



DEFINITIONS

"Digi" or "Company"	:	Digi.Com Berhad
"Board"	:	Board of Directors of Digi
"NC"	:	Nomination Committee
"Group"	:	The Company and its subsidiaries
"Key Responsible Persons"	:	The existing directors or candidates for nomination or appointment or re-appointment or re-election as a director of the Group, as the case may be.
"Policy"	:	The Fit and Proper Policy of the Group

1. Purpose

- 1.1 This Policy aims to set out the criteria for the assessment of the fitness and propriety of Key Responsible Persons.
- 1.2 Individuals acting as "Key Responsible Persons" are required to possess the character, experience, integrity, competence and commitment of time to effectively discharge their respective roles which includes diligence, honesty, integrity and judgement to perform properly the duties of that position, in tandem with good corporate governance practices. Accordingly, the Group must prudently manage the risk to its business or financial standing that the Key Responsible Person positions are filled by fit and proper individuals.

2. Policy Statement

- 2.1 With a view of achieve sustainable development, the Group is committed to the highest standard of integrity, openness, and accountability in the conduct of its businesses and operations. This Policy is intended to address the governance of the quality and integrity of the Key Responsible Persons.
- 2.2 The NC shall disclose in the annual report on how the NC has applied the Policy whereby the Key Responsible Persons have met the criteria of assessment stated and the Policy shall be published on the Company's website.

3. Responsibilities of the Board and the NC

The Board's Commitment and Responsibility

In the application of this Policy, Board and NC are primarily responsible for ensuring that all Key Responsible Persons fulfil fit and proper requirements and shall conduct assessments on such Key Responsible Persons based on the criteria in the Policy. Ultimately, the Board will make the final determination on their fitness and propriety.

NC's Responsibility

The NC is responsible for the following:-

- (a) The assessment of the Key Responsible Persons to ensure that appropriate fit and proper criteria are applied and making recommendations to the Board on these matters;
- (b) Providing information to the Board on matters concerning the criteria and procedure for fit and proper assessments including addressing any gaps in the assessment; and



- (c) Ensuring that the Group takes all reasonable steps to keep confidential the information and documents obtained and collected for fit and proper assessments so as to prevent any misuse, unauthorised access, modifications or unwarranted disclosure.

4. Fit and Proper Criteria

The NC shall periodically propose potential/new candidates to the Board and for the assessment of all Key Responsible Persons, the NC shall be using the principles underpinning the criteria listed below to assess their suitability prior to recommending to the Board for the appointment and/or reappointment as well as the fitness and propriety of the Key Responsible Persons.

The assessment shall have regard to the considerations set out below in paragraphs 4.1, 4.2 and 4.3 of this Policy.

4.1 Probity, personal integrity, reputation and financial integrity

Probity, personal integrity, reputation and financial integrity are values that can be demonstrated through personal qualities such as honesty, integrity, trustworthiness, diligence, independence of mind and fairness. These qualities are demonstrated over time and demand a disciplined and on-going commitment to high ethical standards.

In assessing a person's level of probity, personal integrity reputation and financial integrity, we shall consider matters including but not limited to the following:-

- i. whether the person has complied with rules and regulations of a regulatory body, professional body, government or any agencies either in Malaysia or elsewhere and has not been the subject of any legal or disciplinary proceedings either civil or criminal in nature.
- ii. whether the person has at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities resulting in a failure or potential failure to comply with legal, regulatory and professional requirements and standards, including but not limited to compliance with tax requirements and obligations.
- iii. whether the person has been 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;
- iv. whether the person had been terminated, asked to resign or has resigned from the employment in the past due to personal integrity or has abused his power or other position (i.e. political appointment) for personal interest or to facilitate government relations for such company in the manner that contravenes the principles of good governance;
- v. whether the person has substantially involved in the business or company in a management which has failed, gone into receivership, insolvency or involuntary liquidation due to incompetence and deficiencies in that management;
- vi. whether the person is of good repute in the society, financial and business community and has not been the subject of civil or criminal proceedings or enforcement action in the past 10 years while managing or governing an entity either in Malaysia or elsewhere; and
- vii. whether the person is financially healthy, is not an undischarged bankrupt or been a subject of a judgement debt which has not been satisfied in whole or in part and demonstrates the ability to fulfil personal financial obligations as and when they fall due, whether in Malaysia or elsewhere.



4.2 Experience and Competency

Experience and competency are demonstrated by a person who possesses the relevant knowledge, experience and ability to understand the technical requirements of the business, the inherent risks and the management process required to perform his role in a key function in the relevant capacity effectively.

In assessing a person's experience and competency, the Board must consider factors which include, but are not limited to the following:

- i. whether the person has the appropriate education qualification, training, management and leadership skills, has a high level of emotional intelligence, practical experience and considerable understanding on the workings of a corporation to effectively fulfil the role and responsibilities of the position and in the case of directors for better corporate governance;
- ii. whether the person has satisfactory past performance or expertise and or had experience in leading or driving organisation's governance, business performance or operations with a good past performance track record gathered from board effectiveness evaluation; and
- iii. whether the person keeps knowledge current based on continuous professional development.

4.3 Time and Commitment

Time and commitment can be demonstrated by a person who effectively meets the demands and expectations of the relevant role and position in terms of his time and commitment.

In assessing a person's time and commitment, the Board must consider factors which include, but are not limited to the following:

- i. whether the person has the ability to discharge the role and responsibility of the position, has the passion as a director and exhibits actively the ability to articulate views independently, objectively and constructively in board meetings;
- ii. whether the person has been and will be able to devote the required time to understand the business, considering outside commitments including concurrent board positions and is able to make the effort to serve the role including exemplifying readiness to participate in events outside the boardroom; and
- iii. whether the person exhibits open mindedness to the views of others and can make a considered judgement after hearing the views of others.

5. Procedures

The process for assessing the fitness and propriety of the Key Responsible Persons entails the following steps:

- Identification of skills applicable/required for new candidates;
- Selection of candidates/annual evaluation of existing directors;
- "Fit and Proper" assessment by the NC based on criteria in paragraph 4 above;
- Interaction with candidate(s) and between existing directors;
- NC's evaluation, deliberation and confirmation that the Key Responsible Person is fit and proper for purposes of the Board and the Group;
- Recommendation by NC for the Board's approval; and
- Decision by the Board on the recommended appointment/evaluation of the new or existing director, as the case may be.

The self-evaluation questions and answers by each Key Responsible Person with the NC's assessment criteria questions and answers are in **Appendix A**, which may be amended, supplemented and/or restated from time to time as the NC may deem fit.



6. Review of this Policy

- 6.1 The NC will review this Policy, as appropriate, periodically, to ensure its effectiveness for purposes of an annual assessment of the Key Responsible Persons to be conducted internally and by an independent third party at least once in 3 years. The NC will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

7. Approval

- 7.1 This Policy was reviewed and approved by the Board on 27 June 2022.

APPENDIX A
DECLARATION OF FITNESS AND PROPRIETY OF A *KEY RESPONSIBLE PERSON (“KRP”) & PERFORMANCE EVALUATION SHEET BY NOMINATION COMMITTEE (“NC”)

NAME OF COMPANY: DIGI.COM BERHAD (“Company”)

Performance Period:

KRP Name & Position on Board:

**as defined in the Fit and Proper Policy of the Company (“Policy”)*

Guidelines and Specifications

- The fit and proper assessments on each KRP within the scope of the Policy shall be conducted both prior to initial appointments and annually by [internal parties] or whenever the Company becomes aware of information that may materially compromise the KRP’s fitness and propriety.
- Where applicable, the fit and proper assessments (both self-assessment by KRP and NC’s performance evaluation) must be supported by relevant information/documentation in relation to the KRP being assessed. The factors listed below shall be assessed individually.
- Probity, personal and financial integrity and reputation are values that can be demonstrated through personal qualities such as honesty, integrity, diligence, independence of mind and fairness as well as pledges/declarations by the KRP. These qualities are seen over time and demand a disciplined and on-going commitment to high ethical standards as demonstrated by the KRP.
- Experience and competence are qualitative criteria demonstrated both evidentially in written form and through the KRP’s performance and testimonials.
- Time commitment by a KRP is represented by both pledges and declarations on any other commitments outside of the Company and Group (“Group” as defined in the Policy).

The Board of Directors of the Company (“Board”) and NC must consider the following factors based on the KRP’s self-assessment in assessing the KRP’s level of probity, personal and financial integrity, reputation, experience and competence as well as time and commitment. The NC has the discretion from time to time to amend, supplement and/or restate this Appendix A as the NC deems fit.

Part 1 – To be completed by the KRP

This declaration is to be completed by the KRP. The KRP must ensure that the information set out in this declaration is complete and accurate.

<i>Self-assessment of fitness and propriety – probity, personal & financial integrity and reputation</i>		Y/N	If Yes - please provide relevant details (attach supporting documents if required)
1.	Have you or any business you were involved in (whether as an owner or have a controlling interest in) been the subject of any proceedings of a disciplinary or criminal nature, or been notified of any impending proceedings or of any investigations, which might lead to such proceedings either by a regulatory body, professional body, government or any agencies, a court or tribunal, whether publicly or privately either in Malaysia or elsewhere?		

Performance Period:

KRP Name & Position on Board:

Self-assessment of fitness and propriety – probity, personal & financial integrity and reputation (Cont'd)		Y/N	If Yes - please provide relevant details (attach supporting documents if required)
2.	Have you contravened any of the requirements and standards of or been disqualified by any regulatory body, professional body, government body or its agencies?		
3.	Have you engaged in any business practices or been questioned on aspects of professional conduct or business ethics which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on your reputation?		
4.	Have you been dismissed, asked to resign or have resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about your honesty and integrity?		
5.	Have you been involved in any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of your judgment when acting in the capacity of a KRP which would be disadvantageous to the interest of the Company and/or Group?		
6.	Have you been associated, in ownership or in a management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a license to conduct any trade, business or profession, or has had that registration, authorisation, membership or license revoked, withdrawn or terminated? (The duration of concern in this question relates to when you have been associated/was in ownership/in management with such a company/partnership/other business association)		
7.	Have you 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?		
8.	Have you, at any time, ever shown a strong objection or lack of willingness to cooperate with regulatory authorities resulting in either you or the entity you were a part of being negatively impacted (monetarily or otherwise) for the failure or potential failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations?		
9.	Have you, at any time, shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices, which resulted in you or the entity you were a part of being negatively impacted?		

Performance Period:

KRP Name & Position on Board:

Self-assessment of fitness and propriety – probity, personal & financial integrity and reputation (Cont'd)		Y/N	If Yes - please provide relevant details (attach supporting documents if required)
10.	Have you been in control of an organisation which has been involved directly or indirectly in the solicitation/giving of bribery and corrupt activities, notwithstanding if such activities are as part of the operations of the business?		
11.	Are you or have you ever been an undischarged bankrupt?		
12.	Do you have any suspended payments or have you ever compounded any payments with your creditors, whether within or outside Malaysia?		
13.	Are there any bankruptcy proceedings pending or are being initiated against you presently?		

Self-assessment of fitness and propriety – experience and competence (Part A)		Comments
1.	What is the extent of your past experience which is similar to the business of the Company and the Group's geographic footprint? Please give your comments on the value-add you can contribute if there is no similar experience/background.	
2.	What is the level of applicability of your professional qualifications/competence including the ability to understand the technical requirements, risk and management of the Company's business required for this position as a KRP? Please provide evidence of past experiences and proof of your qualifications to support your assessment.	
3.	What previous/recent training courses have you attended which is of relevance and required for this position as KRP? Please provide evidence of training certifications to support your answer.	

[Section B below is not applicable to first time candidates for directorship]

Using the rating scale below, the KRP to indicate a self-assessment of a demonstration of experience and competence by ticking the appropriate box:

1 = Not at all (Poor)

2 = Seldom (Below average)

3 = Most of the time (Average)

4 = Always (Above average)

Performance Period:

KRP Name & Position on Board:

Self-assessment of fitness and propriety – experience and competence (Part B)		Rating				Comments/Examples
		1	2	3	4	
1.	Provides unique insight to issues presented and shares personal knowledge – has valuable skills and requisite knowledge and skills, and shares information.					
2.	Constructively challenges and contributes to the development of strategy.					
3.	Receives feedback from Board and/or committee and incorporates feedback obtained into decision-making process in an objective manner.					
4.	Defends own stand through constructive deliberations at Board and/or committee meetings, where necessary.					
5.	Takes initiative to demand for additional information, where necessary and follows up on areas of concern.					
6.	Tests quality of information and assumptions.					
7.	Offers practical and realistic advice to Board and/or committee discussions.					
8.	Tackles conflicts and takes part in proposing solutions.					
9.	Provides logical honest opinions on issues presented and is not afraid of expressing disagreement on matters during the meeting, if any.					
10.	Contributes to risk management initiatives.					
11.	Prioritises context of issues to be in line with objectives.					
12.	Probes management to ensure management has taken, and/or 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).					

Performance Period:

KRP Name & Position on Board:

Self-assessment of fitness and propriety – experience and competence (Part B) (Cont'd)		Rating				Comments/Examples
		1	2	3	4	
13.	Probes management when there are red flags/concerns which could, amongst others, indicate possible non-compliance of regulatory requirements.					
14.	Understands individual roles and responsibilities and ensures contribution is contemporary with developments.					
15.	Articulates in a non-confrontational and comprehensible manner.					
16.	Scrutinises the performance of management in meeting agreed goals and objectives and monitors reporting of performance.					
17.	Satisfied with sufficient probing that the Company's financial information is accurate and financial controls and systems of risk management are robust and defensible.					
18.	Encourages others to get things done, is decisive and action-oriented.					

Self-assessment of fitness and propriety – time and commitment [Not applicable to first time candidates for directorship]		Comments/Answers
1.	How many boards are you sitting on presently?	
2.	How do you prepare (how much time do you allocate) for Board meetings and what is your value add to the Board and/or committee meetings?	
3.	Are you receptive to the views of others which may differ from your own?	
4.	How open are you to making make a considered judgement after hearing the views of others? Give examples on current or previous board.	
5.	How much time and effort are you willing to devote to understand the Company better and its business objectives?	
6.	Are you prepared to participate in events outside the boardroom such as site visits in order to achieve the objectives of the Board?	

Performance Period:

KRP Name & Position on Board:

General Declaration of Integrity by KRP:-

I, [TO INSERT KRP NAME], [TO INSERT POSITION ON THE BOARD], declare that:

1. the information provided in this declaration (including any attachments) is true, complete and correct;
2. I hereby confirm that:
 - (i) I am not prohibited from being a director of a company or in any way, whether directly or indirectly, be concerned or take part in the management of a company in Malaysia pursuant to a court order made under the Companies Act 2016 and have not obtained any leave of the court under the same section;
 - (ii) I am able to commit adequate and sufficient time towards my responsibilities as a KRP;
 - (iii) Under any law relating to any civil or criminal matters:-
 - (a) there has not been any order of detention, supervision, or deportation made against me; and
 - (b) there has not been any form of restriction or supervision by bond or otherwise, imposed on me;
 - (c) to my knowledge, there has been no penalty and no reprimand issued against me by a supervisory authority (in or outside Malaysia); and
 - (iv) I will always act with integrity and in good faith as a KRP;
3. I have not held the position of a director or been directly concerned in the management of any company which has been convicted of an offence under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice during the tenure of my office;
4. I am a person of probity, personal and financial integrity and good reputation;
5. I possess the appropriate skills, experience and have sufficient knowledge pertaining to the relevant provisions in the Anti-Money Laundering and Terrorism Financing Act 2001 to effectively fulfil the role and responsibilities of the position; and
6. I have managed my affairs properly and prudently.

Signature : _____

Date : _____

Performance Period:

KRP Name & Position on Board:

Part 2 – To be completed by the Board/NC based on the self-assessment of the KRP's performance in Part 1 above

BOARD/NC ASSESSMENT

In assessing the KRP's, the Board and NC must consider the following factors referred to as the Fit & Proper Criteria:

1. probity, personal and financial integrity and reputation;
2. experience and competency; and
3. time and commitment

Probity, personal & financial integrity and reputation

<i>Evaluation of fitness and propriety of the KRP – probity, personal & financial integrity and reputation</i>		Please tick (√)		Comments
		YES	NO	
1.	Is not a major shareholder of the Company.			
2.	Is not a family member of any executive director, officer or major shareholder of the Company.			
3.	Acts with integrity, in good faith and best interest of the Company and Group.			
4.	Has not been engaged as an adviser by the Company under such circumstances as prescribed by Bursa Malaysia Securities Berhad ("Bursa") or is not presently a partner, director (except as an Independent Director) or major shareholder, as the case may be, of a firm or company which provides professional advisory services to the Company under circumstances as prescribed by Bursa Securities.			
5.	Has not engaged in any transaction with the Company under such circumstances as prescribed by Bursa or is not presently a partner, director or major shareholder, as the case may be, a firm or company (other than subsidiaries of the Company) which has engaged in any transaction with the Company under such circumstances as prescribed by Bursa.			
6.	Have not been directly or indirectly involved in or been in control of an organisation which has been involved in the solicitation/giving of bribery and corrupt activities, notwithstanding if such activities are as part of the operations of the business.			
7.	Have not been the subject of any proceedings of a disciplinary or criminal nature, or been notified of any impending proceedings or of any investigations, which might lead to such proceedings either by a regulatory body, professional body, government or any agencies either in Malaysia or elsewhere.			

Performance Period:

KRP Name & Position on Board:

<i>Evaluation of fitness and propriety of the KRP – probity, personal & financial integrity and reputation (cont'd)</i>		Please tick (√)		Comments
		YES	NO	
8.	Have not been dismissed, asked to resign or has resigned from employment or from a position of trust, fiduciary appointment or similar position because of personal integrity.			
9.	Has the KRP been and will be able to fulfil his financial obligations, whether in Malaysia or elsewhere, as and when they fall due? (to conduct independent third party checks, i.e. CTOS and bankruptcy search)			
10.	Has the KRP been the subject of a judgment debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere? (to conduct independent check)			

Experience and Competency

<i>Evaluation of fitness and propriety – experience and competency</i>		Please tick (√)		Comments
		YES	NO	
1.	Is the KRP competent in his/her field of expertise and does he/she have the necessary qualifications?			
2.	Have we verified his/her academic and professional qualifications? <i>(to conduct independent third party checks)</i>			
3.	What previous experience/background does the KRP possess to add value to the Board?			
4.	Does the KRP have the ability to discharge the role and responsibility of the position?			
5.	Does the KRP work constructively with peers, the company secretary and senior management?			
6.	Does the KRP always offer insight to matters presented with requisite knowledge and shares relevant information?			
7.	Is the KRP decisive and action oriented? Does the KRP always encourage others to get things done.			
8.	Does the KRP have a good behavior that engenders mutual trust and respect within the Board?			
9.	Does the KRP communicate effectively with shareholders and listen their feedback?			

Performance Period:

KRP Name & Position on Board:

Time and Commitment

Evaluation of fitness and propriety – time and commitment		Please tick (√)		Comments
		YES	NO	
1.	Has the KRP attended all board/committee meetings?			
2.	Does he/she contribute effectively and constructively during board/committee meetings?			
3.	Does he/she provide positive/negative feedback?			
4.	Has he/she attended the required training as a director to enhance his/her skills? <i>(to attach the list of training courses/certificates)</i>			
5.	Has the KRP been and/or will he/she be able to devote the required time to serve the role? <i>(based on time spent by the KRP to prepare for the meetings and number of attendances at meetings)</i>			
6.	Has the KRP shown commitment towards his/her position on the Board by his/her participation and contribution or track record?			

We have performed third party verification checks, i.e. CTOS, bankruptcy search, authorities' searches and world check including with the Malaysian courts and police on any pending cases/reports lodged against the KRP and reviewed the evidence/tasks the KRP has performed including qualifications and past experience, the KRP's commitments to other boards and hereby verify that the KRP named above meets the Fit and Proper Criteria and will report and present the same to the Board for approval.

Recommended by the Chairman of NC:

Signature : _____

Date : _____

Approved by the Chairman of the Board:

Signature : _____

Date : _____