



DIRECTORS' FIT AND PROPER POLICY

1. PURPOSE

- 1.1 The Directors' Fit and Proper Policy ("the Policy") sets out the fit and proper criteria for the appointment and re-appointment of Directors on the Board of Talam Transform Berhad ("TTB") and its subsidiaries ("TTB Group").
- 1.2 To ensure that each of the Directors has the character, integrity, experience, expertise, skills, competence and time to effectively discharge his/her role as a Director of TTB and its subsidiaries.
- 1.3 Serves as a guide to the Nomination and Remuneration Committee ("NRC") and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

2. CRITERIA

- 2.1 The fit and proper criteria of a Director include but is not limited to the following:

2.1.1 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.

(ii) Personal integrity

- has not perpetrated or participated in any business practices which are deceitful, oppressive, improper, unlawful, or which otherwise reflect discredit on his/her professional conduct.
- service contract (whether in the capacity of management or Director) had not been terminated in the past due to concerns of personal integrity.

(iii) Financial integrity

- manages personal debts or financial affairs satisfactorily.
- demonstrates ability to fulfil personal financial obligations.

(iv) Reputation

- is of good repute in the financial and business community.
- has not been the subject of criminal proceedings in managing or governing an entity for the past 5 years.
- has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned by fraud in that management.

2.1.2 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 to match 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 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.

2.1.3 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 interest and commitment 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.

3. THE ASSESSMENT

- 3.1 The NRC will assess each person for a new appointment or re-appointment of Directors based on the criteria set under item 2.1 before recommending to the Board for approval. The Board Evaluation Form is set out in Annexure 1 (The questionnaires are based on the Corporate Governance Guide 4th Edition).
- 3.2 For the appointment of new Director, the person is required to complete the Prospective Directors Information as set out in Annexure 2.
- 3.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

4. REVIEW OF THE POLICY

- 4.1 The NRC shall recommend any change to the Policy as the NRC deems appropriate to the Board for approval. The terms of the Policy shall be assessed, reviewed and updated where necessary or when there are changes to the Malaysian Code on Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements.

5. DISCLOSURE

The Policy will be published on the Company's website at www.ttransform.com.my for stakeholders' information.

TALAM TRANSFORM BERHAD [Company No. 192001000012 (1120-H)]

DIRECTORS' EVALUATION FORM

This Evaluation Form is to be completed by the individual director based on the following ratings:-

4	3	2	1
Above average	Average	Below Average	Poor
Yes, Always	Yes, most of the time	Yes, but seldom	No

OR

Yes	No
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Name of director:

		Rating (Please tick(✓) accordingly but if not applicable, please state as "Not Applicable")					
		Yes	No	1	2	3	4
Section A : Fit and Proper							
1	Has been questioned, of his/her honesty, integrity, professional conduct or business ethics/practices which are deceitful, oppressive or improper and investigated on complaints lodged						
2	Has shown willingness to maintain effective internal control systems and risk management practices						
3	Possesses relevant qualifications, knowledge, experience and ability to understand the technical requirements, risk and management of the company's business						
Section B : Contribution and Performance							
4	Probes management to ensure management has taken, and suggests management to take into consideration the varying opportunities and risks whilst developing the strategic plan (this plan may or may not be in writing as long as minutes of meeting provide a discussion of such strategy)						
5	Probes management when there are red flags/concerns which could, amongst others, indicate possible non-compliance of regulatory requirements						
6	Provides logical honest opinions on issues presented and is not afraid of expressing disagreement on matters during the meeting, if any						
7	Receives feedback from board and/or committee and incorporates feedback obtained into the decision-making process in an objective manner						

		Rating (Please tick(✓) accordingly but if not applicable, please state as "Not Applicable")					
		Yes	No	1	2	3	4
8	Defends own stand through constructive deliberations at board and/or committee meetings, where necessary						
9	Tackles conflicts and takes part in proposing solutions						
Section B : Contribution and Performance							
10	Offers practical and realistic advice to board and/or committee discussions						
11	Takes initiative to demand for additional information, where necessary						
12	Tests quality of information and assumptions						
13	Reviews and relates short-term concerns to long term strategy						
14	Contributes to risk management initiatives						
15	Contributes personal knowledge and experience into the consideration and development of strategy						
16	Facilitates objective-oriented decision-making process						
17	Prioritises context of issues to be in line with objectives						
18	Effectively and proactively follows up on areas of concern						
19	Demonstrates willingness to devote time and effort to understand the company, its business and readiness to participate in events outside the boardroom, such as site visits						
Section C : Calibre and personality							
20	Acts in good faith and with integrity						
21	Attends meetings well prepared and adds value to board and/or committee meetings						
22	Works constructively with peers, the company secretary and senior management						
23	Offers insight to matters presented with requisite knowledge and skills, and shares information						
24	Encourages others to get things done, is decisive and action-oriented						
25	Articulates in a non-confrontational and comprehensible manner						
26	Understands individual roles and responsibilities and ensures contribution is contemporary with developments						

		Rating (Please tick(✓) accordingly but if not applicable, please state as “Not Applicable”)					
		Yes	No	1	2	3	4
27	Behaviour engenders mutual trust and respect within the board and other key officers						
28	Communicates effectively with shareholders						
29	Constructively challenges and contributes to the development of strategy						
Section C : Calibre and personality							
30	Scrutinises the performance of management in meeting agreed goals and objectives, and monitors reporting of performance						
31	Satisfies himself/herself that financial information is accurate and financial controls and systems of risk management are robust and defensible						

Confirmed by:

Name:

Designation:

Date:

Name of Company:

Part A: Personal Details

1	Full Name	
2	Date of Birth	
3	NRIC No./Passport No.	
4	Citizenship	
5	Permanent Address	
6	Correspondence Address (if different from above)	
7	Telephone No.	
8	Email Address	

Part B: Education Background and Work Experience

No	Questions	Answers
1	Education Qualification (List all chronologically from the latest qualification)	
2	Work Experience (List all chronologically from the latest experience to the last) (Please use separate paper if required)	

No	Questions	Answers
3	What do you consider to be your core area(s) of expertise?	

Part C: Directorship

1	List of Current and Past Directorship (Please use separate paper if required)	
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Part D: Declaration

No	Questions	Yes	No
1	Do you have any relationship with any Directors in TTB?		
		If yes, please state details.	

No	Questions	Yes	No
2	Do you have any interest, both direct and indirect in TTB?		
		If yes, please state details.	
3	Do you have any relatives currently working in TTB?		
		If yes, please state details.	
4	Have you ever been committed of any commercial and criminal crimes including but not limited to traffic offence under the Laws of Malaysia?		
		If yes, please state details.	
5	Are you currently and/or the company where you are the director been notified of any impending disciplinary or criminal proceedings or of any investigations, which might lead to such proceedings?		
		If yes, please state details.	

No	Questions	Yes	No
6	Have you or the company where you are a director contravene any provision made by or under any written law such as the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, the Malaysian Anti-Corruption Commission Act 2009, the Companies Act 2016, Capital Markets and Services Act 2007 and any other applicable laws?		
		If yes, please state details.	
7	Have you or the company where you are a director been reprimanded by the regulators namely, Securities Commission Malaysia and Suruhanjaya Syarikat Malaysia?		
		If yes, please state details.	
8	Have you involved in any business or relationship which could materially pose a conflict of interest or interfere with your judgment when acting as a director which is disadvantageous to the company?		
		If yes, please state details.	
9	Are you currently a bankrupt?		
		If yes, please state details.	

No	Questions	Yes	No
10	Do you hold a post in any political party?		
		If yes, please state details.	

Part E: Others

No	Questions	Your Answer
1	What kind of time commitments do you now have for your current activities?	
2	What would your expectations be for the time necessary for TTB Board?	

I,.....(NRIC/Passport No:) hereby declare that the above responses are true and correct, as to the best of my knowledge. I further authorise the Company to conduct background check, if necessary, which may consist of prior employment verification, professional reference checks, education confirmation and/or criminal record and credit checks for the purpose of my appointment as a Director of SESB.

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Signature

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Name :
Date :