



**MAA GROUP BERHAD**  
**Registration No.: 199801015274 (471403-A)**

Tabled & Approved at the NRC & BOD  
meetings held on 21.2.2022 (NRCM) &  
25.2.2022 (BODM)

## **FIT AND PROPER POLICY FOR DIRECTORS AND KEY PERSONS**

### **1. PURPOSE**

Bursa Malaysia had issued on 19 January 2022 some amendments to the Main Market Listing Requirements in relation to Director Appointment and their independence which required the listed issuer and its subsidiaries to have a **fit and proper policy for the appointment and re-election of directors** which will aid the listed issuer to comply with Paragraph 2.20A which stipulates that every listed issuer must ensure that each of its **directors, chief executive or chief financial officer** has the :

- character,
- experience,
- integrity,
- competence and
- time to effectively discharge his role as a director, chief executive or chief financial officer as the case may be.

Based on the above laws, the purpose of this Policy is to set out the expectations on the suitability of the directors and key persons (the definition of which are given in Paragraph 3.1 below) which are an extension of the corporate governance framework and is aimed at ensuring that these persons have the integrity and competence required to perform their roles.

### **2. SCOPE**

This Policy applies to all Directors and Key Persons including but not limited to the Executive Chairman (“EC”), Chief Executive Officer (“CEO”), Chief Operating Officer (“COO”) and Chief Financial Officer (“CFO”) of the Company.

### **3. RESPONSIBILITY**

#### **3.1 Board of Directors (“Board”) and Nomination And Remuneration Committee (“NRC”) of MAA Group Berhad (“MAAG” or “the Company”)**

- 3.1.1 The Company’s Board and the NRC with the assistance of the Company Secretary (“CS”), Human Resources Department (“HRD”) and the Compliance Department (“CD”) are primarily responsible for ensuring that the Board of Directors, the EC, CEO, COO and CFO (the CEO, COO and CFO shall be collectively referred to as the “Key Persons”) fulfil the fit and proper requirements.

- 3.1.2 The fit and proper assessments on each person shall be conducted both prior to initial appointments and at regular intervals of at least annually or whenever the Company becomes aware of information that may materially compromise the Directors and Key Persons' fitness and propriety to ensure that the Directors and Key Persons fulfil the fit and proper criteria at all times.
- 3.1.3 The Board and NRC with the assistance of the CS is responsible for overseeing that the assessment of existing Directors or candidates for nomination or appointment as a Director of the Company or re-appointment of existing Directors is conducted prior to making its recommendation to the Board.
- 3.1.4 The Board and NRC with the assistance of the CS, HRD and CD are required to periodically review the policies and procedures to ensure their relevance and alignment with the organisational needs and structure as well as material changes in the business, risk profile and strategies of Company.
- 3.1.5 For the CEO, COO and CFO, the Board and NRC may delegate the authority of appointing new key personnel for these positions to the EC. The EC shall consult the HRD and the CD with regards to the fit and proper assessments of candidates as necessary prior to deciding on any new appointments of the CEO, COO and CFO for the Company.

## **3.2 Company Secretary**

3.2.1 CS is responsible for the following:-

- (i) to ensure that the appropriate fit and proper assessments are carried out for Directors and the EC/CEO ;
- (ii) to ensure the candidates for Directors and EC/CEO complete and submit the 'Self Declaration' on Fit and Proper Criteria;
- (iii) to ensure that the fit and proper assessments are supported by relevant information as specified in the Checklist;
- (iv) to take reasonable steps within permissible written laws to verify the information obtained from the person being assessed where such information is material to the determination of the person's fitness and propriety against independent sources;
- (v) to ensure that a regular review on the Directors is conducted;
- (vi) to conduct basic credit check ("Credit Check") and background screening by checking with or doing the following:
  - (a) Credit Tip-Off Sdn Bhd ("CTOS")
  - (b) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLA") covering :
    1. Bank Negara Malaysia website
    2. UN Security Council resolution 1267 list
    3. United States Dept. of the Treasure Specially Designated Nationals
    4. Ministry of Home Affairs website
  - (c) Other credit checks will be as follows:
    1. Insolvency Dept for bankruptcy (no consent required)
    2. E-Konsular for Certificate of Good Conduct – applicant need to apply online.

- (vii) To ensure that matters related to this Policy are brought to the attention of the Board and NRC; and
- (viii) to ensure that all reasonable steps are taken to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modification or disclosure.

### **3.3 Human Resources Department**

3.3.1 HRD is responsible for the following:

- (i) to ensure that appropriate fit and proper assessments are carried out for the Key Persons;
- (ii) to ensure the candidates for the Key Persons complete and submit the 'Self Declaration' on Fit and Proper Criteria;
- (iii) to ensure that the fit and proper assessments are supported by relevant information in relation to the Key Persons such as Personal Declaration;
- (iv) to take reasonable steps within permissible written laws to verify the information obtained from the person being assessed where such information is material to the determination of the person's fitness and propriety against independent sources;
- (v) to ensure that a regular review on the Key Persons is conducted;
- (vi) to conduct basic credit check ("Credit Check") and background screening by checking with or doing the following:
  - (a) Credit Tip-Off Sdn Bhd ("CTOS")
  - (b) Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 ("AMLA") covering :
    1. Bank Negara Malaysia website
    2. UN Security Council resolution 1267 list
    3. United States Dept. of the Treasury Specially Designated Nationals
    4. Ministry of Home Affairs website
  - (c) Other credit checks will be as follows:
    1. Insolvency Dept for bankruptcy (no consent required)
    2. E-Konsular for Certificate of Good Conduct – applicant need to apply online.
- (vii) to ensure that all reasonable steps are taken to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modification or disclosure;
- (viii) when required, the Human Resource Department shall assist the EC in the process of appointing new key personnel and / or members for the position of the Key Persons.

### **3.4 Compliance Department**

3.4.1 CD is responsible for the following:-

- (i) to monitor that appropriate fit and proper assessments are carried out for the Key Persons and the Self Declaration of Fit and Proper Criteria are completed;

- (ii) to monitor that the fit and proper assessments are being conducted in accordance with the Policy; and
- (iii) to provide regular training on ethical business conducts.

#### **4. FACTORS/CRITERIA TO DETERMINE IF A PERSON IS FIT AND PROPER**

##### **4.1 The factors/criteria for assessment of Directors and Key Persons**

- 4.1.1 A person must not be disqualified pursuant to Sections 198 and 199 of the CA and must satisfy the following criteria to be considered fit and proper to hold a Director/Key Person position:
- (i) Probity, personal integrity and reputation – Person must have the personal qualities such as honesty, integrity, diligence and independence of mind and fairness.
  - (ii) Competence and capability – Person must possess the relevant knowledge, experience, ability to understand the technical requirement of the business, the inherent risks and the management process required to perform his/her role in a key function in the relevant capacity effective.
  - (iii) Financial integrity – Person must manage his own financial affairs properly and prudently.
- 4.1.2 In determining whether a person meets requirements in 4.1.1(i), (ii) and (iii) above, the factors should be assessed individually (according to their relative importance) as well as on cumulative basis.
- 4.1.3 Consideration must be given to each of these factors, along with the circumstances surrounding them, including the lapse of time since the occurrence of events and the significance of the event from the perspective of potential risks posed to the Company.
- 4.1.4 Considerations relevant to the assessment of the fitness and propriety of Directors/Key Persons may vary depending on the degree of their influence and responsibilities in the affairs of the Company. For example, the NRC should consider whether there have been material changes in the nature or scope of the responsibilities assumed by an individual which would call for higher standards of competence or judgment in order to properly perform the duties associated with the said position, or which may give rise to new conflicts that could impair the individual's performance in the position. Similarly, circumstances which warrant an individual to be considered as fit and proper may differ from one position to another
- 4.1.5 If a person is found to be unfit to hold the post of a key personnel and / or member of senior management due to negative background screening findings (due to bankruptcy, AMLA issues or any other issue deemed significant by the Company), that person may make an appeal against the findings and provide full documentary evidence in support of his or her appeal.

#### **5. PROCESS FOR FIT AND PROPER ASSESSMENT**

##### **5.1 Prior to Appointment**

- 5.1.1 In assessing whether a person meets the fit and proper requirements prior to his/her appointment, the CS (for Directors and EC/CEO) and HRD (for other Key Persons) are required to ensure that the Directors and EC/Key Persons complete **the Self Declaration of Fit and Proper Criteria and sign off the Consent for Disclosure of Credit Information.**

- 5.1.2 Upon completion and declaration by Directors and EC/Key Persons on the prescribed form, CS (for Directors and EC/CEO) and HRD (for other Key Persons) will conduct Credit Check and with the other authorities as required under the AMLA in accordance with paragraph 3.2 and 3.3.
- 5.1.3 The assessment encompassing the declaration, Credit Check and the other checks pursuant to AMLA must be completed and the documentation must be transparent to facilitate the inspection team from designated competent authorities to understand the basis for the decision. The completed documents should accompany the request for approval for appointment.
- 5.1.4 For the proposed appointment of Directors and EC/CEO, the CS will submit the proposed appointment to the NRC for its recommendations to the Board for approval. For other Key Persons, the HRD will submit the proposals to the NRC for its recommendation to the Board for approval.

## **5.2 After Appointment**

### **5.2.1 Annual Assessment**

- (i) On an annual basis, the CS and HRD must conduct an assessment of the Directors and Key Persons and document its findings/results on each of them addressing the following:-
- (a) whether the person has at any time failed to comply with the requirements under this Policy;
  - (b) any convictions; and
  - (c) any conflict of interest.
- (ii) Upon completion of the annual review, a report on exception findings, if any, and proposals resulting therefrom shall be presented to the NRC and the Board for deliberation.

## **5.3 Adverse findings on assessment**

- 5.3.1 If any one of the Directors/Key Persons has been assessed as fit and proper; and the Company subsequently becomes aware of information that may result in the person being assessed as not fit and proper, the person must not continue to hold the directorship or that Key Person position.
- 5.3.2 Any significant adverse developments detected must be brought to the attention of the NRC within fourteen (14) days from the date of detection and thereafter the Board should be notified of such adverse findings.
- 5.3.3 Where the NRC has assessed and if the Board agrees that a Director/Key Person is not fit and proper, then the Board may take such action as deem appropriate, which may include:-
- (i) If a contract of employment or appointment applies, dealing with that person in accordance with that contract, which, in appropriate circumstances, may include termination of employment or appointment;
  - (ii) Take necessary measures to mitigate risks associated with the person continuing to hold the position; and
  - (iii) Removing that person from the Director/Key Person position, if he/she is no longer fit and proper for a position, with no entitlement to claim any compensation for such removal.

## **5.4 Re-appointment**

- 5.4.1 The same assessment criteria for the appointment of Directors and the Key Persons shall be applicable for re-appointment.

## **6. REPORTING AND MONITORING REQUIREMENTS**

- 6.1 This Policy will be jointly monitored as to its application principally by the CD, HRD and CS.
- 6.2 The NRC and the Board should be kept updated of the fit and proper assessments for each Director/Key Person through the summary which will be prepared and tabled by CS (for Directors and EC/CEO) and HRD (for other Key Persons) at least annually.
- 6.3 If any person within the Company becomes aware of any information which may be relevant for the fit and proper assessment concerning the Director/Key Person, immediate escalation to the CD/HRD and the EC/Board is required.

## **7. TRAINING**

- 7.1 The Company, on an on-going basis, is to ensure relevant professional training is available (internal or external) to the Directors/Key Persons, to enable them to constantly meet the fitness requirements of their roles. Nomination for such training to be perused as per the applicable training nomination procedure accordingly.
- 7.2 Similarly, the CD will provide regular training on ethical business behaviours such as anti-fraud and anti-corruptions topics, providing employees with clear rules for proper behaviours, both for themselves and their reporting staff either via internal, external or online training mechanism.

## **8. DATA PRIVACY**

- 8.1 The Company shall safeguard the confidentiality of the information collected and assessments made.
- 8.2 Any personal information collected (including sensitive information) for the purposes of conducting a fit and proper assessment will be disclosed to the competent authority and on a need to know basis as required under this Policy.
- 8.3 In carrying out a fit and proper assessment, personal information (including sensitive information) about an applicant or personnel may be collected by CS and HRD. If personal information (including sensitive information) is collected, it will be used solely to:
- (i) assess a person's fitness and propriety;
  - (ii) comply with legislative and regulatory requirements; and
  - (iii) perform administrative functions including risk management.

## **9. DOCUMENT RETENTION**

- 9.1 CS and HRD must ensure that:-

- (i) documentation relating to the assessment for each Director and Key Person should be retained for at least seven years after the final date of service ;
- (ii) the documentation gathered for an unsuccessful applicant relating to assessment conducted as a component of the recruitment process shall not be kept beyond the necessary retention period.
- (iii) it shall be the duty of the CS and HRD to take all reasonable steps to ensure all personal data is destroyed or permanently deleted if no longer required for the purpose it was first processed.

9.2 The CS and HRD must ensure that the following are maintained and made readily available for inspection by any authorities upon request:

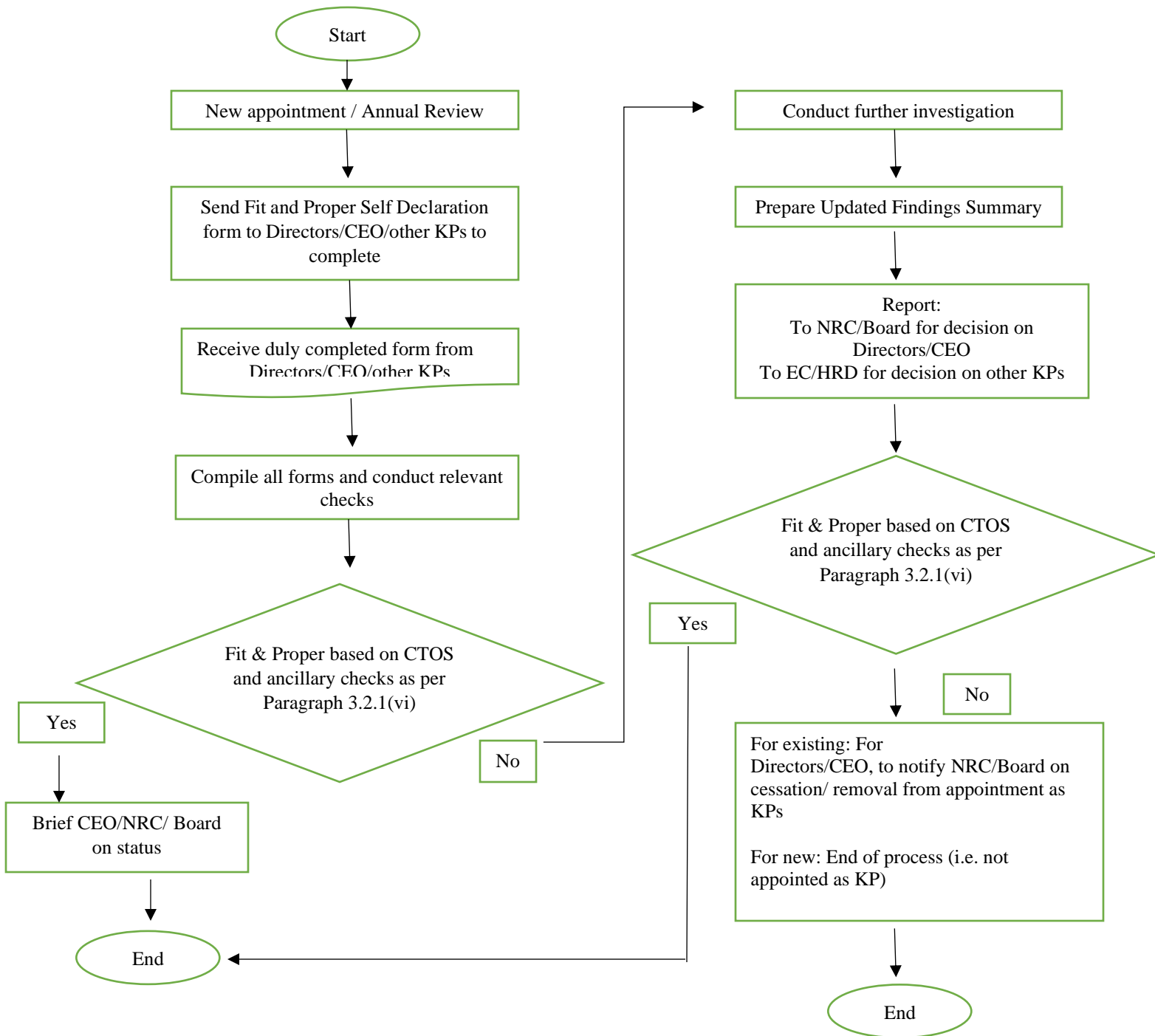
- (i) a list of the Directors and Key Persons within the Company ; and
- (ii) full documentation of all assessments for each Director and Key Person carried out pursuant to this Policy.

9.3 CD is responsible to ensure that this Policy is updated from time to time.

## **10. APPENDIXES**

10.1 Appendix 1 – Flowchart

**Appendix 1**  
**Flowchart for Fit and Proper requirements for Directors/CEO/Key Persons**





**Attention: MAA Group Berhad**

**Re: Letter of Consent for Disclosure of Credit Information**

Pursuant to the Credit Reporting Agencies (CRA) Act 2010 and Central Bank of Malaysia Act 2009, I/we the undersigned do hereby give my/our consent to you and CTOS Data Systems Sdn Bhd ("CTOS"), a registered credit reporting agency under the CRA Act to process my/our company personal data.

By this consent, I/we understand and agree that:

i) You may conduct credit/trade check including CCRIS checks on me/us and when consent has been given individually, on our directors, shareholders, guarantors, etc. with CTOS at any time for as long as I/we have a trade relationship with you or where any dues remain unpaid and outstanding with you, for any one or more of the following purposes:

- Opening of account
- Credit/Account monitoring
- Debt recovery
- Credit/Account evaluation
- Credit/Account review
- Legal documentation consequent to a contract or facility granted by you.

ii) You may disclose any information on my/our conduct of my/our account(s) with you, to any business entity/ies for bona fide trade checking at any time. I/We am/are also aware and understand that such information will be provided to CTOS, who may in turn share such information to subscribers of their service.

iii) Where you require any processing of my/our application to be processed by any processing centre located outside Malaysia (including your Head Office), I/we hereby give consent to CTOS to disclose my/our credit information except CCRIS, to such locations outside Malaysia.

iv) Apart from the above, I/we the undersigned do give my/our consent to you and the CTOS, to process my/our personal data as per the PDPA Act. Pursuant to the Credit Reporting Agencies Act 2010 ("Act"),

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**Name :**

**NRIC :**

**Date :**



**MAA GROUP BERHAD**  
Registration No.: 199801015274 (471403-A)

**DECLARATION**

**FIT AND PROPER PERSON (FOR DIRECTOR/KEY PERSONS)**

I, ....., \_\_\_\_\_ of **MAA Group Berhad** (“the Company”) declare that:

***Probity, Personal Integrity and Reputation***

1. I am not and have not been the subject of any proceedings for criminal and or disciplinary offence relating to dishonesty or fraud under any written law or the law of any country, territory or place outside Malaysia or have not 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 about 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 license to conduct any trade, business or profession, or has had that registration, authorisation, membership or license 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 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 license of which has been revoked under any written law;
10. I have not in the past, 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 failed 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;
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 judgment when acting in the capacity of a key responsible person which would be disadvantageous to the Company or the Company's interest;

***Competence and Capability***

15. I have the appropriate qualification, training, skills, practical experience and commitment to effectively fulfill the role and responsibilities of the position as \_\_\_\_\_ having regard to my other commitments;
17. I have satisfactory past performance or expertise in the nature of the business being conducted;

***Financial Integrity***

18. I have been and will be able to fulfill my financial obligations, whether in Malaysia or elsewhere, as and when they fall due;
  19. I have not been the subject of a judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.
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**Others**

- 20. I agree to undertake any training reasonably required by the Company so as to meet or to continue to meet the Fitness and Propriety requirements;
- 21. I will notify the Company immediately should any of the above change while I am an employee of the Company;
- 22. There are no other events or matters which affect my status as a Fit and Proper person;
- 24. I understand that I may access my personal information and contact the Company by contacting the **Head of the HR Department** ;
- 25. I understand that if I provide the Company with incomplete or inaccurate information, the Company may not be able to carry out my initial and/or annual Fit and Proper Assessment for the purposes of complying with this Policy;
- 26. I agree to return a completed Fit and Proper Declaration to the **Head of the HR Department** and to provide the Company with any information required for the purposes of compliance with the authorities/regulators on Fit and Proper for Senior Management and this Policy, prior to my employment with the Company and on an annual basis.

I hereby:

- a. declare that I am a Fit and Proper person as described above and have initialed each page of the Declaration; and
- b. acknowledge that the Company may conduct checks (Police check if required) and obtain references, and also give consent to the use of any information (including my personal information or sensitive information) by the Company to comply with the Policy and/or the Guidelines on Fit and Proper for Directors issued by the authorities/regulators.

.....  
Signature of \_\_\_\_\_  
(Name)

.....  
Signature of Witness \_\_\_\_\_  
(Name)

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

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

**Company Secretary (For Directors & CEO only)**

No.	Section 213 of the Companies Act 2016	Yes	No
1	Undischarged Bankrupt.		
2	Has suspended payments whether in or outside Malaysia.		
3	Guilty to a charge of dishonesty and / or fraud under any written law.		
4	Prohibited from being a director of a company under section 198 of the Companies Act 2016 and has not obtained any leave of court under the same section.		
5	Guilty of any prevention of crime, drug trafficking or immigration law.		

No.	Credit Check	Yes	No
1	Credit Tip-Off Sdn. Bhd. (CTOS).		
2	World Check (International Sanction & Banned Person Check / Criminal Check).		

No.	Forms	Yes	No
1	Self declaration on fit and proper criteria.		

No.	Verification	Yes	No
1	Has reasonable steps within permissible written laws to verify the information obtained from the person being assessed where such information is material to the determination of the person's fitness and propriety against independent sources been taken?		
2	Ensure that a regular review on the list of key responsible persons is conducted and the list is comprehensive and has taken into account all key positions within the company.		
3	Ensure that all reasonable steps are taken to protect the information and documents collected for fit and proper assessments from misuse, unauthorised access, modification or disclosure.		

**Background screening service provider**

No.	Checklist	Yes	No
1	Identity check (Local identity card or international passport).		
2	Eligibility to work in Country (For non-citizens).		
3	Employment history for past 5 years, maximum 3 jobs.		
4	Financial probity check.		
5	International sanction check & banned persons check.		
6	Professional qualifications and memberships of professional bodies.		
7	Directorship check (Including self declaration).		
8	Pre-employment medical check up (Not applicable to Director)		

**Process for fit and proper assessment**

No.	Prior to appointment	Yes	No
1	Ensure key responsible persons to complete the self declaration of fit and proper criteria.		
2	Conduct credit check & world check		
3	Completion of assessment encompassing declaration, credit check and world check has been completed.		
4	Submit proposed appointment to NRC.		

No.	After Appointment	Yes	No
1	Conduct annual assessment on key responsible persons and document findings / results on each of them addressing the following: a. Whether the person has at any time failed to comply with the requirements under the fit and proper policy and procedure for key responsible person; b. any convictions; and c. any conflict of interest.		
2	Prepare report regarding annual assessment result and present to the NRC and the board for deliberation.		