



HeiTech®

HeiTech Padu Berhad

[199401024950 (310628-D)]

DIRECTORS' CONFLICT OF INTEREST POLICY

Date:
Version 1.0

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Company Number: 199401024950 (310628-D)

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1.0 INTRODUCTION

HeiTech Padu Berhad ("**HTP**" or "**Company**") is committed to meeting its obligations towards ensuring compliance with the relevant provisions of the Main Market Listing Requirements ("**MMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and other relevant regulatory requirements. Directors are under a duty to avoid any conflicts of interest when making decisions for the company in which they are a director of. Directors have a responsibility to prevent situations where the interests of their company, conflicts directly or indirectly with their own interests or with their obligations to another person.

As such, the Company has adopted the Directors' Conflict of Interest Policy ("**DCOI Policy**") which set out proper identification, disclosure and handling of conflicts of interest between its directors and the Company which are necessary to ensure that decisions are always made in the Company's best interests and that it is protected from any adverse impact on its operations and reputation for the Boards of HTP and its subsidiaries.

2.0 OBJECTIVE

The **DCOI Policy** is applicable to all Directors. It is intended to safeguard the best interests of the Company and to ensure that actual, perceived and/or potential conflicts of interest are effectively identified and managed. In essence, the DCOI provides the Company guidance on how to deal with conflict of interest situations as they arise.

In particular, this DCOI Policy seeks to:

- (a) guide Directors in identifying actual, perceived and/or potential COI with external parties;
- (b) ensure that if any COI arises, proper processes are in place for the declaration, handling, and resolution of the COI in line with regulatory requirements; and
- (c) assist Directors in avoiding or minimising the possibility of COI arising or being perceived while carrying out their duties and responsibilities for the Company.
- (d) Uphold the Company's commitment to transparency, integrity, and compliance with all applicable laws and regulations, including the Main Market Listing Requirement, Companies Act 2016, and other regulatory requirements.

3.0 APPROVING AUTHORITY

- (i) At HTP's level

The Board of Directors of HTP ("**Board**") is the approving authority of the DCOI Policy.

(ii) At the subsidiary companies' level

The subsidiary companies of HTP are to adopt the DCOI Policy upon approval. All references to the Company in this DCOI Policy will apply to the subsidiary company as if the subsidiary company is named herein.

4.0 RESPONSIBILITY

The Company Secretary of HTP is responsible for the development and maintenance of the DCOI Policy, including any reviews, amendments, additions or deletions of any provision herein.

5.0 IDENTIFYING CONFLICTS OF INTEREST

It is important that the Directors understand that this DCOI Policy cannot encompass every possible scenario of a COI. Therefore, it is important that Directors not only adhere to the literal interpretation of this DCOI Policy but also to the underlying principles and intentions of this DCOI Policy.

Some common non-exhaustive examples of COI are described below:

- (a) Directorships in common with, employment and/or interest in entities that have a business relationship with the HTP Group.

A COI may exist where a Director holds a directorship, is employed by or has an interest in entities that have a business relationship with the HTP Group. For example, a Director serves as a director in a company providing consultancy services to the HTP Group. In this situation, the Director's impartial performance of his/her duties and responsibilities to the Company may be undermined as the Director may be tempted to influence decisions in a way that benefits the consulting firm financially, even if it does not align with the best interests of the Company.

A COI situation however does not automatically exist where the Director hold shares in publicly quoted companies which have a business relationship with the HTP Group. A COI would only exist where such shareholding is considered to be Material and could potentially compromise the objectivity of the Director in question.

- (b) Directorship, employment, business appointments or undertakings in entities having no business relationship with the HTP Group

A COI may also exist where a Director holds a directorship, is employed by or have other business appointments or undertakings in an entity that has no business dealings with the HTP Group.

In such situations, the Company's interest may be adversely affected if the Director's involvement in the business activity and/or undertaking outside of the Company requires an excessive amount of his/her time and focus, diminishing the Director's ability to effectively carry out his/her duties and responsibilities. Similarly, a COI situation may arise where a Director holds a directorship, is employed by or has financial or other interests or any involvement in a competitor's business. In such case, the Director may have divided loyalties, as their interests in the competitor company may influence their decision and potentially undermine the best interests of the HTP Group.

This situation would be further intensified if the Director has access to the Confidential Information of HTP Group and may potentially use such knowledge in their decision-making process.

(c) Personal relationships

A COI could arise where a Director's Family Member has an interest (i.e. ownership, directorship, partnership, employment, etc.) in entities which have, or may have, a business relationship with HTP Group. For example, the Director's Family Member is a Director in a company that provides outsourcing services to HTP Group, or the Director's Family Member is employed in a company that is bidding for a project to be awarded by HTP Group. This situation could compromise the Director's ability to make impartial decisions and could raise concerns about potential bias or favouritism.

(d) Contractual dealings with HTP Group

Contractual arrangements between Directors and HTP Group may also give rise to a COI. Examples of such situations are where the Director leases his/her property or equipment to HTP Group, or where a Director or his/her Family Member is granted a loan by HTP Group.

(e) Involvement in activities where the Director concerned is the subject matter

A Director who participates in activities where he/she is the subject of the discussion or where the decision involves him/her gives rise to a COI situation. For example, a Director who is involved in evaluating his/her own performance or determining his/her own compensation may be inclined to make an evaluation or decide on his/her compensation in his/her favour, potentially compromising the fairness and objectivity of the process.

(f) Acceptance of gifts, meals or entertainment

The objectivity and judgment of a Director can be influenced by the acceptance of gifts, meals or entertainment and as such, may constitute a COI. It is the duty of Directors to comply in conjunction with the anti-bribery clause in Anti-Bribery Policy to ensure that he/she does not receive or provide anything that could create a COI or cast doubt on their integrity or impartiality.

6.0 GENERAL RESPONSIBILITIES OF DIRECTORS

A Director shall:

- (a) at all times exercise his/her duties in good faith in the best interest of the Company;
- (b) exercise reasonable care, skill and diligence with the knowledge, skill and experience which may reasonably be expected of a director having the same responsibilities, and any additional knowledge, skill and experience which the Director in fact has;
- (c) exercise awareness and mindfulness to ensure that he/she does not intentionally or subconsciously puts himself/herself or his/her Family Members in a position that would conflict with the interest or statutory duties of the Company;
- (d) take measures to safeguard his/her independent judgment and prevent any negative impact on the performance of his/her duties to the Company arising from their own financial circumstances and transactions;
- (e) refrain from having any direct or indirect Financial Interest or otherwise in entities involved in, or anticipated to be involved in business transactions with HTP Group;
- (f) immediately declare and notify the nature and extent of any COI he/she is aware of or the absence thereof (annually through the Annual Declaration of COI) in accordance with this DCOI Policy;
- (g) in addition to complying with this DCOI Policy, comply with all applicable provisions, policies, laws, rules and regulations of Malaysia for the time being in force, which include, among others, as follows:
 - (i) Sections 219 and 222 of the Companies Act 2016;
 - (ii) Paragraphs 7.25 and 10.08(6) of the MMLR of Bursa Securities;
 - (iii) Audit Committee Terms of Reference;
 - (iv) the Company's Constitution; and
 - (v) Board Charter of HTP.
- (h) demonstrate objectivity, integrity and independence and always use sound judgment and discernment when making decisions for the Company.

7.0 DECLARATION OF CONFLICT OF INTEREST

- 7.1 A Director must declare and notify the nature and scope of any COI he/she has to the Board (or where it is not appropriate to do so, to the AC) and the Company Secretary. This should be done by completing and submitting the Annual Declaration of COI as set out in **Appendix 1** of this DCOI Policy as soon as he/she becomes aware of the existence of the COI. The Company Secretary will, thereafter, bring this to the Internal Auditor to present the COI matter to AC and Board at its meeting for discussion and resolution. If there are any changes in the nature and extent of the COI after the initial disclosure, the Director shall make a further disclosure of these changes.

7.2 Self-Identification by a Director

- (a) Where a Director has identified and disclosed a COI, the following actions will be taken:
- (i) the Conflicted Director will continue to receive Board papers or other information related to the COI, unless the Conflicted Director requests otherwise or the Chairman of the Board determines that it is not in the best interest of the Company;
 - (ii) the Conflicted Director will physically excuse himself/herself from participating in any Board meetings during discussions concerning the COI; and
 - (iii) the Conflicted Director will abstain from voting on the COI matter.
- (b) If a majority of the Non-Conflicted Directors, who have no interest in the matter, decides that the disclosed COI should not disqualify a Conflicted Director from being present during the consideration of the matter, then Clause 7.2(a)(ii) of the DCOI Policy will not be applicable. The Conflicted Director may be present solely to fulfill the quorum requirement at the Board meeting, but he/she shall not participate in any discussions related to the matter for which the COI exists. The Conflicted Director shall also abstain from voting on the said matter in accordance with Section 222 of the CA 2016.
- (c) The Company Secretary shall minute the COI declaration and the decision made regarding the COI matter.

7.3 Identification by Others

If a COI that is identified by a person other than the Conflicted Director is or is likely to be brought before the Board, and there is concern that the disclosure of such COI matter to or in the presence of the Conflicted Director:

- (a) would not serve the best interests of the Company; or
- (b) cause that Conflicted Director to be in a position of conflict,

then the matter should be referred to the AC. Upon consideration by the AC in consultation with the Internal Auditor and the Company Secretary, the AC may recommend to the Board, and the Chairman of the Board may determine, that the Conflicted Director is indeed in a position of conflict. In such circumstances, the Conflicted Director:

- (a) will not receive Board papers or other information which relates to the COI matter;
- (b) shall physically excuse himself/herself from any part of a Board meeting for the duration of any discussion on the COI matter; and
- (c) shall abstain from voting on the COI matter.

7.4 Annual Declaration of COI

Even in the absence of any COI, all Directors are still required to make an annual COI declaration by completing and submitting the Annual Declaration of COI. The Annual Declaration of COI must be disclosed to the Board and recorded by the Company Secretary.

7.5 To further manage and monitor COI:

- (i) the Company Secretary will remind the Directors to declare all COI matters, if any, in writing via email or such other means as directed by the Company Secretary, upon issuance of the Notice and Agenda of the respective Board meetings;
- (ii) the Chairman of the Board or Chairman of the meeting shall remind the Directors to declare any COI related to agenda items at the start of each Board meeting; and
- (iv) appropriate measures will be taken to manage and mitigate the impact of the COI. Internal Audit will take appropriate actions depending on the nature and severity of the COI.

8.0 EXCEPTION FROM THE DCOI POLICY

This DCOI Policy shall not apply to an arrangement or transaction by an entity within the HTP Group and:

- (i) any of its wholly-owned subsidiaries;
- (ii) its holding company which holds all the issued shares of the entity within HTP Group; or
- (iii) which is a wholly-owned subsidiary of a holding company and another wholly-owned subsidiary company of that same holding company.

Other than the above, any exception from the DCOI Policy must require the approval of the Board or the ARMC, as the case may be.

9.0 BREACH OF THE DCOI POLICY

A Director who fails to disclose a COI, provide complete and accurate information, or appropriately manage the COI is in breach of the DCOI Policy. If a Director is suspected to have breached the DCOI Policy, the matter will be presented to the Board or the AC where the Director will be afforded an opportunity to explain his/her alleged breach.

If the Board or the AC having heard the explanation of the Director, as well as having conducted an investigation (if warranted by the circumstances), determines that there is in fact a breach, it shall take appropriate action which may include the removal of the Director (subject to the relevant regulatory authorities' approval), as appropriate, as well as a reassessment of whether the COI matter was made in the best interests of the Company at the time it was undertaken, and decide whether such matter should be discontinued or terminated.

9.0 MAINTENANCE OF RECORDS

- 9.1 The Company Secretary shall document each disclosure of COI made by the concerned Director in the minutes of the meeting at which the declaration was made. If the declaration was made outside of a meeting, in the minutes of the next meeting.
- 9.2 The Company Secretary shall maintain and update the records in the COI Register for Directors (refer to **Appendix 2**) on each Director's COI.
- 9.3 The COI records will be made available for inspection by auditors or other regulatory authorities upon request.

10.0 REVIEW OF THE POLICY

The Policy will be reviewed once every three (3) years or as and when deemed necessary by the Company Secretary or the Board of Directors of HTP to ensure that it is line with the latest developments in the laws and regulatory requirements relating to COI. Any amendment to the DCOI Policy shall be subject to the approval of the Board.

ANNUAL DECLARATION FOR CONFLICT OF INTEREST BY A DIRECTOR

In compliance with HeiTech Padu Berhad's ("HTP" or "**Company**") Directors' Conflict of Interest Policy ("**DCOI Policy**"), a copy of which has been furnished to me, I hereby disclose that I, my Family Member or Related Party (as defined in the DCOI Policy) have the following affiliations, interests or relationships, and/or have taken part in the following transactions:

NO.	CONFLICT ON INTEREST DECLARATION	YES	NO
		Please indicate with a tick (✓)	
1.	<p>Do you, a Family Member or Related Party hold, directly or indirectly, a financial interest or other substantial personal interest or affiliation with any company, vendor or firm with which HTP and/or the HTP Group has or proposes to enter a business or contractual relationship ("Participating Vendor")?</p> <p><i>Example: Serve as a board member, officer, or provide service to boards of Participating Vendor.</i></p>		
2.	<p>Are you a director, executive, advisory board member, limited partner, officer, trustee or hold another position of authority to influence, directly or indirectly, any organisation, firm, company whether joint venture, owned or partially owned by your organisation that would, directly or indirectly, compete with any HTP and/or the HTP Group's businesses?</p> <p><i>Example: Hold a board seat or executive position of an entity or any of its subsidiaries that has competing interests to HTP and/or the HTP Group.</i></p>		
3.	<p>Do you, a Family Member or Related Party hold, directly or indirectly, have or had a compensation relationship with any company, vendor or firm with which HTP and/or the HTP Group has or proposes to enter a business or contractual relationship that has resulted in or could result in personal benefit to you, a Family Member or Related Party?</p> <p><i>Examples: Compensation for employment or independent contractor services, consulting fees, board stipends or fees, cash or cash equivalents, loans, entertainment, gifts, discounts, free services, advisory committee fees, favours, honoraria, royalties, personal services, other indebtedness of any kind, etc.</i></p>		
4.	<p>Have you, a Family Member or Related Party used non-public information of HTP and/or the HTP Group, a Participating Vendor/member or other strategic alliance for personal benefit?</p>		

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NO.	CONFLICT ON INTEREST DECLARATION	YES	NO
		Please indicate with a tick (✓)	
5.	Have you, a Family Member or Related Party taken personal opportunities related to HTP's business by using HTP's and/or the HTP Group's property, information, or position for personal gain, or competed with HTP for business opportunities?		
6.	Have you, a Family Member or Related Party used HTP's and/or the HTP Group's assets, labour or information for personal use without prior approval by the Board or the Chairman of the Board as part of an approved Board communication, compensation or expense reimbursement program?		
7.	Do you, a Family Member or Related Party have an equity investment in any company, vendor or firm with which HTP and/or the HTP Group has or proposes to enter into a business or contractual relationship?		
8.	Are there any other interests, activities, investments or involvement that you think might be relevant for full disclosure of all actual, perceived or potential conflicts of interest?		

* Where you have ticked 'YES', please disclose the details of your interests such as the name of the company, number of shares, percentage of shareholding, relationship, etc. and/or provide the relevant supporting documents

Details of Interests		
Name of Company [includes those of Family Member]	Nature of Interest [shares / employment/ family / financial or time obligations]	Brief Description of COI [business dealings / role of employment / salary, financial or time obligation, amount]

Name: _____ NRIC/Passport No.: _____ do hereby solemnly affirm and declare the following:

- (i) I have received a copy, read and understand the DCOI Policy.
- (ii) I agree to comply with the DCOI Policy.
- (iii) I agree to report to the Board/AC and the Company Secretary of HTP any change in the responses to each of the foregoing questions that may result from changes in circumstances or any further Financial Interest (as defined in the DCOI Policy),

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situation, activity, interest or conduct that may develop before completion of my next annual disclosure under this Annual Declaration of COI.

- (iv) The information contained in this Annual Declaration of COI is true and accurate to the best of my knowledge and belief.
- (v) I am the individual named above who completed and signed the Annual Declaration of COI.

I AGREE to the statements above/I DO NOT AGREE to the statements above*

**please strikethrough whichever is not applicable)*

Name of Director :

Date :

Signature :



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APPENDIX 2

CONFLICTS OF INTEREST REGISTER FOR DIRECTORS

Company Name:

CONFLICTS OF INTEREST REGISTER FOR DIRECTORS				
NAME OF DIRECTOR	PERSON AND/OR ORGANISATION INTEREST	NATURE OF CONFLICTS OF INTEREST	DATE OF DECLARATION	DELIBERATION/ DECISION BY THE BOARD (EXTRACT OF MINUTES MAY BE ATTACHED)