



KLCC Property Holdings Berhad
[200401003073 (641576-U)]

DIRECTORS' FIT AND PROPER POLICY

1. POLICY OBJECTIVE

1.1. The Directors' Fit and Proper Policy ("Policy") requires all members of the board of company to possess the necessary qualities, competencies and experience that allows them to perform their duties and carry out the responsibilities required of the position in the most effective manner.

1.2. The fit and proper assessment on any person identified to be appointed as a director or to continue in office as director within companies of the KLCCP Stapled Group shall be conducted prior to the initial appointment and/or subsequent proposed re-election/ re-appointment as director.

The fit and proper assessment on a director may also be conducted whenever the company becomes aware of information that may materially compromise the director's fitness and propriety.

1.3. The Nomination and Remuneration Committee ("NRC") as well as the board of companies in the KLCCP Stapled Group, in conducting the above fit and proper assessment, shall be guided by the Policy as described in Paragraph 2 below.

2. FIT AND PROPER CRITERIA

2.1. Any person to be appointed as a director or to continue in office as a director within companies in the KLCCP Stapled Group must be assessed as compliant with the fit and proper criteria of this Policy.

2.2. The NRC in assessing a person's fitness and propriety, as well as the board of companies in the KLCCP Stapled Group, shall consider all relevant factors based upon the overarching criteria classifies as relating to:

- a. Character and Integrity.
- b. Experience and Competence.
- c. Time and Commitment.

2.3. The NRC shall determine the specific factors for its consideration in a fit and proper assessment, having regard to the circumstances and requirements relevant to the requirements of the KLCCP Stapled Group.

2.4. The NRC shall assess the key factors underpinning the overarching criteria based on their relative importance such as outlined below:

Character and Integrity

I.	Probity	<ul style="list-style-type: none"> • The person is compliant with the legal obligations, regulatory requirements, and professional standards, where applicable. • The person has not been obstructive, misleading, or untruthful in dealings with regulatory bodies or a court of law.
II.	Personal integrity	<ul style="list-style-type: none"> • The person has not perpetrated or participated in any business practices which are deceitful, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on the person's professional conduct. • The person's previous service contract (i.e., in the capacity of management or as a director) has not been terminated due to concerns on personal integrity. • The person has not abused other positions held in a manner contravening the principles of good governance.
III.	Financial integrity	<ul style="list-style-type: none"> • The person manages personal debts or financial affairs satisfactorily. • The person consistently demonstrates ability to fulfil personal financial obligations. • The fact that the person may be of limited financial means does not in itself, affect the person's ability to satisfy the financial integrity criteria.
IV.	Reputation	<ul style="list-style-type: none"> • The person is of good repute in the finance and business community. • The person has not been the subject of civil or criminal proceedings nor enforcement action, in managing or any entity's governance for the past 10 years. • The person has no active involvement in ineffective management practices that contribute to failure of business or company.

Experience and Competence

I.	Qualifications, training, and skills	<ul style="list-style-type: none">• The person possesses education qualification that is relevant to the skill set that such director is earmarked to bring or to bear onto the boardroom.• The person has considerable understanding on the workings of a corporation.• The person possesses general management skills as well as an understanding of corporate governance, and appreciation of sustainability issues.• The person keeps knowledge current by seeking continuous professional development.• The person possesses leadership capabilities and a high level of emotional intelligence.
II.	Relevant experience and expertise	<ul style="list-style-type: none">• The person possesses relevant experience and expertise considering the past positions held, particularly relating to the length of service, nature, and business size, number of subordinates as well as the reporting lines and delegated authority and responsibilities.
III.	Relevant past performance or track record	<ul style="list-style-type: none">• The person's career includes occupying a high-level position in a relevant organization with direct accountability to drive and lead its governance, business performance and operations.• The person possesses commendable boardroom performance record including as gathered from the results of annual Board Effectiveness Evaluation.

Time and Commitment

I.	Ability to discharge role having regard to other commitments	<ul style="list-style-type: none">• The person can devote time as a Board member, having factored in other outside obligations including concurrent board positions held by the director across listed issuers and non-listed entities (including not-for-profit organizations).
II.	Participation and contribution in the Board or track record	<ul style="list-style-type: none">• The person demonstrates willingness to participate actively in Board activities.• The person demonstrates willingness to devote time and effort to understand the business and exemplifies readiness to participate in company events outside boardroom.• The person is passionate in the vocation of a director.• The person exhibits ability to articulate views independently, objectively, and constructively.• The person exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others.

3. ASSESMENT

- 3.1. A person who is identified to be appointed as director including for director re-appointment/re-election within companies of the KLCCP Stapled Group shall be required to declare fit and proper for director in accordance with this Policy.

4. REVIEW

- 4.1. The NRC shall recommend any change and update to the Policy as the NRC deems appropriate. The Policy shall be aligned to any legal or regulatory changes and the best practices under the Malaysian Code on Corporate Governance.

[The remaining of this page is left blank intentionally]