



**ELRIDGE ENERGY HOLDINGS BERHAD**  
**[Registration No. 202401001446 (1547297-X)]**  
(Incorporated in Malaysia)

**DIRECTORS FIT AND PROPER POLICY**  
(Adopted w.e.f. 19 March 2024)

## 1.0 Introduction

The Board of Directors (“**the Board**”) of Elridge Energy Holdings Berhad (“**Elridge Energy**” or “**the Company**”) and its subsidiary (“**Group**”) recognise that a formal, rigorous, and transparent process for the appointment and re-election of Directors should be put in place, based on merit and with due regards to skills, experience, age, cultural background, gender and evaluating if an individual has the characteristics and time to discharge his/her role effectively.

The Directors’ Fit and Proper Policy (“**the Policy**”) was established and adopted to guide the Nomination Committee (“**NC**”) and the Board in objectively assessing the suitability of candidates to be part of the Board as well as Directors who are seeking re-election and to comply with the requirements contained in the ACE Market Listing Requirements (“**ACE LR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and other applicable rules and regulations at the prevailing country to ensure compliance with the obligations imposed.

### Regulatory requirements:

- Rule 2.20A of the ACE LR

#### Qualification of directors and other key officers

Every listed corporation must ensure that each of its directors, chief executive or chief financial officer has the character, experience, integrity, competence and time to effectively discharge his role as a director, chief executive or chief financial officer, as the case may be, of the listed corporation.

- Rule 15.01A of the ACE LR

#### Fit and proper policy

A listed issuer must –

- (a) have a fit and proper policy for the appointment and re-election of directors of the listed issuer and its subsidiaries;
  - (b) ensure the policy addresses board quality and integrity and will aid the listed issuer to comply with Rule 2.20A of the ACE LR; and
  - (c) make available the policy on its website.
- Rule 15.08A(3) of the ACE LR

The listed issuer must provide, in its annual report, a statement about the activities of the nominating committee in the discharge of its duties for the financial year. Such statement must include the application of the listed issuer’s fit and proper policy in the nomination and election of its directors, how the requirements set out in Rule 2.20A of the ACE LR are met and contain the following information –

- (a) the policy on board composition having regard to the mix of skills, independence and diversity (including gender diversity) required to meet the needs of the listed issuer;

- (b) the board nomination and election process of directors; and
- (c) the assessment undertaken by the nominating committee in respect of the performance of its board, committees and individual directors together with the criteria used for such assessment.

## **2.0 Criteria**

The basis of evaluating if an individual is fit and proper to be a Director or hold a key responsible person position, the company shall have regard- the person's:

### **a) Character and Integrity**

- i. Probity
  - is compliant with legal obligations, regulatory requirements, and professional standards.
  - has not been obstructive, misleading, and 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 conduct (i.e., in the capacity of management or director) had not been terminated in the past due to concerns about 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.
- 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.

### **b) Experience and Competence**

- i. Qualifications, training, and skills
  - possesses an 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 corporate operations.
  - 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 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 a commendable past performance record as gathered from the results of the Board's effectiveness evaluation.

**c) 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 to the Board or track record
- demonstrates a willingness to participate actively in board activities.
  - demonstrates a willingness to devote time and effort to understanding 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 considered judgments after hearing the views of others.

**3.0 Assessment**

The NC will review this Policy periodically to ensure that it continues to remain relevant, appropriate, and consistent with the Group's practices, Malaysian Code on Corporate Governance, ACE LR, or any other applicable regulatory requirements. Any revisions to this Policy as recommended by the NC will be submitted to the Board for consideration and approval.

In assessing a Directors' fitness and propriety, the Company shall take into account the criteria outlined in this Policy. The criteria shall be assessed both individually and collectively, taking into account their relative importance. Failure to meet one criterion on its own does not necessarily mean failure to meet the fit and proper criteria. The specific circumstances surrounding a Director's failure to meet specific criteria, such as the lapse of time since the occurrence of events, other contributing factors and the significance of the event from the perspective of potential risks posed to the Company, will be considered by the Company.

The Company should exercise the assessment objectively in the best interests of the Company and the sound conduct of the Company's business. In conducting the assessment, the Company should consider whether there have been material changes in the nature or scope of the responsibilities assumed by a Director in which higher standards of competence or judgement are required in order to properly perform the duties associated with the said position.

#### **4.0 Disclosure**

Pursuant to the ACE LR on the disclosure of the application of the Directors' fit and proper policy in the nomination and election process of the Directors in the statement of the NC, the Board shall disclose such statement in the Annual Report. A copy of this Policy shall also be published on the website of the Company.

#### **5.0 Review of the Policy**

The NC shall review and assess the effectiveness of the Policy. Any requirement for amendment shall be deliberated by the NC and any recommendation for revisions shall be highlighted to the Board for approval.

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**DIRECTORS' DECLARATION OF FIT AND PROPER**

**NAME** : \_\_\_\_\_

**NRIC/PASSPORT NO.** : \_\_\_\_\_

do hereby solemnly affirm and declare the following:-

No.	Criteria	Options (Please tick)	
		Yes	No
<b>Probity, Personal Integrity and Reputation</b>			
1.	I have not 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;		
2.	I have not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice;		
3.	I have not contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies;		
4.	I or any business in which I have a controlling interest or exercise significant influence, have not been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately;		
5.	I have not been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on my professional conduct;		
6.	I have not been dismissed, asked to resign or have resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions on my honesty and integrity;		
7.	I have not been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorisation, membership or a licence to conduct any trade, business or profession, or has had that registration, authorisation, membership or licence revoked, withdrawn or terminated;		
8.	I have not held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while I was connected with that business;		

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## Director's Declaration of Fit and Proper

No.	Criteria	Options (Please tick)	
		Yes	No
9.	I have not been a director of, or have been 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, or of any licensed institution, the licence of which has been revoked under any written law;		
10.	In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employer, auditors and regulatory authorities;		
11.	I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations;		
12.	I have not contributed significantly to the failure of an organisation or a business unit;		
13.	I have not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices; and		
14.	I am free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of my judgement when acting in the capacity of a Director which would be disadvantageous to Elridge Energy's or its subsidiaries' interest.		
<b>Financial Integrity</b>			
15.	I am and will be able to fulfil my financial obligations, whether in Malaysia or elsewhere, as and when they fall due;		
16.	To my knowledge, I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.		
17.	I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.		

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Director's Declaration of Fit and Proper

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\*Where you have not ticked 'YES', please explain and/or provide the relevant documents

<b>Explanation for items not ticked 'YES'</b>	
<b>No.</b>	<b>Explanation</b>

<b>SIGNATURE</b>	
<b>NAME</b>	
<b>DATE</b>	