



PARAMOUNT CORPORATION BERHAD

(Registration No. 196901000222 (8578-A))

DIRECTORS' FIT AND PROPER POLICY

(Adopted: 15 June 2022)

(published on www.pcb.my)

1. INTRODUCTION

Paramount Corporation Berhad (**Paramount** or **the Company**) has adopted this Directors' Fit and Proper Policy to ensure that each of the directors of the Company and of its subsidiary companies (**Director**) has the character, integrity, experience, competence, time and commitment to effectively discharge his/her duties as a Director.

2. OBJECTIVES

This policy serves as a guide for the Company's Nominating Committee (**NC**) and Board of Directors (**Board**) and the board of directors of each of its subsidiary companies in their review and assessment of candidates for appointment as a Director as well as existing Directors who are seeking re-election at annual general meetings.

3. FIT AND PROPER CRITERIA

The fit and proper criteria of a Director shall include, but not limited, to the following:

3.1 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 of law

ii) Personal integrity

- has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether lawful or not), or which otherwise reflect discredit on his/her professional conduct
- his/her service contract (i.e. in the capacity of management or as a director) had not been terminated in the past due to concerns on personal integrity
- has not abused other positions (that he/he has held) in a manner that contravenes the principles of good governance.

iii) Financial integrity

- manages personal debts or financial affairs satisfactorily
- demonstrates ability to fulfil personal financial obligations as and when they fall due

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 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

3.2 Experience and Competence

i) Qualification, training and skills

- possesses such education qualification that is relevant to the skills set that the Director is earmarked to bring onto the boardroom
- has a considerable understanding on the workings of a corporation
- possesses general management skills as well as understanding of corporate governance, and appreciation of 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

- for new candidates - had a career of occupying a high level position in an organisation of comparable size with Paramount or its subsidiary, where applicable, and was accountable for driving or leading that organisation's governance or business performance or operations or a significant part thereof
- for existing Directors of Paramount seeking re-election - possesses commendable past performance record as gathered from the past three (3) years results of the Directors' Self and Peer Assessment of Paramount
- for existing Directors of the subsidiaries of Paramount seeking re-election - void of issues that may cast a doubt on the integrity of the Director himself/herself

3.3 Time and Commitment

i) Ability to discharge role having regard to other commitments

- able to devote time as a Director, having factored in other obligations outside of Paramount Group, including concurrent board positions held in other companies, both listed and non-listed, as well as not-for-profit organisations

ii) Participation in and contribution to the Board or track record in the Board

- demonstrates willingness to participate actively in board activities
- demonstrates willingness to devote time and effort to understand the businesses of Paramount Group as well as associate companies, 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 judgement after hearing the views of others

4. THE ASSESSMENT

The NC shall assess each candidate for a Board position in Paramount based on the criteria set out in clause 3 above and in accordance with the Company's Directors Assessment Policy before making any recommendation to the Board.

5. DISCLOSURE

This policy will be published on the Company's website at www.pcb.my. The assessment results referred to in clause 4 above which are part of the Paramount's internal documents will, however, not be publicly disclosed.

6. REVIEW

The Board shall review and assess the effectiveness of this policy once in every three (3) years or as and when the need arises. Any recommendation for revision shall be proposed by the NC to the Board.
