

Maxis Berhad

Fit and Proper Criteria Policy

1. Introduction

- 1.1. The Board of Directors (“**Board**”) of Maxis Berhad (“**Maxis**”) is cognisant that a formal, rigorous and transparent process for the appointment and re-election of Directors should be put in place based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender in evaluating whether each Director, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) has the character, experience, integrity, competence and time to discharge his role effectively as directors, CEO and CFO as prescribed under Bursa Malaysia Securities Berhad’s Corporate Governance Guide (4th Edition), Malaysian Code on Corporate Governance and Paragraph 2.20A of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“**Listing Requirements**”).
- 1.2. As part of Maxis’ compliance with Paragraph 15.01A of the Listing Requirements, this Fit and Proper Criteria Policy (“**Policy**”) sets out the considerations and factors taken into account for ensuring the fitness and propriety of the directors of Maxis and its subsidiaries. This Policy aims to guide the Company’s Nomination Committee (“**NC**”) and 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.

2. Responsibilities of the Board of Directors

- 2.1. The Board or any NC, as applicable, shall ensure an effective process is in place and be directly responsible and accountable for assessments conducted on the qualifications, fitness and propriety of the directors of Maxis, CEO and CFO and that the Boards of each of the subsidiaries will adhere to the Policy. This must include establishing internal policies on fit and proper procedures and assessment processes relating to Director, CEO and CFO which commensurate with the nature, scale and complexity of its business.
- 2.2. The Board may expressly delegate its responsibilities on the assessment of the fitness and propriety of the directors, and the decision to appoint the directors to the NC.

3. Assessment of fitness and propriety

- 3.1. The Board shall ensure that assessments of fitness and propriety are conducted on all directors and such assessments shall be conducted prior to the initial appointment of such directors, and at regular intervals of at least once a year, or whenever the Board becomes aware of information that may materially compromise a person's fitness and propriety. The assessment on the director shall be conducted against the following fit and proper criteria:
 - (a) the person's character and integrity;
 - (b) the person's experience and competence; and
 - (c) the person's time and commitment.

3.2. In assessing a person's character and integrity, the Board shall consider the following non-exhaustive list of factors:

(i) Probity

- (a) whether the person is compliant with legal obligations, regulatory requirements and professional standards; and
- (b) whether the person is not or has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court, within Malaysia or elsewhere;

(ii) Personal Integrity

- (a) whether the person 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
- (b) whether the person's service contract (i.e. in the capacity of management or director) has not been terminated, or the person has been asked to resign or resigned, in the past due to concerns on personal integrity and honesty; and
- (c) whether the person 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

- (a) whether the person manages his personal debts or financial affairs satisfactorily;
- (b) whether the person demonstrates ability to fulfil personal financial obligations as and when they fall due; and
- (c) whether the person has been subject of a judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere;

(iv) Reputation

- (a) whether the person is of good repute in the financial and business community;
- (b) whether the person is not or has not been the subject of civil, disciplinary or criminal proceedings or enforcement action, or has been notified of any impending proceedings or investigations, in managing or governing an entity, whether in Malaysia or elsewhere, for the past 10 years;
- (c) whether the person has not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice;
- (d) whether the person is not or 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

- (e) whether the person has not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices;
- (f) whether any business in which the person has controlling interest or exercises significant influence, has not been investigated, disciplined, suspended or reprimanded by a regulatory professional body, a court or tribunal, government or its agencies whether publicly or privately;
- (g) whether, in the past, the person has not acted unfairly or dishonestly in his dealings with his customers, employer, auditors and regulatory authorities;
- (h) whether the person has not been a director of, or directly concerned in the management of the Company, the approval of which has been revoked;
- (i) whether the person has not been a director of, or directly concerned in the management of any corporation which is being or has been wound up by a court or other authority competent to do so within Malaysia or elsewhere.

3.3. In assessing a person's experience and competence, the Board shall consider the following non-exhaustive list of factors:

(i) Qualifications, training and skills

- (a) whether the person possesses education qualification and training 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);
- (b) whether the person has a considerable understanding on the workings of a corporation;
- (c) whether the person possesses general management skills as well as understanding of corporate governance and sustainability issues;
- (d) whether the person keeps knowledge current based on continuous professional development; and
- (e) whether the person possesses leadership capabilities and a high level of emotional intelligence;

(ii) Relevant experience and expertise

- (a) whether the person 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;
- (b) Competency and capability are demonstrated by a person who possesses the relevant knowledge, experience and ability to understand the technical requirements of the business, the inherent risks and the management process required to perform his role in a key function in the relevant capacity effectively.

- (iii) Relevant past performance or track record
 - (a) whether, the person 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
 - (b) whether the person possesses commendable past performance record as gathered from the results of the board effectiveness evaluation.
- 3.4. In assessing a person's time and commitment, the Board shall consider the following non-exhaustive list of factors:
 - (i) Ability to discharge role having regard to other commitments
 - (a) whether the person is able to devote time as a board member, having factored other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including not-for-profit organisations); and
 - (b) whether the person is involved in any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of his judgment when acting in the capacity of a director;
 - (ii) Participation and contribution in the board or track record
 - (a) whether the person demonstrates willingness to participate actively in board activities;
 - (b) whether the person demonstrates willingness to devote time and effort to understand the business and exemplifies readiness to participate in events outside the boardroom;
 - (c) whether the person manifests passion in the vocation of a director;
 - (d) whether the person exhibits ability to articulate views independently, objectively and constructively; and
 - (e) whether the person exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.
- 3.5. The Board shall ensure that the assessments of fitness and propriety are conducted objectively and with Maxis and its subsidiaries best interests in mind. Factors shall be assessed individually and collectively, taking into account their relative importance with regard to the specific role and responsibilities of the position that is or will be held by the person.

4. REVIEW OF POLICY

- 4.1. The NC will review and shall recommend any changes to the Policy as deemed 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 applicable regulatory requirements.

The Fit and Proper Policy was approved and endorsed by the Board on 23 June 2022.