KEIN HING INTERNATIONAL BERHAD

[Registration No. 200301013636 (616056-T)]

FIT AND PROPER POLICY

DULY APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS OF KEIN HING INTERNATIONAL BERHAD AT THE BOARD OF DIRECTOR'S MEETING HELD ON 24 JUNE 2022
[LAST REVIEWED ON 25 JUNE 2026 (REVISION NO. 0004)]

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1. INTRODUCTION

Pursuant to the Amendments to the Main Market Listing Requirements ("MMLR") dated 19 January 2022, Kein Hing International Berhad ("KHIB" or the "Company") has adopted the Directors' Fit and Proper Policy ("this Policy") to address board quality, integrity and transparency for appointment and re-election of directors of the Company and its subsidiaries which must be published on the Company's website, starting 1 July 2022.

In formulating this Policy, the Company is obliged to comply with the requirements contained in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and other applicable rules and regulations at the prevailing country where its subsidiaries operate in to ensure compliance with the obligations imposed.

2. OBJECTIVE

This Policy aims to provide guidance to the Company's Nominating Committee ("NC") and the Board of Directors (the "Board") in their review and assessment of candidates who are to be appointed onto the Board as well as directors who are seeking for re-election in the Company and/or its subsidiaries in compliance with the new Rule 15.01A of MMLR.

This Policy ensures that Directors must possess the character, integrity, skills, knowledge experience and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders.

3. FIT AND PROPER CRITERIA

In assessing if a candidate met the Fit And Proper criteria under this Policy, the Board and NC will consider factors which include but are not necessarily limited to the following:

3.1 Character and integrity

(a) Probity

(i) complies with legal obligations, regulatory requirements and professional standards.
(ii) has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court.
(iii) has 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.
(iv) has the correct moral behavior, honesty, decency and uprightness.

(b) Financial soundness and solvency

(i) manages personal debts or financial affairs satisfactorily.
(ii) demonstrates ability to fulfil personal financial obligations as and when they fall due.
(iii) has not been subjected to a judgment debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere.

(c) Personal integrity, honesty and ethical behaviour

(i) 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.
(ii) service contracts (i.e. in the capacity of management or Director) have not been terminated in the past due to concerns on personal integrity.
(iii) has no concurrent responsibilities or interest which would contribute to a conflict of interest situation or otherwise impair the ability to discharge duties and responsibilities as Director of the Company and/or its subsidiaries.
(iv) has not abused other positions (i.e. that he has held) in a manner that contravenes principles of good governance and professional ethics.

(d) Good reputation

(i) is of good repute in the financial and business community.
(ii) has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years.
(iii) has not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities both local or abroad.
(iv) 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.

3.2 <u>Competence and capability</u>

(a) Qualifications, training and skills

(i) possesses education qualification that is relevant to the skill set that the Director is earmarked to bring to bear onto the boardroom (i.e. a match to the board skill set matrix).
(ii) has a considerable understanding on the business and workings of a large public corporation.
(iii) has adequate and broad knowledge including the United Nations Sustainable Development Goals on sustainability as well as Environment, Social & Governance (ESG) issues.
(iii) possesses general management skills as well as understanding of good corporate governance best practices.
(v) has financial literacy especially able to read and understand financial statements.
(vi) keeps knowledge current based on continuous professional development.

(b) Relevant experience and expertise

(i) possesses the 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

(i) has careers of occupying a high-level position in a comparable organization and were accountable for driving or leading the

organization's governance, business performance or operations.

(ii) possess commendable past performance record as gathered from the results of the board effectiveness evaluation.

3.3 <u>Time and commitment</u>

(a) Ability to discharge role having regard to other commitments

(i) is able to devote time as Board members, having factored other outside obligations including concurrent Board positions held by the Directors across listed issuers and non-listed entities (including not-for-profit organizations).

(b) Participation and contribution in the Board or track record

(i) demonstrates willingness to participate actively in Board activities.
(ii) demonstrates willingness to devote time and effort to understand the businesses and exemplify readiness to participate in events outside the boardroom.
(iii) manifests passion in the vocation of a Director.
(iv) exhibits ability to articulate views independently, objectively and constructively.
(v) exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

4. EVALUATION OF A CANDIDATE FOR DIRECTORSHIP OR RE-APPOINTMENT OF DIRECTOR

4.1 The NC will evaluate candidates for new appointment as Directors based on the fit and proper criteria as spelt out in 3 above before recommending to the Board for approval.

4.2 For re-appointment of Directors, the Directors will be evaluated based on the Board Evaluation Form. The NC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet this Policy requirements.

4.3. For new appointments, the candidates are required to complete the Candidate for Directorship profile. The candidates will also be required to complete a self-declaration of fit and proper form and authorise the Company to perform background check, if necessary, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks.

4.4 The information gathered from the assessments shall be for the NC's strict use for the purpose of the assessment and not for public disclosure.

5. POLICY SUBJECT TO PERIODICAL REVIEW

5.1 The NC will review this Policy annually or when a change occurs. This Policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance 2021.

5.2 The changes to the terms of this Policy shall be subject to the approval of the Board.

5.3 The Directors' Fit and Proper Policy has been first adopted by the Board on 24 June 2022 and last reviewed on 25 June 2026 (Revision No. 0004).

6. LOCATION

The Fit and Proper Policy can be accessed at the Company's website at www.keinhing.com.