



BP PLASTICS HOLDING BHD

DIRECTORS' FIT AND PROPER POLICY

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Directors' Fit and Proper Policy

1. Purpose

- 1.1. This Policy set out the fit and proper criteria for the appointment and re-election of Directors on the Board of Directors ("**Board**") of BP Plastics Holding Bhd ("**Company**") and its subsidiaries.
- 1.2. Ensure that each of the Directors has the character, integrity, experience, competence as well as time and commitment to effectively discharge his/her role as a Director of the Company and its subsidiaries.
- 1.3. Serve as a guide to the Nominating and Remuneration Committee ("**NRC**") and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

2. Fit and Proper Criteria

The Board and NRC will be responsible for assessing the fit and proper criteria of a Director which include, but are not limited to the following: -

2.1 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 the ability to fulfil personal financial obligations as and when they fall due.

(Fit and Proper Policy - cont'd)

(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.

2.2 Experience and competence

(i) Qualification, training and skills

- possesses 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).
- 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 commendable past performance record as gathered from the results of the board effectiveness evaluation.

2.3 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 issuers and non-listed entities (including not-for-profit organisations).

(Fit and Proper Policy - cont'd)

- (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.

3.0 Assessment

- 3.1 The NRC will assess each person for a new appointment or re-election of Directors based on the criteria as set out under Section 2.0 before recommending to the Board for approval.
- 3.2 A person who has been identified for appointment as a Director or for re-election as a Director within BP Plastics Holding Bhd, shall be required to make the fit and proper declaration in the form as set out in Appendix 1 of this Directors' Fit and Proper Policy or in such other forms as the NRC may from time to time prescribe or approve.
- 3.3 The results of the assessment are part of the Company's internal documents and shall not be disclosed or provided to any other party.

4.0 Review of the Policy

This Policy shall be reviewed from time to time by the NRC and/or Board where deem necessary in accordance with the needs of the Company and/or Listing Requirements or any other regulatory requirements enforced at the time being.

5.0 Effective Date

This Policy has been approved by the Board for adoption with effect from 1 July 2022.

History

Date	Description
1 July 2022	Establishment