

Directors' Fit and Proper Policy

(Adopted on 1 July 2022)

1.0 OBJECTIVE AND SCOPE

- 1.1 The key objective of this Fit and Proper Policy (“**Policy**”) is to set out the criteria for selection of candidates that are proposed to be appointed as directors of JF Technology Berhad (“**JFB**” or “**Company**”) and its subsidiaries as well as directors who are seeking for re-election. The criteria are intended to guide the Nomination Committee (“**NC**”) and the Board of Directors (“**Board**”) in their review and assessment in making their selection.
- 1.2 The NC is responsible to assess the suitability of the candidates based on the Policy and make the relevant recommendations to the Board on the proposal regarding the appointment and re-appointment/re-election of directors.
- 1.3 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.
- 1.4 This Policy takes effect from 1 July 2022 and will continue to be in force unless varied or revoked by the Board.

2.0 FIT AND PROPER CRITERIA

- 2.1 Any person to be appointed or re-appointed/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 Bursa Malaysia Securities Berhad (“**Bursa Malaysia Securities**”) Listing Requirements (“**LR**”) ¹ 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.

¹ Pursuant to Section 198(1) of the Companies Act 2016 and Paragraph/Rule 15.05(1) of Bursa Malaysia Securities LR.

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/her 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 fulfil 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 ten (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

- possesses appropriate qualification, training, skills, practical experience and commitment to effectively fulfil 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 organisation, and was accountable for driving or leading the organisation's governance, business performance or operations.
- possesses a commendable performance record as gathered from the results of the Board effectiveness evaluation (applicable to re-election/re-appointment of directors).

2.1.3 Time and commitment

(i) Ability to discharge his/her 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 organisations).

(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 the ability to articulate views independently, objectively and constructively.
- exhibits open-mindedness to the views of others and the ability to make considered judgement after hearing the views of others.

3.0 PERIODIC REVIEW OF THE POLICY

- 3.1 The NC shall review periodically and recommend any changes 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, Bursa Malaysia Securities LR or any other regulatory requirements.

- 3.2 A copy of the Policy is available on the Company's website.