



IVORY PROPERTIES GROUP BERHAD

(Registration No. 200401034702 (673211-M))

FIT AND PROPER POLICY

- Director

1. PURPOSE

- 1.1 A guide to the Nominating Committee ("NC") and the Board in their review and assessment of a potential candidate who are to be appointed onto the Board as well as Directors who are seeking for election or re-election in the Company and/or its subsidiaries.
- 1.2 To ensure that each of the Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders.
- 1.3 This fit and proper criteria will be applicable at the time of appointment as a Director and on a continuing basis as all Directors of the Company and/or its subsidiaries are expected to conduct themselves with highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

2. FIT AND PROPER 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

- complies with legal obligations, regulatory requirements and professional standards
- has not been obstructive, misleading or untruthful in dealings with regulatory bodies or a court

(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
- has not abused other positions (i.e. that he/she has held) in a manner that contravenes the principles of good governance

(iii) Financial integrity

- manages personal debts or financial affairs satisfactorily
- 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
- 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 the Director is earmarked to bring to bear onto the boardroom (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 sustainability issues
- keeps knowledge current based on continuous professional development
- 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
- 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
 - exhibits open mindedness to the views of others and ability to make considered judgment after hearing the views of others

3. ASSESSMENT AND EVALUATION

- 3.1 The NC will assess candidate for a new appointment or re-election as Director based on the criteria set under item 2.1 before recommending to the Board for approval. Failure to meet any factor does not necessarily mean failure to meet the fit and proper criteria. The Company will consider the specific circumstances for the Director's failure to meet the specific criteria due to other contributing factors and the significant of the event that may pose potential risk to the Company.
- 3.2 For new appointment, the candidate is required to complete the Prospective Director Information form and authorise the Company to perform background check, if required, which may cover previous employment verification, professional reference checks, education confirmation and/or criminal record and credit checks. For the appointment of Independent Director, the candidate is also required to complete the Independent Directors' Self-Assessment Checklist.
- 3.3 For re-election of Director, the Director will be evaluated based on the Board Evaluation Form. For re-election of Independent Director, the Director is required to complete the Evaluation of level of independence of a Director form.
- 3.4 The results of the assessments and evaluation are part of the Company's internal documents and shall not be disclosed or provided to any other party.

4. REVIEW OF THE POLICY

- 4.1 The terms of the Policy shall be assessed, reviewed and updated by NC where necessary when there are changes to the Malaysian Code on Corporate Governance, Listing Requirements of Bursa Malaysia Securities Berhad or any other regulatory requirements.
- 4.2 The changes to the terms of the Policy shall be subject to the approval of the Board.