

VERSION 1.0
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SILVER RIDGE HOLDINGS BHD

DIRECTOR FIT & PROPER POLICY

Silver Ridge Holdings Bhd (667785 - W) is a provider of Next Generation Telecommunication Solutions. We provide telecommunication system architecture and design services, next generation network solution as well as telecommunication related software solutions.

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FIT AND PROPER POLICY

1. INTRODUCTION

- 1.1. Silver Ridge Holdings Berhad (“Silver Ridge” or the “Company”) has adopted the Directors’ Fit and Proper Policy to ensure a formal, rigorous, and transparent process for the appointment and re-election of directors and senior management of the Company and its subsidiaries.
- 1.2. In formulating this policy, the Company is obliged to comply with the requirements contained in the ACE MARKET Listing Requirement (“Ace Market”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and other applicable rules and regulations at the prevailing country to ensure the compliance with these obligations are being imposed.

2. POLICY OBJECTIVE

- 2.1. The objective of this Policy is to guide the Nomination Committee (“The NC”) and the Board in their review and assessment of potential candidates for appointment as Directors, as well as assessing Directors who are seeking for re-election in Silver Ridge and/or its subsidiaries.
- 2.2. The objective of this policy is to ensure that Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders.
- 2.3. The fit and proper criteria will be applicable at the time of the appointment of a Director and on a continuing basis, as all Directors of Silver Ridge and/or its subsidiaries are expected to conduct themselves with highest integrity and professionalism, as well as to comply with all relevant legal and regulatory obligations

3. FIT AND PROPER CRITERIA

- 3.1. The consideration of the “fit and proper” criteria of Directors includes, but are not limited to, the following:
 - a) Probity
 - (i) Complies with legal obligations, regulatory requirements, and professional standards.

- (ii) Have not been obstructive, misleading, or untruthful in dealings with regulatory bodies or a court
- (iii) Have not been reprimanded or disqualified to matters in respect to the person's honesty, integrity, or business conduct.

b) Financial soundness and solvency

- (i) Manage personal debts or financial affairs satisfactorily.
- (ii) Demonstrate ability to fulfill personal financial obligations as and when they fall due
- (iii) Have not been subjected to a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.

c) Personal integrity, honesty and ethical behavior

- (i) Have not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on the person's professional conduct.
- (ii) Service contracts (i.e., the capacity of management or Director) have not been terminated in the past due to concerns on personal integrity.
- (iii) 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 a Director of the Company and/or its subsidiaries.
- (iv) Have not abused other positions (i.e., that he/she had held) in a manner that contravenes principles of good governance and professional ethics.

d) Good Reputation

- (i) Are of a good repute in the financial and business community
- (ii) Have not been the subject of civil or criminal proceedings, or enforcement action, in managing or governing an entity for the past 10 years.
- (iii) Have not been reprimanded by the Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities, whether in Malaysia or elsewhere.
- (iv) Have not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned in part on deficiencies in the management.

3.2. Competence and Capability

a) Qualifications, training and skills

- (i) Possess 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) Have considerable understanding on the business and workings of a public corporation
 - (iii) Have adequate and broad knowledge, including Company Goals on Sustainability Governance as well as Environment, Social & Governance (ESG) issues, etc.
 - (iv) Possess general management skills, as well as general understanding of good corporate governance best practices.
 - (v) Financial literacy, especially the ability to read and understand financial statements
 - (vi) Keep knowledge current, based on continuous professional redevelopment
- b) Relevant experience and expertise
- (i) Possess relevant experience and expertise with due consideration given to the 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) Had adequate career occupying a high-level position in a comparable organisation and were accountable for driving or leading the organisation's governance, business performance, and operations
 - (ii) Possess an adequate past performance record, as gathered from the results of the board effectiveness evaluation

3.3. Time and Commitment

- a) Ability to discharge role having regard to other commitments
- (i) 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
- b) Participation and contribution in the Board or track record
- (i) Demonstrate willingness to participate actively in Board activities
 - (ii) Demonstrate willingness to devote time and effort to understand the business and exemplify readiness to participate in events outside the boardroom.
 - (iii) Manifest passion in the vocation of a Director.

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

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

- 4.1. The Nomination Committee (NC) will evaluate candidates for new appointment as Directors based on the fit and proper criteria described in section 3.1 (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 and will consider the factors set out in section 3.1 (above) in assessing a director's fitness and propriety. These factors shall be assessed individually, as well as collectively, considering 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 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. The NC has the power not to recommend to the Board the re-appointment of retiring Directors who do not meet the policy requirements.
- 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 also consider whether there have been material changes in the nature or scope of the responsibilities assumed by a director in which higher standard of competence or judgement are required in order to properly perform the duties associated with the said position.
- 4.4. For new Boardroom appointments, candidates are required to complete the Candidate for Directorship in and authorise the Company to perform a background check, if necessary, which may cover previous employment verification, profession reference checks, education confirmation, and/or criminal record and credit checks.

5. POLICY SUBJECT TO PERIODICAL REVIEW

- 5.1. The NC is responsible for regular reviews of this Policy and recommending any changes as and when it deemed fit. The policy shall be aligned to any legal or regulatory changes and the best practice guidelines under the Malaysian Code on Corporate Governance.

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

6. NON-DISCLOSURE OF SENSITIVE AND CONFIDENTIAL INFORMATION

6.1. Whilst the Company may disclose customised considerations and expectations in this policy, the Company will not disclose any sensitive and confidential information.

7. RESOURCES

7.1. The Corporate Affairs Department will provide guidance, education, and procedures for implementing in this policy, including requirements for reporting, monitoring, and review.

The Directors' Fit and Proper policy has been reviewed and adopted by the Board on 24th May 2022.