



ISKANDAR WATERFRONT CITY BERHAD

DIRECTORS' FIT AND PROPER POLICY

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1. INTRODUCTION

- 1.1 Iskandar Waterfront City Berhad (“**IWCity** or the **Company**”) has adopted the Directors’ Fit and Proper Policy to ensure a formal, rigorous and transparent process for the appointment and re-appointment of Directors on the Board of Company and its subsidiaries.
- 1.2 In formulating this policy, the Company is obliged to comply with the requirements contained in the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) and other applicable rules and regulations to ensure compliance with other obligations imposed.
- 1.3 The policy is to ensure that each of the Directors has the character, experience, integrity, competence and time to effectively discharge his/her role as a Director of the Company and its subsidiaries (“the Group”).
- 1.4 The policy serves as a guide to the Board of Directors (“the Board”) and the Nomination Committee (“NC”) in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election.

2. CRITERIA

- 2.1 The fit and proper criteria of a Director include but not limited to the following:
- 2.1.1 Character and Integrity
- (i) Probity
- is compliant with legal obligations, regulatory requirements and professional standards, where applicable; 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, oppressive, improper (whether unlawful or not), or which otherwise reflect discredit on his professional conduct;
 - service contract (i.e. in the capacity of Management or Director) had not been terminated in the past due to concerns on personal integrity; and

- has not abused other positions (i.e. political appointment) in a manner that contravenes the principles of good governance.
- (iii) Financial integrity
- manages personal debts or financial affairs satisfactorily; and
 - demonstrates 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; and
 - 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.

2.1.2 Experience and competence

- (i) Qualifications, training and skills
- possesses education qualification that is relevant to the skill set that a Director is earmarked to bring to bear onto the Board (i.e. a match to the Board skill set matrix);
 - has a considerable understanding on the business and workings of a corporation;
 - possesses general management skills as well as understanding of corporate governance and appreciation of sustainability issues;
 - keeps knowledge current based on continuous professional development; 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
 - had a career of occupying a high-level 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 gathered from the results of the Board effectiveness evaluation.

2.1.3 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 in the Board or track record
 - 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;
 - manifests passion in the vocation of a Director;
 - exhibits ability to articulate views independently, objectively and constructively; and
 - exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others

3. THE ASSESSMENT

- 3.1 The NC will evaluate candidate(s) for the new appointment as Director(s) based on the fit and proper criteria as spelt out in 2.1 above before recommending to the Board for approval. The candidate is required to complete the Directorship profile, self-declaration form, independence declaration form and any other necessary forms.
- 3.2 For the re-appointment of Directors, the Directors will be evaluated and assessed each person based on the Performance Evaluation Form (Individual Director Self / Peer Evaluation).
- 3.3 The results of the assessments are part of the Company's internal documents and shall not be disclosed or provided to any other party.

- 3.4 In the application of this Policy, the Board and NC shall be primarily responsible for conducting assessments on the fitness and propriety of directors and making decisions on their appointments.
- 3.5 The Company shall exercise the assessment objectively in the best of interests of the Company and the sound conduct of the Company's business. In conducting the assessment, the Company shall 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. NON-DISCLOSURE OF SENSITIVE AND CONFIDENTIAL INFORMATION

- 4.1 Whilst the Company should disclose the customized considerations and expectations in this Policy, the Company will not disclose any sensitive and confidential information of the candidate(s) or the Directors.
- 4.2 All the information gathered from the assessment shall be for the NC and the Board's strict use for the purpose of the assessment and not for public disclosure.

5. REVIEW OF THE POLICY

- 5.1 The NC shall recommend any change to the Policy as the NC deems appropriate to the Board for approval. The terms of the Policy shall be assessed, reviewed and updated where necessary i.e. when there are changes to the Malaysian Code on Corporate Governance, MMLR of Bursa Malaysia or any other regulatory requirements.

6. PUBLICATION OF THE POLICY

- 6.1 The Policy upon adoption by the Board shall be published on the Company's website.