



UNITED U-LI CORPORATION BERHAD

[Registration No. 200001008131 (510737-H)]

DIRECTORS' FIT AND PROPER POLICY

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PART A OVERVIEW

1.0 INTRODUCTION

The Board of Directors of United U-Li Corporation Berhad is expected to practice high standards of corporate governance. In adhering to the responsibilities set out in Board Charter, the Board members are expected to perform their duties with integrity, honesty and professionalism in accordance with the law in serving the interest of its shareholders, employees, clients, the community and other stakeholders.

The Board and each Director's performance will be assessed annually based on the expectations set out in this Directors' Fit and Proper Policy. With the various positions held by each director on the Board, they are expected to meet the expectations set for each position as these are crucial to the long-term success of the Company.

It should be noted that this Policy serves as a reference for assessment of appointment, election or re-election of Director. The provisions contained in this Policy neither replace nor supersede the laws of Malaysia or the regulatory frameworks applicable.

1.1 OBJECTIVES

- 1.1.1 This Policy set out the fit and proper criteria for the appointment and re-appointment of Directors on the Boards of United U-Li Corporation Berhad and its subsidiaries.
- 1.1.2 To ensure that each of the Directors has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director of United U-Li Corporation Berhad and its subsidiaries.
- 1.1.3 Serve as a guide to the Nomination & Remuneration Committee 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.

1.2 SCOPE

- 1.2.1 The conditions to be observed in the assessment and appointment of Directors.
- 1.2.2 The responsibilities of the Board, Nomination & Remuneration Committee in establishing and applying fit and proper policies and procedures.
- 1.2.3 The minimum factors need to be considered in assessing whether or not the fit and proper criteria for Directors have been met.

2.0 APPLICABILITY

- 2.1 This Policy shall be applicable to United U-Li Corporation Berhad's Directors.
- 2.2 This Policy shall be read together with
 - 2.2.1 the Malaysian Code on Corporate Governance; and
 - 2.2.2 the Board Charter.



3.0 LEGAL PROVISION

3.1 This Policy is issued pursuant to:

3.1.1 Section 213(2), 214, 215, 216, 217, 218 of Companies Act 2016 (“CA 2016”); and

3.1.2 Paragraph 2.20A, 15.06, 15.01A and 15.08A(3) of Main Market Listing Requirements (“MMLR”).

4.0 EFFECTIVE DATE

4.1 This Policy document comes into effect on 13 April 2022.

5.0 INTERPRETATION

5.1 The terms, expressions and abbreviations used in this policy document shall have the same meanings assigned to it in the Companies Act 2016 or Main Market Listing Requirement, as the case may be unless otherwise defined in this policy document.

5.2 For the purpose of this Policy:

- i. **“Board”** refer to the Board of Directors of United U-Li Corporation Berhad
- ii. **“BC”** means Board Charter
- iii. **“CA 2016”** means Companies Act 2016
- iv. **“CC”** means Company’s Constitution
- v. **“MCCG”** means Malaysian Code on Corporate Governance
- vi. **“NRC”** means Nomination & Remuneration Committee
- vii. **“Policy”** means Directors’ Fit and Proper Policy
“TOR” means Terms of Reference
“ULICORP or the Company” means United U-Li Corporation Berhad

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PART B FIT AND PROPER CRITERIA, POLICIES AND PROCEDURES

6.0 CONDITIONS FOR ASSESSMENT AND APPOINTMENT

6.1 Any person to be appointed as a Director must not be disqualified¹ and have been assessed to have met all the fit and proper criteria based on, at minimum, the factors set out in **Part C** of this policy document relating to:

¹Section 201 of CA 2016,
Clause 173 CC and Clause
5.3.1 BC

- i. Character and Integrity
- ii. Experience and competence
- iii. Time and commitment

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

6.2.1 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
- not an undischarged bankrupt

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

6.2.2 Experience and competence

i. Qualifications, 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 of the business and workings of a corporation
- possesses general management skills as well as an 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 the 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

6.2.3 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)



- 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 the ability to articulate views independently, objectively and constructively
 - exhibits open-mindedness to the views of others and the ability to make a considered judgment after hearing the views of others

7.0 RESPONSIBILITIES OF THE BOARD AND NRC

7.1 ²The appointment of a new Director is a matter for consideration and decision by the full Board, upon the recommendation from the NRC. In making these recommendations, the NRC will consider the required mix of skills, experience and diversity, including gender, where appropriate, which the Director brings to the Board.

2 Clause 5.1.2 of BC, Paragraph 2.20A MMLR and Practice 5.1 MCOG

7.2 ³Be responsible for identifying and nominating for the approval of the Board candidates to fill Board and Board Committee vacancies as and when they arise.

3 Clause 4.1(a) of NRC TOR

7.3 ⁴Evaluate the balance of skills, knowledge and experience on the Board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular appointment of Director.

4 Clause 4.1(b) of NRC TOR

8.0 POLICIES AND PROCEDURES

8.1 This Policy addresses:

- 8.1.1 specific factors to be considered in assessing whether a person is fit and proper for the position as a Director;
- 8.1.2 the processes that will be followed in assessing whether a Director is fit and proper;
- 8.1.3 steps to be taken to ensure that all persons to be appointed or that has been appointed as a Director understands the Policy requirements and their obligation to continue to meet the fit and proper criteria set by ULICORP on an ongoing basis;
- 8.1.4 procedures to be undertaken to deal with the Director that no longer meets the fit and proper criteria set in this Policy;
- 8.1.5 procedures to ensure all documentation on fit and proper assessments and supporting information are kept confidential, and the documentation of fit and proper assessments conducted on each person will be retained by the Company; and
- 8.1.6 procedures for maintaining a current list of Directors subject to fit



and proper policies and assessment processes.

- 8.2 The Policy will be periodically reviewed and updated in accordance with the need of the Company and any new regulations that may have an impact on the discharge of the Boards and NRC responsibilities.

9.0 ASSESSMENT OF FITNESS AND PROPRIETY

- 9.1 The fit and proper assessments on the Director within the scope of this policy document shall be conducted both prior to initial appointments and at regular intervals of at least annually or whenever ULICORP becomes aware of information that may materially compromise a person's fitness and propriety.
- 9.2 The fit and proper assessments must be supported by relevant information in relation to the Director being assessed. Where significant reliance is placed on information that is obtained from the Director being assessed, and that information is material to the determination of the Director's fitness and propriety, ULICORP shall take reasonable steps to verify the information against independent sources;
- 9.3 Directors shall have regard to the factors set out in **Part C** in assessing a Director's fitness and propriety. The factors shall be assessed individually, as well as collectively, taking into account their relative importance.
- 9.4 The assessment process will involve a good measure of judgement, which should be exercised objectively and always in the best interests of ULICORP and the sound conduct of the ULICORP's business. Information relevant to the assessment of the fitness and propriety of the Directors of this policy document may also vary depending on the degree of their influence and responsibilities in the affairs of ULICORP. For example, ULICORP may consider whether there have been material changes in the nature or scope of the responsibilities assumed by the Director which would call for higher standards of competence or judgement in order to properly perform the duties associated with the said position, or which may give rise to new conflicts that could impair the Director's performance in the position.

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PART C ASSESSMENT FACTORS

10.0 CHARACTER AND INTEGRITY

10.1 In assessing a Director's character and integrity, the board and NRC shall consider factors that include, but are not limited to the following:

10.1.1 ⁵whether the person is or has been the subject of any proceedings of a disciplinary or criminal nature, or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings;

5 Section 201 of CA2016

10.1.2 whether the person or any business in which he has a controlling interest or exercises significant influence, has been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal;

10.1.3 whether the person has engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;

10.1.4 whether the person has held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while the person was connected with that business;

10.1.5 whether the person has 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 or outside Malaysia;

10.1.6 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/her judgement when acting in the capacity of a Director, which would be disadvantageous to ULICORP or ULICORP's interests.

11.0 EXPERIENCE AND COMPETENCE

11.1 In assessing a Director's experience and competence, the board and NRC shall consider factors that include, but are not limited to the following:

11.1.1 whether the person has the appropriate qualification, training, skills, practical experience to fulfil the role and responsibilities of the position effectively; and

11.1.2 whether the person has satisfactory past performance or expertise in the nature of the business.

12.0 TIME AND COMMITMENT

12.1 In assessing a Director's time and commitment, the Board and NRC shall consider factors that include, but are not limited to the following:

12.1.1 whether the person has the commitment to effectively fulfil the role and responsibilities of the position and having regard to his/her other commitments.



13.0 THE ASSESSMENT

- 13.1 The NRC to identify the appropriate Directors through a Search and Nomination Process as set out in **Annexure 1**.

- 13.2 The NRC will assess each person for a new appointment or re-appointment of Directors based on the criteria set under item 6.2 before recommending to the Board for approval. The Board Evaluation Form is set out in **Annexure 2** (These questionnaires are extracted from Bursa Malaysia's Corporate Governance Guide 4th Edition).

- 13.3 For the appointment of a new Director, the person is required to complete the Prospective Directors Information as set out in **Annexure 3**.

- 13.4 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

Document Version Control

Document Version	Date approved by the Board	Committee Members
Version 1.2022	24/05/2022	Tan Sri Dato' Seri Utama Haji Ismail Bin Haji Omar Tan Sri Dato' Wira Lee Yoon Wah Dato' Lee Yoon Kong Teow Lai Seng Chim Wai Khuan Tan Ban Tatt Koay Soo Ngoh Joseph Lee Joon Kit Lee Joon Wai Edwin

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UNITED U-LI CORPORATION BERHAD
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Directors' Evaluation Form



The Evaluation Form provides ratings from one (1) to four (4), or 'yes' and 'no', with the indicators illustrated below, to be responded in relation to the nature of the questions:

4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Yes, always	Yes, most of the time	Yes, but seldom	No
or			
4 <input type="checkbox"/>	3 <input type="checkbox"/>	2 <input type="checkbox"/>	1 <input type="checkbox"/>
Above average	Average	Below average	Poor
or			
Yes <input type="checkbox"/>			No <input type="checkbox"/>
Yes			No

Where a particular criterion is deemed not applicable, it shall be indicated as "Not Applicable" in the comment box.

Name of Director: _____



Assessment Criteria	Comments			
	4	3	2	1
Section A: Fit and Proper				
1. Has not been questioned, of his/her honesty, integrity, professional conduct or business ethics/practices which are deceitful, oppressive or improper and investigated on complaints lodged.	<input type="checkbox"/> Yes			<input type="checkbox"/> No
2. Has shown willingness to maintain effective internal control systems and risk management practices.	<input type="checkbox"/> Yes			<input type="checkbox"/> No
3. Possesses relevant qualification, knowledge, experience and ability to understand the technical requirements, risk and management of the company's business.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Section B: Contribution and performance				
4. Probes management to ensure management has taken, and suggests management to take into consideration the varying opportunities and risks whilst developing strategic plan (this plan may or may not be in writing as long as minutes of meeting provide a discussion of such strategy).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Probes management when there are red flags/concerns which could, amongst others, indicate possible non-compliance of regulatory requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Provides logical honest opinions on issues presented and is not afraid of expressing disagreement on matters during the meeting, if any.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Receives feedback from board and/or committee and incorporates feedback obtained into decision-making process in an objective manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Defends own stand through constructive deliberations at board and/or committee meetings, where necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Tackles conflicts and takes part in proposing solutions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Offers practical and realistic advice to board and/or committee discussions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Takes initiative to demand for additional information, where necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Tests quality of information and assumptions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Reviews and relates short-term concerns to long- term strategy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Contributes to risk management initiatives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Assessment Criteria	Comments							
	4	3	2	1				
15. Contributes personal knowledge and experience into the consideration and development of strategy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
16. Facilitates objective-oriented decision-making process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
17. Prioritises context of issues to be in line with objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
18. Effectively and proactively follows up on areas of concern.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
19. Demonstrates willingness to devote time and effort to understand the company, its business and displays readiness to participate in events outside the boardroom such as site visits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
Section C: Calibre and personality								
20. Acts in good faith and with integrity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
21. Attends meetings well prepared and adds value to board and/or committee meetings.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
22. Works constructively with peers, the company secretary and senior management.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
23. Offers insight to matters presented with requisite knowledge and skills, and shares information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
24. Encourages others to get things done, is decisive and action-oriented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
25. Articulates in a non-confrontational and comprehensible manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
26. Understands individual roles and responsibilities and ensures contribution is contemporary with developments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
27. Behaviour engenders mutual trust and respect within the Board and with other key officers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
28. Communicates effectively with shareholders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
29. Constructively challenges and contributes to the development of strategy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
30. Scrutinises the performance of management in meeting agreed goals and objectives and monitors reporting of performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
31. Satisfies himself/herself that financial information is accurate and financial controls and systems of risk management are robust and defensible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
32. Is not an undischarged bankrupt.	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>				
<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;"><input type="checkbox"/> Yes</td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"><input type="checkbox"/> No</td> </tr> </table>					<input type="checkbox"/> Yes			<input type="checkbox"/> No
<input type="checkbox"/> Yes			<input type="checkbox"/> No					
Other comments:								

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Annexure 3



UNITED U-LI CORPORATION BERHAD
[Registration No. 200001008131 (510737-H)]

Prospective Directors Information



Name of Company: **UNITED U-LI CORPORATION BERHAD (the “Company” or “ULICORP”)**

Part A: Personal Details

1	Full Name	
2	Date of Birth	
3	NRIC No / Passport No	
4	Citizenship	
5	Permanent Address	
6.	Correspondence Address (if different from above)	
7	Telephone No	
8	Email Address	

Part B: Education Background and Work Experience

No	Questions	Answer
1	Educational Qualification (List all chronologically from the latest qualification)	
2	Work Experience (List all chronologically from the latest experience to the last) (Please use separate paper if required)	



No	Questions	Answer
3	What do you consider to be your core area(s) of expertise?	

Part C: Directorship

1	List of Current and Past Directorship (Please use separate paper if required)	
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Part D: Declaration

No	Questions	Yes	No
1	Do you have any relationship with any Directors in the ULICORP?		
		If yes, please state details:	
2	Do you have any interest, both direct and indirect in the ULICORP?		
		If yes, please state details:	



No	Questions	Yes	No
3	Do you have any relatives currently working in the ULICORP?		
		If yes, please state details:	
4	Have you ever been committed of any commercial and criminal crimes including but not limited to traffic offence under the Laws of Malaysia?		
		If yes, please state details:	
5	Are you currently and/or the company where you are a director been notified of any impending disciplinary or criminal proceedings or of any investigations, which might lead to such proceedings?		
		If yes, please state details:	



No	Questions	Yes	No
6	Have you or the company where you are a director contravene any provision made by or under any written law such as the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001, the Malaysian Anti-Corruption Commission Act 2009, the Companies Act 2016, Capital Markets and Services Act 2007 and any other applicable laws?		
		If yes, please state details:	
7	Have you or the company where you are a director been reprimanded by the regulators namely, Securities Commission Malaysia and Suruhanjaya Syarikat Malaysia?		
		If yes, please state details:	
8	Have you involved in any business or relationship which could materially pose a conflict of interest or interfere with your judgment when acting as a director which is disadvantageous to the company?		
		If yes, please state details:	



No	Questions	Yes	No
8	Are you currently a bankrupt?		
		If yes, please state details and steps taken to discharge yourself from the liability:	
9	Do you hold a post in any political party?		
		If yes, please state details:	



Part E: OTHERS

No	Questions	Your Answer
2	What kind of time commitments do you now have for your current activities?	
3	What would your expectations be for the time necessary for ULICORP Board?	



I, (NRIC/Passport No:) hereby declare that the above responses are true and correct, as to the best of my knowledge. I further authorise the Company to conduct background check, if necessary, which may consist of prior employment verification, professional reference checks, education confirmation and/or criminal record and credit checks for the purpose of my appointment as a Director of ULICORP

.....
Signature:

.....
Name:

.....
Date:

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Annexure 1



UNITED U-LI CORPORATION BERHAD
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Search and Nomination Process

Identifying the Appropriate Directors: Search and Nomination Process

