

TONG HERR RESOURCES BERHAD
199701016642(432139-W)

FIT AND PROPER POLICY

1. INTRODUCTION

The Board of Directors (“the Board”) of Tong Herr Resources Berhad (“THR” or “the Company”), believes that it is in the best interest of the Company, its subsidiaries and its stakeholders that its Directors and members of its Key Senior Management are equipped with the required character, experience, integrity, competence and time to effectively and diligently discharge their responsibilities and duties and contribute to the proper governance of the Company and its subsidiaries (“the Group”).

The scope of the Fit and Proper Policy is applied to the existing Directors of the Group seeking for re-appointment or candidates for nomination or appointment as a Director or member of the Key Senior Management of the Group.

This Fit and Proper Policy is formed part of “***POLICY AND PROCEDURES ON NOMINATION AND APPOINTMENT OF DIRECTOR AND KEY SENIOR MANAGEMENT AND RE-APPOINTMENT OF DIRECTOR***” established and approved by the Board.

2. DUTIES AND RESPONSIBILITIES

2.1 BOARD OF DIRECTORS

The Board is primarily responsible to ensure that the fit and proper assessments set out in this Policy are carried out for all Board members and Senior Management. The Board ensures that all Directors and Senior Management are fit and proper and have the necessary character, experience, integrity, competence and time to effectively discharge his or her role.

2.2 Nominating Committee (NC)

The NC is responsible for leading the review of the appropriate skills, experience and characteristics required of Board members and Senior Management through a set procedures, in the context of the needs of the Group prior to the appointment of the new Directors and Senior Management, the NC shall complete an evaluation based on the dimensions listed in Section 3 of this Policy to assess the candidates’ ability to discharge their duties effectively.

3. FIT AND PROPER ASSESSMENT

- 3.1 The NC will assess the new appointment or re-appointment of Directors based on the criteria set under item 2.1 before recommending to the Board for approval. The Board Evaluation Form is set out in **Annexure 1** (The questionnaires are based on the Corporate Governance Guide 4th Edition).
- 3.2 For the appointment of new Director, the person required to complete the Prospective Directors Information as set out in **Annexure 2**.
- 3.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

4. REVIEW OF THE POLICY

This Policy shall be periodically assessed, reviewed and updated when required in accordance with the needs of the Group and in line with changes in MCCG, Listing Requirements or any other regulatory requirements.