

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

DIRECTORS' FIT AND PROPER POLICY

1.0 Objectives

- 1.1 The primary objectives of this Directors' Fit and Proper Policy ("DFP") are to:
- ensure that the directors to be appointed to or sit on the Board of Directors ("Board") of Carlo Rino Group Berhad (formerly known as CRG Incorporated Berhad) ("CRG" or "Company") or its subsidiaries ("CRG Group" or "Group") are fit and proper to carry out their duties and responsibilities;
 - establish a set of formal and transparent fit and proper criteria for the appointment and/or re-election of the directors to the Board of the Company or its subsidiaries; and
 - provide guidelines for the Board and its Nomination Committee ("NCom") in the assessment and evaluation of: (i) any candidate to be appointed, and (ii) any existing director who is seeking for re-election, to the Board of the Company or its subsidiaries.

2.0 Fit And Proper Criteria

- 2.1 The considerations underpinning the "fit and proper" criteria of directors include but are not limited to the following:

2.1.1 Character and integrity

- i. Probity
 - the person is compliant with legal obligations, regulatory requirements and professional standards
 - the person has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court
 - the person has not been disbarred, disqualified or removed by a professional or regulatory body on matters in relation to his honesty, integrity or business conduct
- ii. Personal integrity
 - 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

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

DIRECTORS' FIT AND PROPER POLICY

- the person's service contract (i.e., in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity
 - the person has not abused other positions (i.e., that he has held) in a manner that contravenes the principles of good governance and professional ethics
 - the person has no concurrent responsibilities or interests which would contribute to a conflict of interest or otherwise impair his ability to discharge his duties and responsibilities as director of the Company and/or its subsidiaries
- iii. Financial integrity
- the person manages personal debts or financial affairs satisfactorily
 - the person demonstrates ability to fulfil personal financial obligations as and when they fall due
 - the person has not been subjected to a judgement debt which is unsatisfied, either in whole or in part whether in Malaysia or elsewhere
- iv. Reputation
- the person is of good repute in the financial and business community
 - the person has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years
 - the person 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
 - the person has not been blacklisted or disqualified to act as director by Securities Commission Malaysia, Bursa Malaysia Securities Berhad, Suruhanjaya Syarikat Malaysia, Bank Negara Malaysia or any other regulatory authorities, both local and abroad

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

DIRECTORS' FIT AND PROPER POLICY

2.1.2 Experience and competence

- i. Qualifications, training and skills
 - the person possesses an 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)
 - the person has a considerable understanding on the businesses and workings of a corporation
 - the person possesses general management skills as well as understanding of corporate governance and sustainability issues
 - the person keeps knowledge current based on continuous professional development
 - the person possesses leadership capabilities and a high level of emotional intelligence
- ii. Relevant experience and expertise
 - 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
- iii. Relevant past performance or track record
 - 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
 - the person possesses a commendable past performance record as gathered from the results of the board effectiveness evaluation

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

DIRECTORS' FIT AND PROPER POLICY

2.1.3 Time and commitment

- i. Ability to discharge role having regard to other commitments
 - the person is able to devote time as a board member, having factored other outside obligations including concurrent board positions held by him across listed issuers and non-listed entities (including not-for-profit organisations)

- ii. Participation and contribution to the board or track record
 - the person demonstrates a willingness to participate actively in board activities
 - the person demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom
 - the person manifests passion in the vocation of a director
 - the person exhibits the ability to articulate views independently, objectively and constructively
 - the person exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others

2.2 A candidate who failed the fit and proper assessment shall not be appointed to the Board of the Company and/or its subsidiaries, whereas an existing director who failed the fit and proper assessment shall vacate his office from the Board of the Company and/or its subsidiaries as soon as practical.

3.0 Fit And Proper Assessment

3.1 The NCom shall assess each candidate for new appointment as director based on the fit and proper criteria as set out herein before recommending to the Board for approval.

CARLO RINO GROUP BERHAD
(formerly known as CRG Incorporated Berhad)
Registration No. 200901037127 (880257-A)
Incorporated in Malaysia

DIRECTORS' FIT AND PROPER POLICY

3.2 In respect of the re-election of director, the annual assessment of the said director based on the individual director self/peer assessment process shall include the fit and proper criteria as set out herein so to ensure the said director meets the criteria on a continuing basis. The assessment result will be reported to the Board by the NCom, for further consideration.

4.0 Policy Review

4.1 The Board reserves the right to review this Policy periodically to assess its effectiveness, and in any event, to maintain the compliance with applicable laws and regulations or accommodate organisation changes within CRG and/or its subsidiaries.

[End]

Document ID	Version	Approval
Directors' Fit And Proper Policy	V1	Approved by the Board on 01 July 2023 Effective date: Upon listing on ACE Market of Bursa Malaysia Securities Berhad

Words denoting the singular shall, where applicable, include the plural and vice versa, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter gender, and vice versa. References to persons shall include corporations, unless otherwise specified.

A reference to a statute or a statutory provision herein shall be deemed to include any modification, re-enactment or consolidation thereof and any regulations, rules, orders, guidelines, practice notes, practice directives, circulars or other statutory instruments made pursuant thereto.