and Proper assessments; and
- c) Ensuring that the Company takes all reasonable steps to protect the information and documents collected for Fit and Proper assessments from misuse, unauthorized access, modifications or disclosure.

#### **4.0 REQUIRED NOTIFICATION**

The Company Secretary keeps and maintains a current list of all Directors, in addition to details of the competencies and training required for each Director. The NC must approve the list of Directors maintained by the Company Secretary, and any changes to that list.

As soon as possible after a person is nominated or proposed for election or appointment to a Director, the Company will make available to that person a copy of this Policy the details of the competencies and training required for the relevant Director. This Policy will also form part of the induction process for all Directors.

The Company will also take reasonable steps to ensure that each Director is aware of, and fully understands this Policy, and receives a copy of the Policy before any assessment of their suitability to be appointed as a Director is conducted.

#### **5.0 FIT AND PROPER CRITERIA**

For the purpose of establishing whether a person is Fit and Proper to hold the position of Director, the Company shall have regard to the person's:

- (i) **Probity, personal integrity and reputation** - person must have the personal qualities such as Integrity, Honesty, Impartiality and Independence of Mind.
- (ii) **Competence and capability** - person must have the necessary Ability, Experience, Skills and Commitment to carry out the role.
- (iii) **Financial integrity** - person must manage his/her personal financial affairs prudently.

The assessment of the above criteria shall have regard to the considerations set out below in paragraph 5.1 to 5.3 of this Policy.



### **5.1 Probity, Personal Integrity and Reputation**

In assessing a person's level of probity, integrity and reputation to hold a position of a Director, the NC of YKGI should consider matters including, but not limited to the following:

- (i) whether the person is or has 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;
- (ii) whether the person has 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;
- (iii) whether the person has contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies;
- (iv) whether the person has been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on his/her professional conduct;
- (v) whether the person has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while the person was connected with that business;
- (vi) whether the person has 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;
- (vii) whether, in the past, the person has acted dishonestly in his/her dealings with his/her customers, employer, auditors and regulatory authorities;
- (viii) whether the person is in a position which could materially pose a conflict of interest or interfere with the exercise of his/her judgement when acting in the capacity as a Director which would be disadvantageous to YKGI or YKGI's interest.

### **5.2 Competence and Capability**

Competence and capability are demonstrated by a person who possesses the relevant competence, experience and ability to understand the technical requirements of the business, the inherent risks and the management process required to perform his/her role as a key responsible person in the relevant capacity effectively.



In assessing a person's competence and capability, the NC should consider matters including, but not limited to the following:

- (i) whether the person has the appropriate qualification, training, skills, practical experience and commitment to effectively fulfil the role and responsibilities of Director, having regard to their other commitments; and
- (ii) whether the person has satisfactory past performance or expertise in the nature of the business being conducted.

In this regard, examples of competence and capabilities are as follows:

Asset Management, Finance/Accounting, Marketing, Legal, Risk Management, ICT, Human Resource and other relevant function/expertise.

### **5.3 Financial Integrity**

Financial integrity is demonstrated by a person who manages his/her own financial affairs properly and prudently.

In assessing a person's financial integrity, NC must consider all relevant factors, including but not limited to the following:

- (i) whether the person has been and will be able to fulfil his/her financial obligations, whether in Malaysia or elsewhere, as and when they fall due; and
- (ii) whether the person has been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.

The fact that a person may be of limited financial means does not in itself, affect the person's ability to satisfy the financial integrity criteria.

### **6.0 DECLARATION**

Sample as per Appendix A.

### **7.0 AMENDMENTS**

Subject to the approval of the Board of Directors, this Policy may be amended as part of our continuous improvement process.

**=END=**



**Appendix A**

**DIRECTORS' FIT AND PROPER POLICY  
 DECLARATION BY DIRECTOR OF YKGI GROUP**

I, \_\_\_\_\_ NRIC / Passport No: \_\_\_\_\_

residing at \_\_\_\_\_

do hereby solemnly affirm and declare that:

1. I am not an undischarged bankrupt, I do not have any suspended payments and I have not compounded with my creditors, whether within or outside Malaysia. To my knowledge, there is no bankruptcy proceeding being initiated against me at present;
2. I do not have any charge proven against me for a criminal offence relating to dishonesty or fraud under any written law or the law of any country, territory or place outside Malaysia;
3. I am not prohibited from being a director of a company or in any way, whether directly or indirectly, be concerned or take part in the management of a company in Malaysia pursuant to a court order made under section 198(1) of the Companies Act 2016; and
4. No penalty and no reprimand has been imposed or issued against me by any supervisory authority in or outside Malaysia.

I am in compliance with the **Fit and Proper Criteria** as stipulated in this policy.

I understand that in my tenure as a **Director** (or **CEO**, or **COO**, or **CFO**, or **DOF**) of **YKGI Group**, I shall avoid activities or practices that would result in conflict of interest. In the event of unavoidable situation, I shall disclose and declare any conflict of interest or deemed interests and accept the consideration and decision of the Board of Directors.

I confirm that the facts and information stated in this document are true.

Signed by DIRECTOR /CEO /COO /CFO /DOF

**Signature :** \_\_\_\_\_

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

**Designation :** \_\_\_\_\_

**Company Name :** \_\_\_\_\_

**Date :** \_\_\_\_\_

**Signature of Witness :** \_\_\_\_\_

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

**NRIC No.** \_\_\_\_\_

**Profession :** \_\_\_\_\_

**Date :** \_\_\_\_\_