

KK MART RETAIL BERHAD

REGISTRATION NO.: 202301037992 (1531914-U)

FIT AND PROPER POLICY

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INTERPRETATION

In this Policy, unless the context otherwise requires:

a) the headings and underlines are for convenience only and do not affect the interpretation of this Policy;
b) words importing the singular include the plural and vice versa;
c) words importing a gender include any gender;
d) a person includes a natural person, partnership, joint venture, government agency, association, corporation, trust or other body corporate; and
e) words and phrases defined in the applicable legislations, shall bear the same meanings herein.

1.0 INTRODUCTION

1.1 Overview

The Board of Directors of KK Mart Retail Berhad ("**KK Mart**" or "**Company**") ("**Board**") is committed to adhering the best practices in corporate governance by ensuring that the directors and key management personnel including but not limited to the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer (who is a non-Board member) ("**Key Senior Management**") of the Company and its subsidiaries (collectively, the "**Group**") possess the character, experience, integrity, relevant range of skills, knowledge, competence and time commitment to carry out their roles and responsibilities effectively in the best interests of the Group and its stakeholders.

This Fit and Proper Policy ("**Policy**") sets out the fit and proper criteria for the appointment and re-election of directors (collectively "**Directors**" and individually "**Director**"), as well as for the appointment of Key Senior Management of the Group. This Policy shall guide the Board and the Nomination and Remuneration Committee of the Company ("**NRC**") in their review and assessment of candidates for appointment to the Board and Key Senior Management, as well as Directors who are seeking for re-election.

2.0 RESPONSIBILITY

2.1 Board's Commitment and Responsibility

In the application of this Policy, the Board is primarily responsible to ensure that all Directors and Key Senior Management of the Group fulfil the applicable fit and proper requirements through conducting the fit and proper assessment.

The Board remains committed to ensuring each Director and Key Senior Management possesses the appropriate skill and experience commensurate with the role that he or she holds. The Board shall make all final determinations on the fitness and propriety of each Director and Key Senior Management.

2.2 NRC's Responsibility

The NRC is responsible for making assessments or evaluations of candidates being considered for nomination or appointment as Directors or Key Senior Management, including the re-appointment or re-election of Directors, and for making recommendations to the Board based on such assessments.

Annual re-elections of Director should be contingent on the satisfactory evaluation of the Director's performance and contribution to the Board.

2.3 Company Secretary's Responsibility

The Company Secretary is responsible for the overall application of this Policy, which entails the following:

a) Ensuring that appropriate fit and proper assessment is carried out for each candidate to be appointed as a Director or Key Senior Management;
b) Making submissions on any matters relevant to a particular assessment of a candidate's fitness and propriety;
c) Providing information to the NRC on matters concerning the procedures for fit and proper assessment;
d) Ensuring that the Company takes all reasonable steps to protect the information and documents collected for fit and proper assessment from misuse, unauthorised access, modifications or disclosure; and
e) Keeping and maintaining the list(s) of all current Directors, in addition to details of the competencies and training required for each Director following assessment by the Board, with the assistance of the NRC.

3.0 REQUIRED NOTIFICATION

As soon as a person is nominated or proposed for election or appointment as a Director or Key Senior Management, the Company will make available to that person a copy of this Policy and the details of the required competencies and training relevant for that Director. This Policy will also form part of the induction process for all Directors and Key Senior Management.

The Company will also take reasonable steps to ensure that each Director and Key Senior Management is aware and fully understands this Policy, and that each Director and Key Senior Management receives a copy of this Policy prior to any assessment of their suitability to be appointed on the Board and as a Key Senior Management within the Group.

4.0 FIT AND PROPER CRITERIA

A candidate undergoing the fit and proper assessment must at the outset not be disqualified from being a director pursuant to the prevailing laws and regulations of Malaysia.

For the purpose of determining whether a candidate is fit and proper to be a Director and Key Senior Management in the Group, the Company shall have regard to the following qualities of the said candidate:

(i) character and integrity;
(ii) experience and competence; and
(iii) time and commitment.

The assessment of the above qualities shall have regard but are not limited to the considerations set out under Paragraphs 4.1 to 4.3 of this Policy, in addition to the required skill sets to be considered for any appointment of new Directors and Key Senior Management. For the appointment of independent Directors, the requisite independence criteria as stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") ("**Listing Requirements**") shall also apply.

4.1 Character and Integrity

(i) Probity

- is in compliance with all applicable legal obligations, regulatory requirements and professional standards; and
- 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, corrupt, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;
- no service contract (i.e. in the capacity of management or Director) has been terminated in the past due to concerns on personal integrity; and
- has not abused his or her position held in a company or other positions held (e.g. political appointment or public office, etc.) to facilitate his or her affairs, Company's affairs or government relations for and/or on behalf of the Company in a manner that contravenes the principles of good governance.

(iii) Financial integrity

- is able to manage personal debts and financial affairs satisfactorily;
- has good financial standing based on report from a credit rating agency; and
- is able 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; and
- has not been substantially involved in the management of a business or company which has failed, where that failure has been occasioned or attributed in part to deficiencies in that person's integrity and management capabilities.

4.2 Experience and Competence

(i) Qualifications, training and skills

- has the education qualification that is relevant to the skill set that the Director or Key Senior Management is earmarked to bring to bear onto the boardroom (i.e. a match to the Board skill set matrix) or management of the Group;
- has a considerable understanding in relation to the business and workings of a corporation;
- possesses general management skills as well as an understanding of corporate governance and sustainability issues;
- undergoes continuous professional development to keep his knowledge up-to-date; and
- 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

- has a career of occupying a high-level or senior management position in a comparable organisation, and was accountable for driving or leading the organisation's governance, business performance or operations; and
- possesses commendable past performance record as determined 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 or Key Senior Management was involved.

4.3 Time and Commitment

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

- is able to devote time as a Board member, having considered other outside obligations including concurrent board positions held by the Director in other listed issuers (taking into consideration his 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 existing Director only)

- 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;
- is able to articulate views independently, objectively and constructively; and
- exhibits open mindedness to the views of others and is able to make considered judgment after hearing the views of others.

5.0 ASSESSMENT

The NRC will assess each candidate for a new appointment of Director and Key Senior Management, as well as election (including reappointment or re-election) of Directors based on the criteria set under Paragraph 4.0 of this Policy before recommending the appointment or election (including re-appointment or re-election) to the Board for approval. The NRC has the authority to not recommend to the Board the appointment, re-appointment, election or re-election of candidates who do not meet the requirements of this Policy.

Each candidate is required to complete and sign the Fit and Proper Declaration Form (the "**Declaration**") as set out in **Annexure 1**. By executing the Declaration, the candidate(s) authorise the Company to perform background check, if necessary, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks.

The information gathered from the assessments shall be for the NRC's strict use for the purpose of the assessment and not for public disclosure.

A candidate's failure to meet one factor on its own does not necessarily mean failure to meet the fit and proper criteria. The NRC will consider the specific circumstances surrounding a candidate's failure to meet specific factors, including 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 Group.

The fit and proper assessment on an existing Director or Key Senior Management may also be conducted whenever the Company becomes aware of information that may materially compromise the Director's or Key Senior Management's fitness and propriety.

6.0 REPORTING DISCLOSURE

The disclosure of the activities of the NRC, which is included in the Company's annual report, is a statement on the activities of the NRC in the discharge of its duties for the financial year, and must include the application of the Company's Fit and Proper Policy in the nomination, appointment and re-election of Directors or Key Senior Management.

7.0 REVIEW OF POLICY

This Policy shall be reviewed periodically to assess its effectiveness and updated when there are change(s) to the Listing Requirements, the Malaysian Code on Corporate Governance and/or any other applicable laws and regulations in force at the relevant time.

This Policy was adopted by the Board on 8 June 2026.

Annexure 1

STRICTLY CONFIDENTIAL

Fit and Proper Declaration Form

1. Full Name (as per Identification Document) _____
2. Date of Birth _____
3. NRIC/Passport No. _____
4. Nationality/Citizenship _____
5. Residential Address _____
   _____
   _____
6. Service Address
   (if different from Residential Address) _____
   _____
   _____
7. Details on any political office(s)/office(s) in political societies currently and/or previously held by you _____
   _____

		YES	NO
Part A: Character and Integrity			
(i)	Have you, or the company of which you are a director, 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? Have you been disqualified from acting as a director of any corporation or from taking part, directly or indirectly, in the management of any company? If yes, please state details: _____ _____ _____		
(ii)	Have you or the company of which you are a director contravened 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: _____ _____ _____		
(iii)	Has any partnership in which you were a partner or any corporation of which you were a director or an officer been the subject of or linked with an investigation or inspection by Bursa Securities, the Securities Commission (SC), or similar regulatory bodies in other jurisdiction or any other regulatory body, authority or professional or trade association, government or its agencies while you were a partner/director/officer or during the twelve (12) months after you ceased to be a partner/director/officer ? If yes, please state details: _____ _____ _____		

(iv)	Have you or any business in which you have a controlling interest or exercises significant influence, been investigated, disciplined, suspended or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately? If yes, please state details: _____ _____ _____		
(v)	Have you been engaged in any business practices which are deceitful, oppressive or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on your professional conduct? If yes, please state details: _____ _____ _____		
(vi)	Have you been dismissed, asked to resign or resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about your honesty and integrity? If yes, please state details: _____ _____ _____		

(vii)	Have you 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? If yes, please state details: _____ _____ _____		
(viii)	Have you held a position of responsibility in the management of a business that has gone into receivership, insolvency, or in voluntary liquidation while you were connected with that business? If yes, please state details: _____ _____ _____		
(ix)	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? If yes, please state details: _____ _____ _____		
(x)	Have you, in the past, acted unfairly or dishonestly in your dealings with your customers, employer, auditors and regulatory authorities? If yes, please state details: _____ _____ _____		

(xi)	Have you had at any time shown strong objection or lack of willingness to cooperate with regulatory authorities or failed to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations? If yes, please state details: _____ _____ _____		
(xii)	Have you had any time contributed significantly to the failure of an organisation or a business unit? If yes, please state details: _____ _____ _____		
(xiii)	Have you had at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices? If yes, please state details: _____ _____ _____		
(xiv)	Do you currently have any business or other relationship, including interest (direct or indirect) in any competing business, which could materially pose a conflict of interest or interfere with the exercise of your judgement when acting in the capacity of a director which would be disadvantageous to the Company? If yes, please state details: _____ _____ _____		

(xv)	Have you been and will be able to fulfil your financial obligations, whether in Malaysia or elsewhere, as and when they fall due?		
(xvi)	Have you been adjudged as a bankrupt, involved in a bankruptcy proceeding, or the subject of a judgement debt which is unsatisfied either in whole or in part, whether in Malaysia or elsewhere?		

Part B: Experience and Competence ***(only for appointment of new Director and Key Senior Management)***		
(i)	Educational qualification *(Please list in reverse chronological order)*	
(ii)	Work experience *(Please list in reverse chronological order and use separate sheet(s) if required)*	
(iii)	What do you consider to be your core area(s) of expertise?	
(iv)	List of current and past directorship (Please use separate sheet(s) if required)	

Part C: Time and Commitment		
(i)	What kind of time commitments do you now have for your current activities?	
(ii)	What would your time commitment be for the Board of Directors of KK Mart Retail Berhad and/or its subsidiaries?	

I, …….…….. (NRIC/Passport No.:.....) do hereby solemnly affirm and declare that the information provided in this Fit and Proper Declaration Form is true and correct, to the best of my knowledge.

……..……
Signature
Name:
Date: