

DIRECTORS' FIT AND PROPER POLICY

Objectives

The policy sets out the approach to the assessment of the fitness and propriety of persons who hold, or who are to be appointed or elected to hold director position. This policy shall apply to new appointment and re-election of directors of the Company and its subsidiaries.

This policy also serves as a guide to the Nominating Committee and the Board on the selection and recommendation of candidate to become member of Board of Directors as well as the retiring director seeking for re-appointment.

Fit and Proper Criteria

For the purpose of assessing whether a person is fit and proper to become a Director, the fit and proper criteria of a director should include but not limited to the following:

(A) Character and Integrity

(i) Probity

- is compliant with legal obligations, regulatory requirements and professional standards.

(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; and
- has not abused other positions (i.e. political appointment) to facilitate government relations for a business or company in a manner that contravenes the principles of good governance.

(iii) Financial Integrity

- manages personal debts or financial affairs satisfactorily; and
- 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; and
- 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

- has demonstrated, through qualification, training and skills to effectively undertake the responsibility of the position;
- possesses general management skills as well as understanding of corporate governance and sustainability issues;
- keeps knowledge current based on continuous professional development; and
- possesses leadership capabilities and a high level of emotional intelligence.

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(B) Experience and Competence (Cont'd)

(ii) 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 organization's governance, business performance or operations.

(C) Time and Commitment

(i) Ability to Discharge Role

- able to devote time as a director, having factored other outside obligations including concurrent board positions held by the director across listed companies and non-listed companies (including not-for-profit organizations).

(ii) Participation and Contribution in the Board or Track Record

- demonstrates willingness to participate actively in board activities;
- exhibits ability to articulate views independently, objectively and constructively; and
- exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

Assessment of Fit and Proper Criteria

The Nominating Committee will assess each and every new appointment or re-election of director based on the fit and proper criteria by completing Board Assessment and Evaluation Form before recommending to the Board for approval.

Review of Policy

The terms of this policy shall be assessed, reviewed and updated when necessary. Any amendment / revision required to the policy shall be recommended to the Board for Approval.