



WINSTAR CAPITAL BERHAD

Registration No. 202301049890 (1543804-K)

DIRECTORS' FIT AND PROPER POLICY

WINSTAR CAPITAL BERHAD
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(Incorporated in Malaysia)

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DIRECTORS' FIT AND PROPER POLICY

1.0 INTRODUCTION

The Board of Directors ("**Board**") of Winstar Capital Berhad ("**Company**") has adopted this Directors' Fit and Proper Policy ("**Policy**") to govern the appointment and re-election of Directors for the Company and its subsidiaries (collectively referred to as the "**Winstar Group**").

This Policy outlines the approach, guidelines and procedures to ensure that a formal, rigorous and transparent process is established and adhered to for the appointment and re-election of Directors within Winstar Group.

2.0 OBJECTIVE

This Policy serves to:

- (a) ensure that all Directors within Winstar Group possess the necessary character, experience, integrity, competence and time to effectively discharge their duties as Directors; and
- (b) assist the Board and the Nomination and Remuneration Committee ("**NRC**") in conducting comprehensive assessments of candidates prior to appointment, as well as of existing Directors seeking re-election.

3.0 FIT AND PROPER CRITERIA

In assessing the candidates identified to be appointed as Directors of Winstar Group and/or any existing Directors of Winstar Group seeking for re-election, the NRC and/or the Board will take into consideration the following criteria:

3.1 Character and Integrity

(a) Probity

- complies with legal obligations, regulatory requirements and professional standards;
- demonstrates a commitment to ethical practices and integrity in all professional interactions;
- has not been involved in any actions that could compromise their integrity or the integrity of the organisation, such as fraud, corruption, or other forms of misconduct; and
- has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law.

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(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/her professional conduct;
- service contract, whether in the capacity of management or Director, had not been terminated in the past due to concerns on personal integrity;
- have 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;
- 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; and
- 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.

(c) Financial soundness and solvency

- manages personal debts or financial affairs satisfactorily;
- demonstrates ability to fulfil personal financial obligations as and when they fall due; and
- have not been subjected to a judgement debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere.

(d) Good reputation

- is of good repute in the financial and business community;
- has not been convicted in any civil or criminal proceedings or subject to any enforcement actions, related to managing or governing an entity in the past 10 years, either in Malaysia or elsewhere;
- have not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Companies Commission of Malaysia, Bank Negara Malaysia or any other regulatory authorities, whether local or abroad; 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.

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3.2 Experience and Competence

(a) 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 (i.e. a match to the Board's 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 best practices and sustainability issues;
- financial literacy especially able to read and understand financial statements;
- keeps knowledge current based on continuous professional development; and
- possesses management and 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; and
- possesses a commendable past performance record as demonstrated by the results of the Board's effectiveness evaluation or based on the financial and non-financial performance of the corporation where the person identified for appointment as a Director was involved.

3.3 Time and Commitment

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

- able to devote sufficient time as a Board member, having factored other external obligations including concurrent board positions held by the Director across listed companies and non-listed companies (*including not-for-profit organisations*).

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(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; and
- exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.

4.0 ASSESSMENT OF FITNESS AND PROPRIETY OF DIRECTORS

- 4.1 The fit and proper assessments on each Director within the scope of this Policy shall be conducted by the Company both prior to initial appointments and at regular intervals of at least annually or whenever the Company becomes aware of information that may materially compromise a Director's fitness and propriety.
- 4.2 The Company will consider the factors set out in Clause 3 above in assessing a Director's fitness and propriety. The factors shall be assessed individually, as well as collectively, taking into account their relative importance. Failure to meet one factor on its own does not necessarily mean failure to meet the fit and proper criteria. The Company will consider the specific circumstances surrounding a Director's failure to meet specific factors, such as the lapse of time since the occurrence of events, other contributing factors and the significance of the event from the perspective of potential risks posed to the Company.
- 4.3 The Company should exercise the assessment objectively in the best interests of the Company and the sound conduct of the Company's business. In conducting the assessment, the Company should consider whether there have been material changes in the nature or scope of the responsibilities assumed by a Director in which higher standards of competence or judgement are required in order to properly perform the duties associated with the said position.

5.0 NON-DISCLOSURE OF SENSITIVE AND CONFIDENTIAL INFORMATION

Whilst the Company should disclose the customised considerations and expectations in this Policy, the Company will not disclose any sensitive and confidential information.

6.0 APPROVAL

This Policy was reviewed and approved by the Board of Directors of the Company on 26 June 2024.