



Amway (Malaysia) Holdings Berhad
Registration No: 199501011153 (340354-U)

DIRECTORS' FIT & PROPER POLICY

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1. OBJECTIVE AND APPLICATION

- 1.1 The Board of Directors (“Board”) of Amway (Malaysia) Holdings Berhad (“Amway” or “Company”) is committed to ensuring that the Directors of Amway and its subsidiaries (collectively, “Group”) have the character, experience, integrity, competence, time and commitment to effectively discharge their role as Director.
- 1.2 The Directors' Fit and Proper Policy (“Policy”) shall serve as a guide to the Nominating Committee (“NC”) and the Board in the review and assessment of candidates that are to be appointed as Directors as well as Directors who are seeking election or re-election.

2. PROCESS FOR EVALUATION

- 2.1 Before considering any person for appointment as a Director or any existing Director for re-election, the NC shall undertake adequate due diligence in respect of such individuals to ascertain suitability on the basis of the criteria set out in Section 3 of this Policy and also such other factors in respect of which information is obtained by the Company via a declaration and undertaking.
- 2.2 The NC shall review each declaration and undertaking received. After considering the result of the due diligence and the information provided in the signed declaration and undertaking, the NC shall decide on and recommend to the Board, the acceptance or rejection of the appointment of new Directors or the re-election of existing Directors, as the case may be.

3 THE FIT AND PROPER CRITERIA

- 3.1 The following broad parameters and criteria shall be considered when assessing the suitability of a person for appointment or re-election as a Director

A. Character and Integrity

(i) Probity

- He/she is compliant with legal obligations, regulatory requirements and professional standards;
- He/she has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court of law; and
- He/she is free from 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 the Company of Group or its interest.

(ii) Personal integrity

- He/she 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;
- His/her service contract (i.e. in the capacity of management or director) had not been terminated in the past due to concerns on personal integrity;
- He/she 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;
- He/she has not been reprimanded, or disqualified or removed by a professional or regulatory body in relation to matters relating to his/her honesty, integrity or business conduct; and
- He/she has not contravened any requirements imposed by authorities or bodies or failed to uphold any professional or ethical standards issued.

(iii) Financial integrity

- He/she manages personal debts or financial affairs satisfactorily and with good financial standing based on report from a credit rating agency;
- He/she demonstrates ability to fulfil personal financial obligations as and when they fall due;
- He/she has not filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction; and
- He/she, or any business in which he/she has a controlling interest or exercise significant influence, has not been indicted, investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately.

(iv) Reputation

- He/she is of good repute in the financial and business community;
- He/she has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past 10 years;
- He/she has not contravened any provision made by or under any written law or professional standards designed to protect members of the public against financial loss due to dishonesty, incompetence or malpractice; and
- He/she has not been substantially involved in the management of a business or company which has failed (including a company that falls under the GN3 or PN17 classification of the ACE Market/Main Market

Listing Requirements of Bursa Malaysia Securities Berhad), where that failure has been occasioned in part by deficiencies in that management.

- He/she has also not been sued civilly in court for contributing to the failure of an organisation or business unit.

B. Experience and Competence

(i) Qualification, training and skills

- He/she 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);
- He/she has a considerable understanding on the workings of a corporation;
- He/she possesses general management skills of at least 5 years as well as understanding of corporate governance and sustainability issues;
- He/she keeps knowledge current based on continuous professional development; and
- He/she possesses leadership capabilities and a high level of emotional intelligence.

(ii) Relevant experience and expertise

- He/she 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 experience or track record

- He/she had a career of a senior management or high-level position in a comparable organisation for at least five (5) years, and was accountable for driving or leading the organisation's governance, business performance or operations; and
- He/she possesses commendable past performance record as gathered from the results of the Board Effectiveness Evaluation or based on the financial and non-financial performance of the corporation where the person identified for appointment as a director was involved.

C. Time and Commitment

(i) Ability to discharge role having regard to other commitments

- He/she is able to devote time as a Board member, having factored other outside obligations including existing board positions held by the Director in other listed issuers (taking into consideration his/her board

attendance records) and non-listed entities (including not-for-profit organisations).

(ii) Participation and contribution in the Board or track record (applicable for re-election of exiting directors only)

- He/she demonstrates willingness to participate actively in Board activities;
- He/she demonstrates willingness to devote time and effort to understand the businesses and exemplifies readiness to participate in events outside the boardroom;
- He/she manifests passion in the vocation of a Director;
- He/she exhibits ability to articulate views independently, objectively and constructively; and
- He/she exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

3.2 The NC may, at its discretion, apply additional or different criteria as it may deem fit while considering or assessing the suitability of a person for appointment or re-election as a Director.

4. REVIEW OF THIS POLICY

The Policy shall be periodically reviewed and updated. Any requirement for amendment shall be deliberated upon by the NC and any recommendations for revisions shall be highlighted and proposed to the Board for approval.

This Policy was adopted by the Board on 25 May 2022 and is made available on the Company's website, <https://www.amway.my>