

PRESTAR RESOURCES BERHAD
[Registration No. 198401010527 (123066-A)]
(Incorporated in Malaysia)

(approved on 25th May 2022 @ 91st Board Meeting)

Directors' Fit and Proper Policy

1. Objective And Scope

1.1 This Fit and Proper Policy ("Policy") sets out the approach for :-

- Establishment of a formal and transparent fit and proper criteria for appointment and reappointment of Directors to the Board of Directors ("Board") of Prestar Resources Berhad ('PRB' or 'Company') and its subsidiaries.
- as a guide to the Board and the Nomination Committee ("NC") in their review, assessment and evaluation of:-
 - (a) any candidate to be appointed as a new Director to the Board; and
 - (b) any existing Director who is seeking for re-appointment.

1.2 The NC is responsible to assess the candidates as per Fit and Proper Policy and make the relevant recommendation to the Board on the proposal regarding appointment and re-election of directors.

The Board is to approve such proposal and where relevant, make a recommendation to the shareholders of the Company for approval at an annual general meeting.

2. Fit And Proper Criteria

2.1 Any person to be appointed or re-elected as a director of the Company or its subsidiaries and associate companies must not be disqualified pursuant to the Companies Act 2016 and Main Market Listing requirements ("MMLR") of BURSA Malaysia Securities Berhad ("BURSA Securities")** and has been assessed to have met all the fit and proper criteria based on, at minimum the following:

- (a) character and integrity;
- (b) experience and competence; and
- (c) time and commitment.

** Pursuant to Section 198(1) of the Companies Act 2016 and Paragraph 15.05(1) of the MMLR.

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 or a court

(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

(iii) Financial integrity

- manages personal debts or financial affairs satisfactorily
- demonstrates ability to fulfill personal financial obligations as and when they fall due

(iv) 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.

2.1.2 Experience and competence

(i) Qualifications, training and skills

- possess appropriate qualification, training, skills, practical experience and commitment to effectively fulfill the role and responsibilities of the position
- 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 and a high level of 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 organization, and was accountable for driving or leading the organization's governance, business performance or operations
- possesses commendable performance record as gathered from the results of the board effectiveness evaluation. (applicable for re-election and re-appointment of directors).

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 companies and non-listed companies (including not-for-profit organizations)

(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 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. Periodic Review of the Fit and Proper Policy

- 3.1 The NC shall review periodically and recommend any change to the Policy as the NC deems appropriate to the Board for approval. The terms of the Policy shall be assessed, reviewed and updated where necessary i.e. when there are changes to the Malaysian Code on Corporate Governance, MMLR of Bursa Securities or any other regulatory requirements.

A copy of the Fit and Proper Policy is available on the Company's website.
