

CYPARK RESOURCES BERHAD

[Registration No. 200401004491 (642994-H)]
(Incorporated in Malaysia)

Directors' Fit and Proper Policy

1. **POLICY OBJECTIVE**

- 1.1 The Board of Directors of the Company ("the Board") has adopted a fit and proper policy for the appointment¹ and re-election² of Directors ("the Policy") of the Company and its subsidiaries ("the Group").
- 1.2 This Policy will enhance the governance of the Company in relation to the Board's quality and integrity, as well as ensure that each of its Directors has the character, experience, integrity, competence, time and commitment to effectively discharge his role as a Director.
- 1.3 The Board shall ensure that the fit and proper criteria on the appointment and re-election of Directors of the Group set out in Paragraph 2 are applied on a continuing basis.
- 1.4 The Board and the Nomination Committee shall conduct the fit and proper assessment prior to the appointment of any candidate as a Director or making recommendation for the re-election of an existing Director.

2. **FIT AND PROPER CRITERIA**

The assessment procedures shall be in a form of due diligence taking into account the following fit and proper criteria conducted by the Nomination Committee and declarations by each individual candidate or Director:-

2.1 **Character and Integrity**

i. Probity

- Complies with legal obligations, regulatory requirements and professional standards.
- Has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.
- Have not been reprimanded or disqualified or removed by a professional or regulatory body in relation to matters in respect to the person's honesty, integrity or business conduct.

¹ Appointment – refer to any new appointment of Director to the Board

² Re-election – refer to the re-election of existing Director who is due to retire in accordance with the Company's Constitution

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.
- Has no concurrent responsibilities or interest which would contribute to conflicts of interest or otherwise impair the ability to discharge duties and responsibilities as Director of the Company and/or its subsidiaries.

iii. Financial integrity

- Manages personal debts or financial affairs satisfactorily.
- Demonstrates the ability to fulfil personal financial obligations as and when they fall due.
- Have not been subjected to a judgment debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere.

iv. Reputation

- Good repute in the financial and business community.
- Has not been convicted of any civil or criminal offences for the past 5 years.
- Has not been substantially involved in the management of a business or company which has failed (including a Guidance Note 3 or Practice Note 17 company), where that failure has been occasioned in part by deficiencies in that management.

2.2 Experience and Competence

i. Qualification, training and skills

- Possesses education qualification that is relevant to the skill set that the Director is earmarked to bring into 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.
- Financial literacy especially able to read and understand financial statements.

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.

iii. Relevant past experience or track record

- Had a career of a senior management or high-level position in an organisation and was accountable for driving or leading the organisation's governance, business performance or operations.

2.3 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 existing board positions held by the Director in other listed issuers (taking into consideration his board attendance records) and non-listed entities (including not-for-profit organisations).

ii. Participation and contribution in the Board or track record (applicable for re-election of existing director only)

- 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.

3. EVALUATION OF A CANDIDATE FOR DIRECTORSHIP

- 3.1 The Nomination Committee will evaluate candidates for new appointment as Directors based on the fit and proper criteria as spelt out in Paragraph 2 above before recommending to the Board for approval.
- 3.2 For the appointment of new Director, the person required to complete the Prospective Director's Information as set out in "Annexure 1".
- 3.3 For re-election of Directors, the Directors will be evaluated based on the Director's Evaluation Form as set out in "Annexure 2". The Nomination Committee has the power not to recommend the re-election of retiring Directors who do not meet the policy requirements to the Board.
- 3.4 Due diligence checking and record keeping will be performed by the Company's Risk and Legal Department. The information gathered from the assessments shall be for the Nomination Committee's strict use for the purpose of assessment and not for public disclosure.

4. REVIEW OF THE POLICY

- 4.1 The Nomination Committee will review this Policy from time to time and make any necessary amendments taking into consideration the needs of the Company as well as any changes to the Malaysian Code on Corporate Governance, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements.
- 4.2 Any amendments to this policy shall be tabled to the Board for approval and made available on the Company's website at <http://www.crbenv.com>.

This Policy has been duly approved and adopted by the Board of Directors of the Company on 23 June 2022.