

LINGKARAN TRANS KOTA HOLDINGS BERHAD
(335382-V)
(Incorporated in Malaysia)

Minutes of the 21st Annual General Meeting (AGM) of the Company held at Permai Room, Kota Permai Golf & Country Club, No. 1 Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 30 August 2016 at 2.00 p.m.

- PRESENT : Directors
- Tan Sri Dato' Ir (Dr) Wan Abdul Rahman Bin Haji Wan Yaacob (*Chairman*)
Ir Haji Yusoff Bin Daud
Dato' Ir Chew Swee Hock
Dato' Haji Azmi Bin Mat Nor
Datin Lee Choi Chew
- ABSENT WITH APOLOGIES : Dato' Ir Ha Tiing Tai
Mr Saw Wah Theng
- : Shareholders and Proxies (collectively "Members")
- 147 members and 144 proxies.
- BY INVITATION Mr Richard Lim Kim Ong (*Chief Operating Officer*)
Mr Abraham Verghese (*Ernst & Young*)
Mr Lim Eng Hoe (*Ernst & Young*)
Cik Farah Halizah (*Ernst & Young*)
- SECRETARIES : Ms Lim Soo Lye
Ms Chiew Teng Juan
- QUORUM : There being a quorum, the 21st AGM was dully convened.
- NOTICE : The notice having been circulated in accordance with the statutory period was taken as read.

PRELIMINARIES

The Chairman welcomed the Members to Lingkaran Trans Kota Holdings Berhad's 21st AGM. He introduced the Board of Directors, the Senior Management and the Company Secretary to the meeting.

Poll Voting

The Chairman went on to explain that pursuant to the recent amendments to Bursa Malaysia Listing Requirements, voting on all resolutions set out in the notice of general meeting shall be conducted by poll. This amendment affects all general meetings held on or after 1 July 2016.

He introduced the Registrar, Insurban Corporate Services Sdn Bhd who shall be the Poll Administrator and the Independent Scrutineer, ED Zone Management Sdn Bhd to the Members.

He informed the Members that he will take the Members through all the resolutions set out in the notice of AGM before poll voting and the Poll Administrator and the Scrutineer will be given one hour to count and verify the votes cast.

1.0 AGENDA 1 - AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

The Chairman tabled the Audited Financial Statements of the Company for the financial year ended 31 March 2016 together with the Reports of the Directors and Auditors as set out in the 2016 Annual Report.

The Chairman informed the Members that the Board has received enquiries from the Minority Shareholder Watchdog Group ("MSWG") and requested Mr Richard Lim Kim Ong, the Chief Operating Officer of the Company to read out the Company's responses to the Members as requested by MSWG per Annexure 1 attached.

The meeting continued with the Chairman inviting questions from the floor in connection with the Company's Audited Financial Statements for financial year ended 31 March 2016. A copy of the Company's responses to the enquiries from the floor is attached as Annexure 2.

After much discussion, the Audited Financial Statements for the financial year ended 31 March 2016 together with the Report of the Auditors thereon were received by the Members.

2.0 AGENDA 2 TO 6

2.1

The Chairman took the Members through the following Resolutions set out in Agenda 2 to 6 as summarised below:

Agenda	Resolution	Description
2	1	Re-election of Mr Saw Wah Theng in accordance with Article 81 of the Company's Articles of Association
3	2	Re-appointment of Tan Sri Dato' Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob under Section 129 of the Companies Act, 1965
	3	Re-appointment of Dato' Ir Chew Swee Hock under Section 129 of the Companies Act, 1965
	4	Re-appointment of Ir Haji Yusoff bin Daud under Section 129 of the Companies Act, 1965
4	5	Approval of payment of Directors' fees of RM257,350

Agenda	Resolution	Description
5	6	Re-appointment of Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration
6	7	Approval for Tan Sri Dato' Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob to continue in office as Independent Non-Executive Director
	8	Approval for Dato' Ir Chew Swee Hock to continue in office as Independent Non-Executive Director

The Chairman invited questions from the floor in connection with the aforesaid Resolutions. A copy of the Company's responses to the enquiries from the floor is attached as Annexure 2.

3.0 ANY OTHER BUSINESS

As there was no any other business, the Chairman declared that the meeting shall continue with poll voting on the aforesaid resolutions and invited the Poll Administrator to brief the Members on the polling process.

4.0 POLLING PROCESS

Mr Joselito of Insurban Corporate Services Sdn Bhd (Poll Administrator) explained to the Members the polling procedures for the conduct of poll voting and informed the Members that the time allocated for Members to cast their votes is 10 minutes.

The Chairman adjourned the meeting for one hour to enable the Poll Administrator to count the vote cast and requested the Members to return to Permai Room at 4.00 p.m. for announcement of the poll results.

5.0 ANNOUNCEMENT OF POLL RESULTS

The Chairman called the meeting to order at 4.05 p.m. for announcement of the poll results. He informed the Members that he has received from the Poll Administrator the poll results verified by the Independent Scrutineer.

5.1 Resolution 1 - Re-election of Mr Saw Wah Theng in accordance with Article 81 of the Company's Articles of Association

The Chairman announced the poll result in respect of Resolution 1 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
276,825,681	99.99	14,500	0.01

The Chairman declared that Resolution 1 was duly passed as follows:

“That Mr Saw Wah Theng who retired by rotation in accordance with Article 81 of the Company’s Articles of Association, be hereby re-elected as Director of the Company.”

5.2 Resolution 2 - Re-appointment of Tan Sri Dato’ Ir (Dr) Wan Abdul Rahman Bin Haji Wan Yaacob under Section 129 of the Companies Act, 1965

The Chairman announced the poll result in respect of Resolution 2 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
273,068,233	99.69	851,000	0.31

The Chairman declared that Resolution 2 was duly passed as follows:

“That Tan Sri Dato’ Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob, retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting.”

5.3 Resolution 3 - Re-appointment of Dato’ Ir Chew Swee Hock under Section 129 of the Companies Act, 1965

The Chairman announced the poll result in respect of Resolution 3 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
273,087,433	99.70	831,800	0.30

The Chairman declared that Resolution 3 was duly passed as follows:

“That Dato’ Ir Chew Swee Hock, retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting.”

5.4 Resolution 4 - Re-appointment of Ir Haji Yusoff Bin Daud under Section 129 of the Companies Act, 1965

The Chairman announced the poll result in respect of Resolution 4 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
276,835,183	100.00	5,000	Less than 0.00

The Chairman declared that Resolution 4 was duly passed as follows:

“That Ir Haji Yusoff bin Daud, retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting.

5.5 Resolution 5 - Directors' Fees for financial year ended 31 March 2016

The Chairman announced the poll result in respect of Resolution 5 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
294,493,933	100.00	7,600	Less than 0.00

The Chairman declared that Resolution 5 was duly passed as follows:

“That the payment of Directors' fees of RM257,350 for the financial year ended 31 March 2016 be hereby approved.”

5.6 Resolution 6 - Re-appointment of Auditors

The Chairman announced the poll result in respect of Resolution 6 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
294,498,933	100.00	2,600	Less than 0.00

The Chairman declared that Resolution 6 was duly passed as follows:

“That Messrs Ernst & Young be hereby re-appointed as Auditors of the Company and that the Directors be authorised to fix their remuneration for the ensuing year.”

5.7 Resolution 7 - Approval for Tan Sri Dato' Ir (Dr) Wan Abdul Rahman Bin Haji Wan Yaacob to continue in office as Independent Non-Executive Director

The Chairman announced the poll result in respect of Resolution 9 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
255,149,831	93.15	18,769,402	6.85

The Chairman declared that Resolution 7 was duly passed as follows:

“That subject to the passing of Resolution 2, approval be and is hereby given for Tan Sri Dato' Ir (Dr) Wan Abdul Rahman bin Haji Wan Yaacob who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company.”

5.8 Resolution 8 - Approval for Dato' Ir Chew Swee Hock to continue in office as Independent Non-Executive Director

The Chairman announced the poll result in respect of Resolution 8 as follows:

FOR		AGAINST	
No. of Shares	%	No. of Shares	%
255,154,831	93.15	18,764,402	6.85

The Chairman declared that Resolution 8 was duly passed as follows:

“That subject to the passing of Resolution 3, approval be and is hereby given for Dato' Ir Chew Swee Hock who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than 9 years, to continue to act as an Independent Non-Executive Director of the Company.”

CLOSE OF MEETING

There being no other business, the meeting closed at 4.10 p.m. with a vote of thanks to the Chair.

CONFIRMED

CHAIRMAN

Reply to Minority Shareholder Watchdog Group (“MSWG”)’s enquiries dated 24 August 2016

- Q1. In relation to the innovative contra flow traffic management scheme to address waiting and travelling time, queue lengths, traffic congestion and the implementation of a fully electronic toll collection (“ETC”) SYSTEM at the toll plaza, could the Board please share on the following:
- (a) What is the capital expenditure, if any that the Board has allocated for the enhancement schemes and the conversion of the manual collection system into a fully ETC system?
 - (b) What is the Board’s assessment of the Group revenue and bottom-line in the near and longer term following:
 - i. The completion of the Puchong Utama Interchange and the Board’s expectation of the peak hours congestions at the Puchong Perdana Interchange and Kg. Bharu Puchong Interchange.
 - ii. The completion of the construction works on the ground level of MRT and LRT extension projects along certain stretches of LDP and SPRINT Highway respectively together with the completion of the corresponding rectification works on the affected pavement stretches.
 - iii. In the near term, traffic volume at the two highways under LITRAK (LDP and SPRINT) could face threat from new public transportation infrastructure – KVLRT2 and KVMRT1 that will start operations over the next 12-15 months. How does the Board view this and what is the threat that the Board can anticipate in terms of the risks impacting the Group revenue and bottom-line vis-à-vis toll rates increase?

A1. (a)

Description	Amount (RM)
Total capital expenditure for northbound contra flow management scheme under FYE 2017	697,962.30
Total capital expenditure for northbound contra flow management scheme under FYE 2016	364,050.00
TOTAL	1,062,012.30

As for conversion of the manual collection system into a fully ETC system, RM470,000 has been allocated for the purpose.

- (b)i. The expected opening of the newly built Puchong Utama Interchange this coming 24 Sep 2016 is not expected to add significantly to Group revenue. It is primarily a congestion mitigation plan to address the currently saturated existing interchanges at Puchong Perdana and Kg Bharu Puchong by providing an additional traffic dispersal point between the LDP and local roadside developments between the two existing Interchanges.

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- (b)ii. The completion of the construction works on the ground level of MRT and LRT extension projects along certain stretches of LDP and SPRINT Highway respectively together with the completion of the corresponding rectification works on the affected pavement stretches will not have any significant impact to Group revenue and bottom-line.
- (b)iii. The Kelana Jaya and Ampang LRT Line Extensions went operational on 30 June 2016 and since then we have not seen any significant adverse impact to tollable traffic volumes at both LDP and SPRINT Highway. The KVMRT Line 1 will only be fully completed next year and based on a study done by an independent traffic consultant, there will also not be any significant adverse impact to tollable traffic at both the highways.

For the toll increase to users that was implemented on 15 October 2015, there was a significant reduction in tollable traffic of approximately 9% when comparing traffic for the month prior to toll increase and the month after toll increase.

- Q2. The Chairman’s Statement reported that on 15 October 2015, the toll rates charged to users for all classes of vehicles except for buses were increased to the rates allowed for in the Concession Agreement, which the users were supposed to incur from 1 January 2011 while the third and final scheduled toll increase due on 1 January 2016 had been deferred until further notice. What is the shortfall under the Concession Agreement in view of the same toll rate charged for buses?
- A2. The toll rate for buses from 1 January 2016 should have been increased to RM3.10 but the Government of Malaysia decided to defer the increase until further notice.

The shortfall in toll revenue for the calendar year 2016 for not increasing the toll rate charged for buses is estimated to be RM0.8 million which according to the Concession Agreement will be compensated by the Government of Malaysia.

- Q3. What is the amount of cash and bank balances of a subsidiary that are pledged for the financing facilities of the Group and the nature of security arrangements in connection with the subsidiary’s ICP/MTN that had expired on 15 April 2015 (Reference: Notes 20 & 27)?
- A3. The Sukuk Musyarakah ICP/MTN were issued together with IMTN I and IMTN II in 2008 as a single unit Islamic financing program. The ICP/MTN had a shorter tenure of 7 years compared to IMTN of 15 years but they were constituted by a single Sukuk Musyarakah Trust Deed.

The expiry of ICP/MTN on 15 April 2015 did not reduce the pledge of cash and bank balances as the same pledge is still required for the IMTN I & II which will expire in 2023. Please refer to Note 27 on page 96 of the 2016 Annual Report of the Company for details of the security arrangements.

Reply to Minority Shareholder Watchdog Group (“MSWG”)’s enquiries dated 24 August 2016

Q4. We note that two independent directors had served in the Board for a period of 19 years. In line with the recommendation 3.2 Malaysian Code on Corporate Governance 2012 (“Code”), we would like the Board to address the positions of the long serving directors and have a succession planning in place.

We note that the Board has adopted a mandatory retirement age limit of 75 years for independent directors. Please share on the rationale for policy and the reasons it was not adopted for all board members.

A4. Our Chairman, Tan Sri Dato’ Ir (Dr) Wan Abdul Rahman, if re-appointed on 30 August 2016, will retire at the conclusion of the next Annual General Meeting in 2017 having reached the age of 75 in line with the Company’s policy on retirement age of 75. The other independent director, Dato’ Ir Chew Swee Hock who is 73 years of age is still eligible to continue, if reappointed by the shareholders for 2 more years.

The Nomination Committee and Board of Directors are well aware of the impending vacancies and shall do the necessary in order to ensure the ratio requirement for independent directors is met.

The retirement age limit of 75 years applies to all directors.

Q5. It is recommended that the Board put in place a Board Charter as a principle document governing the roles and responsibilities of the Board and its members in line with the Code.

A5. As mentioned in our Corporate Governance Statement, although the Board does not have a Board Charter as envisaged by the Code, nonetheless the suggested contents of the Board Charter have been in place in the Company for a long time already. The Board has been and is still guided by the Directors’ Manual adopted since 2002.

The Manual sets out amongst others, the Board composition, the major duties and responsibilities of Directors, schedules of matters reserved for the Board’s decision, terms of reference of the Chairman, the Executive Director, the Senior Independent Non-Executive Director, the Executive Committee, the Audit Committee, the Nomination Committee, the Remuneration Committee, the ESOS Committee and the Investment Committee, the Risk Management Policies and Procedures, Shareholders Communication & Investor Relation Policy, principles and best practices of corporate governance, statutory and regulatory requirements.

Reply to Enquiries Raised at the Annual General Meeting held on 30 August 2016

- Q1. With reference to the toll rate increase which took effect on 15 October 2015 and also the completion of the LRT Ampang Line and Kelana Line extension;
- a. It was reported the 2016 Annual Report that the average weekday tollable traffic on LDP and SPRINT Highway for the current financial year ended 31 March 2016 as compared to the previous year has declined by 1.8% and 0.9% respectively. Has the Company studied and identified which of the 4 toll plazas on LDP and 3 toll plazas on SPRINT Highway contributed to the decline in the traffic of the respective highways and which toll plaza on LDP and SPRINT Highway was most affected by the toll increase?
 - b. Ever since the completion of LRT Ampang Line and Kelana Line extension, I noticed the morning traffic on both bounds of Damansara Link and the toll free route passing by Eastin Hotel has reduced and less congested. On the way to Kuala Lumpur city centre from Petaling Jaya via Kerinchi Link, the tailback from the ingress into the Link to Damansara Town and Jalan Semantan was also shorter as compared to what it used to be. I believe the lesser traffic was due not only to the toll rate increase in October 2015 but also the LRT Ampang Line and Kelana Line extension. Can the Company let us know the impact of the LRT extension for the past few months on LDP and SPRINT Highway.
- A1. a. LDP's toll rate was increased from RM1.60 to RM2.10 on 15 October 2015. The impact of the increase was quite significant with traffic volume dropped by 9% to 9.5% compared to the month before toll increase.
- The impact of the toll increase on traffic was evenly spread across all toll plazas. The lower traffic is due to the carry on effect of toll increase in October 2015. It will take some time for the traffic volume to pick up again. The lower traffic could also be due to the economy being a bit uncertain and hence people not travelling as much.
- Similar to LDP, traffic volume on SPRINT Highway also dropped evenly across all toll plazas.
- b. LRT Ampang Line and Kelana Line extensions have only started operation on 30 June 2016 and as such the Company would only have 2 months' data thus far. Based on July 2016's data, the Company did not notice any drop in traffic as a result of the LRT extensions. Nevertheless, with Hari Raya Aidilfitri in July, traffic volume recorded was not normal and as such, further study is required on the actual impact of LRT extension. However, at the moment, we anticipate the LRT extensions have no significant impact on the traffic volume of both LDP and SPRINT Highway. Moreover, the catchment areas for both the LRT lines were also a bit different from LDP's and SPRINT Highway's.
- Q2. a. It is mentioned on page 15 of the 2016 Annual Report that the 3rd and final toll increase for LDP as scheduled in the Concession Agreement was due on 1 January 2016. Please confirm if this is the final as per the Concession Agreement. If yes, what is the agreed rate and when will it be implemented?

Reply to Enquiries Raised at the Annual General Meeting held on 30 August 2016

- b. On the implementation of 100% Electronic Toll Collection (ETC) on LDP and SPRINT Highway using mainly Touch 'n Go and SmartTAG, there should be reduction in manpower requirement. Can you share with us what is the cost saving in that regard and will part of the existing staff be retrenched or redeployed?
- c. Sistem Penyuraian Trafik KL Barat Sdn Bhd (SPRINT)'s contribution from the toll increase in October 2015 is not for the full year from 1 April 2015 to 31 March 2016. Contribution from SPRINT was RM11 million for financial year ended 31 March 2016, it should be higher next year since toll rate charged to users has increased since October 2015. How much is SPRINT's expected contribution for one whole year based on extrapolation of the last 3 months' contribution?
- d. Based on pages 95 and 108 of the 2016 Annual Report regarding borrowings (Sukuk Musyarakah Medium Term Notes), I noted the loan and interest/profit repayment profile escalating over the tenure. How does the repayment of principal RM70 million affect the interest payment moving forward. Also, how will it affect the future cashflow of the Company? Will the Company need additional loan?
- A2. a. The 3rd and final toll rate for LDP per the Concession Agreement (until end of the concession year) is RM3.10 and not RM2.10, which is what the users are paying now. According to the Concession Agreement, the final toll increase for LDP was supposed to take effect on 1 January 2016. However, the Government did not allow the increase and as such we are still charging the users RM2.10 but the Government should be compensating the difference of RM1.00 in accordance with the Concession Agreement.
- b. On the implementation of 100% ETC, there will be some savings in manpower. However, as we were planning to move forward towards implementation of 100% ETC, we have already planned for the required reduction. As such, there will not be any retrenchment. Moreover, the Government has also requested concessionaires not to retrench workers. As such most of the reduction in toll operations staff were by natural attrition or if any new recruit is required, it will be on contract basis.

Nevertheless, we still need staff at toll lanes as the Touch 'n Go (TnG) system is not fully automated and as such unable to differentiate the different classes of vehicles. Therefore, we still need the toll tellers to key the classes of vehicles passing through the toll lanes. In short, TnG has not incorporated the features to recognise the different classes of vehicles which we hope should be in place by year 2020 when we move into the next phase of toll collection system using the gantry system.

As such, in terms of savings from reduction in manpower, the amount will be very small as payroll cost does not make up a significant portion of the Company's expenses. The Company's biggest cost is interest cost as mentioned in (d) below.

Reply to Enquiries Raised at the Annual General Meeting held on 30 August 2016

- c. SPRINT's toll revenue is expected to be higher next year due to the expected higher traffic volume not because of the higher toll rate implemented since October 2015. Any shortfall in toll rate charged to users before the toll increase in October 2015 was compensated by the Government. In short, SPRINT either gets payment from the users or from the Government. Since toll increase in October 2015, the Government need not compensate SPRINT as actual toll rate charged is per Concession Agreement.
- d. Loan repayment will step up from the current RM70 million to RM110 million within one to 2 years followed by RM560 million within two to five years and it will reach as high as RM200 million a year towards the end of the financing period. On the other hand, interest/profit payment will decrease from RM80 million to RM40 million. As such, in term of cash flow, the amount going to the bond holders is still on an increasing trend (The repayment of principal will be on an increasing trend) until the loan amount is fully settled in financial year 2023, after which the Company's cash flow position will become very strong.
- Q3. With the implementation of 100% ETC, what is the time lag for Touch 'n Go to pay the toll collected to the Company?
- A3. Payment is on the next day.
- Q4. How long does it takes for the Company to receive toll compensation from the Government?
- A4. According to the Concession Agreement, the compensation will be paid in two installments. For example, for year 2015 the 50% advance compensation will be paid in 2015 around June to September and the balance in 2016 around August. Unfortunately, this year a lot of concessionaires are due to receive compensation. It is quite a long process before a company can get the compensation where the figures must be audited by the auditors before certification. In view of the larger number of concessionaires receiving compensation this year, compensation from the Company is taking longer than usual this year but thus far, the Government has been paying compensation to the Company since 1999.
- Q5. Now that Sistem Penyuraian Trafik KL Barat Holdings Sdn Bhd (SPRINT Holdings) has started to make profit, when will the company start paying dividend?
- A5. SPRINT Holdings will not be paying dividend in the near future though it recorded profit in financial year ended 31 March 2016. It has an accumulated loss of about RM400 million and with the large amount of outstanding loan, it does not has enough free cash flow to pay dividend.
- Q6. a. Now that poll voting has been implemented for general meetings of public listed companies, MSWG sometimes feels it may not be effective as the objections of the minority shareholders may not have much impact. In Malaysia, a lot of major shareholders of public listed companies owned more than 40% or a big block of a company's shares. We have recommended to the Regulator to consider having 2-tier voting procedure where there is a separate tier for the minority

Reply to Enquiries Raised at the Annual General Meeting held on 30 August 2016

shareholders, otherwise, it would be unfair as the minority shareholders would be out voted under poll voting in such situation.

- b. As one of the Director standing for re-election is absent today. I would like to express that MSWG normally does not have issue if a Director is not present at AGM. However, we do not agree if a director standing for re-election does not attend the AGM for his re-election unless is a matter of life and death. AGM's date should be fixed on a date where all directors are available. It is usually fixed well in advance and I hope this is so for the Company and the Directors should be committed to the date fixed.
- c. It is stated in page 27 of the 2016 Annual Report that the Board has adopted a policy that the retirement age of the Independent Directors shall be 75 years. I understand from the Company's response to MSWG's enquiry that the retirement age of all Directors including the Non-Independent Directors are 75 years of age. It is a recently implemented policy as the Annual Report only mentioned Independent Directors?
- d. MSWG is not concern with the age of a director. We are of the view that as long as a person is capable and able to contribute to a company, he should not be penalised because of his age. MSWG never pursue to set age limit for directors. However, we have issue with the tenure of an independent director. An independent director amongst other conditions set out in the Listing Requirements-
- Must not be connected to any executive director, officer or major shareholder of the company;
 - Have not served as an executive director of the company for the past 2 years;
 - Must not have substantial contract with the company;
 - Must not have major shares in the company.

On 3 August 2016, Bank Negara has issued a new set of guidelines for independent directors of the banking industry including the below:

- The Chairman must not be the Executive Director;
- No director of a bank should be an active politician (Member of Parliament, State Assemblyman or holding position in political party);
- Have not served as CEO of the bank in the past five years.

- A6. c. It is the Company's policy that the retirement age limit of 75 years apply to all Directors. The information stated in page 27 was in respect of Independent Director.