



*The Symbol of Quality*

# **ASTINO BERHAD**

200001020478 (523085-X)

(Incorporated in Malaysia)

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

## 1. Policy Objective

- i. The policy aims to provide guidance to Nomination Committee and Remuneration Committee in assessing and review the appointment, re-appointment and re-election of director.
- ii. To ensure that each of the directors has the character, experience, integrity, competence, range of skills, knowledge and time commitment to effectively discharge his role as a director of Astino Berhad (“the Company”) and its subsidiaries.

## 2. Fit and Proper Criteria

- i) Character and Integrity
  - a. 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
  - b. 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 and professional ethics.
  - c. Financial Integrity
    - manages personal debts or financial affairs satisfactorily
    - demonstrates ability to fulfil personal financial obligations as and when they fall due
    - have not been subjected to a judgement debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere
  - d. 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
- ii) Experience and competence
  - a. Qualifications, training and skills
    - possesses education qualification that is relevant to the skill set that a 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
  - b. 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
  - c. 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
  - iii) Time and commitment
    - a. 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)
    - b. 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 independently, objectively and constructively
      - exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others
- 2. Assessment**
- i) The Fit and Proper Criteria should be assessed by the Nominating Committee and Board.
  - ii) The Fit and Proper assessments should be incorporated into director's annual assessment.
- 3. Disclosure**
- The nomination and election process of directors including the application of the Company's fit and proper policy as a factor in determining the board's decision to appoint or re-appoint a director is disclosed in the Annual Report.
- 4. Periodic Review**
- This policy shall be reviewed annually by the Nomination Committee and is available on the Company's website.