



MALAYSIA AIRPORTS HOLDINGS BERHAD

Registration No. 199901012192 (487092-W)
(Incorporated in Malaysia)

DIRECTORS' FIT AND PROPER POLICY

(Date of Approval : 25 April 2022)

1.0 PURPOSE

This policy serves as guidance to Board Nomination & Remuneration Committee (“BNRC”) and Board of Directors (“the Board”) of Malaysia Airports Holdings Berhad (“MAHB” or “the Company”) in their assessment of candidates to be appointed as Directors of the Company as well as assessment of existing Directors who are seeking re-election at annual general meetings.

2.0 SCOPE

This policy applies to candidates to be appointed as Directors of the Company as well as existing Directors who are seeking re-election at annual general meetings.

Nonetheless, the appointment of Directors on the Board is subject to the provision of the Constitution of the Company. Among others, Rule 113 of the Company’s Constitution states that the Minister of Finance Incorporated (MOF Inc), the Special Shareholder, shall have the right from time to time: -

- (a) to appoint any person; or
- (b) to nominate any acting director (with the consent of the Director concerned),

to be a Government Appointed Director so that there shall not be more than six (6) Government Appointed Directors at any time comprising -

- (i) the Chairman of the Board of Directors;
- (ii) the Managing Director;
- (iii) One (1) representative each from the Ministry of Finance and the Ministry of Transport; and
- (iv) Two (2) other representatives as may be determined.

3.0 POLICY STATEMENT

- 3.1 All members of the Board are expected to possess the necessary qualities, competencies, and experience to perform their duties and carry out responsibilities as required from their position as Directors of the Company in the most effective manner.
- 3.2 The fit and proper assessment on any person identified to be appointed as a Director or to continue holding the position as a Director within MAHB Group shall be conducted prior to the initial appointment or proposed re-election/re-appointment as a Director. The fit and proper assessment of a Director may also be conducted whenever MAHB becomes aware of information that may materially compromise a Director's fitness and propriety.
- 3.3 In conducting the fit and proper assessment, BNRC and the Board shall be guided by the Directors' Fit & Proper Policy in Clauses 3.4, 3.5 and 3.6 below.
- 3.4 Any person to be appointed as a Director or to continue holding the position as a Director within MAHB Group must not be disqualified or deemed to be disqualified or vacated his office pursuant to Clause 3.5 below.

In assessing a person's fitness and propriety, the Board through BNRC, shall consider all relevant factors based on the following criteria: -

- (a) Character and Integrity;
 - (b) Experience and Competence; and
 - (c) Time and Commitment.
- 3.5 BNRC shall determine the specific factors for its consideration in the fit and proper assessment, having regard to circumstances and requirements relevant to MAHB Group. As outlined below, amongst the key factors to uphold the above criteria that would be assessed by BNRC are:-

(a) Character and Integrity

(i) Probity

- He/she is compliant with legal obligations, regulatory requirements, and professional standards, where applicable.
- He/she has not been obstructive, misleading, or untruthful in dealings with regulatory bodies or a court of law.

(ii) Personal Integrity

- He/she 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.
- His/her service contract (i.e., in the capacity of management or as director) had not been terminated in the past due to concerns on his personal integrity.
- He/she has not abused other positions in a manner that contravenes the principles of good governance.

(iii) Financial Integrity

- He/she manages personal debts or financial affairs satisfactorily.
- He/she demonstrates the ability to fulfill personal financial obligations as and when they fall due.

(iv) Reputation

- He/she is of good repute in the financial and business community.
- He/she has not been the subject of civil or criminal proceedings or enforcement action, in managing or governing an entity for the past ten (10) years.

- He/she has not been substantially involved in 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

- He/she possesses qualification that is relevant to the skill set that such director is earmarked to bring or to bear onto the boardroom (i.e., a match to the Board skill set matrix).
- He/she has a considerable understanding on the workings of a corporation.
- He/she possesses general management skills as well as understanding of corporate governance, and appreciation of sustainability issues.
- He/she keeps knowledge current based on continuous professional development.
- He/she possesses leadership capabilities and a high level of emotional intelligence.

(ii) Relevant experience and expertise

- He/she 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

- He/she had a career of occupying a high-level position in a relevant organisation and was accountable for driving or leading the organisation's governance, business performance or operations.

- He/she possesses commendable past performance record as gathered from the results of the Board Performance Evaluation.

(c) Time and Commitment

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

- He/she is 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 non-profit organisations).

(ii) Participation and contribution in the Board or track record

- He/she demonstrates willingness to participate actively in Board activities.
- He/she demonstrates willingness to devote time and effort to understand the business and exemplifies readiness to participate in events outside the Boardroom.
- He/she manifests passion in the vocation of a director.
- He/she exhibits ability to articulate view independently, objectively, and constructively.
- He/she exhibits open mindedness to the views of others and ability to make considered judgement after hearing the views of others.

3.6 A person who has been identified for appointment as a Director or for re-appointment/re-election as a Director within MAHB Group shall be required to make the fit and proper declaration in the form as set out in **Appendix 1** of this policy or in such other forms as the BNRC may from time to time prescribe or approve.

4.0 REVISION

- 4.1 BNRC will review the policy at least once every three (3) years or as and when necessary to ensure that it is in line with the requirements of the Company and will recommend any changes to the Board.
- 4.2 The Policy shall be made available on the Company's website.

DIRECTORS' DECLARATION OF FIT AND PROPER

Name : NRIC/Passport No :

do hereby solemnly affirm and declare the following: -

No.	Criteria	YES	NO
Probity, Personal Integrity and Reputation			
1.	I have not been the subject of any proceedings of a disciplinary or criminal nature or has been notified of any impending proceedings or of any investigations, which might lead to such proceedings.		
2.	I have not contravened any provision made by or under any written law designed to protect members of the public against financial loss due to dishonesty, incompetence, or malpractice.		
3.	I have not contravened any of the requirements and standards of a regulatory body, professional body, government, or its agencies.		
4.	I or any business in which I have a controlling interest or exercise significant influence, have not been investigated, disciplined, suspended, or reprimanded by a regulatory or professional body, a court or tribunal, whether publicly or privately.		
5.	I have not been engaged in any business practices which are deceitful, oppressive, or otherwise improper (whether unlawful or not), or which otherwise reflect discredit on my professional conduct.		
6.	I have not been dismissed, asked to resign, or have resigned from employment or from a position of trust, fiduciary appointment, or similar position because of questions on my honesty and integrity.		
7.	I have not 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.		
8.	I have not held a position of responsibility in the management of a business that has gone into receivership, insolvency, or involuntary liquidation while I was connected with that business.		
9.	I have not been a director of, or have been 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, or of any licensed institution, the licence of which has been revoked under any written law.		

No.	Criteria	YES	NO
10.	In the past, I have not acted unfairly or dishonestly in my dealings with my customers, employer, auditors, and regulatory authorities.		
11.	I have not at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities and failure to comply with legal, regulatory and professional requirements and standards, including compliance with tax requirements and obligations.		
12.	I have not contributed significantly to the failure of an organisation or a business unit.		
13.	I have not at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices.		
14.	I am free from any business or other relationship which could materially pose a conflict of interest or interfere with the exercise of my judgement when acting in the capacity of a Director of MAHB which would be disadvantageous to MAHB or MAHB's interest.		
Financial Integrity			
15.	I am and will be able to fulfill my financial obligations, whether in Malaysia or elsewhere, as and when they fall due.		
16.	To my knowledge, I have not been the subject of a judgement debt which is unsatisfied, either in whole or in part, whether in Malaysia or elsewhere.		
17.	I have not made arrangements with creditors, filed for bankruptcy or been adjudicated a bankrupt or had assets sequestered in any jurisdiction.		

*Where you have not ticked 'YES', please explain and/or provide the relevant documents.

Explanation for items not ticked 'YES'	
No.	Explanation

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 Name :
 Date :

Disclaimer : In the event of any discrepancy discovered from the background screening, the Company reserves its right to disqualify the candidate.