



SKYWORLD DEVELOPMENT BERHAD  
Registration No. 200601034211 (753970-X)

## FIT AND PROPER POLICY

### 1. OBJECTIVE

The objective of this Policy is to guide the Nomination & Remuneration Committee (“**the NRC**”) and Board of Directors (“**the Board**”) in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election in SkyWorld Development Group and/or its subsidiaries.

The general criteria that form the overarching criteria in relation to the Policy are outlined below:

- a) Character and integrity;
- b) Experience and competence; and
- c) Time and commitment

### 2. SCOPE

The Fit and Proper Policy applies to the appointment and re-election of directors of the Company and its subsidiaries.

### 3. DEFINITION

- 3.1 “**NRC**” shall mean Nomination & Remuneration Committee of SkyWorld Development Group.
- 3.2 “**Director**” has the meaning given in section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon: -
  - (i) a director of the listed issuer, its subsidiary or holding company; or
  - (ii) a chief executive of the listed issuer, its subsidiary or holding company.

### 4. FIT AND PROPER CRITERIA

- a) **Character and Integrity**
  - i) 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.

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 professional conduct.
- service contract (i.e. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity.
- 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.
- 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.
- 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) Qualifications, 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.
- 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 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.

- c) **Time and commitment**
- i) 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).
- 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.
  - exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

## 5. ASSESSMENT OF FIT AND PROPER OF DIRECTORS

- a) The NRC will evaluate candidates for new appointment as Directors based on the fit and proper criteria as set out in 4.0 above before recommending to the Board for approval.
- b) For re-appointment of Directors, the Directors will be evaluated based on the Board Evaluation Form. The NRC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet the policy requirements.
- c) For new appointments, the candidates are required to complete the Candidate for Directorship profile. The candidates will also be required to complete a self-declaration of fit and proper and authorise the Company to perform background check, if necessary, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks.
- d) The information gathered from the assessments shall be for the NRC's strict use for the purpose of the assessment and not for public disclosure.

## 6. MODIFICATION

The NRC and the Board reserve the right to modify or amend this Policy at any time as it may deem necessary in order to align the policy with Listing Requirements, the Companies Act 2016, the latest Malaysian Code on Corporate Governance and any other applicable laws enforced at the time being.