

# GENETEC TECHNOLOGY BERHAD

Registration no.: 199701030038 (445537-W)

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

### **1. Introduction**

This Policy is to describe Genetec Technology Berhad (“Genetec”) approach to determining the fitness and propriety of Directors in accordance with prudent management principles and compliance with the relevant regulatory obligations.

The Board is committed to ensuring that Genetec Group:

- Maintains a Fit and Proper Policy;
- Assesses the fitness and propriety of Directors both prior to their initial appointment and at a regular intervals of at least on an annual basis;
- Takes all prudent steps to ensure that a person is not appointed to, or does not continue to hold, a Director position for which he/she is not fit and proper; and
- Takes all reasonable steps to ensure that each Director is aware of, and understands his/her obligations as Director in the context of Fit and Proper Policy.

### **2. Purpose**

- 2.1 This Policy sets out the fit and proper criteria for the appointment and re-election of Directors on the Board of Genetec and its subsidiaries.
- 2.2 To ensure that each of the Directors has the competence, character, diligence, honesty, integrity, experience and time to effectively discharge his/her role as a Director of Genetec and its subsidiaries.
- 2.3 Serve as a guide to the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed to the Board as well as Directors who are seeking for election or re-election.

### **3. Criteria**

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

#### 3.1.1 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, if any, has 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 financial affairs properly and prudently
- 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

3.1.2 Experience and Competence

(i) Qualifications, training and skills

- possesses appropriate 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 business and 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, as well as responsibilities held

(iii) Relevant past performance or track record

- had a career of occupying a high level position in a comparable organization, 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

3.1.3 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 objectively and constructively
- exhibits open-mindedness to the views of others and ability to make considered judgement after hearing the views of others

#### **4. The Assessment**

4.1 The Nomination Committee will assess each person for the appointment or re-election of Directors based on the criteria set under item 3.1 before recommending to the Board for approval. However, an assessment may be completed within 28 days of an appointment if the person is elected by the shareholders of Genetec.

The questionnaires set out in the Directors' Evaluation Form are based on the Corporate Governance Guide 4<sup>th</sup> Edition.

4.2 For the appointment of a new Director, the person is required to complete the Prospective Director's Information.

4.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

#### **5. Disqualified Persons**

A 'disqualified person' shall not be appointed to or continue to act as a Director. A disqualified person will fail the fitness and propriety assessment if he/she :

- deemed a disqualified person under Sections 198 and 199 of the Companies Act 2016 and as defined by other relevant laws;
- prohibited from being a Director;
- found not to be a fit and proper person by Bursa Securities Malaysia Berhad or any other regulatory authorities.

The Director concerned must notify the Chairman of the Board as soon as they become, and no later than 7 days if he/she becomes or has grounds to believe he/she will become a disqualified person.

#### **6. Review of the Policy**

This Policy is to be reviewed periodically by the Nomination Committee and any requirement for amendment deem necessary in accordance with the need of the Company, the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and/or any other applicable laws enforced at the time being shall be deliberated and any recommendation for revisions shall be presented to the Board for approval.

The Board has approved and adopted the Policy on 26 May 2022.