

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

DIRECTORS' FIT AND PROPER POLICY

1. BACKGROUND

Bursa Malaysia Berhad vide its letter dated 19 January 2022 (Ref: JH/TAC/RO/nca/LD01/22) had introduced key Enhanced Director Amendments, which inter alia, pursuant to Paragraph 15.08A of the Main LR, requires a listed issuer to have and publish on its website by 1 July 2022, a fit and proper policy for the appointment and re-election of directors of the listed issuer and its subsidiaries ("Directors' Fit and Proper Policy"), and pursuant to Paragraph 15.08A (3) of the Main LR, disclose the application of the Directors' Fit and Proper Policy in the Nominating Committee Statement ("NC Statement") and related consequential amendments, applicable to annual reports issued for financial year ending on or after 31 December 2022.

2. OBJECTIVE AND PURPOSE

The objective and purpose of this Policy is to:-

- (i) set out the fit and proper criteria and the process of due diligence to determine the suitability of the individual for the appointment/continuing to hold the position as a Director of Johan Holdings Berhad ("the Company") and its subsidiaries;
- (ii) serve as a guide to the Nominating Committee and the Board in their review and assessment of persons that are to be appointed onto the board as well as Directors who are seeking for re-election to ensure each of the Directors has the character, experience, integrity, competence and time to effectively discharge his role as a director of the Company and its subsidiaries;
- (iii) ensure each Director understands the fit and proper criteria policy and their obligation to continue to meet the fit and proper criteria on an on-going basis.

3. FIT AND PROPER CRITERIA

For the purpose of establishing whether a person is fit and proper to be appointed or re-elected as a Director of the Company and its subsidiaries, the Company shall consider the person's:-

- (i) character and integrity
- (ii) experience and competence
- (iii) time and commitment

3.1 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

3.2 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

3.3 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

To enable the Nominating Committee to assess if a person fulfils the fit and proper criteria, the prospective candidate to be appointed to the Board, shall complete the Directors' Fit and Proper Declaration form as set out in the **Annexure A**. For the existing Directors, they shall undertake the yearly self-evaluation assessment to assess their fit and properness, personality, contribution, etc.

4. REVIEW OF POLICY

This Policy shall be reviewed, as and when required, to ensure it remains consistent with the Board's objectives, current laws and best practices.

Date: 20 June 2022

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

DIRECTORS' FIT AND PROPER DECLARATION FORM

| A. Personal Details and Information | |
|--|--|
| 1. | Full Name |
| 2. | Date of Birth |
| 3. | NRIC / Passport No |
| 4. | Residential Address |
| 5. | Correspondence Address <i>(if different from the above)</i> |
| 6. | Telephone No. |
| 7. | Email Address |
| 8. | Educational Qualification |
| 9. | Work Experience |

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

- DIRECTORS' FIT AND PROPER DECLARATION FORM

| A. Personal Details and Information (Cont'd) | |
|---|--|
| 10. | Core areas of expertise |
| 11. | List of Directorships |
| 12. | Relationships with any Directors in Johan Holdings Berhad ("JHB") or its subsidiaries, if any. |
| 13. | Direct and indirect interest in JHB or its subsidiaries, if any |

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

- DIRECTORS' FIT AND PROPER DECLARATION FORM

| A. Personal Details and Information (Cont'd) | |
|---|--|
| 14. | List of relatives who is currently working in JHB or its subsidiaries |
| B. Probity, Personal Integrity, Reputation and Financial Integrity | |
| 1. | Have you and/or the company where you are a director been committed of any commercial, civil or criminal crimes in Malaysia or elsewhere? |
| 2. | Have you and/or the company where you are a director been notified of any impending disciplinary or criminal proceedings or of any proceedings, which might lead to such proceedings? |
| 3. | Have you and/or the company where you are a director contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies, and reprimanded by the regulatory body, professional body, government or its agencies? |
| 4. | Have you been dismissed, asked to resign or has resigned from any employment or terminated from any services due to concerns on your personal integrity? |

JOHAN HOLDINGS BERHAD

Registration No. 192001000038 (314-K)

- DIRECTORS' FIT AND PROPER DECLARATION FORM

| B. Probity, Personal Integrity, Reputation and Financial Integrity (Cont'd) | |
|--|--|
| 5. | Have you been involved in any business or relationship which could materially pose a conflict of interest or interfere with your judgement when acting as a director of a company and result in disadvantageous of and detrimental to the company? |
| 6. | Have you been involved in the management of a company or business that had gone into receivership or court liquidation while you were connected with that company or business? |
| 7. | Are you currently a bankrupt or involved in a bankruptcy proceeding? |

I hereby declare that the above responses are true and correct, as to the best of my knowledge.

.....
(Signature)

Name:

NRIC/Passport No.:

Date: