

DIRECTORS' FIT AND PROPER POLICY

1) OBJECTIVE

This Policy has been prepared to complement the relevant provisions of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Malaysia"), the Companies Act, 2016 ("CA") and the best practices set out in the Malaysian Code on Corporate Governance ("MCCG") 2021 and serve as a guide to the Nominating Committee and the Board in their evaluation in relation to any appointment of Directors and re-election of Directors of Land & General Berhad and its subsidiaries.

2) COMPLIANCE REQUIREMENTS

- A.** Pursuant to Paragraph 2.20A of the MMLR, 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.
- B.** Section 198 of the CA provides that a person shall not hold office as a director of a company or whether directly or indirectly be concerned with or takes part in the management of a company, if the person—
- i. is an undischarged bankrupt;
 - ii. has been convicted of an offence relating to the promotion, formation or management of a corporation;
 - iii. has been convicted of an offence involving bribery, fraud or dishonesty;
 - iv. has been convicted of an offence under Sections 213, 217, 218, 228 and 539; or
 - v. has been disqualified by the Court under Section 199.
- C.** Pursuant to Practice 5.5 of the MCCG 2021, any appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. Directors appointed should be able to devote the required time to serve the board effectively.

The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided.

3) CRITERIA

The fit and proper criteria of a Director shall include but not limited to the following: -

A. **Character and Integrity**

I. **Ethics**

- a) acts honestly, fairly, professionally in all business dealings and in good faith for proper purpose in the best interest of the company; and
- b) compliance with laws, rules and regulations;

II. **Personal integrity**

- a) has no involvement in any business practices which are unethical or unlawful; and
- b) has no breach of service contract of any kind whether in the capacity of management or Director which resulted in termination in the past in connection to any disciplinary issue or failure in carrying out his/her fiduciary duties and responsibilities,

III. **Financial integrity**

- a) has good financial standing; and
- b) has the ability to fulfil personal financial obligations without fail,

IV. **Reputation**

- a) has not been convicted of any offence relating to the promotion, formation or management of a corporation;
- b) has not been imposed any public sanction or penalty by the relevant regulatory body;
- c) 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**

- a) possesses relevant qualification, knowledge and experience;
- b) possesses leadership skills; and
- c) keeps knowledge current through continuous professional development,

II. **Relevant experience, expertise and credential**

- a) possesses relevant experience, expertise and credential with due consideration given to past length of service, nature and size of business, roles and responsibilities held; and
- b) professionalism,

III. **Relevant past performance or track record**

- a) has performed objectively and effectively based on board evaluation/assessment;
- b) has contributed constructive and valuable input in decision making process; and
- c) has contributed personal knowledge and experience during deliberation and strategy development process,

C. Time and commitment

I. Ability to discharge role having regard to other commitments

- a) 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).

4. APPLICATION

This Directors' fit and proper policy is:-

- a) to be applied in practices by having a regard with the spirit and general principles of good governance rather than to the letter alone; and
- b) to be kept under review and updated as practices on corporate governance continue to be developed and newer guidelines on corporate governance are issued by the relevant regulatory authorities.

Dated: 31 May 2022

Source of reference:

1. *MMLR of Bursa Malaysia*
2. *CA, 2016*
3. *MCCG 2021*
4. *Bursa Malaysia Corporate Governance Guide, 4th Edition*

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